



Financial Statements

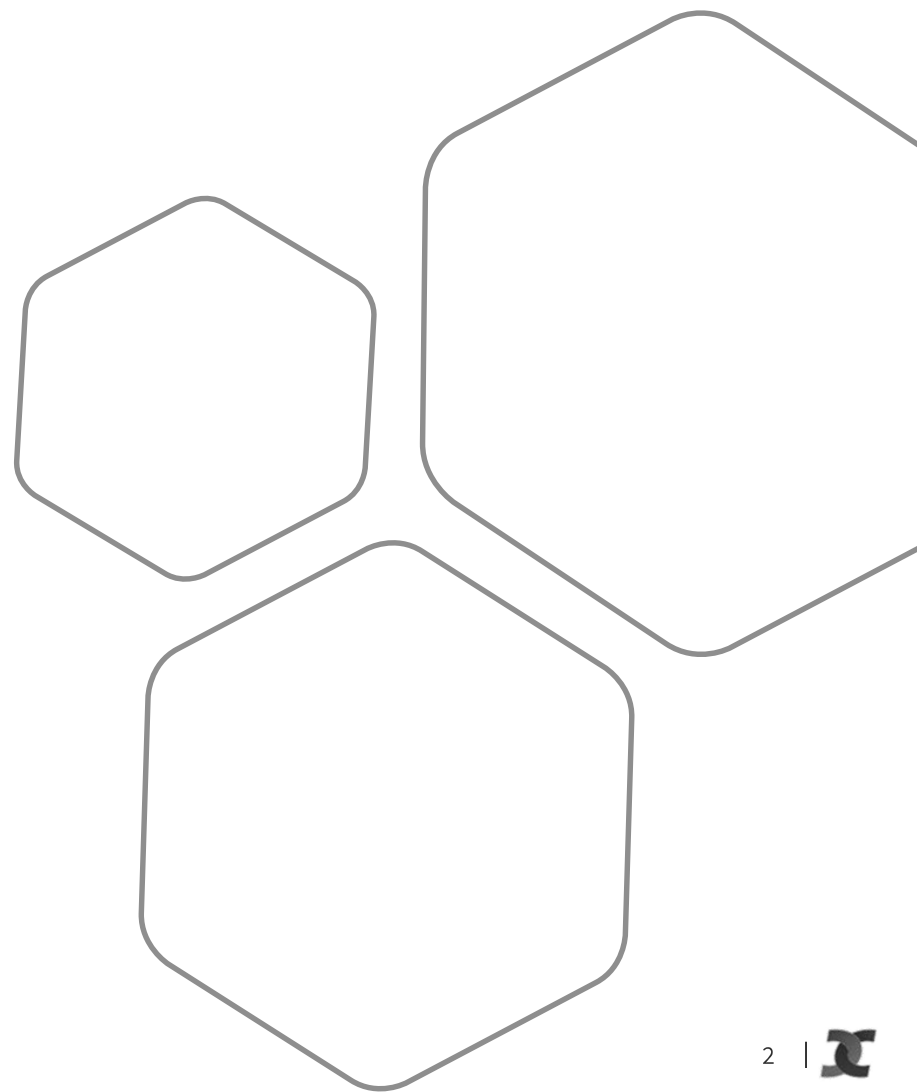
June 2024

Waiver

This presentation contains only partial information regarding the Company's results for the January to June 2024 period and was prepared for summary and convenience purposes only. The presentation cannot be in lieu of reviewing the reports published by the Company for the public (including its financial statements), which include the complete information about the Company, before making a decision to invest in the Company's securities. In the event of any discrepancy between that stated in the presentation and that stated in the Company's official reports, that stated in the said reports will prevail.

Any forward-looking forecast and/or statement (as forward-looking information is defined in the Israel Securities Law, 1968) provided, if any, by way of this presentation, is based on the Company's management's assessment according to its discretion, and involves uncertainty, including factors that are beyond the Company's control, each of which or a combination of them, as well as materialization of any of the risk factors typical of the Company's operations, may lead to the said forecasts and/or assessments not being realized or being realized materially differently than expected.

This presentation does not constitute an offer to acquire securities of the Company, or an invitation to receive such offers, and is intended for the provision of information only, as part of providing explanations about the Company.



Introduction

First and foremost we long for the return home of all hostages.

319 days have passed since the outbreak of the Iron Swords War and we are moved by the resilience of the Israeli spirit, which has never wavered.

The institutional entities are even more important in those times; they play a significant role in maintaining the resilience of the State of Israel.

We salute all IDF soldiers and the security forces for defending us and ensuring our safety with valor and determination, and hope that peace and security will prevail soon.





01 Key Points

02 Operating results highlights

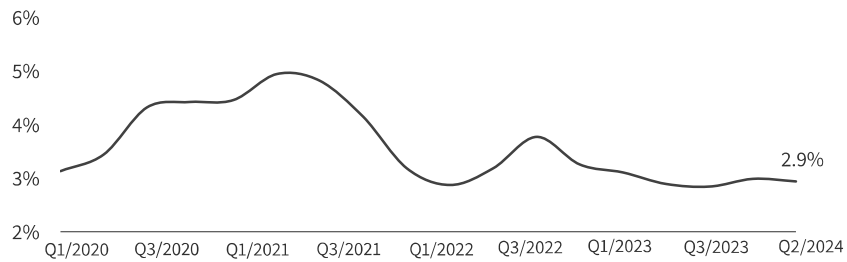
03 Details of changes in income by segment

The Israeli Economy

Robust Macroeconomic Data

Unemployment rate (% , ages 25-64)

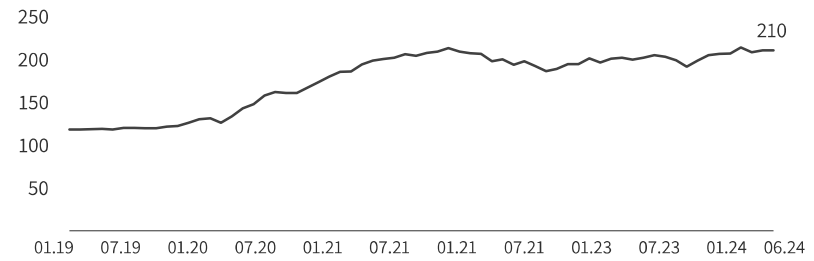
The unemployment rate in Israel is at record lows, at approx. 2.9%



Source: Bank of Israel

Foreign exchange balances (USD billion)

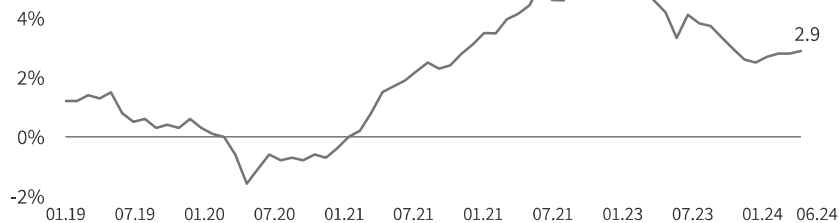
Foreign currency balances are at a record high and may support the Bank of Israel in stabilizing the exchange rate if needed



Source: Bank of Israel

Inflation index

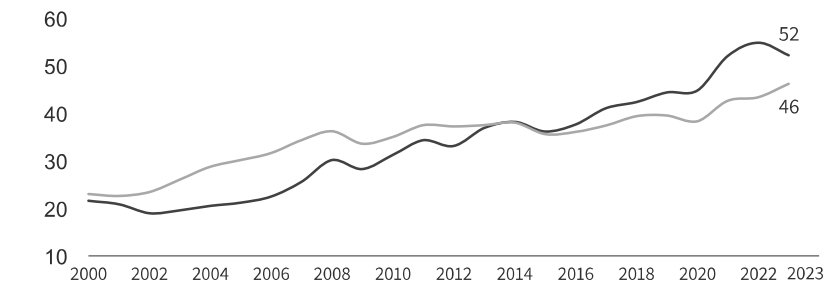
The annual inflation rate stands at 2.9%, which is similar to the US inflation rate and to the Bank of Israel's inflation expectation (3.0%)



Source: Bank of Israel

GDP per capita (USD thousand)

The Israeli economy enjoys high GDP per capita compared to the OECD average



— Israel — OECD average Source: Central Bureau of Statistics, OECD Statistics

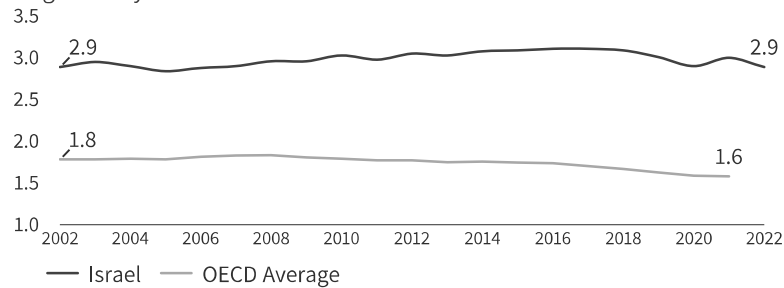


The Israeli Insurance and Credit Market

Key Drivers

Fertility rate, average no. of children per woman

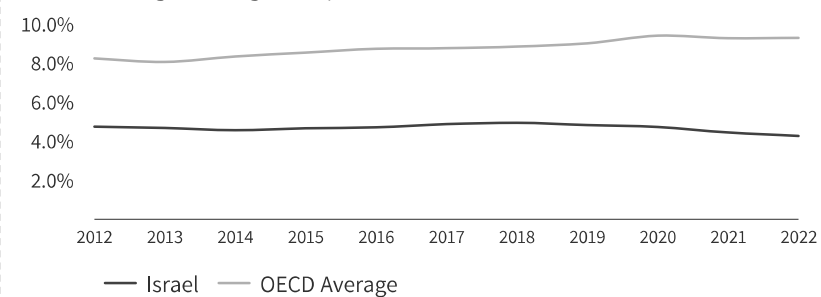
This is a significant growth engine for the insurance, savings and credit subsegments. In the past twenty years, Israel's fertility rate has been approx. 90% higher than the average fertility rate of OECD countries.



Source: Central Bureau of Statistics, The World Bank

Penetration rate - insurance products (%)

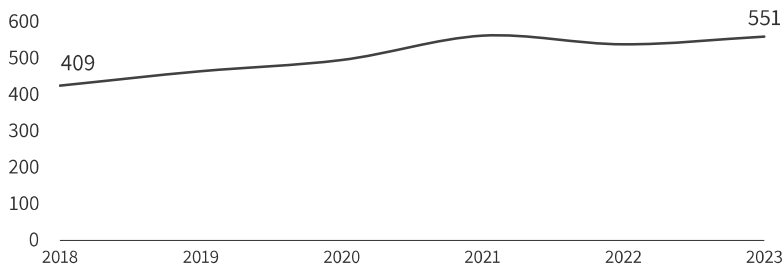
Reflects the development level of the insurance sector in Israel; calculated as total premiums of the insurance market divided by GDP of that year. The Israeli insurance market has significant growth potential.



