This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

Sela Capital Real Estate Ltd.

SELLA CAPITAL REAL ESTATE LTD

Number in the register: 513992529

To: Israel Securities Authority www.isa.gov.il | To: Tel-Aviv Stock Exchange Ltd. www.tase.co.il | T081 (Public) | Filed via MAGNA: 10/08/2026 | Reference: 2026-01-074648

Immediate report on cash dividend distribution for securities

Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970

1. We hereby report that on the date *09/08/2026*it was decided to pay a dividend.

2. The record date (ex-date): *17/08/2026*

Payment date: *27/08/2026*

3. Payment details:

○ Dividend distributed by an Israeli resident company (for the composition of the dividend sources and tax rates see section 7a)

○ Dividend distributed by a Real Estate Investment Trust (for the composition of the dividend sources and tax rates see section 7c)

Entitled security number	Name of the security	Dividend amount per one security	Dividend amount currency	Payment currency	Representative rate for payment for date	Individuals tax %	Companies tax %
1109644	*Sela Real Estate - Share*	*0.1425*	*NIS_____*	*NIS*	_____	*25*	*23*

○ Dividend distributed by a foreign resident company (for tax rates see section 7b)

1

Security number	Name of the security	Gross amount per one security	Amount currency	Foreign tax %	Treaty tax %	Balance of individuals tax to be withheld in Israel %	Balance of companies tax to be withheld in Israel %
_____	_____	_____	_____	_____	_____	_____	_____
		Amount payable in Israel per one security	Payment currency	Representative rate for payment for date		Actual tax rate for individuals in Israel %	Actual tax rate for companies in Israel %
		_____	_____	_____		_____	_____

The amount of the dividend to be paid must be stated with an accuracy of up to 7 digits after the decimal point when the dividend amount currency is NIS and up to 5 digits after the decimal point when the dividend amount currency is a foreign currency.

_____

4. The total amount of the dividend to be paid is: *37,151,785NIS*_____.

5. The company's retained earnings as defined in section 302 of the Companies Law, 5759-1999, after the distribution that is the subject of this report, amount to:

*1,095,000,000NIS*_____

6. Procedure for approving the dividend distribution:

Approved by the Company's Board of Directors as set forth in section 10 below.

The aforesaid distribution is subject to court approval pursuant to section 303 of the Companies Law *No*

The final dividend amount per share is subject to changes due to _____

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

The final dividend amount per share may be updated up to 2 trading days before the record date.

7. The withholding tax rates specified below are for the purpose of withholding tax at source by the TASE members.

7a. Composition of the dividend sources distributed by an Israeli resident company from shares and financial instruments excluding REIT.

	% of the dividend	Individuals	Companies	Foreign residents
Income subject to corporate tax (1)	_____	25%	0%	25%
Income derived from abroad (2)	_____	25%	23%	25%
Income from an Approved/Benefited Enterprise (3)	_____	15%	15%	15%
Income from an Irish Benefited Enterprise up to 2013 (4)	_____	15%	15%	4%
Income from an Irish Benefited Enterprise from 2014 (5)	_____	20%	20%	4%
Preferred income	_____	20%	0%	20%
Income from a tourism/agricultural Approved Enterprise (6)	_____	20%	20%	20%
Income from an Approved/Benefited Enterprise that submitted a waiver notice (7)	_____	15%	0%	15%
Distribution classified as capital gain	_____	25%	23%	0%
Distribution by Participating unit	_____	_____	_____	_____
Other	_____	_____	_____	_____

Explanation:

(1) Income subject to corporate tax – income from distribution of profits or from dividends whose source is income produced or accrued in Israel that was received directly or indirectly from another corporate body subject to corporate tax.

(2) Income derived from abroad is income that was produced or accrued abroad and was not taxed in Israel.

(3) Including income from a Benefited Tourist Enterprise where the selection/operation year is up to 2013.

(4) Irish Benefited Enterprise where the selection year is up to 2013.

(5) Irish Benefited Enterprise where the selection year is from 2014 onwards.

(6) Including income from a Benefited Tourist Enterprise where the selection/operation year is from 2014 onwards.

(7) Approved or Benefited Enterprise that submitted a waiver notice by 30.6.2015, after corporate tax due from it was deducted.

