



Summary of Financial Results

2024

March 26, 2025

Agenda

Key messages

Strategy

Financial overview

Summary

Appendix

Largest insurance and finance group in Israel

Comprehensive Income

To shareholders, NIS M

1,133

↑ 89% YoY

2024
IFRS4

1,623

2024
IFRS 17

ROE

13%

7% 2023

2024
IFRS4

17%

2024
IFRS 17

Shareholders' Equity

NIS B

9.1

31.12.24

9.9

31.12.24
IFRS 17

S&P Maalot

iAA+/Stable

Harel Insurance

Midroog

Aa1.il stable

Harel Insurance

Aa2.il stable

Harel Investments

Maala CSR

Platinum Plus

Harel Investments

Premiums and Deposits*

NIS B

42.5

↑ 7.8% YoY

2024

11.3

↑ 9.2% QoQ

Q4.24

AUM

NIS B

510

↑ 19% vs 31.12.23

31.12.24

Solvency Capital Ratio

Including transitional measures

185%

30.6.24

Key Messages

Publication of full year 2024 according to IFRS17

Harel discloses for the first time **full year 2024 comprehensive income after tax according to IFRS17 - NIS 1.6 B and ROE is 17%** compared with 2024 comprehensive income after tax of NIS 1.1 B and ROE of 13% according to IFRS4

Growth in CSM during 2024

The CSM balance as of 31.12.2024 is NIS 16.5 B, growth of NIS 0.6 B during 2024, reflecting growth in accrued profits

2026 profitability targets update according to IFRS17

Accordingly, the Company updates the impact of IFRS17 implementation on its profitability targets for 2026. ROE range is expected to be **18%-19%** and comprehensive income after tax is expected to be at **NIS 1.9-2.1 B**

NIS 100 M increase in the share repurchase plan

Additional NIS 100 M on top of the existing plan, such as the total share repurchase plan will amount at NIS 200 M. This follows total dividend distribution and share repurchase of NIS 926 M in 2024

Turning scale into economies of scale

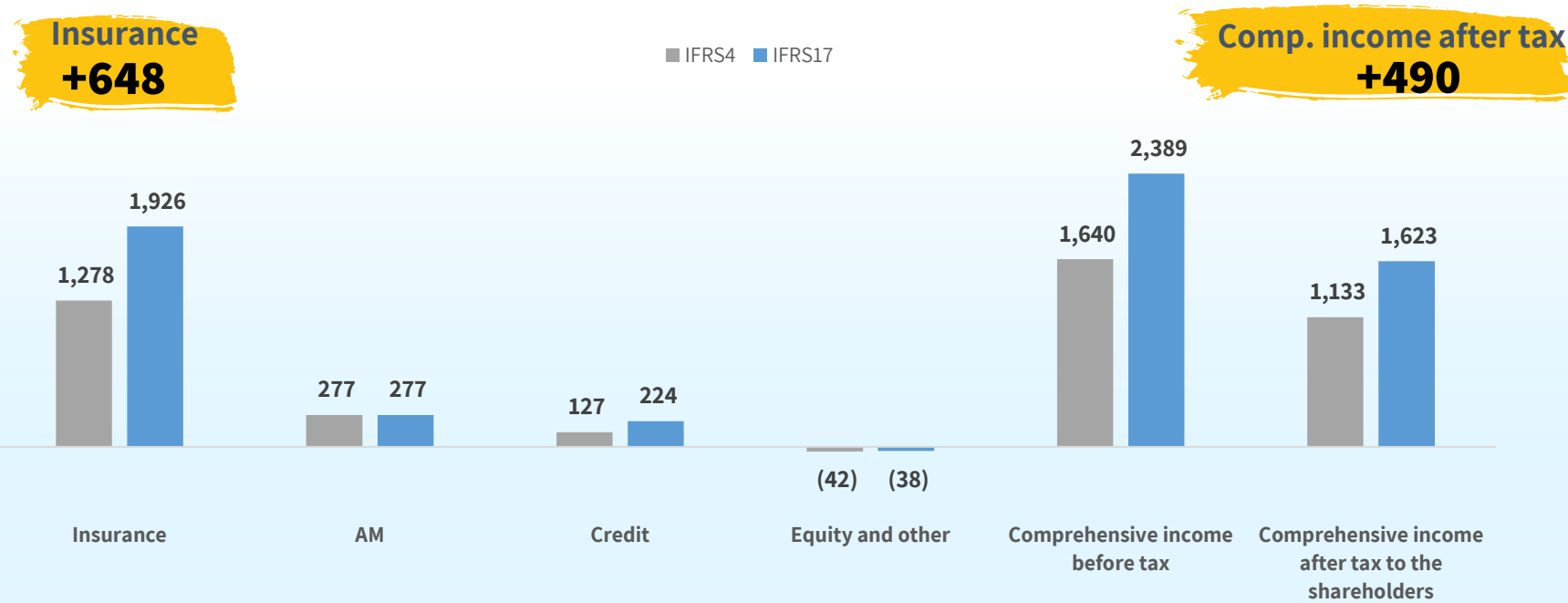
Focus on profitable growth and accuracy of processes in all operating segments led to improved adjusted profit which amounted to NIS 1.6 B, 14% growth. Underwriting profit from insurance amounted to NIS 1.1 B (IFRS4)

Growing in AM and expanding credit activities

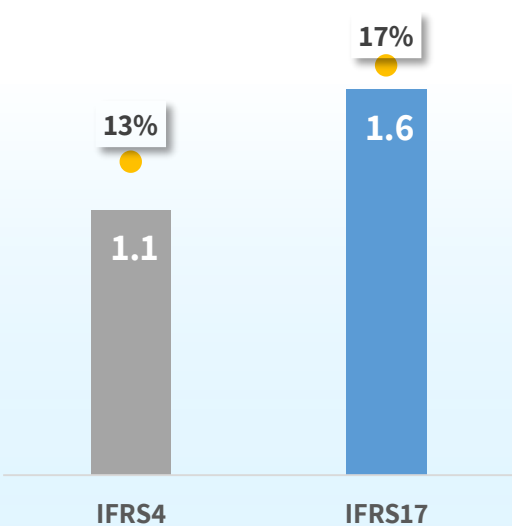
Growth of AUM contributed to improved profit in the pension, provident and financial services sectors. Organic growth of existing credit activity and expansion of activity with completion of the purchase of Gamla Harel Residential Real Estate Ltd.

Transition to IFRS17: Impact on full year 2024

Comprehensive income by segments NIS M



Comprehensive Income and ROE NIS B



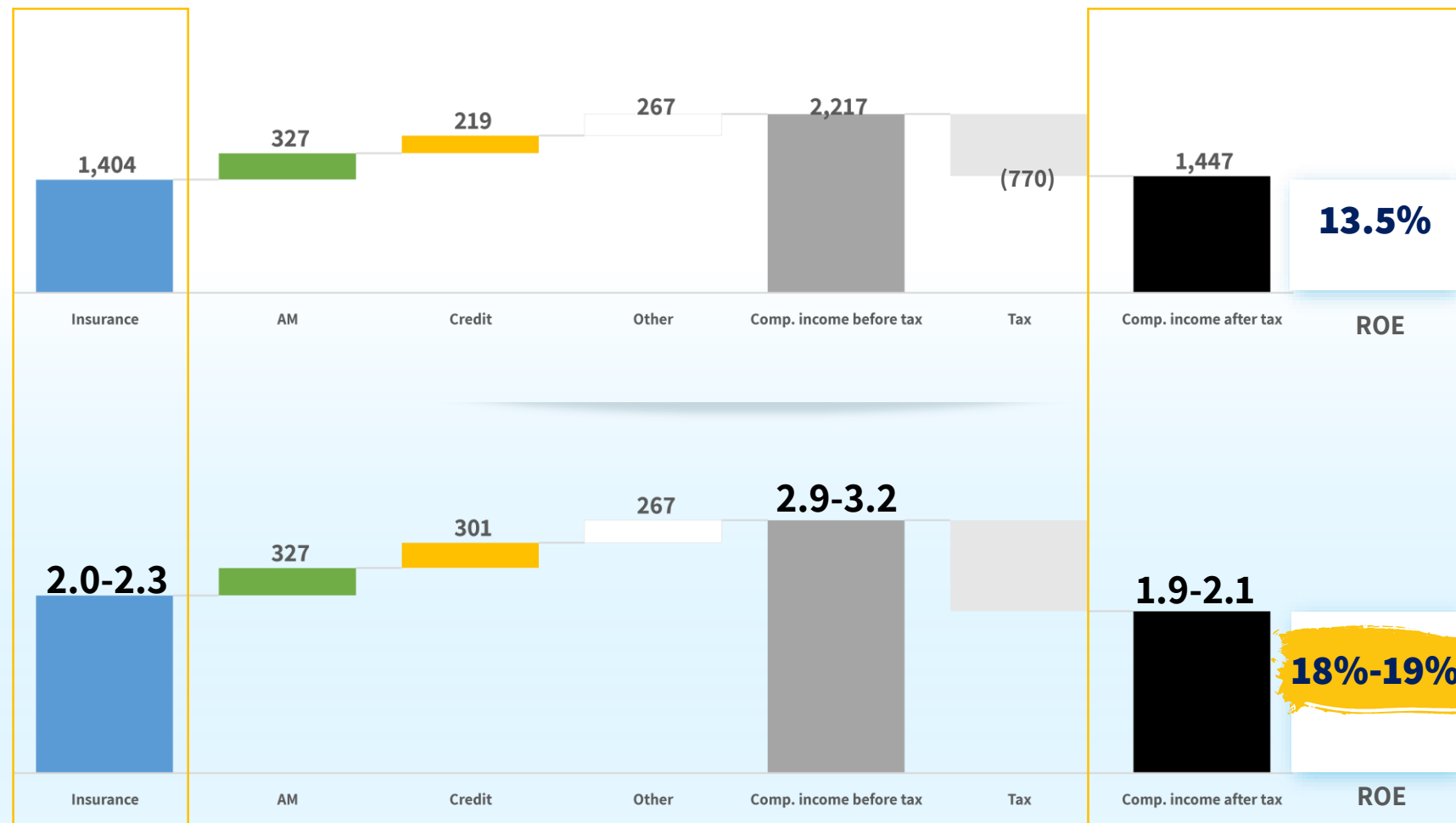
Application of the Standard may also be subject to changes or adjustments following clarifications or updates in the International Financial Reporting Standards, changes in current practice abroad and the reporting practice being formulated in Israel, regulatory changes, tax changes or changes and adjustments in various estimates prepared by Harel Insurance based on professional discretion. The above data should therefore not be treated as final data or results. The information in its entirety contained above is therefore forward-looking information, according to its definition in the Securities Law, 1968. It is stipulated that the above data neither address nor affirm the full impact of the new standards, including to the extent there are any, on the relevant tax regime and on the Solvency II based economic solvency ratio of Harel Insurance (with and without transitional provisions). At the date of publication of the report, these matters have yet to be fully regulated, they are beyond the full control of Harel Insurance and are under review.

These figures have not been reviewed or audited by the Company's independent auditors. From the first quarter of 2025 and with the entering into force of the new standards, the Company is expected to report its profits assuming a yield based on the nominal risk-free interest rate plus a margin so that its profits will be reflected with low volatility (this in place of the present calculation based on an assumed real yield of 3%). At this stage, the Company is yet to complete the assessment with respect to the size of the margin and the extent to which it conforms with the new standards.

Transition to IFRS17: Impact on 2026 targets

Comprehensive Income after tax 2026 IFRS4 NIS M

As presented in the Strategy Presentation on
April 2, 2024.



