

Isracard Ltd. ("the Company")

To
Israel Securities Authority
www.isa.gov.il

To
Tel Aviv Stock Exchange Ltd.
www.tase.co.il

May 19, 2026

Dear Sirs,

Subject: Immediate report regarding the convening of an Annual and Special General Meeting of the Company's shareholders (the "Report" or the "Summons Report")

In accordance with the Companies Law, 1999 (the "**Companies Law**"), the Securities Regulations (Periodic and Immediate Reports), 1970 (the "**Report Regulations**"), the Companies Regulations (Written Voting and Position Statements), 2005 (the "**Written Voting Regulations**"), the Companies Regulations (Notice and Advertisement of a General Meeting and a Class Meeting in a Public Company and Adding an Item to the Agenda), 2000, and the Securities Regulations (Private Offering of Securities in a Listed Company), 2000 (the "**Private Offering Regulations**"), notice is hereby given regarding the convening of an Annual and Special General Meeting of the Company's shareholders, which will convene on Thursday, June 25, 2026, at 17:00, at the Company's offices located at 12 Bar Kochba St., Bnei Brak (meeting room on the 15th floor), for the purpose of discussing and making decisions on the agenda items as detailed below:

Agenda Items for the Annual General Meeting

1. Agenda Item No. 1 - Discussion of the Company's Audited Annual Financial Statements for the year 2025

Discussion of the Company's Audited Annual Financial Statements as of December 31, 2025, and the Board of Directors and Management Report for the year ended on that date (the "**Periodic report of the Company for 2025**").

In this matter, no vote will be held; rather, a discussion will be conducted only.

The Periodic report of the Company for 2025, as published by the Company on March 18, 2026 (reference number: 2026-01-023767), can be viewed on the distribution site of the Israel Securities Authority at: <https://www.magna.isa.gov.il> (the "**Distribution Site**") and on the website of the Tel Aviv Stock Exchange Ltd. at: <https://maya.tase.co.il> (the "**TASE Site**").

2. Agenda Item No. 2 - Approval of the reappointment of the Company's auditing accountant (Somekh Chaikin - KPMG) and the initial appointment of Brightman Almagor Zohar - Deloitte as additional auditing accountants of the Company (so that from the date of approval by the General Meeting, KPMG and Deloitte shall serve as joint auditing accountants of the Company).

As of the date of the Report, Somekh-Chaikin (KPMG), accountants ("**KPMG**"), serves as the Company's auditing accountant until the end of the Annual Meeting convened by this report.

At the present time, taking into account that as of 2025, the controlling shareholder is Delek Group Ltd. ("**Delek Group**"), and against the backdrop of audit needs concerning Delek Group and the Company, and after an examination conducted by the Company regarding the appropriate audit framework under these circumstances, a proposed resolution is brought before the General Meeting of shareholders to transition to a framework of auditing the Company's financial statements by two auditing accountant firms jointly.

Accordingly, under the requested framework, and in accordance with the recommendation of the Audit Committee and the Company's Board of Directors, it is proposed to reappoint KPMG as the Company's auditing accountant, alongside the initial appointment of Brightman Almagor Zohar – Deloitte ("**Deloitte**") as an additional auditing accountant of the Company, so that from the date of approval by the meeting subject to this report, KPMG and Deloitte shall serve as joint auditing accountants of the Company until the end of the Company's next Annual Meeting.

Details regarding discussions held in the Audit Committee:

Within the framework of the Company's Annual General Meeting for 2025, held on November 10, 2025, it was decided to approve the reappointment of Somekh Chaikin – KPMG as the Company's auditing accountant until the end of the subsequent Annual General Meeting (i.e., the Annual Meeting summoned by this report).

In accordance with the provisions of Proper Banking Management Regulation No. 301 ("The Board of Directors") ("Regulation 301") and Proper Banking Management Regulation No. 302 ("The Auditing Accountant of a Banking Corporation"), the Audit Committee must hold a discussion at least once every three (3) years (or upon the termination of the auditing accountant's appointment period, whichever is later) regarding the possibility of replacing the auditing accountant.

In this context, it should be noted that in May 2020 (when two auditing accountant firms served jointly in the Company, including KPMG), a comprehensive discussion was held in the Audit Committee regarding the possibility of replacing the auditing accountant, which included, among other things, an extensive process for establishing criteria for selecting an auditing accountant for the Company.¹

Furthermore, following a document published by the Securities Authority in October 2021 regarding 'Proposed Rules of Conduct for Directors to Promote the Quality of Audit on Financial Statements' ("Authority Publication"),² a discussion was held during that month in the Audit Committee regarding the Authority Publication and its implications, inter alia, with reference to the comprehensive discussion held in the Company in 2020 as mentioned above.

