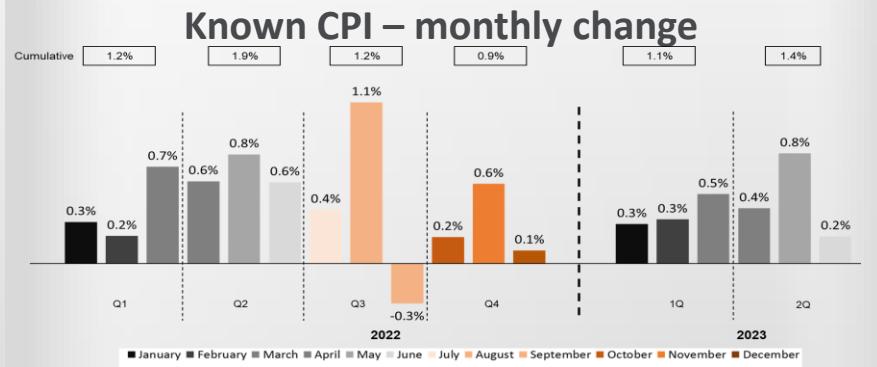
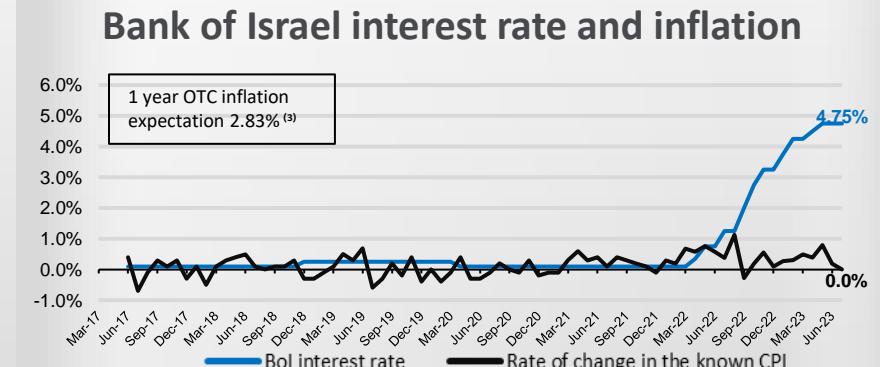
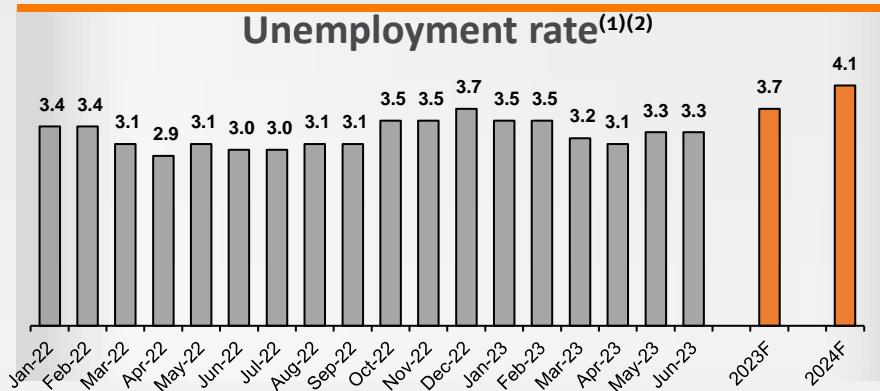




