

Convenience translation

In any case of inconsistency, the immediate report in Hebrew shall prevail

Cellcom Israel Ltd. (the "Company")

Immediate report dated November 24, 2024

Subject: **Private offering of debentures by way of expanding an expanding series of bonds (Series 13)**

On November 24, 2024, the Company's Board of directors approved, following orders received from classified investors who are investors among the investors listed in the First Schedule to the Securities Law, 5728-1968 ("**Classified Investors**" or "**Offenders**" and "**Securities Law**", respectively), a private offering of NIS 100 million par value of debentures of the Company (Series 13) each registered 1 NIS par value ("**the additional debentures (Series 13)**") through the expansion of the Company's debentures (Series 13) listed for trading on the Tel Aviv Stock Exchange Ltd. (the "**TASE**"), all as set forth below:

1. **Allocation of debentures (Series 13)**

- 1.1. The issuance of the additional debentures (Series 13) will be made (subject to the TASE's approval, as detailed below) at a price of 99.35 Israeli Agorot per NIS 1 par value of debentures (Series 13), and for a total consideration (gross) of approximately NIS 99,350,000.
- 1.2. The terms of the additional debentures (Series 13) to be allocated to the offers, will be as same as the terms of the existing debentures (Series 13), which were issued and registered for trading for the first time on September 8, 2022, according to a shelf offering report published by the Company on September 6, 2022 (reference no. 2022-01-114373), incorporated herein by reference, and in accordance with the trust deed attached as Appendix A to the said shelf offering report ("**the trust deed**").
- 1.3. As of the date of this report, the par value of the debentures (Series 13) is NIS 394,915,000. After the private offering as stated in this report, the debentures (Series 13) will be in the amount of NIS 494,915,000 par value.
- 1.4. The additional debentures (Series 13) that will be allocated according to this report, will be, as of the date of their registering for trading on TASE, one series for all intents and purposes, together with the existing debentures (Series 13). The trust deed will apply on the additional debentures (Series 13), and will be valid from the date of their issuance, duly the existing debentures (Series 13).
- 1.5. As of the date of the report, the adjusted value for each NIS 1 par value of the existing debentures (Series 13) is NIS 1.0184, and is higher than the price at which the additional debentures (Series 13) will be offered according to this report. Therefore, the additional debentures (Series 13) will be issued at a discount. The Company has received the approval of the Tax Authority which states that for the purpose of withholding tax deduction from the discount fees for the additional debentures (Series 13), a uniform discount rate will be determined for the said debentures according to the formula that weighs the various discount rates ("**weighted discount rate**"). The discount rate in the current private offering is 2.45000% and the weighted discount rate for all debentures (Series 13), after the private offering is 0.33923%. For details regarding the method of calculating the discount of the debentures (Series 13) of the Company, see section 5.1 of the trust deed.

2. The additional debentures (Series 13) will be registered in the Company's securities register in the name of The Tel-Aviv Stock Exchange Nominee Company Ltd.
3. The existing Company's debentures (Series 13) are rated by S&P Maalot ("**Maalot**") with a rating of ilA+/Stable. The rating of the expansion of the Company's debentures (Series 13) in private offering in accordance with this report is expected to be published in the near future.
4. The debentures issued in accordance with this report, after their allocation, shall be subject to limitations on resale (blocking provisions) set in section 15c of the Securities Law and the regulations promulgated thereunder.
5. The private offering is conditional on the fulfillment of all the following conditions precedent: (a) receipt of TASE's approval for the listing of the additional debentures (Series 13) for trading; And (b) receipt of all other approvals required for the purpose of expanding the series under the terms of the trust deed. The Company will apply to TASE for the registration of the additional debentures (Series 13) shortly after the publication of this report. The offering will take place shortly after the conditions are met and receiving the TASE approval.