

# GROUP107

**Group 107 Ltd**  
**("the Company")**

December 14, 2025

**To**  
Israel Securities Authority  
[www.isa.gov.il](http://www.isa.gov.il)

**To**  
Tel Aviv Stock Exchange Ltd  
[/https://maya.tase.co.il](https://maya.tase.co.il)

## **Re: Immediate Report on a Material Private Placement**

Further to the Company's immediate report from December 10, 2025 (Ref: 2025-01-098486), which constitutes a general offer by way of reference, this immediate report is hereby provided in accordance with the Securities Regulations (Private Placement of Securities in a Listed Company), 2000 (the "**Private Placement Regulations**") and the Securities Regulations (Periodic and Immediate Reports), 1970 (the "**Periodic and Immediate Reports Regulations**"), regarding a material private placement<sup>1</sup> of ordinary shares, as detailed below in this report:

### **1. General**

1.1. On December 8, 2025, the Company's Board of Directors approved a private placement of 1,668,336 ordinary shares without par value of the Company (the "**Ordinary Shares**" and the "**Offered Shares**") and 834,168 unlisted options exercisable for up to 834,168 ordinary shares (the "**Offered Options**") to third parties (the "**Offerees**", the "**Offered Securities**", and the "**Private Placement**", as the case may be), as detailed below.

1.2. The Offered Securities are offered to the Offerees in 834,168 units (the "**Units**"), with each unit comprising:

2 ordinary shares at a price of NIS 120 per share	240 Agorot
1 unlisted option	no consideration
<b>Total price per unit</b>	<b>240 Agorot</b>

1.3. The Offered Securities offered to the Offerees, their names, the quantity of Offered Securities, and the consideration for them are as follows:

<sup>1</sup> as such term is defined in the Private Placement Regulations.

Offeree Name	Number of Ordinary Shares	Number of Unlisted Options	Total Consideration (NIS)	Whether an interested party in the Company, as such term is defined in Section 270(5) of the Companies Law, 1999 (the "Companies Law")	Whether an investor listed in the First Schedule pursuant to Section 15A(b) of the Securities Law, 1968 (the "Securities Law")
Ayalon Mutual Funds Ltd <sup>2</sup>	416,668	208,334	500,001.60	Yes	No
David Ron	625,000	312,500	750,000	No	No
Alon Mason	416,668	208,334.00	500,001.60	No	No
Yitzhak Mendler	210,000	105,000	252,000	No	Yes
<b>Total</b>	<b>1,668,336</b>	<b>834,168</b>	<b>2,002,003.20</b>	<b>-</b>	<b>-</b>

## 2. Terms of the Offered Securities

### 2.1. Terms of the Offered Shares

- 2.1.1. Subject to the receipt of the required approvals as detailed in section 8 below, the Offered Shares will be allocated to the Offerees by the Company in consideration for a cash payment of NIS 120 per offered share and without any additional consideration for the Offered Options, such that the immediate gross proceeds to be received from the Offerees will be approximately NIS 2 million.
- 2.1.2. The transfer of the consideration to the Company will be made within 2 business days from the date of receipt of the required approvals as aforesaid.
- 2.1.3. The Offered Shares will be registered in the Company's name for listing on the Tel Aviv Stock Exchange Ltd. (the "**Listing Company**"), and they will be equal in their rights in all respects to the existing shares in the Company's capital at the date of this report<sup>3</sup>, except for the matter of the blocking restrictions that will apply to the Offered Shares, as detailed in section 10 below.

### 2.2. Terms of the Offered Options

- 2.2.1. The investment options will be exercisable for one ordinary share at an exercise price of NIS 140 per option, and they will be exercisable starting from the date of their issuance and until the end of 24 months.
- 2.2.2. The Offered Options will be exercisable for a corresponding number of ordinary shares of the Company, subject to the terms and adjustments detailed in section 2.1.2 below (the "**Exercise Shares**").
- 2.2.3. The Offered Options will be exercisable once, in whole or in part, at the sole and absolute discretion of the Offeree, during the exercise period, by providing an exercise notice to the Company (the "**Exercise Notice**") and against payment of an amount equal to the number of options being exercised multiplied by the exercise price.
- 2.2.4. Offered options that are not exercised by the end of the voluntary exercise period, for any reason, will not entitle the holder to any right and will not be exchangeable for any shares, and they will be canceled after the said date.

