



May 22, 2025

Bank Leumi Le-Israel B.M.

(hereinafter: the “**Bank**” or the “**Company**”)

Shelf Offering Report

Pursuant to the Bank’s shelf prospectus of May 28, 2024, dated May 29, 2024 (Ref. No.: 2024-01-053410) (hereinafter - the “**Shelf Prospectus**”), and in accordance with the provisions of the Securities Regulations (Shelf Offering of Securities), 2005 (hereinafter – the “**Shelf Offering Regulations**”), the Bank is hereby publishing a Shelf Offering Report for the issuance and listing on the Tel Aviv Stock Exchange Ltd. (hereinafter – the “**Stock Exchange**”) of the securities listed below (hereinafter - the “**Shelf Offering Report**” or the “**Offering Report**”). The terms included in the Shelf Offering Report shall have the meaning given to them in the Shelf Prospectus, unless it is stated otherwise.

1. The offered securities

1.1 Bonds (Series 183) offered by way of series expansion

- 1.1.1 Up to NIS 1,947,716,000 par value in registered Bonds (Series 183) of NIS 1 par value each, bearing fixed annual interest of 0.1% (hereinafter - the “**Bonds (Series 183)**”), which are offered to the public by way of expansion of a tradable series, which was initially listed on the Stock Exchange in accordance with a Shelf Offering Report of December 25, 2021 (Ref. No.: 2021-01-171423) (hereinafter: the “**First Offering Report of Series 183**”), and expanded as part of a series expansion in accordance with a Shelf Offering Report of May 26, 2022 and May 28, 2023 (Ref. Nos.: 2022-01-065461 and 2023-01-056832) (hereinafter: the “**Additional Offering Reports of Series 183**”). The Bonds (Series 183) are offered by way of tender for the unit price as detailed in Section 2.1 below.

- 1.1.2 The principal of the Bonds (Series 183) will be repayable in a single installment on November 25, 2029.
- 1.1.3 As of the Offering Report date, the principal payment as described in Section 1.1.2 above has not yet been made. Therefore, the buyers pursuant to the Offering Report will be eligible to the single principal payment in respect of the Bonds (Series 183) on November 25, 2029.
- 1.1.4 The interest is payable to the holders of Bonds (Series 183) once a year on November 25 of each of the years 2022 through 2029, for a period of twelve (12) months ended on the day preceding the payment date, such that the first interest payment was paid on November 25, 2022 and the last interest payment will be paid together with the principal payment on November 25, 2029.

The interest payments in respect of the Bonds (Series 183), which were paid to bondholders through the date of the Shelf Offering Report, will not be paid in respect of the Bonds (Series 183), which will be issued pursuant to this Shelf Offering Report. Therefore, the buyers of the bonds offered pursuant to the Offering Report will be eligible to the first interest payment in respect of the Bonds (Series 183) on November 25, 2025 at a rate of 0.1%.
- 1.1.5 The principal and interest of the Bonds (Series 183) will be linked to the Consumer Price Index published on November 15, 2021 in respect of October 2021 (hereinafter - the “**Basic Index**”). If it transpires on the date of any payment of principal or interest, as the case may be, that the payment index has increased or decreased compared to the Basic Index, the Bank will increase or decrease the principal or interest payment, proportionately to the rate of increase or decrease of the payment index compared to the Basic Index. It is noted that pursuant to the Stock Exchange’s guidelines, the linkage method of the principal and interest shall not change over the term of the Bonds (Series 183).
- 1.1.6 For information about the rating of the Bonds (Series 183), see Section 10 below.
- 1.1.7 For further information about the terms of the Bonds (Series 183), see Section 5.1 below.
- 1.1.8 The Bonds (Series 183) will be registered in the name of Bank Leumi Le Israel B.M Nominee Company (hereinafter - the “**Nominee Company**”).
- 1.1.9 The terms of the Bonds (Series 183) offered pursuant to the Shelf Offering Report are identical to the terms of the Bonds (Series 183) as described in the First Offering Report of Series 183 and the Additional Offering Reports of Series 183. The Bonds (Series 183) that will be issued pursuant

to the Shelf Offering Report shall constitute - as from the date of their listing on the Stock Exchange - a single series for all intents and purposes together with the Bonds (Series 183), which were previously listed and offered by the Bank to the public.

1.2 Bonds (Series 184) offered by way of series expansion:

1.2.1 Up to NIS 933,706,000 par value in registered Bonds (Series 184) of NIS 1 par value each, bearing fixed annual interest of 2.76% (hereinafter - the “**Bonds (Series 184)**”), which are offered to the public by way of expansion of a tradable series, which was initially listed on the Stock Exchange in accordance with a Shelf Offering Report of March 24, 2022 (Ref. No.: 2022-01-033970) (hereinafter: the “**First Offering Report of Series 184**”). The Bonds (Series 184) are offered by way of tender for the unit price as detailed in Section 02.2 below.

1.2.2 The principal of the Bonds (Series 184) shall be repayable in ten (10) equal semi-annual installments on November 5 of each of the years 2025 through 2029, and May 5 of each of the years 2026 through 2030, and each such repayment shall constitute 10% of the principal.

Serial no.	Date of payment on account of principal	Payment rate
1.	05/11/2025	10%
2.	05/05/2026	10%
3.	05/11/2026	10%
4.	05/05/2027	10%
5.	05/11/2027	10%
6.	05/05/2028	10%
7.	05/11/2028	10%
8.	05/05/2029	10%
9.	05/11/2029	10%
10.	05/05/2030	10%
	Total	100%

1.2.3 As of the date of the Offering Report, the principal payments in respect of the Bonds (Series 184) have not yet been paid. Therefore, the buyers pursuant to the Offering Report will be eligible to the first principal payment in respect of the Bonds (Series 184) on November 5, 2025.

1.2.4 The interest is payable to the holders of Bonds (Series 184) twice a year on November 5 of each of the years 2022 through 2029 and May 5 of each of the years 2023 through 2030, for a period of six (6) months ended on the day preceding the payment date, such that the first interest payment was paid on November 5, 2022 and the last interest payment will be paid together with the last principal payment on May 5, 2030.

The interest payments in respect of the Bonds (Series 184), which were paid to bondholders through the date of the Shelf Offering Report, will not be paid in respect of the Bonds (Series 184), which will be issued pursuant to this Shelf Offering Report. Therefore, the buyers of the bonds offered pursuant to the Offering Report will be eligible to the first interest payment in respect of the Bonds (Series 184) on November 5, 2025 at a rate of 1.38%.

- 1.2.5 The principal and interest for the Bonds (Series 184) will not be linked to the CPI or to any other index or currency.
 - 1.2.6 For information about the rating of the Bonds (Series 184), see Section 10 below.
 - 1.2.7 For further information about the terms of the Bonds (Series 184), see Section 5.15.2 below.
 - 1.2.8 The Bonds (Series 184) will be registered in the name of the Nominee Company.
 - 1.2.9 The terms of the Bonds (Series 184) offered pursuant to the Shelf Offering Report are identical to the terms of the Bonds (Series 184) as described in the First Offering Report of Series 184. The Bonds (Series 184) that will be issued pursuant to the Shelf Offering Report shall constitute - as from the date of their listing on the Stock Exchange - a single series for all intents and purposes together with the Bonds (Series 184), which were previously listed and offered by the Bank to the public.
- 1.3 The Bonds (Series 183) and the Bonds (Series 184) offered pursuant to this Shelf Offering Report will also be called hereinafter, jointly, the "**Offered Securities**".

2. **Method of offering the securities**

It is hereby clarified the tender for the purchase of the Bonds (Series 183) and the tender for the purchase of the Bonds (Series 184) are two tenders, which are separate and independent of each other (hereinafter jointly or severally, as the case may be: the "**Tender**" or the "**Tenders**"). The bids as part of the said Tenders shall be placed separately, and are not contingent and dependent on each other, and the results of the issuance shall be determined separately for each such Tender. Accordingly, if one of the abovementioned Tenders will be canceled, the securities offered under that Tender will not be allocated or listed on the Stock Exchange, but this shall not cause the cancellation of the other Tender in accordance with the Shelf Offering Report.

2.1 The Bonds (Series 183) - uniform offer by way of a tender for the unit price (Tender No.: 1216399)

Up to 1,947,716,000 par value of Bonds (Series 183) are offered to the public by way of a uniform offer as defined in the Uniform Offer Regulations in 1,947,716 units, with each unit comprising NIS 1,000 par value of Bonds (Series 183)

(hereinafter: the “**Bonds 183 Units**”, or the “**Bonds Units (Series 183)**”), by way of tender for the unit price (hereinafter - the “**Bonds 183 Tender**”), at a minimum price of NIS 1,014 per unit (hereinafter: the “**Minimum Price of Bonds (Series 183) Unit**”).

Each bidder shall state in its application the number of Bonds 183 Units it wishes to purchase in the tender and the unit price it offers, which will not be lower than the Minimum Price of Bonds (Series 183) Unit.

A bid for the purchase of Bonds 183 Units, which will be filed under the Bonds 183 Tender, where the unit price it states is lower than the Minimum Price of Bonds (Series 183) Unit, shall be deemed a bid which was not submitted.

In the Bonds 183 Tender, each bidder may submit up to three (3) bids at various unit prices, each of which will not be lower than the Minimum Price of Bonds (Series 183) Unit, and which will be stated at levels of NIS 0.1, i.e., 1,014, 1,014.1, 1,014.2, etc. The unit price stated in a bid, which is not in accordance with the price levels referred to above, shall be rounded downwards by the Offering Coordinator (as defined in Section 2.4 below) to the nearest unit price level.

2.2 The Bonds (Series 184) - uniform offer by way of a tender for the unit price (Tender No.: 1216407)

Up to 933,706,000 par value of Bonds (Series 184) are offered to the public by way of a uniform offer as defined in the Securities Regulations (Manner of Offering Securities to the Public), 2007 (hereinafter: the “**Uniform Offering**” and the “**Public Offering Regulations**” in 933,706 units, with each unit comprising NIS 1,000 par value of Bonds (Series 184) (hereinafter: the “**Bonds 184 Units**”, or the “**Bonds Units (Series 184)**”), by way of tender for the unit price (hereinafter - the “**Bonds 184 Tender**”), at a minimum price of NIS 954.1 per unit (hereinafter - the “**Minimum Price of Bonds (Series 184) Unit**”).

Each bidder shall state in its application the number of Bonds 184 Units it wishes to purchase in the tender and the unit price it offers, which will not be lower than the Minimum Price of Bonds (Series 184) Unit.

A bid for the purchase of Bonds 184 Units, which will be filed under the Bonds 184 Tender, where the unit price it states is lower than the Minimum Price of Bonds (Series 184) Unit, shall be deemed a bid which was not submitted.

In the Bonds 184 Tender, each bidder may submit up to three (3) bids at various unit prices, each of which will not be lower than the Minimum Price of Bonds (Series 184) Unit, and which will be stated at levels of NIS 0.1, i.e., 954.1, 954.2, 954.3, etc. The unit price stated in a bid, which is not in accordance with the price levels referred to above, shall be rounded downwards by the Offering Coordinator (as defined in Section 2.4 below) to the nearest unit price level.

2.3 The period for submitting bids for 183 Bonds Units and 184 Bonds Units, which are offered to the public pursuant to the Shelf Offering Report will start on January

25, 2025 (hereinafter – the “**Tenders Date**”) at 09:30 and will end on the same day at 16:30 (hereinafter – the “**Time of Closing the Subscriptions List**”), provided that at least seven (7) hours will have elapsed from the time of publication of the Shelf Offering Report until the Time of Closing the Subscriptions List, of which at least five (5) will be trading hours.

