



PRESS RELEASE

The Ministry of Communications publishes an outline for wholesale market prices

- **Bezeq complied with the request of the Ministry of Communications and will immediately and voluntarily reduce the price for use of passive infrastructure to NIS 250 per kilometer; active wholesale prices (BSA) will remain unchanged at this stage**
- **To encourage the migration of customers to the advanced fiber network, Bezeq will offer a discount for 300 Mbps basic wholesale fiber**
- **At the same time, in the coming months, the Ministry intends to perform an economic assessment of the extent of the obligation to supply BSA fiber service**
- **The chairman of Bezeq Group, Tomer Raved says: "The ability to reach an arrangement with the Ministry of Communications through discussions, based on a voluntary price reduction, alongside regulatory stability is unprecedented and welcome, and is highly important for further development of Israel's telecommunications market"**
- **The Company estimates that the reduction in the passive infrastructure and dark fiber tariffs is not expected to have a material impact on the company's business results**

Holon, Israel – March 28, 2024 – Bezeq, The Israeli Telecommunications Corp., Limited (TASE: BEZQ), Israel's leading telecommunications provider, announced today that the Ministry of Communications published an outline for wholesale market prices, and in this context, Bezeq complied with the request of the Ministry of Communications and will immediately and voluntarily reduce the price for use of passive infrastructure to NIS 250 per kilometer. This price will remain in effect until the end of June 2025. The current outline does not address the adjustment of rates for active wholesale service (BSA), and at this stage, these prices will remain unchanged.

Under the outline, and before a decision on the adjustment of BSA prices, in the coming months, the Ministry of Communications will perform an economic assessment of the extent of the obligation to provide the service. Once this process is completed, it is expected that the Ministry of Communications will publish a hearing to set all wholesale rates. It is estimated that the rates will come into effect in the middle of 2025, once the hearing is completed.

The global trend in telecommunications is shifting towards lower government supervision, alongside growing competition in the market. This increases reliance on market forces and arrangements between operators, generating competition to the benefit of consumers. The arrangement proposed at the hearing, alongside the IRU agreement to regulate the use of the Company's fiber network, signed by Bezeq and Partner one year ago, are the first steps in this direction.

The Chairman of Bezeq Group, Tomer Raved said "The ability to reach an arrangement through discussions with the Ministry of Communications, based on a voluntary price reduction alongside regulatory stability is unprecedented and welcome. The combination of the stability provided by

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these measures to all the players in the market, and the setting of rates based on policy goals is highly important to the further development of Israel's telecommunications market."

Tomer Raved concluded, "I would like to thank all parties at the Ministry of Communications who allowed us to present our position. We are committed to the continuation of comprehensive professional and relevant dialog with the Ministry. Bezeq Group is committed to the continuation of the investments required to provide high-quality service based on the most advanced technologies."

The Company estimates that the reduction in the passive infrastructure and dark fiber tariffs is not expected to have a material impact on the company's business results.

About Bezeq, The Israel Telecommunication Corp.

Bezeq, Israel's leading telecommunications service provider, was established in 1984. The Company has led Israel into the new era of communications by focusing on the most advanced technologies and services. Bezeq and its subsidiaries offer the full range of telecommunications services including domestic, international and cellular phone services, broadband Internet, and other data communications, cloud and digital services, satellite and Internet based multi-channel TV, and corporate networks. For more information about Bezeq please visit the corporate website at www.ir.bezeq.co.il.

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