Isrotel Ltd.
ISROTEL LTD
Number in the Register: 520042482

To: Israel Securities Authority
www.isa.gov.il
To: Tel Aviv Stock Exchange Ltd.
www.tase.co.il
T930 (Public)
Transmitted by MAGNA: 28/05/2026
Reference: 2026-01-050163

The corporation will schedule the report for publication on 29/05/2026 14:00

Report on the financial position

Is this a report of a Periodic report/quarterly report of an insurance corporation? *No*

Explanation: Beginning with the financial statements for the first quarter of 2017, a corporation that is an insurer (i.e., reported in the past by means of Form T932) will report within this form and mark "Yes" in this field; other corporations may proceed to the following sections.

- Periodic report pursuant to Chapter B of the Securities Regulations (Periodic and Immediate Reports), 5730-1970
- Quarterly report pursuant to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970
- Semi-annual report pursuant to Regulation 5D of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

Small corporation

During the reporting period the corporation meets the definition of a "small corporation" *No*

Explanation: According to the definition of "small corporation" as stated in Regulation 5G of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

(1) As of the determining date, the following conditions apply to the corporation: _________

(2) The corporation chose to implement the reliefs on the following matters:

- Reporting on a semi-annual basis
- Attachment of highly material valuation reports
- Attachment of financial statements of an associate company
- Reporting regarding effectiveness of internal control
- The corporation did not adopt any relief

I Periodic report

1. Attached herewith is a Periodic report for the year _________signed on _________.

2. Date of the meeting – if a shareholders' meeting has been convened in which the financial statements will be presented: _________.

3. Details of the signatories of the Periodic report:

Name of signatory	Position of signatory	
_________	_________	_________

II Financial statements

4. Attached herewith:

- Periodic report for the year _________
- *Quarterly report* for the period ended on *31/03/2026*.

  Signed on *28/05/2026*.

Do the attached financial statements include correction of an error by way of restatement of comparative figures as "restatement due to an immaterial adjustment of comparative figures": *No*

Do the attached financial statements include correction of a material error by way of "restatement" of comparative figures: *No*

5. Attached herewith *Review report of the auditor*
Date of the auditor's signature on the opinion/review: *28/05/2026*.

6. Name of the auditing accounting firm

1 *Kesselman & Kesselman, Certified Public Accountants* _________
Name of the auditing accountant signing the opinion: _________
License number of the auditing accountant: _________________

7. A. The opinion is given in an unqualified wording _________

B. The review report is given in an unqualified wording *Yes*

C. There is an emphasis of matter in the financial statements *No*

Emphasis of matter _________

Quoted wording of the emphasis of matter: _________

D. Type of change or addition to the standard wording:
Explanation: If "No" was marked in Section 7(A) or 7(B), it is mandatory to mark one of the following fields.

- [ ] Qualification
- [ ] Adverse opinion
- [ ] Disclaimer of opinion

Quoted wording of the paragraphs not required in the standard wording: _________
Explanation: If the auditors' opinion or review report is not in the standard wording or includes additions to the standard wording, detail the change and present from the auditors' opinion or review report additional paragraphs that are not required in the standard wording (emphasis of matter, qualification, etc.).

8. Date of approval of the financial statements: *28/05/2026*

9. Details of the signatories of the financial statements:

Name of signatory	Position of signatory
Ben Lewis	*Chairman of the Board of Directors* _________
Lior Raviv	*Other* *CEO and Director*
Moshe Magid	*VP Finance* _________

10. Details of material associate companies whose financial statements are attached:

1 Name of company _________
Do the attached financial statements include correction of an error by way of restatement of comparative figures as "restatement due to an immaterial adjustment of comparative figures": _________
Do the attached financial statements include correction of a material error by way of "restatement" of comparative figures: _________

11. Details of guarantor companies whose financial statements are attached:

1 Name of company _________
Do the attached financial statements include correction of an error by way of restatement of comparative figures as "restatement due to an immaterial adjustment of comparative figures": _________
Do the attached financial statements include correction of a material error by way of "restatement" of comparative figures: _________

12. Has the corporation performed early implementation of an accounting standard *No*
Explanation: If "Yes" was chosen, please specify which accounting standard is involved

____

III Board of Directors' report – presentation

13. A. Attached herewith is the Board of Directors' report signed on *28/05/2026*.

B. Details of the signatories of the Board of Directors' report:

Name of signatory	Position of signatory
Ben Lewis	*Chairman of the Board of Directors* ________
Lior Raviv	*Other* *CEO and Director*
Moshe Magid	*VP Finance* ________

C. Does the corporation have obligations that are required to be disclosed in accordance with Regulations 9D and 38E of the Securities Regulations (Periodic and Immediate Reports), 5730–1970: *No*

Regarding how to complete this section and the exemption granted to companies from parallel reporting of Form 126, see Q&A No. 105.37 at the following link: Link

D. Does the company publish separate financial statements ("solo" financial statements):

- Yes
- No

(1). Cash and cash equivalents, securities held for trading and short-term deposits based on the data of the separate financial statements of the corporation ("solo" statements) (in thousands of NIS): ________

(2). Cash and cash equivalents, securities held for trading and short-term deposits based on the data of the consolidated financial statements of the corporation (in thousands of NIS): *0*

Explanation: The data will include only balances that are not pledged.