- 2.4 Each bid to purchase Series 183 Units and/or Bonds 184 Unit, which are offered to the public, will be submitted to the Bank through Israeli Securities Department of Bank Leumi Le-Israel B.M., whose address is 3 Abba Hillel Silver St. Lod (hereinafter - the “**Offering Coordinator**”), or through each of the Bank’s branches or other Stock Exchange Members (hereinafter - the “**Parties Authorized to Receive Bids**”), no later than the Time of Closing the Subscriptions List, using forms that can be obtained from Offering Coordinator.
- 2.5 An investor, which submitted a bid may withdraw their bid up to the end of the period for submitting bids, i.e., until the Time of Closing the Subscriptions List.
- 2.6 Each bid submitted to a Party Authorized to Accept Bids on the Tenders Date will be deemed to have been submitted on the same day, if received by the Party Authorized to Accept Bids by the Time of Closing the Subscriptions List, and provided that it is delivered to the Offering Coordinator by the Party Authorized to Accept Bids, and received by the Offering Coordinator by the end of one hour from the Time of Closing the Subscriptions List (hereinafter – the “**Deadline for Submission to the Coordinator**”). A bid received by the Offering Coordinator after the Deadline for Submission to the Coordinator shall not be accepted by the Bank.
- 2.7 For additional details regarding the method of offering the Offered Securities and submitting the bids to purchase Bonds 183 Units and/or Bonds 184 Units, the Tenders’ procedures, the publication of their results, the payment of consideration for the Offered Securities, the method of determining the Unit Price in the Tenders, the allocation of the units and the listing of the Offered Securities, please see Section 1.3 (“Submitting bids in the Tender stage”), Section 1.4 (“The tender procedures”), Section **שגיאה! מקור ההפניה לא נמצא.** (“Notice regarding the results of the offering”), Section 3 (the “special account and allocation of units”) and Section 4 (“Approval of listing of the Offered Securities”), respectively to **Appendix A** to this Shelf Offering Report

3. **Qualified investors**¹

3.1 **Bonds (Series 183)**

3.1.1 Of the Series 183 Units being offered to the public under this Shelf Offering Report, regarding 1,801,020 Series 183 Units, constituting approx. 92.4% of the total Series 183 Units being offered to the public pursuant to the Shelf Offering Report, subscriptions were submitted to the Bank by Qualified Investors, as defined in Regulation 1 of the Public Offering Regulations, whose names are listed in Section 3.1.3 below, whereby the Qualified Investors will submit bids for the purchase of Series 183 Units as set forth in Section 3.1.3 below.

3.1.2 In Section 3.1.2, the terms set out below shall have the meaning set out opposite them:

“Outstanding Number of Units for Distribution” – the number of Series 183 Units offered in the Series 183 Tender, after deducting the number of Series 183 Units in respect of which bids were submitted at an interest rate which will be set in the Series 183 Tender.

“Oversubscription” – the ratio between the number of Series 183 Units in respect of which bids were submitted at a unit price, which will be set in the Series 183 Tender and the Outstanding Number of Units for Distribution (as defined above), provided that it exceeds one.

In accordance with the Public Offering Regulations, in the event of oversubscription, the allocation to Qualified Investors will be as follows:

- (a) If the oversubscription does not exceed 5, each Qualified Investor will be allocated 100% of the quantity it undertook to purchase.
- (b) If the oversubscription exceeds 5, each Qualified Investor will be allocated 50% of the quantity it undertook to purchase.
- (c) If the Outstanding Number of Units for Distribution is insufficient to make the allocation as described above, then the Outstanding Number of Units for Distribution will be allocated to the Qualified Investors in accordance with the proportionate share of each subscription out of the total number of subscriptions that were submitted at the same unit price. Bids submitted by Qualified Investors shall be deemed bids submitted by the public for the purpose of determining the unit price in the Series 183 Tender.

¹ **“Qualified investor”** is any of the following: (1) a portfolio manager, as defined in Section 8(b) of the Law Regulating the Practice of Investment Advice, Investment Marketing and Investment Portfolio Management, 1995, who makes discretionary purchases on behalf of a client; (2) a corporation which is wholly-owned by one or more Qualified Investors, who makes purchases for itself or for another Qualified Investor; (3) an investor listed in Section 15a(b)(2) to the Securities Law, 1968; (4) an investor listed in Sections (1) to (9) or (11) to the First Addendum to the Securities Law, who makes purchases for itself. Furthermore, a Qualified Investor must undertake to purchase securities at a total amount of NIS 800,000 at the very least.

(d) The allocation to Qualified Investors of the offered Bonds (Series 183) will be at the unit price, which will be set in the Series 183 Tender.

(e) If there will be no oversubscription, bids submitted by Qualified Investors as part of the Series 183 Tender shall be deemed bids submitted by the public for the purpose of allocating Series 183 Units to bidders.

3.1.3 Each of the following Qualified Investors has subscribed to purchase Series 183 Units offered under this Shelf Offering Report - to submit bids for the purchase of Series 183 Units at a unit price that will not exceed the unit price set out opposite their name in the table below and in a quantity, which will not be lower than that set out opposite their name in the table below:

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
1.	A-To-Z Finance Ltd.	A corporation with equity higher than NIS 50 million	1,017	40,000	
2.	Orcom Strategies Ltd.	A corporation with equity higher than NIS 50 million	1,020	9,000	
3.	Iceberg Finance L.P.	A corporation with equity higher than NIS 50 million	1,014.6	5,000	
4.	Aloha Global Opportunities L.P.	A corporation with equity higher than NIS 50 million	1,016	18,000	
5.	Altshuler Shaham Netz Limited Partnership	A corporation with equity higher than NIS 50 million	1,015	1,000	

²Details of the entities related to investors, which have an interest in the offering and a description of the relationship between them.

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
6.	Altshuler Shaham Netz Limited Partnership	A corporation with equity higher than NIS 50 million	1,014	1,000	
7.	Alfi Benedek Investment Management Ltd.	Portfolio manager	1,014	4,000	
8.	Amatrine 2 Limited Partnership	A corporation with equity higher than NIS 50 million	1,014	1,500	
9.	Amatrine 2 Limited Partnership	A corporation with equity higher than NIS 50 million	1,014	2,000	
10.	Arbitrage Global L.P.	A corporation with equity higher than NIS 50 million	1,014.4	3,000	
11.	Bank Yahav for Government Employees Ltd.	Bank	1,016.6	100,000	
12.	Bank Yahav for Government Employees Ltd.	Bank	1,014.8	100,000	
13.	Barak Capital Investments 2006 Ltd.	A corporation with equity higher than NIS 50 million	1,014	4,000	
14.	GFC Green Fields Capital Ltd.	A corporation with equity higher than NIS 50 million	1,016.5	20,000	
15.	GFC Green Fields Capital Ltd.	A corporation with equity higher than NIS 50 million	1,014.8	50,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
16.	Gyro HMS	A corporation with equity higher than NIS 50 million	1,020	26,000	
17.	Gyro E.I.G.H.T	A corporation with equity higher than NIS 50 million	1,020	3,000	
18.	Danbar Finance Ltd.	A corporation with equity higher than NIS 50 million	1,017	1,800	
19.	Danbar Finance Ltd.	A corporation with equity higher than NIS 50 million	1,015	1,800	
20.	Hachshara Insurance Company Ltd. - Best Invest - Yelin Lapidot	Provident fund / pension fund	1,014.1	5,000	
21.	Phoenix Corporate Partnership with AA rating*	Provident fund / pension fund	1,014	20,000	To the best of the Bank's knowledge the corporation is held indirectly by Phoenix Holdings Ltd., which is an interested part in the Bank
22.	Vertical Bond L.P.	A corporation with equity higher than NIS 50 million	1,015.5	5,000	
23.	Vertical Bond L.P.	A corporation with equity higher than NIS 50 million	1,015	2,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
24.	Vertical Bond L.P.	A corporation with equity higher than NIS 50 million	1,015.5	12,000	
25.	Vertical Bond L.P.	A corporation with equity higher than NIS 50 million	1,015	3,000	
26.	Hazavim Limited Partnership	A corporation with equity higher than NIS 50 million	1,014.3	6,000	
27.	Total Opportunity Limited Partnership	A corporation with equity higher than NIS 50 million	1,015	15,000	
28.	Total Bond Limited Partnership	A corporation with equity higher than NIS 50 million	1,015	25,000	
29.	Total Bond Limited Partnership	A corporation with equity higher than NIS 50 million	1,014	15,000	
30.	Yelin - Lapidot - Investment Portfolio Management Ltd.	Portfolio manager	1,016.6	3,000	
31.	Yelin Lapidot Provident Funds Ltd.	Provident fund / pension fund	1,014.1	150,000	
32.	Clal Insurance Company Ltd. - for institutional investors under its control	Provident fund / pension fund	1,014	50,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
33.	Migdal Market Making Ltd.	A corporation with equity higher than NIS 50 million	1,050	2,700	
34.	More Provident Funds and Pension Ltd.	Provident fund / pension fund	1,016	5,000	
35.	More Provident Funds and Pension Ltd.	Provident fund / pension fund	1,014	5,000	
36.	More Mutual Funds Management (2013) Ltd.	Mutual fund	1,014	51,700	
37.	Mahog - Electricity Co. Pension Fund Management Ltd.	Provident fund / pension fund	1,014.1	2,500	
38.	Meitav Provident Funds and Pension Ltd.	Provident fund / pension fund	1,015	251,310	
39.	Meitav Provident Funds and Pension Ltd.	Provident fund / pension fund	1,014	200,000	
40.	Meitav Dash Portfolio Management Ltd. - for industry-specific funds	Portfolio manager	1,014.4	49,155	
41.	Milestone Capital (ERGS) L.P.	A corporation with equity higher than NIS 50 million	1,016.1	54,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 183)	Comments²
42.	Menora Mivtachim Insurance Ltd. for planholders of the Menora Mivtahim Group *	Provident fund / pension fund	1,014.2	150,000	To the best of the Bank's knowledge the corporation is held indirectly by Menora Mivtahim Holdings Ltd., which is an interested part in the Bank
43.	Sigma Mutual Funds Ltd.	Mutual fund	1,014	3,000	
44.	Pontifax Opportunity Fund	A corporation with equity higher than NIS 50 million	1,020	7,000	
45.	Fidelity Venture Capital Ltd.	A corporation with equity higher than NIS 50 million	1,014	1,555	
46.	Proxima Investment Management Ltd.	Portfolio manager	1,017	180,000	
47.	Proxima Investment Management Ltd.	Portfolio manager	1,014.6	51,000	
48.	Cortex Strategies Limited Partnership	A corporation with equity higher than NIS 50 million	1,016	40,000	
49.	Cortex Strategies Limited Partnership	A corporation with equity higher than NIS 50 million	1,014	25,000	
50.	RIL Spirit Management & Investments Ltd.	A corporation with equity higher than NIS 50 million	1,025	20,000	
	Total			1,801,020	

- (*) Qualified Investors, which are interested parties in the Bank or Qualified Investors, which are related to interested parties in the Bank. In total, Qualified Investors, which are interested parties in the Bank or Qualified Investors, which are related to interested parties in the Bank subscribed to purchase 170,000 Series 183 Units constituting approx. 9.4% of all the Series 183 Units in respect of which subscriptions were provided.

3.1.4 On the Tenders Date, a Qualified Investor will be allowed (through the end of the period for submitting bids) to increase the unit price they specified in the subscription to purchase Series 183 Units offered at price levels of NIS 0.1 by giving written notice to the Offering Coordinator, by the Time of Closing the Subscriptions List.

