



**Frequently Asked Questions**  
**Palo Alto Networks, Inc. acquisition of CyberArk Software Ltd.**  
**Israel Withholding and Payment Mechanics**  
**February 11, 2026**

**Purpose**

As a result of the acquisition of CyberArk Software Ltd. (“CYBR”) by Palo Alto Networks, Inc. (“PANW”), you have the right to receive 2.2005 shares of PANW common stock and US\$45.00 cash for each CYBR ordinary share you held as of the closing of the acquisition (the “merger consideration”). The acquisition closed on February 11, 2026.

These frequently asked questions are intended to (i) help you as a former CyberArk shareholder understand how Israeli tax withholding may apply to the payment of your merger consideration, and (ii) summarize what actions you may be able to take in order to not have Israeli tax withholding apply to the payment of your merger consideration to the extent it would otherwise apply.

The parties have obtained from the Israel Tax Authority (the “ITA”) certain tax rulings addressing the requirements for Israeli tax withholding and what categories of shareholders may be exempt from Israeli tax withholding, provided that they comply with the requirements of such ITA rulings.

This is a summary for convenience only and does not replace the detailed provisions of the ITA rulings nor should it be understood as replacing the need to obtain personal tax advice.

THE DISCUSSION BELOW RELATES SOLELY TO ISRAELI WITHHOLDING TAX MATTERS AND DOES NOT ADDRESS ANY NON-ISRAELI WITHHOLDING TAX MATTERS OR OTHER SUBSTANTIVE TAX OR TAX REPORTING REQUIREMENTS WHICH MAY APPLY TO YOU, INCLUDING ANY U.S. FEDERAL INCOME TAXES OR WITHHOLDING TAXES. YOU ARE URGED TO CONSULT YOUR TAX ADVISOR REGARDING ISRAELI WITHHOLDING TAX MATTERS, POTENTIAL NON-ISRAELI WITHHOLDING TAX MATTERS AND OTHER POTENTIAL TAXES OR TAX REPORTING REQUIREMENTS THAT MAY APPLY TO YOUR RECEIPT OF CONSIDERATION PURSUANT TO THE MERGER, INCLUDING IN LIGHT OF YOUR SPECIFIC CIRCUMSTANCES.

FOR FURTHER INFORMATION, PLEASE SEE THE DISCUSSIONS UNDER THE HEADINGS “MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES OF THE MERGER” AND “MATERIAL ISRAELI INCOME TAX CONSEQUENCES OF THE MERGER” IN THE PROXY STATEMENT/PROSPECTUS INCLUDED IN THE REGISTRATION STATEMENT ON FORM S-4 FILED BY PALO ALTO NETWORKS, INC. WITH THE SECURITIES AND EXCHANGE COMMISSION (FILE # 333-290235) ON SEPTEMBER 12, 2025, AS AMENDED, AND

DECLARED EFFECTIVE ON SEPTEMBER 30, 2025 (THE “PROXY”) AT [THIS LINK](#).

### **1) What consideration will I receive in the transaction?**

As a result of the acquisition, you will receive a combination of PANW shares of common stock (“PANW shares”) and cash for each CYBR ordinary share (“CYBR shares”) you held as of the closing of the acquisition.

For each CYBR share you held at the closing of the acquisition you will be entitled to receive 2.2005 PANW shares and US\$45.00 cash, without interest, subject to withholding requirements, if applicable.

### **2) How will I receive my consideration?**

If you hold your CYBR ordinary shares through a broker:

- You will have received the PANW common shares you are entitled to automatically through your broker. Under the terms of the ITA rulings, the payment of these PANW shares is not subject to Israeli tax withholding.
- If you hold your CYBR shares through a non-Israeli broker, in order to receive your cash consideration payable for your CYBR shares, you will need to log in and complete the necessary requirements on the dedicated online portal that Computershare, which has been appointed as the exchange agent for this transaction, has created for this transaction. You will receive access to the dedicated portal from your broker. Please contact your broker for more information.
  - The cash consideration will be paid to you through your brokerage account, with Israeli tax withholding applied (or not applied) depending on your status and the documents you provide, after you have completed the necessary steps on the portal.
- If you hold your CYBR shares through an Israeli bank or broker, you will not be required to access the Computershare online portal in order to receive your consideration, and such process will instead be handled by your Israeli bank or broker.

