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ISRACARD LTD ("the Company")

September 4, 2025

To:

Israel Securities Authority (via MAGNA)

TEL AVIV STOCK EXCHANGE LTD (via MAGNA)

Dear Sir/Madam,

Re: Immediate Report Regarding Results of Tender for Issuance of Deferred Commitment Notes to Classified Investors

1. Further to the Company's immediate report regarding its intention to conduct a private placement of deferred commitment notes (CoCo commitment certificates) of the Company and their registration for trading on the TASE-UP institutional system¹⁰¹, the Company is honored to announce that on September 4, 2025, a tender was held for investors listed in sections 15A(b)(1) and (2) of the Securities Law, 1968 ("classified investors" and "the tender", respectively) in connection with the issuance of the deferred commitment notes (Series 3 of the Company, "the deferred commitment notes").
2. The deferred commitment notes were offered to classified investors in exchange for their nominal value, in units of NIS 1,000 par value of deferred commitment notes each ("the units"), by way of a tender on the annual interest rate to be borne by the deferred commitment notes.
3. As part of the tender, orders were submitted to purchase 330,750 units for a total amount of NIS 330,750,000.
4. Accordingly, the Company's Board of Directors approved an issuance to classified investors of 191,567 units for a total amount of NIS 191,567,000.

5. The principal of the deferred commitment notes will be repaid in a single payment on September 10, 2036; the outstanding principal of the deferred commitment notes in circulation will bear a fixed annual interest rate of 3.84% (as determined in the tender)¹⁰²; and the outstanding principal of the deferred commitment notes and the interest thereon will be linked to the Consumer Price Index.

It should also be noted that the deferred commitment notes are capital instruments classified as 'Tier 2 capital' for inclusion in the Company's regulatory capital in accordance with Proper Banking Management Directive No. 202, and therefore have special characteristics, including, among others:

- Their terms include a mechanism for absorbing principal losses, under which, upon the occurrence of certain circumstances that the Company may not necessarily be able to foresee in advance and/or are not necessarily under its control, the Company will perform a full or partial write-off of the deferred commitment notes;
- Their terms do not grant the holders the right to demand immediate repayment in any case, except in the event that a permanent liquidator is appointed for the Company or a liquidation order is issued by a competent court and such appointment or order is not canceled within thirty (30) days;
- It is not possible to demand immediate repayment or to make any compromise and/or change to their terms, except subject to prior approval from the Supervisor of Banks;
- The rights of the holders will be subordinated to the claims of all other creditors of the Company of any kind, except as detailed in the trust deed for the series.

6. As of the date of this report, the completion of the issuance of the deferred commitment notes is subject to obtaining the required approvals by law, including obtaining the approval of the TEL AVIV STOCK EXCHANGE LTD for the registration of the deferred commitment notes for trading on the institutional system of the exchange.

The Company thanks the investors for their response to the offer.

Sincerely,

ISRACARD LTD

FOOTNOTE:

¹⁰¹ See the Company's immediate report dated August 24, 2025 (Reference No.: 2025-01-062784).

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¹⁰² It should be noted that if the Company does not exercise its exclusive right to redeem the deferred commitment notes in early redemption (between September 10 and October 10, 2031), then the annual interest rate of the deferred commitment notes will be updated on September 11, 2031, so that the annual interest rate will be equal to the anchor interest rate at the time of the interest change (as defined in the trust deed for the deferred commitment notes) plus a margin of 1.871%.