

2026-01-08

Date: 08/01/2026

To:

Israel Securities Authority
www.isa.gov.il

To:

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

To whom it may concern,

Subject: Completion of the pricing process for an international private offering of deferred commitment notes that may be written off

Following the immediate report dated January 6, 2026,¹ Mizrahi Tefahot Bank Ltd. (the bank), is honored to announce as follows:

1. On 08/01/2026, the pricing process relating to an international private placement, for a total amount of 750 million US dollars, of deferred commitment notes including a mechanism for absorbing principal losses by means of mandatory write-off (the deferred commitment notes), was completed. The deferred commitment notes are expected to be recognized as Tier 2 capital of the bank in accordance with Proper Conduct of Banking Business Directive No. 202, and they will be issued to institutional investors as defined in the Tel Aviv Stock Exchange Ltd. regulations (the Exchange and the Placement, respectively).
2. The deferred commitment notes will be redeemed in a single payment on 15/04/2036, with the bank having the option to execute full (but not partial) early redemption of the deferred commitment notes during a three-month period commencing on 15/01/2031 and ending on 15/04/2031 (the interest adjustment date), subject to the fulfillment of certain conditions².
3. The terms of the deferred commitment notes include a mechanism for absorbing principal losses whereby, upon the occurrence of certain unforeseeable circumstances not necessarily under the bank's control (a triggering event for absorption of principal losses and/or a non-viability event), the bank will execute a full or partial write-off, as the case may be³, of the deferred commitment notes.
4. The deferred commitment notes bear a fixed annual interest rate of 5.8367%, payable in semi-annual installments, which will be updated at the interest adjustment date (after five years and three months from their issuance date), provided no early redemption has been executed, based on the yield to maturity of the relevant 5-year US Treasury Bonds at that time, plus a margin of 2.10%.

¹ Reference number: 2026-01-002541

² Additionally, the terms of the deferred commitment notes also include the option for early redemption of the deferred commitment notes in the event of certain regulatory changes or certain changes in the tax regime, if circumstances and terms set are met, for the avoidance of doubt - without any obligation by the bank to make an early redemption under such circumstances, and in any case, subject, among other things, to approval by the Supervisor of Banks.

³ In the event of a non-viability event, a full write-off of the deferred commitment notes will be executed.

5.

The Subordinated Notes will be issued at 100% of their par value. The gross proceeds from the issuance will amount to 750 million US dollars. The net proceeds from the issuance, after deducting underwriter commissions and other issuance expenses, are expected to be used by the Bank for its general business purposes.

6.

The Subordinated Notes are expected to be listed on the TASE UP system of the exchange, subject to the approval of the exchange. Completion of the issuance (Closing) is expected to be on 15/01/2026.

7.

This report does not constitute an offer to the public and/or an invitation to purchase or sell securities of the Bank.

The Bank's assessments regarding the expected completion date of the issuance is forward-looking information, as defined in the Securities Law, 1968. This information is based on the Bank's current expectations, is uncertain, and depends, among other things, on factors that are not under the Bank's control, including changes in market conditions and possible deviation from schedules.

Clarifications and warnings under securities laws outside of Israel

The following text is intended for investors outside of Israel and is therefore included in English.

Disclaimers by virtue of securities laws outside of Israel

BE NOT MAY IT OF COPIES AND IN, MADE BEING NOT IS ANNOUNCEMENT THIS
DISTRIBUTED IN THE UNITED STATES, THE EUROPEAN UNION, THE UNITED KINGDOM,
SUCH WHERE JURISDICTION OTHER ANY OR JAPAN AUSTRALIA, CANADA,
DISTRIBUTION WOULD BE UNLAWFUL. IN ADDITION, THIS ANNOUNCEMENT IS NOT
FOR DISTRIBUTION TO ANY U.S. PERSON)WITHIN THE MEANING BELOW(.

The Subordinated Notes may not be offered or sold in the United States)including its territories and possessions, any state of the United States and the District of Columbia(or to any U.S. Person)as defined in Regulation S under the United States Securities Act of 1933)Regulation S and the Securities Act, respectively(without registration or pursuant to an exemption therefrom.

United States and certain other jurisdictions

This announcement does not constitute an offer of, or the solicitation of an offer to buy or subscribe for, securities to any person in the United States)including its territories and possessions, any state of the United States and the District of Columbia(, Canada, Australia, Japan or any other jurisdiction. The Bank has not registered, and does not intend to register, the Subordinated Notes for trading on the TASE)other than for trading on the TASE UP of the TASE(or in any of these jurisdictions or to conduct a public offering of the Subordinated Notes in any of these jurisdictions. In particular, the securities of the Bank referred to in this announcement have not been, and will not be, registered under the Securities Act or States, and may not be offered, sold, resold or state of the United securities laws of any under the delivered, directly or indirectly, in or into the United States or to, or for the account or benefit of, U.S. Persons)as defined in Regulation S(except pursuant to an exemption from, or in a transaction not subject state applicable any compliance with in and Securities Act of the to, the registration requirements securities laws. In the United States, any offer of Subordinated Notes will be made only to "qualified

institutional buyers" as defined in and in reliance on Rule 144A under the Securities Act or another available exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Outside the United States, any offer will be made to persons other than "U.S. Persons" in accordance with Regulation S. There will be no public offer of securities in the United States.

United Kingdom

This announcement does not constitute an offer of securities to the public in the United Kingdom ("UK"). No prospectus has been or will be approved in the UK in respect of the securities referred to herein. This announcement is being distributed to, and is directed only at (i) persons who are outside the UK, (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), (iii) high net worth entities falling within Article 49(2) of the Order, and (iv) other persons to whom it may lawfully be communicated (all such persons together being referred to as "relevant persons"). In addition, this announcement is in any event only directed at persons who are "qualified investors" pursuant to Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (the "EUWA"). Any investment or investment activity to which this announcement relates is available only to relevant persons and will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

The securities referred to herein are not intended to 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 (or more) of the following: (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 United Kingdom by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (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 United Kingdom by virtue of the EUWA.

Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law in the United Kingdom by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the Subordinated Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Subordinated Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

European Economic Area

The securities referred to herein are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA"). 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 2016/97 (the "Insurance Distribution Directive"), where that

2024-06-06

customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the securities or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the securities or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

FCA / ICMA stabilization applies.

MIFID II AND UK MIFIR - PROFESSIONALS/ECPS-ONLY / NO PRIIPS OR UK PRIIPS KID –

Manufacturer target market (MiFID II and UK MiFIR product governance) is eligible counterparties and professional clients only (all distribution channels).

IT SHOULD BE EMPHASIZED THAT ANY RATING PUBLISHED IN CONNECTION WITH THE SUBORDINATED NOTES DOES NOT CONSTITUTE A RECOMMENDATION TO BUY, SELL OR HOLD THE SECURITIES OR SUSPENSION, REVISION, OR WITHDRAWAL OF THE RATING BY THE ASSIGNING ORGANIZATION AT ANY TIME.

IT SHOULD BE FURTHER EMPHASIZED THAT SIMILAR RATINGS FOR DIFFERENT TYPES OF SECURITIES OF ISSUERS OR THE SAME SECURITIES DO NOT NECESSARILY MEAN THE SAME THING, AND THEREFORE, THE SIGNIFICANCE OF EACH RATING SHOULD BE ANALYZED INDEPENDENTLY FROM ANY OTHER RATING.

Sincerely,

Mizrahi Tefahot Bank Ltd.

By:

Adi Shachaf, Head of the Financial Division

Racheli Friedman, Chief Legal Advisor