E. Disclosure regarding projected cash flow pursuant to Regulation 10(b)(14)(a) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970 (Note: this subsection is not relevant to an insurance corporation):

1. Has the corporation issued debentures held by the public as of the date of signing the report? *No*
2. Do one or more of the warning signs specified in the Regulation apply to the company? ________

3a. Mark all warning signs applicable to the company:

- ☐ Deficit in equity.
- ☐ Emphasis of matter referring to the company's financial condition, excluding emphasis of matter regarding significant doubts about the company's ability to continue as a going concern.
- ☐ Deficit in working capital or in working capital for a period of twelve months together with a continuing negative cash flow from operating activities (in the consolidated financial statements and in the separate financial statements according to Regulation 9G or Regulation 38D, as applicable).
- ☐ Deficit in working capital or in working capital for a period of twelve months or a continuing negative cash flow from operating activities, and the company's Board of Directors has not determined that this does not indicate a liquidity problem in the company.
- ☐ Emphasis of matter regarding significant doubts about the company's ability to continue as a going concern.

3b. Complete one or more of the following options according to the consolidated financial statements:

- ☐ The company has a deficit in working capital or in working capital for a period of twelve months.
- ☐ The company has a continuing negative cash flow from operating activities.
- ☐ The company does not have a deficit in working capital or in working capital for a period of twelve months and does not have a continuing negative cash flow from operating activities.

3c. Complete one or more of the following options according to separate financial information (Regulation 9G or 38D, as applicable):

- ☐ The company has a deficit in working capital or in working capital for a period of twelve months.
- ☐ The company has a continuing negative cash flow from operating activities.
- ☐ The company does not have a deficit in working capital or in working capital for a period of twelve months and does not have a continuing negative cash flow from operating activities.
- ☐ The company is not required to publish separate financial information pursuant to Regulation 9G or 38D, as applicable.

4. Mark the item relevant to the company:

☐ The company included in the Board of Directors' report disclosure regarding projected cash flow due to the existence of a warning sign.

At the end of one of the periods included in the disclosure regarding projected cash flow, is a negative cash balance expected? _________

☐ The company's Board of Directors determined that the existence of a deficit in working capital or a deficit in working capital for a period of twelve months or a continuing negative cash flow from operating activities does not indicate a liquidity problem in the company.

F. Compliance with covenants in respect of debentures:

1. Does the corporation comply with all the financial covenants set out in the trust deeds? _________

2. Does non-compliance with the financial covenants give rise to grounds for immediate repayment of the debentures? _________

G. Details regarding the corporation's auditor:

1 Total remuneration paid to the auditor _________for:
Audit services __________________
Services that are not audit services __________________

Note: Total remuneration paid to the auditor for audit services, services related to the audit, including tax services related to the audit.

Details regarding the auditors of material consolidated corporations:

The data must be entered separately for each accounting firm.

1 Total remuneration paid to the auditor _________ _________
of material consolidated corporations of the corporation for:
Audit services __________________
Services that are not audit services __________________

ISOX IV Report on internal control

14. Is the company exempt from implementing internal control? *No*

Explanation: If "Yes" was chosen, please specify the reason for the exemption from implementing internal control

____

A. An internal control management report, in the wording prescribed in the Regulations, updated as of the date of the financial statements, has been attached (according to the Ninth Schedule – Periodic report – Regulation 9B; Quarterly report – Regulation 38(c)) *Yes*

If it is not in the wording prescribed in the Regulations, specify the content of the change

____

B. Internal control as of the date of this report was found to be: *Effective*

C. Has the conclusion of the Board of Directors regarding control effectiveness changed from the last report submitted (i.e., from effective control to ineffective and vice versa)? *No*

D. Management statements

1. Has a CEO statement been attached in the standard wording prescribed in the Regulations (Periodic report – Regulation 9B(d)(1); Quarterly report according to Regulation 38G(d)(1)) with an emphasis on Sections 1, 4(a) and 5(a)? *Yes*

2. Has a statement of the senior officer in the field of finance been attached, in the standard wording prescribed in the Regulations – Annual report 9B(d)(2); Quarterly report Regulation 38G(d)(2)? *Yes*

3. Has the wording in Section 4 of the management statements been adjusted in accordance with the provisions of the Regulations – Annual report 9B(d)(1)(2); Quarterly report according to Regulation 38G(d)(1)(2), in a case where there is a financial statements committee that is not an audit committee? *Yes*

4. Are the management statements signed as required (name of the officer and his signing date as of the signing date of the financial statements)? *Yes*

