



BANK LEUMI LE- ISRAEL B.M. ("the Bank")

August 7, 2025

To:

Israel Securities Authority
Via MAGNA

TEL AVIV STOCK EXCHANGE LTD
Via MAYA

www.magna.isa.gov.il
www.maya.tase.co.il

Dear Sir/Madam,

Subject:
Partial Mandatory Early Redemption of Credit-Linked Bonds (Series 1), (Series 2), (Series 3), and (Series 4) Issued to Institutional Investors

The Bank is pleased to announce as follows:

A. Mandatory Early Redemption of Credit-Linked Bonds (Series 1)

Pursuant to Section 5.2.5 of the terms listed overleaf attached to the Trust Deed dated August 6, 2023, between the Bank and Hermetic Trust (1975) Ltd. ("the Trustee"), as published by the Bank on August 6, 2023 (Reference No.: 2023-01-090219) ("Series 1 Trust Deed"), under which the Credit-Linked Bonds (Series 1) ("Series 1 Bonds") were listed for trading on the institutional trading system of the TEL AVIV STOCK EXCHANGE LTD ("the Exchange"), a partial repayment was made on some of the loans under the Series 1 Trust Deed. Accordingly, pursuant to the provisions of the Series 1 Trust Deed, the Bank will carry out a partial mandatory early redemption of the principal of the bonds, all as detailed below ("Series 1 Mandatory Early Redemption"):

Details of the Early Redemption (in NIS):

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| Series Name | Security No. | Maturity Date | Principal Balance Before Early Redemption | | Early Redemption Rate | | Outstanding Principal Balance | | Early Redemption Amount | | Total Redemption Fee | In Series Terms | | In Annual Interest Terms ¹⁰² | | In Early Redemption Terms ¹⁰³ | |
|--------------------------------|--------------|---------------|---|--------------|-----------------------|-------------|-------------------------------|-------------|-------------------------|-------------------------|----------------------|-----------------|-------------|---|-------------|--|--|
| | | | Original After Early Redemption | Outstanding | Original | Outstanding | Original | Outstanding | Original | Outstanding | | Original | Outstanding | Original | Outstanding | | |
| Credit-Linked Bonds (Series 1) | 1198639 | 24.12.2026 | 176,458,300 | 62,891,800.0 | 35.64118% | 12.57836% | 62,891,800.0 | 22.71330% | 2.30%+ | Bank of Israel Interest | | | | | | | |

B. Mandatory Early Redemption of Credit-Linked Bonds (Series 2)

Pursuant to Section 5.2.5 of the terms listed overleaf attached to the Trust Deed dated April 16, 2024, between the Bank and the Trustee, as published by the Bank on April 16, 2024 (Reference No.: 2024-01-043524) ("Series 2 Trust Deed"), under which the Credit-Linked Bonds (Series 2) ("Series 2 Bonds") were listed for trading on the institutional trading system of the Exchange, a partial repayment was made on some of the loans under the Series 2 Trust Deed.

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Series 2 Trust Deed.

4. Accordingly, pursuant to the provisions of the Series 2 Trust Deed, the Bank will carry out a partial mandatory early redemption of the principal of the bonds, all as detailed below ("Series 2 Mandatory Early Redemption"):

Details of the Early Redemption (in NIS):

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| Series Name | Security No. | Maturity | Outstanding Principal Balance Before Redemption | Early Redemption Rate | Early Redemption Amount | In Series Terms | In Annual Interest Terms ²⁰⁵ | Original Principal Balance After Early Redemption ¹⁰⁶ | In Series Terms | In Redemption Terms | Total Interest Fee | Redemption Rate | In Series Terms | In Redemption Terms | Date | Early Redemption Value |
|--------------------------------|--------------|------------|---|-----------------------|-------------------------|-----------------|---|--|-----------------|---------------------|--------------------|-----------------|-----------------|---------------------|------|------------------------|
| Credit-Linked Bonds (Series 2) | 1205897 | 24.08.2030 | 658,179,453.0 | 4.08946% | 26,916,015.0 | 79.08191% | 3.37192% | 26,916,015.0 | 2.30%+ | | | | | | | |

C. Mandatory Early Redemption of Credit-Linked Bonds (Series 3)

1. Pursuant to Section 5.2.6 of the terms listed overleaf attached to the Trust Deed dated December 19, 2024, between the Bank and Mishmeret – Trust Services Company Ltd., as published by the Bank on December 19, 2024 (Reference No.: 2024-01-625861) ("Series 3 Trust Deed"), under which the Credit-Linked Bonds (Series 3) ("Series 3 Bonds") were listed for trading on the institutional trading system of the Exchange, a partial repayment was made on some of the loans under the Series 3 Trust Deed.
7. Accordingly, pursuant to the provisions of the Series 3 Trust Deed, the Bank will carry out a partial mandatory early redemption of the principal of the bonds, all as detailed below ("Series 3 Mandatory Early Redemption"):