Subsequently, and against the background of the discussions and decisions made in the Audit Committee as mentioned above, as well as in-depth discussions held in the Audit Committee and the Company's Board of Directors on the matter during the months of March and November 2024 and September 2025,³ an additional discussion was held in the Audit Committee and the Company's Board of Directors in May 2026⁴ regarding the continued tenure of KPMG as the Company's auditing accountant (or the need for replacement) in accordance with the provisions of the law, as well as the initial appointment of Deloitte as additional auditing accountants of the Company (so that from the date of approval by the General Meeting, KPMG and Deloitte will serve as joint auditing accountants of the Company). Within the framework of this discussion, various data and references from the Company's Finance Division were transferred to the members of the Committee and the Board, following an internal process carried out in the Company, in which the main considerations detailed below were taken into account:

- As of 2025, the controlling shareholder of the Company is Delek Group, for which the Company is a material holding, particularly given the weight of the Company's assets out of the consolidated balance sheet of Delek Group. Accordingly, since Delek Group's auditing accountant is Deloitte, a situation has arisen where, in accordance with the audit standards applicable to Deloitte,⁵ it must examine whether it can serve as the primary auditing accountant of Delek Group given the fact that the Company is not audited by it at all. To the best of the Company's knowledge, such an examination raised a challenge in complying with the said audit rules, and therefore a proposal was brought before the relevant organs of the Company that Deloitte should be an auditing accountant of the Company, at least jointly.
- In light of the above, and in light of all the discussions held in the Audit Committee and the Board of Directors after the change in the Company's auditing accountants in 2020 as detailed above, and particularly given the relatively short period of time that has passed since the last discussion held in September 2025, the Company

believes that no material change has occurred in the circumstances that led to the choice of KPMG. Therefore, the Company believes that leaving KPMG as a (joint) accountant of the Company will support continuity, preserve institutional and cumulative knowledge, reduce transition risks, and ensure a gradual and orderly entry of both accounting firms. The examination and discussion process that took place in the Company as mentioned and the Audit Committee's reasons for approving the decision are described in Section 1.1 of the Special General Meeting Summons Report of the Company as published on July 5, 2020 (reference number: 2020-01-071529).

¹ Within this framework, a comprehensive examination was conducted in the Company regarding the identity of the auditing accountant, which included, inter alia, an appeal to the five largest accounting firms in Israel, receiving proposals, and providing ratings according to criteria in a structured process led by the Company's Finance Division. Following this process, the Audit Committee decided to recommend to the then-General Meeting the transition to an audit framework by a single auditing accountant firm – KPMG, and at the same time to terminate the tenure of BDO as a joint accountant of the Company as it was at that time (instead of continuing joint tenure of the two accounting firms until that time).

² In which, inter alia, the Authority's position was presented regarding the roles of the Board and its committees concerning the auditing accountant appointment process, frequency, timing, and the process of formulating a recommendation regarding the identity of the auditing accountant, criteria concerning the auditing accountant's competence and commitment to the quality of the audit performed by them, as well as criteria for examination within the framework of the appointment process and determining the auditing accountant's fee, supervision of independence, communication, etc.

³ Prior to the convening of the three previous Annual General Meetings of the Company – see (supplementary) summons report dated April 2, 2024 (ref: 2024-01-032074), (supplementary) summons report dated January 6, 2025 (ref: 2025-01-001556), and (amended) summons report dated October 30, 2025 (ref: 2025-01-081909).

⁴ Prior to the convening of the General Meeting subject to this summons report.

⁵ PCAOB AS 1205 — Part of the Audit Performed by Other Independent Auditors

of Deloitte to the audit work, while maintaining high audit quality, proper professional load distribution, and deepening professional control over complex areas of the Company's activity.

- In recent years, and particularly starting from 2025, material changes have occurred in the Company, including significant growth in credit and payment operations, signing of material agreements, regulatory developments, changes in ownership and group structure, and expansion of accounting, operational, and regulatory risk centers. Under these circumstances, bringing in an additional auditing accountant firm for a joint audit is expected to allow for wider resource allocation, integration of complementary expertise, deepening of the audit in material risk areas, and improvement of the quality of the professional interface with the Audit Committee, the Board of Directors, and the Company's management.
- Both KPMG and Deloitte are among the leading accounting firms in Israel, including in the financial and banking sectors, and have the background and experience in the Group's fields of business. In their evaluation, consideration was given, inter alia, to their expertise and experience in working with Group companies and/or similar financial entities, their familiarity with relevant accounting, regulatory, and audit rules, the presence of experts in dedicated fields, the quality of methodology and tools for performing audits, the proposed team structure and availability, and relevant findings if any regarding the quality control systems of each of the firms.⁶
- During current work with the two aforementioned firms, the level of service, quality of professional dialogue, and availability of partners and various teams toward the Company's management, the Finance Division, and other units in the Company were good and satisfactory.
- The audit fee for the 2026 audit services will remain without material change and will be divided equally between the two firms, according to their term of office and the division of work between them. It should be noted that the basic fee set as stated for audit services and the fee paid for additional services meet market conditions relative to the Company's size and complexity of its activities and suit the required scope of work.

Therefore, the Company believes that it was not necessary at this time to undertake a full tender or quasi-tender process with all the large accounting firms in Israel (or part of them), including positive solicitation for proposals, given that comprehensive examination processes were conducted in the Company in the past, that there are concrete substantive and professional reasons for a joint audit format by KPMG and Deloitte, and that the Audit Committee will continue to examine the suitability of the firms, the quality of their work, their independence, the common interfaces between them, and the need to replace any of them at the times required by law and the Company's internal procedures.