3.2 Bonds (Series 184)

3.2.1 Of the Series 184 Units being offered to the public under this Shelf Offering Report, regarding 834,615 Series 184 Units, constituting approx. 89.3% of the total Series 184 Units being offered to the public pursuant to the Shelf Offering Report, subscriptions were submitted to the Bank by Qualified Investors, as defined in Regulation 1 of the Public Offering Regulations, whose names are listed in Section 3.2.3 below, whereby the Qualified Investors will submit bids for the purchase of Series 184 Units as set forth in Section 3.2.3 below.

3.2.2 In Section 3.2.2, the terms set out below shall have the meaning set out opposite them:

“Outstanding Number of Units for Distribution” – the number of Series 184 Units offered in the Series 184 Tender, after deducting the number of Series 184 Units in respect of which bids were submitted at an interest rate which will be set in the Series 184 Tender.

“Oversubscription” – the ratio between the number of Series 184 Units in respect of which bids were submitted at a unit price, which will be set in the Series 184 Tender and the Outstanding Number of Units for Distribution (as defined above), provided that it exceeds one.

In accordance with the Public Offering Regulations, in the event of oversubscription, the allocation to Qualified Investors will be as follows:

- (a) If the oversubscription does not exceed 5, each Qualified Investor will be allocated 100% of the quantity it undertook to purchase.
- (b) If the oversubscription exceeds 5, each Qualified Investor will be allocated 50% of the quantity it undertook to purchase.
- (c) If the Outstanding Number of Units for Distribution is insufficient to make the allocation as described above, then the Outstanding Number of Units for Distribution will be allocated to the Qualified Investors in

accordance with the proportionate share of each subscription out of the total number of subscriptions that were submitted at the same unit price. Bids submitted by Qualified Investors shall be deemed bids submitted by the public for the purpose of determining the unit price in the Series 184 Tender.

- (d) The allocation to Qualified Investors of the offered Bonds (Series 184) will be at the unit price, which will be set in the Series 184 Tender.
- (e) If there will be no oversubscription, bids submitted by Qualified Investors as part of the Series 184 Tender shall be deemed bids submitted by the public for the purpose of allocating Series 184 Units to bidders.

3.2.3 Each of the following Qualified Investors has subscribed to purchase Series 184 Units offered under this Shelf Offering Report - to submit bids for the purchase of Series 184 Units at a unit price that will not exceed the unit price set out opposite their name in the table below and in a quantity, which will not be lower than that set out opposite their name in the table below:

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 184)	Comments³
1.	Orcom Strategies Ltd.	A corporation with equity higher than NIS 50 million	970	6,000	
2.	Orcom Strategies Ltd.	A corporation with equity higher than NIS 50 million	960	7,500	
3.	I.E.S Holdings Ltd.	A corporation with equity higher than NIS 50 million	960	2,700	
4.	Iceberg Finance L.P.	A corporation with equity higher than NIS 50 million	954.6	5,000	

³ Details of the entities related to investors, which have an interest in the offering and a description of the relationship between them.

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 184)	Comments³
5.	Aloha Global Opportunities L.P.	A corporation with equity higher than NIS 50 million	956	18,300	
6.	Amatrine 2 Limited Partnership	A corporation with equity higher than NIS 50 million	965	830	
7.	Bank Mizrahi Tefahot Ltd.	Bank	954.2	20,000	
8.	Barak Capital Investments 2006 Ltd.	A corporation with equity higher than NIS 50 million	965	4,000	
9.	Gyro HMS	A corporation with equity higher than NIS 50 million	954.6	42,000	
10.	Gyro Hedge Fund	A corporation with equity higher than NIS 50 million	954.6	10,000	
11.	Danbar Finance Ltd.	A corporation with equity higher than NIS 50 million	956	1,000	
12.	Danbar Finance Ltd.	A corporation with equity higher than NIS 50 million	955	1,000	
13.	Hachshara Insurance Company Ltd. - Best Invest - Yelin Lapidot	Provident fund / pension fund	954.1	5,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 184)	Comments³
14.	Phoenix Corporate Partnership with AA rating*	Provident fund / pension fund	954.1	50,000	To the best of the Bank's knowledge the corporation is held indirectly by Phoenix Holdings Ltd., which is an interested part in the Bank
15.	Hazavim Limited Partnership	A corporation with equity higher than NIS 50 million	954.4	5,000	
16.	Yelin Lapidot Provident Funds Ltd.	Provident fund / pension fund	954.1	110,000	
17.	More Provident Funds and Pension Ltd.	Provident fund / pension fund	955	10,000	
18.	Mahog - Electricity Co. Pension Fund Management Ltd.	Provident fund / pension fund	954.1	2,500	
19.	Meitav Provident Funds and Pension Ltd.	Provident fund / pension fund	954.3	101,310	
20.	Milestone Capital (ERGS) L.P.	A corporation with equity higher than NIS 50 million	955.9	48,500	
21.	Milestone Capital (ERGS) L.P.	A corporation with equity higher than NIS 50 million	954.4	17,500	
22.	Pontifax Opportunity Fund	A corporation with equity higher than NIS 50 million	958	12,000	

	Name of qualified investor	How they meet the definition of a qualified investor	Unit price (NIS)	Number of units Bonds (Series 184)	Comments³
23.	Fidelity Venture Capital Ltd.	A corporation with equity higher than NIS 50 million	955	2,025	
24.	Proxima Investment Management Ltd.	Portfolio manager	955.3	210,750	
25.	Proxima Investment Management Ltd.	Portfolio manager	954.4	53,000	
26.	Cortex Strategies Limited Partnership	A corporation with equity higher than NIS 50 million	956	65,000	
27.	RIL Spirit Management & Investments Ltd.	A corporation with equity higher than NIS 50 million	959	23,700	
	<u>Total</u>			834,615	

(*) Qualified Investors, which are interested parties in the Bank or Qualified Investors, which are related to interested parties in the Bank. In total, Qualified Investors, which are interested parties in the Bank or Qualified Investors, which are related to interested parties in the Bank subscribed to purchase 50,000 Series 184 Units constituting approx. 5.9% of all the Series 184 Units in respect of which subscriptions were provided.

3.2.4 On the Tenders Date, a Qualified Investor will be allowed (through the end of the period for submitting bids) to increase the unit price they specified in the subscription to purchase Series 184 Units offered at price levels of NIS 0.1 by giving written notice to the Offering Coordinator, by the Time of Closing the Subscriptions List.

3.3 Receipt of advance undertakings from the Qualified Investors prior to the publication of the Shelf Offering Report was carried out in accordance with the rules prescribed in the Public Offering Regulations.

3.4 The Qualified Investors may bid for a number of Series 183 Units and/or Series 184 Units that exceeds the number of Units specified in their subscription; however,

bids for excess units will not be deemed bids submitted by Qualified Investors for the purpose of the Shelf Offering Report, but rather as bids submitted by the public for all intents and purposes.

- 3.5 The consideration to be paid by the Qualified Investors will be transferred to the Offering Coordinator through Stock Exchange Members on the first trading day after the Tenders Date, by 12:30 PM, and will be deposited by the Offering Coordinator in the special account as defined in Section 3 to **Appendix A** to the Shelf Offering Report.
- 3.6 The Qualified Investors will be entitled to receive a subscription fee at rates of 0.45% and 0.25% of the total proceeds which will be received in respect of Series 183 Units and Series 184 Units, respectively, with regard to which the Qualified Investors have undertaken to submit bids as part of the subscription.
4. **Additional allocations subsequent to the tender**
No additional allocations of the securities offered pursuant to the Shelf Offering Report will be made subsequent to the Tender to Qualified Investors and/or to all bidders.
5. **Additional conditions of the Offered Securities**
 - 5.1 **Bonds (Series 183)**
 - 5.1.1 For details regarding the Bonds (Series 183) offered under the Shelf Offering Report, see the First Offering Report of Series 183 and the Deed of Trust of December 24, 2021, which was appended as Appendix B to the First Offering Report of Series 183 (hereinafter - the “**Deed of Trust for Series 183**”).
 - 5.1.2 The Trustee for the Bonds (Series 183) with whom the Bank entered into the Deed of Trust for Series 183 is Strauss, Lazar Trustees (1992) Ltd.⁴ (hereinafter: the “**Trustee**” or “**Strauss Lazar**”).
 - 5.1.3 Bonds (Series 183) are not secured by any lien or other collateral.
 - 5.1.4 The Series 183 Deed of Trust prescribes that the Bank will not be allowed to execute early repayment of the Bonds (Series 183) at its own initiative. For details see Section 7 to the terms overleaf.
 - 5.1.5 The Series 183 Deed of Trust prescribes grounds for immediate repayment. For details see Section 7 to the Series 183 Deed of Trust.
 - 5.2 **Bonds (Series 184)**
 - 5.2.1 For details regarding the Bonds (Series 184) offered under the Shelf Offering Report, see the First Offering Report of Series 184 and the Deed of Trust of March 23, 2022, which was appended as Appendix A1 to the First Offering Report of Series 184 (hereinafter - the “**Deed of Trust for Series 184**”).

⁴ Following are the details of the contact person with the Trustee: Mr. Ori Lazar, tel.: 03-6237777, email: ori@slcpa.co.il.

- 5.2.2 The Trustee for Bonds (Series 184) with whom the Bank entered into the Deed of Trust for Series 184 is Strauss Lazar.
- 5.2.3 The Bonds (Series 184) are not secured by any lien or other collateral.
- 5.2.4 The Series 184 Deed of Trust prescribes that the Bank will not be allowed to execute early repayment of the Bonds (Series 184) at its own initiative. For details see Section 7 to the terms overleaf.
- 5.2.5 The Series 184 Deed of Trust prescribes grounds for immediate repayment. For details see Section 7 to the Series 184 Deed of Trust.

The Deed of Trust for Series 183 and the Deed of Trust for Series 184 will be jointly named hereafter the “**Deeds of Trust**”.

6. **Tables summarizing relevant information**

The following is a summary of the defense mechanisms set in the Deeds of Trust, in accordance with the position of the Israel Securities Authority’s staff of August 9, 2020 (“Staff Legal Position 103-41: Summary Disclosure of Defense Mechanisms in Deeds of Trusts”):

6.1 **Contractual conditions and collateral:**

The Deed of Trust for Series 183:

	Section to the Deed / N/A	Summary description	Does the breach constitute ground for immediate repayment
The Bonds are secured by collateral or other fixed charges	N/A		
The Bonds are secured with a floating and/or current charge	N/A		
Undertaking not to create pledges (negative pledge)	N/A		
Undertaking to meet financial covenants	N/A		
Undertaking regarding the rating of the Bonds	14.11	The Bank undertakes that as far as it is concerned, the Bonds will be rated by at	No

	Section to the Deed / N/A	Summary description	Does the breach constitute ground for immediate repayment
on the issuance date; maintaining a rating over the term of the Bonds		least one rating agency until their final and absolute repayment Furthermore, if the Bank replaces the rating agency or terminates its work, including where there is more than one rating agency, the Bank will publish in an immediate report the reasons for such replacement or termination of its work, as the case may be.	
Undertaking for rating of the Bonds by two rating agencies	N/A		
Undertaking not to replace the rating agency over the term of the Bonds	N/A		
Restrictions on the creation of additional financial debt	N/A		
Restriction on dividend distribution	N/A		
Restrictions on interested party transactions	N/A		
Restrictions on changes in control	N/A		

	Section to the Deed / N/A	Summary description	Does the breach constitute ground for immediate repayment
Mechanism for adjusting interest in certain cases	N/A		

The Deed of Trust for Series 184:

