August 11, 2026

Max Stock Ltd.

(the "Company")

Attn:
The Israel Securities Authority
22 Kanfei Nesharim Street
Jerusalem 95464
www.isa.gov.il

Attn:
The Tel Aviv Stock Exchange Ltd.
2 Ahuzat Bayit Street
Tel Aviv 6525216
www.tase.co.il

Dear Madam or Sir,

Re: **Immediate report regarding a non-material private placement**

In accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 (the "**Reporting Regulations**") and the Securities Regulations (Private Placement of Securities in a Listed Company), 2000 (the "**Private Placement Regulations**"), the Company hereby announces the resolution of the Company's Board of Directors dated August 10, 2026, regarding the approval of a private allocation of 1,366,768 unlisted option warrants exercisable into 1,366,768 shares of the Company (the "**Option Warrants**" or the "**Options**"), and of 307,768 restricted share units (RSUs), not listed for trading on the TASE, which are convertible into 307,768 shares of the Company (the "**Restricted Share Units**" and together with the Options: the "**Offered Securities**"), to 23 employees, 8 officers and 4 VPs who are not officers of the Company (all of them together: the "**Offerees**", and each individually: an "**Offeree**"),[1] within the framework of a private placement that is not a material private placement (as that term is defined in the Private Placement Regulations) (the "**Private Placement**"), with such allocation to take effect subject to receipt of the approval of the Tel Aviv Stock Exchange Ltd. ("**TASE**"), all as detailed in this report below.

1. **General**

1.1 On August 5, 2026 and August 10, 2026,[2] the Remuneration Committee (with respect to Offerees who are officers) and the Company's Board of Directors, respectively, approved the allocation of the Offered Securities to the Offerees by way of a private placement that

[1] It is clarified that an employer-employee relationship exists between the Company and all of the Offerees.

[2] At the same time, the Company's Board of Directors approved an additional allocation of option warrants and performance-based restricted share units to the Company's CEO, with a total fair value of ILS 5,250 thousands, in respect of which the Company will publish a material private placement report.

is non-material and non-extraordinary (as those terms are defined in the Private Placement Regulations), in accordance with the details set forth in this report below.

1.2 The allocation of the Offered Securities is in accordance with the terms of the Company's equity incentive plan for employees, directors and consultants of the Company and its subsidiaries, which was approved by the Company's Board of Directors on August 10, 2020 and as amended on July 22, 2026 (the "**Equity Incentive Plan**"), and pursuant to Section 102 of the Income Tax Ordinance [New Version], 1961 (the "**Ordinance**").

1.3 The allocation of the Offered Securities to Offerees who are officers is in accordance with the Company's compensation policy dated September 10, 2025.

2. **The Offered Securities and their Terms**

2.1 Number of Option Warrants and Restricted Share Units and the Percentage of Exercise Shares of the Company's Issued and Paid-Up Share Capital

2.1.1 Pursuant to the terms of the Private Placement, and subject to receipt of the TASE's approval for the listing for trading of the Exercise Shares resulting from the exercise of the Offered Securities, the Company shall allocate to the Offerees:

a. 1,366,768 unlisted option warrants exercisable into 1,366,768 no par value ordinary shares of the Company (subject to adjustments, as from the allocation date, as set forth in Section 2.3 below), such that each option warrant is exercisable into one ordinary share of the Company.

b. To Offerees who are officers and VPs who are not officers, the Company shall allocate 307,768 Restricted Share Units, not listed for trading on the TASE, which are convertible into 307,768 no par value ordinary shares of the Company (subject to adjustments, as from the allocation date, as set forth in Section 1.3 below).

