

The following is an unofficial translation of the Hebrew report and has been prepared for convenience only. In case of any discrepancy, the Hebrew version prevails.

בנק הפועלים בע"מ

**Bank Hapoalim B.M.**

Number with the Registrar: 520000118

Securities Authority    Tel Aviv Stock Exchange Ltd.    Tav 121    Transmitted via Magna: 09/02/2021  
[www.isa.gov.il](http://www.isa.gov.il)    [www.tase.co.il](http://www.tase.co.il)    (Public)    Reference: 2021-01-016323

**Immediate Report**

Explanation: This form should not be used when there is a form appropriate to the reported event.

**Results of an issue should be reported on Tav 20 and not on this form.  
A report on the rating of bonds or the rating of a corporation  
should be filed under Form Tav 125.**

**Nature of the Event:** *Agreement for the Sale of the Bank's Holdings in Bank Pozitif*

Reference numbers of previous reports on the subject: \_\_\_\_\_

*Further to the provisions of Section 2.6.3 of the Report of the Board of Directors and Board of Management of Bank Hapoalim B. M. ("the Bank") for the third quarter of the year 2020 (on page 68) regarding the Bank's decision to act to sell its investment (approximately 69.8%) of the bank Bank Pozitif Kredi Ve Kalkinma Bankasi Anonim Sirketi ("Bank Pozitif") currently operating in Turkey, offers received in relation thereto and contentions of the minority shareholder of Bank Pozitif ("the Minority Shareholder") vis à vis the Bank, the Bank updates as follows:*

*On 9.2.2021 the Bank, together with the Minority Shareholder, entered into an agreement for the sale of the entire holdings of the parties (100%) in Bank Pozitif to the purchaser. The transaction is subject to obtaining regulatory approvals in Turkey and Israel by 30.6.2021. The Bank, without the Minority Shareholder, will be responsible for the business representations made to the purchaser. Subject to the completion of the transaction, it was agreed with the Minority Shareholder that both parties would make a mutual waiver of claims against each other. Subject to the completion of the transaction and taking into consideration the reduced value of the investment in the books of the Bank and the rate of exchange of the Turkish currency at this time, the Bank expects to record on the completion date a gain of approximately NIS 40 million (no payment of tax is anticipated).*

*At this time, there is no certainty that the approvals required for the sale will be obtained and there is no certainty that the transaction will be completed or as to the gain that will be recorded, also taking into consideration the economic situation in Turkey and the circumstances of Bank Pozitif.*

Attached is a file \_\_\_\_\_

The company is *not* an enveloping company as defined in the TASE Rules and Regulations

The date and time when the corporation first learned of the event: *09/02/2021 at 12:00 pm.*

**Particulars of the signatories authorized to sign on behalf of the corporation:**

	<b>Name of Signatory</b>	<b>Job Title</b>
1	<i>Yadin Antebi</i>	<i>Other Head of Financial markets and International Banking</i>
2	<i>Guy Kalif</i>	<i>Other Chief Accountant</i>

**Explanation:** According to Regulation 5 of the Periodic and Immediate Reports Regulations, 5730-1970, a report filed pursuant to these Regulations should be signed by the persons authorized to sign on behalf of the corporation. ISA Staff position on the subject can be found on the ISA website: [Press here](#)

Signed on 9.2.2021

The reference numbers of the previous documents on the subject (any citation made does not constitute inclusion by way of reference):

**2020-01-116053**

The securities of the corporation are listed for trading on the Tel - Aviv Stock Exchange

Date on which the structure of the form was updated: 31/12/2020

Abbreviated Name: Poalim

Address: POB 27, Tel Aviv 6100001 Telephone: 03-567 3800. 03-567 3333, Fax: 03-567 4576

Electronic Mail: [gilad.bloch@poalim.co.il](mailto:gilad.bloch@poalim.co.il) Company Website: <http://www.bankhapoalim.co.il>

Previous names of reporting entity:

Name of Electronic Reporter: Bloch Gilad, His Job Title: Secretary of the Bank, Name of Employing Company:

Address: Yehuda Halevy 63, Tel-Aviv 6578109, Telephone: 03-567 3800 Fax: 03-567 4576,

Electronic Mail: [gilad.bloch@poalim.co.il](mailto:gilad.bloch@poalim.co.il)