	Section to the Deed / N/A	Summary description	Does the breach constitute ground for immediate repayment
The Bonds are secured by collateral or other fixed charges	N/A		
The Bonds are secured with a floating and/or current charge	N/A		
Undertaking not to create pledges (negative pledge)	N/A		
Undertaking to meet financial covenants	N/A		
Undertaking regarding the rating of the Bonds on the issuance date; maintaining a rating over the term of the Bonds	14.11	The Bank undertakes that as far as it is concerned, the Bonds will be rated by at least one rating agency until their final and absolute repayment Furthermore, if the Bank replaces the rating agency or terminates its work, including where there is more than one rating	No

	Section to the Deed / N/A	Summary description	Does the breach constitute ground for immediate repayment
		agency, the Bank will publish in an immediate report the reasons for such replacement or termination of its work, as the case may be.	
Undertaking for rating of the Bonds by two rating agencies	N/A		
Undertaking not to replace the rating agency over the term of the Bonds	N/A		
Restrictions on the creation of additional financial debt	N/A		
Restriction on dividend distribution	N/A		
Restrictions on interested party transactions	N/A		
Restrictions on changes in control	N/A		
Mechanism for adjusting interest in certain cases	N/A		

6.2 Grounds for immediate repayment:

The Deed of Trust for Series 183:

	Section to the Deed / N/A	Comments / explanation
Liquidation decision / temporary liquidation order/ appointment of a temporary or permanent liquidator or trustee	7.1.1	<p>Subject to a 45-day cancellation period from the issuance date of the order (notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be). Except for cases of liquidation for the purpose of achieving a merger with another company.</p> <p>Notwithstanding the above, the Bank will not be given any remediation period if a permanent and peremptory liquidation order is handed down by the court or if a permanent liquidator is appointed pursuant to a permanent and peremptory order, or if the Bank made a voluntary liquidation resolution, and in respect of applications/orders filed or handed down, as the case may be, by the Bank or with its consent.</p>
Appointment of a receiver (temporary or permanent)	7.1.2	<p>Subject to a revocation period of 45 days from the issuance date of the order to appoint a receiver or if a temporary receiver will be appointed. (Notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be).</p>
Receivership application or application to appoint a receiver (temporary or permanent)	7.1.3	
Placing an attachment or executing an execution office order	7.1.4	<p>Subject to a revocation period of 45 days from the date on which the decision was handed down (Notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be).</p>

	Section to the Deed / N/A	Comments / explanation
Fundamental breach	7.1.5	Subject to a 14-day remediation period.
Pay default or fundamental breach of undertaking	7.1.6	Subject to a 14-day remediation period.
Breach of specific undertaking - non-publication of financial statements on the required date	7.1.7	Unless financial statements were published within the later of 30 days from the last date on which the Bank was required to publish them, of if an extension was granted by a competent government authority - at the end of the extension period.
Delisting of the Bonds	7.1.8	
The Bank discontinued its payments or announced its intention to do so, or the Bank discontinued conducting its banking business or announced its intention to do so	7.1.9	
Sale of substantially all of the Bank's assets in Israel	7.1.14	
Application for an opening of proceedings order; request by the Bank to	7.1.10	Except for the purpose of merging with another company and/or restructuring of the Bank and/or a split that are not prohibited under the terms of the deed of trust, and except for the purpose of arrangements between the Bank and its

	Section to the Deed / N/A	Comments / explanation
reach a settlement or arrangement with its creditors in accordance with Section 350 to the Companies Law		shareholders, which are not prohibited under the terms of the deed of trust and which will not affect the Bank's ability to repay the Bonds.
An application pursuant to the Insolvency Law or an application pursuant to Section 350 to the Companies Law against the Bank (and without its consent)	7.1.10	Subject to a revocation period of 45 days from the application's filing date.
Execution of a merger of the Bank without obtaining prior approval of the bondholders by way of an ordinary resolution	7.1.11	Unless the surviving entity issued a statement to the bondholders, including through the Trustee and at least ten business days prior to the merger date, where under there is no reasonable concern that the surviving entity will be unable to meet its obligations to the bondholders.
The Stock Exchange suspended the bonds trading	7.1.12	Except for suspension on the grounds of uncertainty, as these grounds are defined in Part Four of the Stock Exchange's Rules and Regulations, and the suspension was not canceled within 60 days and except for a general suspension that is not specifically targeted at the Bank.

	Section to the Deed / N/A	Comments / explanation
Discontinuation of rating	7.1.13	Discontinuation of rating for a period of more than 60 consecutive days, except where the discontinuation is the result of reasons or circumstances outside the Bank's control.

The Deed of Trust for Series 184:

	Section to the Deed / N/A	Comments / explanation
Liquidation decision / temporary liquidation order/ appointment of a temporary or permanent liquidator or trustee	7.1.1	Subject to a 45-day cancellation period from the issuance date of the order (notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be). Except for cases of liquidation for the purpose of achieving a merger with another company. Notwithstanding the above, the Bank will not be given any remediation period if a permanent and peremptory liquidation order is handed down by the court or if a permanent liquidator is appointed pursuant to a permanent and peremptory order, or if the Bank made a voluntary liquidation resolution, and in respect of applications/orders filed or handed down, as the case may be, by the Bank or with its consent.
Appointment of a receiver (temporary or permanent)	7.1.2	Subject to a revocation period of 45 days from the issuance date of the order to appoint a receiver or if a temporary receiver will be appointed. (Notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be).
Receivership application or application to appoint a	7.1.3	

	Section to the Deed / N/A	Comments / explanation
receiver (temporary or permanent)		
Placing an attachment or executing an execution office order	7.1.4	Subject to a revocation period of 45 days from the date on which the decision was handed down (Notwithstanding the above, the Bank will not be given any remediation period in relation to applications / orders filed or issued by the Bank or at its consent, as the case may be).
Fundamental breach	7.1.5	Subject to a 14-day remediation period.
Pay default or fundamental breach of undertaking	7.1.6	Subject to a 14-day remediation period.
Breach of specific undertaking - non-publication of financial statements on the required date	7.1.7	Unless financial statements were published within the later of 30 days from the last date on which the Bank was required to publish them, of if an extension was granted by a competent government authority - at the end of the extension period.
Delisting of the Bonds	7.1.8	
The Bank discontinued its payments or announced its intention to do so, or the Bank discontinued conducting its banking business or announced its intention to do so	7.1.9	

	Section to the Deed / N/A	Comments / explanation
Sale of substantially all of the Bank's assets in Israel	7.1.14	
Application for an opening of proceedings order; request by the Bank to reach a settlement or arrangement with its creditors in accordance with Section 350 to the Companies Law	7.1.10	Except for the purpose of merging with another company and/or restructuring of the Bank and/or a split that are not prohibited under the terms of the deed of trust, and except for the purpose of arrangements between the Bank and its shareholders, which are not prohibited under the terms of the deed of trust and which will not affect the Bank's ability to repay the Bonds.
An application pursuant to the Insolvency Law or an application pursuant to Section 350 to the Companies Law against the Bank (and without its consent)	7.1.10	Subject to a revocation period of 45 days from the application's filing date.
Execution of a merger of the Bank without obtaining prior approval of the bondholders by way of an	7.1.11	Unless the surviving entity issued a statement to the bondholders, including through the Trustee and at least ten business days prior to the merger date, where under there is no reasonable concern that the surviving entity will be unable to meet its obligations to the bondholders.

	Section to the Deed / N/A	Comments / explanation
ordinary resolution		
The Stock Exchange suspended the bonds trading	7.1.12	Except for suspension on the grounds of uncertainty, as these grounds are defined in Part Four of the Stock Exchange's Rules and Regulations, and the suspension was not canceled within 60 days and except for a general suspension that is not specifically targeted at the Bank.
Discontinuation of rating	7.1.13	Discontinuation of rating for a period of more than 60 consecutive days, except where the discontinuation is the result of reasons or circumstances outside the Bank's control.

7. **Other conditions of the Bonds**

For a description of the other conditions of the Bonds (Series 183) and the Bonds (Series 184), see the Deed of Trust for Series 183 and the Deed of Trust for Series 184, respectively.

In any event of a discrepancy between the provisions set out in the Deeds of Trust and the provisions of the Shelf Offering Report, the provisions of the said Deeds of Trust shall prevail.

To the best of the Bank's knowledge, as of the publication date of the Shelf Offering Report there is no such discrepancy.

8. **Discount and taxation**

8.1 **Bonds (Series 183)**

- 8.1.1 The outstanding Bonds (Series 183) were issued initially in accordance with the First Offering Report of Series 183 above their par value, and therefore - at no discount. The series was expanded (at a discount) as part of a series expansion in accordance with the Additional Offering Reports of Series 183. As of the date of the Shelf Offering Report, the weighted discount rate of the Bonds (Series 183) is 7.222%.
- 8.1.2 The Bonds (Series 183), which will be issued pursuant to the Shelf Offering Report may be issued at a discount, since they are offered at a minimum price which is lower than their adjusted value, which - as of May 22, 2025 - is 114.56 Agorot, per NIS 1 par value.

- 8.1.3 The Bank obtained the Israel Tax Authority's approval regarding the Bonds (Series 183)⁵ to the effect that for the purpose of the tax withheld from the discount fees with respect to the Bonds (Series 183), a uniform discount rate based on a formula which weights the different discount rates for Bonds (Series 183) will be set (hereinafter - the "**Weighted Discount Rate for Series 183**"), if any On the series expansion date, the Bank will calculate the Weighted Discount Rate for the Bonds (Series 183) in accordance with the said approval and the additional number of bonds which will be issued, and will publish in the immediate report regarding the offering results and prior to listing, the discount rate created in respect of the Bonds (Series 183), which will be issued and the weighted discount rate for the entire series of Bonds (Series 183), and will deduct tax on the redemption dates of the Bonds (Series 183) at the Weighted Discount Rate for Series 183 and pursuant to the provisions of the law. In such a case, all other provisions of the law pertaining to taxation of discount fees will apply.

8.2 Bonds (Series 184)

- 8.2.1 The outstanding Bonds (Series 184) were issued initially at their par value, and therefore - at no discount.
- 8.2.2 The Bonds (Series 184), which will be issued pursuant to the Shelf Offering Report may be issued at a discount, since they are offered at a minimum price which is lower than their adjusted value, which - as of May 22, 2025 - is 100.12 Agorot, per NIS 1 par value.
- 8.2.3 The Bank obtained the Israel Tax Authority's approval regarding the Bonds (Series 184)⁶ to the effect that for the purpose of the tax withheld from the discount fees with respect to the Bonds (Series 184), a uniform discount rate based on a formula which weights the different discount rates for Bonds (Series 184) will be set (hereinafter - the "**Weighted Discount Rate for Series 184**"), if any On the series expansion date, the Bank will calculate the Weighted Discount Rate for the Bonds (Series 184) in accordance with the said approval and the additional number of bonds which will be issued, and will publish in the immediate report regarding the offering results and prior to listing, the discount rate created in respect of the Bonds (Series 184), which will be issued and the weighted discount rate for the entire series of Bonds (Series 184), and will deduct tax on the redemption dates of the Bonds (Series 184) at the Weighted Discount Rate for Series 184 and pursuant to the provisions of the law. In such a case, all

⁵ The Israel Tax Authority's approval has been obtained under the "Green Track" on May 22, 2022.

⁶ The Israel Tax Authority's approval has been obtained under the "Green Track" on August 30, 2022.

other provisions of the law pertaining to taxation of discount fees will apply.