# Financial statements

June 30, 2023

- This document has been prepared by Mizrahi-Tefahot Bank Ltd (UMTB) solely for use at the company's presentation. The information contained in this document constitutes information from the bank's 2023 quarterly reports and/ or immediate reports, as well as the periodic, quarterly and annual reports and/or immediate reports published by the bank in previous years.
- Accordingly, the information contained in this document is only partial, is not exhaustive and does not include the full details regarding the bank and its operations or regarding the risk factors involved in its activity and certainly does not replace the information included in the periodic, quarterly, annual or immediate reports published by the bank. In order to receive the full picture regarding the bank's 2023 quarterly reports, the aforesaid reports should be perused fully, as published to the public.
- None of the company, or any of their employees or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection with this document.
- The bank's results in practice may be significantly different from those included in the forecasting information, as a result of a large number of factors, including, *inter alia*, changes in the domestic and global equity markets, macro-economic changes, geo-political changes, legislation and regulation changes, and other changes that are not under the bank's control, which may lead to the estimations not realizing and/or to changes in the business plans.
- The forecasting information may change subject to risks and uncertainty, due to being based on the management's estimations regarding future events, which include, *inter alia*: global and local economic development forecasts, particularly regarding the economic situation in the market, including the effect of macro-economic and geo-political conditions; expectations for changes and developments in the currency and equity markets; forecasts related to other various factors affecting exposure to financial risks; forecasts with respect to changes to borrowers' financial strength, public preferences, changes in legislation and the provisions of regulators, competitors' behavior, the status of the bank's perception, technological developments and human resources developments.
- This document does not constitute an offer to sell, or a solicitation of an offer to buy, or a recommendation of any kind regarding any security or any interest in security.



1) 2023E-2024F according to Bol forecast from July 2023

2) Unemployment Rate in the general population, ages 25-64 excluding seasonality.

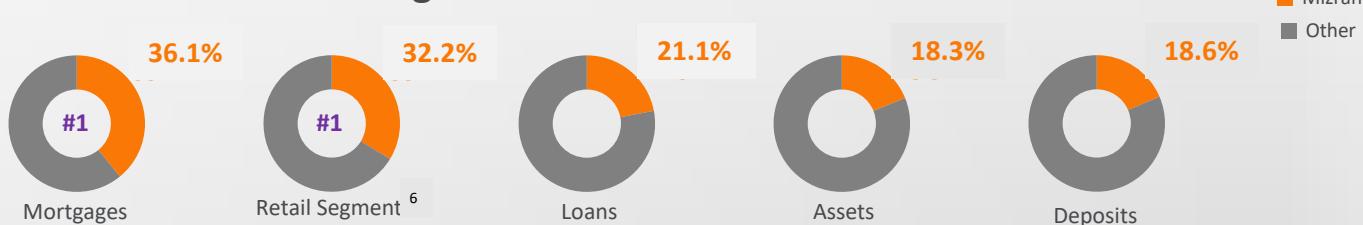
3) As of August 8, 2023



### Leading Israeli Bank

|                                                       |                                                          |                                                           |
|-------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| <b>NIS 433bn</b><br>Total Assets <sup>1</sup>         | <b>NIS 317bn</b><br>Net Loans to the public <sup>1</sup> | <b>NIS 345bn</b><br>Deposits from the public <sup>1</sup> |
| <b>NIS 6.3bn</b><br>Net Interest Revenue <sup>2</sup> | <b>NIS 7.8bn</b><br>Total Revenue <sup>2</sup>           | <b>NIS 2.8bn</b><br>Net Profit <sup>2</sup>               |
| <b>NIS 34.5bn</b><br>Market Cap <sup>3</sup>          | <b>&gt;7,500</b><br>Employees <sup>4</sup>               | <b>204</b><br>Branches <sup>5</sup>                       |

