

I.E.S. Holdings Ltd. ("the Company")

To

Israel Securities Authority

www.isa.gov.il

To

Tel Aviv Stock Exchange Ltd.

www.tase.co.il

Subject: Government of Israel Decision No. 4297 for the Promotion of Ovda Aviation Industry Park - "Airpark" Project

Further to the matters stated in the Company's Periodic report for 2025¹ and the Q1 2026 report² regarding the "Airpark" Ovda project, the Company is pleased to update that on July 6, 2026, Government of Israel Decision No. 4297 (dated June 28, 2026) was published, approving a multi-year plan for the strengthening and development of the city of Eilat and the Hevel Eilat Regional Council for the years 2026-2030 ("Government Decision")³.

Within the framework of the aforementioned Government Decision, it was determined that for the benefit of infrastructure development for the establishment of an international aviation park in Ovda, the Ministry of Economy and Industry will act to plan, promote, and develop the park. In addition, the decision included additional sections with implications for the Airpark project, including an employer incentive track aimed at employing high-wage workers, as well as a track for attracting manufacturing plants aimed at attracting investments in industrial plants.

This decision constitutes another significant milestone regarding the promotion and development of the aviation park.

The Company is examining the Government Decision and its possible implications for its activities and rights in the Airpark project, and intends to act before the relevant parties regarding the realization of the above.

It is clarified and emphasized that the proceedings for the promotion of the Airpark project are still in the initial stages and their success is subject to the completion of procedures and compliance with conditions, including, among others, eligibility conditions according to relevant legislation and standards, completion of complex statutory, regulatory, engineering, planning, financing, and business procedures, the duration of which is prolonged and control over which is not in the Company's hands, and therefore there is no certainty as to whether they will be completed or that they will be completed successfully.

Sincerely,

I.E.S. Holdings Ltd.

Signed by:

David Mizrahi, Acting CEO

Saar Amran, Controller

For further details, see section 8.1.1.5 in the Description of the Corporation's Business chapter in the Periodic report for 2025 published on March 12, 2026 (Reference No.: 2026-01-022334), the information of which is provided in this report by way of reference.

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- For further details, see section 1.9 in the Board of Directors report of the Q1 2026 report published on May 7, 2026 (Reference No.: 2026-01-042684), the information of which is provided in this report by way of reference.
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- For further details, see Government Decision No. 4297 on the subject of "Multi-year plan for strengthening and development of the city of Eilat and the Hevel Eilat Regional Council and amendment of government decisions" dated June 28, 2026.