Comprehensive Income after tax 2026 IFRS17 NIS M/B

The impact on 2026 targets is attributable to the
effect of the IFRS 17 implementation and the
continuous execution of the strategic plan

**In the next months the Company will provide
additional details on IFRS17 impact on 2026
targets**

Application of the Standard may also be subject to changes or adjustments following clarifications or updates in the International Financial Reporting Standards, changes in current practice abroad and the reporting practice being formulated in Israel, regulatory changes, tax changes or changes and adjustments in various estimates prepared by Harel Insurance based on professional discretion. The above data should therefore not be treated as final data or results. The information in its entirety contained above is therefore forward-looking information, according to its definition in the Securities Law, 1968. It is stipulated that the above data neither address nor affirm the full impact of the new standards, including to the extent there are any, on the relevant tax regime and on the Solvency II based economic solvency ratio of Harel Insurance (with and without transitional provisions). At the date of publication of the report, these matters have yet to be fully regulated, they are beyond the full control of Harel Insurance and are under review.

These figures have not been reviewed or audited by the Company's independent auditors. From the first quarter of 2025 and with the entering into force of the new standards, the Company is expected to report its profits assuming a yield based on the nominal risk-free interest rate plus a margin so that its profits will be reflected with low volatility (this in place of the present calculation based on an assumed real yield of 3%). At this stage, the Company is yet to complete the assessment with respect to the size of the margin and the extent to which it conforms with the new standards.

Agenda

Key messages

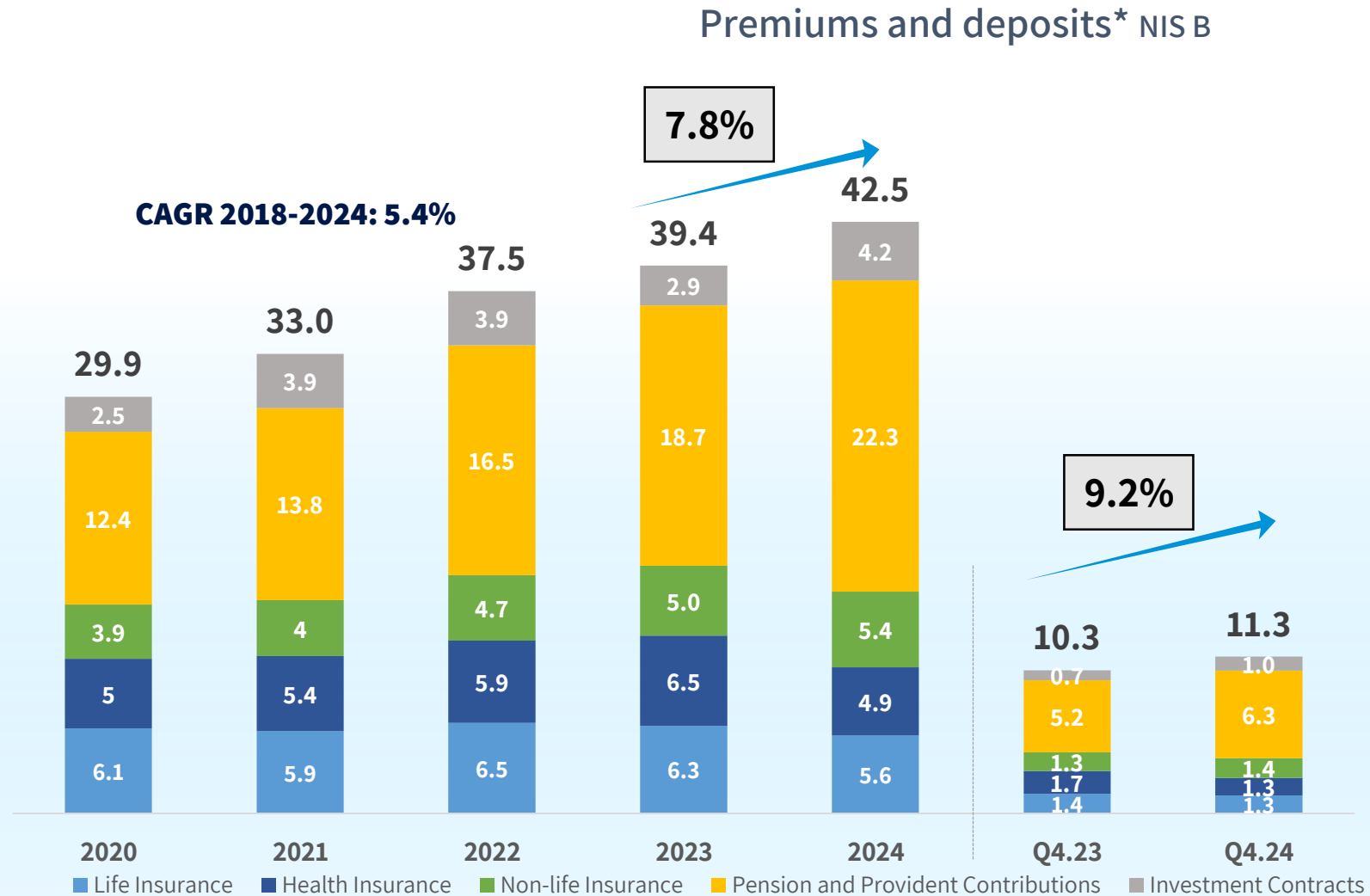
Strategy

Financial overview

Summary

Appendix

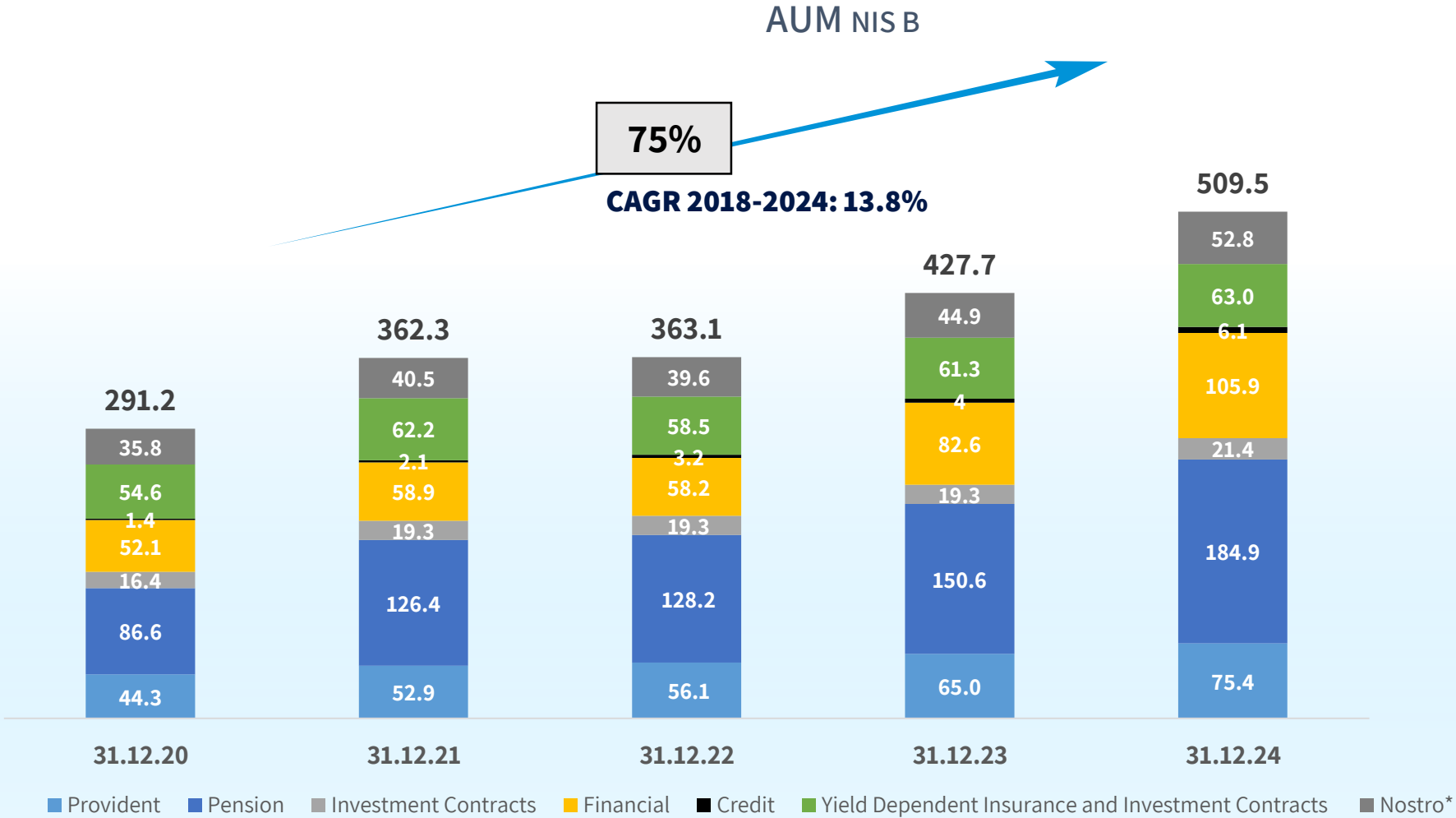
The largest company in terms of premiums and deposits



Pension and Provident fund contributions- substantial growth engine

Decline in Long term care premiums is driven by termination of Clalit HMO insurance transaction

Continuous growth in AUM




*Nostro includes certificates of deposit issued by Harel Finance. Of this amount, the Nostro of Harel Insurance is NIS 35.8 B
Managed assets in customers' portfolios included under financial services, include financial assets issued by the Group and managed in portfolios

Strategic Focus

Improving
Profitability

and

Diversifying
Revenues



Leveraging scale for material and permanent
improvement of insurance profitability and revenue
diversification