As is generally accepted when making investment decisions, one should consider the tax consequences of an investment in the securities offered pursuant to the Shelf Offering Report. The provisions included in this Shelf Offering Report regarding taxation of the Offered Securities are general, do not purport to constitute an authoritative interpretation of the provisions of the law, and do not substitute expert advice, in accordance with the specific data and circumstances of each investor. It is hereby recommended to anyone who wishes to acquire the Offered Securities to seek professional advice in order to clarify the tax consequences which will apply to that investor bearing in mind the specific circumstances of the investor and the Offered Securities.

It is further clarified that the provisions of the Shelf Offering Report reflect the provisions of the law as of the report date, and those provisions may change in the future.

9. **Avoiding engagement in arrangements**

- 9.1 The Bank and the directors undertake, by signing the Shelf Offering Report, not to engage in arrangements which are not written in the Shelf Offering Report, in connection with the offering of the securities pursuant to the Shelf Offering Report and their distribution to the public, and undertake not to grant buyers of the securities pursuant to the Shelf Offering Report the right to sell the securities they purchased, other than as detailed in the Shelf Offering Report.
- 9.2 By signing this Shelf Offering Report, the Bank and the directors undertake to notify Israel Securities Authority of any arrangement they are aware of with a third party, which contradicts the undertaking as set out in Section 9.1 above.
- 9.3 By signing the Shelf Offering Report, the Bank and the directors undertake not to enter into arrangements in connection with the securities offered under the Shelf Offering Report with any third party, which, to the best of their knowledge, entered into arrangements contrary to the provisions of Section 9.1 above.

10. **The rating of the Offered Securities**

- 10.1 On January 22, 2025, the rating agencies Maalot S&P (hereinafter - “**Maalot**”) and Midroog Ltd. (hereinafter - “**Midroog**”) announced the assignment of “ilAAA” and “Aaa.il” rating, respectively, to the Bonds (Series 183) and the Bonds (Series 184) to be issued by the Bank by expanding Series 183 and Series 184 pursuant to the Shelf Offering Report, at a total amount of up to NIS 2.9 par value of Bonds (Series 183) and Bonds (Series 184). For further details, see the Bank’s immediate reports of May 22, 2025 (Ref. Nos.: 2025-01-036292 and 2025-01-036294), which are incorporated into this Offering Report by way of reference (hereinafter - the “**Rating Reports**”).

10.2 Maalot and Midroog's consent - of May 22, 2025 - to attach the Rating Reports to the Shelf Offering Report is attached as **Appendix B** to the Shelf Offering Report.

11. **Permits and certificates**

11.1 The Bank obtained all the permits, certificates and licenses required by any law to offer and issue the offered Bonds (Series 183) and Bonds (Series 184) and publish the Shelf Offering Report.

11.2 The Bank applied to the Stock Exchange requesting to list the Offered Securities pursuant to the Shelf Offering Report, and the Stock Exchange gave its approval thereto.

11.3 **The above approval by the Stock Exchange should not be deemed as confirmation of the details included in the Shelf Offering Report, their reliability or integrity, nor should it be deemed as expressing an opinion on the Bank or the quality of the securities being offered in the report or the price at which they are being offered.**

12. **Payment of a fee**

In accordance with the provisions of Regulation 4A to the Securities Regulations (Application Fee for Prospectus Publication Permit), 1995, the Bank will pay the Israel Securities Authority the additional fee for the securities offered pursuant to the Shelf Offering Report.

13. **Issuance proceeds**

13.1 Assuming that all securities offered pursuant to the Shelf Offering Report will be purchased, the proceeds expected to the Bank from this issuance, net of the expenses related thereto, will be as detailed below:

Expected gross immediate proceeds	NIS 2,865,832,919
Less - subscription and distribution fees amounting to	approx. NIS 11,530,646
Less - other expenses amounting to	approx. NIS 1,927,242
<hr/>	
Expected net immediate proceeds	approx. NIS 2,852,375,030

13.2 In accordance with an agreement signed with Leumi Partners Underwriters Ltd. (hereinafter – “**Leumi Partners**”), Leumi Partners, Apex Issuances Ltd., Onyx Capital Ltd., Unicorn Capital Ltd., Alpha Beta Issuances Ltd. and Compass Rose Capital P.A Ltd. (hereinafter jointly - the “**Distributors**”) will receive a consulting and distribution fee in connection with the issuance of the securities offered in accordance with this Offering Report, at rates of 0.1% of the (gross) issuance proceeds of the Bonds (Series 183) and the (gross) issuance proceeds of the Bonds

(Series 184), with the addition of VAT as required by law (hereinafter jointly - the “**Distribution Fee**”). Leumi Partners may, at its sole discretion, pay fees to third parties out of the Distribution Fees, where such third parties declare that they qualify to serve as distributors pursuant to the Securities Regulations (Underwriting), 2007, for assisting in the marketing, sale and distribution of the securities offered under this Shelf Offering Report, provided that those amounts will not be paid to an end buyer of a security in the Shelf Offering. All of the abovementioned fees will be divided at the sole discretion of Leumi Partners. It is clarified that in no event will a distributor be entitled to a Distribution Fee in respect of securities that they actually acquired as a result of fulfilling subscription submitted by that distributor as part of the tenders for Qualified Investors, in respect of which they will be entitled to subscription fee as detailed in Section 3.6 above.

13.3 No minimum was set as to the amount which should be raised in this offering.

13.4 The proceeds of the abovementioned issuance are to be used by the Bank subject to its discretion.

13.5 The Bank shall deem the receipt of proceeds by the Issuance Coordinator as if the Bank itself received them.

14. **Underwriting**

The offering of the securities offered under this Shelf Offering Report is not secured by underwriting.

15. **Material changes and developments from the Shelf Prospectus publication date through the Shelf Offering Report publication date**

In accordance with the provisions of Section 4(a) to the Shelf Offering Regulations, all reports filed by the Bank subsequent to the publication of the Shelf Prospectus are included in the Shelf Offering Report by way of reference. The complete text of the Bank’s reports may be viewed on the Israel Securities Authority’s distribution website, at www.magna.isa.gov.il and on the Stock Exchange’s website at www.maya.tase.co.il.

16. **Letter of consent from the Bank’s independent auditors**

The Bank was given letters of consent by the Bank’s joint independent auditors, in which they agree to the inclusion in the Shelf Offering Report, including by way of reference, of the auditor’s reports and review reports, as applicable, which are included in the Shelf Offering Report by way of reference. The abovementioned letters of consent are attached as **Appendix D** to the Shelf Offering Report.

17. **Further details regarding the Trustee**

The Trustee is a company registered in Israel and engaged in trusts; it complies with the eligibility requirements set out in the Securities Law and the regulations promulgated there under, for a trustee of bonds. To the Best of the Bank’s knowledge, the Trustee has no vested interest in the Bank and the Bank has no vested interest in the Trustee. The Trustee stated in each of the Deed of Trusts that it complies with all the eligibility criteria

for a trustee of bonds in accordance with the Securities Law and any other law, and that it agreed to sign the said Deeds of Trust and act as a trustee of the Bonds (Series 183) and the Bonds (Series 184), which are the subject matter of this Offering Report.

18. **Legal opinion**

The Bank received the following legal opinion:



To

May 22, 2025

Bank Leumi Le-Israel B.M.
3 Abba Hillel Silver St.,
Lod

Dear Sir/Madam,

Re: **Shelf Offering Report of Bank Leumi Le-Israel B.M.**
(hereinafter - the "Bank")

In connection with the Bank's shelf prospectus dated May 28, 2024 (Ref. No.: 2024-01-053410) (hereinafter – the “**Shelf Prospectus**”) and the Shelf Offering Report, which will be published by virtue thereof (hereinafter – the “**Shelf Offering Report**”), regarding a public offering by the Bank of the Bonds (Series 183) and Bonds (Series 184) by way of series expansion (hereinafter jointly – the “**Offered Securities**”), we hereby express our opinion as follows:

1. The rights attached to the Offered Securities offered pursuant to the Shelf Offering Report are, in our opinion, correctly described in the Shelf Offering Report.
2. In our opinion, the Bank has the power to issue the Offered Securities in the manner proposed in the Shelf Offering Report.
3. In our opinion, the Bank's directors were duly appointed and their names are included in the Shelf Offering Report.

We agree to the inclusion of this opinion in the Shelf Offering Report, which will be published in May 2025.

Sincerely,

Ran Shalom, Adv.

Marom Bouznah, Adv.

Agmon with Tulchinsky Law Firm



סידני, אוסטרליה	באר שבע	תל אביב	ירושלים
50 Carrington Street, Sydney NSW	בני יום רחוב האנגריה 77	מגדל אלקטרה, יגאל אלון 98	הגן הטכנולוגי מלחה, בניין 1
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T. +61-2-90606206	פ. 08-6155780	פ. 03-6075050	פ. 02-5639948

19. **Signatures****The Bank**

Bank Leumi Le-Israel B.M.**Directors:**

Alon Uri

Ruth (Schwartz) Leah

Belinkov Ram

Shlomi Irit

Elya Sasson

Dominissini Ester

Koller Dan Alexander

Stern Yedidia Zvi, Prof.

Esther Deutsch

Naggan Zvika

Appendix A to the Shelf Offering Report

Method of Offering the Securities

The provisions of this appendix apply separately to each of the series of Bonds (Series 183) and Bonds (Series 184) offered in accordance with this Shelf Offering Report, as applicable. Accordingly, in this Appendix, the term “**Units**” relates to units each of which includes NIS 1,000 par value Bonds (Series 183) or NIS 1,000 par value Bonds (Series 184), as the case may be, which are offered in accordance with the Shelf Offering Report. Furthermore, it is clarified that the two tenders for the purchase of Bonds (Series 183) and Bonds (Series 184) are separate and independent tenders, and that the bids for each of the tenders shall be submitted separately, and the results of the offering shall be determined separately for each of the tenders. Accordingly, if one of the abovementioned Tenders will be canceled, the securities offered under that Tender will not be allocated or listed on the Stock Exchange, but this shall not cause the cancellation of the other Tender in accordance with the Shelf Offering Report.

1. Method of public offering

The Bonds (Series 183) and the Bonds (Series 184) are offered to the public in a uniform offer by way of tender for the unit price, which will not fall below the Minimum Price of Bonds (Series 183) and the Minimum Price of Bonds (Series 184) as stated in Sections 2.1 and 2.2 to the Shelf Offering Report, respectively, all as detailed in the Shelf Offering Report (hereinafter in this appendix: the “**Tender**”).

1.1 The subscriptions list

The subscriptions list for the purchase of the units shall open on the date and time set forth in the Shelf Offering Report (hereinafter: the “**Tenders Date**” or the “**Bids Submission Date**”) and will close on the date and time set forth in the Shelf Offering Report (hereinafter - the “**Time of Closing the Subscriptions List**”).

1.2 Through the Time of Closing the Subscriptions List, the Bank may cancel the offering in relation of each of the Bonds (Series 183) and the Bonds (Series 184) without the investors having any claim and/or right in connection therewith. In such a case, all bids that have been submitted in connection with the offering shall be considered to be void.

1.3 Submission of bids in the tender stage

1.3.1 The bids for the purchase of the units (hereinafter – “the “**Bids**”) will be submitted to the Bank on the forms used for this purpose, through the Offering Coordinator (as defined in the Shelf Offering Report), directly or through banks or other Stock Exchange Members (hereinafter - the “**Parties Authorized to Receive Bids**”), no later than the Time of Closing the Subscriptions List.