### Significant Market Shares<sup>5</sup>



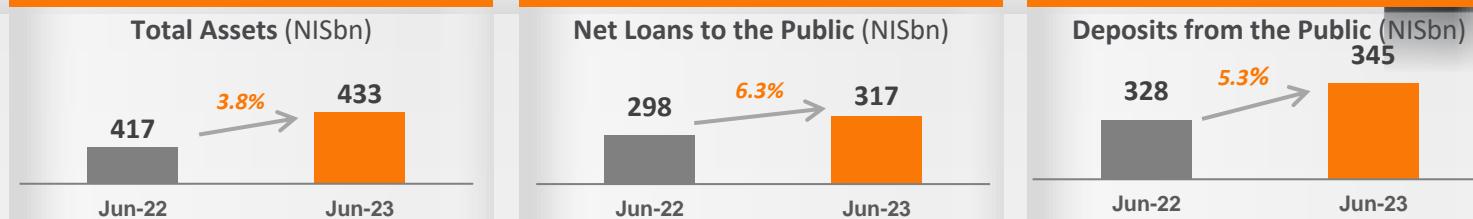
(1) As of June 30, 2023. (2) For H1 2023. (3) Tel Aviv Stock Exchange (as of August 7, 2023)

(4) Data through December 31, 2022 include 373 former Union Bank employees whose employment was terminated in early 2023.

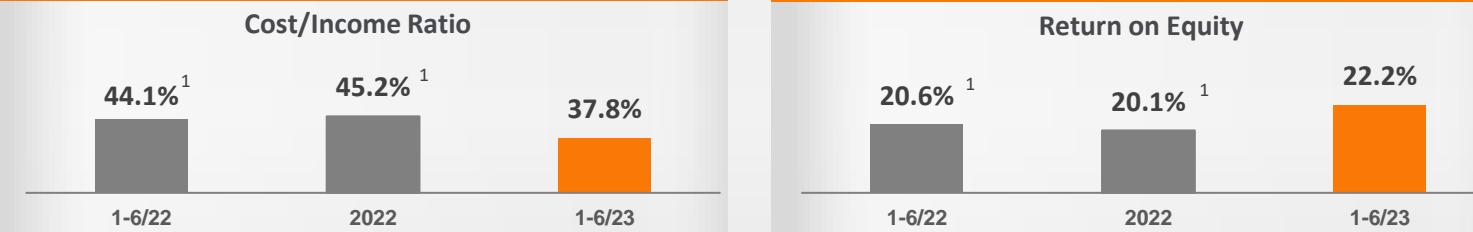
(5) As of December 31, 2022. (6) Market share in credit to Households and Private Banking segments (supervisory operating segments).



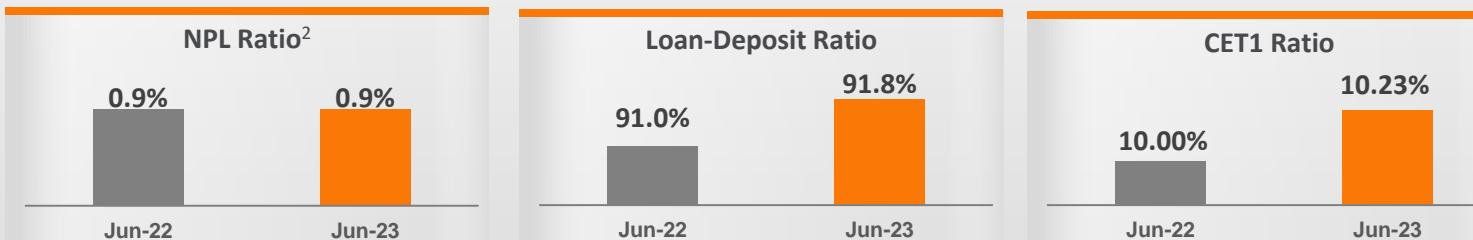
### Balance Sheet Growth



### Profitability



### Asset Quality, Liquidity and Capitalisation



(1) Excluding effect of capital gain, net from sale of assets, ROE in the first half and full year 2022 is 18.0% and 19.0% respectively, and the cost/income ratio in the first half and full year 2022 is 46.8% and 46.4% respectively.

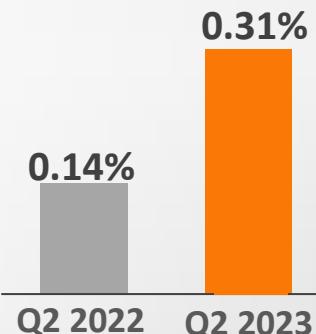
(2) NPL Ratio is calculated as Impaired Credit not Accruing Interest Income, divided by Gross Loans to the Public.