At the conclusion of the said discussion, and following the recommendation of the Finance Division, the Audit Committee recommended to the Company's Board of Directors to convene a shareholders' meeting whose agenda includes a proposal to appoint Deloitte as a joint auditing accountant together with KPMG until the date of the next Annual General Meeting.

Details regarding the fee of the Company's auditing accountant, which according to the Company's articles is determined by the Company's Board of Directors, are included in the Company's Periodic report for 2025 (Section 4 of the Corporate Governance Report).

Text of the Proposed Resolution:

"To approve the reappointment of Somekh-Chaikin (KPMG), accountants, and the initial appointment of Brightman Almagor Zohar - Deloitte, as joint auditing accountants of the Company (and the subsidiary companies in the Isracard Group), effective from the date of approval of the meeting subject to this report and until the end of the Company's next Annual General Meeting."

⁶ KPMG has served as a joint auditing accountant of the Group since 1999 and since 2020 as its sole auditing accountant. Deloitte served for several years and up to and including 2024 as the Group's SOX consultant, and to the best of the Company's knowledge serves as an auditing accountant for leading banking corporations in Israel (Mizrahi Bank and Bank Leumi (jointly)).

3. Agenda Items Nos. 3-6 - Reappointment of directors serving in the Company who are not external directors

As of the date of the report, Ms. Tamar Yasur (Chairperson of the Board), Mr. Idan Wallace (Director), Ms. Liora Pratt Levin (Director), Mr. Tamir Moshe Polikar (Director), and Mr. Reuven Krupik (Director) serve in the Company as directors who are not external directors.⁷

In accordance with the Company's articles, it is hereby proposed to renew the appointments of the said directors (except for Mr. Reuven Krupik as noted in footnote 7 below) for an additional term of office on the Company's Board of Directors, until the end of the Company's next Annual Meeting. **It is clarified that the vote regarding each director will be conducted separately.**

In respect of their service as directors in the Company, the candidates will continue to be entitled to all the terms of office customary in the Company regarding director compensation in accordance with the decisions of the Company's authorized organs.⁸

The candidates' declarations regarding their compliance with all conditions prescribed by law, including the provisions of the Companies Law and the directives of the Supervisor of Banks, are attached as an appendix to this report and can also be viewed at the Company's offices (as detailed in Section 8 below).

The tenure of the directors to be appointed at this meeting will take effect on the date both of the following cumulative conditions are met (with respect to each candidate separately): approval of the General Meeting summoned according to this report; and receipt of the Supervisor of Banks' consent to the appointment or his non-objection to it.

For details, to the best of the Company's knowledge, regarding the directors above in accordance with Regulations 26 and 36B(a)(10) of the Report Regulations, see Section 1.2 of the Company's Corporate Governance Report for 2025, included in the Company's Periodic report for 2025, the details of which are brought herein by way of reference.

Below is an update regarding the aforementioned details, to the best of the Company's knowledge:

Director Name	Details Update
Tamir Moshe Polikar	As of April 2026, serves as Chairman of the Board of Delek Real Estate Initiatives Ltd.
Idan Wallace	As of April 2026, serves as CEO of Delek Real Estate Initiatives Ltd.

Text of Proposed Resolutions:

- 3.1 **Agenda Item No. 3** - "To approve the appointment of Ms. Tamar Yasur as a director of the Company for an additional term of office until the end of the Company's next Annual Meeting."
- 3.2 **Agenda Item No. 4** - "To approve the appointment of Mr. Idan Wallace as a director of the Company for an additional term of office until the end of the Company's next Annual Meeting."
- 3.3 **Agenda Item No. 5** - "To approve the appointment of Ms. Liora Pratt Levin as a director of the Company for an additional term of office until the end of the Company's next Annual Meeting."
- 3.4 **Agenda Item No. 6** - "To approve the appointment of Mr. Tamir Moshe Polikar as a director of the Company for an additional term of office until the end of the Company's next Annual Meeting."

7 It should be noted that as of the date of publication of this report, in addition to the five (5) mentioned directors, four (4) external directors also serve in the Company (whose renewal of tenure is not brought for the approval of the General Meeting subject to this summons report), and (as detailed in Section 4 of this report), a proposed resolution for the appointment of one director (who is not an external director) is presented. It should also be noted that following the Company's immediate report published concurrently with this report, regarding Mr. Reuven Krupik's notice on the termination of his tenure as a director in the Company at the end of the Annual Meeting summoned by this report, it is clarified that insofar as the resolutions in Sections 3 and 4.1 of this report are approved, the number of directors serving in the Company who are not external directors will stand at five (5) after the meeting.

