



Q2/2025

Investor Presentation |
August 2025



Legal Disclaimer

- While the information included in this presentation is based on data from I.D.I. Insurance Company Ltd's (hereinafter: "The Company") periodic report as of June 30, 2025, as well as previous presentations and reports published by the Company, it is not a substitute for reviewing these reports. The presentation also includes data and information presented in a different format, arrangement, or segmentation than in the aforementioned reports, including those derived from the data in the Company's reports.
- Commencing with the first quarter of 2025, this report is prepared in accordance with IFRS17 and the directives of the Capital Market, Insurance and Savings Authority regarding its implementation. To understand the report, readers need to be familiar with the changes in the accounting standard and their implications for the manner in which the Company's data are presented. It should also be clarified that the changes in the accounting standard are significant – both in the manner of measurement and the manner in which data are presented; this is the first time the new standard is applied after many years of reporting according to the previous standard.
- This presentation does not constitute an offer to acquire the Company's securities or an invitation to receive such an offer. It is intended solely to provide information to investors. Its content does not constitute advice, a recommendation, an opinion, or an offer regarding the profitability of an investment and does not replace independent judgment, self-assessment, and professional advice tailored to each investor's specific circumstances. The Company shall not be liable for any possible or potential damages and/or losses resulting from the use of information in this presentation.
- This presentation may include forward-looking information (as defined in the Securities Law, 5728 – 1968), such as the Company's forecasts, objectives, assessments, and estimations regarding future events or matters, the realization of which is uncertain and not under the Company's control. By nature, forward-looking information is subject to risks of non-realization and uncertainty, including the impact of risk factors inherent in the Company's operations, changes in the economic environment in which the Company operates, as well as external factors that may affect the Company's operations.
- Therefore, readers of this presentation are cautioned that the Company's actual future results and achievements may differ materially from those presented in the forward-looking information, if applicable.
- Furthermore, the forward-looking forecasts and assessments are based on data and information available to the Company as of the publication date of this presentation. The Company is not obligated to update or revise any forecast or assessment to reflect events or circumstances that may arise after the presentation date..

The Iron Swords War

We bow our heads in memory of the citizens of Israel, its soldiers and employees of the Company who were murdered or fell in the Iron Swords War and wish for peace and security in our region.

The Iron Swords War has continued during the first quarter of 2025 and as of the publication date of the report. Many of Direct Insurance's employees are still taking part in the war effort as reservists, while others continue to serve our customers with dedication, providing backup and support to reservists and their families, as well as tailored solutions for residents living near the southern and northern fronts.

During the second quarter, the "Rising Lion" military operation took place. Unfortunately, there were also casualties and property damage. Direct Insurance continued to provide support to its customers who were affected and required assistance.

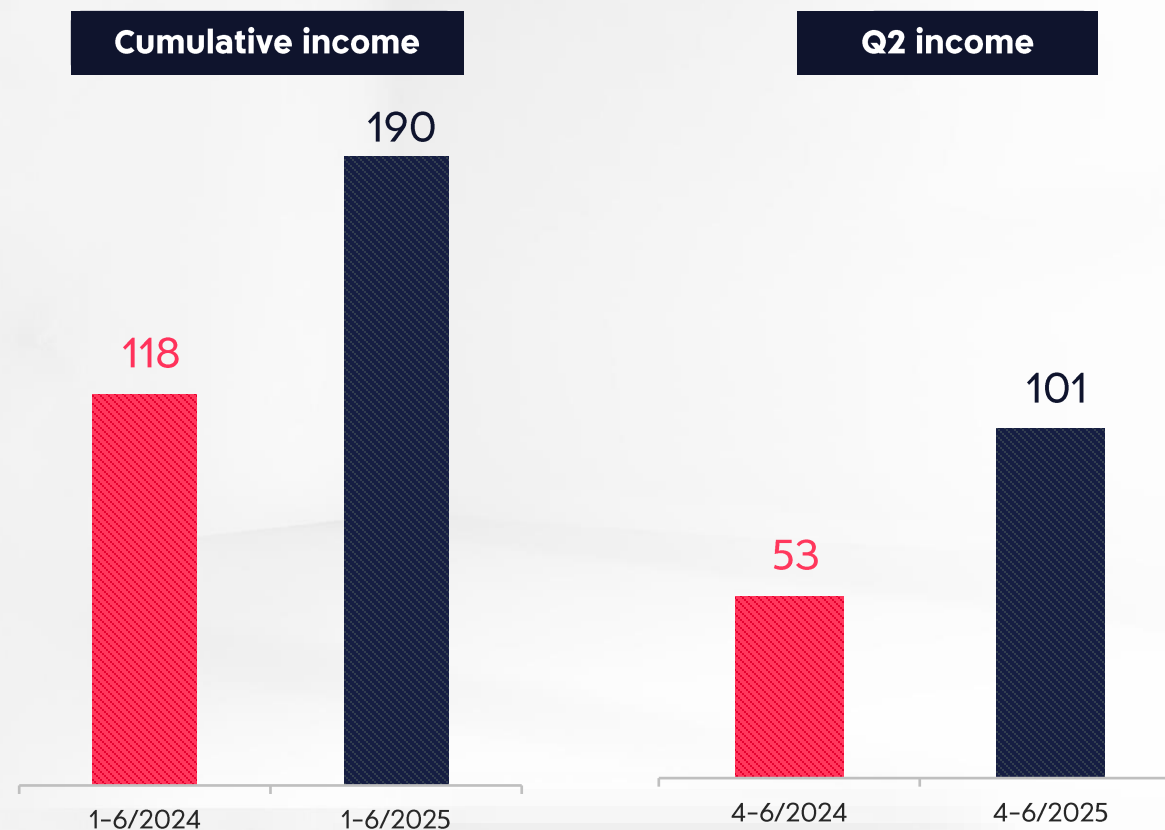
Most importantly, we call for the swift return of all the hostages and hope for a speedy recovery of all those wounded in body and soul.