Source: OECD Statistics

Average savings per capita (NIS thousand)

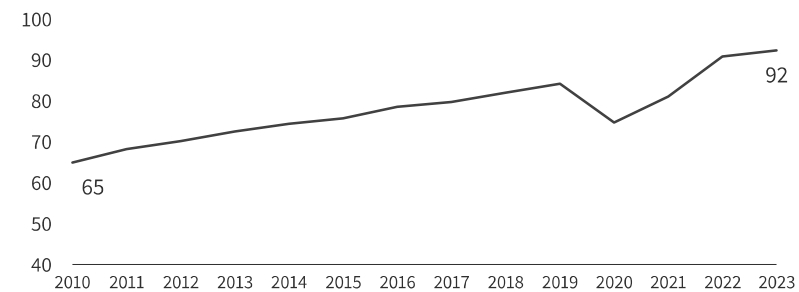
Growth engine of Long-Term Savings subsegment. One can see an average annual growth rate of approx. 8% during the past five years.



Source: Central Bureau of Statistics, Bank of Israel

Expenditure for private consumption per capita (NIS thousand)

This is a significant growth engine in the credit card industry. One can see a growth rate of approx. 50% per decade, with an average annual growth rate of approx. 2.7% per annum.



Source: Central Bureau of Statistics



H1/2024 Continues to Reflect the Realization of the Group's Strategy

In 2023, Clal Holdings Group completed the acquisition of credit card company Max, and it is currently benefiting from two significant pillars - the Insurance and Long-Term Savings Segment and the Credit Cards Segment. Thus, Clal Holdings is accelerating its change from a legacy insurance company with a significant bias towards traditional Long-Term Savings and Long-Term Care products, to a financial holding group with diversified sources of income and profit.

It is apparent that Max group is well incorporated in Clal Holdings Group in its capacity as a leading institutional entity in Israel, and that its strong results contribute significantly to the Group's growth.

The improvement in income in H1 arises from a marked improvement in the business activity income, which was partially offset by low real returns in the capital market compared to last year.

Group Results - Highlights

NIS 13.0
billion

Premiums

With added contributions towards
benefits and investment contracts

NIS 350
billion

Assets under
management

NIS 157
million

Comprehensive income,
Q2/2024

Attributable to shareholders

NIS 320
million

Comprehensive income,
H1/2024

Attributable to shareholders

AA- Aa1 Aa3

S&P Maalot - Midroog, Clal Midroog,
Clal Holdings Insurance Max

The Company's rating

NIS 8.9
billion

Shareholders equity

Attributable to shareholders

NIS 0.9
billion

Excess capital

As of December 31, 2023, net of
Transitional Provisions

109%*

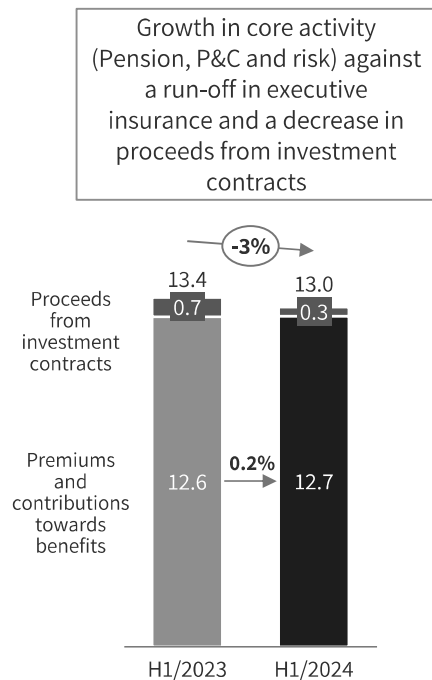
Solvency ratio

As of December 31, 2023, net of
Transitional Provisions

* As from the Economic Solvency Ratio Report as of December 31, 2024, a new outline taking into account the fair value of future variable management fees as part of the existing capital is expected to enter into effect. The effect of this outline is estimated at an additional rate of approx. 14%, without taking into account the Transitional Provisions, and with an additional rate of approx. 9%, taking into account the Transitional Provisions.

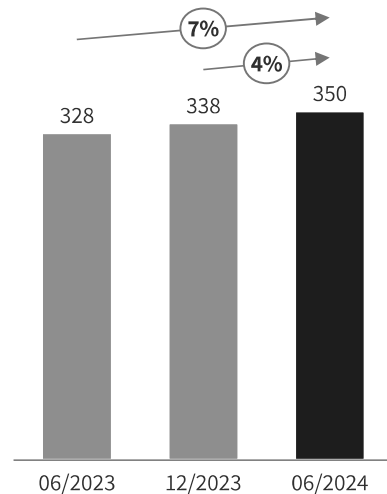
Main Trends

Continued Improvement Across the Company's KPIs

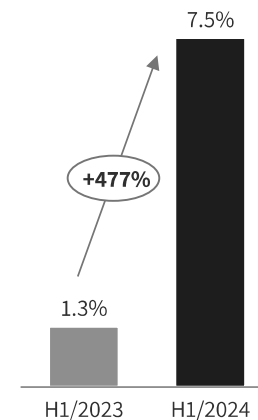


Premiums (NIS billion)

With added contributions towards benefits and investment contracts

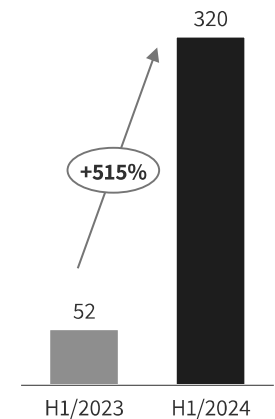


Assets under management (NIS billion)



Return on equity (%)

Attributable to shareholders



Comprehensive income, after tax (NIS million)

Attributable to shareholders

Key trends



Comprehensive income, after tax of approx. NIS 320 million in Q1, a substantial increase compared with the corresponding half last year



Comprehensive income, after tax of approx. NIS 157 million in Q2, despite low real returns in the capital market compared with last year



Comprehensive income, before tax of approx. NIS 405 million in Insurance and Savings in the first half, more than twice the corresponding period last year, in which it stood at approx. NIS 173 million



Improvement of underwriting income across all insurance subsegments, mainly the Property & Casualty Insurance and the Health Insurance Segments



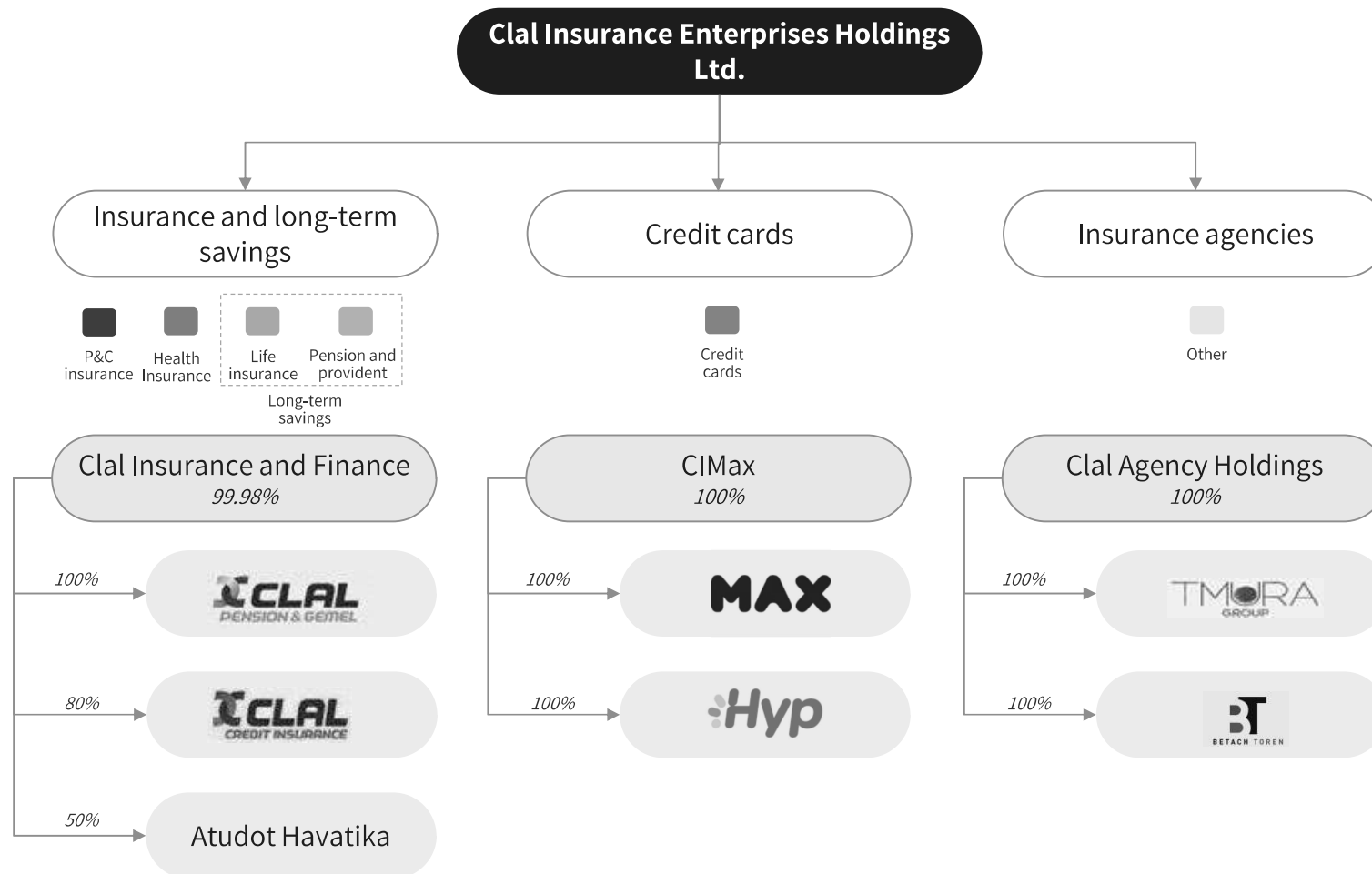
Comprehensive income, before tax of approx. NIS 206 million in the Credit Card Segment during the first half, thanks to superb results for Max, mostly in the current quarter



Excess capital of approx. NIS 0.9 billion in Clal Insurance, which translates into a solvency ratio of 109%, very close to the dividend distribution threshold (as of December 2023)

Structure of main holdings

Diversified activity in the fields of insurance and long-term savings, credit cards and insurance agencies



Classification of operating segments

Operating Segments



P&C Insurance

comprises five subsegments: Liability - Compulsory Motor and Other Liability (which mainly includes third-party liability insurance products); Property - Motor Property, Credit Insurance and Other Property (including remaining property subsegments other than motor and liability as well as other insurance subsegments, such as guarantees).



Health Insurance

comprises the Group's activity in the Health Insurance subsegments. The segment includes LTC (individual and collective) and Illnesses and Hospitalization (which includes medical expenses, surgeries and transplants, personal accidents and travel).



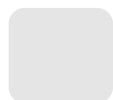
Long-Term Savings

includes the Group's activity in the life insurance, pension funds and provident funds subsegments. The segment includes long-term savings as well as insurance coverage of various risks such as death and disability insurance



Credit Cards

includes credit cards operating results, divided into two main areas of activity: issuance and acquiring.



