Partner Communications Company Ltd.

To:
Israel Securities Authority
www.isa.gov.il

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

November 13, 2025

Nature of Event: Clarification from VAT Authorities

The company announces that on November 12, 2025, a clarification was received from the VAT Authorities (the clarification) regarding the aspects of VAT liability in respect of the collection of subscription fees by the company for Netflix.

According to the company's position, the collection of the subscription fee by the company for Netflix, pursuant to the arrangement between Netflix and its customers, does not constitute part of the company's transaction price, i.e., the company acts solely as a conduit to transfer the payment from the customer to Netflix. However, the company recognized a provision in its books to cover a potential VAT liability.

The clarification from the VAT Authorities accepts the company's position and determines that, until further instruction is received, there will be no VAT liability for this component.

Accordingly, the company expects to cancel the existing provision in its books for VAT regarding the subscription fees for the years 2020-2025, which will result in the recording of a one-time profit (before tax) in the amount of approximately NIS 38 million, to be recognized in the company's financial statements for the third quarter of 2025.

In addition, the company will not make a provision in its financial statements in respect of this component from now on, as long as the position of the VAT Authorities remains as set forth in this clarification.

The information referred to in this report regarding the expected profit for the company constitutes forward-looking information, as defined in the Securities Law, 1968, based on the information available to the company as of the date of this report. It is further clarified that the clarification relates to the position of the VAT Authorities as of now, and the company cannot predict whether this position will remain unchanged in the future.

In light of the foregoing, the company will postpone the approval date of the financial statements for the third quarter of 2025.

Respectfully,
Partner Communications Company Ltd.

Signed by:

Miri Takutiel, Chief Financial Officer