SHAPIR ENGINEERING AND INDUSTRY LTD

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Registration Number: 514892801

To: Israel Securities Authority To: Tel Aviv Stock Exchange Ltd. Form Number: T136 (Public) Sent via MAGNA: 21/10/2025 www.isa.gov.il www.tase.co.il Reference: 2025-01-078562

Immediate Report on a Transaction with a Controlling Shareholder or Director Not Requiring General Meeting Approval

Regulation 37A(5) of the Securities Regulations (Periodic and Immediate Reports), 2006

Reference numbers of previous reports on the subject: ________, ________, ________.

1. Hereby submitted is a report on the approval of a transaction in accordance with Regulation 1B of the Companies Regulations (Relief in Transactions with Interested Parties), 2000.

2. Date of transaction approval by the Board of Directors: 21/10/2025.

3. Summary of the main points of the transaction and the main reasons of the Board of Directors and Audit Committee for approving the transaction:

On September 11 and October 21, 2025 (respectively), the Audit Committee and the Board of Directors of the company approved the employment terms of the son of one of the controlling shareholders of the company, in the position of execution engineer in the group (hereinafter: "the employee"). The employee will be employed full-time in exchange for a global salary, which will not exceed the average wage in the economy (which as of this date stands at approximately NIS 12,379). The other employment terms (such as: pension contributions, advance notice, vacation and sick leave) will be as required by law. Below is a summary of the reasons of the Compensation Committee and the Board of Directors for approving the decision:

(a) In the infrastructure division, an additional execution engineer is required due to the workforce and scope of activity. (b) The monthly salary to be paid to the employee does not exceed the average monthly wage in the economy and is reasonable considering the scope of employment, the nature of the position, and the employee's qualifications for the position. (c) The employee's employment terms do not exceed those of other group employees employed in similar positions and scopes.

In light of the above, the proposed engagement is for the benefit of the company.

4. Main points of the Government Companies Authority's opinion and the main points of the decision of the Ministerial Committee for Privatization, or details of the alternative under which the exemption was granted

Explanation: To be filled in if this is an exceptional transaction of a public company controlled by the government.

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5. Attached file: _________

Details of the authorized signatories on behalf of the corporation:

No.	Name of Signatory	Position
1	Amir Shaked, Adv.	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 inclusion by reference):

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

Short name: SHAPIR ENGINEERING AND INDUSTRY LTD

Address: Bareket 12, Petah Tikva 49170 Phone: 03-9169500, Fax: 03-9169600 Email: amirs@shapir.co.il Company website: www.shapir.co.il

Previous names of the reporting entity: Shapir Holdings Bareket Ltd.

Electronic reporter name: Shaked Amir Position: Legal Counsel and Company Secretary Employer company name: Shapir Civil and Marine Engineering Ltd.

Address: Bareket 12, Petah Tikva 4951780 Phone: 03-9169555, Fax: 03-9169600 Email: amirs@shapir.co.il