8 In accordance with the decisions of the Company's authorized organs, the compensation of directors in the Company (including external directors, and except for the Company's active Chairman of the Board) will be determined in accordance with the Companies Regulations (Rules Regarding Compensation and Expenses for an External Director), 2000 (the "Compensation Regulations"), in a manner where the annual compensation component and the participation compensation component for each meeting will be at the maximum amount for an external director or an expert external director, as the case may be, according to the Company's rank under those regulations. Furthermore, directors in the Company also serving in Premium Express Ltd. ("Premium Express") will be entitled by virtue of their service as directors therein (and as long as it is wholly owned by the Company) to compensation including a participation compensation component for each meeting, where the said compensation is set according to the 'fixed amount' in the Compensation Regulations and in accordance with Premium Express's rank under those regulations, provided that the total compensation to which such a director will be entitled in a calendar year for tenure in Premium Express shall not exceed that stipulated in the Companies Regulations (Matters that Do Not Constitute an Affiliation), 2006 (meaning, it shall not exceed the total maximum annual compensation component for an external director or expert external director, as the case may be, according to the Company's rank under the Compensation Regulations). In addition, for details about fixed equity compensation for all directors in the Company (except the Chairman of the Board), see Note 21.g.8 under the heading "Fixed Equity Compensation" in the Company's financial statements for 2025; for details about the terms of office and employment of Ms. Tamar Yasur, as approved by the Company's authorized organs, see Section 1.2 of the Company's General Meeting Summons Report as published on March 26, 2026 (reference number: 2026-01-027525); and for details regarding insurance, indemnification, and exemption terms as of the date of the report, see Section 6.1 of the Company's Corporate Governance Report for 2025, included in the Company's Periodic report for 2025.

4. Agenda Item No. 7 - Appointment of Ms. Esther Nava Pashin as a Director of the Company (who is not an external director)

A resolution is presented to the General Meeting, the subject of this report, to approve the appointment of Ms. Esther Nava Pashin as a director of the Company (who is not an external director) ("**Ms. Pashin**" or the "**Candidate**"), until the end of the next annual meeting of the Company.

In respect of her service as a director of the Company, Ms. Pashin shall be entitled to all the terms of office customary in the Company regarding directors serving therein according to the resolutions of the authorized organs of the Company, and the resolution of the meeting for her election shall also be seen as resolutions regarding the granting to her of the said terms of office. Among other things, in respect of her service, Ms. Pashin shall be entitled to an annual compensation and participation compensation and to a fixed annual equity-based compensation, under the same conditions as the other directors in the Company (including the external directors, and excluding the Chairman of the Board), and she shall also be entitled to letters of exemption and indemnification and to be included in the directors' and officers' liability insurance policy of the Company, all as approved and/or as will be approved from time to time by the authorized organs of the Company.

The candidate's declaration regarding her compliance with all the conditions prescribed by law, including the provisions of the Companies Law and the Banking Supervision instructions, is attached as an appendix to this report and can also be reviewed at the Company's offices (as specified in Section 8 below). Attached to the said declaration are a CV and certificates indicating the education, professional experience, skills, and suitability of Ms. Pashin for the proposed office.

Based on her education, professional experience, and skills, Ms. Pashin was evaluated by the Company's Board of Directors, in its meeting on May 18, 2026, as an "expert director" (technology expert) (in accordance with the Companies Regulations (Rules regarding Compensation and Expenses for an External Director), 5760-2000), and as having 'professional qualification' (in accordance with the provisions of the Companies Regulations (Conditions and Tests for a Director with Accounting and Financial Expertise and for a Director with Professional Qualification), 5766-2005).

The tenure of Ms. Pashin will take effect upon the fulfillment of the following two cumulative conditions: approval by the General Meeting convened according to this report; and receipt of the consent of the Supervisor of Banks for the appointment or his non-objection to it.

Below are details, to the best of the Company's knowledge, regarding Ms. Pashin, in accordance with Regulations 26 and 36B(a)(10) of the Report Regulations, as provided to the Company:

Name of Director	Esther Nava Pashin
Identification Number	025535667
Date of Birth	July 29, 1973
Address for service of process	5 Tahon, Jerusalem
Citizenship/Nationality	Israeli
Commencement date of tenure	From the date of approval by the General Meeting and receipt of the consent of the Supervisor of Banks for the appointment or his non-objection to it
Membership in a committee or committees of the Company's Board of Directors	
External Director or Independent Director	No
Has accounting and financial expertise or professional qualification	Has professional qualification
Expert Director	Yes (technology expert)
Employee of the Company, its subsidiary, its affiliated company or an interested party therein	No
Education	B.A. in Management and Computer Science, The Open University; MBA in Business Administration, Tel Aviv University

Additional corporations in which she serves as a director and occupation during the past five (5) years	Global expert in the fields of cyber, artificial intelligence, and aviation, serving as a strategic consultant at Auditight AI Ltd. (since 2026), as a member of the advisory board in the companies: Cyber 2.0 (2015) Ltd., Polus Tech, Quantum Security Solutions, TokTo, and State 16 (since 2026) and as a partner in Aurelius Management Ltd. (since 2026) – all the above through ENP Solutions Ltd., a private company under her full ownership; VP, Manager of the Cyber Plant at IAI/Elta (between 2017-2025); Chairperson of the Board of Custodio, Singapore (IAI subsidiary) (between 2017-2025); Chairperson of the Board of Custodio Technologies, Singapore (IAI subsidiary) (between 2017-2025); Director at Cyviation (IAI subsidiary) (between 2021-2025); Chairperson of the Israeli Aviation and Sports Association (since 2024); Director and Treasurer in the International Women's Forum (IWF) Israel (since 2025); Board Member in Pelech Association – High School for Girls (since 2012)
Family member of an interested party in the Company	No
Director whom the Company sees as having accounting and financial expertise for the purpose of compliance with the minimum number determined by the Board under Section 92(a)(12) of the Companies Law	No

Proposed Resolution Version:

"To approve the appointment of Ms. Pashin as a director of the Company until the end of the next annual meeting of the Company."