May we soon have days of peace, tranquility and routine



Comprehensive income*

Quarter and cumulative



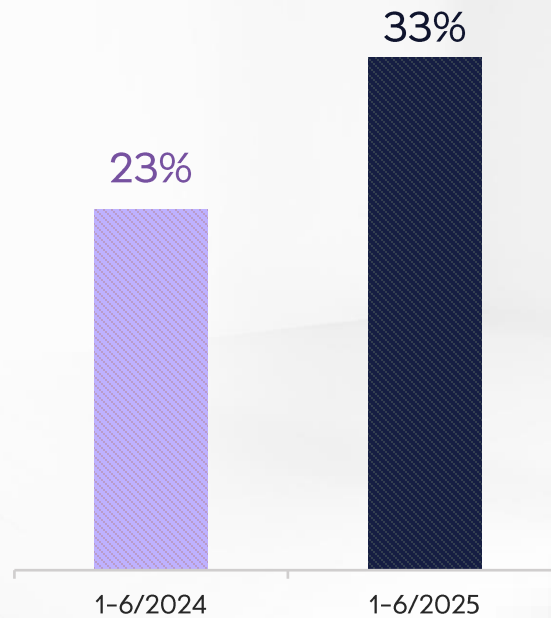
* After tax. in NIS million
All figures in terms of IFRS 17



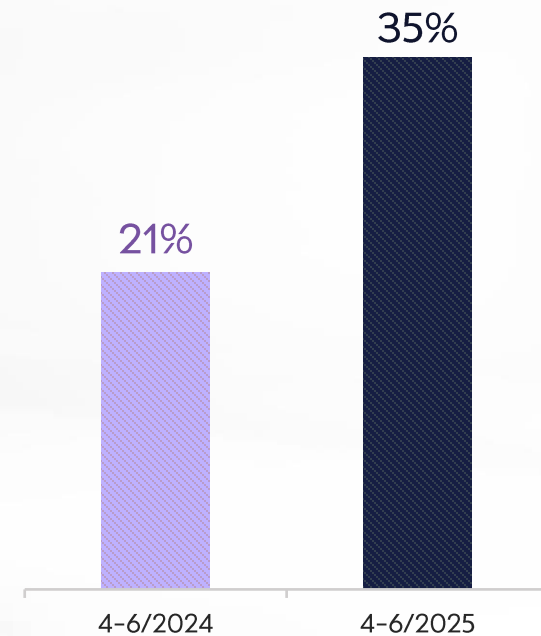
Return on equity

Quarter and cumulative

Return - H1



Q2 return



Return on equity - annualized

Quarter of Achievements



Continued high-quality growth in the number of customers and scope of premiums in the various subsegments



Improved profitability across most subsegments, achieving adequate balance between profitability and growth



Boosted the scope of business collaborations



Technology

Completed the upgrading of most core infrastructure in P&C and Life while creating an advanced user experience including the use of GEN AI applications



Adhering to strict underwriting, with differential pricing and smart claim management



Investments

Managing a diversified, solid portfolio with a healthy return



Profitability Overview | Q2

	4-6/2025	4-6/2024
Income from insurance services - entire company	137.1	119.2
Operating expenses from operating segments	(20.8)	(16.3)
Total income from insurance services, net of operating expenses	116.3	102.9
Finance expenses resulting from insurance contracts	(12.3)	(59.5)
Investment revenue attributed to operating segments	40.1	24.4
Investment revenue and finance income, net attributed to operating segments	27.8	(35.1)
Investment revenue not attributed to operating segments	20.7	15.7
Expenses not attributed to operating segments	(6.1)	(3.6)
Other revenue (expenses)	(0.6)	0.2
Comprehensive income, before tax	158.1	80.2
Income tax expense	56.9	27.5
Comprehensive income	101.2	52.7



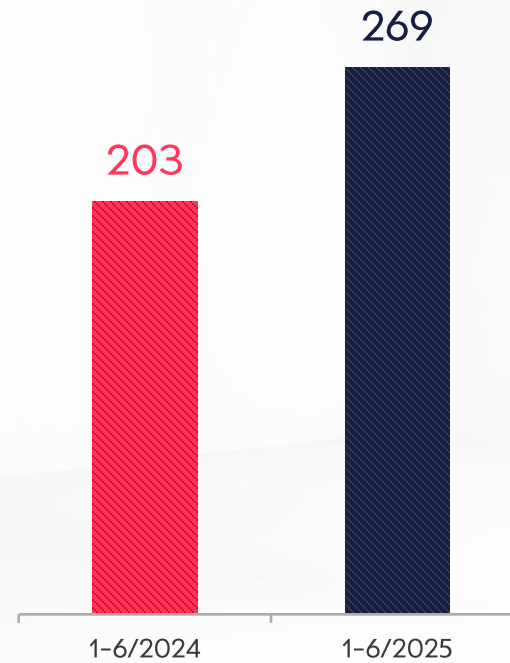
Profitability Overview | H1

	1-6/2025	1-6/2024
Income from insurance services - entire company	268.5	202.9
Operating expenses from operating segments	(38.7)	(33.3)
Total income from insurance services, net of operating expenses	229.8	169.6
Finance expenses resulting from insurance contracts	(37.7)	(75.1)
Investment revenue attributed to operating segments	71.4	55.3
Investment revenue and finance income, net attributed to operating segments	33.7	(19.9)
Investment revenue not attributed to operating segments	42.7	39.9
Expenses not attributed to operating segments	(10.2)	(8.0)
Other revenue (expenses)	(0.9)	0.3
Comprehensive income, before tax	295.1	181.9
Income tax expense	104.9	63.6
Comprehensive income	190.2	118.3