Strategy Implementation

#1 Operational Excellence



Improving insurance profitability

#2 Leveraging Existing Customers



Continue growing in profitable products

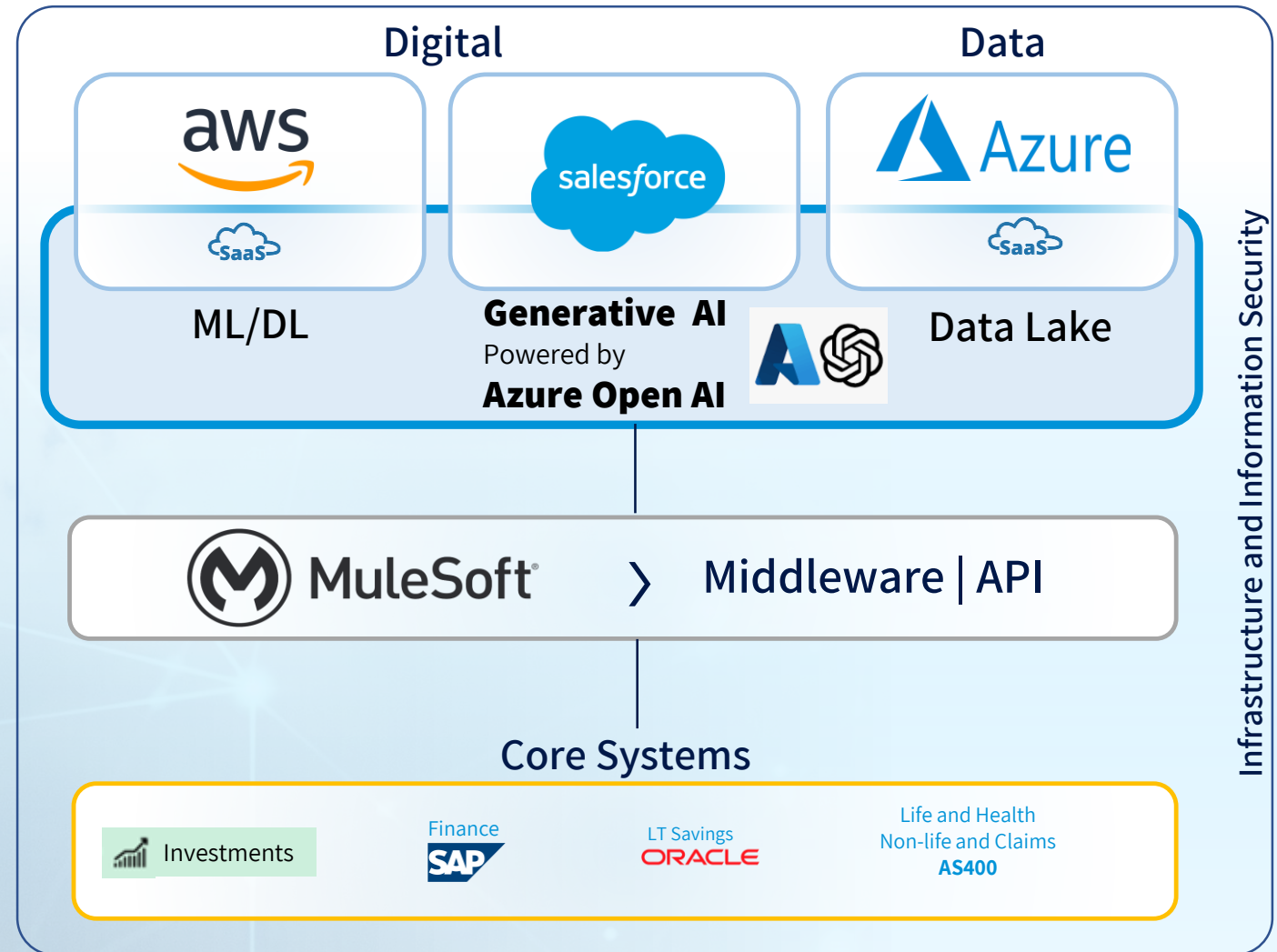
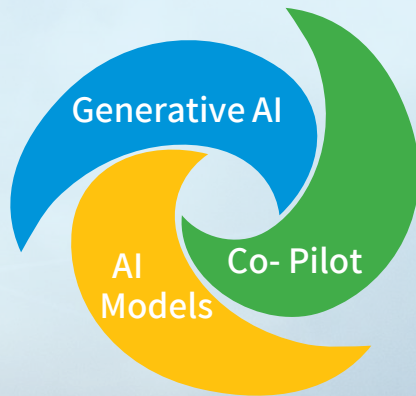
#3 Revenue Diversification



Expanding non-insurance activities

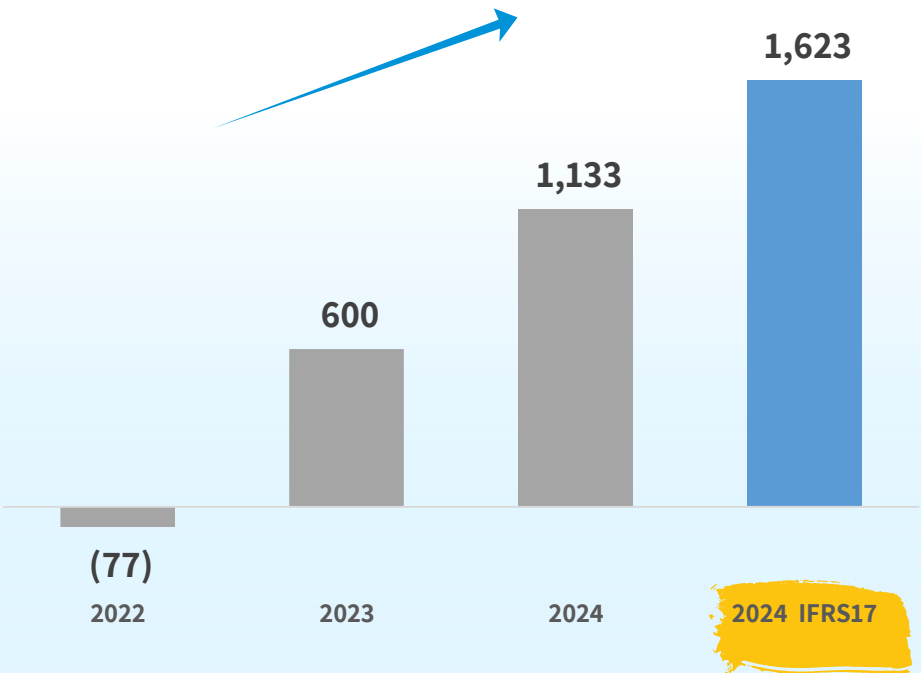
Investment in infrastructure allows AI/GenAI adoption

Increase in operational accuracy
Enhancing relationship with clients

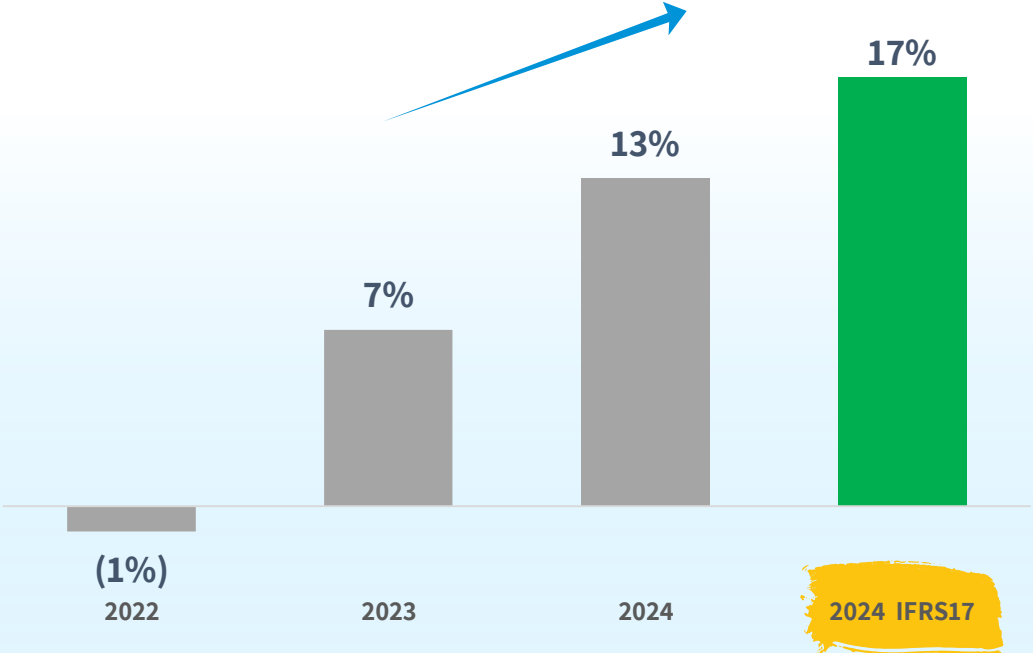


Continuous growth in comprehensive income and ROE

Comprehensive Income attributed to shareholders
NIS M after tax



ROE



Application of the Standard may also be subject to changes or adjustments following clarifications or updates in the International Financial Reporting Standards, changes in current practice abroad and the reporting practice being formulated in Israel, regulatory changes, tax changes or changes and adjustments in various estimates prepared by Harel Insurance based on professional discretion. The above data should therefore not be treated as final data or results. The information in its entirety contained above is therefore forward-looking information, according to its definition in the Securities Law, 1968. It is stipulated that the above data neither address nor affirm the full impact of the new standards, including to the extent there are any, on the relevant tax regime and on the Solvency II based economic solvency ratio of Harel Insurance (with and without transitional provisions). At the date of publication of the report, these matters have yet to be fully regulated, they are beyond the full control of Harel Insurance and are under review.

These figures have not been reviewed or audited by the Company's independent auditors. From the first quarter of 2025 and with the entering into force of the new standards, the Company is expected to report its profits assuming a yield based on the nominal risk-free interest rate plus a margin so that its profits will be reflected with low volatility (this in place of the present calculation based on an assumed real yield of 3%). At this stage, the Company is yet to complete the assessment with respect to the size of the margin and the extent to which it conforms with the new standards.