Other

Mostly includes own agencies and investment in Michlol



Activity that is not assigned to segments

consists of the Group's headquarters, which mainly consists of capital, liabilities (including finance expenses for Max's acquisition) and assets outside the insurance or credit card businesses, and amortization of Max's excess cost





01 Key Points

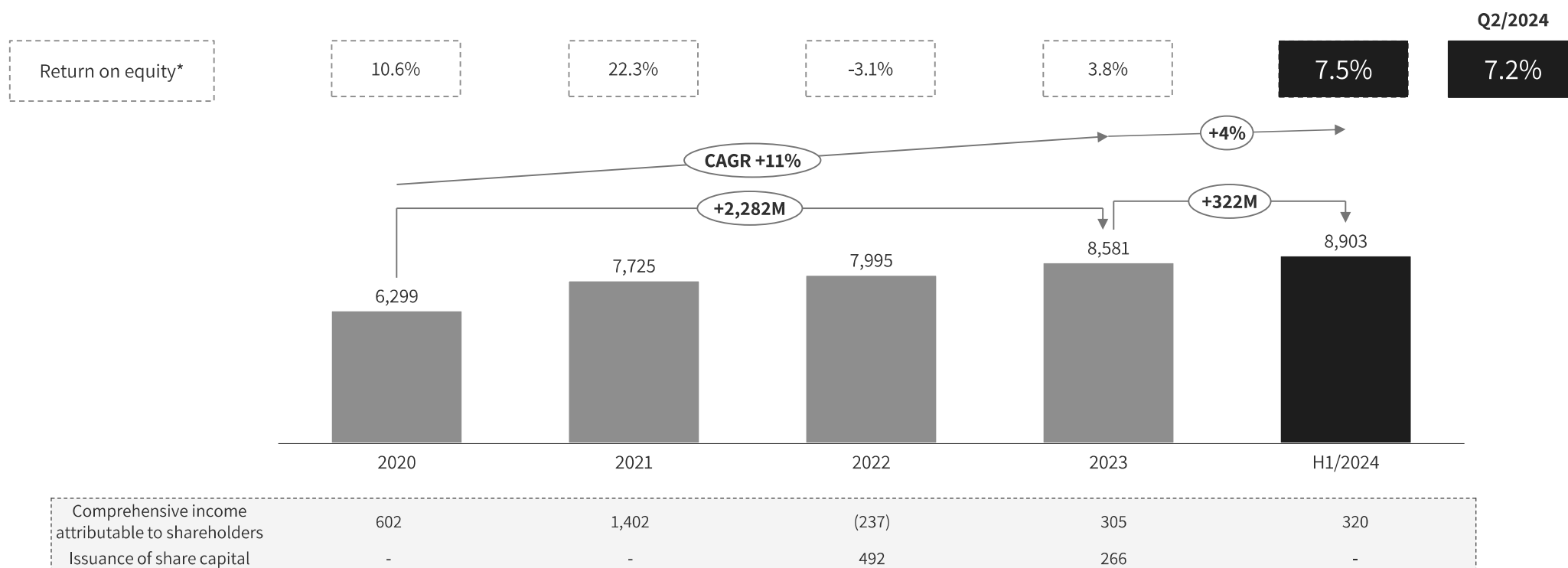
02 Operating results highlights

03 Details of changes in income by segment

Equity capital

Return on equity of approx. 7.5%, despite the challenges arising from the War and capital market

NIS million



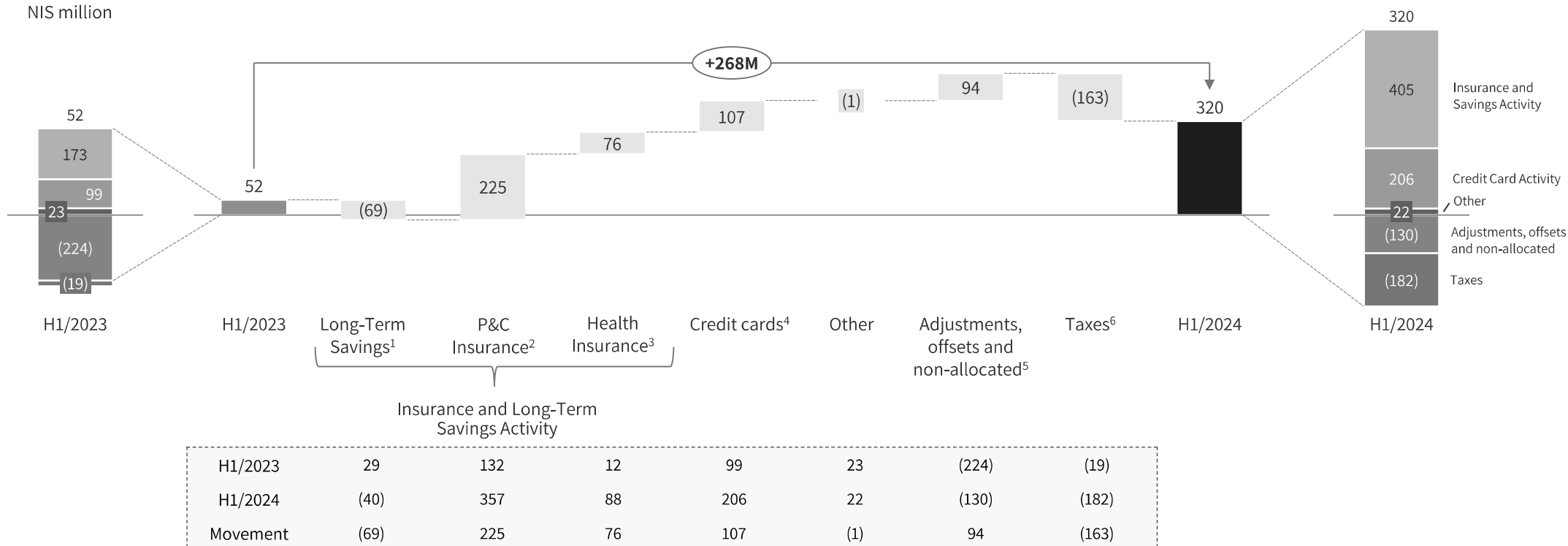
* Return on equity, annualized



Comprehensive income after tax, by operating segment - H1/2024

NIS 268 million in comprehensive income after tax, with diversification of income sources and substantial growth in insurance income

NIS million

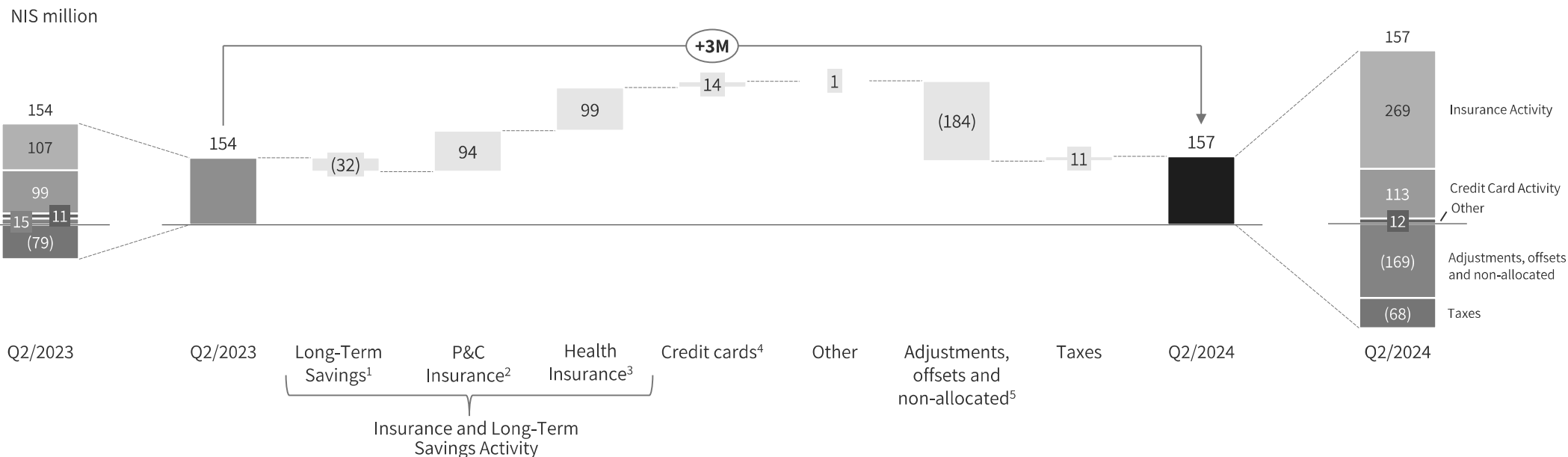


- 1 The decrease in income arises from an increase in reserve of NIS 59 million, before tax, due to revision of the mortality tables, net of the effects of revising the pension uptake rate on retirement for the Hassneh transaction
- 2 The increase in income arises mostly from substantial improvement in underwriting income
- 3 The increase in income arises from an underwriting improvement in the individual subsegments and a decrease of approx. NIS 35 million in the liability for the Long-term Care subsegment, before tax, due to the interest rate effect

- 4 The results of Max and Milo, as well as of companies under their control, were consolidated under the Company's results as from Q2/2023
- 5 In H1/2024, an investment income of approx. NIS 37 million before tax was recorded, compared to an investment income of approx. NIS 114 million before tax last year. In Q1/2023 includes a provision for credit default of approx. NIS 220 million on the acquisition of Max.
- 6 In H1/2024 includes a one-off increase of approx. NIS 18 million in tax expenses

Comprehensive income after tax, by operating segment in Q2/2024

The Company made a profit of approx. NIS 157 million after tax, with a market improvement in the underwriting income, against a challenging capital market



Q2/2023	(89)	176	21	99	11	15	(79)
Q2/2024	(121)	270	120	113	12	(169)	(68)
Movement	(32)	94	99	14	1	(184)	11

1 The decrease in income arises from an increase in reserve of NIS 59 million, before tax, due to revision of the mortality tables, net of the effects of revising the pension uptake rate on retirement for the Hassneh transaction

2 The increase in income arises mostly from substantial improvement in underwriting income

3 The increase in income arises from an underwriting improvement in the individual subsegments and a decrease of approx. NIS 79 million in the liability for the Long-term Care subsegment, before tax, due to the interest rate effect

4 Increase in income despite the slowdown in activity and transactions executed abroad due to the War

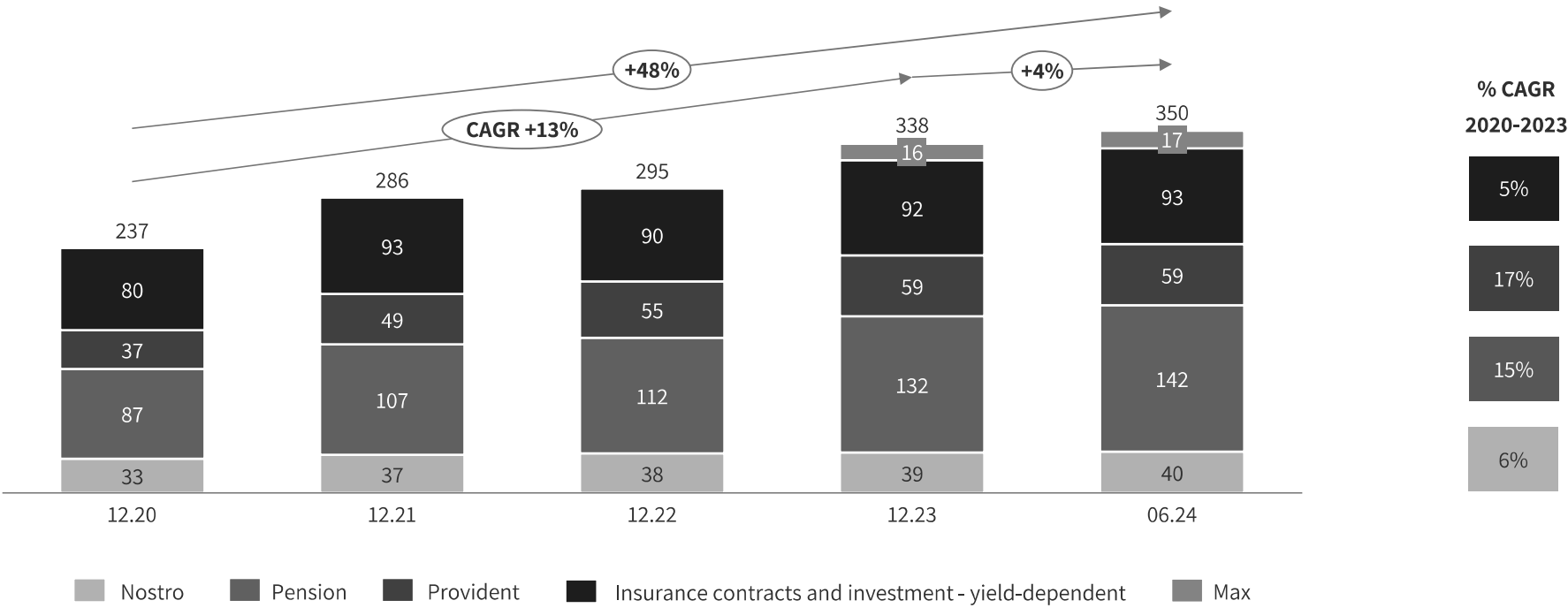
5 The transition to loss arises from an investment loss of approx. NIS 75 million before tax in Q2/2024, compared to an investment income of approx. NIS 62 million before tax in the quarter last year