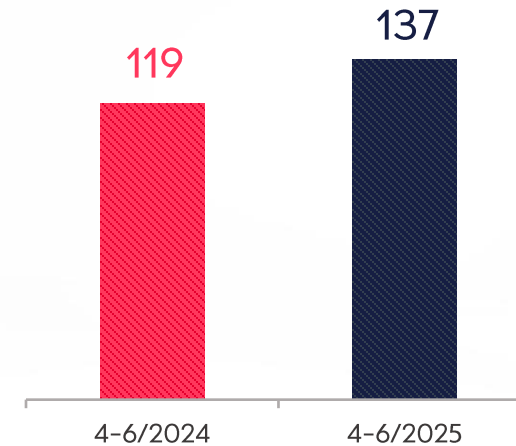


Income from Insurance Services

Cumulative income



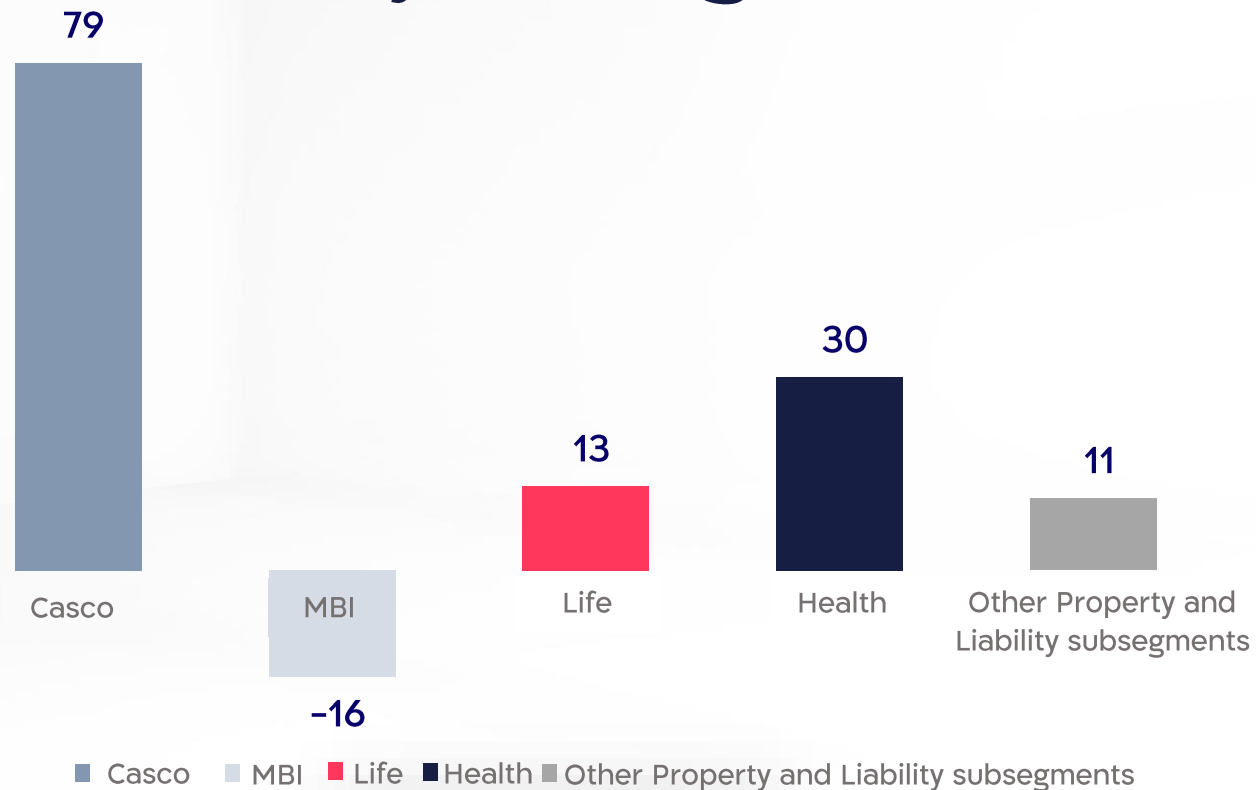
Q2 income



In NIS million, before tax
Data relate to operating segments

Income from Insurance Services I

Net of Operating Expenses
Q2 – by subsegment



In NIS million, before tax

Casco

Cumulative 1-6

2025

1,050.1

Premiums excluding Civil
Servants Tender premiums*

146.7

Income from insurance services

129.7

Income from insurance services,
net of operating expenses

(15.4)

Finance expenses

34.0

Investment revenue**

148.3

Comprehensive income

2024

994.4

Premiums excluding Civil
Servants Tender premiums*

116.4

Income from insurance services

102.6

Income from insurance services,
net of operating expenses

(12.2)

Finance expenses

28.6

Investment revenue**

119.0

Comprehensive income

Quarterly 4-6

2025

487.1

Premiums excluding Civil
Servants Tender premiums*

88.0

Income from insurance services

78.6

Income from insurance services,
net of operating expenses

(12.2)

Finance expenses

20.7

Investment revenue**

87.2

Comprehensive income

2024

470.9

Premiums excluding Civil
Servants Tender premiums*

72.6

Income from insurance services

65.7

Income from insurance services,
net of operating expenses

(9.7)

Finance expenses

10.2

Investment revenue**

66.1

Comprehensive income

6%



Growth in
premiums
Excluding Civil
Servants Tender
premiums

3%



Growth in
premiums
Excluding Civil
Servants Tender
premiums

* Premiums including NIS 1,147.7 in aggregate Civil Servants Tender premiums compared to NIS 1,144.0 last year and during the quarter - NIS 490.1 compared to NIS 477.1 last year.

** The line item includes other finance expenses.

All data are in NIS million | Comprehensive income and income from insurance services before tax

Cumulative 1-6

2025

358.8

Premiums excluding Civil
Servants Tender premiums*

(10.2)

Income from insurance services

(15.7)

Income from insurance services,
net of operating expenses

(33.9)

Finance expenses

31.3

Investment revenue**

(18.3)

Comprehensive income

2024

333.6

Premiums excluding Civil
Servants Tender premiums*

6.5

Income from insurance services

1.4

Income from insurance services,
net of operating expenses

(18.2)

Finance expenses

21.3

Investment revenue**

4.6

Comprehensive income

Quarterly 4-6

2025

171.6

Premiums excluding Civil
Servants Tender premiums*

(13.7)

Income from insurance services

(16.5)

Income from insurance services,
net of operating expenses

(30.3)

Finance expenses

16.5

Investment revenue**

(30.3)

Comprehensive income

2024

152.1

Premiums excluding Civil
Servants Tender premiums*

4.5

Income from insurance services

2.0

Income from insurance services,
net of operating expenses

(7.2)

Finance expenses

12.5

Investment revenue**

7.2

Comprehensive income

8%



**Growth in
premiums
Excluding Civil
Servants Tender
premiums**

7%



**Growth in
premiums
Excluding Civil
Servants Tender
premiums*****

* Premiums including NIS 394.5 in aggregate Civil Servants Tender premiums compared to NIS 392.2 last year and during the quarter – NIS 172.3 compared to NIS 153.3 last year.

** The line item includes other finance expenses.

*** Excluding the effect of the Pool revision in respect of last year (which was recorded in Q2/2025 and in 2024 – in Q1).

All data are in NIS million | Comprehensive income/loss and income from insurance services before tax

Other Property and Liability subsegments

Cumulative 1-6	
2025	2024
196.8	172.4
Premiums	Premiums
25.3	15.9
Income from insurance services	Income from insurance services
21.4	12.4
Income from insurance services, net of operating expenses	Income from insurance services, net of operating expenses
(2.3)	(1.9)
Finance expenses	Finance expenses
4.0	4.0
Investment revenue*	Investment revenue*
23.1	14.6
Comprehensive income	Comprehensive income

14%
↑
Growth in premiums

Quarterly 4-6	
2025	2024
94.6	81.6
Premiums	Premiums
13.2	11.8
Income from insurance services	Income from insurance services
11.2	10.1
Income from insurance services, net of operating expenses	Income from insurance services, net of operating expenses
(1.9)	(1.2)
Finance expenses	Finance expenses
1.9	1.3
Investment revenue*	Investment revenue*
11.2	10.3
Comprehensive income	Comprehensive income

16%
↑
Growth in premiums

* The line item includes other finance expenses.