Agenda

Key messages

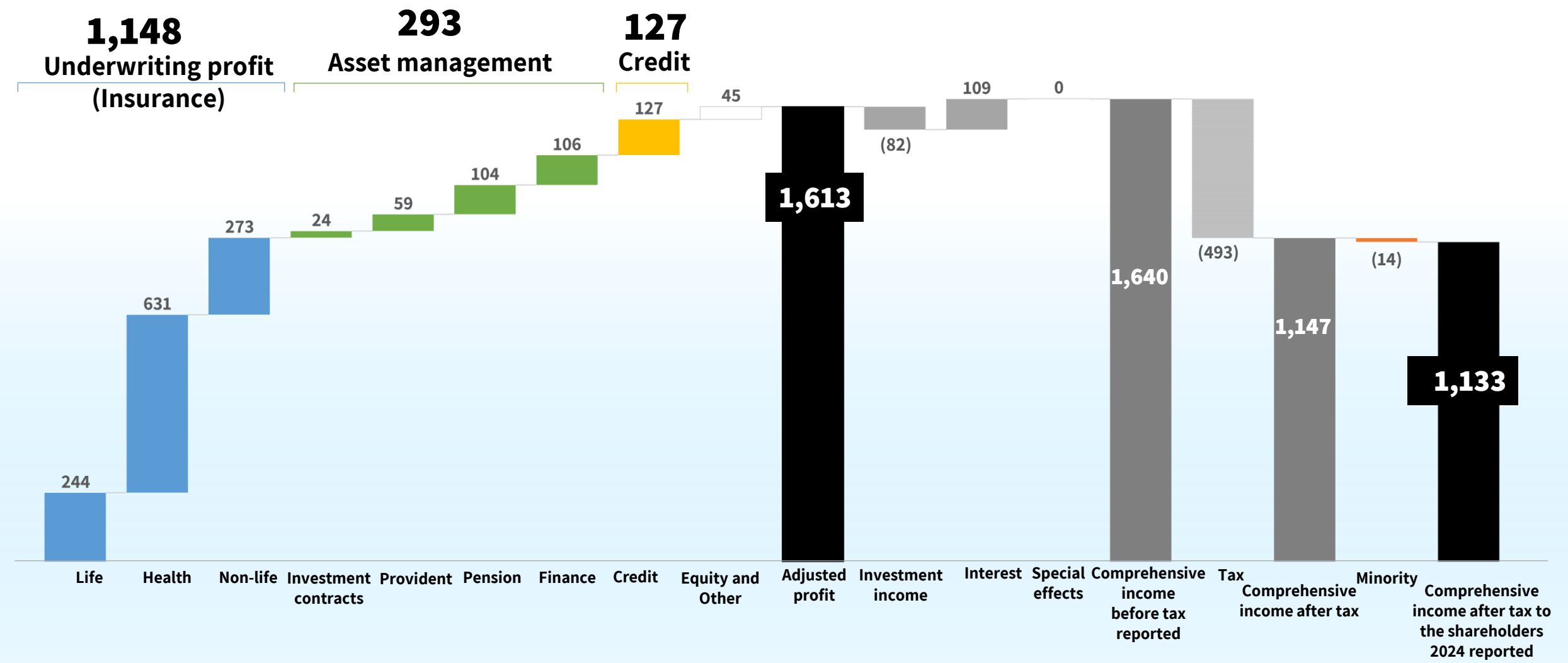
Strategy

Financial overview

Summary

Appendix

Composition of comprehensive income 2024 NIS M



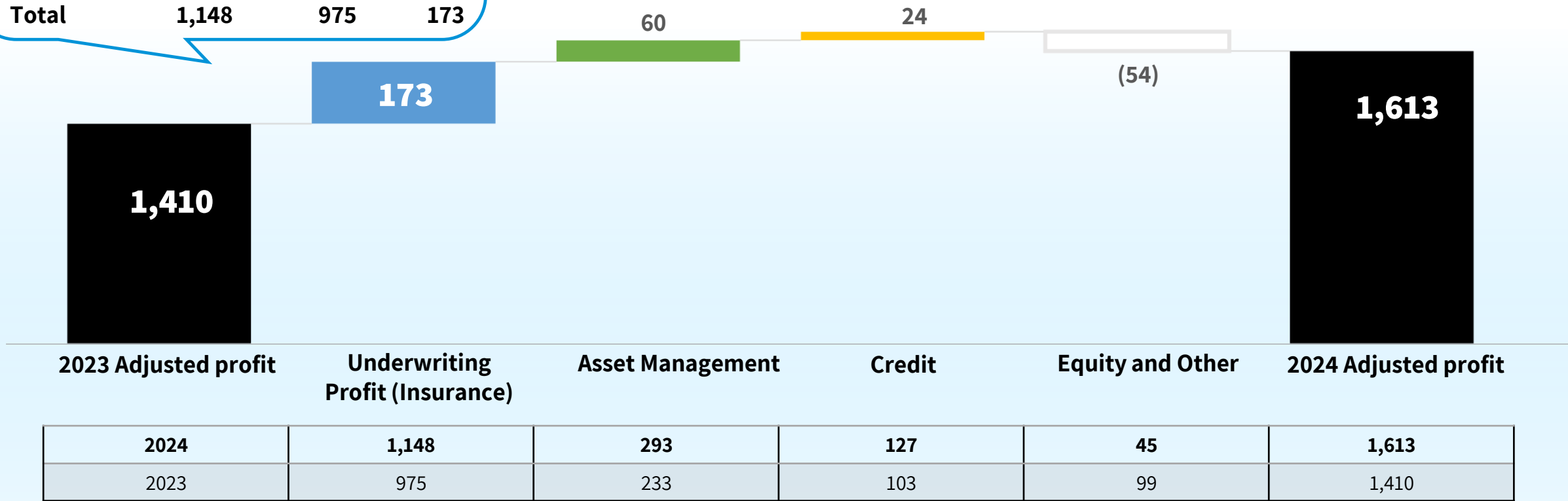
Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

2024: Growth in adjusted profit vs 2023

Underwriting Improvement 2024 vs 2023

NIS M	2024	2023	change
Health	631	386	245
Life	244	305	(61)
Non-life	273	284	(11)
Total	1,148	975	173

Change in adjusted profit in 2024 vs 2023 NIS M before tax



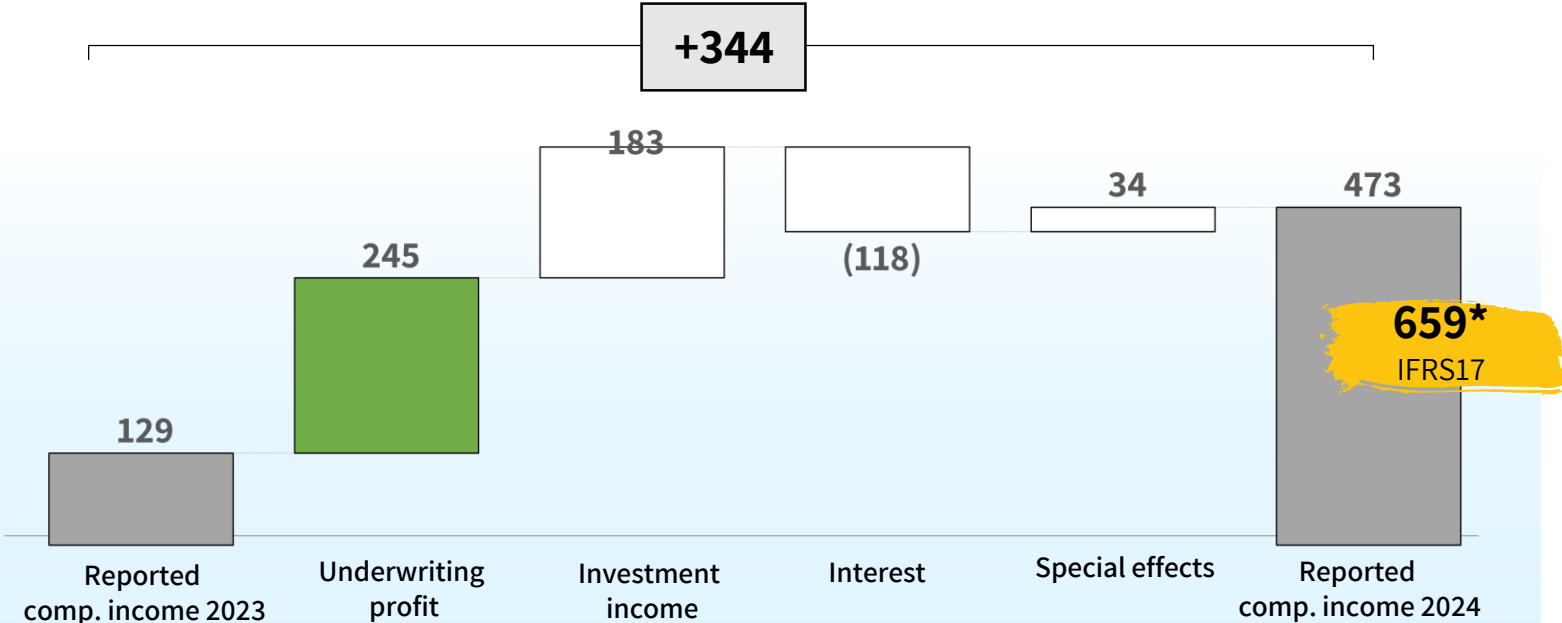
Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

Continue leading the Health segment, additional underwriting improvement

Change in Comprehensive Income before tax:

- Growth of underwriting profit mainly in long-term health and group LTC
- Real, positive Nostro yield was higher in 2024 than in the corresponding period in the previous year

Health: Change in comprehensive income 2024 vs 2023 NIS M before tax



2024	631	(42)	(76)	(40)	473
2023	386	(225)	42	(74)	129

*With the application of IFRS 17, profit from the critical illness line of business within life insurance under IFRS 4 was reclassified under the health insurance segment. Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

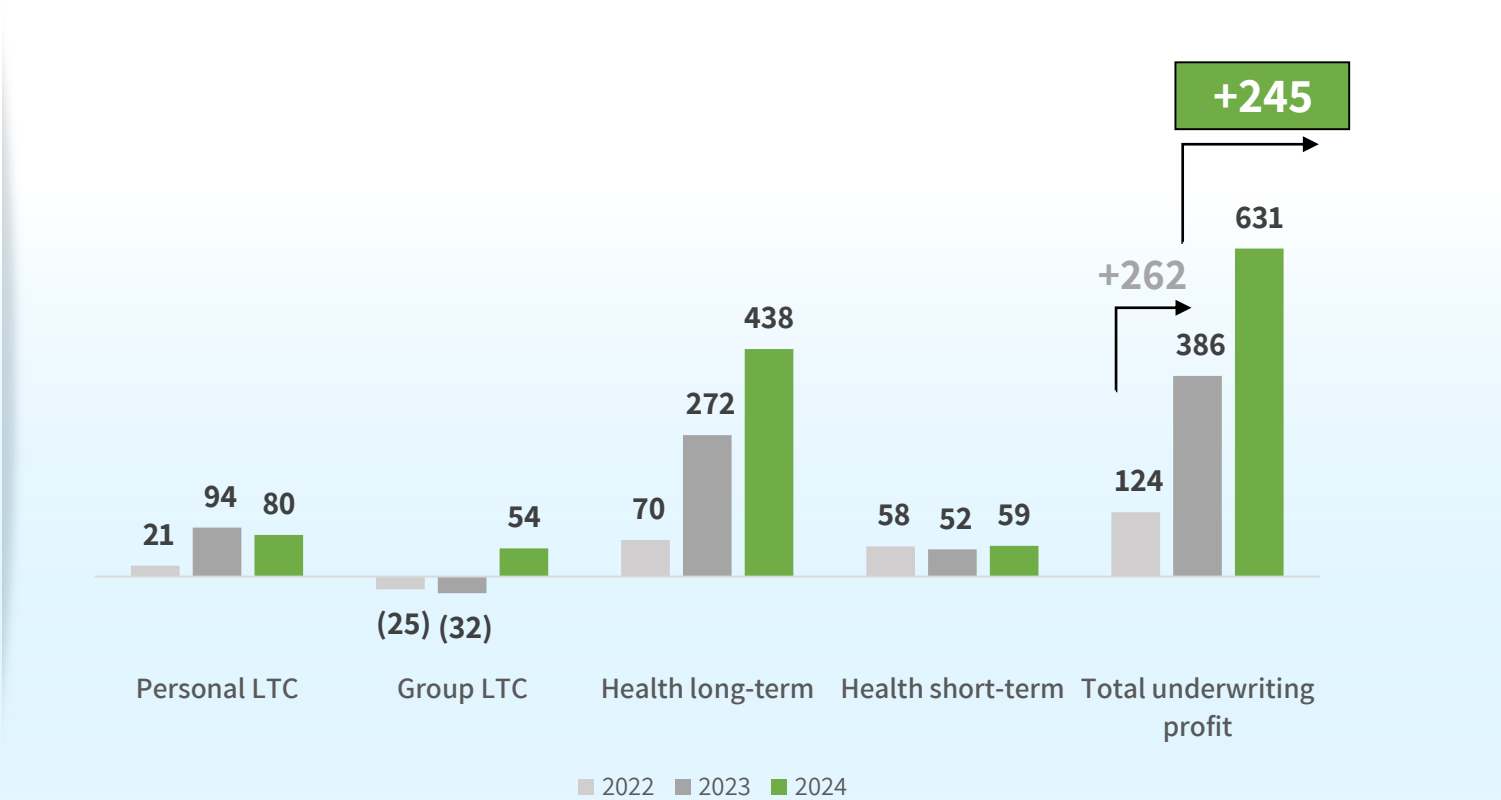
Improvement in LT Health and in Group LTC

NIS 245 M underwriting improvement:

- **Long-term health:** Underwriting improvement in cover for transplants, ambulatory care and personal accidents due to fewer claims and a decrease in claim amounts paid that was partially offset by a decrease in cover for medications in light of an increase in the number and amount of claims
- **LTC: personal lines and group:** Decrease of insurance liabilities (decrease in the IBNR reserve) due to a shorter period from the date of the insured event until claim is filed.

The results reflect termination of the agreement with Clalit HMO members in the LTC sector and transition to the new format, in which Harel does not bear the insurance risk, as of January 1, 2024.