<sup>2</sup> Part of an institutional reporting group under Ayalon Investment House Ltd., which is an interested party in the Company, and to the best of the Company's knowledge, the controlling shareholder thereof is Mr. Noam Broverman, ID No. 055371702.

<sup>3</sup> For details regarding the rights attached to the ordinary shares, see the Company's Articles of Association, as published in an immediate report dated September 2, 2021 (Reference No. 2021-01-076057).

- 2.2.5. The Company will allocate the exercise shares, which are the subject of the exercise notice, to the offerees through the listing company, free of any lien, charge, or third-party right of any kind (except for the blocking restrictions that will apply to the exercise shares, as detailed in section 10 below), and will transfer the shares to the offeree's account with a stock exchange member after the completion of the process with the listing company, within 3 business days from the receipt of the exercise notice. The exercise shares will be registered in the Company's name and will be listed for trading on the stock exchange close to their issuance date.
- 2.2.6. The exercise shares will be identical in their rights in all respects to the existing shares in the Company's capital at this date<sup>4</sup>, except for the matter of the blocking restrictions that will apply to the exercise shares, as detailed in section 10 below.
- 2.2.7. All tax liabilities in connection with the offered options, their exercise, and/or any right embodied in them will apply to the offerees exclusively.
- 2.2.8. For the avoidance of doubt, it is clarified that the offered options are not listed for trading and will not be listed for trading on any stock exchange.
- 2.2.9. The offered options will be subject to adjustments in accordance with the stock exchange regulations and guidelines, as detailed below:
- A. Adjustment due to the distribution of bonus shares - If the Company distributes bonus shares to the holders of its shares, and the record date for their distribution is after the date of issuance of the offered options but before their exercise and before their expiration, the rights of the offeree will be preserved, such that the number of shares that the offeree will be entitled to upon their exercise will be increased, and this will be done by adding shares in the number and type to which the offeree would have been entitled as bonus shares (as if he had exercised the options prior to the record date for the said distribution). The exercise price per option will not change as a result of the increase in the number of shares that will result from the said exercise. It is clarified that the number of exercise shares to which the offeree will be entitled will be adjusted only in the case of a distribution of bonus shares as stated in this section, but not in the case of other issuances of any kind (including issuances to employees or interested parties).
  - B. Adjustment due to an issuance by way of rights - If, during the exercise period, the Company offers rights to purchase securities of any kind to the holders of its shares, the number of shares resulting from the exercise will be adjusted to the bonus component in the rights, as it is expressed in the ratio between the closing price of the share on the stock exchange on the last trading day before the "ex-rights" day and the base price of the share on the "ex-rights" day.
  - C. Adjustment for dividend distribution - If the Company distributes a dividend and the record date for receiving this dividend (in this section: the "**Record Date**") is after the date of issuance of the options but before their exercise and before their expiration, the exercise price of each option that has not yet been exercised into a share of the Company before the Record Date will be reduced by the gross dividend amount distributed by the Company, provided that the exercise price of the option does not fall below the minimum price stipulated in the stock exchange regulations and guidelines. For further details, see footnote 3 above.
  - D. Adjustments for split, merger, or change in capital structure - In any case where a change in the Company's issued and outstanding share capital occurs, by way of a share split, merger, or exchange of shares, a change in the Company's capital structure, or any similar event, the number and type

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<sup>4</sup> For further details, see footnote No. 3 above.

of shares that will result from the exercise of the Offered Options and/or the exercise price will be adjusted proportionally in order to preserve the proportional number of shares that will result from the exercise of the Offered Options.