2.1.2 Following the allocation, assuming, theoretically, full exercise of the Offered Securities, the Exercise Shares will constitute approximately 1.2% of the Company's issued and paid-up share capital and voting rights, and approximately 1.2% of the Company's issued and paid-up share capital and voting rights on a fully diluted basis.[3]

2.1.3 The Company shares resulting from exercise of the Offered Securities will be listed for trading on the TASE in the name of the Tel Aviv Stock Exchange Nominee Company Ltd. (or any other nominee company as the Company may determine from

[3] Assuming the exercise of all convertible securities existing in the Company's share capital and that all of the Offered Securities to be allocated under the allocation that is the subject of this report and the material private placement report being reported concurrently with this report are exercised in full.

time to time), and as from the date of their allocation they will be equal in all respects in their rights to the existing ordinary shares in the Company's share capital (the "**Exercise Shares**").

2.1.4 Terms of the Offered Securities

a. **Exercise price:** The exercise price for each option to be granted to the Offerees was determined according to the higher of: (a) the weighted average closing price of the Company's shares on TASE during the 30 trading days preceding the date of the Board of Directors' resolution on the allocation, dated August 10, 2026 (the "**Grant Date**"), i.e. ILS 35.63; or (b) the closing price of the Company's shares on the last trading day preceding the Grant Date, i.e. ILS 35.14. Accordingly, the exercise price is ILS 35.63.

   The Restricted Share Units are allocated without an exercise price. Restricted Share Units that vest in accordance with the vesting terms below will be automatically exercised into shares (without payment of any consideration).

b. **Exercise Period and Vesting Conditions**: The Options and the Restricted Share Units will vest over a period of 5 years, with half of the Options and Restricted Share Units (50%) vesting after two and a half years from the Grant Date (30 full months), and the balance vesting at a rate of 10% every six months (6 full months), until the end of 5 years.

c. **Expiration Date of the Options**: Options granted in accordance with the Equity Incentive Plan and not yet exercised will be exercisable, in whole or in part, for a period of 10 years from the Grant Date (the "**Option Period**"). Subject to the adjustments in section 2.3 below, and unless they expire earlier pursuant to section 2.2 below, any Option granted for the benefit of any Offeree but not exercised by such Offeree during the Option Period will expire and become null and void immediately upon the end of the Option Period (the "**Expiration Date**").

2.1.5 Manner of Exercise of the Options:

a. An Offeree may exercise all or part of the Option Warrants during the Option Period against payment in cash to the Company of the Exercise Price or pursuant to the net exercise mechanism set forth below.

b. If the Option Warrants are exercised by way of a net exercise mechanism, i.e. according to the benefit value inherent in them ("**Cashless**"), subject to the provisions of law and the terms of Section 102 of the Ordinance and in accordance with the guidelines of the tax authorities, such that the Exercise Price will be theoretical only for purposes of calculating the benefit value and will not actually be paid by that Offeree - the number of Exercise Shares will be calculated according to the following formula:

$$X = A \times \frac{(B-C)}{B}$$

A	=	The number of Option Warrants that the Offeree wishes to exercise, as specified in the exercise notice, subject to adjustments;
B	=	The closing price, in ILS, of the Company's shares on TASE on the trading day preceding the exercise date;
C	=	The Exercise Price, in ILS, per Option Warrant, subject to adjustments;
X	=	The number of shares to be allocated to the Offeree.

c. In any case in which, as a result of the calculation set forth above, the Company would be required to allocate fractional shares, the Company shall not allocate fractional shares, and the number of shares to be allocated to the Offeree shall be rounded down for any fractional share lower than 0.5, and rounded up for any fractional share equal to or higher than 0.5.

d. If the Offeree elects this method, the Company will deem the Exercise Shares to be fully paid-up.

