Danel (Adir Yehoshua) Ltd.
DANEL (ADIR YEOSHUA) LTD
Registration number: 520037565

To: Israel Securities Authority	To: Tel Aviv Stock Exchange Ltd.	T081 (Public)	Filed via MAGNA: 23/03/2026
www.isa.gov.il	www.tase.co.il		Reference: 2026-01-025915

Immediate report on cash dividend distribution for securities
Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

1. We hereby report that on the date *23/03/2026*it was decided to pay a dividend.

2. Record date (ex-date): *30/03/2026*
Payment date: *20/04/2026*

3. Payment details:

- Dividend distributed by an Israeli resident company (for the composition of the dividend sources and tax rates see section 7a)
- Dividend distributed by a real estate investment fund (for the composition of the dividend sources and tax rates see section 7c)

Eligible security number	Name of the security	Dividend amount per one security	Dividend amount currency	Payment currency	Representative exchange rate for payment as of date	Individuals tax %	Companies tax %
314013	*Danel HR Ord.*	*3.8915*	*NIS*_________	*NIS*	_________	*25*	*0*

- Dividend distributed by a foreign resident company (for the tax rates see section 7b)

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Security number	Name of the security	Gross amount per one security	Amount currency	Foreign tax %	Treaty tax %	Remaining tax for individuals to be withheld in Israel %	Remaining tax for companies to be withheld in Israel %
_________	_________	_________	_________	_________	_________	_________	_________
		Amount to be paid in Israel per one security	Payment currency	Representative exchange rate for payment as of date		Actual tax for individuals in Israel %	Actual tax for companies in Israel %
		_________	_________	_________		_________	_________

The amount of the dividend to be paid should be specified with an accuracy of up to 7 digits after the decimal point when the dividend currency is NIS, and up to 5 digits after the decimal point when the dividend currency is another currency.

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4. The total amount of the dividend to be paid is: *22,518,519NIS*_________.

5. The remaining profits of the corporation as defined in section 302 of the Companies Law, 5759-1999, after the distribution which is the subject of this report, amount to:
*183,800,000NIS*_________

6. Process of approving the dividend distribution:
Resolution of the Company's Board of Directors dated March 23, 2026. For further details see later in this report.
The above distribution is with court approval pursuant to section 303 of the Companies Law *No*
The final dividend amount per share is subject to changes due to _________
The final dividend amount per share may be updated up to 2 trading days before the record date.

7. The withholding tax rates specified below are for the purpose of withholding tax at source by TASE members.

7a. Composition of dividend sources distributed by an Israeli resident company from shares and financial instruments, excluding a REIT fund.

	% of the dividend	Individuals	Companies	Foreign residents
Income subject to corporate tax (1)	*100*	25%	0%	25%
Income sourced abroad (2)	*0*	25%	23%	25%
Income from an approved/benefited enterprise (3)	*0*	15%	15%	15%
Income from a benefited Irish enterprise until 2013 (4)	*0*	15%	15%	4%
Income from a benefited Irish enterprise from 2014 (5)	*0*	20%	20%	4%
Preferred income	*0*	20%	0%	20%
Income from an approved tourism/agricultural enterprise (6)	*0*	20%	20%	20%
Income from an approved/benefited enterprise that submitted a waiver notice (7)	*0*	15%	0%	15%
Distribution classified as capital gain	*0*	25%	23%	0%
Distribution by Participating unit	*0*	*0*	*0*	*0*
Other	*0*	*0*	*0*	*0*

Explanation:

(1) Income subject to corporate tax – income from distribution of profits or from a dividend originating from income produced or accrued in Israel that was received directly or indirectly from another corporate entity subject to corporate tax.

(2) Income sourced abroad is income produced or accrued abroad and not taxed in Israel.

(3) Including income from a benefited tourism enterprise where the year of election/operation is up to 2013.

(4) Benefited Irish enterprise where the year of election is up to 2013.

(5) Benefited Irish enterprise where the year of election is from 2014 onwards.

(6) Including income from a benefited tourism enterprise where the year of election/operation is from 2014 onwards.

(7) Approved or benefited enterprise that submitted a waiver notice by 30.6.2015, after being charged corporate tax to which it was liable.

7b. Dividend distributed by a foreign resident company

	Individuals	Companies	Foreign residents
Dividend distributed by a foreign resident company	25%	23%	0%

7c. Dividend distributed by a real estate investment fund

	% of the dividend	Individuals (1)	Companies	Corporate foreign residents	Exempt mutual fund	Provident fund (2)
From capital gains on real estate, capital gain and depreciation (3)	________	25%	23%	23%	0%	0%
Other taxable income (such as rent)	________	47%	23%	23%	23%	0%
From income-producing real estate for rental housing purposes	________	20%	20%	20%	0%	0%
Income taxed at the fund level (4)	________	25%	0%	25%	0%	0%
Exceptional income	________	70%	70%	70%	60%	70%
Other	________	________	________	________	________	________
Weighted withholding tax rate	100%	________	________	________	________	________

(1) Individuals – including income of a taxable mutual fund, individual foreign residents.

