



Convenience translation

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

Cellcom Israel Ltd. (the "Company")

Immediate report dated January 16, 2025

Subject: **IRU agreements with IBC**

Further to what is stated in Sections 17.1.4 and 17.2.3 of Chapter A of the Company's periodic report for 2023, regarding the Company's commitment under the IRU agreements with IBC Israel Broadband Company (2013) Ltd. ("**IBC**") and regarding the deployment of IBC's infrastructure, the Company updates that IBC intends to expand the deployment from approximately 2 million households to approximately 2.4 million households (through obtaining external financing) ("**the New Deployment**").

There is a dispute between the Company and IBC and some of its rights holders regarding decisions made at IBC concerning the target of the new deployment and its execution, as well as regarding the Company's obligation to purchase infrastructure lines from the new deployment. The Company's position (including according to legal advice it received) is that, inter alia, according to the contractual system between the parties (under which the Company committed to purchasing infrastructure lines as a percentage of the total deployment up to approximately 2 million households), it has no obligation to purchase such lines. The Company has informed IBC of its position accordingly. Under these circumstances, inter alia, considering that as of this date IBC has not yet begun the new deployment, the Company is unable at this stage to assess the results and implications of the aforementioned dispute.