



## **Bezeq – The Israeli Telecommunications Corp. Ltd.** **(the “Company”)**

Attn.

Israel Securities Authority

Tel Aviv Stock Exchange Ltd.

### **Immediate Report – Execution of a Memorandum of Understanding – Cooperation in the Submarine Cable Sector**

**Holon, Israel – March 24, 2026** – Bezeq The Israeli Telecommunications Corp. Ltd. (the "Company") (TASE: BEZQ), announced today that further to the disclosure in Section 1.7.10 of Chapter A of the Company's Periodic Report for 2025, regarding the Company's examination of the possibility of establishing a new submarine cable that will connect Israel to strategic landing points in Europe, the Company hereby reports that the Company's Board of Directors and the Board of Directors of Bezeq International Ltd. (together: the "Group") approved the execution of a memorandum of understanding with an international telecommunications company, for cooperation in the establishment and operation of an international cable system for the purpose of creating a communications route between East and West via Israel.

Pursuant to the memorandum of understanding, the parties agreed on a framework for commercial cooperation, including a joint investment in the establishment of the cable system infrastructure. As of the date of this report, the Company estimates that the expected investment amounts to approximately NIS 250 million, to be deployed over a period of three years and is expected to have a significant positive impact on the Group's results.

The cooperation framework includes the parties' undertaking to establish the infrastructure in accordance with principles formulated between them and subject to terms to be set forth in a binding agreement (the "Definitive Agreement"). Most fiber pairs are designated for use by customers in the international telecommunications market and will be marketed jointly by the parties, alongside the granting of exclusive usage rights for independent marketing by each of the parties, which will also serve the local market. The cooperation also includes a terrestrial segment based on the Company's fiber infrastructure. Revenue sharing from the cooperation will be carried out in accordance with principles agreed upon and to be further defined in the Definitive Agreement.

The parties will act to finalize the Definitive Agreement within six months from the date of signing the memorandum of understanding, unless otherwise agreed between them. Execution is subject to the fulfillment of various customary conditions and receipt of all required approvals in accordance with applicable law.

It was further agreed that, in addition to the cooperation, the parties intend to act towards the establishment of an additional submarine cable through joint investment and full partnership.

In the Company's assessment, this engagement constitutes a significant strategic pillar for strengthening the Group's and the State of Israel's position in the field of international



infrastructure, particularly in the Middle East, and may support the Group's long-term development. This initiative may position the Group at the heart of global data flows, create business and financial opportunities for the Group, and establish the region as a central hub in the digital economy of the future.

It is clarified that there is no certainty regarding the execution of a Definitive Agreement and/or the completion of the transaction contemplated by the memorandum of understanding, which is subject to the fulfillment of various conditions precedent, including those required by law, which have not yet been obtained as of this date, and there is no certainty that they will be obtained. Certain information included in this report constitutes forward-looking information, as defined in the Securities Law, 1968, based on information available to the Company's management as of the date of this report and its assessments, and there is no certainty that it will materialize in whole or in part, or that it will materialize in a manner materially different from that anticipated, inter alia, due to factors beyond the Company's control, including failure of the parties to reach all required commercial agreements, failure to obtain approvals, and/or failure to satisfy all conditions precedent required for completion of the transaction.

Yours sincerely,

Bezeq - The Israeli Telecommunications Corp., Limited

*The above information constitutes a translation of the Immediate Report published by the Company. The Hebrew version was submitted by the Company to the relevant authorities pursuant to Israeli law and represents the binding version and the only one having legal effect. This translation was prepared for convenience purposes only.*

Bezeq - The Israel Telecommunications Corp. Ltd.  
7 Hamanor Street, Holon 5886105