If you are a registered (record) shareholder (i.e., you do not hold your CYBR shares through a broker):

You will receive a mailing from Computershare that will contain instructions for the materials you must complete and provide in order to receive both your PANW shares and cash consideration. In particular, you will be required to provide a Valid Tax Certificate (as defined below), if you elect to obtain one to avoid being subject to default Israeli tax withholding.

### **3) When will I receive my consideration?**

If you hold your CYBR shares through a broker:

Your PANW shares will be delivered to your broker as soon as practicable following the closing of the acquisition. Please consult your broker to ensure that the PANW shares have been properly allocated to your account.

Your cash payment will be made after you and your broker have completed the necessary steps to ensure compliance with Israeli tax withholding requirements, as described below. Please read the instructions made available to you carefully and follow them to help ensure a smooth distribution of your funds.

If you are a registered (record) shareholder (i.e., you do not hold your CYBR shares through a broker):

You will receive a mailing from Computershare that will contain instructions for the materials you must complete and provide in order to be able to receive both your PANW shares and cash consideration.

#### **4) Will Israeli tax be withheld from my consideration?**

If you hold your CYBR shares through an Israeli bank or broker:

Your gross cash consideration will be subject to withholding by such Israeli bank or broker at the time of deposit of the balance of your cash consideration in your account with such Israeli bank or broker at the applicable Israeli tax withholding rates based on information on record with such Israeli bank or broker. No withholding of Israeli tax will apply to your PANW share consideration.

If you hold your CYBR shares through a non-Israeli broker:

Regardless of your citizenship or tax residency, you will be subject to Israeli withholding tax with respect to your cash consideration payable for your CYBR shares, unless you comply with the requirements set forth on Computershare's dedicated online portal for this transaction. You will receive access to the portal from your broker. Please contact your broker for more information.

The default Israeli tax withholding rates applicable for CYBR shareholders who do not benefit from an exemption from Israeli withholding are 25% of the gross cash consideration for individuals and 23% of the gross cash consideration for entities. If you will be subject to Israeli tax withholding, in order for the tax withholding to be made solely with respect to your capital gains (rather than from the entire gross cash consideration), which may result in a lower amount of tax being withheld, you will need to contact IBI (the Israeli withholding agent) in advance by email at [saritf@ibi.co.il](mailto:saritf@ibi.co.il), and act in accordance with their instructions. No Israeli withholding tax will apply to your PANW share portion of your consideration.

If you are a registered (record) shareholder (i.e., you do not hold your CYBR shares through a broker):

Regardless of your citizenship or tax residency, you may be subject to Israeli withholding tax with respect to both your share and cash consideration payable for your CYBR shares, unless you provide Computershare with a Valid Tax Certificate

(as defined below), in which case the withholding of any Israeli tax shall be made only in accordance with the provisions of such Valid Tax Certificate and the balance of the payment due to you and that is not withheld shall be paid to you by Computershare.

A “Valid Tax Certificate” is a certificate, ruling or any other written instructions, that is in force on the payment date, relating to Israeli tax withholding, issued by the ITA as confirmed by Computershare, that is applicable to your payments and provides for an exemption from Israeli tax withholding or a reduced rate of Israeli tax withholding.

The default Israeli tax withholding rates for registered CYBR shareholders who do not benefit from an exemption from withholding are 25% of the total gross consideration (cash and PANW shares) for individuals and 23% of the total gross consideration, in each case, unless coordinated with IBI in accordance with the procedure detailed above.