Assets Under Management

Growth of Approx. 48% in Assets Under Management Since December 2020

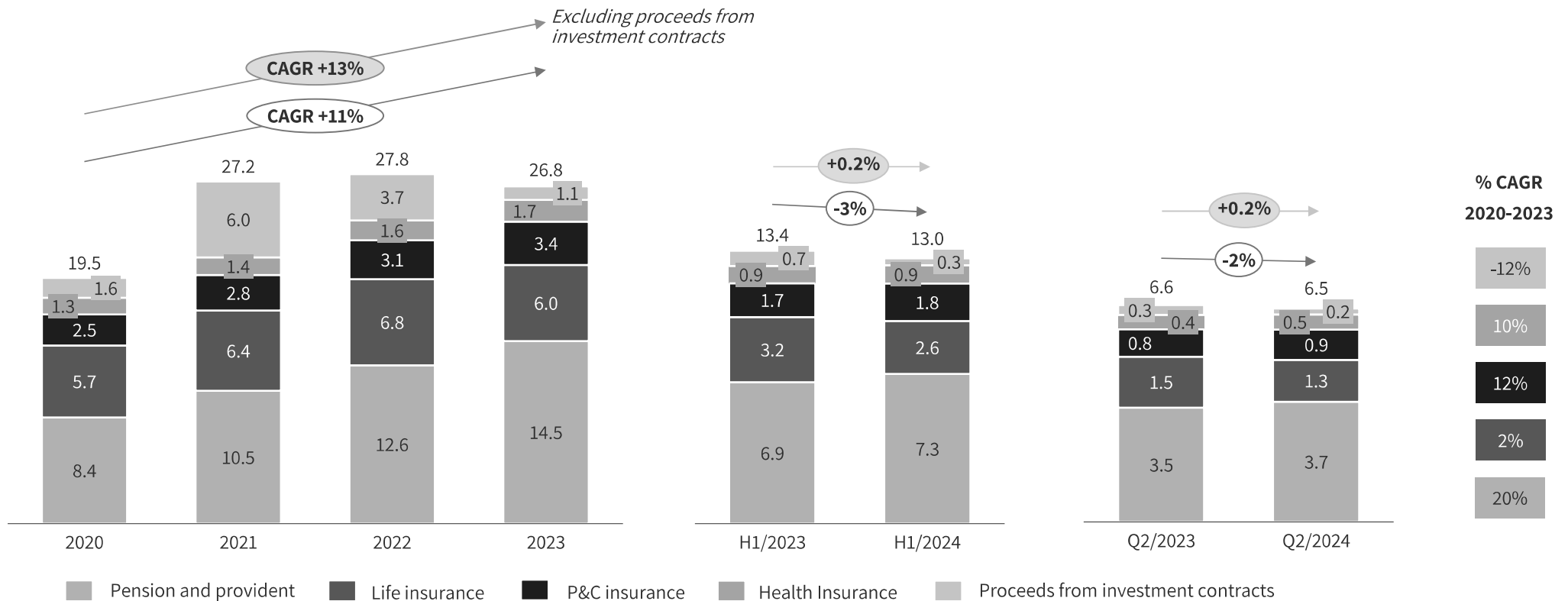
NIS billion



Scope of the Insurance and Long-Term Savings Activity

Strong Growth in Core Activity (Pension, P&C And Risk) Against a Run-Off in Executive Insurance and a Decrease in Proceeds from Investment Contracts

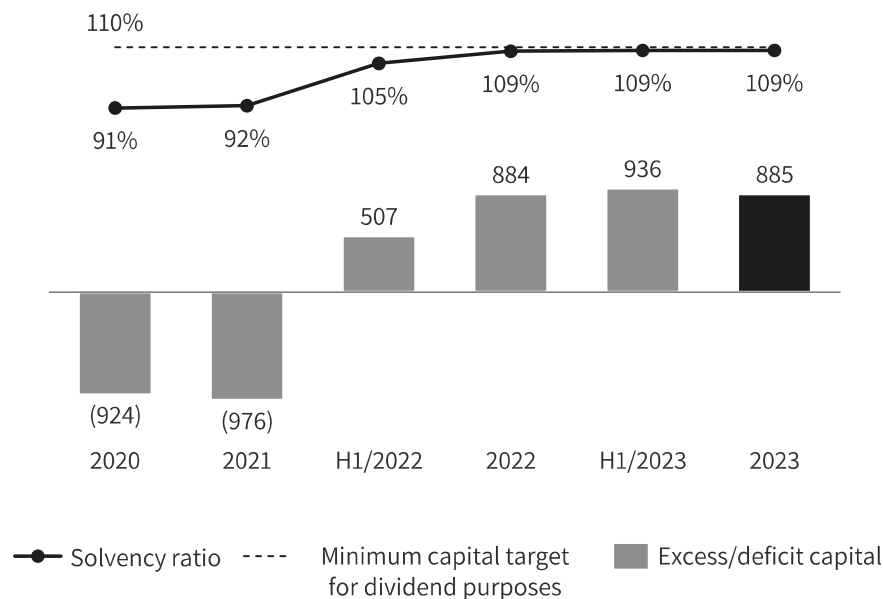
Premiums earned, gross, contributions towards benefits and proceeds in respect of investment contracts, NIS billion



Compliance with Solvency Requirements and Management's Policy - Clal Insurance

A Solvency Ratio of 109% as of December 31, 2023

Excess/deficit capital for solvency and solvency ratio purposes* (NIS million, %)



Dividend distribution policy



In June 2023, the Board of Directors of the Company approved a policy for the distribution of a dividend at a rate of 30%-50% of Clal Insurance's comprehensive income



The distribution is subject to the Company's compliance with a minimum capital target of 110%

The Company's rating

AA+

S&P Maalot
Clal Insurance
rating

Aa1

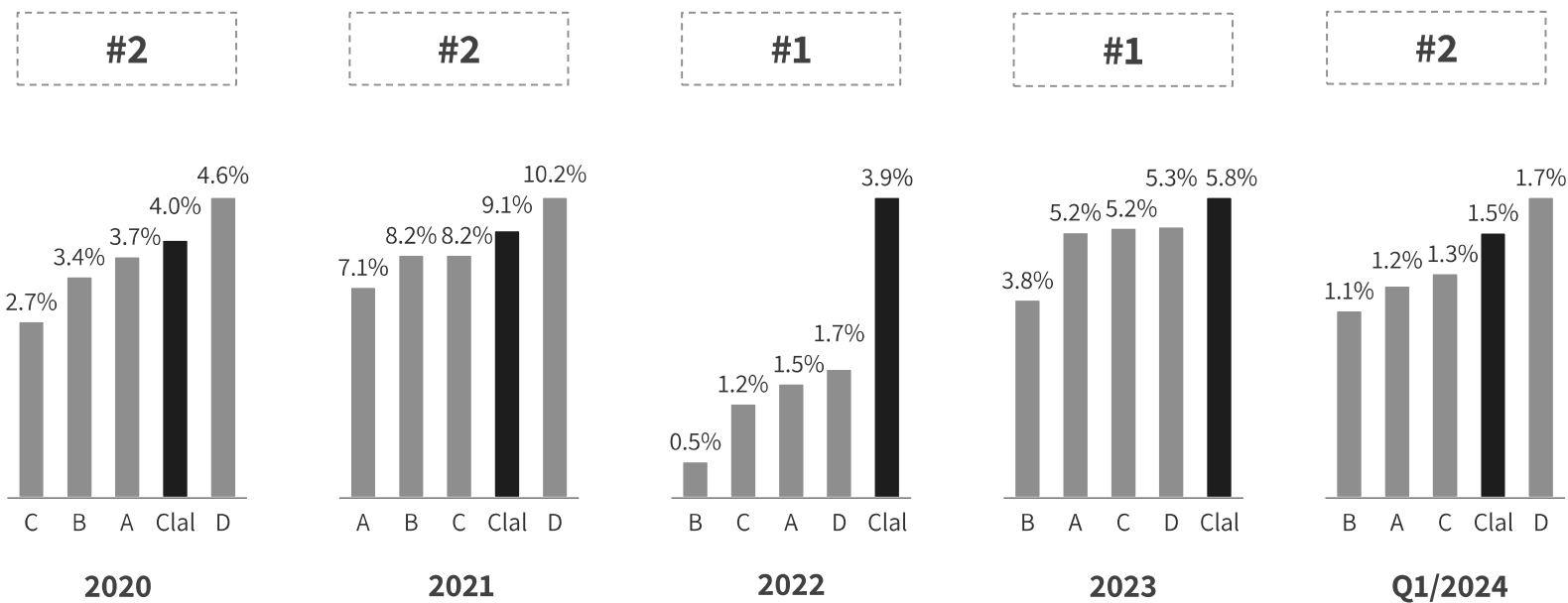
Midroog
Clal Insurance
rating

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Returns on Own (Nostro) Assets*

Compared to Leading Competitors, Clal Leads in Returns on Nostro Assets and Has Been Ranked among the Top in Recent Years



* Compared to the five major insurance companies; net of revalued own-use real estate properties