Details of the Early Redemption (in NIS):

| Series Name | Security No. | Maturity | Outstanding Principal Balance Before Redemption | Early Redemption Rate | Early Redemption Amount | In Series Terms | In Annual Interest Terms ²⁰⁶ | Original Principal Balance After Early Redemption ²⁰⁹ | Total Redemption Fee | In Series Terms | In Redemption Terms | Redemption Rate | In Series Terms | In Redemption Terms | Date | Early Redemption Value |
|--------------------------------|--------------|-----------|---|-----------------------|-------------------------|-----------------|---|--|----------------------|-----------------|---------------------|-----------------|-----------------|---------------------|------|------------------------|
| Credit-Linked Bonds (Series 3) | 1215029 | 24.5.2035 | 1,431,451,411.0 | 10.74859% | 153,860,900.0 | 86.80681% | 10.45419% | 153,860,900.0 | 3.69% | | | | | | | |

2. An updated amortization schedule for the principal of the Credit-Linked Bonds (Series 3) reflecting the execution of the mandatory early redemption for Series 3 is attached as Appendix A to this report.

D. Mandatory Early Redemption of Credit-Linked Bonds (Series 4)

4. Pursuant to Section 5.2.7 of the terms listed overleaf attached to the Trust Deed, the minimum amount for early redemption shall not be less than NIS 1 million. Therefore, the mandatory early redemption under this report may be carried out according to several measurement dates (as defined in the Trust Deed).

5. The annual interest rate specified in the Trust Deed of the bonds.

6. The liability value of the bonds (Series 2), including the principal amount, plus interest, as applicable.

7. Pursuant to Section 5.2.8 of the terms listed overleaf attached to the Trust Deed, the minimum amount for early redemption shall not be less than NIS 1 million. Therefore, the mandatory early redemption under this report may be carried out according to several measurement dates (as defined in the Trust Deed).

8. The annual interest rate specified in the Trust Deed of the bonds.

9. The liability value of the bonds (Series 3), including the principal amount, plus interest, as applicable. It should be noted that according to the Series 3 Trust Deed, the principal and interest of the bonds (Series 3) will be linked to the increase in the Consumer Price Index known at the time of any principal or interest payment relative to the base index (as defined in the Series 3 Trust Deed). Therefore, at the time of the actual mandatory early redemption, linkage differentials (on the principal and interest) may be added to this amount.

Pursuant to Section 5.2.5 of the terms listed overleaf attached to the Trust Deed dated May 21, 2025, between the Bank and the Trustee, as published by the Bank on May 21, 2025 (Reference No.: 2025-01-035580) ("Series 4 Trust Deed"), under which the Credit-Linked Bonds (Series 4) ("Series 4 Bonds") were listed for trading on the institutional trading system of the Exchange, a partial repayment was made on some of the loans under the Series 4 Trust Deed³⁰¹⁰.

Accordingly, pursuant to the provisions of the Series 4 Trust Deed, the Bank will carry out a partial mandatory early redemption of the principal of the bonds, all as detailed below ("Series 4 Mandatory Early Redemption"):

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Details of the Early Redemption (in NIS):

| Series Name | Security No. | Maturity Date | Principal Balance | | Redemption Rate | | Early Redemption Amount | | Total Interest Fee | | Bank of Israel Interest | Series Value | |
|--------------------------------|--------------|---------------|---------------------------------|-------------|-----------------|--|-------------------------|---|--------------------|-------------------|-------------------------|--------------|-------------|
| | | | Before Early Redemption | Outstanding | In Series Terms | In Annual Interest Terms ³⁰¹¹ | In Series Terms | In Early Redemption Terms ³⁰¹² | In Series Terms | In Interest Terms | | | |
| | | | Original After Early Redemption | Outstanding | Original | Early | Mandatory | Early | Mandatory | Outstanding | | | Outstanding |
| Credit-Linked Bonds (Series 2) | 1221928 | 24.06.2029 | 1,552,352,623.0 | 857,698 | 0.05525% | 0.05477% | 857,698 | 99.07375% | 2.20%+ | | | | |

E. General:

1. The date of execution of the mandatory early redemption for Series 1, Series 2, Series 3, and Series 4 (hereinafter together, "Mandatory Early Redemption Date") will be Sunday, August 24, 2025 ("Mandatory Early Redemption Date"). It should be noted that according to the provisions of the Series 1 Trust Deed, Series 2 Trust Deed, Series 3 Trust Deed, and Series 4 Trust Deed (hereinafter together - "the Trust Deeds"), the Mandatory Early Redemption Date will be on the monthly interest payment date for the bonds, immediately following the date of this notice.
2. Also, according to the provisions of the Trust Deeds, the mandatory early redemption will be carried out for all holders of Series 1, Series 2, Series 3, and Series 4 bonds who are registered in the bondholders register at the end of the day six (6) days before the Mandatory Early Redemption Date, i.e., on Monday, August 18, 2025.