You will receive a mailing from Computershare that will contain instructions for the materials you must complete and provide in order to be able to receive both your PANW shares and cash consideration, including regarding an election to obtain the Valid Tax Certificate. Computershare will be entitled to sell a portion of your PANW shares in order to comply with Israeli tax withholding requirements.

#### **5) Why may I be asked for tax documents?**

In order to avoid Israeli tax withholding you will be required to provide information and documentation through the dedicated online Computershare portal (or through your Israeli bank or broker, if applicable) in order for Computershare (or the Israeli bank or broker) to be able to confirm your exemption from Israeli tax withholding in accordance with the terms and conditions of the ITA rulings.

The online portal will be made available to you by your broker, if applicable to you. Please contact your broker for more information.

#### **6) I hold my CYBR shares through a non-Israeli broker. What documents and information will I be asked to provide?**

You will be asked to provide the following:

##### **A. Validly executed non-Israeli resident shareholder declaration**

You will be asked to fill in your identification details, how you hold the shares, and a tax declaration confirming that you:

- Are not an Israeli tax resident;
- Acquired the CYBR shares on the date they were listed for trading on Nasdaq (September 24, 2014) or thereafter;
- Throughout the entire holding period were not an Israeli tax resident;
- Hold less than 5% of CYBR’s share capital;
- Your capital gain is not attributable to a permanent establishment in Israel; and

- Your CYBR shares were not acquired from a “relative”, which is defined in Section 88 of the Israeli Income Tax Ordinance as (1) a spouse, brother, sister, parent, grandparent, offspring, spouse’s offspring, and the spouse of any of the aforementioned; or (2) an offspring of a brother or sister, and brother or sister of a parent.

## **B. Identity documentation**

**Individuals:** A valid non-Israeli passport, or if you do not have one, an Internal Revenue Service (“IRS”) Form W-9 (in the case of United States persons), applicable IRS Form W-8 (in the case of non-United States persons) or a valid government-issued documentation attesting to residency.

**Entities:** N/A.

## **C. Additional documents in certain cases**

- If your **cash consideration** exceeds **US\$300,000 but is less than or equal to US\$500,000** or if you are an **Israeli citizen**, you will also need to provide a **tax residency certificate** from the applicable tax authority in your country of residence.
- If your cash consideration exceeds US\$500,000, you are an Israeli resident, or you cannot confirm the required statements or provide the required supporting documentation, you will generally have up to five business days prior to the end of the 180 days from the closing date to obtain a **Valid Tax Certificate** (as defined above) confirming whether Israeli tax withholding should be reduced or not withheld from your **cash consideration**.

**Important:** The US\$300,000 and US\$500,000 thresholds above refer to the **cash consideration only**. The value of the merger consideration paid in PANW shares does not count toward these thresholds for this purpose. If you do not or are unable to provide these forms, default Israeli tax withholding will apply.

### **7) I am a registered (record) shareholder (i.e., I do not hold my CYBR shares through a broker). What documents and information will I be asked to provide?**

You will receive a mailing from Computershare that will contain instructions for the materials you must complete and provide in order to be able to receive both your PANW shares and cash consideration, including regarding an election to obtain the Valid Tax Certificate. You will need to complete a letter of transmittal in the form provided by Computershare and return that to Computershare following the instructions contained in the letter of transmittal. You will also need to send a Valid Tax Certificate to Computershare, if you elect to obtain one to avoid being subject to default Israeli tax withholding.

### **8) What should I do if I do not meet the criteria for exemption from Israeli withholding tax?**

If your cash consideration exceeds US\$500,000, you are an Israeli resident, or you cannot confirm the required statements or provide the required supporting

documentation, you will generally have up to five business days prior to the end of the 180 days from the closing date to obtain and submit to Computershare a Valid Tax Certificate confirming whether Israeli tax withholding should be reduced or not withheld from your **cash consideration**. If you do not or are unable to provide the required documentation, default Israeli tax withholding will apply.