2.2 Provisions Applicable in the Event of Termination of Employment of an Offeree

2.2.1 Options

a. On the Termination Date of an Offeree's employment,[4] for any reason whatsoever, all Options granted for the benefit of the Offeree that have not yet vested will immediately expire and become null and void.

b. In the event of resignation, Options that vested prior to the Termination Date may be exercised for a period of one month from the Termination Date or until the Expiration Date, whichever is earlier.

c. In the event of termination of employment initiated by the Company other than for Cause (as that term is defined in the Plan), Options that vested prior to the

[4] "Termination Date" means the date on which notice of dismissal was delivered by the Company, or notice of resignation was delivered by the employee. If no written notice was delivered - the first date on which there is evidence of an intention to terminate the engagement.

Termination Date may be exercised for a period of 3 months from the Termination Date or until the Expiration Date, whichever is earlier;

d. In the event of termination of employment initiated by the Company for Cause (as that term is defined in the Plan), all Options that vested prior to the Termination Date will expire immediately;

e. In the event of termination of employment as a result of disability or death, Options that vested prior to termination of employment may be exercised for a period of 6 months from the Termination Date or until expiration of the Options, whichever is earlier.

2.2.2 The Offeree will not be entitled to compensation in respect of Options that would have vested had the Offeree's employment not been terminated.

2.2.3 Restricted Share Units

a. All Restricted Share Units that have not vested by the Termination Date will expire immediately and be canceled without consideration. Restricted Share Units that have vested will be converted into shares only in accordance with the relevant grant agreement, the Equity Incentive Plan, applicable law and the trustee's requirements.

b. The Offeree will not be entitled to compensation in respect of Restricted Share Units that would have vested had the Offeree's employment not been terminated.

2.3 Principal Adjustments and Provisions for Protection of the Offerees

2.3.1 **Change in Capital** - In any case of a change in the Company's issued share capital by way of a share split, consolidation, distribution or share swap, or any similar event by or of the Company, the number and type of shares that will arise from the exercise of the Offered Securities granted under the Plan shall be adjusted proportionately in order to preserve, on a proportionate basis, the percentage of capital reflected by the Offered Securities, and the total Exercise Price in respect of all Exercise Shares subject to an Option shall not change (but shall be adjusted proportionately per share underlying the Options).

2.3.2 **Distribution of Bonus Shares** - If the Company distributes bonus shares to the holders of ordinary shares, the rights of each Offeree shall be preserved as follows: immediately after the date of record for distribution of the bonus shares (in this section: the "**Date of Record**"), the number of shares arising from exercise of the Options and/or the Restricted Share Units that each such Offeree is entitled to receive shall be increased, by adding the number and type of shares to which the Offeree would have been entitled as bonus shares had the Offeree exercised the Options allocated to the Offeree and not yet exercised (whether vested or unvested) and/or had the Restricted Share Units been converted into shares immediately, by the last trading day preceding the Date of Record. With respect to the Options - in such case, the total Exercise Price in respect of all shares subject to an Option shall not change (but shall be adjusted proportionately per share underlying the Options). Actual receipt of the shares shall be conditional upon exercise of the relevant Option and payment of the Exercise Price of each share subject to the Option.

2.3.3 **Adjustment Due to Distribution of a Cash Dividend** - In any case of payment of a cash dividend, where the date of record for its distribution occurs during the period between the allocation date and the exercise date, the adjustment shall be made by reducing the Exercise Price of each unexercised Option by the gross dividend amount in ILS. With respect to the Restricted Share Units - no adjustment shall apply.

2.3.4 **Rights Issue** - In the event of a rights issue by the Company to the shareholders, on the "ex-rights" date the Exercise Price of each Option shall be reduced by an amount equal to the benefit component. For this purpose, "benefit component" means: the difference between the closing price of the share on the TASE on the last trading day before the "ex" date and the base price of the share "ex-rights".

With respect to the Restricted Share Units - no adjustment shall apply.