Health: Breakdown of underwriting profit NIS M



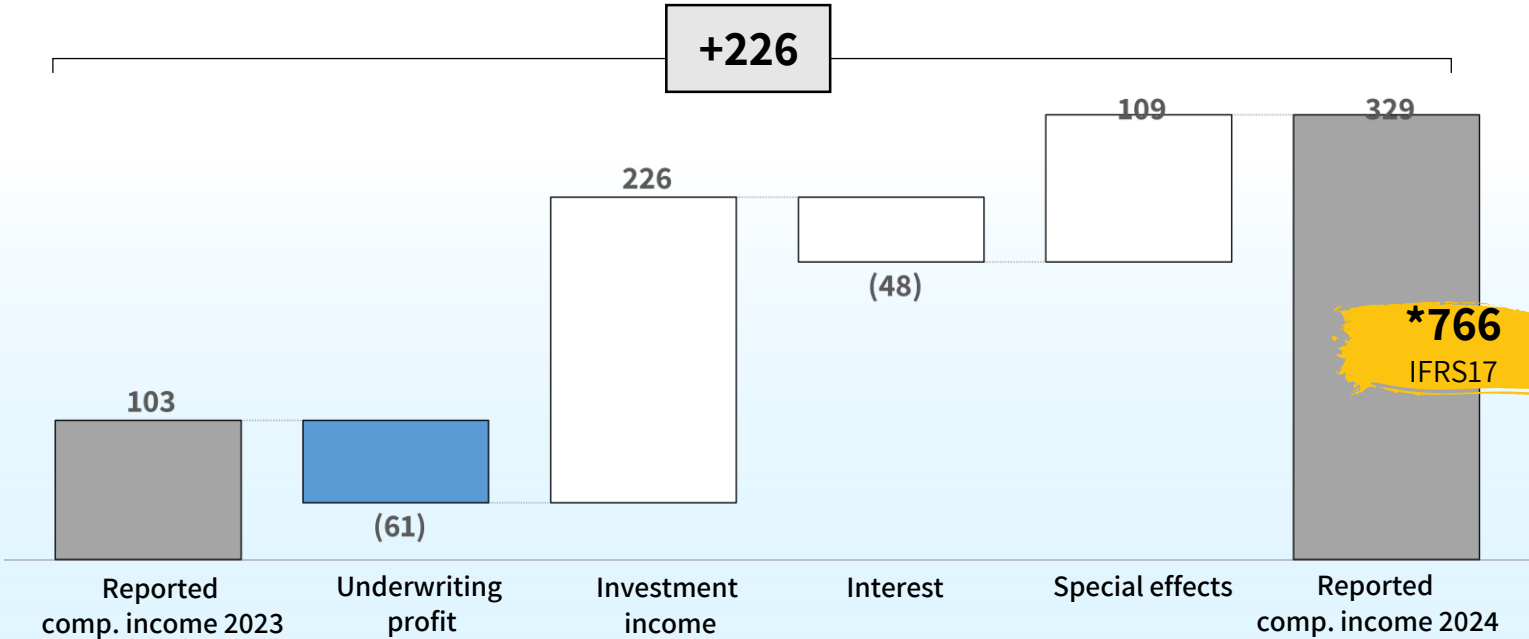
Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

Positive impact of the investment income

Change in Comprehensive Income before tax:

- Decrease of the underwriting results due to increase in the number of claims in cover for work disability and risk of death
- Real, positive Nostro yield in 2024 was higher than in the corresponding period last year

Life: Change in comprehensive income 2024 vs 2023 NIS M before tax



***766**
IFRS17

2024	244	(242)	128	199	329
2023	305	(468)	176	90	103

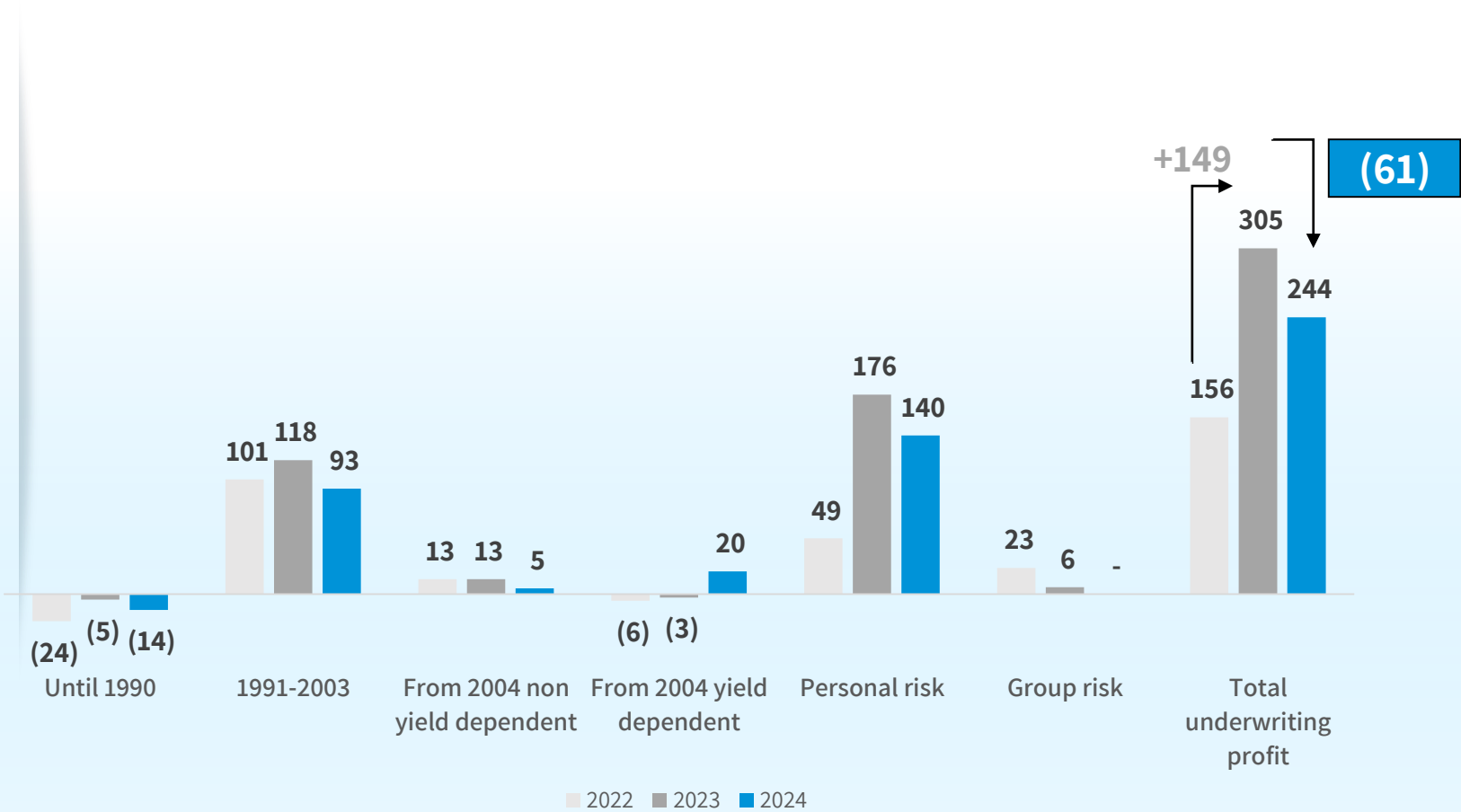
*With the application of IFRS 17, profit from the critical illness line of business within life insurance under IFRS 4 was reclassified under the health insurance segment. Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

War impact on risk profitability and increase in P.H.I claims

Life: Breakdown of underwriting profit NIS M

NIS 61 M decrease in underwriting profit:

- Increase in the number of claims in risk of death as a result of the War. In 2024, the effect of the War amounted to NIS 53 M
- Decline of underwriting results due to increase in the number of claims in P.H.I. cover and increase of IBNR reserve in cover for risk of death due to growth of activity and sums insured. This increase was offset by improved underwriting due to continuing growth of risk product activity.



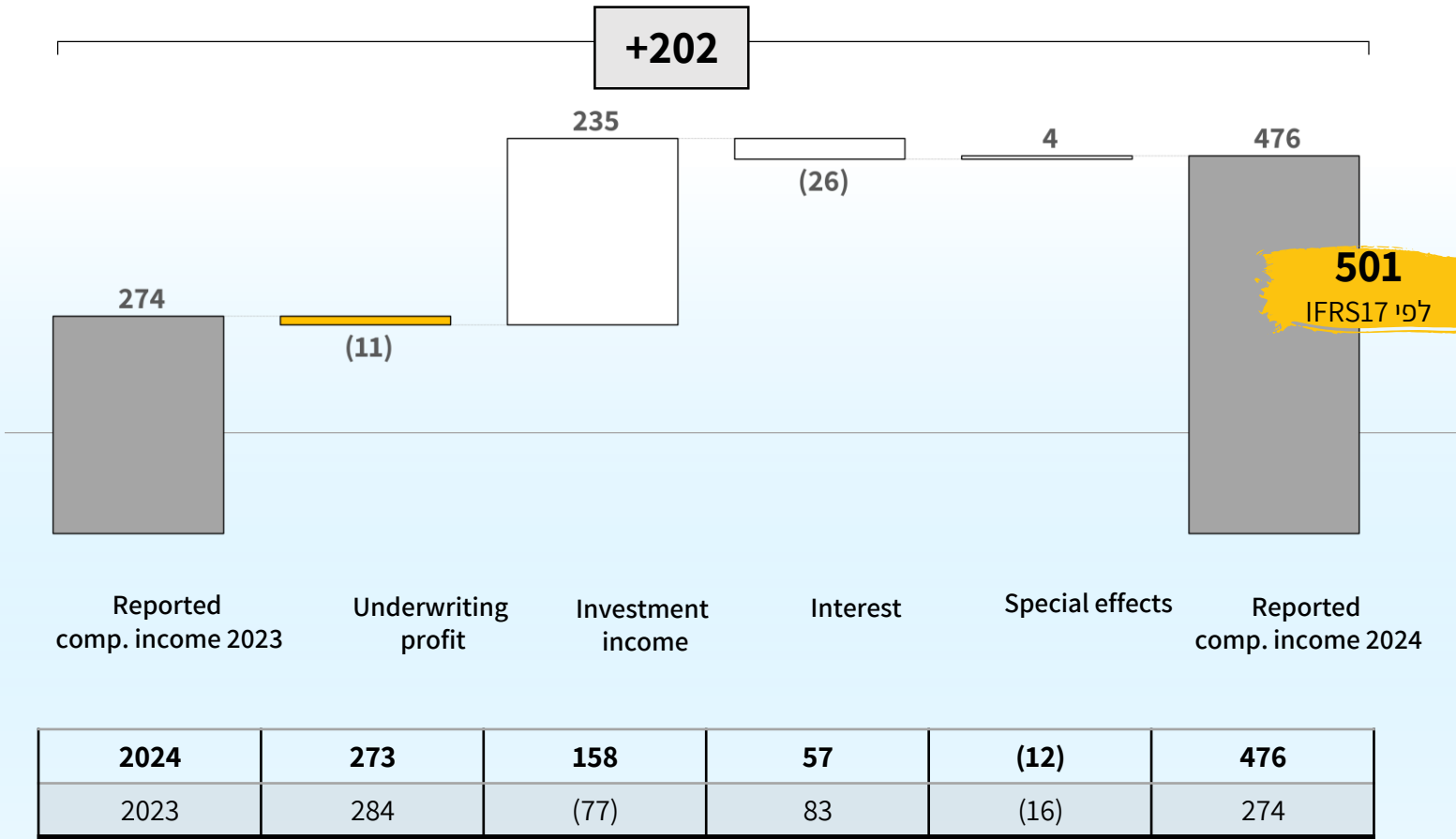
Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

Increase in comprehensive income supported by investment income

Change in Comprehensive Income before tax

- Real, positive Nostro yield was higher in 2024 than in the corresponding period last year

Non-life: Change in comprehensive income 2024 vs 2023 NIS M before tax



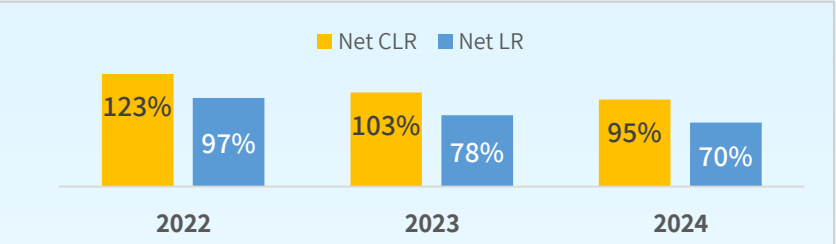
Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