### **3. Quantity and Percentage of the Company's Issued and Outstanding Shares and Voting Rights After the Private Placement and Full Dilution**

3.1. As of the date of this report, the number of shares in the Company's registered capital is 800,000,000 ordinary shares. The Company's issued and outstanding capital, prior to the private placement subject of this report, consists of 27,674,038 ordinary shares, and on a fully diluted basis, it consists of 31,801,553 ordinary shares<sup>5</sup>.

3.2. After the private placement subject of this report, the Company's issued and outstanding capital will consist of 29,342,374 ordinary shares, and on a fully diluted basis<sup>6</sup>, 34,304,057. Accordingly, in the Company's registered capital, there are enough shares to carry out the private placement subject of this report.

3.3. The investment shares will constitute approximately 5.69% of the Company's issued and outstanding share capital and voting rights immediately after their issuance. Assuming full exercise of the Offered Options, the offered shares and the exercise shares will constitute approximately 7.30% of the Company's issued and outstanding share capital and voting rights on a fully diluted basis<sup>7</sup>.

### **4. Fair Value of the Offered Options**

Fair value per option (in agorot)	56
Total fair value of the options (in NIS)	467,770
The model by which the fair value was calculated	B&S
Parameters used in the model's application:	
Share price as of the date of the board's approval (in agorot)	114
Exercise price (in agorot)	140
Expected volatility rate	100% per year
Option life (in years)	2
Risk-free interest rate	3.8

### **5. The Company's Issued and Outstanding Share Capital, the Amounts and Rates of Holdings of the Offerees, Interested Parties, and Other Shareholders**

The following are data, to the best of the Company's knowledge, regarding the holdings of senior officers and interested parties in the Company, and the holdings of other shareholders of the Company, in the issued and outstanding share capital of the Company and in the voting rights therein, before and after the allocation, including on the assumption of full dilution<sup>8</sup>:

<sup>5</sup> For the purpose of calculating the Company's issued and paid-up share capital on a fully diluted basis, the adjustment made at a ratio of 1:1.03063 to the number of the Company's ordinary shares to be issued upon the exercise of unlisted options (Group 107 Op 8/21), Security No. 1180207, was taken into account. Such adjustment was made in connection with the rights offering carried out by the Company during August–September 2023. For further details, see the Company's immediate report dated August 27, 2023 (Reference No. 2023-01-098475). The aforesaid reference is incorporated herein by way of reference.

<sup>6</sup> For further details, see footnote No. 5 above.

<sup>7</sup> For further details, see footnote No. 5 above.

<sup>8</sup> For further details, see footnote No. 5 above.