**9) What is the process for obtaining a Valid Tax Certificate from the ITA?**

To obtain a Valid Tax Certificate from the ITA, you will need to submit a specific request directly to the ITA. The application typically includes a brief letter describing your residency, your former CYBR shareholdings and the merger consideration to which you are entitled, together with supporting documentation.

The ITA will issue a certificate confirming whether Israeli withholding tax should be reduced or not withheld. You should consult your tax advisor about obtaining such a tax certificate.

**10) If Israeli tax was withheld from my consideration, will I receive confirmation of such tax withholding?**

Yes, if you completed the process through Computershare's dedicated online portal and were subject to Israeli tax withholding as a result, you may request from Computershare and/or your broker a confirmation of Israeli tax withholding, which will be provided to you in English or in Hebrew following your request.

If you are subject to default Israeli tax withholding due to non-submission (or non-acceptance) of a tax declaration and/or supporting documentation within five business days prior to the end of the 180 days from the closing date, such a confirmation will **not** be available.

**11) If Israeli tax was withheld from my consideration even though I am eligible for an exemption, how can I obtain a refund?**

You may file an Israeli tax return in accordance with Section 131 of the Israeli Income Tax Ordinance with the appropriate tax assessing officer of the ITA and claim a refund (if applicable). You should consult your tax advisor about filing an application for such refund.

**12) Do I have any additional Israeli tax obligations in connection with the merger?**

The exchange of your CYBR shares for cash and PANW shares is generally treated as a taxable transaction under Israeli tax law, unless an exemption applies under Israeli law or an applicable tax treaty.

However, in accordance with the ITA rulings obtained, if you hold your CYBR shares through a broker, the exchange of CYBR shares for PANW shares will not be taxable at the time of the exchange. Israeli tax (if any) may be triggered when you later sell your PANW shares. The receipt of cash consideration will in any case be a reportable transaction under Israeli tax law, with respect to those required to make such reports.

You should consult your own tax advisor regarding your tax and reporting obligations in Israel and in other countries in connection with the transaction.

**13) I have CYBR shares or equity awards that are equity-based compensation subject to Section 102 of the Israeli Income Tax Ordinance. How and when will I be paid?**

If your shares or equity awards are subject to Section 102 of the Israeli Income Tax Ordinance, your merger consideration will be handled through ESOP Management and Trust Services Ltd. (“ESOP”) (CYBR’s Section 102 trustee) and Shareworks (CYBR’s equity management system) or Oppenheimer (an Israeli broker), as applicable.

Cash consideration will be paid to you by ESOP, and share consideration will be held in your ESOP account (subject to applicable rules and any ITA ruling conditions). Timing of payments will depend upon the terms and conditions of the ITA ruling, compliance with applicable Section 102 holding periods, and applicable withholding tax requirements.

**14) Where can I learn more about potential U.S. federal withholding taxes that may apply to my receipt of cash consideration?**

You are encouraged to read the discussion under the heading “Material U.S. Federal Income Tax Consequences of the Merger” starting on page 121 of the Proxy to learn more about the potential application of backup withholding and other U.S. federal withholding taxes that may apply to your receipt of the cash consideration.

Further, Non-U.S. holders (as defined under the heading “Material U.S. Federal Income Tax Consequences of the Merger” in the Proxy) can find a sample form of certification relating to U.S. federal withholding taxes that may apply under Section 304 of the Internal Revenue Code of 1986, as amended, to the receipt of cash consideration by certain Non-U.S. Holders (the “Certification”) on the dedicated online portal that Computershare has created for this transaction. There can be no assurances that your Broker (as defined in the Certification), or other applicable withholding agent, will accept or examine the Certification. You should consult with your Broker (as defined in the Certification) to determine whether it will accept the Certification, whether it will provide and accept a certification form similar to the Certification, and whether it will require any additional or supplemental information or documentation, as well as any deadline for submitting any such certification.