- 1.3.2 Each bid submitted to a Party Authorized to Accept Bids on the Tenders Date will be deemed to have been submitted on the same day, if it will be received by the Party Authorized to Accept Bids by the Subscriptions List Closing Date, and provided that it is delivered to the Offering Coordinator by the Party Authorized to Accept Bids, and received by the Offering Coordinator, by the end of one hour from the Time of Closing the Subscriptions List (hereinafter – the “**Deadline for Submission to the Coordinator**”). A bid received by the Parties Authorized to Accept Bids after the Time of Closing the Subscriptions List, or which will be received by the Offering Coordinator after the Deadline for Submission to the Coordinator to the Coordinator shall not be accepted by the Bank.
- 1.3.3 Under the Tender, each bidder is allowed to submit up to three bids at different prices, in accordance with the levels set forth in the Shelf Offering Report. A bid, which will specify a unit price, which is not equal to one of the levels set in the Shelf Offering Report, will be rounded downwards to the nearest price level.
- 1.3.4 Each bidder shall state in its application the number of units it wishes to purchase and the unit price it offers, which will not be lower than the Minimum Price of Bonds (Series 183) Unit and the Minimum Price of Bonds (Series 184) Unit as set in the Shelf Offering Report. A bid that will state a unit price, which is lower than the Minimum Price of Bonds (Series 183) Unit and/or the Minimum Price of Bonds (Series 184), shall be void and deemed as a bid, which was not submitted.
- 1.3.5 A bidder which submitted a bid to purchase Units may withdraw their bid no later than the Time of Closing the Subscriptions List by giving written notice to a Party Authorized to Accept Bids. Each bid which was submitted and which was not withdrawn by the bidder through the Time of Closing the Subscriptions List shall be deemed as an irrevocable undertaking of the bidder to receive the securities that will be allotted to them as a result of full or partial acceptance of the bid and to pay, through the Offering Coordinator, the full proceeds, under the Shelf Offering Report, of the units of securities they will be entitled to receive following the acceptance of their bid in accordance with the terms of the Shelf Offering Report.
- 1.3.6 Only bids to purchase whole units may be submitted. A bid submitted for any portion of a unit will be deemed as a bid submitted only for the number of whole units specified therein, and any portion of a unit included in the bid will be deemed as if it had not been included in the bid in the first place. An bid where the number of specified units is less than one will not be accepted.

- 1.3.7 The Parties Authorized to Receive Bids will be responsible and liable towards the Bank and the Offering Coordinator for the payment of the full proceeds due to the Bank with respect to bids submitted through them and which were accepted, in whole or in part.
- 1.3.8 A "**bidder**" or a "**subscriber**" – together with a relative thereof living with them and including a Qualified Investor with which the Bank entered into a subscription engagement to purchase units as detailed in the Shelf Offering Report.

1.4 **Tender procedures**

- 1.4.1 The bids will be delivered by the Parties Authorized to Receive Bids to the Offering Coordinator by digitally transmitting the Bids to the Offering Coordinator, through a virtual safe. In addition, bids which will be submitted directly to the Offering Coordinator will be kept in a virtual safe or sealed envelopes, which will remain sealed until after the Deadline for Submission to the Coordinator. The sealed envelopes will be entered into a closed box together with the bids, which were filed directly to the Offering Coordinator, until the said time.
- 1.4.2 On the Tenders Date, immediately after the Deadline for Submission to the Coordinator, the box of bids and the virtual safe will be opened in the presence (including by way of video conference) of the Bank's representatives and its independent auditor, who will oversee the proper implementation of the tender procedures and the tender's results will be agreed and processed at the same time.

1.5 **Determining the uniform price for Bonds Units (Series 183) and/or the Bonds Units (Series 184) and the method of allocating the said units to bidders**

All Bonds Units (Series 183) and/or Bonds Units (Series 184), the bids for the purchase of which will be accepted as part of the Bonds 183 Tender and/or as part of the Bonds (Series 184) Tender, shall be issued at a uniform unit price (hereinafter - the "**Uniform Price**"), which will be the highest price, such that the bids for units which stated it as the unit price, together with the bids which stated higher unit prices, will be sufficient to allocate all Bonds Units (Series 183) and/or Bonds Units (Series 184) (hereinafter jointly in this Section 1.5: the "**Units**" and/or the "**Offered Units**") which are offered to the public (including to Qualified Investors) in accordance with the Shelf Offering Report.

The units will be allocated to the public as follows:

- 1.5.1 Where the total number of units which are included in bids (including units the undertakings for the purchase of which were received from Qualified Investors which entered into subscription engagement with the Bank) will be equal to or lower than the total number of units offered under the Shelf

Offering Report, all bids will be accepted in full, in which case the Uniform Price will be the Minimum Price set in the Shelf Offering Report. The remaining units, with respect to which no Bids were received, will not be issued.

- 1.5.2 Where the total number of units, which are included in the bids that will be received (including units, subscriptions for the purchase of which were received from Qualified Investors as stated in Sections 3.1.3 and 3.2.3, to the Shelf Offering Report, as applicable), will exceed the number of units offered to the public, the following provisions will apply:
 - A. Bids specifying a Unit Price which is lower than the Uniform Price - will not be accepted.
 - B. Bids specifying a Unit Price which is higher than the Uniform Price - will be accepted in full.
 - C. Bids (excluding subscriptions from Qualified Investors as stated in Sections 3.2.3 and **שגיאה! מקור ההפניה לא נמצא.** to the Shelf Offering Report, as applicable) that specify a price that is equal to the Uniform Price – will be proportionally accepted, such that each bidder will receive, out of the remaining total number of offered units for distribution after the acceptance of bids that specify a Unit Price which is higher than the Uniform Price (less the accepted bids of the Qualified Investors which undertook to purchase units at the Uniform Price), a share which is equal to the ratio between the number of units that the bidder ordered in the bid in which they specified the Uniform Price and the total number of units included in all bids submitted to the Bank which specified the Uniform Price (less the said share of the Qualified Investors)Ref197614744 \w \h .
- 1.5.3 Units will be allocated to Qualified Investors as set out in Section 3 to the Shelf Offering Report.
- 1.5.4 Each bidder shall be deemed to have undertaken in its bid to purchase all units allocated to them as a result of the partial or full acceptance of their bid, in accordance with the rules detailed above.

1.6 **Additional allocations subsequent to the Tender Date and dealing with fractions of Units**

- 1.6.1 No additional allocations of the Offer Securities will be carried out subsequent to the Tender to Qualified Investors and/or to all bidders.
- 1.6.2 Dealing with fractions of units - if fractions of units arise from the allocation of the Offered Securities in accordance with the acceptance in the tender, as described above, they shall be rounded downwards, where possible, to the nearest whole unit. Surplus units which will result from such rounding off will be purchased by the Offering Coordinator at a price, which will be set in the Tender.

2. **Notice of Results of Offering**

- 2.1 By 10:00 AM on the first trading day subsequent to the Tenders Date, a notice will be delivered by the Offering Coordinator and through the Parties Authorized to Receive Bids, to bidders whose bids were partially or fully accepted. The notice will specify the number of units allocated to each bidder, the Uniform Price set in each of the Tenders and the consideration payable in respect thereof. By 12:30 PM on the first trading day subsequent to the Tenders Date, the bidders will transfer to the Issuance Coordinator - through the Parties Authorized to Receive Bids - to the special account as described in Section 3 below, the full consideration due from them in respect of the units with respect to which their bid was accepted as stated in the said notice.
- 2.2 By the end of the first trading day subsequent to the Tenders Date, the Bank will announce the Tender results in an immediate report.

3. **The special account and the allocation of the units**

- 3.1 Immediately prior to the Tender Date, the Offering Coordinator will open a special trust account in the name of the Bank (hereinafter – the “**Special Account**”) and will submit to the Parties Authorized to Receive Bids the details of that account. The Special Account shall be handled exclusively by the Offering Coordinator in the name of the Bank and on its behalf in accordance with the provisions of the Securities Law.
- 3.2 Funds, which will accrue in the Special Account will be invested by the Offering Coordinator in liquid, unlinked interest-bearing daily deposits.
- 3.3 The Parties Authorized to Receive Bids will deposit with the Special Account all the funds paid in respect of the Offered Securities, bids for the purchase of which were accepted under the terms of the Shelf Offering Report, and the Offering Coordinator will deal with them and act in accordance with the terms of the Shelf Offering Report.

4. **Approval of the listing of the Offered Securities**

4.1 After the Time of Closing the Subscriptions List, the Bank will submit to the Stock Exchange - within three (3) trading days - a request to list the securities offered under the Shelf Offering Report.

4.2 Trade of the Offered Securities will start immediately after their listing.

5. **Certificates in respect of the securities**

If the Bank partially or fully accepted a bid, it will allocate certificates in respect of the securities included in the units, the bids for the purchase of which were accepted, by sending certificates in respect of the securities to the Nominee Company, against the transfer of the funds deposited in the Special Account by the Offering Coordinator as stated in Section 3 above.

6. **Tax consequences**

As is generally accepted when making investment decisions, one should consider the tax consequences of an investment in the securities offered pursuant to this Shelf Offering Report. The following description in connection with the tax aspects relevant to the Offered Securities is merely a general description, and does not substitute expert advice based on each investor's individual circumstances. It is hereby recommended to anyone who wishes to acquire the securities offered in accordance with this Offering Report to seek professional advice in order to clarify the tax consequences which will apply to that investor bearing in mind the specific circumstances of the investor and the Offered Securities. It is clarified that the above is based on the tax laws as of the date of the Shelf Offering Report and as they are known to the Company, and that changes in tax laws may apply retroactively and/or lead to different results.

6.1 **General**

6.1.1 On July 25, 2005, the Knesset passed the Law for the Amendment of the Income Tax Ordinance (No. 147), 2005 (hereinafter in this Section – the “**Amendment**”). The Amendment made a substantial change to the provisions of the Income Tax Ordinance [New Version], 1961 (hereinafter in this section – the “**Ordinance**”), regarding taxation of securities listed on the Stock Exchange. In addition, as of the publication date of this Shelf Offering Report, not all new regulations that are expected to be published following the Amendment have been published. Furthermore, on the this Shelf Offering Report's publication date, there is no generally accepted practice regarding some of the provisions of the Amendment, and there is no case law that interprets the Amendment's new tax provisions.

6.1.2 Furthermore, on December 29, 2008, the Knesset approved Amendment No. 169 to the Ordinance, which was published in the Official Gazette on

December 31, 2008 (and came into force on January 1, 2009), and made further changes regarding the taxation of securities.

- 6.1.3 On December 6, 2011, the Tax Burden Distribution Law (Legislative Amendments), 2011 was published in the Official Gazette (hereinafter - the “**Tax Burden Distribution Law**”). The Tax Burden Distribution Law, which came into force in 2012, stipulates, among other things, an increase (from 20% to 25%) in the tax rate payable by individuals on capital gains, interest and dividends; and an increase (from 25% to 30%) in the tax rate payable by a substantial shareholder⁷ with respect of dividend income and capital gain increased; the tax rate applicable to unlinked channels remained unchanged (15%).
- 6.1.4 On August 6, 2012, the Knesset approved Amendment No. 195 to the Ordinance, which was published in the Official Gazette on August 13, 2012 (and came into force on January 1, 2013), and added Section 121B to the Ordinance, which stipulates that as from 2013 an individual will be subject to a further tax on that part of their taxable income which exceeds the amount specified in the section. This section was revised on December 29, 2016 upon publication of the Economic Efficiency Law (Legislative Amendments for Implementing Economic Policies for the 2017 and 2018 Budget Years), 2016 (hereinafter - the “**Arrangements Law for 2017 and 2018**”). It was also revised on December 26, 2024 as part of the Economic Efficiency Law (Legislative Amendments for Achieving Budget Targets for the 2025 Budget Year) (Suspension of Tax Revisions and Surtax), 2024 (hereinafter - “**Legislative Amendments for Achieving Budget Targets for 2025**”).