Prior to the allocation							After the allocation and assuming full exercise of the options by the offerees only						After the allocation and assuming full exercise of all convertible securities existing in the Company's share capital and the offered options subject to this invitation report		
Holder Name	Ordinary Shares	Unlisted Options	Percentage of Share Capital Held	Percentage of Voting Rights Held	Percentage of Share Capital Held (Fully Diluted) <sup>9</sup>	Percentage of Voting Rights Held (Fully Diluted) <sup>9</sup>	Ordinary Shares	Unlisted Options	Percentage of Share Capital Held	Percentage of Voting Rights Held	Percentage of Share Capital Held (Fully Diluted) <sup>9</sup>	Percentage of Voting Rights Held (Fully Diluted) <sup>9</sup>	Ordinary Shares	Percentage of Share Capital Held (Fully Diluted) <sup>9</sup>	Percentage of Voting Rights Held (Fully Diluted) <sup>9</sup>
Adi Katz	6,468,678	-	23.37%	23.37%	20.34%	20.34%	6,468,678	-	22.05%	22.05%	21.44%	21.44%	6,468,678	18.86%	18.86%
Guy Amar	4,316,996	-	15.60%	15.60%	13.57%	13.57%	4,316,996	-	14.71%	14.71%	14.31%	14.31%	4,316,996	12.58%	12.58%
Sergey Forman <sup>10</sup>	933,733	-	3.37%	3.37%	2.94%	2.94%	933,733	-	3.18%	3.18%	2.72%	3.09%	933,733	2.72%	2.72%
Eliezer Ronkin	999,181	-	3.61%	3.61%	3.14%	3.14%	999,181	-	3.41%	3.41%	3.31%	3.31%	999,181	2.91%	2.91%
Meibar Dorst <sup>11</sup>	94,563	-	0.34%	0.34%	0.30%	0.30%	94,563	-	0.32%	0.32%	0.31%	0.31%	94,563	0.28%	0.28%
Roi Katz	384,620	141,427	1.39%	1.39%	1.67%	1.67%	384,620	141,427	1.31%	1.31%	1.27%	1.27%	530,379	1.55%	1.55%
Seibek House Investments Ltd.	1,400,980	538,480	5.06%	5.06%	6.10%	6.10%	1,400,980	538,480	4.77%	4.77%	4.64%	4.64%	1,939,460	5.65%	5.65%
Ayalon Mutual Funds Ltd <sup>12</sup>	3,718,650	-	13.44%	13.44%	11.69%	11.69%	4,135,318	208,334	14.09%	14.09%	14.39%	14.39%	4,343,652	12.66%	12.66%
David Ron <sup>13</sup>	-	-	0%	0%	0%	0%	625,000	312,500	2.13%	2.13%	3.11%	3.11%	937,500	2.73%	2.73%
Alon Mason <sup>14</sup>	-	-	0%	0%	0%	0%	416,668	208,334	1.42%	1.42%	2.07%	2.07%	625,002	1.82%	1.82%
Yitzhak Mender <sup>15</sup>	65,852	-	0.24%	0.24%	0.21%	0.21%	275,852	105,000	0.94%	0.94%	1.26%	1.26%	380,852	1.11%	1.11%
Public	9,290,785	3,443,276	33.57%	33.57%	40.04%	40.04%	9,290,785	3,443,276	31.66%	31.66%	37.12%	37.12%	12,734,061	37.12%	27.12%
<b>Total</b>	<b>27,674,038</b>	<b>4,123,184</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>29,342,374</b>	<b>4,957,352</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>34,304,057</b>	<b>100%</b>	<b>100%</b>

<sup>9</sup> For further details, see footnote No. 4 above.

<sup>10</sup> To the best of the Company's knowledge, 39,401 shares out of the total number of shares presented under the holdings of Mr. Sergey Forman are held by Ms. Olga Forman, the mother of Mr. Sergey Forman, and her holding in the Company's shares constitutes a "joint holding" with Mr. Sergey Forman, as such term is defined in the Securities Law.

<sup>11</sup> To the best of the Company's knowledge, the holding of Ms. Mivav Doreste in the Company's shares constitutes a "joint holding" with her husband, Mr. Rafi Doreste, as such term is defined in the Securities Law. In addition, it is noted that 31,521 shares out of the total number of shares presented under the holdings of Ms. Mivav Doreste are held by Ms. Niva Doreste, ID No. 025555780, the sister of Mr. Rafi Doreste, and her holding in the Company's shares constitutes a "joint holding" with the Doreste spouses, as such term is defined in the Securities Law.

<sup>12</sup> An offeree in the private placement subject of this invitation report. For further details, see footnote No. 2 above.

<sup>13</sup> An offeree in the private placement subject of this invitation report.

<sup>14</sup> An offeree in the private placement subject of this invitation report.

<sup>15</sup> An offeree in the private placement subject of this invitation report.

**6. Details of the Consideration and the Manner in which it was Determined**

6.1. The allocation of the Offered Securities to the Offerees was made at a consideration determined through negotiations between the Company and each of the Offerees, as a willing buyer and a willing seller.

6.2. The Offered Shares are offered to the Offerees at a price of NIS 120 per share, so that the immediate gross consideration expected to be received from the Offerees will be approximately NIS 2 million. In addition, the Offered Options are offered for an additional exercise price of NIS 140 per option, so that assuming the Offered Options are fully exercised, the future gross consideration expected to be added is approximately NIS 1.17 million, for a total of approximately NIS 3.17 million.