Non-life: Underwriting

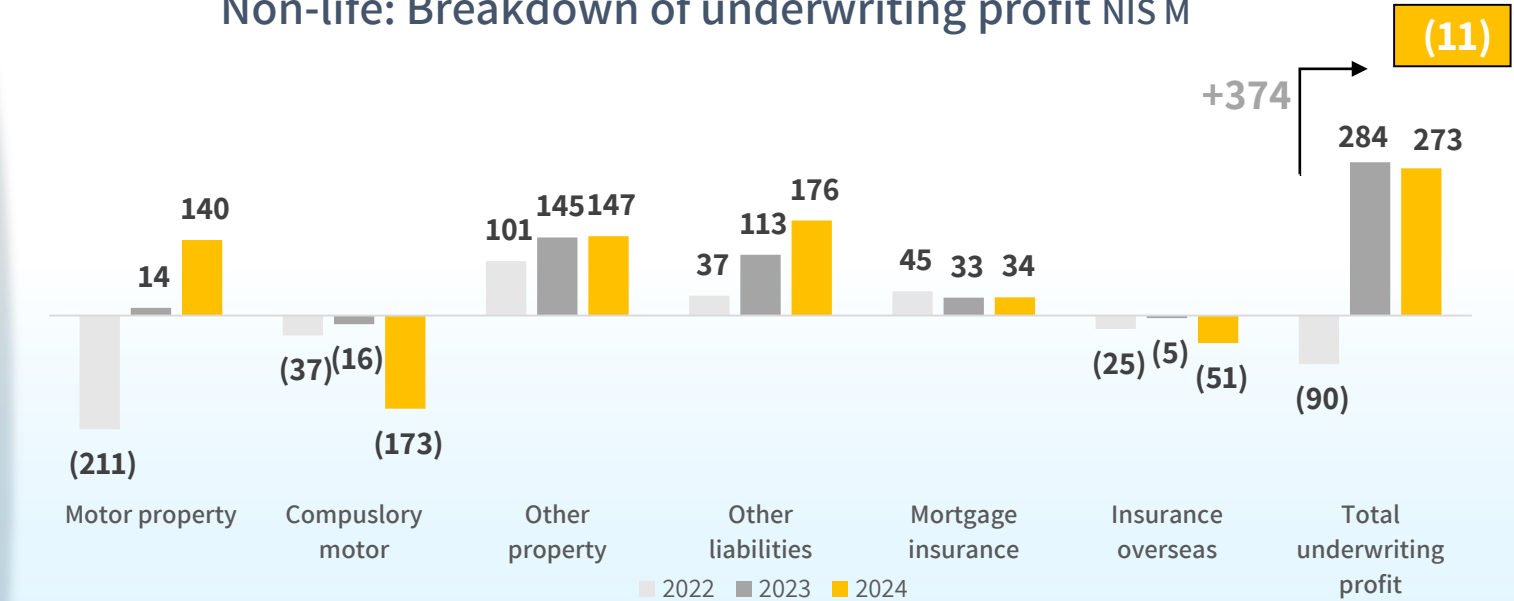
Underwriting improvement, mainly in motor property and other property and liabilities

- NIS 11 M decrease in underwriting profit:**
- **Compulsory motor:** Decline in underwriting result due to negative development in previous years, mainly for groups whose contracts terminated in February 2024, that was partially offset by the continuing decrease in average cost of claim, mainly in the first half of the year
 - **Motor property (CASCO):** Increase in average premium and a reduction in average cost of claim
 - **Property and other sectors:** Underwriting improvement in the property loss sectors as a result of activity growth
 - **Liabilities sectors:** Underwriting improvement was mainly the result of a positive development in respect of prior years, mainly in the employers liability line of business

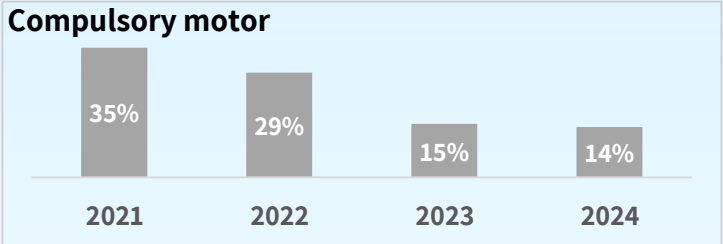
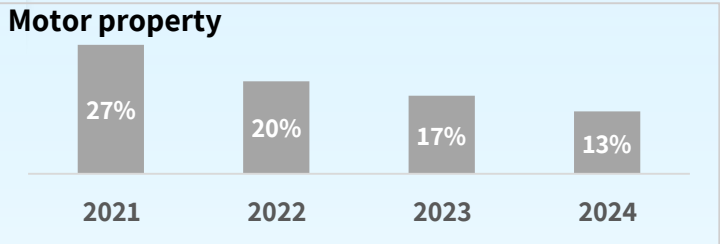
Continuous improvement in Net Loss Ratio in motor property:



Non-life: Breakdown of underwriting profit NIS M



Decline in group contracts in motor:



Underwriting profit in Life, Health, Non-life segments and profit in Equity segment are calculated assuming 3% real return, excluding special effects. See Appendix for full list of assumptions

Profit increases due to AUM growth and leverage of scale

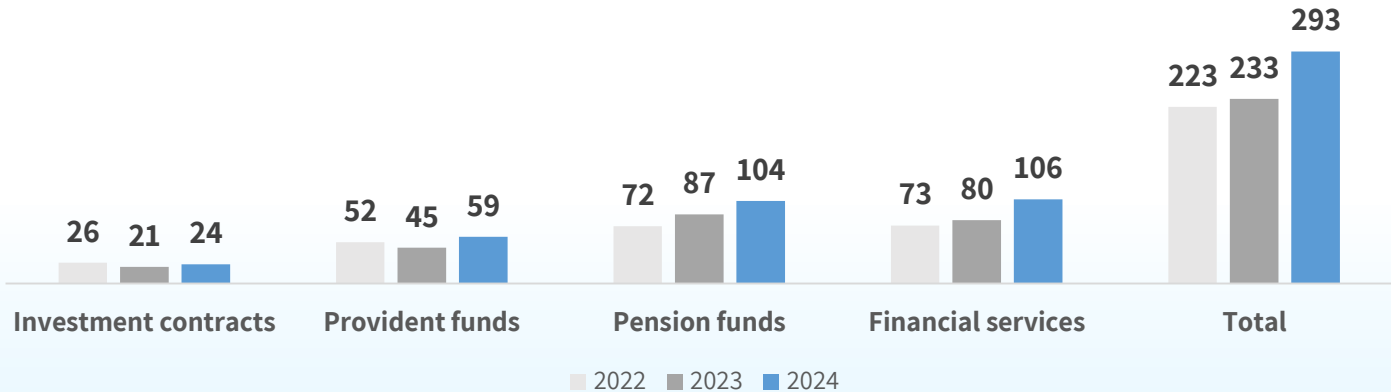
Change in adjusted profit*:

➤ **Pension and provident: 23% increase in adjusted profit in pension and provident** due to the growth of management fees driven by increase of AUM, partially offset by an increase in marketing and other acquisition costs

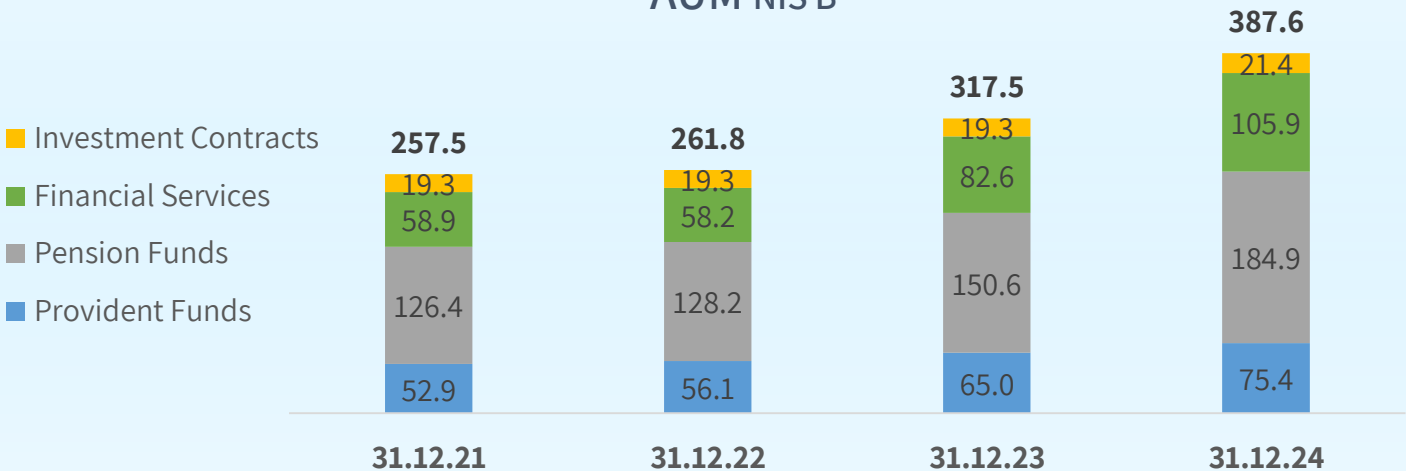
➤ Financial Services by Harel Finance Investment House:

32% increase in profit before tax in light of the positive trend in the capital markets. Additionally, the results were affected by increased profitability in the mutual funds as a result of AUM growth and the collection of variable management fees

AM: Breakdown of adjusted profit NIS M before tax



AUM NIS B



*Adjusted profit includes special effects, which include extraordinary expenses that are not part of the normal course of business and after subtracting retained costs created in the course of business combinations.
Total special effects attributed to pension and provident was NIS 16.5 in 2024

Credit: Comp. income before tax

Diverse and growing credit activity, Gamla acquisition completed –will be evident starting from Q1.25

Change in Comprehensive Income:

- The increase in comprehensive income in 2024 compared with 2023 is due to credit portfolio growth and increase in financial margin

The credit sector includes the following activity:

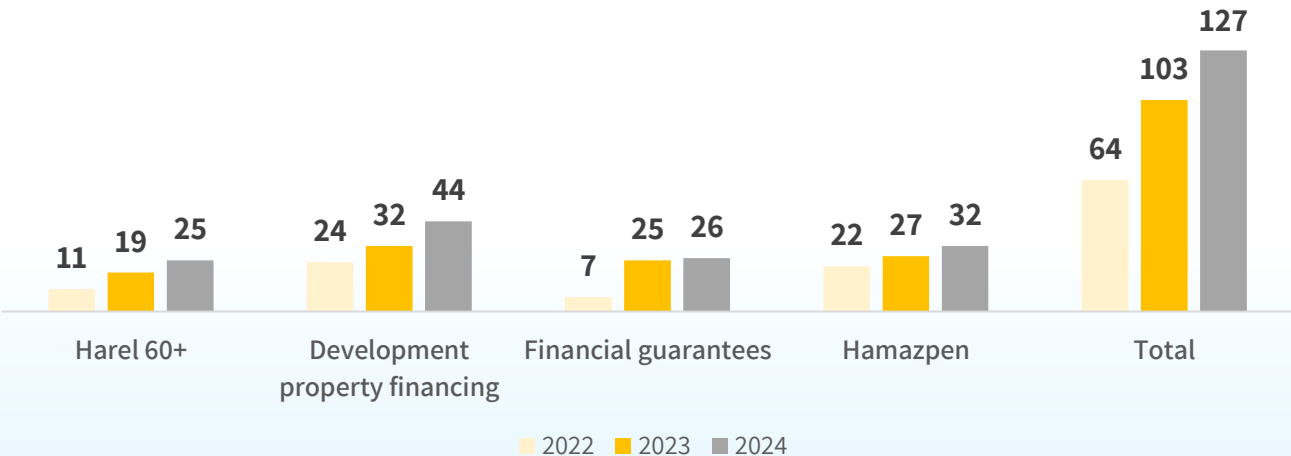
Real-estate backed credit: Development property finance, Harel 60+ and from 2024 Gamla Harel

