

2026-01-13

Bank Leumi Le-Israel B.M.

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

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

Subject: Completion of Pricing of Offering of Covered Bonds to Institutional Investors outside of Israel

Further to the immediate report of Bank Leumi Le-Israel B.M. (the "Bank") from January 6, 2026 (Reference No.: 2026-01-002331), the Bank is pleased to announce as follows:

1.

On January 13, 2026, the Bank completed the pricing stage of the offering of covered bonds (the "Covered Bonds"), as mentioned in the above immediate report, in a total amount of 750 million euros (the "Offering"), to institutional investors outside of Israel.

2.

The covered bonds will be issued at a price equal to 100% of their par value, will bear a fixed annual interest rate of 3.197%, paid once a year, and will be repaid in a single payment on January 22, 2031.

3.

The completion of the offering (closing) is expected to be on January 22, 2026.

4.

The gross proceeds expected to be received in connection with the offering will amount to approximately 750 million euros. The proceeds received by the Bank, after deducting commissions to Barclays Bank PLC, Goldman Sachs International, J.P. Morgan Securities plc, and UBS AG as distributors, and other offering expenses to be paid by the Bank, will be used, among other things, to provide loans to a wholly-owned subsidiary of the Bank, for the purpose of purchasing from the Bank loans backed by mortgages and their accompanying collaterals, all in accordance with the terms set forth in the offering documents.

5.

The covered bonds are expected to be registered on the TASE UP platform of the Tel Aviv Stock Exchange Ltd. (the "Exchange"), subject to the approval of the Exchange.

6.

This report does not constitute an offer to the public, an offer for sale, or any other kind of offer or solicitation to purchase securities. In particular, the securities may not be offered or sold in the United States without registration or an exemption from registration.

The above information regarding the expected completion of the offering is forward-looking information based on current expectations of the Bank. Such information is not certain and is dependent, inter alia, on factors some of which are not under the control of the Bank, including market condition changes and schedule deviations.

Respectfully,

Bank Leumi Le-Israel B.M.

By: Mr. A. Ziv,

Deputy CEO, Head of Capital Markets Division

-- 2

Warnings under Securities Laws Outside Israel

This report is not being published and copies thereof are not being distributed in the US, UK, .1 EU, Canada, Australia, Japan, or any other jurisdiction where such distribution is unlawful.

In addition, this report is not meant for distribution to U.S. Persons.

Nothing in this report shall constitute an offer to the public or invitation to purchase securities .2 of the Bank in Israel or abroad.

It is clarified that the Covered Bonds shall not be offered, sold, delivered or listed in any .3 jurisdiction outside of Israel – except as set forth in sections 4 to 7 below.

The Covered Bonds have not been, and will not be, registered under the U.S. Securities Act .4 of 1933, as amended (the “Securities Act”) or any securities laws of any state of the United

States and the securities may not be offered or sold, directly or indirectly, within the United States or to, or for the account or the benefit of, U.S. persons as defined in Regulation S under the Securities Act except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or local securities laws of any state of the United States and any other jurisdiction.

The Covered Bonds shall not be offered to the public in the UK. No prospectus has or will .5 be approved in the UK, for the purposes of Section 21 of the Financial Services and Markets

Act 2000 (the FSMA) by an authorised person under FSMA, with respect to the Covered Bonds.

The Covered Bonds shall not be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a retail investor means a person who is one (1) (or more) of: (i) a retail client, as

defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law in the UK by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law in the UK by virtue of the EUWA. Consequently no key information document required by

-- 3

Regulation (EU) No 1286/2014 as it forms part of domestic law in the UK by virtue of the or Covered Bonds the selling or offering for **UK PRIIPs Regulation**) (the EUWA) or otherwise making them available to retail investors in the UK has been prepared and therefore Covered Bonds the selling or offering or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

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

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

Covered Bonds shall not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or in the UK. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II") or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of Consequently, no key information document required by MiFID II Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Covered Bonds has been prepared or otherwise making them available to retail investors in the EEA.

-- 4

Therefore, offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

With respect to the Covered Bonds, stabilization actions are possible. It is noted that FCA/ICMA.

In the EEA and UK, only eligible counterparties and professional clients (as such terms are defined in the relevant legislation) may participate in the Issue, including all distribution channels.

It is clarified that any rating report to be published in connection with the Covered Bonds (if any) shall not constitute a recommendation to purchase, sell or hold securities and may be subject to updates, suspension or repeal at any time by the rating company.

It is also emphasized that similar rating reports prepared for different issuers and different securities do not necessarily have the same meaning, and therefore each rating report must be examined independently of any other rating report.
