

MIZRAHI TEFAHOT BANK LTD
No. with the Registrar of Companies: 520000522

To	<u>Israel Securities Authority</u>	To	<u>Tel Aviv Stock Exchange Ltd</u>	T053 (Public)	Date of transmission: July 27, 2020
	www.isa.gov.il		www.tase.co.il		Ref: 2020-01-079680

Immediate Report of an Event or Matter which Deviates from the Corporation's Ordinary Course of Business

Regulation 36 of the Securities Regulations (Immediate and Periodic Reports), 5730-1970.

Issue results must be reported under T20 and not under this form.

Bond rating or corporation rating reports must be submitted through Form T125

Report on: A report whose submission was delayed

Nature of the Event: *Union Merger – Merger Conditions - Diamonds*

1. Immediate report - merger conditions – diamonds – July 2020 isa.pdf
2. Date and time at which the corporation first learned of the event:
© July 27, 2020 at 15:15

Report delayed per Regulation 36(b):
3. If the report was delayed, the reason due to which its submission was delayed:
4. On _____ at _____ the report embargo was removed
5. The company is a shell company, as defined in the TASE Rules and Regulations.

Details of the signatories authorized to sign on behalf of the corporation

	Signatory's Name	Position
1	<i>Racheli Friedman, Adv.</i>	<i>Other</i> <i>Chief Legal Advisor</i>
2	<i>Moshe Lari</i>	<i>Other</i> <i>Head of the Financial Division</i>

Explanation: According to Regulation 5 of the Securities (Periodic and Immediate Reports) Regulations, 5730-1970, a report filed under these regulations shall be signed by those authorized to sign on behalf of

the corporation. The position of the senior staff on the matter (in Hebrew) can be found on the ISA's website: [Click here](#)

The reference numbers of previous documents on the subject (reference does not constitute incorporation by reference):

2020-01-067528 **2019-01-103980** **2017-01-110619**
Securities of a Corporation Listed for Trading on the Tel Aviv Stock Exchange Form structure revision date: June 23, 2020
Abbreviated Name: Mizrahi Tefahot
Address: 7 Jabotinsky Street, Ramat Gan, 52520 Tel:03-7559720 Fax:03-7559923
E-mail: mangment@umtb.co.il Company website: https://www.mizrahi-tefahot.co.il

Previous name of the reporting entity: United Mizrahi Bank Ltd

Name of the person reporting electronically: Horwitz Ofer	Position: Bank Secretary	Name of Employing Company: Mizrahi Tefahot Bank Ltd
Address: 7 Jabotinsky Street, Ramat Gan, 52520	Tel: 03-7559207	Fax: 03-7559913
		E-mail: management@umtb.co.il

July 27, 2020

To:
Israel Securities Authority

To:
Tel-Aviv Stock Exchange Ltd

Dear Sir or Madam,

Re: Update – Agreement with the Shareholders of Union Bank of Israel Ltd

Further to the previous reports (as defined below) published by Mizrahi Tefahot Bank Ltd (hereinafter: the “**Bank**”), regarding the Bank’s engagement in an agreement (including its addendums) with the shareholders of Union Bank of Israel Ltd (hereinafter: “**Union**”), who together hold approx. 47.63% of Union’s issued and outstanding capital (hereinafter: the “**Merger**” and the “**Merger Agreement**”, respectively); and regarding the decision of the Competition Commissioner (hereinafter: the “**Commissioner**”) on the matter of the Merger, dated January 8, 2020 (hereinafter: the “**Commissioner’s Decision**”), according to which the approval of the Merger was contingent on the fulfillment of various conditions¹, including the sale of the Bank's or Union's diamond sector credit activities; and further to the contents of the immediate report from July 14, 2020², regarding the Bank’s engagement in an agreement with the Peninsula Group Ltd, according to which, subject to the completion of the Merger, as well as the Commissioner’s approval, an agreement will be signed between Union and the credit buyer for the sale of the credit portfolio to finance Union customers’ diamond activities (hereinafter: “**Credit Portfolio Sale Transaction**”), the Bank hereby updates with the following:

On July 27, 2020, the Commissioner’s amended decision (hereinafter: the “**Commissioner’s Amended Decision**”) was received, including certain amendments to the original decision, which were discussed between the parties to the Merger Agreement and the Commissioner, in order for the Credit Portfolio Sale Transaction to comply with the conditions of the Commissioner’s Decision. *Inter alia*, the Commissioner’s Amended Decision will allow for the completion of the Credit Portfolio Sale Transaction parallel to the execution of the Merger. Moreover, at the above mentioned date, the Commissioner’s approval with respect to the identity of the credit portfolio’s buyer and the substance of the diamond sector credit activities being sold was received.

It is hereby clarified that the completion of the credit transaction and the completion of the Merger involve the fulfillment of conditions described in principle in the previous reports; and therefore, there is no certainty that these transactions will be completed.

The “**Previous Reports**” above and below shall mean: the immediate reports dated November 28, 2017 (reference no.: 2017-01-110619) and January 16, 2018; February 7, 2018; May 30, 2018; June 25, 2018 and August 5, 2018 (reference nos: 2018-01-005313, 2018-01-011076,

¹ See the immediate report from January 8, 2020 (reference no. 2020-01-003750)

² Reference no.: 2020-01-067528

2018-01-053347, 2018-01-060643 and 2018-01-072859 respectively); the immediate report dated July 8, 2019 (ref. no: 2019-01-070000); the contents of the Board of Directors report attached to the report of the third quarter of 2019, under ‘Significant developments in management of business operations’, as published on November 18, 2019 (reference no. 2019-01-098931); and also the immediate reports dated November 25 and 28, 2019 (reference nos.: 2019-01-101826 and 2019-01-103980, respectively); and January 1, 8 and 27, 2020 (reference nos.: 2020-01-000351, 2020-01-003750 and 2020-01-010362, respectively), as well as the contents of the periodic report for 2019 under “Business goals and strategy”, as published on February 25, 2020 (reference no. 2020-01-018930); and the contents of the report for the first quarter of 2020, under the chapter ‘Significant developments in management of business operations’, as published on May 31, 2020 (reference no. 2020-01-055398); and the contents of the immediate (amending) report from June 1, 2020 (reference no. 2020-01-055797), which are included in this report by way of reference.

The contents of this immediate report are brought forth under the assumption that its reader also has the Previous Reports.

Respectfully,

Mizrahi Tefahot Bank Ltd

By:

Racheli Friedman, Chief Legal Advisor

Moshe Lari, Head of the Finance Division