All data are in NIS million | Comprehensive income and income from insurance services before tax

Life Insurance

Cumulative 1-6	
2025	2024
184.4	176.0
Premiums	Premiums
55.1	20.4
Income from insurance services	Income from insurance services
47.1	13.8
Income from insurance services, net of operating expenses	Income from insurance services, net of operating expenses
7.5	(14.9)
Finance income	Finance expenses
1.2	1.6
Investment and other revenue*	Investment and other revenue*
55.8	0.5
Comprehensive income	Comprehensive income

Quarterly 4-6	
2025	2024
92.8	88.7
Premiums	Premiums
17.7	4.2
Income from insurance services	Income from insurance services
13.0	0.8
Income from insurance services, net of operating expenses	Income from insurance services, net of operating expenses
13.8	(15.3)
Finance income	Finance expenses
0.5	0.7
Investment and other revenue*	Investment and other revenue*
27.3	(13.8)
Comprehensive income	Comprehensive loss

* The line item also includes other finance expenses.

All data are in NIS million | Comprehensive and underwriting income before tax

5%
↑
Growth in premiums

5%
↑
Growth in premiums

Health

Cumulative 1-6

2025

148.5

Premiums

51.6

Income from
insurance services

47.3

Income from insurance
services, net of
operating expenses

6.4

Finance income

0.1

Investment revenue**

53.8

Comprehensive income

2024

140.1

Premiums

43.6

Income from
insurance services

39.4

Income from insurance
services, net of
operating expenses

(28.0)

Finance expenses

0.1

Investment revenue**

11.5

Comprehensive loss

Quarterly 4-6

2025

74.8

Premiums

31.9

Income from
insurance services

29.9

Income from insurance
services, net of
operating expenses

18.3

Finance income

0.0

Investment revenue**

48.2

Comprehensive income

2024

70.8

Premiums

26.1

Income from
insurance services

24.4

Income from insurance
services, net of
operating expenses

(26.1)

Finance expenses

0.0

Investment revenue**

(1.8)

Comprehensive loss

16%



**Growth in
premiums**

Health and
Critical Illnesses

6%



*** Growth in
premiums**

Entire Health
Insurance Segment

16%



**Growth in
premiums**

Health and
Critical Illnesses

6%



*** Growth in
premiums**

Entire Health
Insurance Segment

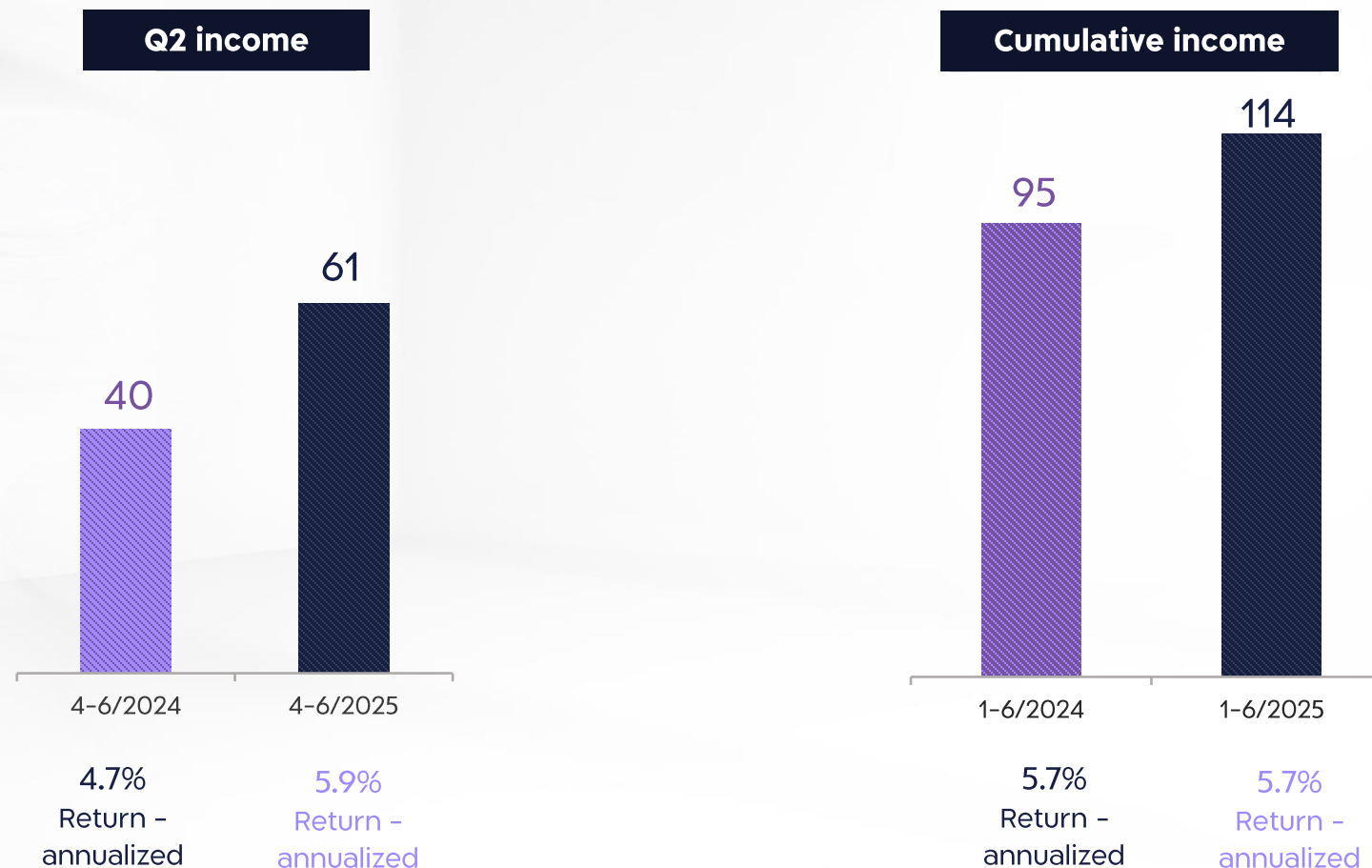
* The growth in premiums in the Health Segment was achieved despite a business decision to reduce the scope activity in the personal accidents subsegment in light of the reform led by the regulator, which reduced its profitability.

