

FIRST INTERNATIONAL BANK OF ISRAEL LTD.

Subject: Exercise of Joining Right to the Agreement for the Sale of Holdings in Israel Credit Card Company Ltd.

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

To:
Tel Aviv Stock Exchange Ltd.
www.tase.co.il

19 November 2025

Exercise of Joining Right to the Agreement for the Sale of Holdings in Israel Credit Card Company Ltd.

Further to the immediate reports of FIRST INTERNATIONAL BANK OF ISRAEL LTD. (hereinafter: the Bank) dated 21 September 2025 (Reference No.: 2025-01-071183) and 25 September 2025 (Reference No.: 2025-01-071700), and as stated in pages 40-41 of the Bank's financial statements as of 30 September 2025 as published on 17 November 2025 (Reference No.: 2025-01-087868), the Bank hereby reports that on 19 November 2025 it notified Israel Discount Bank Ltd. regarding the exercise of its joining right in the agreement dated 19 September 2025 (hereinafter: the Purchase Agreement) for the sale of Discount's full holdings in Israel Credit Card Company Ltd (hereinafter: CAL), which was signed between Discount, Union Investments & Development Ltd (hereinafter: Union), and Harel Insurance Investments and Financial Services Ltd (hereinafter: Harel) (hereinafter: the Transaction, and the Joining Right, respectively).

Subject to completion of the Transaction, all of the Bank's holdings in CAL are expected to be acquired solely by Union for an immediate consideration of approximately NIS 1,056 million to be paid fully in cash at the closing date of the Transaction, and a contingent consideration (as defined in the immediate report dated 21 September 2025), which may reach up to approximately NIS 70 million. The Purchase Agreement includes provisions regarding adjustments to the consideration in relation to certain events at CAL, if they occur (including after the closing date), and for certain expenses of CAL if made up to the closing date. For more details regarding the Purchase Agreement, including in relation to the consideration and the suspending conditions, see the immediate report of the Bank dated 21 September 2025 as mentioned above.

If the Transaction is completed, the Bank expects to record a net profit, after the effect of tax, of up to approximately NIS 143 million in terms of 30 September 2025 (that is, before deduction of the Bank's share in the profits of CAL, which will be recorded on an ongoing basis, in the period from the fourth quarter until the quarter immediately preceding completion of the Transaction) and an additional future net profit, after the effect of tax, of up to approximately NIS 52 million, subject to the fulfilment of the conditions for receiving the contingent consideration.

Given the suspending conditions attached to the Purchase Agreement, there is no certainty regarding the completion of the Transaction or its timing, nor is there certainty regarding the final amount of the consideration of the Transaction, if completed, which will be affected, among other things, by the mechanism of consideration adjustment set in the Agreement, by the indemnity arrangements in the Transaction, and by the contingent consideration mechanism, which depends on the business results of CAL in 2027 and 2028.

The above in this report regarding the expected effect of completion of the Transaction on the Bank's results and the estimated profit constitutes forward-looking information, as defined in the Securities Law, 1968, based on information and estimates held by the Bank as of the date of this report. The actual profit recorded may differ materially due to developments in certain matters set in the Agreement and in matters related to the tax liability on the Transaction.

The above in this report regarding the expected effect of completion of the Transaction on the Bank's results and the estimated profit constitutes forward-looking information, as defined in the Securities Law, 1968, based on information and estimates held by the Bank as of the date of this report. The actual profit recorded may differ materially due to developments in certain matters set in the Agreement and in matters related to the tax liability on the Transaction.

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With respect,

FIRST INTERNATIONAL BANK OF ISRAEL LTD.
Dr. Moria Hoftman-Doron, Adv., Executive Vice President, Chief Legal Advisor
Nachman Nitzan, Executive Vice President CFO, Head of Chief Accountant Division