

This is an English translation of a Hebrew immediate report that was published on January 28, 2024 (reference no.: 2024-01-010554) (hereafter: the "**Hebrew Version**"). This English version is only for convenience purposes. This is not an official translation and has no binding force. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.



TURPAZ

Turpaz Industries Ltd.
(the "**Company**")

Company number: 514574524

Address: Halahav 2 Holon

Tel: 03-5560913; Fax: 03-5560915

To:
Israel Securities Authority ("**ISA**")
Reported Via Magna

To:
Tel Aviv Stock Exchange Ltd. ("**TASE**")
Reported Via Magna

Re: Obtaining a substantial loan from a banking institution

The Company is pleased to announce that on January 25, 2024, a wholly owned subsidiary of the Company (the "**Subsidiary**"), took out a loan from a banking institution (the "**Banking Institution**"), according to which the Banking Institution will provide the Subsidiary with a loan to the amount of Euro 33 million (the "**Loan Amount**"), which will be used to finance acquisitions of companies and activities around the world, including financing of the Sunspray Solutions Proprietary Limited in South Africa¹ acquisition, as detailed below:

1. Repayment schedule (principal and interest). The Loan Amount will be for a period of five (5) years, bearing interest at the Euro LIBOR rate plus 1.9% which will be paid on a quarterly basis. The loan fund will be repaid in equal quarterly payments (on a "Spitzer" type settlement schedule), starting at the end of 12 months from the date the loan was placed.
2. Compliance with financial covenants. The Subsidiary has committed that the group will meet the debt coverage ratio and the capital to balance sheet ratio, under the same conditions as the financial relationships existing in the Company's current financing agreements. For details about the financial covenants and their proportion according to the latest financial statements, see section 6 of the Board of Directors' report attached to the financial statements as of 30.9.2023 (as published on 19.11.2023, reference: 2023-01-1251182).

¹ For more details, see the immediate report dated 12.24.2023 (reference: 2023-01-116017).

3. Security. The Subsidiary committed to the Banking Institution not to create a lien on all of its assets, except in the cases and under the conditions detailed in the current negative lien document.
4. The Company and the Subsidiary have no additional costs in connection with taking the loan, with the exception of the interest specified in section 1 above.

Respectfully,

Turpaz Industries Ltd.

By: Karen Cohen Khazon, CEO and Chairperson.