** The line item includes other finance expenses.

All data are in NIS million | Comprehensive and underwriting income before tax

Investment Income – Nostro

Quarter and cumulative



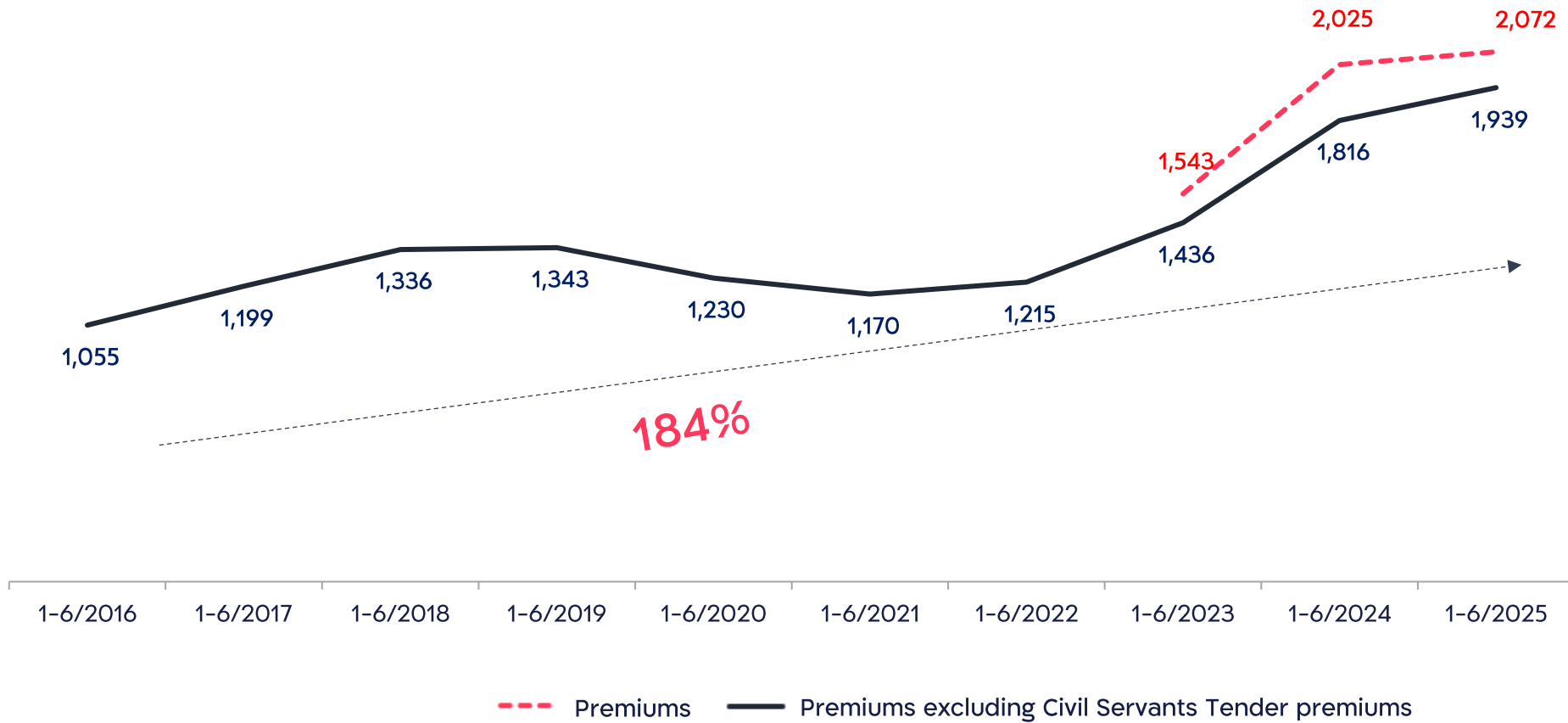
All data are in NIS million | Excluding income from profit-sharing policies, based on a solid, diversified portfolio

Growth in Total Premiums

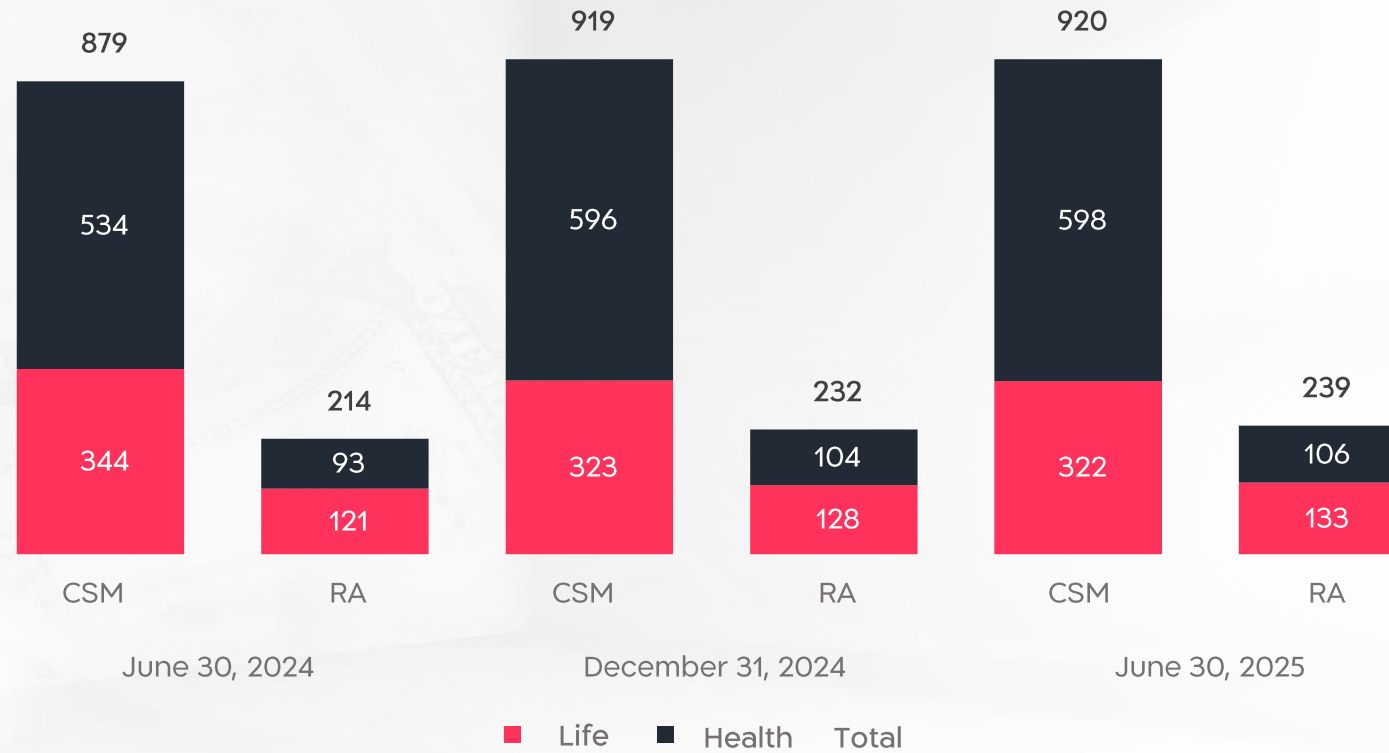
H1

7%

Growth in premiums compared to last year, excluding Civil Servants Tender premiums