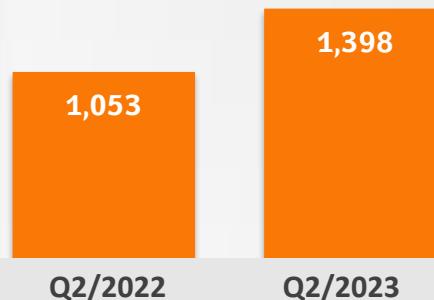


| Segment              | 1-6/2023 | 1-6/2022 | Q2/2023 | Q2/2022 | Provision | Rate of provision | Provision | Rate of provision |
|----------------------|----------|----------|---------|---------|-----------|-------------------|-----------|-------------------|
| <b>Housing loans</b> | 63       | 0.06%    | 52      | 0.05%   | 21        | 0.04%             | 38        | 0.08%             |
| <b>Business</b>      | 268      | 0.61%    | 102     | 0.25%   | 168       | 0.76%             | 51        | 0.25%             |
| <b>Households</b>    | 143      | 1.04%    | 32      | 0.24%   | 58        | 0.84%             | 18        | 0.27%             |
| <b>Total</b>         | 474      | 0.30%    | 186     | 0.12%   | 247       | 0.31%             | 107       | 0.14%             |

Expenses with respect to credit losses in the first half of 2023 include an increase in the group-based provision due to growth of the Bank's loan portfolio and higher risk in the market due, inter alia, to the higher interest rates.