Credit for small businesses: Hamazpen

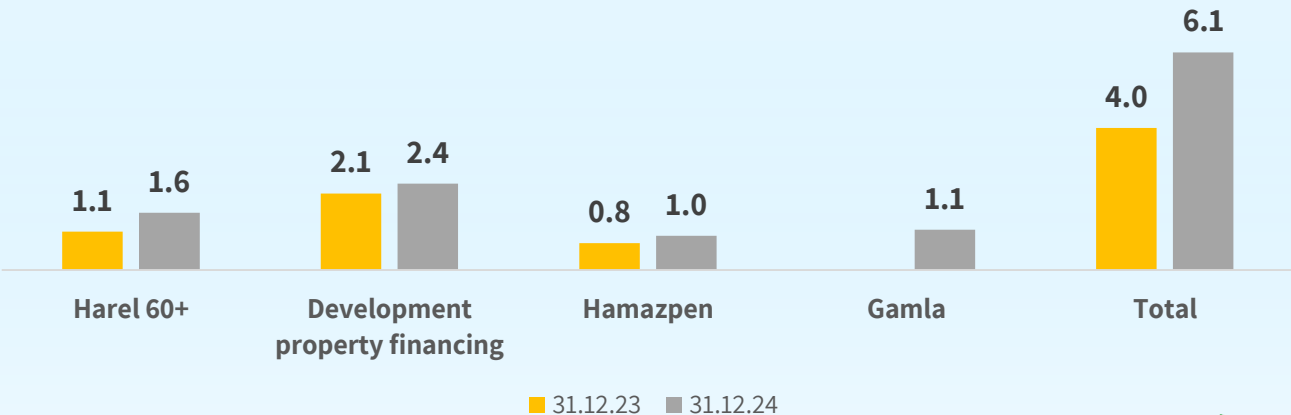
Financial guarantees and operation of mortgage loans insured by third parties.

Acquisition of all shares of Gamla Harel Residential Real Estate ltd was completed in December 2024

Comprehensive income NIS M before tax



Total loans NIS B

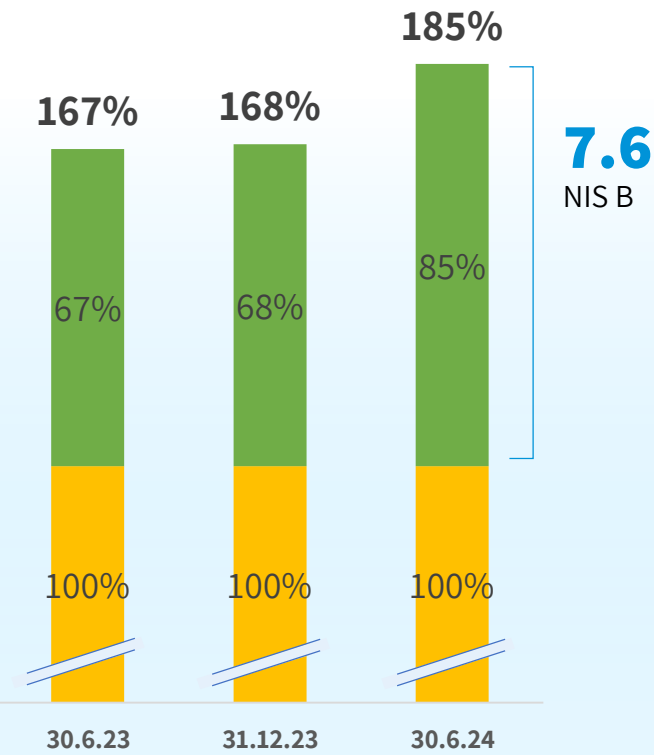


Harel Insurance: Solvency Capital Ratio increased to 185% as of 30.6.2024

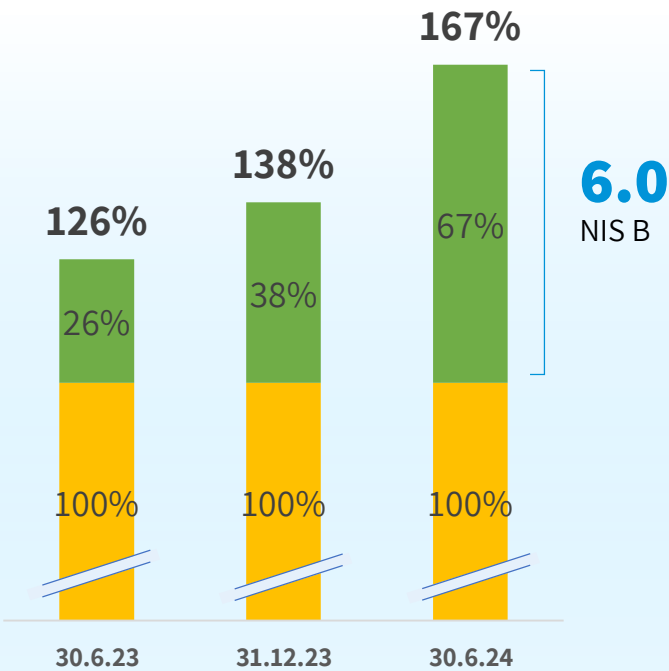
- **The Solvency Capital Ratio** of Harel Insurance at June 30, 2024 **without transitional measures increased to 167%** and capital surplus is NIS 6.0 B, compared with 138% at December 31, 2023.
- **The Solvency Capital Ratio** of Harel Insurance at June 30, 2024 **with transitional measures increased to 185%** and capital surplus is NIS 7.6 B, compared with 168% at December 31, 2023.

Solvency Capital Ratio at Harel Insurance

With transitional measures



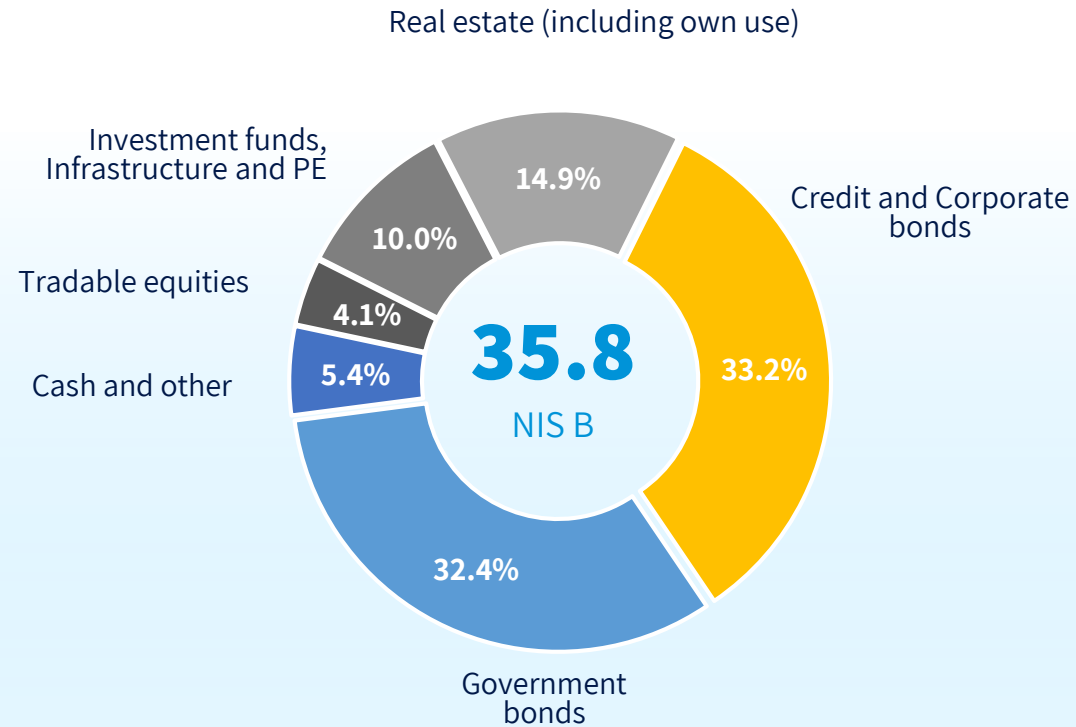
Without transitional measures



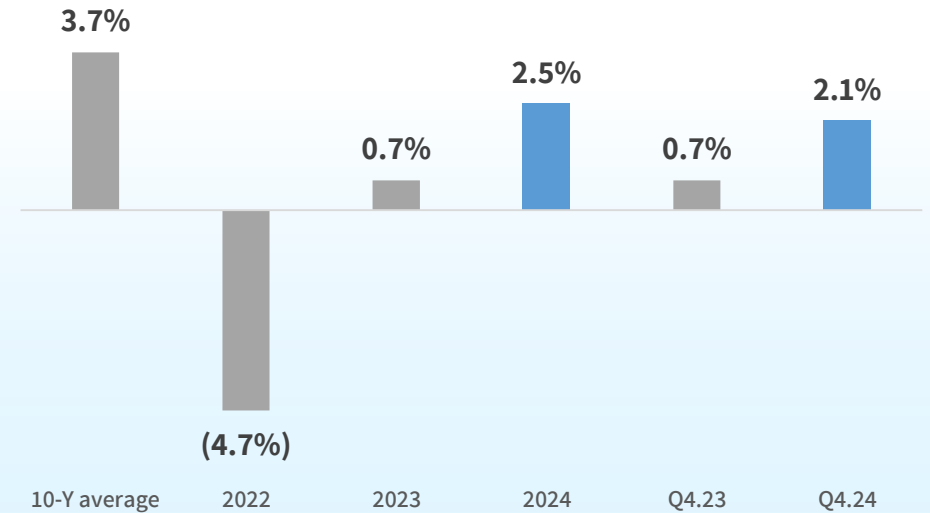
*The capital position of Harel Insurance is affected by the Company's ongoing business development, dividend distribution, changes in market variables, updates in actuarial studies, ongoing model updates and recalculation of the Deduction. For information about the key changes during the first half of 2024 compared with comparative figures, see Section 2 in the Economic Solvency Ratio Report
In January 2025, the minimum solvency ratio was updated to 115% from 110% excluding transitional measures. The minimum solvency ratio is 135% including transitional measures

Harel Insurance: Nostro portfolio breakdown and return

Breakdown of Nostro portfolio by asset classes (31.12.24)

