Convenience translation into English of Cellcom Israel Ltd.'s Periodic Report for the period ending September 30, 2025 filed with the Israeli Securities Authority, on November 25, 2025

Cellcom Israel Ltd.

PERIODIC REPORT FOR THE PERIOD ENDING SEPTEMBER 30, 2025

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Chapter A

Changes and updates that occurred in the Company's business during the reporting period and thereafter in matters that are required to be described in the Periodic Report - Update to Cellcom Israel Ltd.'s Periodic report for the year 2024 (Reference No.: 2025-01-018174) ("The Company" and "Periodic Report", respectively), as reported in the Company's quarterly reports for the first and second quarters of 2025 (Reference No: 2025-01-035654, 2025-01-060071, respectively) ("First Quarter Report" and Second Quarter report, respectively).

1. **Section 2 for the second quarter report - Hot's investment transaction agreements in IBC - Investment Agreements**

   Further to the description in this section regarding the exercise of the Company's right to join the sale of all its holdings in IBC (Unlimited) Holdings Limited Partnership ("**IBC Partnership**") and in the general partner in the IBC Partnership, subject to the fulfillment of the suspensive conditions as described in the section, the Company updates that after all conditions precedent were met (approval of the Competition Authority on 20.8.2025, approval by the Ministry of Communications on 29.10.2025 and the approval by the financing parties of IBC Israel Broadband Company (2013) Ltd. for the transaction) on 31.10.2025, the transaction was completed and the Company received consideration of approximately NIS 520 million. As a result of completing the transaction, the expected pre-tax income for the Company (primarily a capital gain expected to be recognized in the fourth quarter of 2025) amounts to approximately NIS 400 million.

2. **Section 4 for the second quarter report – Suppliers – Dependence on Suppliers – Equipment and Contents for Television Services (OTT)**

   Further to the description in this section regarding the Company’s entry into a binding memorandum of understanding with Hot – Telecommunication Systems Ltd. ("**HOT**") the Company updates that following continued negotiations with HOT regarding the aforementioned transaction, the Company and HOT have notified the Competition Authority of the withdrawal of the request for exemption from restrictive arrangement submitted in connection with the transaction. The Company will continue to examine alternatives for optimizing its activity in the field of television services, including with HOT and/or with other parties

3. **Section 2 for the first quarter report - IRU Purchase agreement in IBC fiber optic infrastructure**

   Further to the description in this section regarding the filing of lawsuit in the Tel Aviv-Jaffa District Court by the Company against IBC on 17.11.2025, the Company received a statement of defense and a counterclaim from IBC, which included, among other things, a monetary remedy of approximately NIS 16.5 million and declaratory relief

4. **Section 1.3 – Structure of the Group’s Material Holdings**

   Further to the description in this section regarding the structure of the group’s holdings on 24.11.2025, the Company's Board of Directors decided to proceed with the dissolution of Cellcom Fixed Communications Limited Partnership (the

"**Partnership**"), and the transfer of all assets and liabilities of the Partnership to the Company, all subject to the approval of the Ministry of Communications. There is no certainty regarding the realization (if at all) of the aforementioned, among other things, depending upon the approval of the Ministry of Communications.

5. **Section 4.1 – Dividend Distribution**

Further to the description in this section regarding a dividend distribution on 24.11.2025, the Company declared a dividend distribution to its shareholders in the total amount of NIS 200 million. The dividend payment date is set for 11.12.2025.

6. **Section 4.2 – Dividend Distribution Policy**

Further to the description in this section regarding the dividend distribution policy of the Company, the Company updates that, simultaneously with the decision regarding dividend distribution, the Board of Directors resolved to cancel the aforementioned policy. The Board of Directors will reconsider, from time to time, the distribution of dividends to its shareholders, considering, among other things, the provisions of the law and the Company's business situation.

7. **Sections 9.8.2 and 9.10.2 – Electricity Supply Segment - Raw Materials and Suppliers in the Area of Activity and Cooperation Agreements in the Area of Activity.**

Further to the description in this sections regarding the signing of several agreements for the purchase of electricity for and by Cellcom Energy (2023) Limited Partnership (equally owned by the Company and Meshak Energy – Renewable Energies Ltd. ("**Meshak Energy**") – "**Cellcom Energy**"), and section 26.7 of Part A of the periodic report, the Company updates on Cellcom Energy 's entry into an agreement and memorandum of understanding ("**the agreement**" and "**the memorandum of understanding**") for the purchase of electricity from corporations in the Meshak Energy group. The total payments expected by Cellcom Energy in connection with the purchase of electricity under the aforementioned agreements are estimated by Cellcom Energy at approximately NIS 1.18 billion.

According to the agreement, Cellcom Energy will purchase the electricity generated in a photovoltaic project combined with storage ("**the project**"). The agreement is for a period of 20 years from the start date of electricity supply in the project, with an installed solar capacity (as reported to Cellcom Energy) of about 18 MW DC and a storage capacity of about 68.5 MWh. If the commercial operation of the facility in the project does not commence within 12 months from the expected date of commercial operation (as reported to the Company – during the third quarter of 2026), and not due to a force majeure event, Cellcom Energy will be entitled to cancel the agreement. The electricity purchased by Cellcom Energy under the agreement will be sold under the market model regulation (for details see section 9.1.2(3) of Part A of the Company's periodic report for 2024), at a price reflecting a discount on the weighted electricity production component. The total expected payment in connection with the agreement is estimated at about NIS 400 million over the term of the agreement. To secure Cellcom Energy 's obligations under the agreement, Meshak Energy and the Company have provided limited parent Company guarantees for the producer (which, under certain circumstances, will be joined by a bank guarantee, in an amount not material to the Company).

Simultaneously, Cellcom Energy entered into a memorandum of understanding with a corporation that fully owns the producer (100%), according to which, subject to the fulfillment of conditions precedent, the parties will sign three binding electricity sale agreements while maintaining commercial principles identical to those agreed in the agreement ("**the future projects**"). As reported to the Company, the future projects are expected to have a total expected capacity (as reported to Cellcom Energy) of about 30 MW DC and a storage capacity of about 123.5 MWh. The total expected payment in connection with the future projects is estimated by Cellcom Energy at about NIS 780 million over the term of the aforementioned agreements. The engagements under the memorandum of understanding are subject to conditions precedent, including meeting the commercial operation schedules as agreed between the parties and signing binding electricity sale agreements.

The above mentioned regarding the price to be paid in the agreement and the additional agreements, for the project and the future projects, the installed capacity of the project and the future projects, and the commercial operation dates, constitutes forward-looking information, as defined in the Securities Law, 1968. Such information reflects Cellcom Energy 's estimates and is based, among other things, on the electricity tariffs set within the described engagements. Forward-looking information, by its nature, is information that may materialize, in whole or in part, or materialize in a manner materially different from what was anticipated by the Company, or may not occur at all, as a result of various factors not solely under the control of the Company or Cellcom Energy. For details regarding risk factors in the field of electricity supply, see section 9.12 of Part A of the Company's periodic report for 2024.

8. <u>Section 25.1 - Pending Material Legal Proceedings</u>

Further to the description in this section regarding a class action filed in July 2014 with the Central District Court against the Company, two additional cellular operators, and a content provider, claiming that the payment demands and/or legal proceedings and/or amounts collected by the content provider as a result thereof were contrary to law, on 15.11.2025, a judgment was rendered approving the agreed motion for a settlement agreement reached between the parties for an insignificant amount.

Chapter B

Board of Directors' Report on the State of the Company's Affairs

September 30, 2025

The Company's board of directors hereby respectfully submits the board of directors' report on the state of the affairs of the Company and its subsidiaries (hereinafter collectively: the "**Group**") for the period of six months ended September 30, 2025 (the "**Report Period**"). The following presentation is limited in scope and relates to events and changes to the affairs of the Group during the Report Period, which are of material effect. This report was prepared according to the Securities (Periodic and Immediate Reports) Regulations, 1970 (the "**Report Regulations**"), and assuming the reader has available the Company's periodic report for 2024 (ref. no. 2025-01-018174) ("**2024 Periodic Report**").

The Board of Directors' Explanations on the State of the Company's Affairs and results of operation

1. **Brief description of the Company, its business, and its activity during the Report Period**

1.1. General

The Company was incorporated in Israel in 1994 as a private company under the laws of the State of Israel, under the name Cellcom Israel Ltd. (the "**Company**"). The company's securities are traded on the Tel Aviv Stock Exchange Ltd.

As of the Report date, the Company and subsidiaries (the "**Group**") are active in the Israeli communications market in two areas of activity, and provides electricity supply services to private and business customers in Israel within the framework of an additional area of activity, which are reported as reportable segments in the Company's consolidated financial statements. For details, see Note 4 to the company's consolidated interim financial statements as of September 30, 2025 (the "**Financial Statements**"):

1.1.1. The cellular communications area (cellular segment) - In the framework of this field of activity, the Group provides its customers with a wide range of cellular telecommunication services in Israel, under license it was granted by the Israeli Ministry of Communications or MOC. The services include calls, sending and receiving text messages (SMS, MMS), internet access and transferal of data over the internet and associated services. In addition, the Group provides overseas roaming services to its customers and to customers of foreign operators who are visiting Israel. The Group also sells (mainly through Dynamica) cellular end equipment and warranty and repair services for end equipment. In addition, the group provides construction, operation and maintenance services for the radio network it shares with Wecom.

1.1.2. The fixed-line communications area (fixed-line segment) - Within the framework of this area of activity, the Group provides internet services, by virtue of a license provided to it by the Ministry of Communications and by virtue of it being a licensed provider in accordance with the Communications Law. These services include internet service providers (ISP) as well as infrastructure services (broadband services, on the basis of IBC fiber optics; as well as copper infrastructure and Bezeq fiber optics within the framework of the wholesale market), TV services over the internet (Cellcom TV), international line-based telephone services (international carrier services) and domestic services, (Domestic Provider services) and transmission services to business customers (including international transmission services) and for the communications operators on the basis of the Group's independent infrastructure as well as on other operator infrastructure. The Group also provides additional services such as IOT solutions, integration and maintenance of information security solutions services, video conference services, and server hosting services. In addition, the Group sells land-based end equipment attributed to the land-based segment.

1.1.3. Electricity supply sector – within the framework of the electricity supply sector, the Group provides, via Cellcom Energy (a shared corporation held in equal portions by the Company and Meshek Energy), electricity supply services to business and private customers in Israel (excluding the rural sector), all in accordance with the license to supply electricity without means of production given it by the Electricity Authority and the regulation that applies in the field of electricity supply to private and business customers, including the decisions of the Electricity Authority within the framework of the move to the market model and the opening of the electricity supply segment to competition.

1.2. Review by the Company's management regarding the results of the Group's activity for the third quarter of 2025

The Group concluded the current quarter with a net profit of NIS 76 million compared to a net profit of NIS 56 million in the corresponding quarter of 2024, reflecting an increase of 35.7%.

Revenues excluding interconnection fees amounted to a total of 1,031 million NIS compared to 1,064 million NIS in the corresponding quarter of 2024, reflecting a decrease of 3.1%. The decrease is mainly attributable to a lower revenues from end-user equipment in both the mobile and fixed line segments. The Group's total revenues in the current quarter amounted to a total of 1,033 million NIS compared to a total of 1,116 million NIS in the corresponding quarter of 2024, reflecting a decrease of 7.4%.