Special General Meeting Subject

5. Agenda Item No. 8 - Allocation of warrants (non-tradable) to Mr. Itamar Furman, the CEO of the Company

Background

Mr. Itamar Furman has served as the CEO of the Company ("the CEO" or "Mr. Furman") since February 1, 2026, and his terms of office and employment as of the date of the report were approved by the General Meeting of the Company's shareholders on April 30, 2026 (following the approval of the Compensation Committee and the Company's Board of Directors).

On May 18, 2026, the Company's Board of Directors approved, after receiving the approval of the Company's Compensation Committee, the allocation of warrants (not listed for trading), subject to performance conditions, of the Company, exercisable into ordinary shares of the Company without par value each ("the warrants" and "ordinary shares", as applicable), to various offerees who are employees and managers at various levels, including officers in the Company, and among them to the CEO of the Company. **In this framework, it was decided to allocate 864,501 warrants to Mr. Furman, exercisable into up to 864,501 ordinary shares of the Company, subject to the approval of the Company's shareholders' meeting, the subject of this report.**

The warrants as stated are offered to Mr. Furman as part of his role as an officer of the Company and as part of his terms of office and employment. The warrants are offered in accordance with the Company's equity compensation plan (named "Isracard Ltd. – Equity Compensation Plan (2021)") and in accordance with the capital gains track prescribed in Section 102(b)(3) of the Income Tax Ordinance [New Version], 5721-1961 ("the Ordinance"). The warrants to be allocated to Mr. Furman will be deposited for him in trust with a trustee, who will hold them in trust for the periods prescribed in Section 102 of the Ordinance.

Prior to the publication of this notice report, the allocation to the CEO was approved (unanimously): (a) by the Company's Compensation Committee in its meeting on May 14, 2026, in which the following directors participated: Dalia Narkis (External Director and Chairperson of the Compensation Committee), Tzafrir Holtzblatt (External Director), Naama Gat (External Director), and Avraham Eckstein (External Director); and (b) by the Company's Board of Directors in its meeting on May 18, 2026, in which the following directors participated: Tamar Yasur (Chairperson of the Board), Idan Wells (Director), Liora Pratt Levin (Director), Tamir Moshe Poliker (Director), Reuven Krupik (Director), Dalia Narkis (External Director), Tzafrir Holtzblatt (External Director), Naama Gat (External Director), and Avraham Eckstein (External Director).

5.1 Summary of Vesting Conditions for the Warrants

The warrants allocated to the CEO will vest upon the fulfillment of two cumulative conditions: the lapse of time periods and the fulfillment of performance conditions, as specified below:

[A] Time-based vesting – The warrants allocated to the CEO will vest in tranches on May 18 of each of the years 2027, 2028, and 2029 and will be exercisable according to the schedules detailed below, provided that the CEO is employed by the Company and/or a controlled company on the said date: **(1) 1/3 of the allocated warrants will vest and be exercisable from May 18, 2027 ("the first warrant tranche"); (2) 1/3 of the allocated warrants will vest and be exercisable from May 18, 2028 ("the second warrant tranche"); and (3) 1/3 of the allocated warrants will vest and be exercisable from May 18, 2029 ("the third warrant tranche").**

[B] Performance-based vesting – Each warrant tranche will vest upon the lapse of the time-based vesting period provided that on this date the Company meets the minimum capital ratios applicable to it, as determined in the Banking Supervision instructions, i.e., in the minimum Tier 1 equity ratio and the total capital ratio, as presented in the Company's financial statements for the year preceding the time-based vesting date.

The exercise period for each warrant tranche will be from the date on which that warrant tranche vested until the lapse of two years from the vesting date, subject to early expiration provisions.

5.2 Summary of Provisions for Determining the Exercise Price of the Warrants

The warrants will be allocated to the CEO without cash consideration (but in exchange for his work).

Subject to the following regarding the 'net exercise' mechanism and the limitations of the compensation policy, the exercise price to be paid for the exercise of each warrant into an ordinary share of the Company was determined based on the average closing prices of the Company's share on the TASE during the thirty

(30) trading days on the TASE preceding the date of the Company's Board of Directors' approval of the warrant allocation to the CEO (i.e., May 18, 2026), which stood at NIS 15.00 ("the basic exercise price"), plus a premium in rates as specified below:

[A] For the first warrant tranche, the exercise price will be NIS 15.38 (a price reflecting a premium of 2.5% above the basic exercise price);

[B] For the second warrant tranche, the exercise price will be NIS 15.75 (a price reflecting a premium of 5% above the basic exercise price); and

[C] For the third warrant tranche, the exercise price will be NIS 16.13 (a price reflecting a premium of 7.5% above the basic exercise price).

'Net Exercise' Mechanism - The exercise of the warrants to be allocated to the CEO, whose vesting conditions are met, will be performed via a 'net exercise' mechanism - i.e., allocation to the CEO of exercise shares in the amount of the benefit value only (which generally is the difference between the exercise price and the closing price on the TASE of the Company's share on the last trading day preceding the exercise day) without being required to pay the exercise price.

