Date: July 28, 2026

Electra Ltd.

("the Company")

To

Israel Securities Authority

www.isa.gov.il

To

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

Subject: Immediate Report

("the Project")

Further to the Company's immediate reports dated February 20, 2024 and May 19, 2024 (reference numbers: 2024-01-017871 and 2024-01-048382, respectively) and to what was stated in Note 14d(4) to the Company's consolidated financial statements within the Company's Periodic report for 2025 as published on March 25, 2026 (reference number: 2026-01-026741) (**"2025 Periodic report"**), the Company is honored to announce that on July 27, 2026, the financial closing was completed, within which it signed, through N-Light Rail Line Ltd., a special purpose company held by the Company at a rate of 40.05% (**"the Concessionaire"**), a series of agreements regarding the provision of financing for the performance of a project for the design, construction, operation, and maintenance of the 'Nofit' light rail line between Haifa and Nazareth (**"Financing Agreements"** and **"the Project"**, respectively).[1]

1. The Financing Agreements were signed between the Concessionaire and a consortium of banking corporations and institutional entities, organized by Bank Leumi Le-Israel Ltd. (**"the Lenders"**).

2. The Financing Agreements include the provision of credit facilities, in a total amount of approximately NIS 3.9 billion, including bridge facilities for a construction grant to be paid by the State, a short-term facility (which will be repaid from a long-term loan) and additional ancillary facilities.

3. The loan to be taken from the long-term facility will be repaid during the operation and maintenance period of the Project through periodic payments from the State.

4. The short-term and long-term loans, including a bridge facility for equity and ancillary facilities, will bear index-linked NIS interest based on Israel Government BONDS with a matching duration or bank of Israel interest plus a margin in the range of 1.5% to 2.18% per year, in accordance with the provisions of the Financing Agreements.

5. The equity in the Project as of the financial closing date is estimated at a total of approximately NIS 460 million (plus linkage), of which the Company's share stands at a total of approximately NIS 185 million (plus linkage). The Company will provide its share of equity through an equity bridge facility, and will also provide a bank guarantee in a similar amount to secure the repayment of the bridge facility.

6. The provision of each loan is subject to the fulfillment of several conditions precedent, as customary in such projects, and in financing agreements of this type, including: (a) registration of the collateral required under the Financing Agreements and keeping them in force; (b) existence of valid insurance; (c) receipt of a work start order from the Ordering Party under the concession agreement, (d) provision of guarantees, (e) receipt of permits, (f) non-existence of a breach of the Financing Agreements; (g) correctness of representations and declarations of the Concessionaire according to the Financing Agreements and other conditions.

7. Within the Financing Agreements, grounds for immediate repayment of the loans were established as customary in financing agreements of this type, such as and among others, non-payment on time, breach of representations and obligations, insolvency proceedings and non-compliance with established financial covenants.

8. According to the Financing Agreements, the Concessionaire is not entitled to take on additional debt, except for specific exceptions listed in the Financing Agreements.

[1] For details about the Project, see the Company's immediate report dated February 20, 2024 (reference number: 2024-01-017871)

9. Within the Financing Agreements, financial covenants were established for the Concessionaire, as customary in financing agreements of this type: historical debt service coverage ratio[2], projected debt service coverage ratio[3], and life of loan coverage ratio[4], where for each of the financial covenants detailed above it is required that the coverage ratio will not be lower than 1.05.

Additional Agreements

10. In addition, the Concessionaire entered into additional agreements required for the purpose of performing the Project, among them, a design and construction agreement with the construction contractor of the Project (the Group's share in the total execution is estimated at approximately 21.5%) for the performance of the full design and construction works of the Project in an expected scope totaling approximately NIS 4.6 billion (**"the Construction Agreement"**), in addition to additional scopes that will be paid according to bills of quantities, as well as an operation and maintenance agreement with the operation and maintenance contractor of the Project, a special purpose company established for the purpose of operation and maintenance of the Project which Electra Afikim Ltd. holds 50%, for the provision of full operation and maintenance services in the Project, which are expected to total a sum of approximately NIS 5 billion.

11. Concurrently with the signing of the Financing Agreements, an amendment to the concession agreement regarding the Project entered into effect, within which several adjustments to the concession agreement were established, including: extension of the concession period by 4 additional months, an additional payment to the Concessionaire in the amount of approximately NIS 200 million regarding damages and mutual waiver of claims (including failure to meet the financial closing completion date according to the concession agreement) as well as additional scopes.

Pledges and Collateral

12. In accordance with the Financing Agreements, various pledges will be registered in favor of the Lenders, including a fixed pledge and a floating pledge on all assets and rights of the Concessionaire and a fixed pledge on the shares and rights of the shareholders in the Concessionaire, as customary in projects of this type.

13. By virtue of the Construction Agreement and the Operation and Maintenance Agreement, the contractors (through the shareholders) will provide various collaterals to the Concessionaire, including performance guarantees and guarantees to the Ordering Party, as customary in projects of this type.

The Company's assessments regarding the Project and the Project financing as detailed above, including the assessments regarding the consideration expected to be paid within the framework of the Construction Agreement and the consideration expected to be paid to the operation and maintenance contractor of the Project, constitute forward-looking information, as defined in the Securities Law, 1968, based on information existing in the hands of the Company as of the date of the report and including an assessment of the Company relying, among other things, on its past experience, data provided to it within the framework of the tender, including the forecasts of the Ordering Party, its bid in the tender, and intentions the Company has as of this date. This information may not be realized (in whole or in part) or may be realized in a materially different way from the Company's assessments and forecasts, inter alia, as a result of dependence on third parties (including, but not limited to, the Lenders), from changes in the political and economic situation in Israel, and from other risk factors relevant to the Company's activities, as detailed in section 80 of the 2025 Periodic report.

Sincerely,

Electra Ltd.

Details of Signatories:

Shay Amsalem, CFO

Ronit Barzilai, VP and General Counsel

[2] Means the ratio between the cash flow available for debt service during the 12 months preceding the calculation date and the debt service in this period

[3] Means the ratio between the projected cash flow available for debt service during the 12 months starting from the calculation date and the projected debt service in this period

[4] Means the ratio between the discounted value at the calculation date of the projected cash flow available for debt service until the final repayment date and the debt balance at the calculation date