Revenues from services in the mobile segment in the current quarter after neutralizing interconnection fees, which decreased as a result of a regulatory change reducing interconnection fees (see Note 32f to the 2024 Financial Statements), amounted to NIS 442 million in the mobile segment Compared to a total of 417 million NIS in the corresponding quarter of 2024, reflecting an increase of 6%, mainly attributable to recurring revenues from cellular packages and roaming services. Total revenues from services in the mobile segment (including interconnection fees) amounted to NIS 444 million compared to NIS 468 million in the corresponding quarter last year.

Revenues from services in the fixed line sector in the current quarter amounted to a total of 339 million NIS compared to 336 million NIS in the corresponding quarter last year, reflecting a

0.9% increase. The increase derives, among other things, from an increase in revenues from internet and television services.

As of September 30, 2025, the Group’s cellular subscribers base comprises 3,645 thousand subscribers, a growth rate of 2% compared to the corresponding quarter of 2024. Internet subscribers reached a total of 386 thousand subscribers, an increase of 3.5% compare to the corresponding quarter last year. Fiber optic subscribers reached 348 thousand subscribers, constituting a total of 90.2% of the Group’s internet infrastructure subscribers.

Revenues from end equipment in the current quarter in the mobile sector amounted to 241 million NIS compared to 249 million NIS in the corresponding quarter, reflecting a decrease of 3.2%. In the fixed-line sector end equipment revenues amounted to 43 million NIS versus 100 million NIS in the corresponding quarter last year, a decrease of 57%. Total revenues from end equipment amounted to a total of 284 million NIS, a 18.6% decrease compared to the corresponding quarter of 2024.

The Adjusted EBITDA (see definition of Adjusted EBITDA in Section 4 of this report) amounted to NIS 369 million in the current quarter, an Increase of 4.2% from the corresponding quarter of 2024.

The Adjusted EBITDA in the mobile segment amounted to a total of NIS 248 million in the current quarter, an 11.2% increase over the corresponding quarter of 2024, mainly as a result of an increase in revenues from cellular services and roaming. In the fixed line segment, the Adjusted EBITDA for the current quarter amounted to a total of NIS 121 million, an 7.6% decrease over the corresponding quarter of 2024. As a result of a decline in end-user equipment profitability, partially offset by an increase in revenues from internet and television services.

The Adjusted EBITDA in the electricity segment in the current quarter amounted to a profit of 2 million NIS (Company’s share) compared to the Adjusted EBITDA amounting to a loss of 2 million NIS in the corresponding quarter of 2024.

The free cash flow (FCF) for the current quarter amounted to NIS 111 million compared to NIS 93 million in the corresponding quarter of 2024, an 19.4% increase deriving among other things from an improvement in the Company's ongoing activity and an improvement in working capital.

The net financial debt at the end of the current quarter amounted to a total of NIS 1,464 million, a NIS 286 million decrease compared to the net debt at the end of the corresponding quarter of 2024, which amounted to a total of NIS 1,750 million. The decrease in debt is attributable to debentures repayments during the year, partially offset by new issuances and free cash flow, which contributed to debt reduction.

1.3. Events during and subsequent to the Report Period

A. For details on the impact of the security condition in Israel on the Company, see Note 1 B to the Financial Statements.

B. In October 2025, subsequent to the reporting period, the Company completed the sale of its holdings in IBC and received consideration for the sold holdings in the amount of approximately NIS 520 million. For details regarding the transaction, see Note 8 C to the Financial Statements.

In November 2025, subsequent to the reporting period, the Company declared a dividend distribution of approximately NIS 200 million. For additional details regarding the dividend distribution, see Note 8 D to the Financial Statements.

C. For information regarding the Memorandum of Understanding with HOT Regarding the Company’s Television Services, see Note 8 H to the Financial Statements.

D. For information regarding the Cooperation Agreements in the Electricity Sector, see Note 8 I to the Financial Statements.

E. For details regarding the liquidation of Cellcom Fixed-Line Communications Limited Partnership, see Note 3, Section 1 to the condensed separate interim financial information.

1.4 The effect of inflation and interest on the results during the period

Inflation increased by a rate of 1.36% over the course of the third quarter of 2025. In addition, the Bank of Israel has set interest rates in the economy at 4.5% with no change from the end of 2024.

Below is the assessment of the direct impact of the increase in the rate of inflation and interest on the group

The Group's cost structure includes CPI-linked rental contracts that also include the rental of building and cellular sites. According to the Company's estimates, any increase of 1% in inflation rates, will lead to a 2 million NIS increase in Group expenses before tax.

The influence of inflation on financing expenses due to CPI-linked debenture are not material to the Company's results, as a result of replacing most of the debt that in the past had been CPI-linked to NIS debt.

Below is the assessment of the indirect impact of the increase in the rate of inflation on the group

As a result of the rise in the Consumer Price Index, there may be increases in the Group's input costs, which could affect the Group's results.

The following is an assessment of the indirect impact of an increase in inflation rates on the Group's results:

Following the increase of the CPI in the Israeli economy, there may be increase in the Group's input prices, which may impact the Group's results.

The following is an assessment of the impact of the change in interest rates on the Company:

As noted above, the increase in interest rates does not have a direct material impact on the structure of the Company's costs.

At the same time, regarding refinancing future debt and/or raising debt in the future, and/or utilization of credit frameworks in accordance with the Company's needs, as the interest environment in the economy grows higher, the situation may impact interest levels when raising such debt in the future and on the Company's financing expenses. The Company has commercial securities (CS) that are influenced by the interest rates in the economy and therefore any increase of 1% in interest rates would lead to a 2 million NIS increase in financing expenses. For further details on the impact of interest on the Financial Statements and the impact of interest on the examination of goodwill impairment, see Note 13b and Note 22 to the 2024 Periodic Report.

2. Financial position

Section	As of September 30		Board of directors' explanation
	2025	2024	
	NIS millions		
Current assets	1,282	1,319	Decrease in cash balance as a result of debenture repayments.
Non-current assets	4,885	5,024	Decrease due to ongoing amortization of intangible assets.
Total assets	**6,167**	**6,343**	
Current liabilities	1,891	2,015	Decrease in current maturities of debentures and a reduction in current liabilities related to trade payables and accrued expenses.
Non-current liabilities	1,611	1,933	Decrease mainly due to a reduction in debenture related debt.
Total liabilities	**3,502**	**3,948**	
Equity	2,665	2,395	Increase with respect to profit for the period.
Total liabilities and equity	**6,167**	**6,343**	

3. **Analysis of the operating results**

3.1. Below is an analysis of the Company's operating results for the period of nine and three months ended September 30, 2025, compared to the corresponding period of last year:

Section	1-9 /2025	1-9 /2024	7-9 /2025	7-9 /2024	Board of directors' explanation
	NIS millions		NIS millions		
Revenues from services	2,265	2,300	749	767	The decrease largely derives from a drop in interconnection fees, which was partially offset from an increase in current revenues of cellular packages and revenues from roaming services as well as from an increase in fixed line segment revenues from internet and television.
Revenues from equipment	927	1,049	284	349	Decrease in revenues from end-user equipment in the mobile segment. In addition, a decrease in equipment revenues in the fixed-line segment, mainly due to significant one-time sales in the corresponding quarter.
Total revenues	**3192**	**3,349**	**1033**	**1,116**	
Cost of revenues	(2,110)	(2,299)	(652)	(758)	Decrease mainly as a result of a drop of the reciprocal connectivity fees rate and a decrease in the cost of end equipment.
Gross profit	**1082**	**1,050**	**381**	**358**	Increase in gross profit compared to the corresponding quarter, mainly due to higher profitability from cellular services and internet and television services.
Gross profit rate from total revenues	**33.9%**	**31.4%**	**36.9%**	**32.1%**	
Sale and marketing, General and administrative costs and credit losses	(770)	(776)	(265)	(263)	
Other income (loss), net	42	(6)	11	15	
Operating profit	**354**	**268**	**127**	**110**	
Financing costs, net	(82)	(98)	(29)	(31)	A decrease in net financing expenses, among other things as a result of the decrease in interest expenses due to debentures as a result of the drop in net debt.
Share in the losses of equity accounted investees	3	(10)	2	(4)	
Profit before taxes on revenue	**275**	**160**	**100**	**75**	
Taxes on income	(75)	(42)	(24)	(19)	
Net profit	**200**	**118**	**76**	**56**	

3.2 Main results and operational data in quarterly division (in NIS millions):

Financial data (million NIS)	Q3'25	Q2'25	Q1'25	Q4'24	Q3'24	Q2'24	Q1'24	Q4'23	Q3'23
Revenues from services cellular segment	442	413	409	406	417	400	376	376	418
Revenue from equipment cellular segment	241	250	307	281	249	272	283	276	204
Revenue from other services (as of June 30, 2025, including mainly IC)1	2	41	46	47	51	77	91	93	90
Total Revenues cellular segment	**685**	**704**	**762**	**734**	**717**	**749**	**750**	**745**	**712**
Revenues from services fixed-line segment	339	340	338	337	336	332	334	346	355
Revenue from equipment fixed-line segment	43	39	47	59	100	57	88	71	97
Total Revenues fixed-line segment	**382**	**379**	**385**	**396**	**436**	**389**	**422**	**417**	**452**
Consolidation adjusments	(34)	(36)	(35)	(35)	(37)	(38)	(39)	(40)	(39)
Total revenues	**1,033**	**1,047**	**1,112**	**1,095**	**1,116**	**1,100**	**1,133**	**1,122**	**1,125**
Gross profit eqipment	57	45	53	51	57	58	60	50	45
Adusted EBITDA2 cellular segment	248	229	224	214	223	231	205	192	217
Adusted EBITDA2 fixed-line segment	121	122	125	140	131	117	97	116	120
Adjusted EBITDA2	369	351	349	354	354	348	302	308	337
profit Operating	127	117	110	106	110	111	47	80	111
Finanacing expenses, net	29	27	26	27	31	35	32	32	33
Profit for the period	76	64	60	55	56	55	7	33	53

1 Interconnect fees (IC)- this component refers to interconnection fee rates paid by a cellular operator or an international services operator or an international operator for completing a call on the company's cellular or landline network (as of June 15, 2025, interconnect fees are generally no longer charged for call minutes) or for sending an SMS message to the company's cellular network. For further details on interconnection fee rates see Section 22.3.1 of Chapter A of the 2024 Periodic Report. Starting from the third quarter of 2025, revenues from incoming international calls to the Company as a mobile operator are classified under mobile segment service revenues instead of other mobile segment service revenues.

2 See definition in Section 4 below.

Financial data (million NIS)	Q3'25	Q2'25	Q1'25	Q4'24	Q3'24	Q2'24	Q1'24	Q4'23	Q3'23
Capital investments in property, plant, equipment and intangble assets	145	165	149	176	166	171	152	130	157
Investments in property, plant, equipment and intangible assets	134	133	129	161	159	156	162	167	167
Free cashflow	111	103	94	71	93	62	59	74	77
Finance debt ,net	1,464	1,554	1,625	1,700	1,750	1,820	1,855	1,889	1,937
Operational Data									
Number of cellular Subscribers (thousands)[3]	3,645	3,624	3,602	3,614	3,571	3,554	3,561	3,555	3,523
Churn rate for cellular Subscribers4	8.0%	7.5%	8.3%	6.4%	7.6%	7.7%	8%	7.0%	7.3%
Monthly cellular ARPU (NIS)[5]	40.8	41.8	42.1	42.1	43.7	44.8	43.7	44	48.3
Monthly cellular ARPU (NIS) without IC6	40.5	38.2	37.8	37.7	39	37.6	35.3	35.4	39.7
Monthly Internet ARPU (NIS)[7]	100.3	98.9	97.9	96.2	92.8	91.7	88.9	88.2	89.8
TV Subscribers (thousands)	275	275	273	273	272	269	266	263	261
Internet infrastructure Subscribers (thousands)[8]	386	384	381	377	373	365	358	350	342
Fiber infrastructure Subscribers (thousands)	348	341	334	322	311	295	280	259	240

3 The subscribers' list data refers to "active" subscribers. For purpose of the subscriber list, one "subscriber" is one line. The Company adds a subscriber to the subscribers list when it joins the service. A subscriber that pays in advance is added to the subscribers list only on the date the charge card is charged. A subscriber that ceased being an "active" subscriber is a subscriber that does not generate revenue and activity on the Cellcom network for six consecutive months. To the best of the Company's knowledge, The six months policy is consistent with the policies adopted by other cellular providers in Israel, but the policy of counting the subscribers is not identical between the various cellular providers.

