

**This is an English translation of a Hebrew immediate report that was published on February 28, 2022 (reference no.: 2022-01-019965) (hereafter: the “Hebrew Version”). This English version is only for convenience purposes. This is not an official translation and has no binding force. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.**



February 28, 2022

To	To
Israel Securities Authority	Tel Aviv Stock Exchange
<a href="http://www.isa.gov.il">www.isa.gov.il</a>	<a href="http://www.tase.co.il">www.tase.co.il</a>

**Re: Immediate report**

In light of the reports regarding the enhancement of the Russian military attack on Ukraine, the Company wishes to update as follows:

The Company's outstaffing services sector, conducted through the Central Company for Innovation and Encouragement High Tech Ltd. ("**Central Company**") and several Ukrainian corporations, all fully owned subsidiaries of the Company, is operated from the Central Company's offices in Lviv and Ivano-Frankivsk in western Ukraine, relatively close to the Polish border, using more than 300 independent contractors.

Up to the date hereof, there have been no significant changes in the number of contractors engaged by the Company, no damages were caused to the Central Company's contractors or offices, and the sector's activity was not affected by any material interference with the receipt of electricity or communication services.

The Company prepared itself in advance to provide living and working spaces for its contractors in Krakow, Poland, and in the last days assisted some of its contractors and their families to temporary move to Krakow. In addition, the Company prepared its offices in Ukraine by stocking of food, equipment and generators, as well as engaging with a foreign communications provider, to provide it with communication services if the local providers will not be able to provide the same.

The Central Company also arranged for living arrangement in Western Ukraine, for use of its contractors from other parts of Ukraine.

Up to the date hereof, the Company continues to provide its services to all its customers and none of its customers or contractors has requested to terminate its engagement with the Central Company.

It's hereby emphasized that as of the date hereof, the Company is unable to, fully and clearly, estimate the implications on the Central Company's business of further enhancement of the Russian attacks in Ukraine.

The company continuously follows the evolution of the events in Ukraine, examines the implication thereof on the Company's business, and will update regarding any material effects on the Company, if and to the extent required.

The continuation of the attacks on Ukraine and the escalation of the relationship between Russian and Ukraine, may have a material effect in the Company's business and operating results.

**Please note that the matters and forecasts set forth in this immediate report regarding the effects of the Russian attacks of Ukraine of the Company's business, are forward looking statements within the meaning of the Securities Law, 1968, based on the information known to the Company as of the publication of this immediate report. There is no certainty that such forecasts will take place at all or might take place in a materially different way from what is stated above.**

Sincerely,

Group 107 Ltd.

Signed by:

Adi Katz, CEO and Director