2.3.5 **Adjustment Due to Structural Change** - In the event of a Structural Change, the shares subject to the Offered Securities shall be replaced or converted into shares of the Company or of a successor company in accordance with the exchange carried out in respect of the Company's ordinary shares (or, as applicable, in addition to the shares subject to the Offered Securities, shares of the Company or of such successor company shall also be subject thereto), and the Exercise Price of the Options and the number of shares shall be adjusted in accordance with the terms of the Structural Change, in order to reflect the same terms (including percentage holdings, economic value, Exercise Price, terms attached to the shares subject to the Offered Securities, etc.) that apply with respect to the Options, the Restricted Share Units and the shares underlying them that were allocated pursuant to the Plan.

2.3.6 **Adjustment Due to a Spin-Off Transaction** - In the event of a spin-off transaction, the Board of Directors may determine that the Offerees shall be entitled to receive shares or options in the new company that will be established as a result of the spin-off transaction, in accordance with the shares that will be allotted to the holders of the Company's ordinary shares in the spin-off transaction, in order to reflect the same terms (including percentage holdings, economic value, Exercise Price, terms attached to the shares subject to the Offered Securities, etc.) that apply with respect to the Options, the Restricted Share Units and the shares underlying them that were allocated pursuant to the Plan, as if the shares underlying the Options and the Restricted Share Units had been exercised into shares immediately prior to the spin-off transaction.

2.3.7 **Adjustment Due to an M&A Transaction** - In the event of an M&A Transaction, as defined in the Equity Incentive Plan, the Board of Directors shall be entitled (but not obligated), at its sole discretion, without the need for the Offeree's consent and without any obligation to provide prior notice, to determine one or more of the following alternatives: (1) the awards and/or shares shall be assumed or converted into options and/or restricted share units and/or shares and/or securities or other rights of the surviving company or of its parent company or affiliate. In the event of assumption and/or replacement, appropriate adjustments shall be made so as to reflect the transaction, and the remaining terms of the grant agreement shall remain substantially unchanged, including the vesting period, all subject to the determination of the Board of Directors; (2) to convert the awards or shares into cash consideration (including net exercise of the Options); (3) to determine that all Options and/or Restricted Share Units that have not yet vested, as well as Options that have vested but have not yet been exercised, will expire on the date of completion of the M&A Transaction without any consideration; (4) to determine that the conversion, assumption or purchase as aforesaid shall be subject to any payment arrangement, trust or other arrangement established within the framework of the M&A Transaction with respect to the Company's ordinary shares; (5) to determine accelerated vesting of Options and/or Restricted Share Units, in whole or in part, on terms to be determined by the Board of Directors.

The Board of Directors may, at its sole discretion, determine that upon completion of the M&A Transaction, the terms of any Option and/or Restricted Share Unit will be changed, amended or canceled, if it believes in good faith that doing so is appropriate. The value of the Options and/or Restricted Share Units and/or replacement shares shall be determined in good faith and solely by the Board of Directors, based, *inter alia*, on fair market value, and its decision shall be final and binding upon all Offerees. Unless the Board of Directors determines otherwise, any award that is not assumed or replaced with awards, shares, securities or other rights, and that is not redeemed in cash, shall expire immediately prior to completion of the M&A Transaction.

In addition, the Board of Directors may, at its sole discretion, require participants to exercise all vested Options within a period to be determined, and to sell all of their shares and the shares issued in respect of Restricted Share Units, on the same terms applicable to the other shareholders selling their shares within the framework of the transaction.

If the Exercise Price of the Options is higher than the value per share in the M&A Transaction, the Board of Directors shall be entitled to cancel those Options upon completion of the transaction, without any consideration.

2.3.8 **Adjustment Due to Liquidation of the Company** - In the event of liquidation or dissolution of the Company, all Options and/or Restricted Share Units shall expire immediately prior to completion of the liquidation.