4 The churn rate is calculated according to the ratio of cellular subscribers who disconnected from the Company's services (whether as a result of the subscriber initiating the disconnection or the Group doing so) and of subscribers who became inactive during the period, and the remaining active subscribers at the beginning of the period.

5 ARPU is calculated by dividing the total average monthly revenues from cellular services for the period, by the number of average active subscribers for the period. Revenues from cellular services include revenues from roaming services and from hosting and network sharing revenue, and monthly revenues from repair services, but they do not include revenues from the sale of equipment.

6 See Footnote 1 above.

7 Internet ARPU is calculated as the total internet revenue for the period divided by the average number of internet customers for the period. Internet revenue is defined as revenue from the internet infrastructure product and the proportional share of internet revenue from the triple product.

8 Relating to "active subscribers".

3.3 Below is central financial data according to segments of activity (in NIS millions):

	Cellular			Fixed-line			Electricity			Inter-segment adjustments	
	7-9/ 2025	7-9/ 2024	Change % in	7-9/ 2025	7-9/ 2024	Change % in	7-9/ 2025	7-9/ 2024	Change % in	7-9/ 2025	7-9/ 2024
Revenue from services	444	468	(5.1%)	339	336	0.9%	77	37	108.1%	(111)	(74)
Revenue from equipment	241	249	(3.2%)	43	100	(57.0%)	-	-	-	-	-
revenue Total	685	717	(4.5%)	382	436	(12.4%)	77	37	108.1%	(111)	(74)
Operating profit	102	71	43.7%	25	39	(35.9%)	2	(2)	(200.0%)	(2)	2
Adjusted EBITDA	248	223	11.2%	121	131	(7.6%)	2	(2)	(200.0%)	(2)	2
Adjusted EBITDA as a percentage of total revenue	36.2%	31.1%	16.4%	31.7%	30.0%	5.7%	2.6%	(5.4%)	(148.1%)	-	-

	Cellular			Fixed-line			Electricity			Inter-segment adjustments	
	1-9/ 2025	1-9/ 2024	Change % in	1-9/ 2025	1-9/ 2024	Change % in	1-9/ 2025	1-9/ 2024	Change % in	1-9/ 2025	1-9/ 2024
from Revenue services	1,353	1,412	(4.2%)	1,017	1,002	1.5%	160	47	240.4%	(265)	(161)
Revenue from equipment	798	804	(0.7%)	129	245	(47.3%)	-	-	-	-	-
revenue Total	2,151	2,216	(2.9%)	1,146	1,247	(8.1%)	160	47	240.4%	(265)	(161)
Operating profit (loss)	274	189	45.0%	80	79	1.3%	1	(4)	(125.0%)	(1)	4
Adjusted EBITDA	701	659	6.4%	368	345	6.7%	2	(4)	(150.0%)	(2)	4
Adjusted EBITDA as a percentage of total revenue	32.6%	29.7%	9.8%	32.1%	27.7%	15.9%	1.3%	(8.5%)	(115.3%)	-	-

4. **Operational and financial indicators (KPIs)**

4.1 As of the Report date, the Company's management uses financial performance indicators that are not based on accepted accounting rules, for evaluating, tracking, and presenting the Company's financial performance. These indicators do not constitute a substitute for the information included in the Company's financial statements. Below are the details of the indicators:

Indicator	Calculation/components	Details of the indicator's purposes	Data
Adjusted EBITDA	Represents the net profit before: net financing costs, taxes, other income (expenses) that are not part of the Company's current activity (including provisions of lawsuits that are included in other expenses), depreciation and amortization, profits (losses) equity accounted investees and share-based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of sale transactions in installments And additional revenue in the company's areas of activity.	The Company presents this indicator as an additional performance indicator, since it believes that it enables operational performance comparisons between periods and between companies, while neutralizing potential discrepancies arising from differences in the capital structure, taxes, age of fixed assets and amortization costs of which. The adjusted EBITDA does not take into account the requirement of the debt service and additional obligations, including capital investments, and therefore it does not necessarily indicate the amounts available for the Company's use. In addition, no comparison can be made between the adjusted EBITDA and the indicators that are similarly referred to and that are reported by other companies due to a change in the calculation of these indicators.	See Section 4.2 below.
Free cash flow	Net cash deriving from current activity plus the proceeds from selling fixed assets or investments, which are related to the day-to-day business, and less cash used for investment activity in fixed assets or other assets, less payments for leases. The free cash flow does not include investments in subsidiaries.	The Company presents this indicator as an additional performance indicator, since it believes that it enables comparisons between the cash production rate from the operational activity by periods, while neutralizing potential discrepancies arising from differences in the capital structure and debt. The free cash flow does not take into account the requirements of the debt service and additional financing activity, and therefore it does not necessarily indicate the amounts to be available for the Company's use. In addition, no comparison can be made between the free cash flow and indicators that are similarly referred to and that are reported by other companies due to a change in the calculation of these indicators.	See Section 4.3 below.

4.2 Below are details on the adjustments between the net profit and adjusted EBITDA (in NIS millions):

Indicator	For the Nine months period ended September 30,		For the Three months period ended September 30,	
	2025	2024	2025	2024
Profit for the period	200	118	76	56
Taxes on income	75	42	24	19
Financing expenses, net	82	98	29	31
Other expenses (income) that are not part of the Company's current activity	(4)	23	(2)	(1)
Depreciation and amortization	706	699	239	241
Losses (profits) from equity accounted investees	(3)	10	(2)	4
Share-based payment	13	14	5	4
Adjusted EBITDA	1,069	1,004	369	354

4.3 Below are details on the data regarding the Company's free cash flow (NIS millions):

Section	For the Nine months period ended September 30,		For the Three months period ended September 30,	
	2025	2024	2025	2024
Net cash deriving from operating activities	946	891	315	318
Cash used for investment activities	(440)	(480)	(144)	(164)
Change in deposits (*)	(14)	-	-	-
Cash used for leases (financing activities)	(186)	(196)	(61)	(63)
Effects of fluctuations in exchange rates on balances of cash and cash equivalents	2	(1)	1	2
Free cash flow	308	214	111	93

(*) Changes in deposits are not part of the company's free cash flow.

5. **Liquidity**

Below are the board of directors' explanations on the Company's liquidity situation for the nine and three months periods ended September 30, 2025 compared to the corresponding periods of last year (NIS millions):

Section	1-9/2025	1-9/2024	7-9/2025	7-9/2024	Board of directors explanation
Balance of cash and cash equivalents as of the beginning of the period	**371**	**473**	**305**	**543**	
Cash flow deriving from current activities	**946**	891	**315**	318	
Cash flow used in investment activities	**(440)**	(480)	**(144)**	(164)	Decrease in capital expenses in property, plant and equipment
Cash flow used in financing activities	**(730)**	(682)	**(328)**	(498)	Higher debenture repayments compared to the corresponding quarter
Effect of exchange rate fluctuations on balances of cash and cash equivalents	**2**	(1)	**1**	2	
Balance of cash and cash equivalents as of the end of the period	**149**	**201**	**149**	**201**	

5.1 As of September 30, 2025 the Company has a working capital deficit of NIS 609 million (consolidated) and a working capital deficit (solo) of NIS 1,296 million. Note that as of September 30, 2025 the Group has unused credit facilities totaling NIS 566 million. The working capital deficit derives, among other things, from changes in the Company's credit management, which transferred part of its long-term financial liabilities to short-term for interest savings reasons. The working capital deficit in the Company's solo report derives from the fact that all of the Company's debt is managed, while some of the positive working capital is in subsidiaries under the Company's full control (100%).

5.2 The Board of Directors has examined the Company's cash balances, the free cash flow expected for two years from September 30, 2025, the credit facilities mentioned above and their expected renewal according to the Company's estimates, and assessed the Company's access to future sources of credit. Also taking into account that some of the Company's debt is short-term based on cost/benefit considerations in a high interest rate market environment, the Company Board of Directors ruled that in spite of the working capital deficit as of September 30, 2025, there is no liquidity problem at the Company and therefore, there are no warning signs as defined in Regulation 10(b)(14) of the Reports Regulations.

6. **<u>Financing sources</u>**

6.1. The Company mainly finances its activity through a cash flow from ongoing activity, securities offerings and loans from financial and/or institutional bodies.

6.2. Details on outstanding obligatory notes and Company credit frameworks as of September 30, 2025 have been attached as an appendix to this Board of Directors' Report.

6.3. There have been no material changes in the credit days the Company received from its suppliers and the credit days the Company gave its customers relative to that described in the 2024 Periodic Report.

6.4. As of the Report Date, the Company is in compliance with all financial covenants, the terms and additional liabilities set in the deeds of trust for the bonds issued as detailed in the appendix to this Report of the Board of Directors.

November 24, 2025

____________________	____________________
Mr. Yuval Cohen	**Mr. Eli Adadi**
Chairman of the Board	**CEO**

Annex - Details Regarding debentures in Circulation as of the Report Date

1. Details Regarding debentures in Circulation:

Series (**)	Date of issue	Par value on the issue date (in NIS millions)	Par value on 30 September, 2025 (in NIS millions)	Par value on 30 September, 2025, including linkage (in NIS millions)	Accrued interest (in NIS millions)	Financial statements balance as of 30 September, 2025 (in NIS millions)	Stock market value (in NIS millions)	Type of interest	Payment dates of principal[1]	Payment dates of interest[(1)]	Terms of linkage	Convertible	Right to early redemption
Series J	September 25, 2016	103.267	20.653	24.721	0.144	24.836	24.792	Annual interest of 2.45%.	On July 5 of 2021 until 2026 (including).	On January 5 and July 5, every year from 2017 until 2026 (including)	Linked (principal and interest) to the Consumer Price Index	No	Subject to certain terms
Series K	September 25, 2016; July 1, 2018*; December 10, 2018*	710.634	142.127	142.127	1.203	143.138	141.885	Annual interest of 3.55%.	On July 5 of 2021 until 2026 (including).	On January 5 and July 5, every year from 2017 until 2026 (including)	Not Linked	No	Subject to certain terms
Series L[2,3,4,5]	January 24, 2018; December 10, 2018*; May 12, 2020*, December 1, 2020*, July 12, 2022	1,235.937	731.488	731.488	13.427	732.117	724.1	Annual interest of 2.50%.	On January 5 of 2023 until 2028 (including).	On January 5 every year from 2019 until 2028 (including)	Not Linked	No	Subject to certain terms
Series M[6,7]	September 8, 2022; November 26, 2024	494.915	470.169	470.169	5.301	471.515	476.328	Annual interest of 4.73%.	On January 5 of 2025 until 2030 (including).	On January 5 every year from 2023 until 2030 (including)	Not Linked	No	Subject to certain terms
Total		2,544.753	1,364.437	1,368.505	20.075	1,371.606	1,367.105						

(*) On these dates the debenture series were expanded. The information appearing in the table refers to the full series.