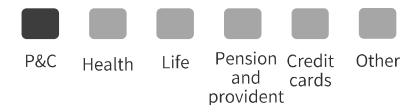
01 Key Points

02 Operating results highlights

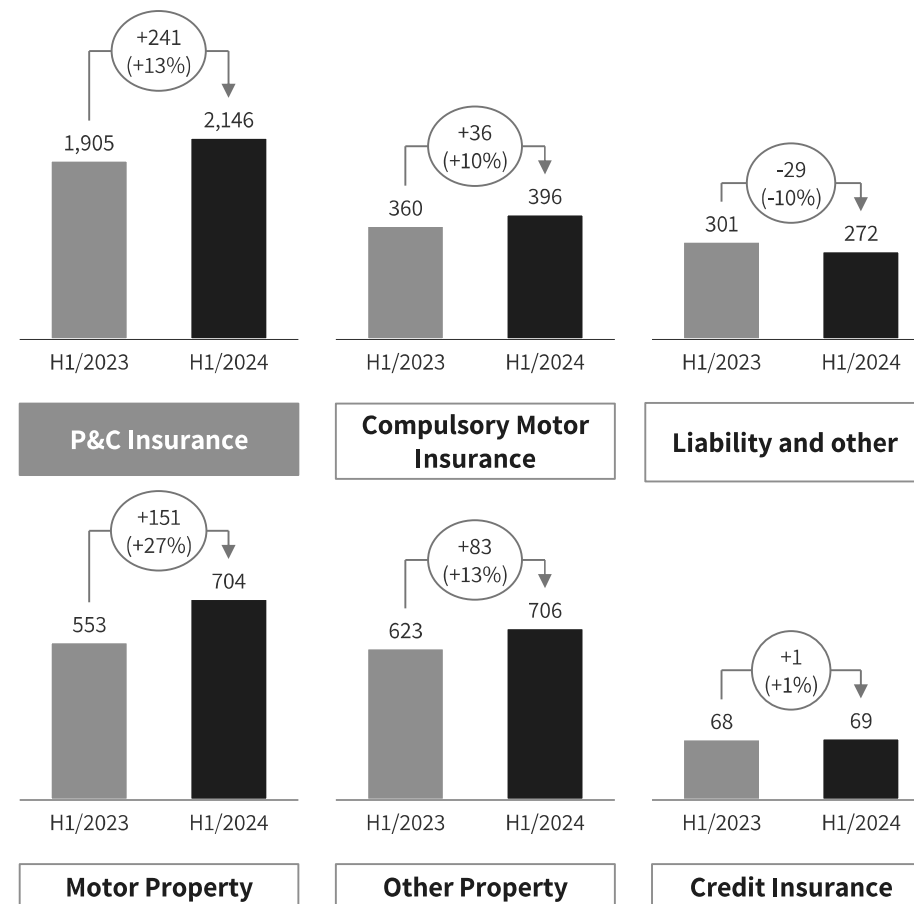
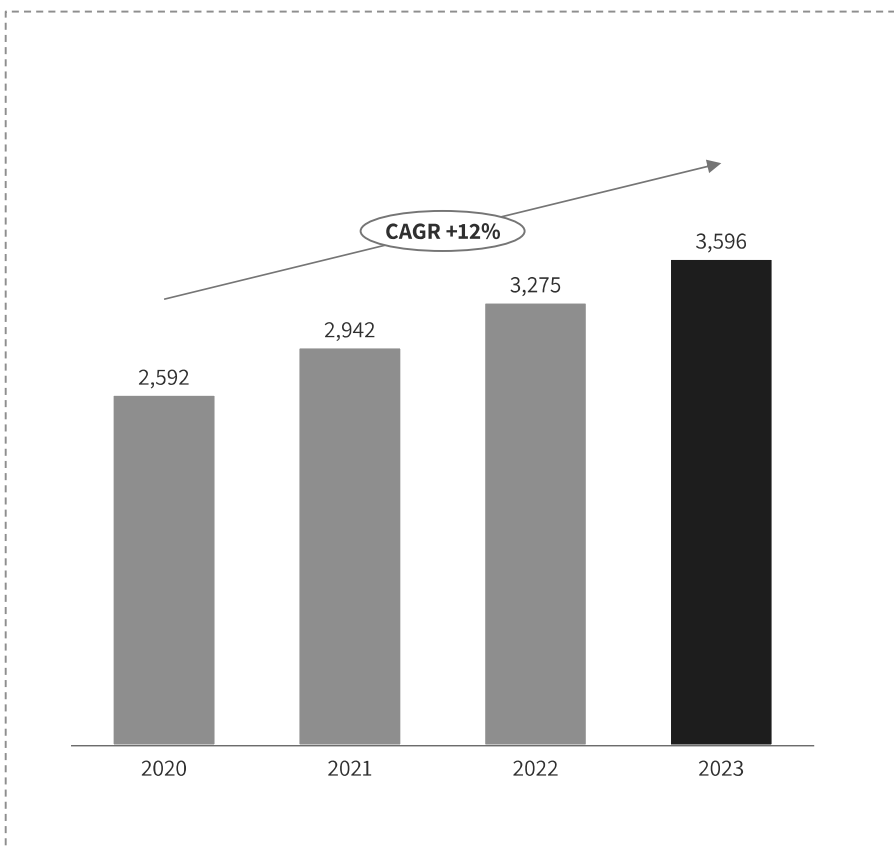
03 Details of changes in income by segment

P&C Insurance

Strong Growth of Approx. 13% in Gross Premiums, Mainly in the Property Subsegments, While Continuing to Improve Liabilities



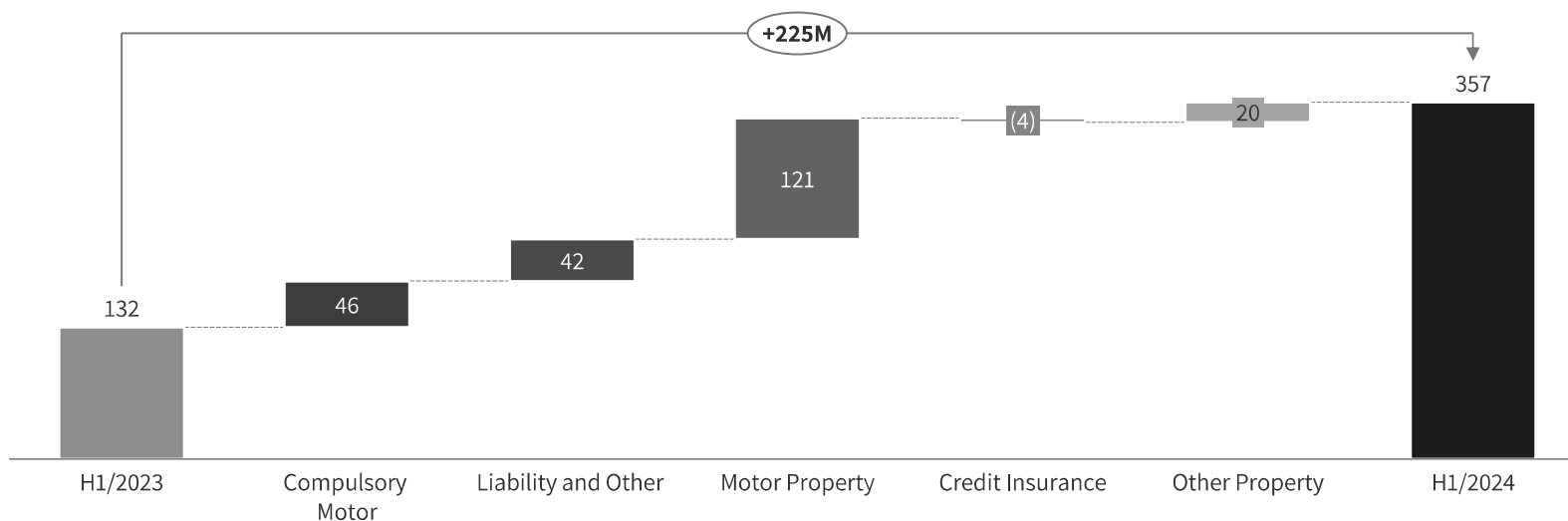
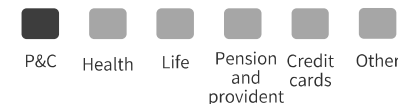
Premiums, gross, NIS million



P&C Insurance

Increase of Approx. NIS 225 Million in Comprehensive Income, While Substantially Improving the Underwriting Income

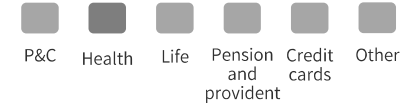
Comprehensive income, before tax, by operating segment, NIS million



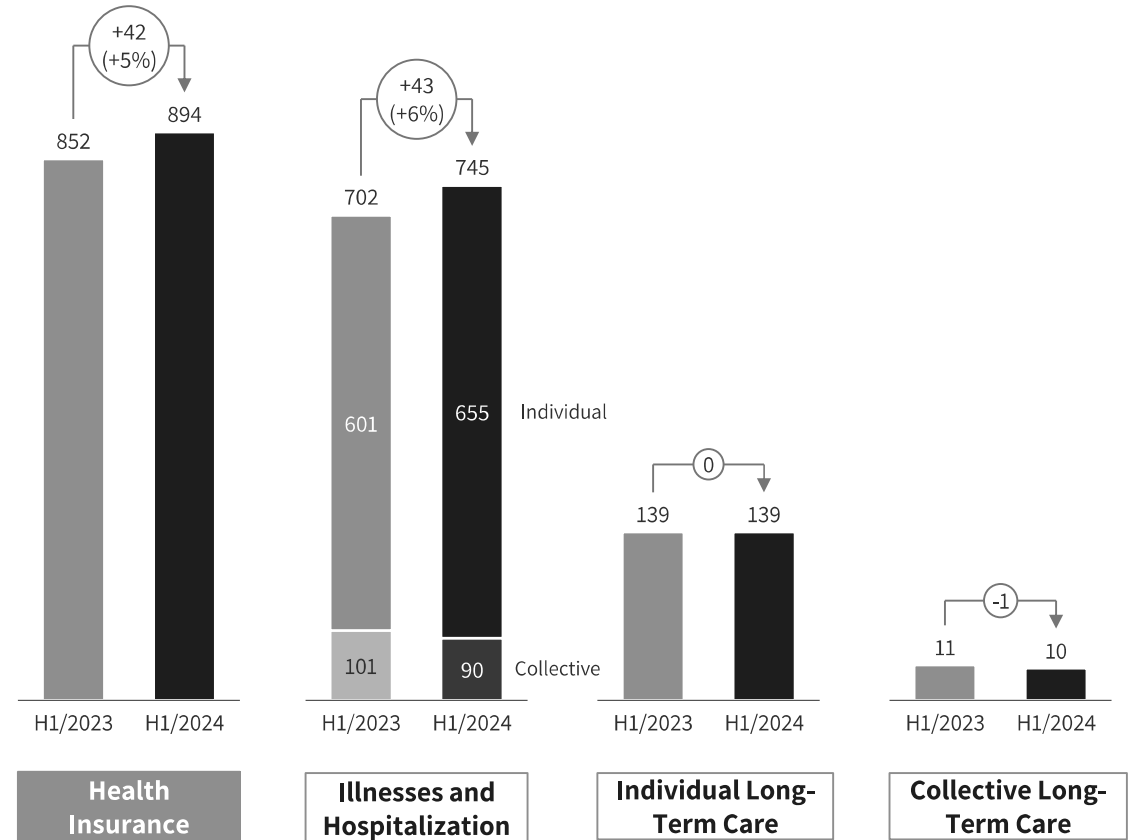
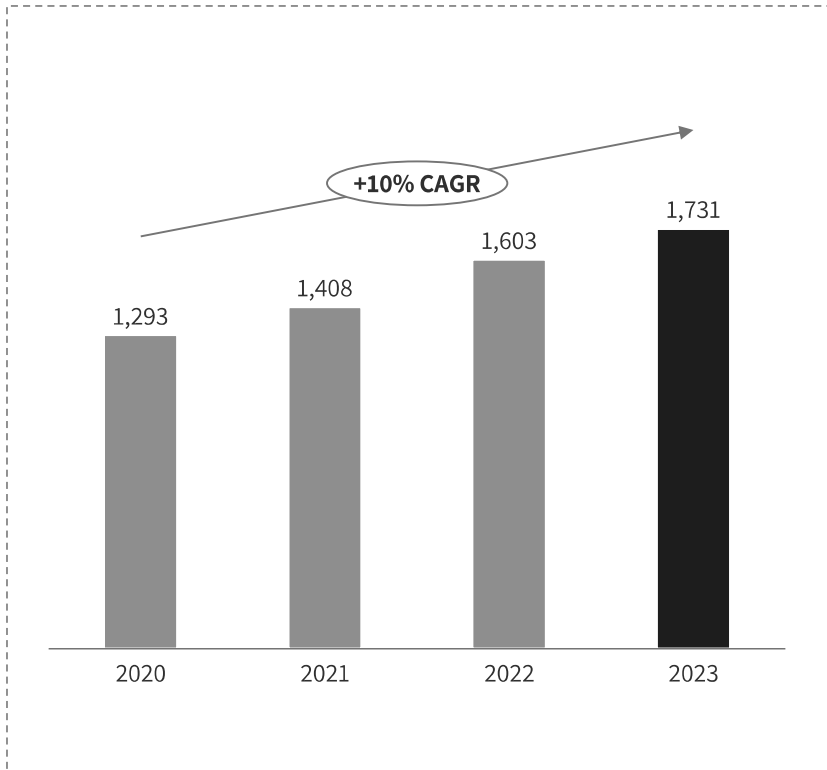
H1/2023	39	82	(68)	23	56
H1/2024	85	124	53	19	76
Movement	46	42	121	(4)	20