5.3 For further details regarding the warrants and their terms, including regarding the adjustment of the exercise price or the number of exercise shares, as applicable, the vesting and exercise periods, and the expiration of the warrants, see the prospectus and the report of a material private placement and a non-material private placement published within an immediate report concurrently with this notice report (or any amendment/supplement to such immediate report), all in accordance with the Securities Regulations (Details of a Prospectus for Offering Securities to Employees), 5760-2000 and the Securities Regulations (Private Placement of Securities in a Listed Company), 5760-2000 ("the Prospectus").

5.4 The Fair Value of the Warrants

As of the date of the Board of Directors' resolution regarding the warrant allocation to the CEO (based on calculations performed as of the last trading day preceding the date of the said resolution), the fair value of all the warrants offered to the CEO was estimated at approximately NIS 3,231 thousand. For details regarding the method of calculating the fair value and the assumptions underlying the said calculation, see Section 4.3.2 of the Prospectus. It should be noted that the accounting measurement date for the calculation of the fair value and the recording of the expense will be according to the grant date, which will be only after the date of the General Meeting's assembly.

5.5 Below are details regarding the expected compensations to which the CEO will be entitled in a representative full year, according to his employment terms (without taking into account future index linkage), including the allocation of warrants as stated in this Section 5, and under the assumption of maximum compensation:

Details of the Compensation Recipient			Rate of Holding in Company Capital	Compensations for Services and Others (in NIS thousands)						Loans			
Name	Role	Job Scope		Salary	Bonuses and Other Payments	Share-Based Transactions	Value of Other Benefits	Severance, benefits, pension, study fund, vacation, national insurance, etc.	Total Salaries and Ancillary Expenses	Loans Given Under Favorable Conditions			Balance as of the end of the period of loans given under regular conditions
										Balance as of the end of the period	Average period until repayment (in years)	Benefit given during the period	
Itamar Furman	CEO of the Company	Full-time	-	2,215	(**) 1,662	1,108 (***)	120	567	(*) 5,672	-	-	-	-

(*) Does not include an adjustment grant.

(**) Calculated for presentation purposes in this report according to the maximum annual compensation ceiling, not including a signing bonus in the amount of three (3) monthly salaries.

(***) The presented cost is the accounting expense as expected to be recorded in the financial statements, in a linear calculation over the vesting years.

5.6 The Reasons of the Compensation Committee and the Company's Board of Directors for Approving the Allocation to the CEO:

- The terms for granting the warrants were determined with attention to the need to promote the Company's goals, its strategy, its work plan, and its policy from a long-term perspective.
- Compensating the CEO using equity means is a common tool that strengthens the CEO's interest with that of all the Company's shareholders, while creating a shared interest in maximizing the Company's value.

- During the discussions, the CEO's good integration into his role in the Company since entering office at the end of February 2026 was noted, and the directors' satisfaction with his activities to promote and strengthen the Company's business strategy as outlined by the Board of Directors.
- The allocation of warrants to the CEO reflects the Company's desire to appropriately compensate Mr. Furman, out of a desire to create for him the appropriate incentives to present excellent performance in managing the Company and to maximize its profits while promoting its business strategy, and thereby serves the Company's best interests. Additionally, the CEO's compensation structure emphasizes performance-based compensation and creates an identity of interests between the CEO and the Company's shareholders, as the amount of compensation is based on the yield of the Company's share.
- It was noted that the allocation of equity compensation to the CEO is a tool used as a mechanism for retaining and motivating managers and for increasing the motivation of officers to achieve the Company's goals from a long-term perspective and is part of the compensation components that the Company grants to its managers and senior employees, including the CEO. This compensation links maximizing value for shareholders (as expressed in the increase in the value of the Company's share) and the compensation given to the officer and creates proximity of interests between the officer and the shareholders and therefore corresponds to the Company's best interests.
- The exercise price of the warrants, which includes a premium above the market value of the share, ensures that Mr. Furman will benefit from the warrants only as a result of an increase in the price of the Company's share, while maximizing the profits of all the Company's shareholders, concurrently with the performance conditions of the warrants ensuring vesting of the warrants only subject to meeting those performance conditions (threshold conditions).
- The Board of Directors and the Compensation Committee noted that they see great importance in the allocation of equity compensation to Mr. Furman for the continued success and growth of the Company and for its coping with the challenges facing it in the coming years.
- In light of all the above, the Compensation Committee and the Board of Directors determined that the approval of the allocation of equity compensation (warrants) to the CEO as proposed is in accordance with the Company's compensation policy, is reasonable, fair, and acceptable under the circumstances, considering, among other things, the complexity of the CEO's role, the scope of the Company's business and activities, and that it is consistent with the Company's best interests.

Proposed Resolution Version:

"To approve the granting of 864,501 warrants (non-tradable) to Mr. Furman, the CEO of the Company, all under the conditions as detailed in Section 5 of this notice report."

6. General Meeting Procedures and Voting Therein

6.1 Date of the General Meeting

The General Meeting of the company's shareholders will convene on Thursday, June 25, 2026, at 17:00, at the company's offices located at 12 Bar Kochva St., Bnei Brak (meeting room on the 15th floor).