(**) As of September 30, 2025, the Company's debentures (Series K, L and M) are material and constitute more than 5% of the Company's total liabilities as presented in the Financial Statements. Similarly, as of June 30, 2025, the Company's net debt to adjusted EBITDA[1] ratio was 1.03 including the total interest accrued in the books. There was no cause for early redemption in the Report Period.

(1) Semi-annual payments, with the exception of debentures (series L) where the payment is annual.
(2) In December 2019, the Company made an acquisition of debentures (Series L) of the Company in the amount of approximately NIS 10 million.
(3) In May 2020, the Company issued debentures (Series L) with a par value of approximately NIS 222 million.
(4) In December 2020, the Company issued debentures (Series L) with a par value of approximately NIS 400 million.
(5) In July 2022, after the date of the financial statements, the company expanded the series L with par value of NIS 105 million.
(6) In September 2022, the company issued debentures (Series M) in the amount of NIS 395 million par value.
(7) In November 2024, the Company expanded debentures (Series M) by way of a private offering, at a notational value of 100 million NIS. For further details see Note 18 to the 2024 Financial Statements .
(8) In July 2025, the Company's debentures (Series I) received their final redemption.

2. Details regarding the trustee:

Series	Name of the trust company	Name of responsible person for the debentures	Contact	Address for delivery of documents
Series J	Mishmeret Trust Services Company Ltd.	CPA Ram Sabati	email: office@mtrust.co.il Tel: 03-6374354	48 Menachem Begin Road, Tel Aviv 6618001
Series K	Mishmeret Trust Services Company Ltd.	CPA Ram Sabati	email: office@mtrust.co.il Tel: 03-6374354	48 Menachem Begin Road, Tel Aviv 6618001
Series L	Strauss Lazer, Trust Company (1992) Ltd.	CPA Ori Lazer	email: ori@slcpa.co.il Tel: 03-6237777	94 Yigal Alon Street, Tel Aviv 6789139
Series M	Strauss Lazer, Trust Company (1992) Ltd.	CPA Ori Lazer	email: ori@slcpa.co.il Tel: 03-6237777	94 Yigal Alon Street, Tel Aviv 6789139

[1] The net debt to adjusted EBITDA ratio is the ratio between the Company's net debt to the adjusted EBITDA in a period of 12 consecutive months, when neutralizing one-time events. In this regard, "net debt" is defined as credit and loans from banking corporations and from banking corporations as well as liabilities with respect to debentures, after deducting cash and cash equivalents, deposits (with the exception of restricted deposits against bank guarantees) and current investments in marketable securities.
"Adjusted EBIDTA" – see the definition in Section 4.1 above.

3. Details regarding the rating of the debentures:

Series	Name of rating company	Rating as of the issue date	Rating as of the Report date	Additional ratings between the issue and Report date – Rating dates(1)	Details regarding the intention of the rating company to change the rating
Series J	Maalot	A+	AA-	08/2016, 06/2017, 01/2018, 06/2018, 08/2018, 12/2018, 03/2019, 08/2019, 05/2020, 08/2020, 11/2020 ,08/2021, 08/2022, 08/2023, 11/2023, 08/2024, 08/2025(1)	In August 2025, Maalot revised the Company's rating forecast from a rating of ilA+ Stable Outlook to a rating of ilAA- Stable Outlook.
Series K	Maalot	A+	AA-	08/2016, 06/2017, 01/2018, 06/2018, 08/2018, 12/2018, 03/2019, 08/2019, 05/2020, 08/2020, 11/2020, 08/2021, 08/2022, 08/2023, 11/2023, 08/2024, 08/2025(1)	
Series L	Maalot	A+	AA-	01/2018, 06/2018, 08/2018, 12/2018, 03/2019, 08/2019, 05/2020, 08/2020, 11/2020, 08/2021, 07/2022, 08/2022, 08/2023, 11/2023, 08/2024, 08/2025(1)	
Series M	Maalot	A	AA-	08/2022, 09/2022, 08/2023, 11/2023, 08/2024, 11/2024, 08/2025(1)	
CS1	Maalot	A-1	A-1+	01/2024, 08/2024, 08/2025(1)	

(1) In June 2014, August 2014, January 2015, September 2015, March 2016, August 2016, June 2017, January 2018, June 2018, August 2018 and December 2018, Maalot ratified the Company's A+ rating with a stable outlook. In March 2019, Maalot updated the Company's rating forecast from A+ with a stable outlook to a rating of A+ with a negative outlook. In August 2019, Maalot updated the Company's rating forecast from A+ with a negative outlook to a rating of A with a negative outlook. In May 2020, August 2020, and November 2020, Maalot ratified the Company's rating of A with a negative outlook. In August 2021 Maalot ratified the Company's rating A and updated its outlook to a stable outlook. In August 2022 Maalot updated the Company's rating forecast from a rating of A Stable Outlook to a rating of A Positive Outlook. . In August 2023 Maalot updated the Company's rating forecast from a rating of ilA Positive Outlook to a rating of ilA+ Stable Outlook. In November 2023 Maalot ratified the Company's rating of A+ Stable Outlook. In January 2024 Ma'alot rated short-term Company securities at ilA-1. In August 2024 Ma'alot ratified the rating forecast to ilA+ Stable Outlook. In November 2024, Maalot rated the expansion of the Series M debentures at ilA+. In August 2025, Maalot revised the Company's rating outlook from ilA+ with a stable outlook to ilAA with a stable outlook, and updated the short-term commercial paper rating from A-1 to A-1+.

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4. Additional undertakings:

4.1. The Company’s debentures (Series J to M) are not secured and include, in addition to accepted terms and undertakings, the following undertakings:

a. A negative pledge undertaking, subject to certain exceptions. Failure to comply with this undertaking shall be deemed a cause for acceleration.

b. An undertaking not to distribute more than 95% of the profits suitable for distribution under the Companies Law (the “**Profits**”); provided that (1) should the Company’s net debt to EBITDA[8] ratio exceed the ratio of 3.5:1, the Company shall not distribute more than 85% of the Profits; (2) should the Company’s net debt to EBITDA ratio exceed 4:1, the Company shall not distribute more than 70 of the Profits; and (3) should the Company’s net debt to EBITDA ration exceed 5:1, or 4.5:1 during four consecutive quarters, and/or if the Company equity will be less than NIS 700 million, for two consecutive quarters (Series M only), the Company shall not distribute dividends.

c. And undertaking to rate the debentures through a rating company (insofar as this is under the Company’s control).

d. An undertaking to pay additional interest of 0.25% for a two-point decrease in the rating of the debentures Series J to K, and 0.5% for a two point decrease in the rating of debentures Series L, and additional interest of 0.25% for any one point decrease in the rating of the debentures until the maximum addition of 1%, compared to their rating before their issue.

e. The Company’s undertaking not to issue additional debentures of any series should the Company not meet the financial criteria, or if such issue would cause a decrease in the rating of the debentures.

4.2. In addition, the Company’s debentures include events of default, including:

a. Accelerating a different debt of the Company (cross default) by a non-supplier lender, except with respect to a debt of NIS 150 million or less. Such debt acceleration restriction shall not apply to a cross default caused by a different series of Company debentures.

b. A case where the Company shall cease to be active in the cellular communications area and/or ceased to hold its Cellular License for a period exceeding 60 days.

c. Trading suspension of the debentures on the Tel Aviv Stock Exchange, for a period exceeding 45 days.

d. Making a distribution that does not comply with the Company’s undertaking with respect to the restrictions on distributing profits.

e. Failure to rate the debentures for a period exceeding 60 days.

f. A court request or order to stay proceedings against the Company or submitting a motion for a creditor's settlement.

g. Selling a substantive part of the Company’s assets or a merger (except for certain exceptions).

h. Failure to publish financial statements on time.

i. A net debt to EBITDA ratio that exceeds 5:1, or that exceeds 4.5:1 during four consecutive quarters.

j. The company's equity falls below 700 million NIS for two consecutive quarters (Series M only).

k. Failure to comply with the Company’s undertaking not to create any pledges.
l. A material deterioration in the Company’s business compared to the condition thereof on the issue date of the debentures, and real concern that the Company would not be able to repay the debentures on time.
m. A substantial concern that the Company shall not meet, its material obligations towards the debenture holders.
n. Including a note in the Company’s financial statements regarding a concern of the Company continued existence as a “going concern” for a period of two consecutive quarters.
o. Violating the Company’s undertaking with respect to the issue of additional debentures.

4.3. The Company's credit frameworks include as a rule, violation events similar to those detailed in Section 4.2 above. In addition, the commercial securities issued by the Company include some of the violation events in a manner similar to that noted in Section 4.2 above.

Cellcom Israel Ltd.
Condensed Consolidated Interim Financial Statements

As at September 30, 2025
(Unaudited)

Condensed Consolidated Interim Financial Statements as of September 30, 2025

Contents

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The accompanying review report is a non-binding translation into English of the original review report published in Hebrew. The version in Hebrew is the approved text.

Auditors' review report to the shareholders of Cellcom Israel Ltd.

Introduction

We have reviewed the accompanying financial information of Cellcom Israel Ltd. and subsidiaries ("the Company"), which comprises the condensed consolidated statement of financial position as of September 30, 2025 and the related condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the nine and three months periods then ended. The Company's board of directors and management are responsible for the preparation and presentation of interim financial information for these interim periods in accordance with IAS 34, "Interim Financial Reporting" and are responsible for the preparation of this interim financial information in accordance with Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the condensed interim financial information of certain companies accounted for at equity, the investment in which, at equity, amounted to approximately NIS 123 million as of September 30, 2025, and the Company's share of their earnings amounted to approximately NIS 1.7 million and NIS 1 million for the nine and three months periods then ended, respectively. The condensed interim financial information of those companies was reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the financial information in respect of those companies, is based on the review reports of the other auditors.

