BEZEQ THE ISRAELI TELECOMMUNICATION CORP. LTD.

To:
Israel Securities Authority

To:
Tel Aviv Stock Exchange Ltd.

November 4, 2025

Immediate Report – Engagement in an Addendum to the Agreement Between the Company and Gilat IRU

Dear Sir/Madam,

The company is pleased to report that on November 3, 2025, it signed with Gilat Telecom Ltd. (Gilat) an addendum to a long-term agreement for the provision of an Indefeasible Right of Use (IRU) in a fiber service (wholesale market). This represents an expansion of the company's existing agreement with Gilat dated December 15, 2024, under which Gilat was granted the right to use 18,000 optical fiber lines, for a period of 15 years, from January 15, 2025, for a total consideration of approximately NIS 140 million (of which approximately NIS 90 million are for one-time payments).

According to the addendum to the agreement, Gilat was granted the right to use an additional 90,000 lines, which will be utilized gradually in 4 stages for a usage period of 15 years, starting from the determined date of payment for each batch which constitutes a part of a stage.[1] The consideration for the addendum to the agreement is expected to amount, depending on the realization of all stages by Gilat, to an aggregate sum of over NIS 600 million (of which approximately NIS 400 million for one-time payments, as well as annual maintenance fees plus interest and/or linkage differences according to the agreement's terms), with the majority of the consideration expected to be paid over the first years of the addendum.

The expanded agreement includes the possibility for upgrading speeds and extending the usage periods for two option periods (at Gilat's discretion) of five years each, at a lower cost per line than in the initial agreement periods. Exercising these options will result in a corresponding increase in the total monetary scope of the agreement. The addendum to the agreement is expected to increase the utility and utilization of the company's fiber network, its revenues and profits, as well as its free cash flow (mainly in the initial years), and increase certainty regarding future revenues from the wholesale market for the included lines.

Part of the information in this report constitutes forward-looking information as defined under the Securities Law, 1968, based on the company's estimates, inter alia, regarding the structure of competition and regulation in the telecommunications sector, the conduct of telecommunications operators and consumer behavior, as well as the manner in which Gilat will exercise the right to use the lines in the various regions. These estimates and actual results may change accordingly, depending on changes in the aforementioned factors.

Respectfully,
BEZEQ THE ISRAELI TELECOMMUNICATION CORP. LTD.

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[1] There is a limitation on exercising each of stages 2 to 4 (which include 18,000 lines in each stage) depending on the increase in Gilat's total activity as stipulated in the agreement.