6.2 The Record Date for Eligibility to Participate and Vote in the Meeting

The record date for eligibility to participate and vote in the meeting in accordance with Section 182 of the Companies Law and Regulation 3 of the Voting in Writing Regulations, is Tuesday, May 26, 2026 ("The Record Date").

6.3 The Legal Quorum for Holding the Meeting and Adjourned Meeting

According to the company's Regulations, the legal quorum for holding the General Meeting will be formed when at least two shareholders, holding at least twenty-five percent (25%) of the voting rights, are present, in person or by proxy, within half an hour of the time set for the opening of the meeting.

If half an hour after the time set for the meeting a legal quorum is not found as stated, the meeting will be adjourned for one week to Thursday, July 2, 2026, at the same time and place. In an adjourned meeting, a legal quorum will be formed by any number of participants, regardless of the number of shares they own.

6.4 The Majority Required for Approval of the Resolutions on the Agenda

- 6.4.1 The majority required to pass the resolutions in sections 2, 3, and 4-1 above (approval of appointment of auditing accountants of the company, re-appointment of directors serving in the company (who are not external directors), and the appointment of Ms. Pashin as a director in the company (who is not an external director)) is a simple majority (meaning a majority of more than fifty percent (50%) of the total votes of the shareholders participating in the General Meeting who are entitled to vote and have voted, without taking into account the votes of those abstaining).
- 6.4.2 The majority required for the approval of the resolution in section 5 above (granting warrants to the CEO), is the majority set in Section 272(c1) of the Companies Law, namely, it is a simple majority (meaning a majority of more than fifty percent (50%) of the total votes of the shareholders participating in the General Meeting who are entitled to vote and have voted), provided that one of the following is met: (a) the majority of votes in the General Meeting shall include a majority of the total votes of shareholders who are not controlling shareholders of the company or have a personal interest in the approval of the resolution, who participate in the vote; in the count of the total votes of the aforementioned shareholders, the votes of those abstaining shall not be taken into account; or - (b) the total opposing votes from among the aforementioned shareholders in section (a) above did not exceed two percent (2%) of the total voting rights in the company.

It should be noted that in accordance with the provisions of the Companies Law, in special cases, the compensation committee and thereafter the company's board of directors shall be entitled to approve the allocation of warrants to the company's CEO, even if the General Meeting opposed its approval, provided that the compensation committee and thereafter the board of directors decide so, based on detailed reasons and after re-discussing the allocation of warrants and examining in such discussion, among other things, the opposition of the General Meeting.

6.4.3 Any shareholder interested in participating in the vote on the resolution in section 6.4.2 above, shall notify the company before the vote in the meeting (personally or through a proxy), or if the vote is via a voting card - by marking in the place designated for that on the voting card, whether they have a personal interest in the resolution (and/or whether they are a controlling shareholder in the company) or not; **in the second part of the voting card, space is allocated for marking the existence or absence of such a personal interest as well as space for its description, if any exists. A shareholder who did not mark, or marked "Yes" and did not describe as stated - their vote will not be counted.**

Likewise, any shareholder interested in participating in the vote shall notify whether they are an interested party in the company, a senior officer in the company, or an institutional investor, or not.

6.5 Voting Method

Any shareholder of the company as of the record date, whether the shares are registered in their name or they hold them through a TASE member (meaning, one whose right is registered with a TASE member and that share is included among the shares registered in the shareholders' register in the name of a registration company, as stated in Section 177(1) of the Companies Law) ("**unregistered shareholder**"), is entitled to participate and vote in the meeting in person or through a voting proxy or via a voting card as defined in Section 87 of the Companies Law and as per the version attached to this report ("**voting card**"). In addition, an unregistered shareholder is also entitled to vote via a voting card that will be transmitted to the company through the electronic voting system operating according to Part B of Chapter G'2 of the Securities Law, 1968 ("**electronic voting system**" and "**Securities Law**", respectively) whose address is <https://votes.isa.gov.il>; all as stated below:

6.5.1 Voting by a Shareholder in Person or by Proxy

A shareholder, entitled to participate and vote in the meeting, is entitled to vote there in person or through a proxy in accordance with what is stated in the company's Regulations. A shareholder requesting to vote through a proxy, as stated above, shall deposit the letter of appointment at the registered office of the company at least forty-eight (48) hours before the time set for the meeting or for the adjourned meeting. Notwithstanding the above, the chairperson of the meeting is entitled, at their discretion, to accept such a letter of appointment, even after the stated time, if they find it appropriate, at their discretion.

6.5.2 Voting via Voting Card

A shareholder, entitled to participate and vote in the General Meeting, is entitled to vote on the item on the agenda also via a voting card. Voting in writing as stated shall be done using the second part of the voting card attached to this report. In this regard, the vote of a shareholder who voted via a voting card shall be considered as if they were present and participated in the meeting.

A shareholder is entitled to approach the company directly and receive from it the wording of the voting card as well as position statements (as defined in Section 88 of the Companies Law), to the extent they are provided ("**position statements**"). Likewise, it is possible to inspect the voting card and position statements, to the extent they are provided as stated, on the distribution site and the TASE website (as defined in section 1 above).

