

DELTA ISRAEL BRANDS LTD (דלתא ישראל מותגים בע"מ)

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To:

- Israel Securities Authority (www.isa.gov.il)
- Tel Aviv Stock Exchange Ltd (www.tase.co.il)

Immediate Report on Cash Dividend Distribution for Securities

Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

1. We hereby report that on the date:

17/11/2025 a decision was made to pay a dividend.

2. Record Date (Ex-date):

25/11/2025

3. Payment Date:

09/12/2025

4. Payment Details:

- Dividend distributed by an Israeli resident company (for composition and tax rates see Section 7a)

Eligible Security Number	Security Name	Dividend per Security	Dividend Amount Currency	Payment Currency	Representative Rate Date	Individual Tax %	Corporate Tax %
1173699	Delta Brands Share	1.115053	NIS	NIS	—	25	0

The dividend amount per security is final. The total dividend amount might change if additional entitled shares are exercised or allotted before the record date.

5. Total dividend amount to be paid:

27,901,012 NIS

6. Corporation retained earnings after this distribution as defined in Section 302 of the Companies Law, 1999:

111,452,000 NIS

7. Dividend distribution approval procedure:

The dividend was approved by the company's Board of Directors on 17/11/2025 after ensuring the distribution meets the profit and solvency tests as defined in section 302 of the Companies Law, 1999. The distribution is out of surplus and it was confirmed there is no reasonable concern that the company will be unable to meet its existing and expected liabilities at their due time. For further disclosure regarding the parameters considered by the Board, see details below.

Court approval for this distribution according to Section 303 of the Companies Law: No

- The final dividend per share may change due to circumstances (can be updated up to 2 trading days before the record date).

8. Withholding tax rates for this distribution (for TASE members):

7a. Composition of the dividend distributed by an Israeli resident company (excluding REIT):

Income Source	% of Dividend	Individuals	Companies	Foreign Residents
Taxable income under corporate tax (1)	100%	25%	0%	25%
Income sourced abroad (2)	0%	25%	23%	25%
Approved/preferred enterprise income (3)	0%	15%	15%	15%
Preferred enterprise Ireland to 2013 (4)	0%	15%	15%	4%
Preferred enterprise Ireland from 2014 (5)	0%	20%	20%	4%
Preferred income	0%	20%	0%	20%
Approved tourist/agricultural enterprise (6)	0%	20%	20%	20%
Approved/preferred with waiver (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%

For explanations of income sources (1)-(7), see end of document.

7b. Dividend distributed by a foreign resident company:

Individuals	Companies	Foreign Residents
25%	23%	0%

7c. Dividend distributed by a Real Estate Investment Trust (REIT):

Source	% of Dividend	Individuals (1)	Companies	Resident Companies	Exempt Fund	Pension Fund (2)
Capital gain, appreciation, depreciation (3)	0	25%	23%	23%	0%	0%
Other taxable income (e.g., rent)	0	47%	23%	23%	23%	0%
From income-producing residential real estate	0	20%	20%	20%	0%	0%
Income taxed at REIT (4)	0	25%	0%	25%	0%	0%
Extraordinary income	0	70%	70%	70%	60%	70%
Other	0	0%	0%	0%	0%	0%

Explanations: (1) Includes income of taxable mutual funds, individual foreign residents; (2) Various recognized pension products; (3) Except for short-term real estate sales and depreciation expenses income; (4) Distribution from income taxed at the fund pursuant to Section 64A4(e).

9. Number of the corporation's dormant securities not entitled to dividend payment, requiring a waiver letter to receive the dividend:

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10. Effect of the dividend distribution on convertible securities:

- The effect of the dividend distribution on convertible securities is as follows:

Security Name	Security Number	Notes
Delta Brands 10/21	1182724	The current exercise price will be multiplied by the ex-dividend rate of the share and divided by the closing price of the share on the trading day before ex-date.

11. Board Recommendations and Decisions Regarding Dividend Distribution (per Reg. 37(a) (1)):

Below are details of the review conducted by the board in connection with the above-mentioned dividend decision:

a. The company's board examined the company's compliance with the profit test, solvency test, and the legal limitations under Section 302(a) of the Companies Law, 1999, and approved that the company meets these tests regarding the declared dividend.

b. For the profit test, the board approved the dividend distribution based on the company's surplus as of September 30, 2025, which exceeds the approved distribution amount.

c. For the solvency test, the board considered the following: the company's financial state as of 30.09.2025, including liquid balances and outstanding financial debt; forecasted cash flow for the next three years; and the company's ability to raise funds if needed. Upon reviewing these, the board confirmed solvency for this distribution.

d. The board estimates that the dividend distribution will not materially adversely affect the company's financial position, capital structure, debt status, liquidity, or ability to operate as usual.

e. The board does not rely on profit from the revaluation of financial assets or instruments.

f. Forecasted data and assessments in (c) and (d) above are forward-looking information under the Securities Law, 1968, based on the company's analysis. Expectations might not materialize, or might materialize differently, due to market changes in Israel, capital markets, exchange rates, or the markets where the company operates, which may impact its performance and results.

Authorized Signatories for the Corporation:

Name	Position
Tal Peretz	CFO (Chief Financial Officer)

Previous reference numbers on this subject: —

Additional Company Details

- **Short Name:** Delta Brands
- **Address:** 45 HaEshel St., Caesarea, 3088900
- **Phone:** 076-8177229
- **Fax:** 076-8177280
- **Email:** tal.peretz@deltagalil.com
- **Company Website:** www.delta-israel.com

Electronic Filer Name: Odeh Ayham
Title: Controller
Filer Email: aiham.odeh@deltagalil.com
Filer Phone: 076-8177285

Explanations on Tax Sources (per notes in section 7a):

- (1) Includes distributed profits or dividends sourced from income generated in Israel directly or indirectly from another entity liable to corporate tax.
- (2) Income sourced abroad not taxed in Israel.
- (3) Including income from a "preferred tourist enterprise" with selection/operation year up to 2013.
- (4) Preferred enterprise Ireland chosen up to and including 2013.
- (5) Preferred enterprise Ireland selected from 2014 and on.
- (6) Including income from a preferred tourist/agricultural enterprise with selection/operation year from 2014 and on.
- (7) Approved or preferred enterprise that issued a waiver notice up to June 30, 2015, after corporate tax was already deducted.

Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Form Structure Update Date: 21/10/2025