



**September 8, 2025**

ELECTRA LTD.  
("the Company")

To:

Israel Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

Tel Aviv Stock Exchange Ltd.  
[www.tase.co.il](http://www.tase.co.il)

**Subject: Immediate Report**

The Company is pleased to announce that on September 7, 2025, it entered into an agreement with Israel Infrastructure Fund – Tashl ("the Purchaser") for its entry as an investor in Electra Afikim Ltd. and Electra Motors Ltd. (together: "the Sold Companies"), as part of a transaction for the purchase of part of its shares in the Sold Companies, which as of the date of this report are held by the Company at a rate of 51% ("the Transaction").

The Transaction will be carried out in two stages, as follows:

- 1.** In the first stage, the Purchaser will acquire 16.67% of the shares of the Sold Companies in exchange for approximately NIS 125 million, which will be paid to the Company and the Sela family according to their share in the Sold Companies, so that upon completion of the first stage, the Purchaser, the Company, and the Sela Group will hold approximately 16.67%, 41.67%, and 41.67% of the issued share capital of each of the Sold Companies, respectively ("the First Stage");
- 2.** In the second stage, the Purchaser will acquire an additional 16.67% of the shares of each of the Sold Companies for an additional NIS 125 million, so that upon completion of the second stage, each of the Company, the Purchaser, and the Sela Group will hold 33.33% of the issued share capital of each of the Sold Companies ("the Second Stage").

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The total transaction value of the Sold Companies on which the two stages are based is NIS 750 million. In addition, as stated, the transaction included additional arrangements between the parties, so that the total consideration expected to be received by the Company upon completion of the first stage is approximately NIS 100 million, and upon completion of the second stage, the Company is expected to receive an additional amount of approximately NIS 63 million (for a total consideration of approximately NIS 163 million after completion of both stages).

As part of the transaction, representations were given and an indemnification mechanism was agreed upon as customary in such agreements (the Company's liability under the transaction is limited to its share in the Sold Companies' shares). Completion of the first stage of the transaction is subject to several conditions precedent as customary in such agreements, including receipt of approval from the Supervisor of Transportation at the Ministry of Transport, receipt of third-party approvals, and the absence of any material adverse change in the business of the Sold Companies. The second stage of the transaction will be carried out by Tashl Fund 5 once it completes fundraising, as stipulated in the agreement, and at that time, approval from the Competition Authority will also be required.

Upon completion of the first stage of the transaction, shareholders' agreements in each of the Sold Companies will come into effect, including arrangements regarding the parties' relations as shareholders in the Sold Companies, as customary in such agreements. In addition, with respect to Electra Afikim Ltd., it was determined that as long as the Company holds at least 30% of the issued share capital of Electra Afikim Ltd. and no other shareholder holds a higher percentage, it will have a casting vote on material matters, so that even after completion of the first and second stages of the transaction, the Company will continue to control and consolidate the financial statements of Electra Afikim Ltd. Additional mechanisms were also set in the shareholders' agreement between the Company and the Purchaser in the event the casting vote is exercised by the Company.

According to the Company's assessment, subject to completion of the transaction (both stages), upon completion of the first stage, the Company is expected to record a capital gain (before tax) of approximately NIS 40-50 million.

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**The Company's assessments regarding the completion of the transaction (including completion of the second stage), its terms at the completion dates, the expected capital gain, and the Company's rights after completion constitute forward-looking information, as defined in the Securities Law, 1968, based on information available to the Company as of the date of the report and includes the Company's assessment based, among other things, on its past experience, its estimates regarding the fulfillment of the conditions precedent, and the intentions the Company has as of this date. This information may not materialize (in whole or in part) or may materialize in a manner materially different from the Company's assessments and forecasts, also as a result of reasons not solely dependent on the Company and which the Company cannot foresee at the date of the report, including the non-fulfillment of the conditions precedent and dependence on third parties as well as risk factors applicable to the Company's activities as detailed in the risk factors section of the Company's periodic report.**

Respectfully,  
ELECTRA LTD.

**Signatories:**

Shai Amsalem, CFO

Ronit Barzilai, VP and Legal Counsel