

ISRACARD LTD

Registration Number: 510706153

To: Israel Securities Authority
To: Tel Aviv Stock Exchange Ltd.
Form Number: T053 (Public)
Transmitted via MAGNA: 07/08/2025
Israel Securities Authority Website: www.isa.gov.il
Tel Aviv Stock Exchange Website: www.tase.co.il
Reference: 2025-01-058577

Immediate Report on an Event or Matter Deviating from the Corporation's Ordinary Business

Regulation 36 of the Securities Regulations (Periodic and Immediate Reports), 1970

Results of an issuance must be reported in T20 and not in this form.

Reporting on bond ratings or corporate ratings must be submitted via Form T125.

Report on:
☐ Delayed report submission

Nature of the Event:

VAT Assessments - Court Ruling

1. Further to the disclosure in Note 24.e. to the consolidated financial statements of ISRACARD LTD (the "Company") and its consolidated subsidiaries as of 31.12.24, as published on 12.3.25 (Reference Number: 2025.01.016300), and in Note 10.e. to the summary of the consolidated interim financial statements of the Company and its consolidated subsidiaries as of 31.3.25, as published on 21.5.25 (Reference Number: 2025.01.035597), regarding VAT assessments, the Company updates that on 6.8.25, the District Court issued its ruling in the appeals of the Company, its subsidiary Premium Express Ltd, MAX IT FINANCE LTD, and Israel Credit Cards Ltd, which accepted the appeals in part and rejected them in part. The Company is studying the ruling and will consider its next steps. Should the ruling remain in effect, the Company's initial assessment is that it will be required to make an additional provision in its financial statements for the second quarter of 2025, with a net estimated impact ranging between NIS 220 million and NIS 280 million (after tax). It should be clarified that the above assessments by the Company constitute 'forward-looking information' as defined in the Securities Law, 1968, which at this stage the Company is unable to fully and/or certainly estimate, and are based on the Company's understanding of the implications of the court's decision as of this date only (as stated – prior to an in-depth study of the ruling). Nevertheless, the Company clarifies and emphasizes that, given the preliminary stage of studying the accounting and economic implications of the decisions detailed in the ruling and the complexity of their calculation, there is at this time an inherent and unique difficulty in assessing the aforementioned impacts, including with respect to the scope of the provision that will actually be required (if at all) and the Company's compliance with its applicable capital ratios. The Company's assessments may materialize differently, including materially, or may not materialize at all, as a result of a more in-depth examination of the ruling and its accounting and economic implications for the Company, and from the Company's decision regarding its next steps and their outcomes (if any).
2. The date and time the corporation first became aware of the event or matter: 06/08/2025 at 14:00.
3. If the report was delayed – the reason for the delay: _____
4. On date _____ at time _____ the impediment to reporting was removed.
5. ☐ The company is a shell company as defined in the Stock Exchange regulations.

Details of the authorized signatories on behalf of the corporation:

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

#	Name	Position
1	Yonatan Regev	CFO
2	Noa Naveh	Legal Counsel

Explanation: According to Regulation 5 of the Periodic and Immediate Reports Regulations (1970), a report submitted under these regulations must be signed by those authorized to sign on behalf of the corporation. The staff's position on the matter can be found on the Authority's website: [Click here](#).

Reference numbers of previous documents on the subject (the mention does not constitute incorporation by reference):

Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Form structure update date: 06/08/2024

Short name: ISRACARD

Address: Bar Kochva 12, Bnei Brak; P.O. Box 2025, 5112001

Phone: 03-6895166

Fax: 03-6895374

Email: ykweller@isracard.co.il

Company website: <http://digital.isracard.co.il>

Previous names of the reporting entity:

Electronic reporter name: Carmon Nir

Position: Chief Accountant

Employer company name:

Address: Bar Kochva 12, Bnei Brak P.O. Box 2025, 5112001

Phone: 03-6895556

Fax: 03-6895242

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