A TASE member shall send by email, free of charge, a link to the version of the voting card and to the position statements (to the extent they are provided) on the distribution site, to every unregistered shareholder whose shares are registered with that TASE member, unless the shareholder notified that they are not interested in this or notified that they are interested in receiving voting cards by mail for the cost of shipping fees only, provided that the notice was given regarding a specific securities account and at a time prior to the record date.

The voting card and the documents that must be attached to it (including an ownership certificate), as specified in the voting card, must be submitted to the company's offices up to four (4) hours before the time of the meeting's convening. In this regard, "delivery time" is the time at which the voting card and the documents that must be attached to it reached the company's offices. An unregistered shareholder will be entitled to submit the ownership certificate also through the electronic voting system as stated in section 6.5.3 below.

A voting card to which an ownership certificate was not attached (or alternatively an ownership certificate was not submitted via the electronic voting system) will be invalid.

One or more shareholders holding as of the record date shares at a rate constituting five percent (5%) or more of the total voting rights in the company (namely, holding about 16,277,537 ordinary shares of the company) as well as anyone who holds at a rate of 5% of the total voting rights that are not held by the controlling shareholder of the company, as defined in Section 268 of the Companies Law (namely, holding about 9,759,422 ordinary shares of the company), is entitled (personally or through a proxy on their behalf), after the convening of the General Meeting, to inspect the voting cards and the voting records through the electronic voting system that reached the company, as specified in Regulation 10 of the Voting in Writing Regulations.

6.5.3 Voting via the Electronic Voting System

As mentioned above, an unregistered shareholder may, after the Record Date (upon receiving an identification number and access code from the TASE member and after an identification process), vote via a voting card that will be transmitted to the company in the electronic voting system.

In accordance with and subject to the conditions set in the Voting in Writing Regulations and the instructions of the Securities Authority in this matter, voting via the electronic voting system will be possible until six (6) hours before the time of the meeting's convening ("**system closing time**"). It is clarified that voting via the electronic voting system will be subject to change or cancellation until the system closing time and cannot be changed via the system after this time.

In accordance with Section 83(d) of the Companies Law, if a shareholder voted in more than one way as stated above, their later vote shall be counted; for this purpose, a vote by a shareholder in person or by proxy shall be considered later than a vote via a voting card.

6.6 Ownership Certificate

An unregistered shareholder shall be entitled to participate in the General Meeting if they provide the company with a certificate from the TASE member with whom their right to the share is registered, regarding their ownership of the company's shares on the record date. The certificate shall include the details specified in Regulation 2 and in the form in the appendix to the Companies Regulations (Proof of Ownership of a Share for Voting at a General Meeting), 2000.

Alternatively, an unregistered shareholder shall be entitled to transmit an ownership certificate to the company via the electronic voting system until the system closing time (as mentioned in section 6.5.3 above). Without derogating from the above, an electronic message approved under Section 44k11(5) of the Securities Law, regarding the data of users in the electronic voting system – its status is that of an ownership certificate in the share regarding any shareholder included in it.

Such an unregistered shareholder is entitled to receive the ownership certificate from the TASE member through whom they hold their shares, at the branch of the TASE member or by mail to their address for the cost of shipping fees only, if they requested it, provided that a request for this matter is given in advance for a specific securities account.

6.7 Changes to the Agenda and Deadline for Submitting Position Statements

- 6.7.1 After the publication of this invitation report, there may be changes to the agenda, including adding a topic to the agenda, and position statements may be published. The updated agenda and position statements (if any) can be inspected in the company's reports which will be published on the distribution site and the TASE website.
- 6.7.2 The deadline for submitting position statements to the company by shareholders of the company is no later than ten (10) days before the date of the meeting.
- 6.7.3 A request by a shareholder under Section 66(b) of the Companies Law to include a topic suitable for discussion at the General Meeting on the meeting's agenda, shall be submitted to the company up to seven (7) days after the calling of the meeting ("**deadline for submitting a request**"). If such a request was submitted, it is possible that the topic will be added to the agenda and its details will appear on the distribution site. In such a case, the company will publish an amended meeting invitation report with an amended voting card no later than seven (7) days after the deadline for submitting a request. It is clarified that the publication of an amended invitation report as stated does not change the record date as determined in the notice of the calling of the meeting.

7. Company Representative Regarding the Handling of the Report

The company's representative regarding the handling of this report is Adv. Yotam Kweller, Company Secretary, at the company's offices, at 12 Bar Kochva St., Bnei Brak; Telephone: 03-6895166, Fax: 03-6895374.

8. Inspection of Documents

This report, the documents mentioned in it (including the voting card and position statements, to the extent they are provided), and the full wording of the proposed resolutions on the agenda can be inspected at the company's offices, at 12 Bar Kochva St., Bnei Brak, after prior coordination with the company's secretariat by phone: 03-6895166, on Sundays-Thursdays, during normal working hours, until the time of the meeting's convening.

Likewise, this report, the voting card and position statements (to the extent they are provided), can be inspected on the distribution site and the TASE website, as mentioned above.

By:

Isracard Ltd.

Adv. Noa Naveh, VP, Chief Legal Counsel

Adv. Yotam Kweller, Company Secretary