Scope of review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Israeli Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the abovementioned, based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv, Israel
November 24, 2025

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

Condensed Consolidated Interim Statements of Financial Position

	September 30		December 31
	2025	2024	2024
	(Unaudited)		(Audited)
	NIS millions		
Current assets			
Cash and cash equivalents	**149**	201	371
Current deposits	**11**	25	25
Trade receivables	**849**	862	883
Current tax assets	**1**	7	6
Other receivables, including derivatives	**72**	42	33
Deferred expenses - right of use	**103**	81	90
Inventory	**97**	101	150
	1,282	1,319	1,558
Non- current assets			
Trade and other receivables	**196**	203	202
Deferred expenses - right of use	**377**	362	364
Property, plant and equipment, net	**1,517**	1,566	1,578
Intangible assets and others, net	**2,088**	2,120	2,108
Investments in equity accounted investees	**118**	121	114
Right-of-use assets, net	**586**	648	576
Deferred tax assets	**3**	4	4
	4,885	5,024	4,946
	6,167	6,343	6,504
Current liabilities			
Current maturities of debentures	**412**	492	497
Short-term credit	**234**	207	200
Current tax liabilities	**31**	1	4
Current maturities of lease liabilities	**175**	193	185
Trade payables and accrued expenses	**691**	770	808
Provisions	**93**	86	93
Other payables, including derivatives	**255**	266	296
	1,891	2,015	2,083
Non- current liabilities			
Debentures	**940**	1,252	1,348
Long-term lease liabilities	**444**	497	430
Provisions	**27**	23	25
Other long-term liabilities	**4**	10	4
Liability for employee rights upon retirement, net	**12**	13	13
Deferred taxes liabilities	**184**	138	149
	1,611	1,933	1,969
	3,502	3,948	4,052
Equity			
Total equity	**2,665**	2,395	2,452
	6,167	6,343	6,504

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

November 24, 2025			
Date of approving the financial statements	Yuval Cohen Chairman of the board	Eli Adadi CEO	Gadi Attias CFO

Condensed Consolidated Interim Statements of Income

	For the nine months period ended September 30		For the three months period ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)		(Unaudited)		(Audited)
	NIS millions				
Revenues	**3,192**	3,349	**1,033**	1,116	4,444
Cost of revenues	**(2,110)**	*(2,299)	**(652)**	*(758)	(3,034)
Gross profit	**1,082**	1,050	**381**	358	1,410
Selling and marketing expenses	**(545)**	*(549)	**(188)**	*(182)	(742)
General and administrative expenses	**(218)**	*(223)	**(75)**	*(81)	(294)
Credit losses	**(7)**	(4)	**(2)**	-	(6)
Other income (expenses), net	**42**	(6)	**11**	15	6
Operating profit	**354**	268	**127**	110	374
Financing income	**17**	15	**5**	4	18
Financing expenses	**(99)**	(113)	**(34)**	(35)	(143)
Financing expenses, net	**(82)**	(98)	**(29)**	(31)	(125)
Share in profit (losses) of equity accounted investees	**3**	(10)	**2**	(4)	(16)
Profit before taxes on income	**275**	160	**100**	75	233
Taxes on income	**(75)**	(42)	**(24)**	(19)	(60)
Net Profit	**200**	118	**76**	56	173
Profit per share					
Basic profit per share (in NIS)	**1.20**	0.71	**0.45**	0.34	1.04
Diluted profit per share (in NIS)	**1.20**	0.71	**0.45**	0.34	1.04

***** Reclassification

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Comprehensive Income

	For the nine months period ended September 30		For the three months period ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
	NIS millions				
Net Profit	**200**	118	**76**	56	173
Total comprehensive income	**200**	118	**76**	56	173

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	NIS millions			
For the nine months period ended September 30, 2025				
Balance as of January 1, 2025 (Audited)	**2**	**792**	**1,658**	**2,452**
Comprehensive income	**-**	**-**	**200**	**200**
Share based payments	**-**	**-**	**13**	**13**
Balance as of September 30, 2025 (Unaudited)	**2**	**792**	**1,871**	**2,665**

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	NIS millions			
For the nine months period ended September 30, 2024				
Balance as of January 1, 2024 (Audited)	2	792	1,469	2,263
Comprehensive income	-	-	118	118
Share based payments	-	-	14	14
Balance as of September 30, 2024 (Unaudited)	2	792	1,601	2,395

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	NIS millions			
For the three months period ended September 30, 2025 (Unaudited)				
Balance as of July 1, 2025	**2**	**792**	**1,790**	**2,584**
Comprehensive income	**-**	**-**	**76**	**76**
Share based payments	**-**	**-**	**5**	**5**
Balance as of September 30, 2025	**2**	**792**	**1,871**	**2,665**

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	NIS millions			
For the three months period ended September 30, 2024 (Unaudited)				
Balance as of July 1, 2024	2	792	1,541	2,335
Comprehensive income	-	-	56	56
Share based payments	-	-	4	4
Balance as of September 30, 2024	2	792	1,601	2,395

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to owners of the Company			
	Share capital	Share premium	Retained earnings	Total
	NIS millions			
For the year ended December 31, 2024 (Audited)				
Balance as of January 1, 2024	2	792	1,469	2,263
Comprehensive income	-	-	173	173
Share based payments	-	-	16	16
Balance as of December 31, 2024	2	792	1,658	2,452

Condensed Consolidated Interim Statements of Cash Flows

	For the nine months period ended September 30		For the three months period ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
	NIS millions				
Cash flows from operating activities					
Net Profit	**200**	118	**76**	56	173
Adjustments for:					
Depreciation and amortization	**706**	699	**239**	241	944
Share based payments	**13**	14	**5**	4	16
Capital loss from the sale of fixed assets	**2**	-	-	-	-
Taxes on income	**75**	42	**24**	19	60
Financing expenses, net	**82**	98	**29**	31	125
Other income	**(5)**	(1)	**(2)**	-	(6)
Share in losses (profit) of equity accounted investees	**(3)**	10	**(2)**	4	16
Changes in operating assets and liabilities:					
Change in inventory	**53**	13	**1**	17	(36)
Change in trade receivables (including long-term amounts)	**38**	49	**(2)**	(18)	29
Change in deferred expenses - right of use	**(109)**	(69)	**(39)**	(23)	(104)
Change in other receivables (including long-term amounts)	**(11)**	(17)	**(4)**	7	(8)
Change in trade payables, accrued expenses and provisions	**(43)**	(36)	**41**	31	23
Change in other liabilities (including long-term amounts)	**(31)**	(12)	**(43)**	(47)	(13)
Payments for derivative hedging contracts, net	**(2)**	(3)	**(1)**	-	(4)
Income tax paid	**(19)**	(14)	**(7)**	(4)	(20)
Net cash from operating activities	**946**	891	**315**	318	1,195
Cash flows used in investing activities					
Acquisition of property, plant, and equipment	**(287)**	(322)	**(86)**	(113)	(451)
Acquisition of intangible assets and others	**(172)**	(167)	**(59)**	(53)	(214)
Change in current investments, net	**14**	-	-	-	-
Proceeds from the sale of fixed assets	**1**	-	-	-	-
Interest received	**4**	9	**1**	2	11
Net cash used in investing activities	**(440)**	(480)	**(144)**	(164)	(654)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Condensed Consolidated Interim Statements of Cash Flows

	For the nine months period ended September 30		For the three months period ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
	NIS millions				
Cash flows used in financing activities					
Receipts for derivative contracts, net	**1**	-	-	-	-
Change in short-term credit	**34**	200	**34**	-	200
Repayment of debentures	**(503)**	(609)	**(279)**	(410)	(609)
Proceeds from issuance of debentures, net of issuance costs	**-**	-	-	-	99
Interest paid for debentures and short term credit	**(76)**	(77)	**(22)**	(25)	(77)
Interest paid for leases	**(25)**	(24)	**(9)**	(9)	(31)
Payment of principal of lease liabilities	**(161)**	(172)	**(52)**	(54)	(224)
Net cash used in financing activities	**(730)**	(682)	**(328)**	(498)	(642)
Changes in cash and cash equivalents	**(224)**	(271)	**(157)**	(344)	(101)
Cash and cash equivalents at the beginning of the period	**371**	473	**305**	543	473
Effects of exchange rate changes on cash and cash equivalents	**2**	(1)	**1**	2	(1)
Cash and cash equivalents at the end of the period	**149**	201	**149**	201	371

The accompanying notes are an integral part of these condensed consolidated interim financial statement

Notes to the Condensed Consolidated Interim Financial Statements

Note 1 - Reporting Entity

A. Cellcom Israel Ltd. ("the Company") is a company incorporated and domiciled in Israel and its official address is 10 Hagavish Street, Netanya 4250708, Israel. The Company's shares and debentures are traded on the Tel Aviv Stock Exchange ("TASE"). The condensed consolidated interim financial statements of the Group as of September 30, 2025, comprise the Company and its subsidiaries (together referred to as ("the "Group") and as well as the Group's holdings in included entitiescompanies handled in equity. The Group operates and maintains a cellular mobile telephone system in Israel and provides cellular telecommunications services, landline telephony services, internet services, international calls services, television over the internet services and transmission services. The Company also supplies electricity to private and business customers in Israel. The Company is under the control of F.F.6-Cell, Limited Partnership (“("the Partnership”)"). The Partnership is under the control of Mr. Yuval Cohen, through Fortissimo Capital 6 Management (GP) Ltd., which is the general partner in the Partnership, as well as the general partner in Fortissimo Capital Fund 6 SM (“G.P ("Fortissimo 6 Fund”)."). The Fortissimo 6 fund is a limited partner in the Partnership and holds over 50% of its capital rights.

B. Security Conditions in Israel

The Iron Swords War broke out in October 2023 (“the War”). The War’s continuation led to a drop in incoming and outgoing tourism, which led to a drop in the Company's revenues from roaming services.

In June 2025, Operation “Am KeLavi” against Iran led to a partial shutdown of the economy and a two-week closure of Israeli airspace. This negatively impacted revenues from roaming services related to inbound and outbound tourism, as well as sales of end-user equipment within the Group.

According to the Company’s estimates, the total adverse effect on profit before tax for the first nine months of 2025 amounted to approximately NIS 10 million, with most of the impact occurring in the second quarter of 2025, primarily due to the intensified conflict with Iran and its effect on airline flight availability.

The Company examined its sources of finance and liquidity as well as the Company's access to future sources of credit, and estimates that it has the financial fortitude to face the implications of the War, among other things in light of the diversification of its areas of activity and the scope of its liquid balances.

It should be noted that this may constitute an ongoing crisis that is not under the Company's control, which is characterized by uncertainty, as of the Financial Statements date there is no certainty regarding the scope of the impact on the Company and on the Israeli economy as a whole. Such lateral impacts may have a negative impact on the Group’s business and its operating results.

Note 2 - Basis of Preparation of the Financial Statements

A. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34, *Interim Financial Reporting* and do not include all of the information required for full annual financial statements. They should be read in conjunction with the financial statements as at and for the year ended December 31, 2024 ("Annual Financial Statements"). These condensed consolidated interim financial statements were authorized for issue by the Company’s Board of Directors on November 24, 2025.

B. Functional and presentation currency

These condensed consolidated financial statements are presented in New Israeli Shekels ("NIS"), which is the Group's functional currency, and are rounded to the nearest million. NIS is the currency that represents the primary economic environment in which the Group operates.

C. Use of estimates and judgments

The estimates and underlying assumptions that were applied in the preparation of these interim financial statements are consistent with those applied in the preparation of the Annual Financial Statements.

D. Exchange rates and known Consumer Price Indexes are as follows:

	Exchange rates of US$	Consumer Price Index (points)*
As of September 30, 2025	**3.306**	**264.95**
As of September 30, 2024	3.710	257.58
As of December 31, 2024	3.647	257.35
Change during the period:		
Nine months ended September 30, 2025	**(9.35%)**	**2.95%**
Nine months ended September 30, 2024	2.29%	3.52%
Three months ended September 30, 2025	**(1.96%)**	**1.36%**
Three months ended September 30, 2024	(1.30%)	1.59%
Year ended December 31, 2024	0.55%	3.43%

*According to 1993 base index.

Note 3 - Significant Accounting Policies

Preparation of the Financial Statements

The accounting policies of the Group in these condensed consolidated interim financial statements are the same as those applied in the Annual Financial Statements.

Note 4 - Operating Segments

The Group operates in three reportable segments, as described below, which are the Group's strategic business units. The strategic business unit's allocation of resources and evaluation of performance are managed separately. The operating segments were determined based on internal management reports reviewed by the Group's chief operating decision maker (CODM). The CODM does not examine the balance of assets or liabilities for those segments and therefore, they are not presented.

- Cellular segment - the segment includes the cellular communications services, cellular equipment and supplemental services.
- Fixed-line segment - the segment includes landline telephony services, internet services, television services, transmission services, landline equipment and supplemental services.
- Electricity segment (electricity services) - The segment includes electricity supply services by the partnership Cellcom Energy (2023) Limited Partnership ("Cellcom Energy"). The revenues and expenses of the electricity segment are presented according to the group's relative share.