Health Insurance

Growth in the Individual Illnesses and Hospitalization Subsegment Compared to a Run-Off in the Long-Term Care Subsegments

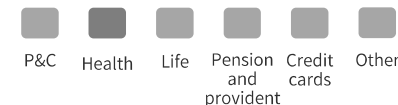


Premiums, gross, NIS million

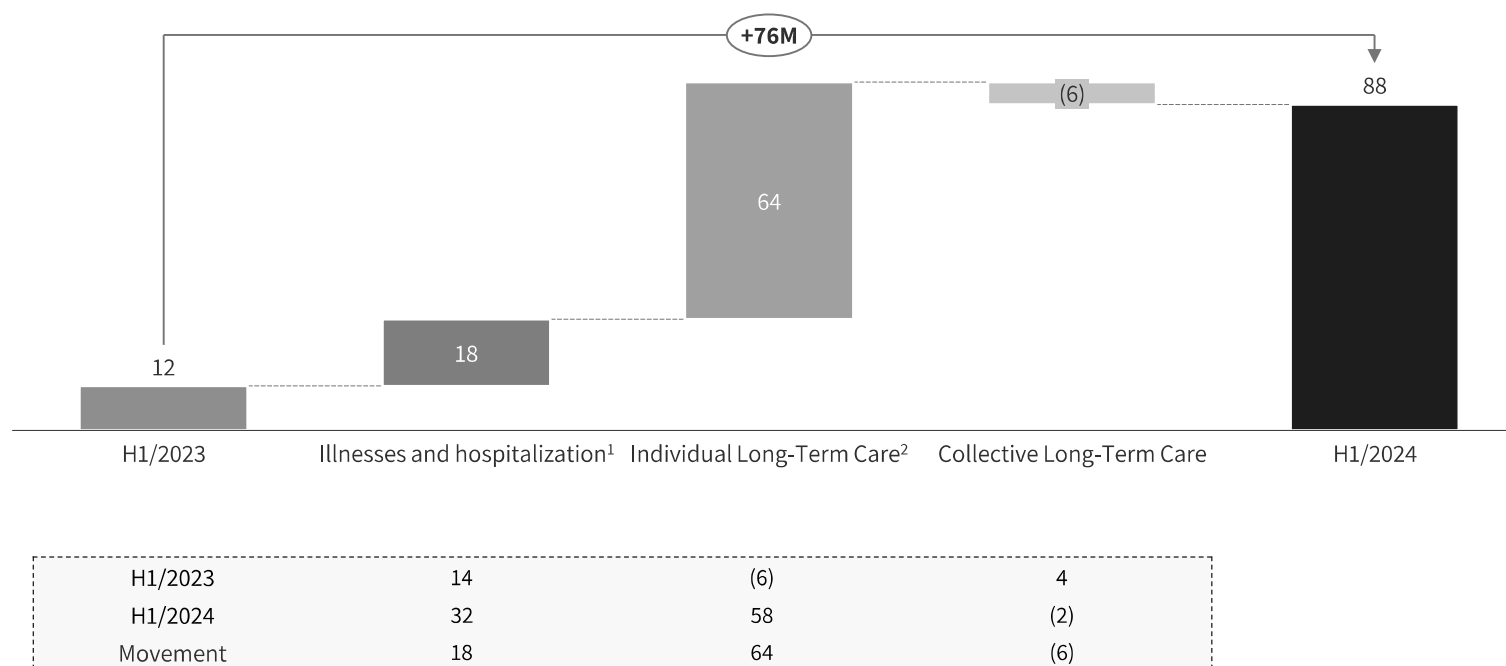


Health Insurance

Increase in Comprehensive Income as a Result of Underwriting Improvement in the Individual Insurance Subsegments and the Release of Reserves in the Long-Term Care Subsegment Due to the Increase in Interest



Comprehensive income, before tax, by operating segment, NIS million



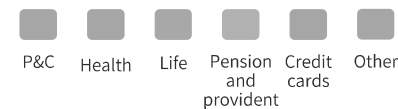
1. The increase in income arises from improvement in underwriting income

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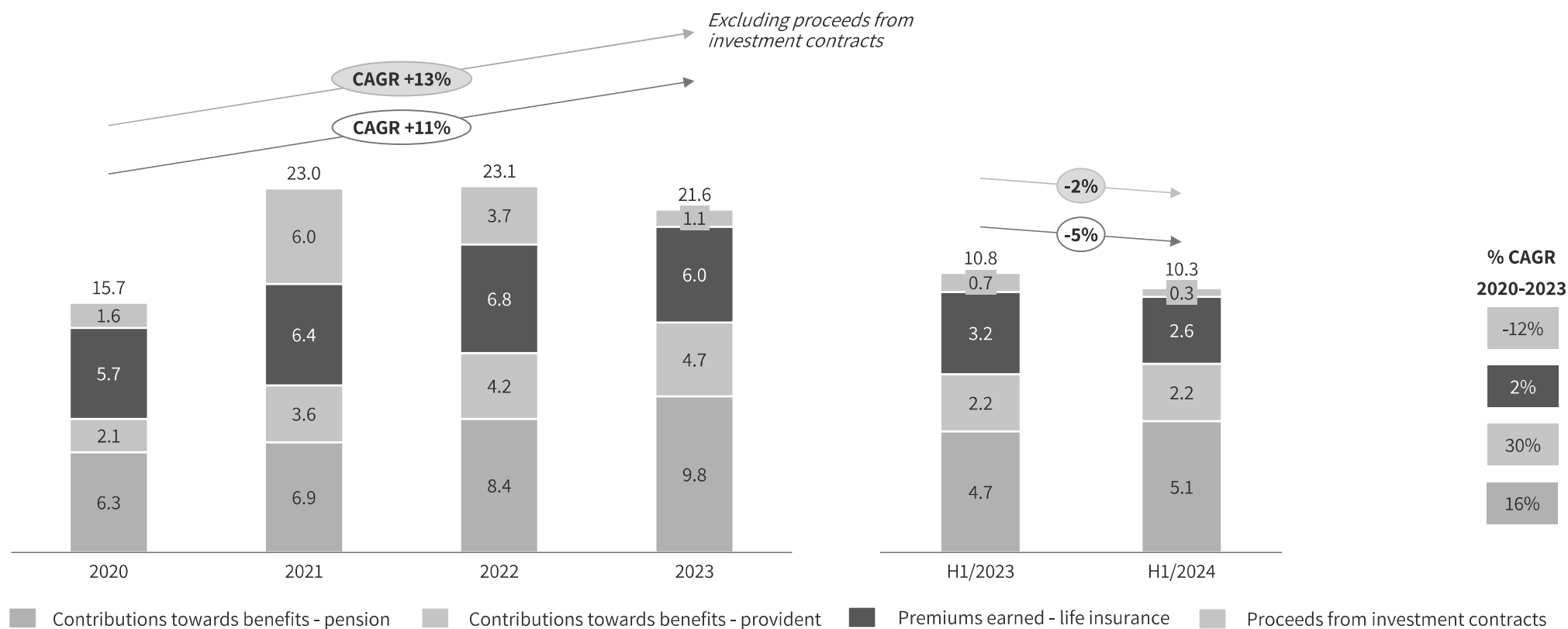


Long-Term Savings

Strong Growth in Pension Contributions, Alongside Continued Run-Off in Life Insurance (Executive Insurance) and a Decrease in Proceeds from Investment Contracts



Premiums earned, gross, contributions towards benefits and proceeds in respect of investment contracts, NIS billion



Long-Term Savings

Decrease in Income from Life Insurance Mainly Due to Revision to the Mortality Tables

- P&C

Health

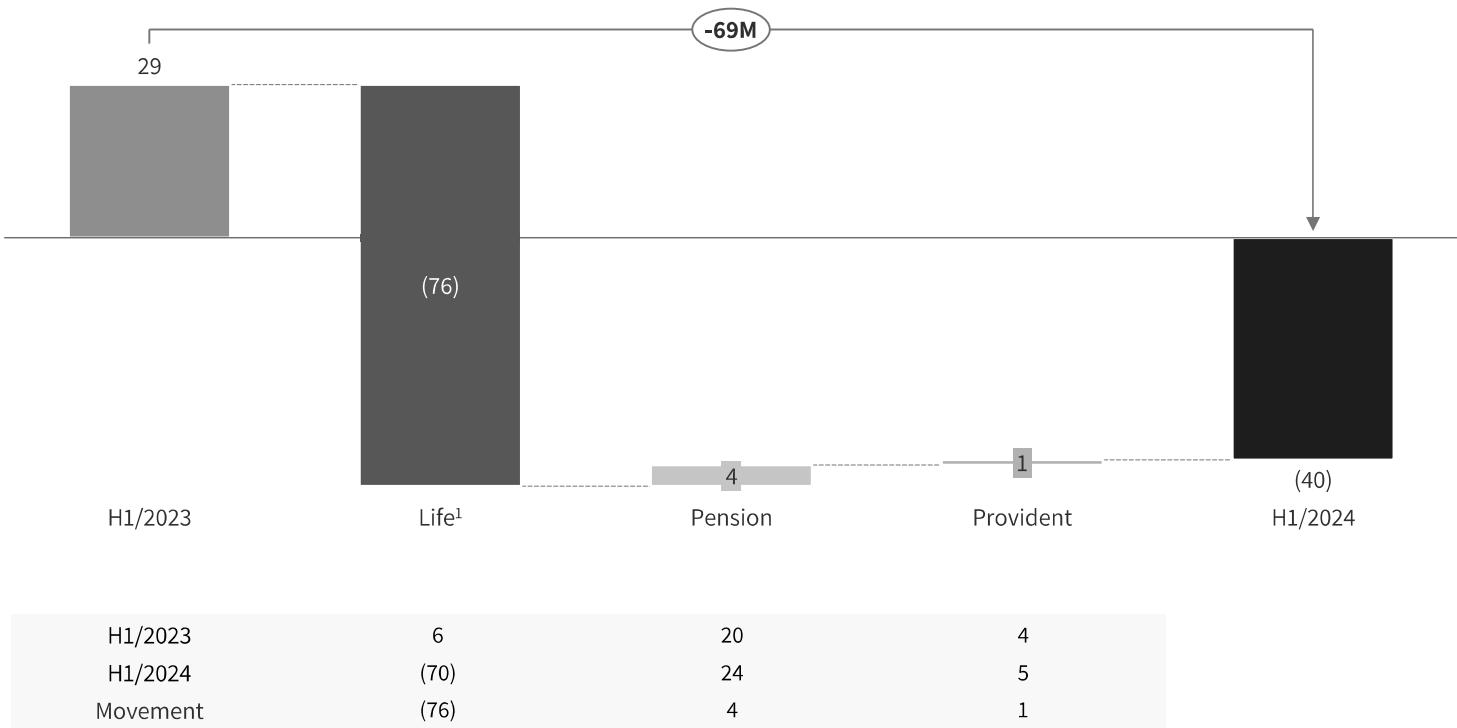
Life

Pension and provident

Credit cards

Other

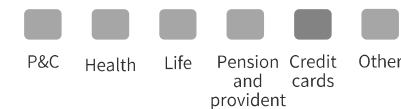
Comprehensive income before tax, by operating segment, NIS million