V Attached files

15. A. ◯ Periodic report in IXBRL format: _________

Regarding attaching Periodic reports in iXBRL format, see the Authority's position here

◯ Periodic report in PDF format: Isrotel0326_isa.pdf *The quarterly report*

B. Below is the file of the highly material valuation reports which is required to be attached pursuant to Regulation 8B or Regulation 49 of the Securities Regulations (Periodic and Immediate Reports), 5730 - 1970, as applicable _________

C. _________Explanation of the information attached in the file: _________

Are the attached PDF files in a textual format that allows searching? *Yes*

Do the financial statements include all comparative periods required under accounting standards and Securities Regulations? *Yes*

VI Financial data (excluding earnings per share) in: *ThousandsILS (Israel, New Shekels)*

Representative exchange rate of the reporting currency against the NIS at the end of the reporting period: _________

16. Data from the consolidated statement of financial position

The amounts of assets and liabilities will be recorded as a positive amount, i.e., with a "+" sign, while amounts that appear in the company's balance sheets in parentheses (such as, deficit in equity) will be recorded as a negative amount, i.e., with a "-" sign.

Assets	
1. Total current assets	*533,728*
2. Total non-current assets	*4,690,499*
3. **Total assets**	*5,224,227*
Liabilities	
4. Total current liabilities	*817,556*
5. Total non-current liabilities	*1,707,684*
6. **Total liabilities**	*2,525,240*
Equity	
7. Total equity attributable to owners of the parent company	*2,668,139*
8. Non-controlling interests	*30,848*
9. **Total equity**	*2,698,987*
10. **Total equity and liabilities**	*5,224,227*

17. The method of presenting the statement of profit or loss is:

◯ Presentation by function of expense

◯ Presentation by nature of expense

18. Data from the consolidated statement of profit or loss: *For a period of three months ended on the balance sheet date*

In quarterly reports, the data in the statement of profit or loss for a period of 3 months should be completed, and not for the cumulative period. In a semi-annual report, the data in the statement of profit or loss for a period of six months should be completed. Negative totals (such as loss from ordinary operations) will be recorded as a negative amount, i.e., with a "-" sign. If the item does not appear in the company's financial statements, select the appropriate check box.

1. Revenue	*324,767*
2. Gross profit ☐ Not relevant	*27,351*
3. Profit (loss) from operating activities ☐ Not relevant	*-32,155*
4. Profit (loss) before tax	*-45,500*
5. Profit (loss)	*-35,035*
6. Profit (loss) attributable to:	
6.1 Profit (loss) attributable to owners of the parent company	*-35,322*

6.2 Profit (loss) attributable to non-controlling interests	*287*
7. **Earnings per share**	
7.1 Total basic earnings (loss) per share	*-0.62*
7.2 Total diluted earnings (loss) per share	*-0.62*
8. **Total comprehensive income**	*-46,752*
8.1. Comprehensive income attributable to owners of the parent company	*-47,039*
8.2. Comprehensive income attributable to non-controlling interests	*287*

19. Data from the statement of cash flows: *For a period of three months ended on the balance sheet date*

Cash flows used for activities will be recorded as a negative amount, i.e., with a "-" sign

(1) Net cash flows provided by (used in) operating activities	*14,100*
(2) Net cash flows provided by (used in) investing activities	*3,615*
(3) Net cash flows provided by (used in) financing activities	*37,409*
(4) Effect of exchange rate changes of foreign currency on cash and cash equivalents	*0*
(5) Additional effects not reflected in items 1-4 above	*0*
Increase (decrease), net in cash and cash equivalents during the period	*55,124*
Balance of cash and cash equivalents at beginning of period	*115,210*
Balance of cash and cash equivalents at end of period	*170,334*

20. A. As of the date of the financial report is the company a shell company as defined in the TASE Regulations? *No*

B. As of the date of publication of the financial report is the company a shell company as defined in the TASE Regulations? ________

☐ We hereby declare that we have filled out the form in accordance with the data in the full financial statements.

Details of the authorized signatories on behalf of the corporation:

	Name of signatory	Position
1	Mirit Cohen	*Controller*

Explanation: According to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports) (5730 – 1970), a report submitted pursuant to these Regulations shall be signed by those authorized to sign on behalf of the corporation. The staff position on the matter can be found on the Authority's website: Click here .

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

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

Date of form structure update: 09/12/2025

Short name: Isrotel

Address: Hamered 29 , Tel Aviv6812511   Telephone: 03-5197777 , 03-5197758Fax: 03-5104646

E-mail: beckasaf@isrotel.co.il

Previous names of reporting entity: King Solomon's Palace Hotel Ltd

Name of electronic reporter: Cohen MiritPosition: ControllerName of employer company: Isrotel Ltd.

Address: Yitzhak Sadeh8 , Tel Aviv6777508Telephone: 03-5197700Fax: 03-5104646E-mail: mirit@isrotel.co.il