6.3. The effective price reflected in the allocation is 92 agorot per share, which is 29.89% lower than the closing price of the Company's share on the day preceding the date of this immediate report, which stood at 119.5 agorot.

**7. Name of any Substantial Shareholder<sup>16</sup> or Senior Officer in the Company who has a Personal Interest in the Consideration, and the Nature of his Personal Interest**

To the best of the Company's knowledge, except for Epsilon Keren Neemanut Ltd., which is part of an institutional reporting group that is a substantial shareholder in the Company and is one of the offerees in this immediate report, and Seibel House Investments Ltd., which is a substantial shareholder in the Company and a company in full (100%) ownership of a director in the Company, which is entitled to a commission at a rate of 4% of the scope of the capital raised as a result of the purchase of the Offered Securities pursuant to this report, and in addition, from the Company's perspective, no substantial shareholder or senior officer in the Company has a personal interest in the allocation of the Offered Securities subject of this immediate report.

**8. Date of Allocation of the Offered Securities and Required Approvals**

8.1. Receipt of the Company's Board of Directors' Approval – In this regard, it is noted that on December 8, 2025, the Company's Board of Directors approved the allocation of the Offered Securities to the Offerees.

8.2. Receipt of the Stock Exchange's Approval for Listing the Offered Shares and the Exercise Shares for Trading – As of the date of this immediate report, the stock exchange's approval has not yet been received. The Company intends to apply to the stock exchange for approval as aforesaid shortly after the publication of this immediate report.

8.3. Date of Allocation of the Offered Securities – The actual allocation of the Offered Securities subject of this immediate report will be made after receipt of the stock exchange's approval for listing the Offered Shares and the Exercise Shares for trading as stated in section 8.1.2 above and against payment of the consideration for the Offered Securities.

**9. Details of Agreements, whether in Writing or Orally, between the Offerees, or between a Holder of Shares in the Company and the Offerees, or all or part of them, between themselves or between them and others, Regarding the Purchase or Sale of the Company's Securities or Regarding Voting Rights therein, to the Best of the Company's Knowledge**

To the best of the Company's knowledge and as reported to it by the Offerees, there are no agreements, whether in writing or orally, between any of the Offerees and another shareholder in the Company or between the Offerees themselves or between

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<sup>16</sup> as such term is defined in the Companies Law.

them and others, regarding the purchase or sale of the Company's securities or regarding the voting rights therein.

**10. Details of any Restriction or Prevention that will Apply to the Offerees in Carrying out Transactions in the Offered Securities**

- 10.1. The Offered Options will be allocated to the Offerees personally and will not be transferable for sale and/or transfer, and it will not be possible to perform any other transaction with them, except by will or inheritance by law.
- 10.2. In accordance with the stock exchange guidelines, the Offered Options will not be exercisable on the record date for the distribution of bonus shares, for an offer by way of rights, for the distribution of a dividend, for a capital merger, for a capital split, or for a capital reduction (each of the foregoing will be called: a "Company Event"). If the ex-date of a Company Event occurs before the record date of the Company Event, no exercise will be performed on the ex-date as aforesaid.
- 10.3. In accordance with the Securities Law and the Securities Regulations (Details Regarding Sections 15A to 15C of the Law), 2000, the following blocking provisions will apply to the Offered Securities:
  - A. The Offerees will be prohibited from offering the Offered Shares and the Exercise Shares for a period of six months from their allocation date.
  - B. During the six subsequent quarters, each of the Offerees will be able to offer a quantity of shares that does not exceed the daily average of the trading turnover in the Company's shares on the stock exchange in the eight weeks preceding the allocation date, provided that in one quarter they do not offer a quantity of shares exceeding one percent of the Company's issued and outstanding capital on the offer date. For this purpose, "issued and outstanding capital", except for shares that will result from the conversion or exercise of convertible securities that were allocated until the offer date and have not yet been exercised or converted.

**Sincerely,  
Group 107 Ltd.  
By: Adi Katz, CEO and Director**