CSM* & RA**



- * Contractual service margin (CSM) – Expected income from provision of insurance coverage. Attributed to income across the insurance contract coverage period.
- ** Risk adjustments (RA) – The risk premium for uncertainty regarding the amount and timing of the cash flows is charged to income upon release from the risk.

Financial Effects

Q2 and cumulative

1. The effects of changes in the interest rate curve and CPI on comprehensive income has increased following the adoption of IFRS 17.
2. As a result of Direct Insurance's portfolio structure, there is a partial hedge between P&C and Life and Health

	1-6/2025	4-6/2025
P&C		
CPI	(36.7)	(30.3)
Curve change interest rate*	3.9	(3.4)
	-----	-----
Life and Health		
CPI	15.6	12.9
Curve change interest rate*	6.8	23.5
	-----	-----
Total effects	(10.4)	2.6

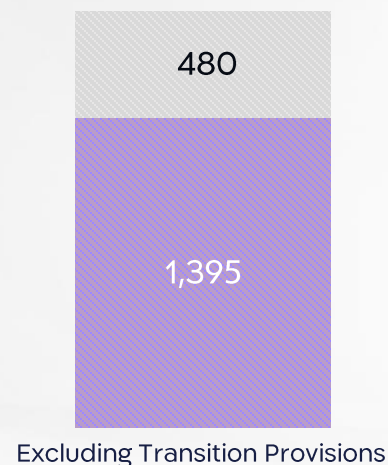
in NIS million

* Excluding accrual of interest due to the passage of time.

Solvency Ratio

As of December 31, 2024*

134%
Solvency ratio



■ Solvency capital requirement (SCR) ■ Excess capital



Rating

Company rating: Aa3
Tier 2 Capital: A2
(rated by Midroog)

The model in its present form is highly sensitive to changes in market and other variables.

* As reported on April 27, 2025. Includes a dividend of NIS 60 million declared after the annual reporting period. the Company raised subordinated loans from Israeli banking corporations totaling NIS 185 million, recognized by the Commissioner as Tier 2 Capital. Approximately NIS 105 million of this amount, after required deductions, was included in the Company's equity for solvency purposes.

Dividend and dividend yield

Dividend for
Q2 earnings

**NIS 60
million**

Dividend for **Q1**
earnings

**NIS 55
million**

Average 5-year
dividend yield

7.93%

Dividend
distribution policy

At least
50% of
the annual
income

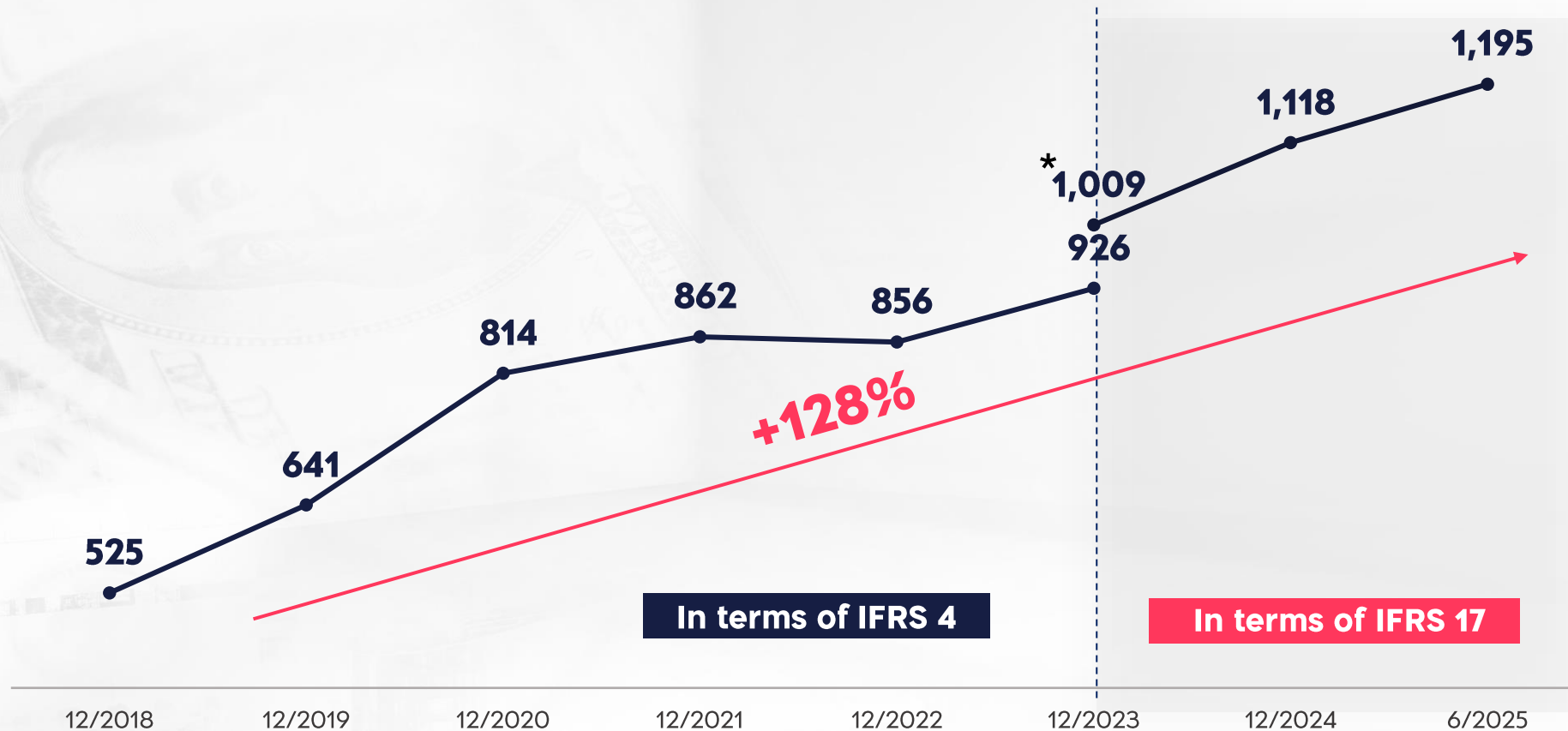
Distribution
threshold
conditions

120%
solvency

Which constitute
approx. **60%** of the
earnings in the
period

Since 2018, approx. NIS 1 billion has been distributed as dividends out of cumulative earnings of approx. NIS 1.5 billion