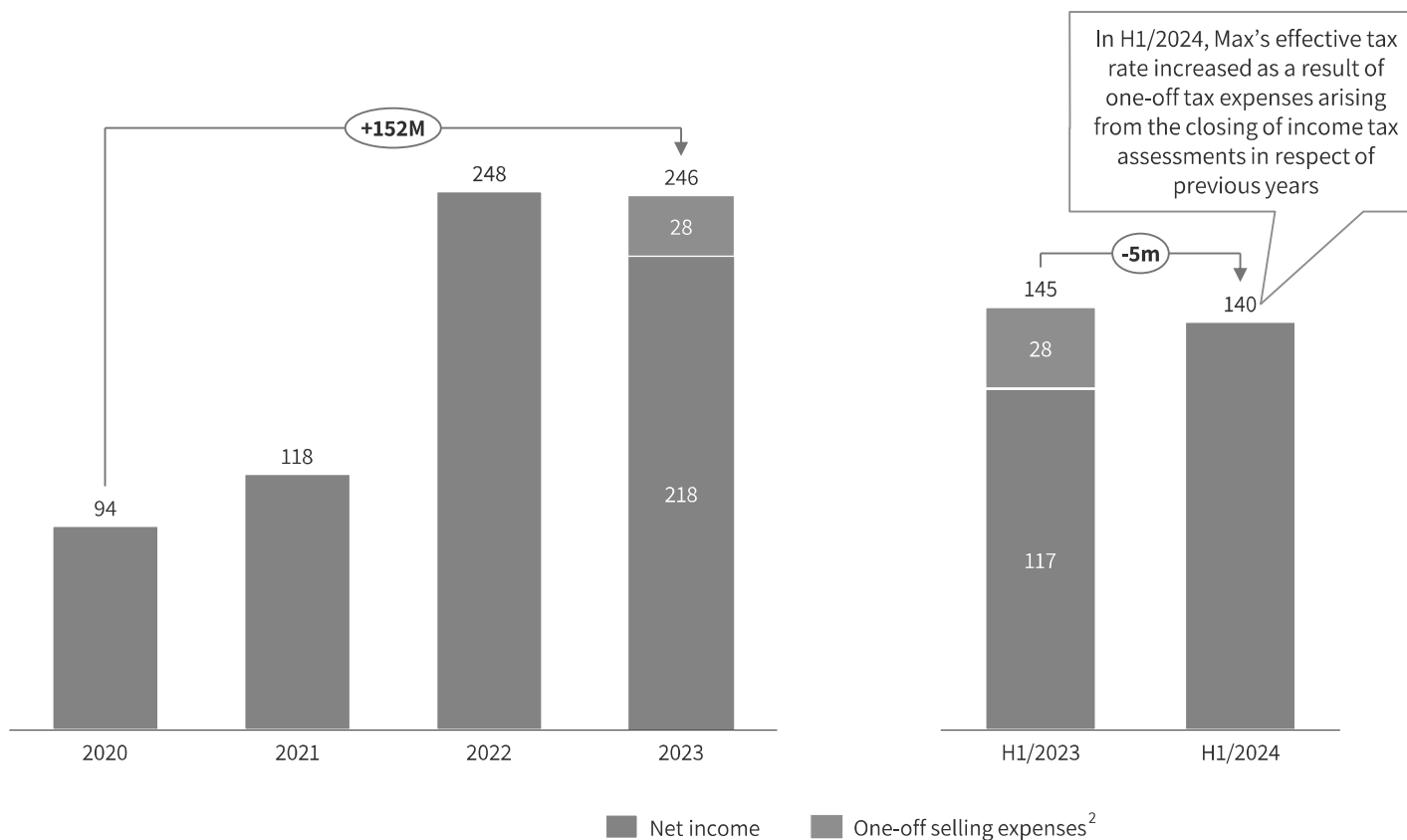
1. The decrease in income arises mostly from an increase in reserve of approx. NIS 59 million due to revision of the mortality tables, net of the effects of revising the pension uptake rate on retirement for the Hassneh transaction

Credit Cards - Max's Results¹

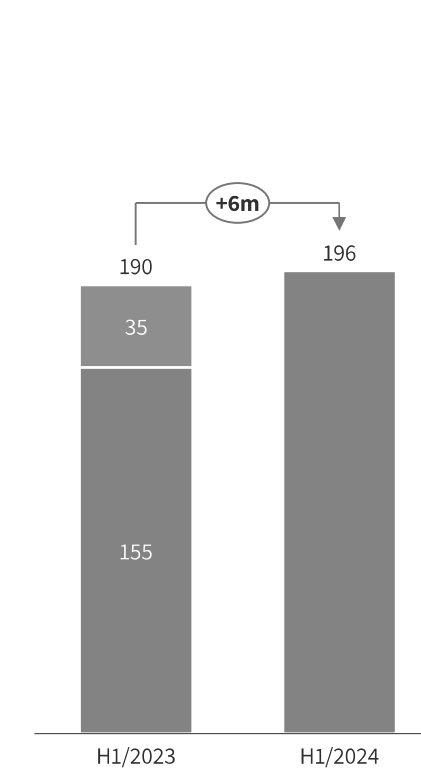
Increase in Pre-Tax Income Despite the Iron Swords War



Net income, NIS million



Profit before tax, NIS million

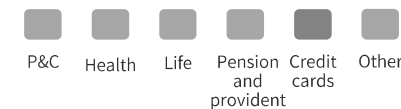


1. The results of Max were consolidated under the segment as from April 1, 2023

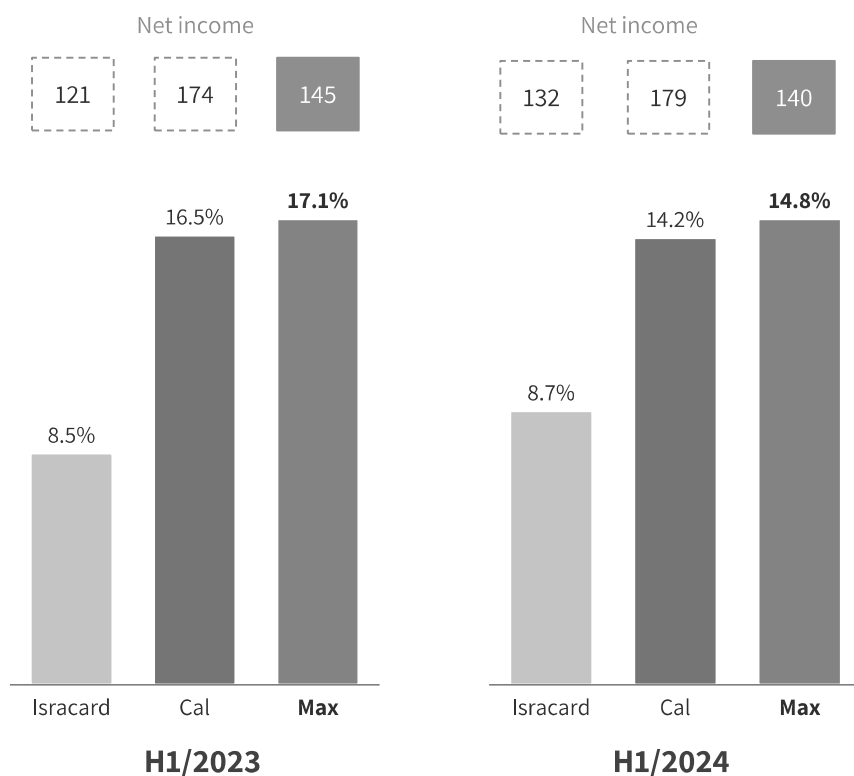
2. One-off selling expenses arising from the completion of Clal Holdings' acquisition transaction

Credit Cards - Max's Results vs. the Competition

Max Leads in Return on Equity, Credit Portfolio Size and Quality

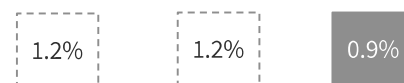


Return on equity and net income¹ (% , NIS million)

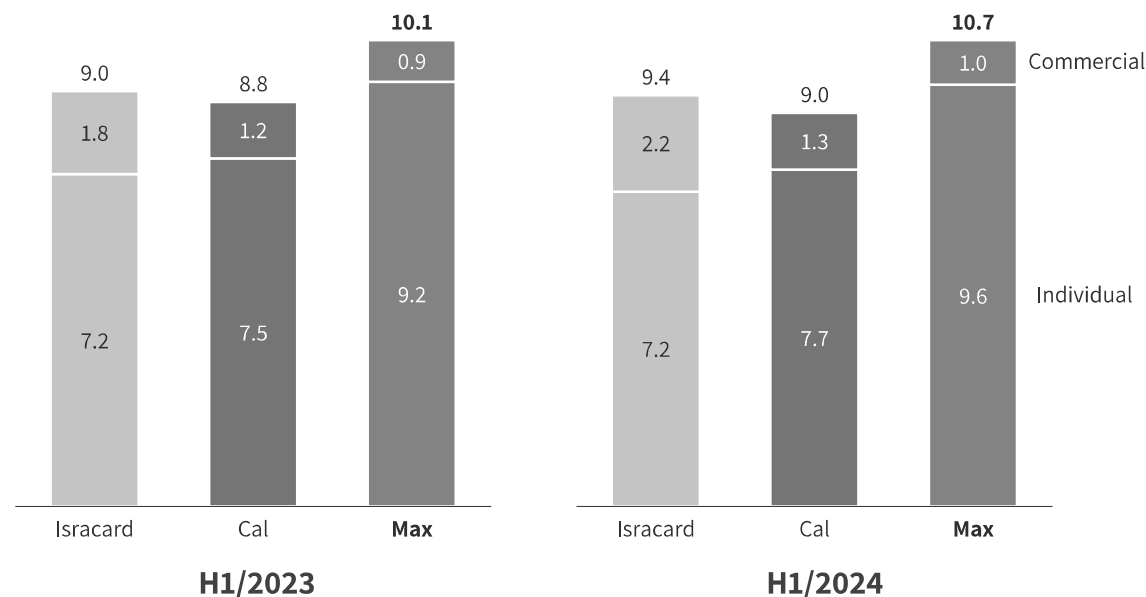
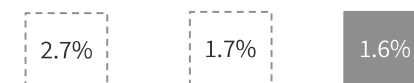