(2) A provident fund for pension or for compensation or for severance pay as defined in the Income Tax Ordinance, as well as a foreign provident fund or pension fund that is a resident of a treaty country.

(3) From capital gains on real estate or from capital gain, excluding from the sale of real estate held for a short period, as well as income in the amount of depreciation expenses.

(4) Distribution from income taxed at the fund level pursuant to section 64A4(e).

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8. Number of the corporation's dormant securities that are not entitled to dividend payment and for which a waiver letter must be provided to receive the dividend payment *469,972*

9. Effect of the dividend distribution on convertible securities:

- The company has no convertible securities
- The dividend distribution has no effect on the convertible securities
- The effect of the dividend distribution on the convertible securities is as follows:

Name of the security	Security number	Comments
Danel Warrant 2021	3140167	Other *The current exercise price will be reduced by the gross dividend per share*
Danel Warrant 2023	1198654	Other *The current exercise price will be reduced by the gross dividend per share*

10. Recommendations and decisions of the directors in connection with the dividend distribution in accordance with Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970:

Below are details regarding the examination conducted by the Board of Directors when making the decision on the dividend distribution regarding the Company's compliance with the distribution tests: 1. The Company's Board of Directors, after examining the Company's compliance with the distribution tests set forth in section 302(a) of the Companies Law, 5759-1999 (hereinafter: the "Distribution Tests"), including the profits test and the solvency test, reached the conclusion that the Company meets the Distribution Tests. 2. The Company has accumulated profits enabling the distribution of the dividend (the Company's profit balance before the distribution is NIS 206.3 million). 3. The Company's Board of Directors examined the Company's ability to distribute the dividend while examining the Company's financial position, and among other things the following were examined: 3.1. The Company's cash and cash equivalents balance as of December 31, 2025, which amounts to approximately NIS 213.4 million; 3.2. The balance of the Company's liabilities to banks that extended credit to the Company as of the date of approval of the dividend distribution. 3.3. Various scenarios of the Company's cash flow in the coming years. 3.4. The effect of the dividend distribution on the Company's capital structure, its liquidity position and its ability to continue operating in its current business format, including the Company's investment plans in various matters and the resources required for their implementation. 4. The Company's Board of Directors reached the following conclusions: 4.1. That the Company's cash and cash equivalents balance as of December 31, 2025 and the forecasted cash balance for the coming years allow the Company to make the said dividend distribution without adversely affecting the Company's financial position, its capital structure (also with respect to working capital), its future investment plans and leverage level. 4.2. Even after the dividend distribution, the Company will continue to comply with all the financial covenants to which it is committed, pursuant to its credit agreements and its obligations toward the banks and its obligations toward others. 5. The information specified in paragraphs 4.1 to 4.2 above is forward-looking information, as defined in the Securities Law, 5728-1968. The Company's assessments as stated in these sections above are based on the Company's analysis of its cash flow, the Company's existing and expected obligations toward banks and the Company's bondholders, the Company's expectations regarding future cash flow and the examination of the financial covenants to which the Company is committed. These assessments may not materialize, in whole or in part, or may materialize in a manner materially different than expected, inter alia as a result of changes in the Company's investment needs (including unforeseen investments the Company may be required to make), market conditions, political and security changes, regulatory changes (including regarding National Insurance) and changes in the Company's assessment of its ability to cope in the relevant fields in which the Company operates.

Details of the signatories authorized to sign on behalf of the corporation:

	Name of signatory	Position
1	Ilan Ovadia	*Chief Financial Officer*
2	Erez Yitzhaki	*Company Legal Counsel*

Explanation: According to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports) (5730 – 1970), a report filed pursuant to these regulations shall be signed by those authorized to sign on behalf of the corporation. The Staff's position on the matter can be found on the Authority's website: Click here .

Reference numbers of previous documents on the subject (the reference does not constitute incorporation by reference):

The corporation's securities are listed for trading on the Tel Aviv Stock Exchange Form structure update date: 21/10/2025
Short name: Danel
Address: Aba Hillel12 , Ramat Gan5250606 Telephone: 03-7564032 , Fax: 03-7564031
Email: ilanov@edanel.co.il

Previous names of reporting entity:

Name of electronic reporter: Erez YitzhakiPosition: Legal CounselName of employing company:
Address: Aba Hillel 12 , Ramat Gan5250606Telephone: 03-7564032Fax: 03-7564031Email: erezy@edanel.co.il