The accounting policies of the reportable segments are the same as described in the annual financial statements in Note 3, regarding Significant Accounting Policies.

	For the nine months period ended September 30, 2025					
	NIS millions					
	(Unaudited)					
	Cellular	Fixed-line	Electricity	Reconciliation for consolidation	Consolidated	Reconciliation of subtotal Adjusted segment EBITDA to profit for the period
Revenues from services	1,349	916	160	(160)	2,265	
Inter-segment revenues- services	4	101	-	(105)	-	
Revenues from sale of equipment	798	129	-	-	927	
Total revenues	2,151	1,146	160	(265)	3,192	
Cost of service and equipment	1,776	1,062	159	(159)	2,838	
Inter-segment operational expenses	101	4	-	(105)	-	
Total expenses	1,877	1,066	159	(264)	2,838	
Operating profit	274	80	1	(1)	354	
Adjusted segment EBITDA *	701	368	2	(2)		1,069
Depreciation and amortization						(706)
Taxes on income						(75)
Financing income						17
Financing expenses						(99)
Other non-attributable income, net						4
Share based payments						(13)
Share in profit of equity accounted investees						3
Net Profit						200

* Adjusted segment EBITDA as reviewed by the Group's CODM, represents the net profit before interest (financing expenses, net), taxes, other income (expenses) that are not part of the Company's current activity (including provisions for legal claims included in the other expenses section), depreciation and amortization, profits (losses) of equity account investees and share based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of transactions sale and other income from the company's fields of activity. Adjusted Segment EBITDA is not a financial measure under IFRS and is not comparable to other similarly titled measures for other companies.

Note 4 - Operating Segments (cont'd)

	For the nine months period ended September 30, 2024					
	NIS millions					
	(Unaudited)					
	Cellular	**Fixed-line**	**Electricity**	**Reconciliation for consolidation**	**Consolidated**	**Reconciliation of subtotal Adjusted segment EBITDA to profit for the period**
Revenues from services	1,403	897	47	(47)	2,300	
Inter-segment revenues- services	9	105	-	(114)	-	
Revenues from sale of equipment	804	245	-	-	1,049	
Total revenues	2,216	1,247	47	(161)	3,349	
Cost of service and equipment	1,922	1,159	51	(51)	3,081	
Inter-segment operational expenses	105	9	-	(114)	-	
Total expenses	2,027	1,168	51	(165)	3,081	
Operating profit (loss)	189	79	(4)	4	268	
Adjusted segment EBITDA *	659	345	(4)	4		1,004
Depreciation and amortization						(699)
Taxes on income						(42)
Financing income						15
Financing expenses						(113)
Other non-attributable expenses, net						(23)
Share based payments						(14)
Share in losses of equity accounted investees						(10)
Net Profit						118

* Adjusted segment EBITDA as reviewed by the Group's CODM, represents the net profit before interest (financing expenses, net), taxes, other income (expenses) that are not part of the Company's current activity (including provisions for legal claims included in the other expenses section), depreciation and amortization, profits (losses) of equity account investees and share based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of transactions sale and other income from the company's fields of activity. Adjusted Segment EBITDA is not a financial measure under IFRS and is not comparable to other similarly titled measures for other companies.

Note 4 - Operating Segments (cont'd)

	For the three months period ended September 30, 2025					
	NIS millions					
	(Unaudited)					
	Cellular	Fixed-line	Electricity	Reconciliation for consolidation	Consolidated	Reconciliation of subtotal Adjusted segment EBITDA to profit for the period
Revenues from services	443	306	77	(77)	749	
Inter-segment revenues- services	1	33	-	(34)	-	
Revenues from sale of equipment	241	43	-	-	284	
Total revenues	685	382	77	(111)	1,033	
Cost of service and equipment	550	356	75	(75)	906	
Inter-segment operational expenses	33	1	-	(34)	-	
Total expenses	583	357	75	(109)	906	
Operating profit	102	25	2	(2)	127	
Adjusted segment EBITDA *	248	121	2	(2)		369
Depreciation and amortization						(239)
Taxes on income						(24)
Financing income						5
Financing expenses						(34)
Other non-attributable income, net						2
Share based payments						(5)
Share in profit of equity accounted investees						2
Net Profit						76

* Adjusted segment EBITDA as reviewed by the Group's CODM, represents the net profit before interest (financing expenses, net), taxes, other income (expenses) that are not part of the Company's current activity (including provisions for legal claims included in the other expenses section), depreciation and amortization, profits (losses) of equity account investees and share based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of transactions sale and other income from the company's fields of activity. Adjusted Segment EBITDA is not a financial measure under IFRS and is not comparable to other similarly titled measures for other companies.

Note 4 - Operating Segments (cont'd)

	Cellular	Fixed-line	Electricity	Reconciliation for consolidation	Consolidated	Reconciliation of subtotal Adjusted segment EBITDA to profit for the period
	For the three months period ended September 30, 2024					
	NIS millions					
	(Unaudited)					
Revenues from services	466	301	37	(37)	767	
Inter-segment revenues- services	2	35	-	(37)	-	
Revenues from sale of equipment	249	100	-	-	349	
Total revenues	717	436	37	(74)	1,116	
Cost of service and equipment	612	395	39	(39)	1,007	
Inter-segment operational expenses	35	2	-	(37)	-	
Total expenses	647	397	39	(76)	1,007	
Operating profit (loss)	70	39	(2)	2	109	
Adjusted segment EBITDA *	223	131	(2)	2		354
Depreciation and amortization						(241)
Taxes on income						(19)
Financing income						4
Financing expenses						(35)
Other non-attributable income, net						1
Share based payments						(4)
Share in losses of equity accounted investees						(4)
Net Profit						56

* Adjusted segment EBITDA as reviewed by the Group's CODM, represents the net profit before interest (financing expenses, net), taxes, other income (expenses) that are not part of the Company's current activity (including provisions for legal claims included in the other expenses section), depreciation and amortization, profits (losses) of equity account investees and share based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of transactions sale and other income from the company's fields of activity. Adjusted Segment EBITDA is not a financial measure under IFRS and is not comparable to other similarly titled measures for other companies.

Note 4 - Operating Segments (cont'd)

	For the Year ended December 31, 2024 NIS millions (Audited)					
	Cellular	**Fixed-line**	**Electricity**	**Reconciliation for consolidation**	**Consolidated**	**Reconciliation of subtotal Adjusted segment EBITDA to profit for the year**
Revenues from services	1,855	1,200	77	(77)	3,055	
Inter-segment revenues- services	10	139	-	(149)	-	
Revenues from sale of equipment	1,085	304	-	-	1,389	
Total revenues	2,950	1,643	77	(226)	4,444	
Cost of service and equipment	2,551	1,519	83	(83)	4,070	
Inter-segment operational expenses	139	10	-	(149)	-	
Total expenses	2,690	1,529	83	(232)	4,070	
Operating profit (loss)	260	114	(6)	6	374	
Adjusted segment EBITDA *	873	485	(6)	6		1,358
Depreciation and amortization						(944)
Taxes on income						(60)
Financing income						18
Financing expenses						(143)
Other non-attributable expenses, net						(24)
Share based payments						(16)
Share in losses of equity accounted investees						(16)
Net Profit						173

* Adjusted segment EBITDA as reviewed by the Group's CODM, represents the net profit before interest (financing expenses, net), taxes, other income (expenses) that are not part of the Company's current activity (including provisions for legal claims included in the other expenses section), depreciation and amortization, profits (losses) of equity account investees and share based payments. In addition, including other income (expenses) that are part of the Company's current activity, such as interest income in respect of transactions sale and other income from the company's fields of activity. Adjusted Segment EBITDA is not a financial measure under IFRS and is not comparable to other similarly titled measures for other companies.

Note 5 - Financial Instruments

Fair value

Financial instruments measured at fair value for disclosure purposes only

The book value of certain financial assets and liabilities, including cash and cash equivalents, trade and other receivables, current investments, including derivatives, trade and other payables, including derivatives and other long-term liabilities, are equal or approximate similar to their fair value.

The fair values of the remaining financial liabilities and their book values as presented in the consolidated statements of financial position are as follows:

	September 30				December 31	
	2025		2024		2024	
	Book value	Fair value	Book value	Fair value	Book value	Fair value*
	NIS millions		NIS millions		NIS millions	
Debentures including current maturities and accrued interest	**(1,372)**	**(1,367)**	(1,769)	(1,727)	(1,887)	(1,870)

* The fair value of the debentures is determined according to the market price at the reporting date, with the addition of principal and interest amounts, which were paid during the following month after the end of the reporting period.

Note 6 - Revenues

Composition

	For the nine months period ended September 30		For the three months period ended September 30		For the year ended December 31
	2025	2024	2025	2024	2024
	(Unaudited)				(Audited)
	NIS millions				
Revenues from services					
Cellular services	**1,173**	1,110	**410**	388	1,487
Land-line communications services	**912**	884	**306**	297	1,186
Other services	**91**	85	**31**	30	114
Total revenues from services	**2,176**	2,079	**747**	715	2,787
Revenues from sale of cellular and land-line equipment	**927**	1,049	**284**	329	1,389
Total revenues from services and sale of equipment	**3,103**	3,128	**1,031**	1,064	4,176
Interconnect services	**89**	221	**2**	52	268
Total revenues	**3,192**	3,349	**1,033**	1,116	4,444

Note 7- Contingent Liabilities

The provision recorded in the financial statements as of September 30, 2025, in respect of all lawsuits against the Group amounted to NIS 67 million.

Most of the purported class actions that are filed against the Group are claims by end customers of the Group, primarily for allegations regarding unlawful charges, conduct in breach of law or license, or breach of agreements with the customers, while causing pecuniary and non-pecuniary damages to the customers (hereinafter: “Consumer Claims”). In addition, various legal proceedings have been brought against the Group by employees, subcontractors, suppliers, authorities and others, most for allegations of violation of law with respect to termination of employment and mandatory payments to employees, allegations for breach of contract, copyright infringement, patent infringement and mandatory payments to authorities (hereinafter: “Other Claims”).

Subsequent to the reporting period, two lawsuits and a motion to certify them as class actions were filed against the Group, for which no claim amount was specified. At this preliminary stage, it is not possible to assess their chances of success. In addition, three class actions against the Group were concluded for a total amount of NIS 8 million.

Described hereunder are the outstanding lawsuits against the Group, as of September 30, 2025, classified into groups with similar characteristics. The amounts presented below are calculated based on the claims amounts as of the date of their submission to the Group:

Group of claims	**Claim amount for claims whose chances can be estimated**
	NIS millions
Consumer Claims	398 (1) (2)
Other Claims	59
Total	**457**

(1) Includes a claim against the Group and additional defendants together in sum of approximately NIS 300 million, without separately noting the amount claimed from the Group.

(2) There are additional claims against the Group for which no claim amount was noted, for which Group may have additional exposure.

Described hereunder the number and amount of the claims as at September 30, 2025, divided down by amount of the claim:

Claim amount	**Number of claims**	**Total claims amount (NIS millions)**
Up to NIS 100 million *	23	157
Unquantified claims	22	-
Against the Group and other defendants together without specifying the amount claimed from the Group	1	300
Unquantified claims against the Group and other defendants	5	-
Total	**51**	**457**

* Including 20 claims filed against the Group by employees, subcontractors, suppliers, authorities and others as of September 30, 2025, in a total amount of approximately NIS 59 million.

