

Mizrahi Tefahot Bank Ltd.'s Immediate Reports are published in Hebrew on the Israel Securities Authority and the Tel Aviv Stock Exchange websites.

The English version is prepared for convenience purposes only. The only binding version of the Immediate Reports is the Hebrew version.

In the event of any discrepancy or inconsistency between the Hebrew version and the translation to English, the Hebrew version shall prevail and supersede, for all purposes and in all respects

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>	T121 (Public)	Date of transmission: September 15, 2020
	www.isa.gov.il		www.tase.co.il		Ref: 2020-01-092182

Immediate Report

Explanation: This form may not be used if an appropriate form exists for the reported event.

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

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

Nature of the Event: *Union diamond credit – examination by the Competition Authority*

The reference numbers of previous documents on the subject; _____

Attached file [competition authority review – immediate report isa.pdf](#)

The company *is not* a shell company, as defined in the TASE Rules and Regulations.

Date on which the corporation first learned of the event: *September 13, 2020 at 19:40.*

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

	Signatory's Name	Position
1	<i>Racheli Friedman</i>	<i>Other Chief Legal Advisor</i>
2	<i>Ofer Horvitz</i>	<i>Other Bank Secretary & Head of the Bank's Headquarters</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):

Securities of a Corporation Listed for Trading on
the Tel Aviv Stock Exchange

Form structure revision date: August 4, 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:
Horvitz 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

September 15, 2020

To:
Israel Securities Authority

To:
Tel-Aviv Stock Exchange Ltd

Dear Sir or Madam,

Re: Union Diamonds Credit – Examination by the Competition Authority

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 further to the aforesaid in the immediate reports from July 14, 2020¹ and July 27, 2020², regarding the Bank’s engagement in an agreement with the Peninsula Group Ltd (hereinafter: the “**Credit Buyer**”), according to which, subject to the completion of the Merger, 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 September 13, 2020, the Bank received a letter from the Competition Authority (hereinafter: the “**Authority**”), according to which, the Authority is examining the circumstances of the decline in the scope of the activity of credit granting to finance Union customers’ diamond activities, subject of the Credit Portfolio Sale Transaction.

The Bank was advised by Union that the diamond sector credit is being managed thereby in its ordinary course of business and that it is acting in accordance with the Competition Commissioner’s decision regarding the conditions of the Merger, in connection with the sale of the credit portfolio.

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, 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,

¹ Reference no.: 2020-01-067528

² Reference no.: 2020-01-079680

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); the contents of the report for the first quarter of 2020, the immediate (amending) report from June 1, 2020, and the report for the second quarter of 2020, the chapter ‘Significant developments in management of business operations’, as published on May 31, 2020; June 1, 2020; and August 17, 2020 (reference nos. 2020-01-055398, 2020-01-055797 and 2020-01-79993, respectively), the contents of 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

Ofer Horwitz, Bank Secretary