



Convenience translation

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

**Cellcom Israel Ltd. (the "Company")**

Immediate report dated January 1, 2026

Subject: **Temporary suspension of collection for the incentive fund in 2025**

Further to what is stated in Section 22.6.1(4) of Chapter A of the Company's periodic report for 2024, regarding the additional payment imposed on the Company and other required entities at the rate of 0.5% of their taxable income (as defined in the Communications (Telecommunications and Broadcasting) Law, 5742-1982 and as detailed in the said section), for the incentive areas fund, which is used to participate in financing the deployment of fiber optic infrastructure in areas where Bezeq, the Israeli Telecommunication Corp. Ltd. has chosen not to deploy fiber optic infrastructure, the Company updates that on December 31, 2025, it was published in the records of the Communications Order (Telecommunications and Broadcasting) (Annual Rate of Payment to the Incentive fund until the year 2025) (temporary Provision), 2025, according to which in 2025 the payment rate of a required entity (including the Company) to the incentive fund will be 0% of its taxable income as stated.

The installation of the aforementioned order will result in savings in the Company's expenses in 2024 in the amount of approx. NIS 21 million (before tax).