Note 8 - Material events during and after the reporting period

A. Share-Based Payment

The allocation of 2.65 million options to executive officers and senior employees was approved in August 2025, and they will vest in four equal portions one, two, three and four years from their allocation date, at a total value of NIS 26 million at an exercise price of NIS 29.4 per share. The options are exercisable up to 12 months from the vesting of the fourth batch.

The basic assumptions used in calculating the fair value are:

Share price on granting date – NIS 29.2 per share
Expected fluctuation – 37%-39%
Risk-free interest rate – 4.2%.
Average life span of option – 3.75 years

The allocation of 257 thousand options to executive officers was approved in October 2025, subsequent to the reporting period, and they will vest in four equal portions one, two, three and four years from their allocation date, at a total value of NIS 3 million at an exercise price of NIS 34.58 per share. The options are exercisable up to 12 months from the vesting of the fourth batch.

The basic assumptions used in calculating the fair value are:

Share price on granting date – NIS 34.58 per share
Expected fluctuation – 37%-39%
Risk-free interest rate – 3.9%.
Average life span of option – 3.75 years

B. Cancellation of fees for payments by standing order

In May 2025, the Communications Regulations (Telecom and Broadcasts) (General Permit for Providing Telecom Services) (2nd Amendment), 2025 ("the Amendment") was published, according to which, among other things, an authorized provider (with a license or registered in the registry as these terms are defined in the Communications Law (Telecom and Broadcasts), 1982), shall not charge a commission from a private subscriber via standing order to bill a bank account. The regulations also stated in the regulations that an authorized supplier may demand that a subscriber paying via standing order payment such a payment before receiving the service, in accordance with the billing cycles offered subscribers.

The Amendment shall come into effect three months from publication.

The Amendment in question coming into effect will lead to the Group losing income at a immaterial rate in 2025.

Note 8 - Material events during and after the reporting period (cont'd)

C. Exercise of the Company's Right and Joining the Sale of its Holdings in IBC

On May 13, 2025, subsequent to the reported period, the Company received notice (“the Notice”) from HOT Communications Systems Ltd. (“HOT”) and the Israel Infrastructure Fund 3 Limited Partnership (“IIF”), according to which on May 11, 2025, HOT and the IIF Fund received a binding offer (“the Offer”) from a corporation in the Phoenix Group (“the Bidder”), to purchase their full holdings in IBC (Unlimited) Holdings Limited Partnership (“the IBC Partnership”) and in the General Partner in the IBC Partnership (“the General Partner”) (together – “the Sold Holdings”).

As was stated in the Notice, HOT and the IIF Fund noted that they were approaching the Company in accordance with the terms of the IBC partnership agreement and the terms of the shareholders agreement in the General Partner (hereinafter – “the System of Agreements”) on the right of first refusal granted the Company within 30 days, in an offer to purchase the full holdings sold in accordance with the terms of the Offer as specified.

In June 2025, following discussions held at the Company Board of Directors (in connection with the right of first refusal and the joining right granted the Company), the Company announced that it was exercising its right to join the sale of all of its holdings in the IBC Partnership (this, in accordance with the terms of the IBC partnership agreement and the terms of the shareholders; agreement in the General Partner, and accordingly, with the terms of the proposal). In this context, the Company notes that it has been provided an update on the formulation of the buyers’ group.

In October 2025, subsequent to the reporting period and after all conditions precedent had been fulfilled (including the approval of the Competition Authority in August 2025, the approval of the Ministry of Communications, and the consent of the financing parties of IBC Israel Broadband Company (2013) Ltd. in October 2025), the transaction was completed and the Company received consideration for the sold holdings in the amount of approximately NIS 520 million.

As a result of the completion of the transaction, the expected pre-tax profit to be recognized by the Company (primarily a capital gain expected to be recorded in the fourth quarter of 2025) amounts to approximately NIS 400 million.

D. Declaration of Dividend

In November 2025, subsequent to the reporting period, the Group’s Board of Directors declared a cash dividend of approximately NIS 1.19 per share, totaling NIS 200 million. The dividend is scheduled to be paid on December 11, 2025, to shareholders of the Company recorded in the share register at the close of trading on December 2, 2025. Concurrently with the resolution to distribute the dividend, the Company’s Board of Directors resolved to cancel the Company’s dividend distribution policy. The Company's Board of Directors will review, from time to time, the distribution of dividends to its shareholders, taking into consideration, among other factors, the provisions of applicable law and the Company's business condition.

Note 8 - Material events during and after the reporting period (cont'd)

E. Publication of a Hearing Regarding the Determination of Maximum Payments in the Wholesale Market

In July 2025, the Ministry of Communications (“the Ministry”) published a hearing regarding the determination of maximum payments in the wholesale market in fixed-line communications services (“the Wholesale Market” and “the Hearing”). According to the Hearing, among other things, the Ministry is considering setting updated wholesale rates (significantly lower than the current rates) for advanced network for the coming years. Bezeq’s obligation to provide fixed-line communications services in the wholesale market shall continue to apply to all parties without discrimination, but will be reduced such that, starting January 1, 2027, the obligation will no longer apply to large communication groups (companies with 300,000 wholesale internet subscribers or more), except with respect to 15% of the total existing fiber subscribers that existed on June 30 2025 in each of the major communications groups; and starting January 1, 2028, this rate will drop to 5%.

The Company is reviewing the Hearing and its implications. There is no certainty regarding the outcome of the Hearing; however, if the Hearing is approved in its current form (or a similar one), it is expected to have a positive impact on the Company's results in the relevant years (primarily 2026), taking into account the number of relevant subscribers in the Company.

F. Maalot Rating

In August 2025, Maalot revised the Company’s rating forecast from a rating of ilA+ Stable Outlook to a rating of ilAA- Stable Outlook.

G. Filing of Lawsuit Against IBC

Further to Note 30(f) in the annual financial statements regarding the Company’s obligations under the IRU agreements with IBC Israel Broadband Company (2013) Ltd. (“IBC”), and regarding IBC’s network deployment (“the new deployment”) and the dispute between the Company and IBC concerning the new deployment, on May 15, 2025, the Company filed a lawsuit with the Tel Aviv District Court against IBC. In its claim, the Company requested, inter alia, that the Court declare and instruct that IBC’s assertions regarding the Company’s alleged obligation to purchase infrastructure lines in the scope, timing, and amounts demanded by IBC are unfounded, that IBC’s interpretation in this matter is incorrect and should not be applied, that IBC is prohibited from acting in accordance with its incorrect interpretation, and that IBC is barred from exercising self-help remedies under the IRU agreement, including any action to terminate, suspend, or delay any services under the agreement and/or to forfeit any guarantees provided by the Company under the agreement.

On November 17, 2025, the Company received a statement of defense and a counterclaim from IBC, which included, among other things, a monetary claim of approximately NIS 16.5 million and declaratory relief.

Note 8 - Material events during and after the reporting period (cont'd)

H. Memorandum of Understanding with HOT Regarding the Company's Television Services

Further to Note 30(h) in the annual financial statements regarding the memorandum of understanding entered into with HOT Communication Systems Ltd. ("HOT"), following continued discussions with HOT concerning the transaction, on September 11, 2025, the Company and HOT notified the Israel Competition Authority of the withdrawal of the request for an exemption from a restrictive arrangement that had been submitted in connection with the transaction.

I. Cooperation Agreements in the Electricity Sector

Further to Note 30(g) in the annual financial statements regarding the execution of several agreements for the purchase of electricity by and on behalf of Cellcom Energy (2023) Limited Partnership (held in equal parts by the Company and Meshek Energy – Renewable Energies Ltd. ("Meshek Energy") – "Cellcom Energy"), Cellcom Energy entered into an agreement and a memorandum of understanding ("the Agreement" and "the MoU") for the purchase of electricity from entities within the Meshek Energy group. The total payments expected to be made by Cellcom Energy in connection with the electricity purchases under these agreements are estimated by Cellcom Energy at approximately NIS 1.18 billion.

Under the Agreement, Cellcom Energy will purchase electricity generated by a combined photovoltaic and storage project ("the Project"). The Agreement is for a term of 20 years from the commencement of electricity supply under the Project, with an installed solar capacity (as reported to Cellcom Energy) of approximately 18 MW DC and storage capacity of approximately 68.5 MWh. If commercial operation of the facility does not commence within 12 months of the expected commercial operation date (as reported to the Company – during the third quarter of 2026), and not due to a force majeure event, Cellcom Energy will be entitled to terminate the Agreement. Electricity purchased under the Agreement will be sold under the market model regulation at a price reflecting a discount on the weighted electricity generation component. The total expected payment under the Agreement is estimated at approximately NIS 400 million over its term. To secure Cellcom Energy's obligations under the Agreement, Meshek Energy and the Company provided limited parent company guarantees for the producer (which, under certain circumstances, will be supplemented by a bank guarantee in an amount not material to the Company).

Concurrently, Cellcom Energy entered into a memorandum of understanding with a corporation holding 100% ownership of the producer, under which, subject to the fulfillment of certain conditions precedent, the parties will execute three binding electricity sale agreements while maintaining commercial principles identical to those agreed upon in the Agreement ("the Future Projects"). As reported to the Company, the Future Projects are expected to have an aggregate installed capacity (as reported to Cellcom Energy) of approximately 30 MW DC and storage capacity of approximately 123.5 MWh. The total expected payment in connection with the Future Projects is estimated by Cellcom Energy at approximately NIS 780 million over the term of the respective agreements.

The information regarding the price payable under the Agreement and the additional agreements, the installed capacity of the Project and the Future Projects, and the commercial operation dates reflects Cellcom Energy's estimates and is based, inter alia, on electricity tariffs determined under the arrangements described above.

Cellcom Israel Ltd.

Separate Interim Financial Information

As at September 30, 2025

(Unaudited)

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The accompanying review report is a non-binding translation into English of the original review report published in Hebrew. The version in Hebrew is the approved text.

To:
The shareholders of Cellcom Israel Ltd.

Dear Sirs,

Re: Special report to the review of the separate interim financial information in accordance with Regulation 38d to the Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information disclosed in accordance with Regulation 38d to the Israeli Securities Regulations (Periodic and Immediate Reports), 1970 of Cellcom Israel Ltd. ("the Company") as of September 30, 2025 and for the nine and three months periods then ended. The Company's board of directors and management are responsible for the separate interim financial information. Our responsibility is to express a conclusion on the separate interim financial information based on our review.

We did not review the separate interim financial information taken from the interim financial information of investees, whose assets less attributable liabilities net amounted to approximately NIS 125 million as of September 30, 2025 and the Company's share of their earnings amounted to approximately NIS 3.5 million and NIS 1.7 million for the nine and three months periods then ended, respectively. The separate interim financial information of those companies was reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the financial information in respect of those companies, is based on the review reports of the other auditors.