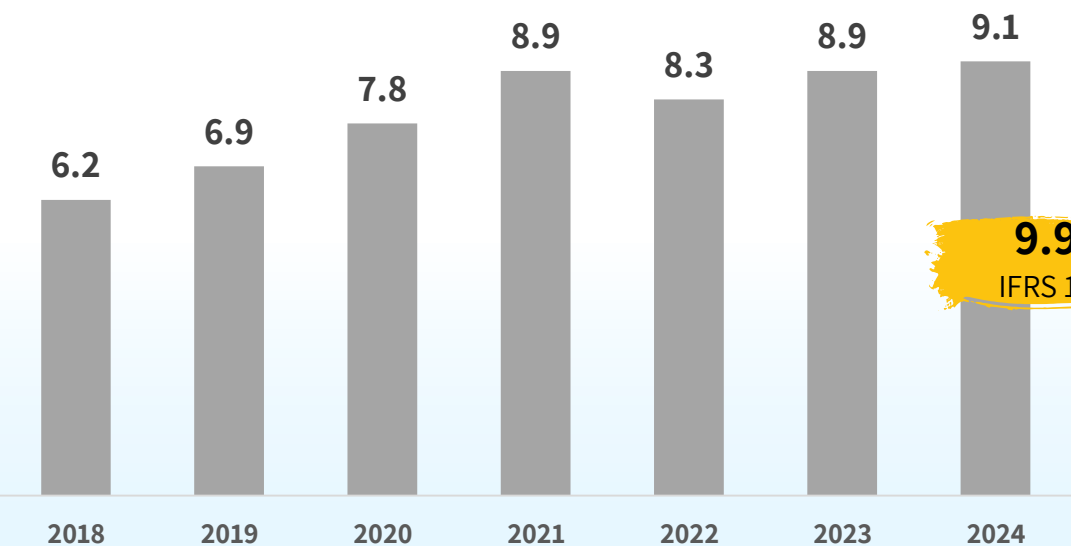


Real Nostro return

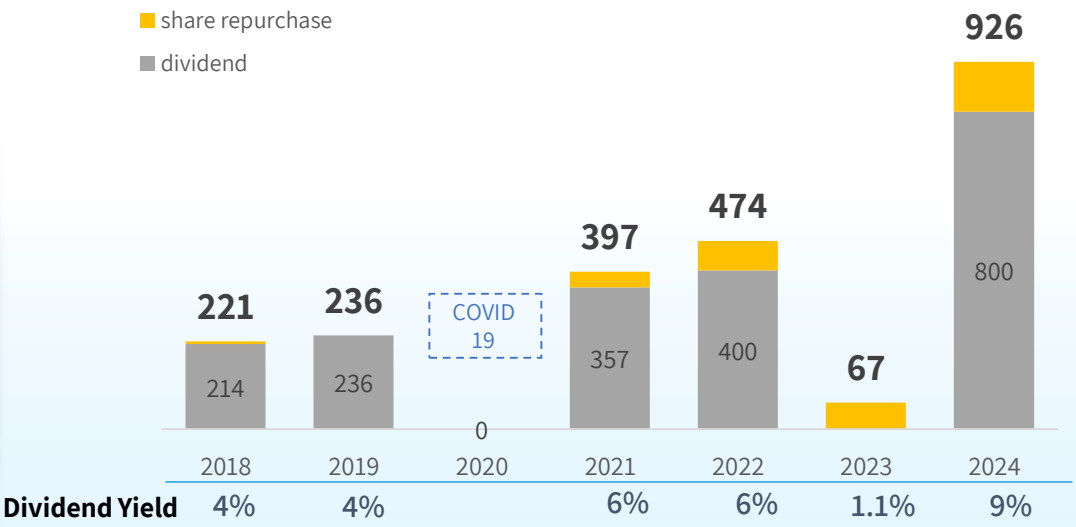


Harel Investments: Financial stability and consistent dividend policy

Shareholders' Equity NIS B



Dividend in Harel Investments including share repurchase NIS M



Dividend Policy

>35%

Harel Insurance*

>30%

Harel Investments

In 2021-2024 Harel executed 3 share repurchase plans, each of NIS 100 M
In November 2024, the Company approved additional NIS 100 M share repurchase plan

In March 2025, The Company approved additional NIS 100 M to its share repurchase plan.

Total share repurchase plan will amount at NIS 200 M

*Dividend payout from annual comprehensive income based on Harel Insurance financial statements, as long as the company is compliant with minimum solvency ratio for dividend distribution
Dividends paid include share repurchases of the following amounts: NIS 7 m in 2018, NIS 40 m in 2021, NIS 74 m in 2022, NIS 67 m in 2023 and NIS 126 m in 2024. At 28.3.2024 the Company announced a NIS 350 M dividend. At 29.8.2024 the Company announced a NIS 200 M dividend and at 31.12.2024 the Company announced a NIS 250 M dividend

Agenda

Key messages

Strategy

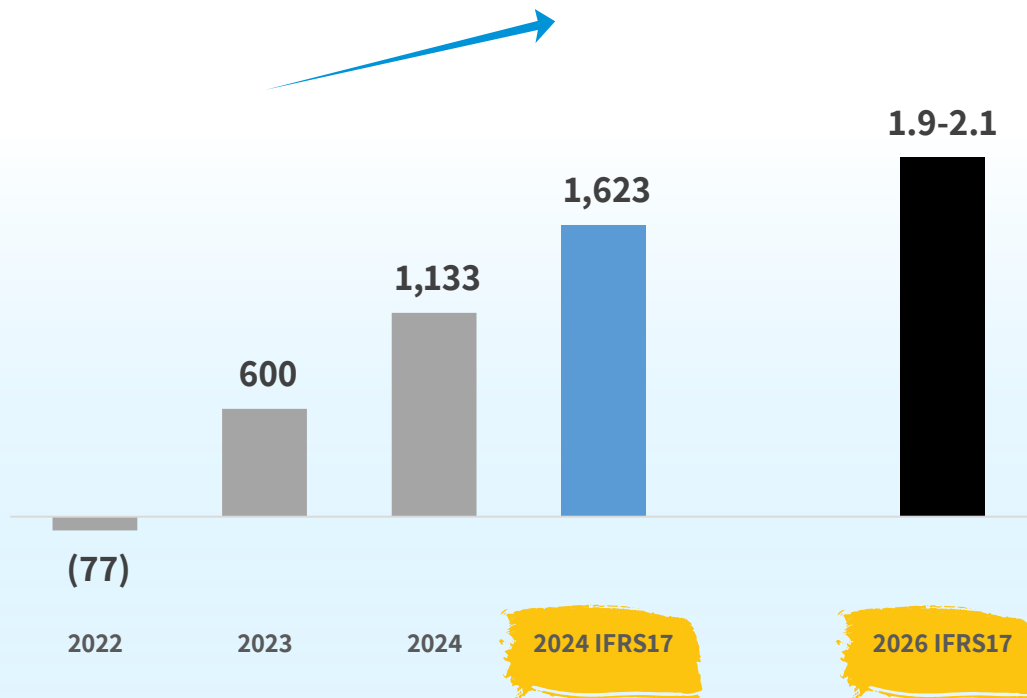
Financial overview

Summary

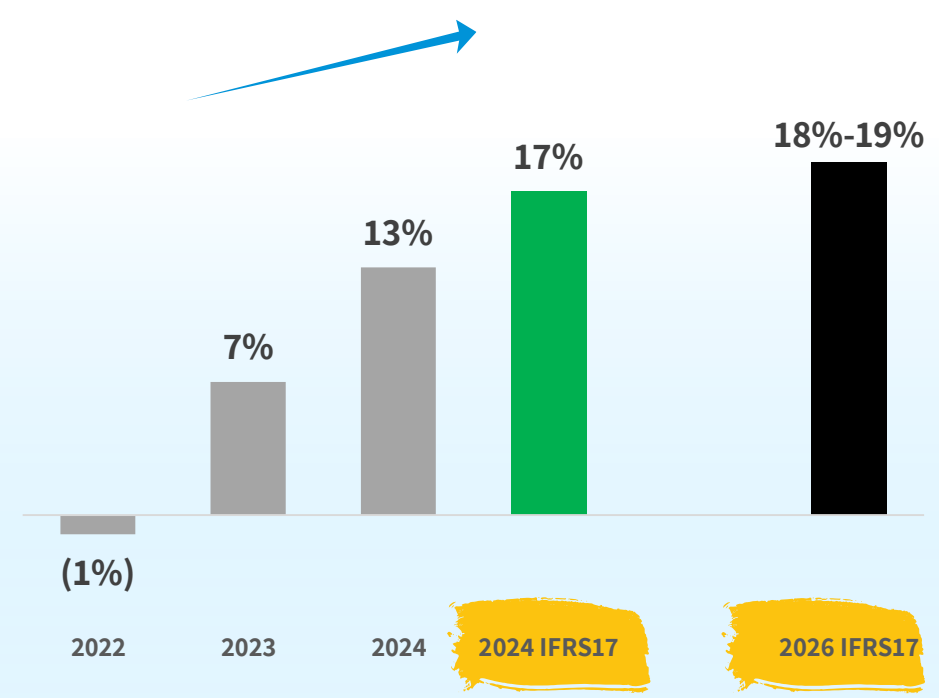
Appendix

Continue to implement the strategic plan

Comprehensive Income attributed to shareholders
NIS M/B after tax



ROE



Application of the Standard may also be subject to changes or adjustments following clarifications or updates in the International Financial Reporting Standards, changes in current practice abroad and the reporting practice being formulated in Israel, regulatory changes, tax changes or changes and adjustments in various estimates prepared by Harel Insurance based on professional discretion. The above data should therefore not be treated as final data or results. The information in its entirety contained above is therefore forward-looking information, according to its definition in the Securities Law, 1968. It is stipulated that the above data neither address nor affirm the full impact of the new standards, including to the extent there are any, on the relevant tax regime and on the Solvency II based economic solvency ratio of Harel Insurance (with and without transitional provisions). At the date of publication of the report, these matters have yet to be fully regulated, they are beyond the full control of Harel Insurance and are under review.

These figures have not been reviewed or audited by the Company's independent auditors. From the first quarter of 2025 and with the entering into force of the new standards, the Company is expected to report its profits assuming a yield based on the nominal risk-free interest rate plus a margin so that its profits will be reflected with low volatility (this in place of the present calculation based on an assumed real yield of 3%). At this stage, the Company is yet to complete the assessment with respect to the size of the margin and the extent to which it conforms with the new standards.



Thank You

For more information:

<https://pr.harel-group.co.il/>

Agenda

Key messages

Strategy

Financial overview

Summary

Appendix

Calculation Principals

Insurance

Life Insurance
Health Insurance
Non-life Insurance

Underwriting Profit: profit from the above insurance operations and presented assuming 3% real investment return, excluding special effects.

In Life segment, the profit includes financial margin in yield guaranteed policies, including a 3% yield assumption on the free portion of the portfolio, variable fees in profit participating portfolio, based on the above return assumption and fixed management fees

Asset Management

Pension Funds
Provident Funds
Finance
Investment Contracts

In line with actual performance,
excluding special effects

Credit and Other

Hamazpen
Development Property Financing
Harel 60+
Financial Guarantees
Agencies
Equity

In line with actual performance,
excluding special effects

Special effects: Profit or loss outside of normal course of company's business, including actuarial changes, excess cost amortization, interest rate impact and others as stipulated in the Company's Financial Statements

Investment Income: the difference between the assumed 3% real return and actual return. In addition, investment income includes adjustment of variable fees as calculated based on the 3% return assumption compared with variable fees as collected

Key forecast assumptions: Real Nostro return of 3.0%, change in CPI 3.0%, implementation of strategic plan to improve profitability and diversify revenues. Premium growth is consistent with industry growth assuming that Harel's share is maintained. 2024 and 2026 premiums do not include Group LTC premiums for Clalit HMO contract Increase in AUM reflects the past deposits development (continuous growth in pension and provident funds). Fees include 124 M variable fees in 2026, in 2022-2023 variable fees were not collected. In 2024 variable fees summed at NIS 4 m. Dividend inline with existing policy. Assumed tax rate is 34.746%. Actual performance may differ from forecast, due to changes in capital market returns, marco data including growth and inflation, regulatory changes and other variables.

Our Global Partners





Legal disclaimer and forward looking statement

This presentation was prepared solely for the purpose of convenience and brevity and it contains partial information in relation to the Company's results in the periods specified therein. This presentation should not be construed as an offer to purchase the Company's securities or an invitation to accept such offers, and it is intended solely to provide information as part of the explanations provided about the Company. The presentation is not a recommendation or opinion to invest in the Company's securities. The presentation does not replace the need to peruse the reports published by the Company (including the Company's financial statements), that include complete information about the Company.

In any case of a contradiction between the information in the presentation and the detailed information in the Company's reports, the information in the Company's reports shall prevail.

This presentation contains forward-looking information, as this term is defined in the Securities Law, 1968. Among other things, this information may include forecasts, goals, evaluations and assessment relating to future events or matters (including risk factors typical of the Group's activity as well as developments in the economic environment and external factors affecting the Company's activity), the materialization of which is uncertain and is not within the Group's control. Such information is based on the subjective assessment of the Company's management at the date of this presentation and it is subject to the reservations and clarifications detailed therein.