

DIRECT FINANCE OF DIRECT GROUP (2006) LTD

("the Company")

October 21, 2025

To:

Israel Securities Authority

www.isa.gov.il

TEL AVIV STOCK EXCHANGE LTD

www.tase.co.il

Dear Sir/Madam,

Subject: Issuance of Bonds by Way of Private Placement (Expansion of Series 7)

The Company is pleased to announce that on October 21, 2025, the Company's Board of Directors approved a private placement to investors listed in the First Addendum to the Securities Law, 1968 ("Securities Law" and "Classified Investors", respectively), of NIS 250,000,000 par value of the Company's bonds, registered and each with a par value of NIS 1 ("the Bonds"), listed for trading on the TEL AVIV STOCK EXCHANGE LTD ("the Exchange"), by way of series expansion, in accordance with the following details:

1. The terms of the Bonds to be allocated under this report will be identical to the terms of the Bonds in circulation, which were first issued to the public and listed for trading on the Exchange pursuant to the Shelf Offering Report dated April 3, 2025 (Reference No.: 2025-01-024522) (this information is incorporated by reference) (**the Shelf Offering Report**), published under the Company's Shelf Prospectus, published on May 23, 2023, dated May 24, 2023 (Reference No.: 2023-01-047140) (this information is incorporated by reference), and also in accordance with the provisions of the Deed of Trust for the Bonds, signed on April 3, 2025, between the Company and the trustee for the bondholders, Reznik Paz Nevo Trustees Ltd., and attached as Appendix B to the Shelf Offering Report¹⁰¹ ("the Deed of Trust").

2. The Bonds to be allocated under this report will, from the date of their registration for trading on the Exchange, constitute a single series for all intents and purposes together with the Bonds in circulation, for a total par value of NIS 510,823,000.

3. The total immediate (gross) consideration for the Bonds to be allocated under this report will be NIS 257,975,000, reflecting a price of 103.19 agorot for each NIS 1 par value ("the Allocation Price").

4. The existing Bonds in circulation issued under the Shelf Offering Report were issued without discount. As of the date of this report, the adjusted value (principal and interest) of each NIS 1 par value of the Bonds is 102.27 agorot ("the Adjusted Value"). The Bonds are issued under this report at the Allocation Price, which is above the Adjusted Value, and therefore are issued without discount.

5. It should be noted that the Company complies with the provisions of Section 2.4 of the Deed of Trust, regarding the conditions required for the issuance of additional Bonds under this report.

6. Additional Details

- **6.1.** As of the date of this report, the Bonds are rated A1.il, with a stable outlook, by Midroog Ltd.¹⁰²
- **6.2.** The Bonds to be allocated under this report will, after their allocation, be subject to resale restrictions in accordance with Section 15C of the Securities Law and the regulations enacted thereunder.
- **6.3.** The allocation of the Bonds subject to this report is conditional upon receiving the Exchange's approval for their registration for trading.

Sincerely,

DIRECT FINANCE OF DIRECT GROUP (2006) LTD

Signed by Eran Golan, CEO
and Oren Shkedi, CFO and VP Business Financial Development

Alt: Company Logo

FOOTNOTE:

¹⁰¹ See also the Company's immediate report dated December 30, 2021 (Reference No.: 2021-01-116794) (this information is incorporated by reference).

¹⁰² For more details, see the immediate report dated October 21, 2025 (Reference No.: 2025-15-078337) (this information is incorporated by reference).