Scope of review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Israeli Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying separate interim financial information is not prepared, in all material respects, in accordance with Regulation 38d to the Israel Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv, Israel
November 24, 2025

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

Condensed Separate Interim of Financial Position

	September 30		December 31
	2025	2024	2024
	NIS millions		
	(Unaudited)		(Audited)
Current assets			
Cash and cash equivalents	**17**	19	246
Trade receivables	**635**	620	632
Current tax assets	**-**	6	6
Other receivables, includes derrivities	**61**	38	31
Current maturities of Loans from investees	**29**	22	22
Inventory	**59**	57	97
	801	762	1,034
Non- current assets			
Trade and other receivables	**197**	210	208
Property, plant and equipment, net	**1,436**	1,484	1,493
Intangible assets and others, net	**422**	436	429
Investments in equity accounted investees	**2,604**	2,294	2,391
Loans from investees and capital notes	**301**	385	330
Right-of-use assets, net	**555**	611	541
	5,515	5,420	5,392
	6,316	6,182	6,426
Current liabilities			
Current maturities of debentures	**412**	492	497
Short-term credit	**234**	207	200
Current maturities of lease liabilities	**162**	174	166
Trade payables and accrued expenses	**841**	565	684
Provisions	**82**	75	75
Loans from investees companies	**120**	160	160
Current taxation liabilities	**6**	-	-
Other payables, including derivatives	**240**	243	280
	2,097	1,916	2,062
Non- current liabilities			
Debentures	**940**	1,252	1,348
Long-term lease liabilities	**424**	476	412
Provisions	**27**	24	24
Other long-term liabilities	**1**	5	2
Liability for employee rights upon retirement, net	**12**	12	12
Deferred taxes liabilities	**150**	102	114
	1,554	1,871	1,912
	3,651	3,787	3,974
Equity			
Total Equity	**2,665**	2,395	2,452
	6,316	6,182	6,426

The accompanying notes are an integral part of these condensed separate interim financial statements.

November 24, 2025			
Date of approving the financial statements	Yuval Cohen Chairman of the Board of Directors	Eli Adadi CEO	Gadi Attias CFO

Condensed Interim Information of Profit or Loss

	For the nine months period ended September 30		For the three months period ended September 30		Year ended December 31
	2025	2024	2025	2024	2024
	NIS millions				
	(Unaudited)		(Unaudited)		(Audited)
Revenues	**2,090**	2,241	**658**	715	2,959
Cost of revenues	**(1,578)**	*(1,755)	**(476)**	*(553)	(2,310)
Gross profit	**512**	486	**182**	162	649
Selling and marketing expenses	**(352)**	*(360)	**(123)**	*(121)	(486)
General and administrative expenses	**(163)**	*(161)	**(56)**	*(59)	(211)
Credit profits (losses)	**(5)**	(1)	**(2)**	1	(2)
Other income, net	**45**	-	**9**	16	10
Operating loss	**37**	(36)	**10**	(1)	(40)
Financing income	**24**	20	**5**	6	23
Financing expenses	**(102)**	(134)	**(32)**	(41)	(164)
Financing expenses, net	**(78)**	(114)	**(27)**	(35)	(141)
Share in profit of investees companies	**286**	289	**105**	105	386
Profit before taxes on income	**245**	139	**88**	69	205
Taxes on income	**(45)**	(21)	**(12)**	(13)	(32)
Net profit	**200**	118	**76**	56	173

* Reclassification

The accompanying notes are an integral part of these condensed separate interim financial statements.

Condensed Interim Information of Comprehensive Income

	For the nine months period ended September 30		For the three months period ended September 30		Year ended December 31
	2025	2024	2025	2024	2024
	NIS millions				
	(Unaudited)		(Unaudited)		(Audited)
Net profit	**200**	118	**76**	56	173
Total comprehensive income	**200**	118	**76**	56	173

The accompanying notes are an integral part of these condensed separate interim financial statements.

Condensed Interim Information of Cash Flows

Condensed Interim Information of Cash Flows

	For the nine months period ended September 30		For the three months period ended September 30		Year ended December 31
	2025	2024	2025	2024	2024
	NIS millions				
	(Unaudited)		(Unaudited)		(Audited)
Cash flows from operating activities					
Net profit	**200**	118	**76**	56	173
Adjustments for:					
Depreciation and amortization	**564**	572	**190**	197	772
Share-based payments	**13**	14	**5**	4	16
Capital loss from the sale of fixed assets	**2**	-	**-**	-	-
Net change in right-of-use assets	**(4)**	-	**(1)**	-	-
Tax on income	**45**	21	**12**	13	32
Financing expenses, net	**78**	114	**27**	35	141
Other income	**-**	(1)	**-**	(1)	(6)
Share in profit of equity accounted investees	**(286)**	(289)	**(105)**	(105)	(386)
Changes in operating assets and liabilities:					
Change in inventory	**38**	8	**(11)**	8	(32)
Change in trade receivables and other receivables (including long-term amounts)	**(21)**	42	**(6)**	18	38
Change in trade payables, accrued expenses and provisions	**240**	(27)	**138**	(20)	114
Change in other liabilities (including long-term liabilities)	**(29)**	85	**(44)**	33	78
Receipts (Payments) for derivative hedging contracts, net	**(2)**	(4)	**(1)**	(1)	(3)
Income tax paid	**(1)**	(1)	**(1)**	(3)	-
Net cash from operating activities	**837**	652	**279**	234	937
Cash flows from investing activities					
Acquisition of property, plant and equipment	**(265)**	(303)	**(79)**	(108)	(422)
Additions to intangible assets and others	**(149)**	(145)	**(52)**	(46)	(186)
Proceeds from the sale of fixed assets	**1**	-	**-**	-	-
Interest received	**28**	5	**27**	1	62
Net cash used in investing activities	**(385)**	(443)	**(104)**	(153)	(546)

The accompanying notes are an integral part of these condensed separate interim financial statements.

Condensed Interim Information of Cash Flows

	For the nine months period ended September		For the three months period ended September		Year ended December 31
	2025	2024	2025	2024	2024
	NIS millions				
	(Unaudited)		(Unaudited)		(Audited)
Cash flows from financing activities					
Receipts for derivative contracts, net	**1**	-	-	-	-
Change in short-term credit	**34**	200	**34**	-	200
Repayment of debentures	**(503)**	(609)	**(279)**	(410)	(609)
Receipt from issuance of debentures, net of issuance costs	-	-	-	-	99
Interest paid for leases	**(23)**	(22)	**(8)**	(8)	(29)
Interest paid for debentures	**(76)**	(76)	**(22)**	(24)	(77)
Loans from investee companies	**30**	175	-	68	175
Payment of principal of lease liabilities	**(146)**	(156)	**(48)**	(49)	(202)
Net cash used in financing activities	**(683)**	(488)	**(323)**	(423)	(443)
Changes in cash and cash equivalents	**(231)**	(279)	**(148)**	(342)	(52)
Cash and cash equivalents as at the beginning of the period	**246**	299	**164**	359	299
Effects of exchange rate changes on cash and cash equivalents	**2**	(1)	**1**	2	(1)
Cash and cash equivalents as at the end of the period	**17**	19	**17**	19	246

The accompanying notes are an integral part of these condensed separate interim financial statements.

Notes to Condensed Separate Financial Information

Note 1- Basis of Preparation of the Separate Financial Information

A. Definitions

Presented hereunder is condensed financial information from the Group's condensed consolidated financial statements as of September 30, 2025 (hereinafter – the condensed consolidated financial statements), which are issued as part of the periodic reports, and which are attributed to the Company itself (hereinafter – condensed separate financial information), and are presented in accordance with Regulation 38D (hereinafter – the Regulation) and the tenth addendum to the Securities Regulations (Periodic and Immediate Reports) – 1970 (hereinafter – the tenth addendum) regarding condensed separate interim financial information of an entity.
The condensed separate financial statements must be read together with the annually condensed separate financial statements as of December 31, 2024 and together with the consolidated financial statements.

Unless stated otherwise, all the terms presented in the separate financial information are as defined in the Company's consolidated financial statements as of December 31, 2024 (hereinafter: "the annually consolidated financial statements").

"The Company" – Cellcom Israel Ltd.

"Investee companies" – Subsidiaries and companies accounted on the equity basis.

"Inter-company transactions" – transactions between the company and her investees.

"Inter-company balance", "Inter-company revenues and expenses", "Inter-company cash flows" – balances, revenues or expenses, and cash flows, depending on the matter, arising from inter-company transactions, which eliminated in the consolidated financial statements.

B. Working Capital

As of September 30, 2025, the Company has a working capital deficit of NIS 1,296 million. The working capital deficit in the Company's solo statement derives from the fact that all of the Company's debt is managed at the Company while some of the positive working capital is at fully controlled (100%) subsidiaries of the Company.

C. Basis of preparation of the financial Information

Accounting Policy in the condensed separate interim financial information, is in accordance with the accounting policies, which detailed in the separate financial information as of December 31, 2024.

Note 2 - Commitments, loans and significant transactions with Investees

A. Investments and ownership interest in investee companies

	Company's ownership interest in the investee	Company's investments in investee as of		
		September 30		December 31
		2025	2024	2024
		NIS millions		
Cellcom Fixed Line Communication L.P.	100%	**1,812**	1,547	1,622
Golan Telecom Ltd.	100%	**486**	439	450
Dynamica Cellular Ltd.	100%	**189**	188	205
I.B.C (Unlimited) Holdings L.P.	33%	**125**	125	121
Cellcom Energy (2023) L.P.	50%	**(8)**	(5)	(7)
		2,604	2,294	2,391

Note 2 - Commitments, loans and significant transactions with Investees (cont'd)

B. Loans to investee companies

	Loans to investee companies as of		
	September 30		December 31
	2025	2024	2024
	NIS millions		
Loan to Cellcom Energy (2023) L.P.	**-**	1	-
Loan to Golan Telecom Ltd. *	**80**	156	102
Capital Note - Golan Telecom Ltd.	**250**	250	250
	330	407	352

* The loan was granted as part of the sharing network agreement singing in 2017, half of which in includes an annual interest rate of 1.85% and is linked to the CPI, the other half includes an interest rate of 3.5% and is not linked.

C. Loans from investee companies

	Loans from investee companies as of		
	September 30		December 31
	2025	2024	2024
	NIS millions		
Short-term loan from Cellcom Fixed Line Communication L.P. *	**120**	90	90
Short-term loan from Dynamica cellular Ltd *	**-**	70	70
	120	160	160

* The loans from Cellcom Fixed Line and Dynamica includes an annual interest at the rate of the prime interest rate.

Note 3 - Events during and after the reporting period

1. **Dissolution of Cellcom Fixed-Line Communications Limited Partnership**

   The Company's Board of Directors has resolved to approve and implement the dissolution of Cellcom Fixed-Line Communications Limited Partnership (the "Partnership") and to assume all of the Partnership's assets and liabilities. The dissolution and transfer are subject to the approval of the Ministry of Communications, including any required amendments to the Communications Regulations (Telecommunications and Broadcasting) (Procedures and Conditions for Obtaining a Unified General License), 2010, as applicable.

2. For information regarding a share-based payment, see Note 8 A to the Consolidated Interim Financial Statements;

3. For information regarding the communications regulations on the cancellation of fees for payments by standing order, see Note 8 B to the Consolidated Interim Financial Statements;

4. For information regarding the Sale of the company holdings in IBC, see Note 8 C to the Consolidated Interim Financial Statements;

5. For information regarding the declaration of Dividend, see Note 8 D to the Consolidated Interim Financial Statements;

6. For information regarding the publication of a Hearing Regarding the Determination of Maximum Payments in the Wholesale Market, see Note 8 E to the Consolidated Interim Financial Statements;

7. For information regarding the Maalot rating, see Note 8 F to the Consolidated Interim Financial Statements;

8. For information regarding the Filing of Lawsuit Against IBC, see Note 8 B to the Consolidated Interim Financial Statements;

9. For information regarding the Memorandum of Understanding with HOT Regarding the Company's Television Services, see Note 8 H to the Consolidated Interim Financial Statements;

10. For information regarding the Cooperation Agreements in the Electricity Sector, see Note 8 I to the Consolidated Interim Financial Statements;