The revised Section 121B stipulates that an individual, whose taxable income in 2025-2027 exceeded NIS 721,560, will be liable to additional tax of further 3% with respect to that portion of their taxable income that exceeds the said amount (hereinafter - the “**Surtax**”). The provisions of the Section apply to taxable income⁸ including income from capital gain and land betterment (sale of right in land in a residential property will be included only if the consideration of its sale is higher than NIS 5,382,285 (in 2025-2027), and the sale is not tax-exempt under any law), excluding an inflationary amount as defined in Section 88 to the Ordinance and in Section 47 to the Land Taxation Law (Betterment and Purchase), 1963, all in accordance with the provisions of Section 121B to the Ordinance.

⁷ An individual holding, whether directly or indirectly, by themselves or jointly with others (as this term is defined in Section 88 to the Ordinance) at least 10% of one or more of the means of control in a company (as this term is defined in Section 88 to the Ordinance), at the time of the sale of the security or at any time during the 12 months prior to such a sale.

⁸ As defined in Section 121B(e) to the Ordinance.

Furthermore, the Legislative Amendments for Achieving Budget Targets for 2025 stipulate that in accordance with Section 121B(A1), an individual, whose taxable income from capital gains in the tax year exceeded the amount prescribed above, shall be subject to a further tax of 2% on that portion of their capital gains, which exceeds the aforesaid amount, all as detailed in the above section.

- 6.1.5 On December 22, 2016, the Knesset passed The Economic Efficiency Law (Legislative Amendments for Implementing Economic Policies for the 2017 and 2018 Budget Years), 2016, which reduced the corporate tax rate set in Section 126(a) to the Ordinance by 1% to 24% as from January 1 2017, and by further 1% (to 23%) as from January 1, 2018.
- 6.1.6 It is clarified that the following refers to the taxation of investors who are Israeli residents. It should be noted that an “individual who became an Israeli resident for the first time” and “a senior returning resident” as defined in the Ordinance, may be subject to tax consequences, which are different than those described below, and it is suggested that such residents seek individual advice to assess their eligibility to tax benefits in Israel. It should also be noted that investors who will be deemed “controlling shareholders”⁹ or “substantial shareholders”¹⁰, as defined in the Ordinance, may be subject to further tax consequences in addition to those described below.
- 6.1.7 Furthermore, the reference made below regarding a foreign resident body of persons is qualified in the event where Israeli residents are the controlling shareholders thereof, or benefit from or entitled to 25% or more of the income or profits of the foreign resident, directly or indirectly, in accordance with and subject to the provisions of section 68A to the Ordinance.

In accordance with current laws, securities offered to the public pursuant to the Shelf Offering Report are subject to the provisions of the laws and the tax arrangements which are summarized below:

6.2 Capital gain on the sale of the Offered Securities

- 6.2.1 Under Section 91(B)(3) to the Ordinance, a real capital gain¹¹ on the sale of a security by an individual who is an Israeli resident will be subject to tax at the marginal tax rate applicable to the individual under Section 121 to the Ordinance at a rate that will not exceed 25%, and the capital gain will be deemed as the highest tax bracket in their taxable income. As to the

⁹ As this term is defined in Section 3(i) to the Ordinance.

¹⁰ As this term is defined in Section 88 to the Ordinance.

sale of securities by an individual who is a “substantial shareholder” in a company, i.e., an individual holding, whether directly or indirectly, by themselves or jointly with others¹² at least 10% of one or more of the means of control in a company,¹³ at the time of the sale of the securities or at any time during the 12 months prior to such a sale - the tax rate applicable to real capital gain they will earn will not exceed 30%.

Under Section 91(b)(3) to the Ordinance, despite the above, a capital gain earned by an individual from the sale of a bond, commercial security, government loan or a loan, which are not linked to the Consumer Price Index (or are not denominated in foreign currency or whose value is not linked to a foreign currency), will be taxed - in accordance with Section 121 to the Ordinance - at a maximum rate of 15%, and the entire capital gain shall be deemed as taxable income included under the highest tax bracket. As to the sale of securities by an individual who is a “substantial shareholder” in a company, i.e., an individual holding, whether directly or indirectly, by themselves or jointly with others¹⁴ at least 10% of one or more of the means of control in a company,¹⁵ at the time of the sale of the securities or at any time during the 12 months prior to such a sale - the tax rate applicable to capital gain they will earn will not exceed 20%.

Notwithstanding the above rates, a surtax will be added where relevant as detailed above.

As to an individual who deducted real interest expenses and linkage differences for tax purposes in respect of the securities, the capital gain from the sale of the securities will be subject to 30% tax, until provisions and conditions for the deduction of real interest expenses for tax purposes are set under Sections 101A(a)(9) and 101A(b) to the Ordinance.

The said reduced tax rates will not apply to an individual whose income from the sale of securities constitutes a "business" income, in accordance with the provisions of Section 2(1) to the Ordinance, in which case, marginal tax rates will apply in accordance with Section 121 to the Ordinance.

- 6.2.2 A body of persons will be subject to tax on real capital gains from the sale of securities at the corporate tax rate prescribed in Section 126 to the Ordinance (2025 - 23%).
- 6.2.3 Generally, a foreign resident (an individual or a body of persons), is exempt from capital gains tax on the sale of securities listed on the stock

¹² As this term is defined in Section 88 to the Ordinance.

¹³ As this term is defined in Section 88 to the Ordinance.

¹⁴ As this term is defined in Section 88 to the Ordinance.

¹⁵ As this term is defined in Section 88 to the Ordinance.

exchange in Israel if the capital gain does not arise from their permanent enterprise in Israel and in accordance with the terms and restrictions set in Section 97(b2) to the Ordinance. The provision set out above will not apply to a foreign resident body of persons if Israeli residents are the controlling shareholders thereof, or benefit from or entitled to 25% or more of the income or profits of the foreign resident body of persons, directly or indirectly, in accordance with and subject to the provisions of section 68A to the Ordinance.

- 6.2.4 A tax-exempt mutual fund¹⁶ will be exempt from capital gains tax on the sale of securities as described above. Provident funds and entities, which are tax-exempt under Section 9(2) to the Ordinance, are exempt from tax on capital gains from the sale of such securities.¹⁷ The taxable income of a taxable mutual fund¹⁸ from such sale of securities will be subject to the tax rate applicable to the income of an individual which is not income from a "business" or "occupation," unless it is expressly stipulated otherwise. If a special tax rate is not set for the income, it will be taxed at the maximum tax rate set out in Section 121 to the Ordinance, all in accordance with Section 129C to the Ordinance.
- 6.2.5 Generally, if the securities offered under this Shelf Offering Report are delisted, the tax rate which will be withheld at the time of sale of those securities (after they are delisted) will be thirty percent (30%) of the proceeds, so long as no approval by the Assessment Officer is presented whereby a different withholding tax rate applies (including tax withholding exemption).
- 6.2.6 As to withholding from real capital gains at the time of sale of the Offered Securities, tax will be withheld in accordance with the Income Tax Regulations (Withholding from Proceeds, Payment or Capital Gain on the Sale of Securities, Sale of a Mutual Fund Unit or a Future Transaction), 2002 (hereinafter - the "**Withholding from Proceeds Regulations**"). A person liable to tax (as this term is defined in Regulation 1 to the Withholding from Proceeds Regulations), who pays proceeds for the sale of securities to a seller who is an individual, is required to deduct tax at a rate of 25% from the real capital gain; notwithstanding the above, the Withholding from Proceeds Regulations stipulate that in the case of an asset which is unlinked the tax rate deducted from the capital gain will be 15%.¹⁹ Furthermore, if the seller is a body of persons, the rate of tax to be withheld will be the corporate tax rate under Section 126(a) to the

¹⁶ As defined in Section 88 to the Ordinance.

¹⁷ In accordance with and subject to the provisions of Section 9(2) to the Ordinance.

¹⁸ As defined in Section 88 to the Ordinance.

¹⁹ As defined in the Withholding from Proceeds Regulations.

Ordinance. This applies after taking into account tax withholding exemptions (or reduced withholding rates) issued by the Israel Tax Authority and losses offset by the withholder in accordance with the provisions and conditions prescribed in the Withholding from Proceeds Regulations. Tax will not be withheld for provident funds, mutual funds and other entities which are exempt from withholding tax by law, as listed in the Addendum to the Income Tax Regulations (Withholding from Interest, Dividend and Certain Profits), 2005 (hereinafter - the “**Dividend and Interest Withholding Regulations**”) after they provide the applicable approvals. Tax will not be withheld by a banking corporation or a stock exchange member with respect to a foreign resident if certain conditions set forth in the Withholding from Proceeds Regulations are complied with. It is noted that if on the sale date the full tax amount was not withheld from the real capital gain, the provisions of Section 91(d) to the Ordinance and the provisions included therein regarding reporting and payment of an advance in respect of such a sale will apply.

- 6.2.7 Regulation 5 to the Withholding from Proceeds Regulations stipulates that certain provisions in the said regulations will not apply to a taxpayer that is a financial institution paying a consideration or other payment for a tax-exempt capital gain to a seller who is a foreign resident if the seller (if they were in Israel), or their representative submits to the financial institution - within 14 days from the date of opening the account - a statement on form 2402 of their foreign resident status and their entitlement to an exemption.

6.3 Tax rate applicable to interest income from the Offered Securities

- 6.3.1 Pursuant to Section 125C(b) to the Ordinance, an individual will be subject to a tax rate that will not exceed 25% in respect of interest (including discount fees) arising from bonds which are fully linked to the Consumer Price Index,²⁰ and this income will be regarded as the highest bracket in their taxable income. Pursuant to Section 89(e) to the Ordinance, linkage differences arising from redemption of bonds or a marketable security, where the income therefrom does not constitute an income from “business” or “occupation”, shall be deemed liable to tax in accordance with the provisions of Part E to the Ordinance. Linkage differences accrued on the interest will be subject to the same tax rate applicable to the interest. It is noted that the Consumer Price Index published by the Israel Central Bureau of Statistics will be deemed the index for purposes of Section 125C to the Ordinance.

²⁰ As this term is defined in Section 125C to the Ordinance – the most recent Consumer Price Index published by Israel Central Bureau of Statistics prior to the relevant date, and in the case of an asset whose value is linked to a foreign currency or denominated in a foreign currency – the exchange rate.

- 6.3.2 Pursuant to Section 125C(c) to the Ordinance, an individual shall be liable to tax at a rate of 15% on interest income (including partial linkage differences as defined in Section 3(E6) to the Ordinance) or discount fees paid in respect of an unlinked asset²¹, or partially linked to the increase in the Consumer Price Index, in whole or in part.
- 6.3.3 Notwithstanding the above rates, a surtax will be added where relevant as detailed above.
- 6.3.4 Pursuant to Section 125C(d) to the Ordinance, tax rates as stated above shall not apply, among other things, if one of the following conditions is fulfilled: (1) the interest constitutes income from a “business” in accordance with Section 2(1) to the Ordinance or is recorded or should to be recorded in the individual's books of accounts; (2) the individual deducted for tax purposes interest expenses and linkage differences in respect of the asset on which interest is paid; (3) the individual is a substantial shareholder as defined in Section 88 to the Ordinance in the company paying the interest; (4) the individual is an employee of the body of persons paying the interest or provides services or sells products to that body of persons, or has some other special relationship with it, unless the Assessment Officer is satisfied that the interest rate was set in good faith and was not affected by such a relationship between the individual and the body of persons; (5) some other condition set by the Minister of Finance at the approval of the Knesset Finance Committee is met. In such cases, the individual will be subject to tax in respect of the interest or discount fees at the marginal tax rate in accordance with the provisions of Section 121 to the Ordinance as described above.
- 6.3.5 In accordance with and subject to the provisions of Section 9(13) to the Ordinance, an individual will be exempt from tax on linkage differences they received in respect of an asset, provided that all of the following were fulfilled:
- 6.3.5.1 The linkage differences are not partial linkage differences.²²
- 6.3.5.2 The individual did not deduct interest expenses or linkage differences for tax purposes in respect of the asset.
- 6.3.5.3 The linkage differences are not an income in accordance with Section 2(1) and are not registered in the books of accounts and their recording is not required.
- 6.3.6 The tax rate applicable to interest income (including linkage differences) or discount fees of an Israeli resident body of persons, which is not a body

²¹ As detailed in Section 125C(c) to the Ordinance.