Sincerely,

BANK LEUMI LE- ISRAEL B.M.

By: Gilad Asheri, Head of International Infrastructure and Finance Division, Business Division

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4. Upon execution of the early redemption according to this report, the principal of the Credit-Linked Bonds (Series 3) will be repaid in thirteen (13) installments, as detailed in the amortization schedule below:

Appendix A

Updated Amortization Schedule for Credit-Linked Bonds (Series 3)

| # | Payment Date | Payment Amount ⁴⁰¹³ | Payment Rate in Series Terms | | Borrower to Which Payment Date is Attributed | |
|-------|--------------|--------------------------------|--|--|--|--|
| | | | Original of Credit-Linked Bonds (Series 3) Principal | | Payment Date Attributed | |
| 1. | 24/07/2026 | 11,999,996.48 | 0.93927% | | B | |
| 2. | 24/08/2026 | 141,583,952.19 | 11.08211% | | D | |
| 3. | 24/02/2027 | 159,935,948.54 | 12.51856% | | T | |
| 4. | 24/08/2027 | 262,901,257.50 | 20.57790% | | D, Z | |
| 5. | 24/08/2028 | 55,316,294.14 | 4.32974% | | D, V | |
| 6. | 24/09/2028 | 90,028,773.84 | 7.04676% | | V | |
| 7. | 24/12/2028 | 10,399,996.95 | 0.81403% | | B | |
| 8. | 24/02/2029 | 7,869,006.65 | 0.61593% | | B | |
| 9. | 24/10/2030 | 264,268,701.40 | 20.68493% | | H | |
| 10. | 24/01/2031 | 120,639,500.29 | 9.44274% | | G | |
| 11. | 24/02/2031 | 23,847,147.42 | 1.86657% | | G | |
| 12. | 24/01/2034 | 128,799,943.62 | 10.08147% | | E | |
| 13. | 24/05/2035 | - | 0.00000% | | A | |
| Total | | 1,277,590,519.04 | 100.00000% | | - | |

It is clarified that each payment according to the amortization schedule of Series 3 bonds is attributed to the final contractual maturity date of one or more loans of one or more borrowers under the Series 3 Trust Deed, as detailed in the table above, for which the Bank purchased protection under the Series 3 Trust Deed, so that:

- (A) Each payment date in the amortization schedule of Series 3 bonds is set for a date that is six months after the last contractual maturity date of the loans attributed to that payment date⁴⁰¹⁴.
- (B) The amount of each payment in the amortization schedule of Series 3 bonds reflects the relevant reference amount for the loan or loans attributed to that payment date.

Notwithstanding the above, the said amortization schedule is correct as of the date of this report and is expected to change if the Bank determines that a credit event has occurred (for details, see Section 6 of the Series 3 Trust Deed) or an early redemption is made for any of the loans (for details, see Sections 5.1 and 5.2 of the terms listed overleaf). In such a case, the Bank will prepare a new amortization schedule reflecting the updated amounts and maturity dates and will publish it as required by the provisions of the Series 3 Trust Deed.

FOOTNOTE:

¹⁰¹ Pursuant to Section 5.2.7 of the terms listed overleaf attached to the Trust Deed, the minimum amount for early redemption shall not be less than NIS 1 million. Therefore, the mandatory early redemption under this report may be carried out according to several measurement dates (as defined in the Trust Deed).

¹⁰² The annual interest rate specified in the Trust Deed of the bonds.

¹⁰³ The liability value of the bonds (Series 1), including the principal amount, plus interest, as applicable.

²⁰⁵ The annual interest rate specified in the Trust Deed of the bonds.

²⁰⁶ The original principal balance after the early redemption.

²⁰⁸ The annual interest rate specified in the Trust Deed of the bonds (Series 3).

²⁰⁹ The original principal balance after the early redemption (Series 3).

³⁰¹⁰ Pursuant to Section 5.2.8 of the terms listed overleaf attached to the Trust Deed, the minimum amount for early redemption shall not be less than NIS 1 million. Therefore, the mandatory early redemption under this report may be carried out according to several measurement dates (as defined in the Trust Deed).

³⁰¹¹ The annual interest rate specified in the Trust Deed of the bonds.

³⁰¹² The liability value of the bonds (Series 4), including the principal amount, plus interest, as applicable.

⁴⁰¹³ Reflects the reference amount, as defined in Section 1.4 of the Series 3 Trust Deed and as detailed in Appendix B to the Series 3 Trust Deed.

⁴⁰¹⁴ According to the contractual maturity dates as they exist at the time of signing the Series 3 Trust Deed, where the said six months include all grace periods to which the relevant borrower is entitled in respect of that loan, according to its terms.