_____

7b. Dividend distributed by a foreign resident company

	Individuals	Companies	Foreign residents
Dividend distributed by a foreign resident company	25%	23%	0%

7c. Dividend distributed by a Real Estate Investment Trust

	% of the dividend	Individuals (1)	Companies	Foreign resident companies	Exempt mutual fund	Pension fund (2)
From betterment of real estate, capital gain and depreciation (3)	*100*	25%	23%	23%	0%	0%
Other taxable income (such as: rental income)	*0*	47%	23%	23%	23%	0%
From income-producing residential real estate for rental purposes	*0*	20%	20%	20%	0%	0%
Income that was taxed at the fund level (4)	*0*	25%	0%	25%	0%	0%
Exceptional income	*0*	70%	70%	70%	60%	70%
Other	*0*	*0*	*0*	*0*	*0*	*0*
Weighted withholding tax rate	100%	*25*	*23*	*23*	*0*	*0*

(1) Individuals - including income of a taxable mutual fund and foreign resident individuals.

(2) Pension fund for annuity or for savings or for severance pay as defined in the Income Tax Ordinance as well as a foreign pension fund or pension plan which is a resident of a treaty country.

(3) From real estate betterment or capital gain, excluding from sale of real estate properties held for a short period, and from income in the amount of depreciation expenses.

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

(4) Distribution from income that was taxed at the fund level in accordance with section 64A4(e).

_____

8. Number of dormant securities of the company that are not entitled to dividend payment and for which a waiver letter must be provided in order to receive the dividend payment *0*

9. Effect of the dividend distribution on convertible securities:

- ○ The company has no convertible securities
- ○ The dividend distribution has no effect on the convertible securities
- ○ The effect of the dividend distribution on the convertible securities is as follows:

Name of the security	Security number	Remarks
Unlisted warrants	1120948	Other *The exercise price is reduced by the amount paid as gross dividend for each share underlying the warrant.*

10. Recommendations and resolutions of the directors in connection with the dividend distribution in accordance with Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 5730-1970:

The dividend distribution was approved by the Company's Board of Directors after the Board examined, in accordance with the provisions of the Companies Law, 5759-1999 (hereinafter: the "Companies Law") and the provisions of the Income Tax Ordinance, the Company's compliance with the profit test. In addition, the Board examined the solvency test. As part of this, the Company's Board of Directors examined, inter alia, the Company's financial statements as of 30.06.2026, the Company's expected cash flow, the Company's existing and expected obligations, as well as compliance with the provisions relating to the leverage required from a REIT under the Income Tax Ordinance. After the Board became convinced that there is no reasonable concern that the distribution will prevent the Company from being able to meet its existing and expected liabilities as they become due, in the opinion of the Company's Board of Directors, the said distribution is not expected to materially adversely affect the Company's financial condition and/or its leverage level and/or its ongoing operations and/or its investment plans. The dividend distribution is in accordance with the Company's policy approved by the Board of Directors whereby the Company will distribute a dividend in an amount not less than a total of NIS 146 million for 2026. The Board's examination and its conclusions as stated above are supported, inter alia, by additional facts, as detailed below: (a) For many years the Company has had positive cash flow from operating activities. This cash flow amounted to NIS 105 million in the first half of 2026, NIS 241 million in 2025, NIS 246 million in 2024 and NIS 238 million in 2023. (b) The Company has sufficient sources available, both internal and external, and the dividend distribution is not expected to affect the Company's operations. (c) The Company's equity amounts to approximately NIS 2.934 billion as of 30.06.2026 and the dividend distribution will not materially affect the Company's capital structure. (d) All real estate assets are unencumbered. The aforesaid information includes forward-looking information, as defined in the Securities Law, 5728-1968. The Company's assessments as stated above are based on the Company's analysis of its cash flows, its existing and forecasted obligations as well as the Company's expectations regarding its future revenues. These assessments may not materialize, in whole or in part, and/or may materialize differently than expected, inter alia, as a result of changes in market conditions in general and in the real estate market in particular. Note: In light of the transition to T+1 settlement, exercise of unlisted warrants will not be possible on the record date for the dividend payment.

_____

Details of the signatories authorized to sign on behalf of the company:

	Name of signatory	Position
1	Gadi Elikam	*Chief Executive Officer* _____
2	Dror Yehuda	*Chief Financial Officer* _____

Explanation: According to Regulation 5 of the Securities Regulations (Periodic and Immediate Reports) (5730 – 1970), a report submitted pursuant to these regulations shall be signed by those authorized to sign on behalf of the company. The Staff's position on this matter can be found on the ISA website: Click here .

Reference numbers of previous documents on the subject (the mention does not constitute inclusion by way of reference):

This is an unofficial AI generated translation of the official Hebrew version and has no binding force. The only binding version is the official Hebrew version. For more information, please review the legal disclaimer.

Email: dror@sellacapital.com

Previous names of reporting entity:

Name of electronic reporter: Yehuda DrorPosition: Chief Financial OfficerName of employing company:

Address: Jabotinsky7 , Ramat Gan5252007Telephone: 03-5759222Fax: 03-7624532Email: DROR@SELLACAPITAL.COM