### Provisions / loans to the public

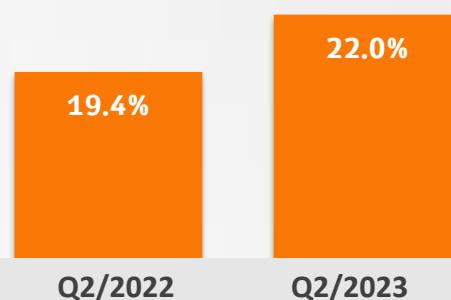


**Net profit** (NIS mil)

279  
1,928<sup>(1)</sup>

1-6/2022

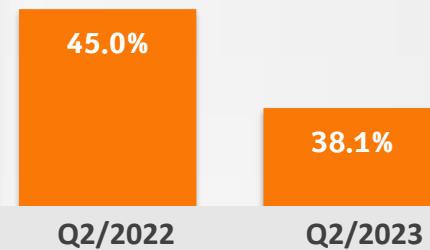
1-6/2023

**Return on equity**

18.0%<sup>(1)</sup>

1-6/2022

1-6/2023

**Cost/income ratio**

44.1%

37.8%

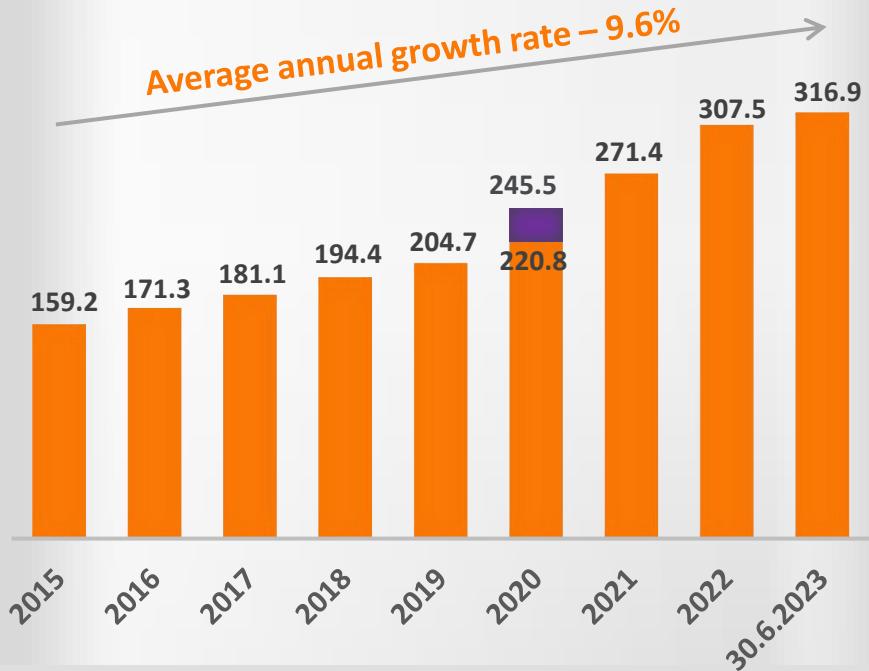
1-6/2022

1-6/2023

(1) Excluding effect of capital gain, net from sale of assets.



## Credit to the public



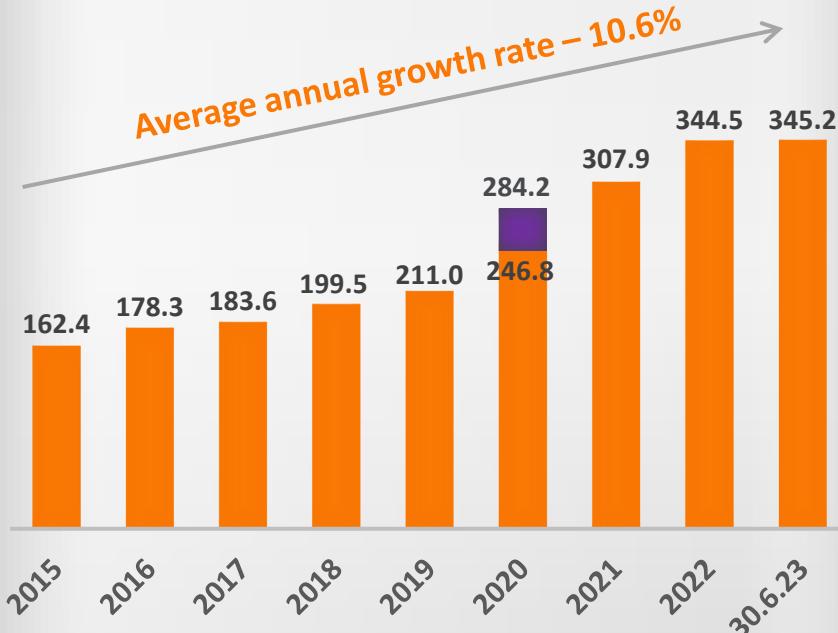
| Business segment                | 30.6.23      | 30.6.22      | % change in |
|---------------------------------|--------------|--------------|-------------|
| Housing loans                   | 200.9        | 189.4        | 6.1         |
| Households + private banking    | 27.6         | 26.6         | 3.8         |
| Total individuals               | 228.5        | 216.0        | 5.8         |
| Total businesses <sup>(1)</sup> | 88.4         | 82.2         | 7.5         |
| <b>Total</b>                    | <b>316.9</b> | <b>298.2</b> | <b>6.3</b>  |

Supervisory operating segments

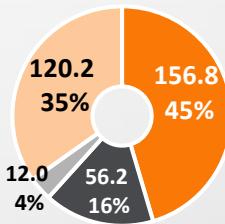
(1) Small and micro businesses, Medium businesses and Large businesses, Institutional investors and Overseas operations



## Deposits from the public (NIS bil)

Core deposits<sup>(1)</sup> (NIS bil)