Capital Development



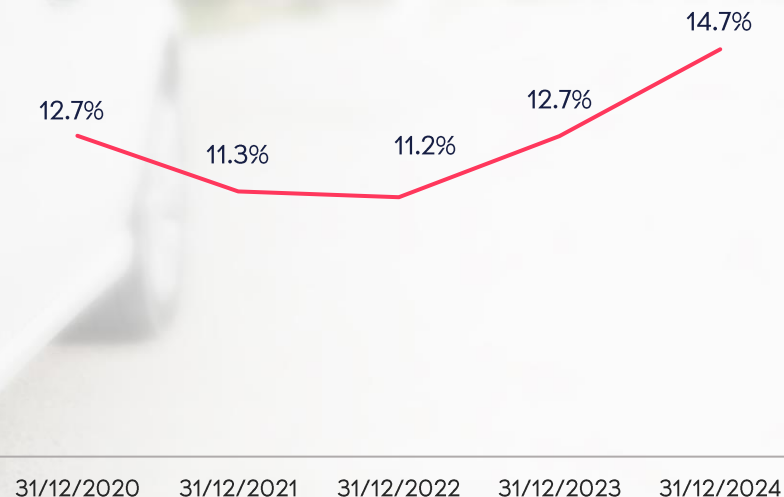
* Including the effect of the first-time application of IFRS 17 on January 1, 2024, totaling approx. NIS 84 million.

Additional Achievements and Business Focal Points

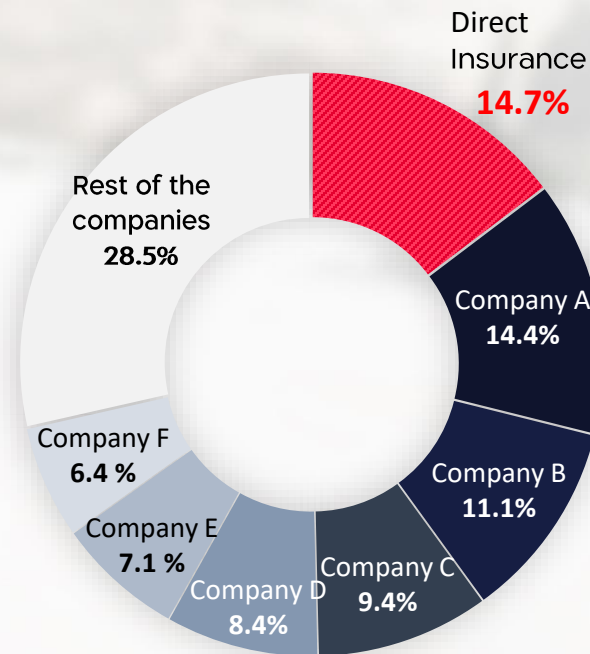


Growth and Leading Motor Casco Market Share

Market share over time*



Leading in the market share*

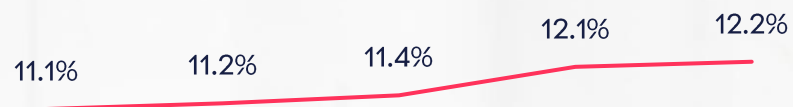


*The motor Casco market share by premiums, according to the Capital Market, Insurance and Savings Authority, as of December 31, 2024 (up-to-date figures have yet to be published)

Growth over time

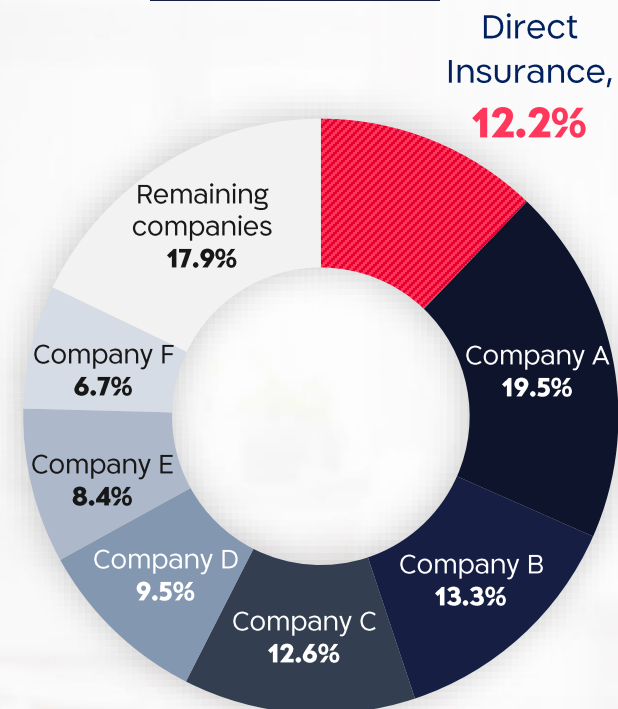
Homeowners Market Share

Market share over time



December 31, 2020 December 31, 2021 December 31, 2022 December 31, 2023 December 31, 2024

Market share*



* Market share of home insurance and mortgage banks in terms of insurance premiums according to the Capital Market, Insurance and Savings Authority, as of December 31, 2024 (up-to-date figures have yet to be published)