²² As Defined in the Income Tax Regulations (Determining Partial Linkage Differences), 2003.

of persons, for the determination of the income of which the provisions of Section 9(2) to the Ordinance apply, is the corporate tax rate as described above.

- 6.3.7 In accordance with the provisions of Section 9(15D) to the Ordinance, as from January 1, 2009, a foreign resident is exempt from tax on interest income, discount fees or linkage differences paid to them in respect of a bond listed on the Stock Exchange in Israel, issued by an Israeli resident body of persons, provided that the income is not in a permanent enterprise of the foreign resident in Israel.²³

The exemption will not apply in the following cases:

- (a) The foreign resident is a substantial shareholder (as defined in Section 88 to the Ordinance) of the issuing company; or
- (b) the foreign resident is a relative of the offering body of persons, as the term relative is defined paragraph (3) in Section 88 to the Ordinance; or
- (c) the foreign resident is an employee, service provider, or seller of products to the offering body of persons or has a special relationship with it (unless the Assessment Officer is satisfied that the interest rate or discount fees, as the case may be, were determined in good faith and without being affected by a special relationship between the foreign resident and the issuing offering body of persons).

The provision set out above will not apply to a foreign resident company if Israeli residents are the controlling shareholders thereof, or benefit from or entitled to 25% or more of the income or profits of the foreign resident body of persons, directly or indirectly, in accordance with the provisions of section 68A to the Ordinance.

If the abovementioned exemption does not apply, the tax rate which will apply to interest income of foreign residents (individuals and bodies of persons) arising from the securities will be taxed in accordance with the provisions of the Ordinance.

- 6.3.8 A tax-exempt mutual fund will be exempt from tax on interest paid thereto. Provident funds and entities which are tax-exempt under Section 9(2) to the Ordinance are tax-exempt in respect of interest income or discount fees as described above, in accordance with the conditions and restrictions set out in Section 9(2) to the Ordinance and subject to the provisions of Section 3(H) to the Ordinance regarding interest or discount fees which accrued in the period during which the asset was held by another person

²³ A foreign resident is a person who was a foreign resident on the date of receipt of interest, discount fees or linkage differences, as the case may be, and except for the above cases.

or entity. The income of a taxable mutual fund from interest or discount fees will be subject to the tax rate applicable to the income of an individual which is not income from a "business" or "occupation," unless it is expressly stipulated otherwise. If a special tax rate is not set for the income, it will be taxed at the maximum tax rate set out in Section 121 to the Ordinance.

6.3.9 Pursuant to the Income Tax Regulations (Withholding from Interest, Dividend and Certain Profits), 2005 (hereinafter - the “**Deduction from Interest and Dividend Regulations**”) and the provisions of Sections 164 and 170 of the Ordinance, the tax rate that should be withheld from interest income (as defined in the abovementioned regulations),²⁴ paid on the Offered Securities is as follows:

- (a) As to securities which are fully linked to the CPI - 25% for an individual (including a foreign resident), subject to the provisions of Section 9(15D) to the Ordinance, who is not a substantial shareholder in the body of persons paying the interest. As to interest on securities which are not linked to the CPI - 15% for an individual (including a foreign resident), who is not a substantial shareholder in the body of persons paying the interest. For an individual, who is a substantial shareholder or an individual who works for the body of persons or provides it with services or sells its products, the maximum tax rate set in Section 121 to the Ordinance will apply, as detailed above.
- (b) For a body of persons (an Israeli resident and foreign resident), tax will be deducted at the corporate tax rate set in Section 126(a) to the Ordinance.
- (c) It is noted that interest paid to a foreign resident, and which is subject to the provisions of Section 9(15D) to the Ordinance as set out above will not be subject to tax withholding.
- (d) Discounting in respect of a bond shall be treated the same as interest which is taxable and subject to tax withholding as detailed above. Tax withholding in respect of the discount fees will take place on principal repayment dates.
- (e) The Dividend and Interest Withholding Regulations do not prescribe tax withholding upon payment of interest to anyone who is not deemed a “recipient” as defined in the Regulations, such that with regard to an entity defined as a “mutual fund” under Section 88 to

²⁴ Interest - interest, linkage differences, which are not tax-exempt under any law, including partial linkage differences as defined in Section 9(13) to the Ordinance and discount fees.

the Ordinance, a provident fund and other entities listed in the Addendum to the Dividend and Interest Withholding Regulations, tax will not be withheld in respect of the interest payment.

- (f) It is noted that in accordance with the Israel Tax Authority's guidance of December 27, 2010, tax withholding from interest paid in respect of a marketable security listed on the Tel Aviv Stock Exchange and the transfer of such tax to the Israel Tax Authority will generally be carried out by a Stock Exchange Member instead of the offering companies, subject to and in accordance with the abovementioned guidance. The Bank will transfer to the Stock Exchange Members (through the Stock Exchange) the gross interest amount and the information it holds with regard to the holders and the security by virtue of which such interest is paid. Where interest is paid to a substantial shareholder or to an individual working for the body of persons paying the interest or to anyone who provides it services or sells its products, the Bank will be liable to supplement the tax withholding amount to the maximum tax rate as set out in the Deduction from Interest and Dividend Regulations.
- (g) Regulation 4 to the Deduction from Interest and Dividend Regulations prescribes that a banking corporation, which pays interest to an individual will deduct 25% in tax therefrom; however, a banking corporation which pays an individual interest on an asset which is not linked to the CPI shall deduct 15% in tax; the provisions of this regulation will not apply to interest payment subject to the provisions of any of the exemption ordinances, provided that the recipient submitted to the banking corporation - by the later of the beginning of the tax year or within 14 days from the account opening date - a statement on Form 2402 or Form 2409 regarding their being an individual who is eligible to a tax benefit on interest in accordance with any of the exemption ordinances.
- (h) Regulation 8 to the Deduction from Interest and Dividend Regulations prescribes that a Stock Exchange Member, which received from a banking corporation interest for its customers, will deduct - on the interest receipt date - tax in accordance with Regulation 4 or 5 or 7 to the Deduction from Interest and Dividend Regulations, as the case may be, and the banking corporation will not deduct tax from this interest.

6.4 Additional offering under a series expansion of the Offered Securities

On May 22, 2022, the Bank obtained the Israel Tax Authority's approval regarding the Bonds (Series 183), and on August 30, 2022 the Bank obtained the Israel Tax

Authority's approval regarding the Bonds (Series 184) to the effect that for the purpose of the tax withheld from the discount fees with respect to the Bonds, a uniform discount rate will be set to the Bonds based on a formula which weights the different discount rates (hereinafter - the "**Weighted Discount Rate**"), if any. Based on the abovementioned approvals, the Bank will calculate the Weighted Discount Rate for each Bond immediately after the series expansion date and before it is listed, pursuant to the said approval, and will issue an immediate report (in the report regarding the offering results), which will be published on the Israel Securities Authority's website (MAGNA), in which it will announce the Weighted Discount Rate for the entire series, which was calculated in accordance with this arrangement and will deduct tax on the Bonds' redemption dates in accordance with the said Weighted Discount Rate and pursuant to the provisions of the law. In such a case, all other provisions of the law pertaining to taxation of discount fees will apply.

In any case of expansion of a series of bonds, for any reason whatsoever, if the discount rate set in the offering of the bonds will be higher than the discount rate of the series immediately prior to the series expansion (including no discount), there may be cases where the Bank will withhold tax in respect of discount fees at a rate higher than the discount fees set for anyone holding bonds prior to series expansion (hereinafter - "**Excess Discount Fees**").

It is emphasized that such approval by the Israel Tax Authority for setting a weighted discount rate is issued once for each future offering, if such an offering takes place in respect of that series of bonds.

6.5 Offsetting of losses

6.5.1 As a rule, losses incurred in the tax year from the sale of the Offered Securities may be offset only in cases where the capital gains would have been taxable. Capital gain from the sale of securities by an individual or a company may be offset against real capital gain according to the principles set in Section 92 of the Ordinance, regardless of whether the loss/ gain had arisen from an asset (including a marketable security) in Israel or abroad (with the exception of a taxable inflationary capital gain which will be offset at a ratio of 1 to 3.5).

6.5.2 An Amendment to the Income Tax Regulations (Withholding from Proceeds, Payment or Capital Gain on the Sale of Securities, Sale of a Mutual Fund Unit or a Future Transaction) (Amendment), 2011 was published on the Official Gazette on August 31, 2011. Under the amendment, when calculating capital gain for purpose of withholding tax from sale of marketable securities, mutual fund units and future transactions (hereinafter – "**Marketable Securities**"), the person liable to tax withholding shall offset the capital loss on securities and future transactions in accordance with the provisions of Section 92 to the

Ordinance, provided that the loss was generated from a security under the management of that person and that the gain was generated in the same tax year in which the loss was generated, regardless of whether the capital gain was generated before the capital loss or after the said date. The said amendment's effective date is January 1, 2012.

- 6.5.3 Capital loss generated in the tax year from the sale of the securities may also be offset against dividend or interest income on that security. Capital loss incurred in the tax year from the sale of the securities may also be offset against dividend or interest income from other securities, provided that the tax rate applicable to the interest or the dividend does not exceed the corporate tax rate where the tax payer is a body of persons, or the rate set in Sections 125B(1) or 125C(b) of the Ordinance, as the case may be, if the tax payer is an individual. Offsetting of losses will be executed by way of a offsetting a capital loss against capital gains or against interest or dividend income as described above. It is noted that as a result of the Change of Tax Burden Law, the tax rate applicable to a dividend paid to an individual who is a substantial shareholder is 30%. Therefore, a capital loss incurred in the tax year from sale of securities may not be offset against dividend or interest income from other securities by an individual who is a substantial shareholder.
- 6.5.4 A loss which may not be offset as described above shall be offset against capital gain and land betterment only as prescribed in Section 92(b) to the Ordinance in the subsequent tax years, provided that a tax return for the tax year in which the loss was incurred was filed to the Assessment Officer.
- 6.5.5 Regulation 4 to the Income Tax Regulations (Calculation of Capital Gain on Sale of a Security Listed on a Stock Exchange, Government Loan, or a Mutual Fund Unit), 2002 prescribes that upon redemption of bonds listed on the Stock Exchange that also involves the payment of discount fees, the consideration plus the discount fees shall be deemed the redemption consideration, provided that all of the following conditions are fulfilled: (1) the capital gain from the sale of the bond is not tax-exempt; (2) a capital loss is incurred on the redemption date; and (3) redemption is not by the controlling shareholder or by whoever held the bond since the date it was allocated or issued; all up to the amount of the capital loss; discount fees deemed as consideration under those provisions will not be deemed income under Section 2(4) to the Ordinance.

Appendix A2 to the Shelf Offering Report
Letters of Consent for Attachment of the Rating Reports

Appendix C to the Shelf Offering Report
Letters of Consent from the Bank's Independent Auditors