Credit portfolio, NIS billion

% of net write-offs from outstanding balance of accounts receivable (individual)



% of net write-offs from outstanding balance of accounts receivable (individual)

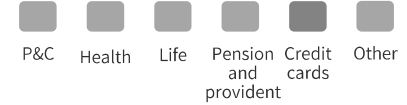


1. Net of one-off effects

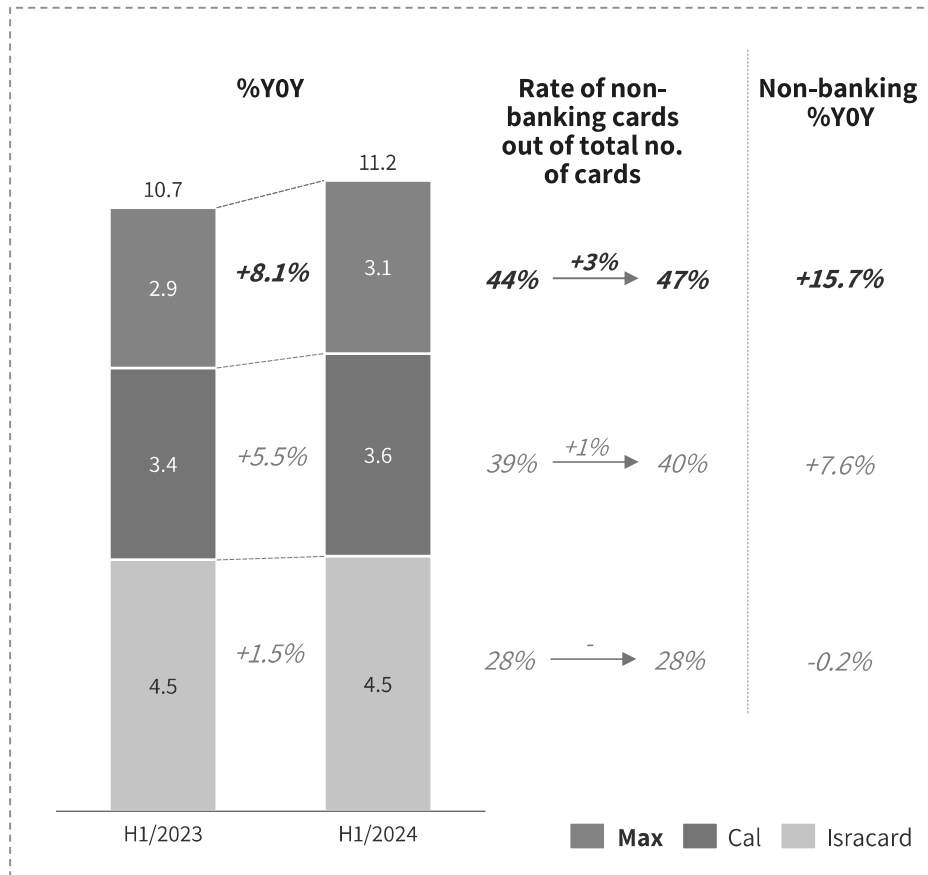


Credit Cards - Max's Results vs. the Competition

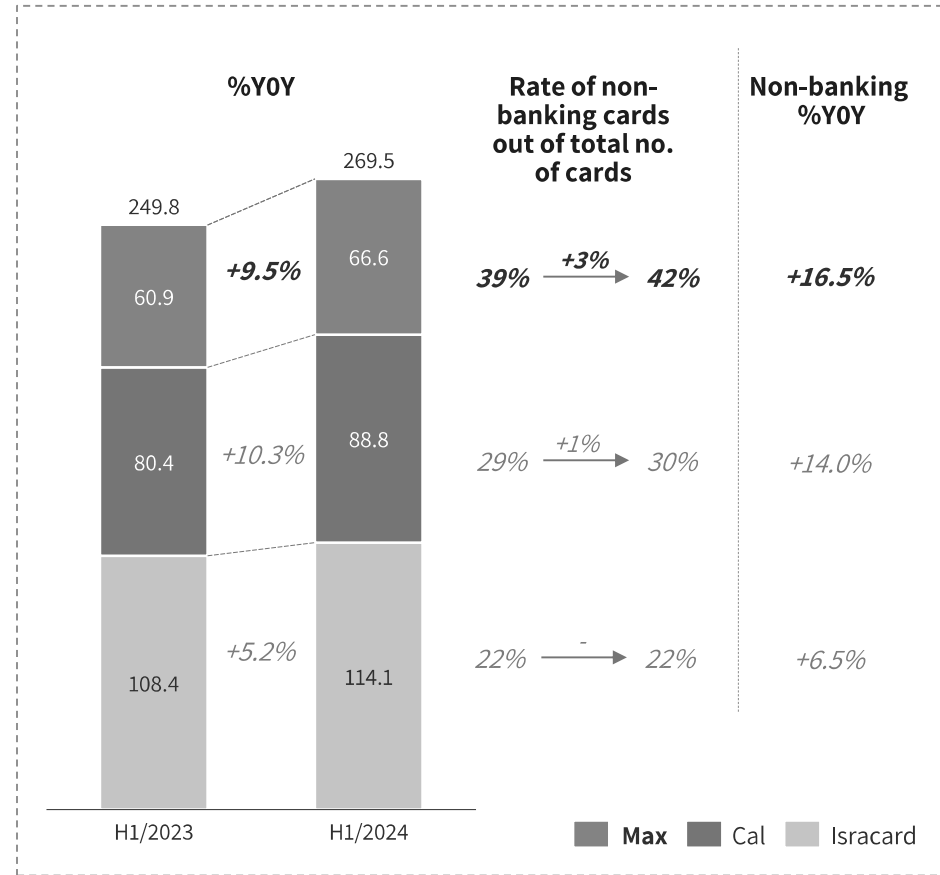
Realization of Growth Strategy in Non-Banking Cards



No. of active cards, millions of units



Issuance turnover, NIS billion

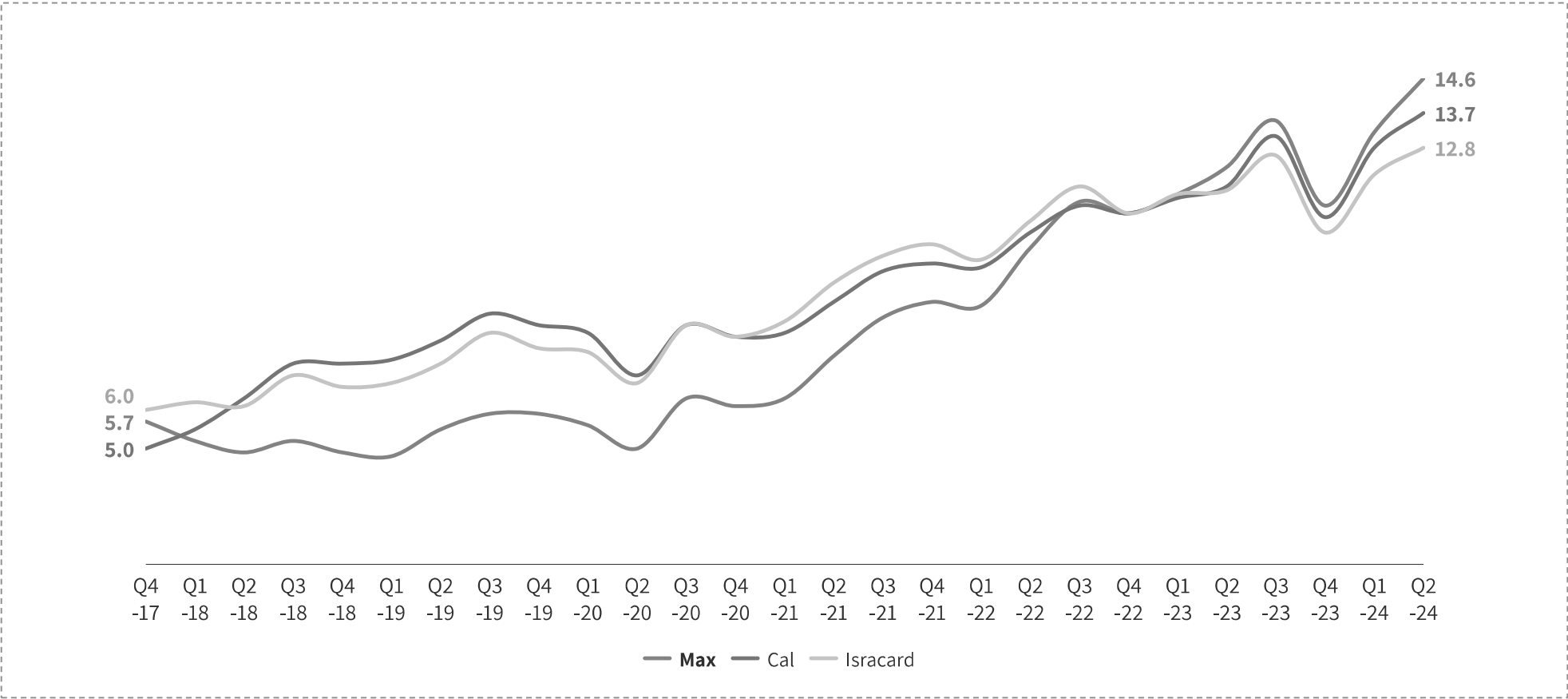


Credit Cards - Max's Results vs. the Competition

Realization of Growth Strategy in Non-Banking Cards

- P&C
- Health
- Life
- Pension and provident
- Credit cards
- Other

Issuance Turnover - Non-Bank Cards, NIS billion

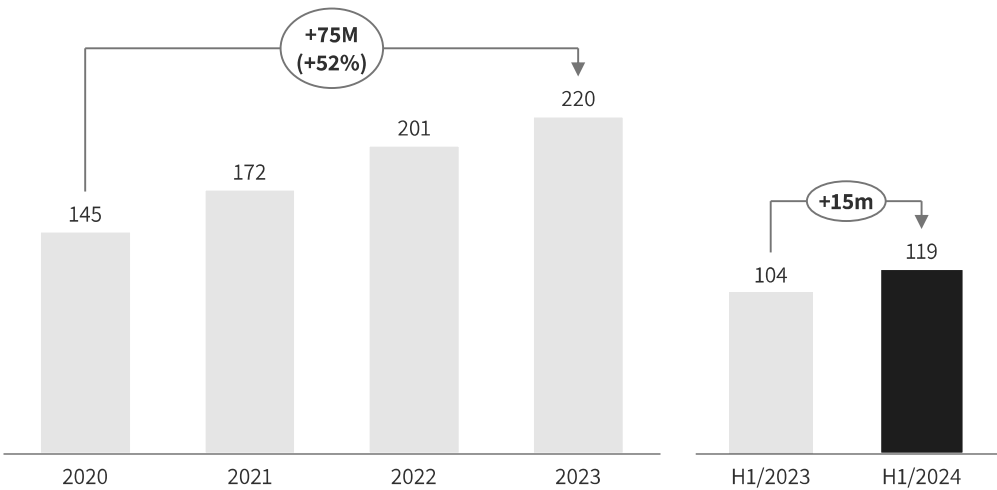


Other Segment

Growth of Approx. 53% in Comprehensive Income in the Past Three Years, Mostly in Respect of Own Agencies

- P&C
- Health
- Life
- Pension and provident
- Credit cards
- Other

Income from fees and commissions, NIS million



Comprehensive income, before tax, NIS million