2.3.9 In accordance with the TASE Rules, due to the transition to T+1 settlement in shares and unlisted convertible securities, no exercise of Option Warrants for shares shall be made and no shares shall be allocated as a result of the vesting of Restricted Share Units on the date of record for distribution of bonus shares, an offering by way of rights, distribution of a dividend, consolidation of capital, split of capital or reduction of capital (each of the foregoing shall be referred to in this section below as a "**Corporate Event**"), and such exercise shall be deferred to the following trading day. In addition, if the ex-date of a Corporate Event occurs before the date of record of a Corporate Event, no exercise of Option Warrants and/or Restricted Share Units into Company shares shall be made on such ex-date.

2.3.10 For the avoidance of doubt, the Exercise Shares resulting from exercise of the Option Warrants and the Restricted Share Units to be allocated pursuant to this Immediate Report will be registered in the name of the Tel Aviv Stock Exchange Nominee Company Ltd.

3. **<u>The Consideration for the Offered Securities and the Manner in which it was Determined</u>**

The allocation of the Option Warrants and the Restricted Share Units to the Offerees is made **for no consideration and in accordance with the Company's Equity Incentive Plan**, and with respect to an Offeree who is an officer - also in accordance with the Company's compensation policy.

4. **Agreements Regarding Rights in the Company's Securities**

To the best of the Company's knowledge, and after an examination carried out by the Company with the Offerees, as of the publication date of this Immediate Report, there are no agreements, written or oral, between the Offerees *inter se*, between the Offerees and holders of securities of the Company, or between the Offerees and others, regarding the purchase or sale of securities of the Company or regarding voting rights in the Company.

5. **Restrictions or Limitations on Taking Actions with the Offered Securities**

5.1 The Option Warrants and the Restricted Share Units will not be listed for trade on TASE. In accordance with the provisions of the Equity Incentive Plan, the Option Warrants and the Restricted Share Units will be allocated pursuant to Section 102 of the Ordinance, as applicable, and the Exercise Shares, including all rights conferred thereunder, including bonus shares, will be deposited with a trustee.

5.2 The Options and the Restricted Share Units and the rights arising therefrom may not be transferred or assigned by the Offeree, except in the event of the Offeree's death, in which case they may be transferred to the Offeree's estate, to the legal guardian (in the case of disability), or to a person who acquired the right to exercise them under a will or pursuant to inheritance laws. The Options and the Restricted Share Units and the rights arising therefrom may not be pledged, attached or subject to any other voluntary encumbrance, and no power of attorney shall be granted in respect thereof, whether it enters into effect immediately or on a future date.

5.3 Pursuant to the Securities Law and the provisions of the Securities Regulations (Details regarding Sections 15A to 15C of the Law), 2000, the restrictions set forth below will apply to sales, in the course of trade on TASE, of the Exercise Shares to be allocated upon exercise of the Option Warrants and the Restricted Share Units (in addition to the provisions regarding vesting of the Option Warrants and the Restricted Share Units as detailed above):

5.3.1 For six months from the allocation date, there shall be a prohibition on offering the Exercise Shares in the course of trading on the TASE (the "**First Period**").

5.3.2 During six consecutive quarters following the end of the First Period (the "**Additional Periods**"), the Offerees will be entitled to offer, on each trading day, a quantity of shares that does not exceed the daily average trading volume on TASE of the Company's shares during the eight-week period preceding the day of the offer, provided that each Offeree may not offer, in any one quarter, a quantity of shares exceeding one percent of the Company's issued and paid-up share capital, each separately.

For this purpose, "**quarter**" means a period of 3 months, with the first quarter commencing at the end of the period specified in section 5.3.1 above.

For this purpose, "**issued and paid-up capital**" excludes shares that will arise from the exercise or conversion of convertible securities that were allocated up to the offer date and have not yet been exercised or converted.

6. **Approvals Required to Carry Out the Allocation of the Option Warrants to the Offerees**

The allocation of the Option Warrants and the Restricted Share Units to the Offerees is subject to receipt of TASE approval for the listing for trade of the Exercise Shares.

Respectfully,

Max Stock Ltd.

Signed by: Ori Max, Company CEO