## Deposits by segments

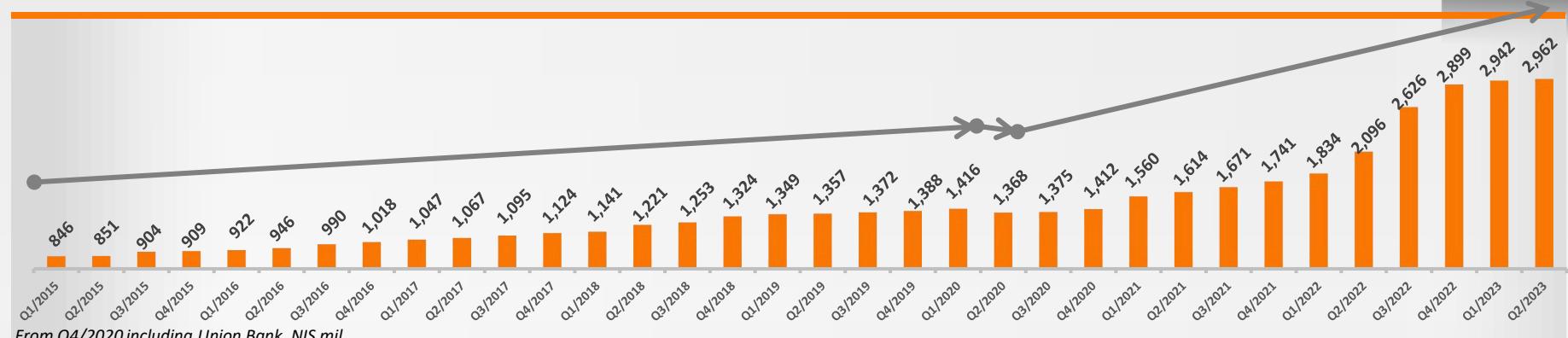


Total core deposits: NIS 225.0 bil  
 Share of core deposits: 65%

## Segment

- Households and Private banking
- Small and micro businesses
- Medium businesses
- Large businesses, Institutional investors and Overseas operations

# Financing revenues from current operations continue to grow



|                                                                        | H1 2023      | H1 2022      | Rate of change |
|------------------------------------------------------------------------|--------------|--------------|----------------|
| Interest revenues, net                                                 | 6,327        | 4,597        |                |
| Non-interest financing revenues                                        | 337          | 293          |                |
| <b>Total financing revenues</b>                                        | <b>6,664</b> | <b>4,890</b> | <b>36.3%</b>   |
| less:                                                                  |              |              |                |
| Effect of the Consumer Price Index                                     | 695          | 607          |                |
| Revenues from collection of interest on troubled debt                  | 20           | 33           |                |
| Gains (losses) from bonds, shares and real investments                 | (26)         | (16)         |                |
| Effect of accounting treatment of derivatives at fair value and others | 71           | 336          |                |
| <b>Total effects other than current operations</b>                     | <b>760</b>   | <b>960</b>   |                |
| <b>Total financing revenues from current operations</b>                | <b>5,904</b> | <b>3,930</b> | <b>50.2%</b>   |



### Operating and other expenses (NIS mil)



### Salaries (NIS mil)





Equity (NIS mil)

23,780

25,814

2022

Q2/2023

Leverage ratio

5.42%

5.73%

31.12.22

30.6.23

Dividend<sup>(1)(2)</sup> (NIS mil)

120

75

122

190

404

137

737

483

1,024

995

2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 Q1/2023 Q2/2023

Dividend distributed for Q2/2023 at a rate of 35%<sup>(3)</sup>  
of the net profit of that period

Capital adequacy

■ Total  
ratio

13.12%

13.46%

9.94%

10.23%

31.12.22

30.6.23

Bol minimum  
requirement:

12.50%

12.50%

9.60%

9.60%

(1) For the relevant period.

(2) It is hereby clarified that there is no change to the Bank's dividend policy, as detailed in the report published by the Bank on April 27, 2021 (reference no. 2021-01-071448).

(3) In conformity with the Bank's dividend policy and so as to enable continued future growth of the Bank, even duly noting the uncertainty with regard to developments in the macro-economic environment.



# Thank you

