



Bank Leumi le-Israel B.M.

January 6, 2026

To
The Tel-Aviv Stock Exchange
www.maya.tase.co.il

To
Israel Securities Authority
www.magna.isa.gov.il

Re: A Potential Offering of Covered Bonds to Institutional Investors Outside of Israel

1. Bank Leumi le-Israel B.M. (the “**Bank**”) is pleased to announce that it is considering to conduct an inaugural offering of covered bonds (the “**Covered Bonds**”) to institutional investors outside of Israel in accordance with Section 15A(b)(2) of the Israeli Securities Law, 1968 (the “**Offering**”).
2. Covered Bonds are debt securities issued by the Bank, secured by a dedicated pool of residential mortgages that will be transferred, if the Offering occurs, to a newly formed subsidiary (the “**Guarantor**”). Under the terms of the Covered Bonds, the Guarantor will guarantee the obligations of the Bank to the Covered Bonds holders.
3. The Covered Bonds, if issued, will be listed on the platform for trading by institutional investors, the TASE-UP, of the Tel Aviv Stock Exchange Ltd. (“**TASE**”), subject to obtaining TASE’s approval for the listing.
4. The Offering, if carried out, shall be arranged by Barclays Bank PLC as Arranger and Dealer and Goldman Sachs International, J.P. Morgan Securities plc and UBS AG as Dealers.
5. **It is clarified that as of the date of this immediate report, no date has been set for the Offering and there is no certainty with respect to carrying out the Offering, its scope or terms. Performance of the Offering, if at all, is subject to the Bank’s discretion, market conditions and obtaining all legally required approvals, and other factors.**
6. Nothing in this report shall obligate the Bank to carry out the Offering, and nothing in this report shall constitute an offer to the public or invitation to purchase securities of the Bank in Israel or abroad.
7. It is clarified that, pursuant to the Offering, the Covered Bonds shall not initially be offered, sold or delivered in Israel or to Israeli individuals or entities.



Sincerely,

Bank Leumi le-Israel B.M.

By: Omer Ziv

Deputy CEO, Head of Capital Markets Division

Legends Pursuant to Securities Laws Outside of Israel

1. This report is not being published and copies thereof are not being distributed in the US, UK, EU, Canada, Australia, Japan, or any other jurisdiction where such distribution is unlawful. In addition, this report is not meant for distribution to U.S. Persons.
2. Nothing in this report shall constitute an offer to the public or invitation to purchase securities of the Bank in Israel or abroad.
3. It is clarified that the Covered Bonds shall not be offered, sold, delivered or listed in any jurisdiction outside of Israel – except as set forth in sections 4 to 7 below.
4. The Covered Bonds have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or any securities laws of any state of the United States and the securities may not be offered or sold, directly or indirectly, within the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws of any state of the United States and any other jurisdiction.
5. The Covered Bonds shall not be offered to the public in the UK. No prospectus has or will be approved in the UK, for the purposes of Section 21 of the Financial Services and Markets Act 2000 (the “**FSMA**”) by an authorised person under FSMA, with respect to the Covered



Bonds.

The Covered Bonds shall not be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (1) (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

The Covered Bonds shall be offered and distributed only to the following entities:

(i) Persons who are outside the UK or (ii) inside the UK, "Qualified Investors" (as such term is defined in Article 2(e) of Regulation (EU) 2017/1129, as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, who are: (1) persons having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); (2) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (3) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) in connection with the issue or sale of any Covered Bonds may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). Any person not included among the Relevant Persons shall not act or rely upon this report. Any investment or investment activity in connection with this report relates shall only be available to Relevant Persons. Any person



who is not a Relevant Person shall not act or rely upon this report or its contents.

6. The Covered Bonds shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”) or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “**MiFID II**”) or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.
7. It is noted that FCA/ICMA stabilization actions are possible with respect to the Covered Bonds. In the EEA and UK, only eligible counterparts and professional clients (as such terms are defined in relevant legislation) may participate in the Issue (through all distribution channels).
8. It is clarified that any rating report to be published in connection with the Covered Bonds (if any) shall not constitute a recommendation to purchase, sell or hold securities and may be subject to updates, suspension or repeal at any time by the rating company. It is also emphasized that similar rating reports, prepared for different issuers and for different securities, do not necessarily have the same meaning, and therefore each rating report must be examined independent of any other rating report.

Note: English translations of Immediate Reports of Bank Leumi are for convenience purposes only. In the case of any discrepancy between the English translation and the Hebrew original, the Hebrew will prevail.

The original Hebrew version is available on the distribution website of the Israel Securities Authority: <http://www.magna.isa.gov.il/>