Leaders in Mortgage Insurance

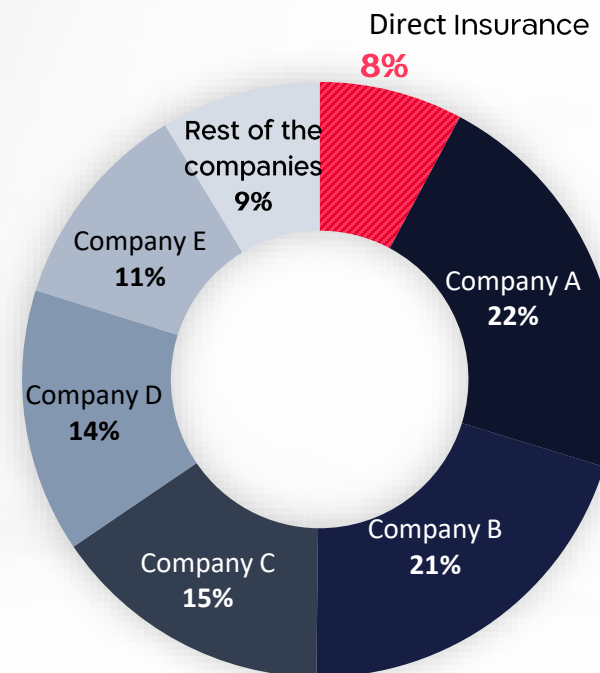


Approx. **17%**

of the insured mortgage
amounts in the market
are Insured at IDI

The rate is based on Direct Insurance's insured mortgage sums as a share of the total outstanding credit balance in the economy (lenders' portion), after a provision for doubtful debts, per the Bank of Israel. As of March 2024.

Life branch market



Pure risk market share (excluding savings) – Accumulated individual death risk, according to the Capital Market, Insurance and Savings Authority, as of 31.12.2024

Expansion of Distribution Channels

Record in number of Strategic Partnerships



A Leading Company for Individual and Family

A Multiproduct Company



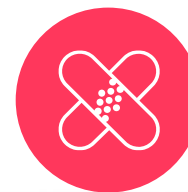
Motor



**Homeowners
and business**



Mortgage



Health



Savings



**Personal
Accidents**



**Pure
Risk**



**Travel
Insurance**



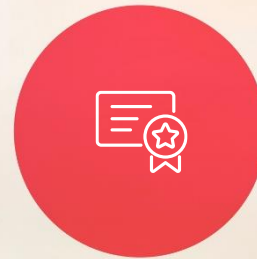
**Critical
Illness**

Business Focus

in 2025



**Organic &
Profitable
Growth**



**Competitive
Advantage
through
Organizational
excellence**



**Innovation
at the core of
our Business
Pushing
boundaries**



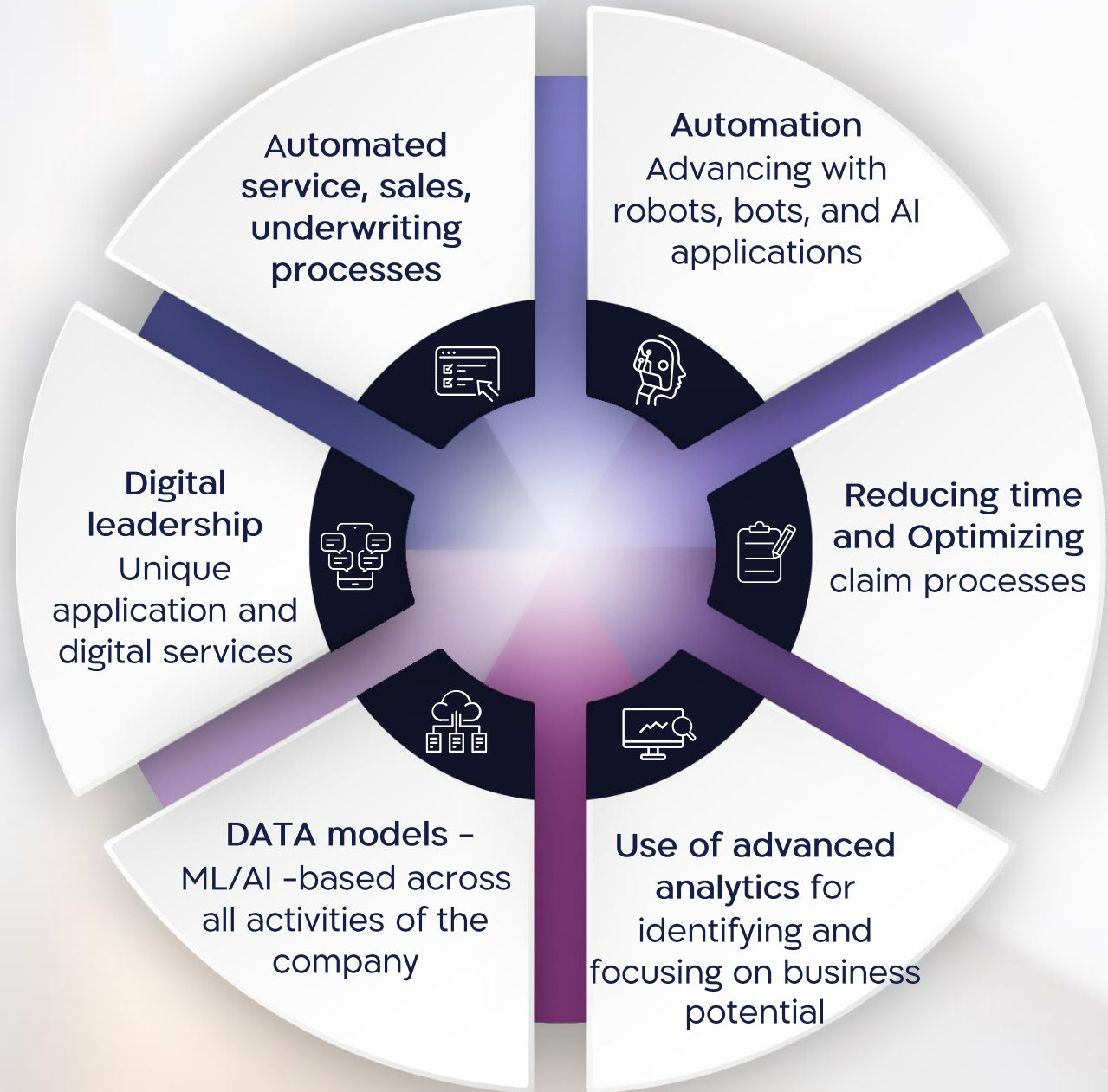
**Maximizing
Customer
Engagement
Excellent
service**



**Exploring
Opportunities
Horizontal &
Vertical**

A significant advantage in efficiency rates

Via advanced technology and high operational optimization





Innovation as a Core Value

Innovation Enabling Competitive Offering
Pricing and Enhanced value for Customers



Value Offers to customers
club benefits,
bundles, etc.



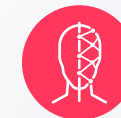
Innovation HUB
DIRECT**LAB** ::



Embedding dozens of innovative applications
in business processes



Cross Company organizational innovation

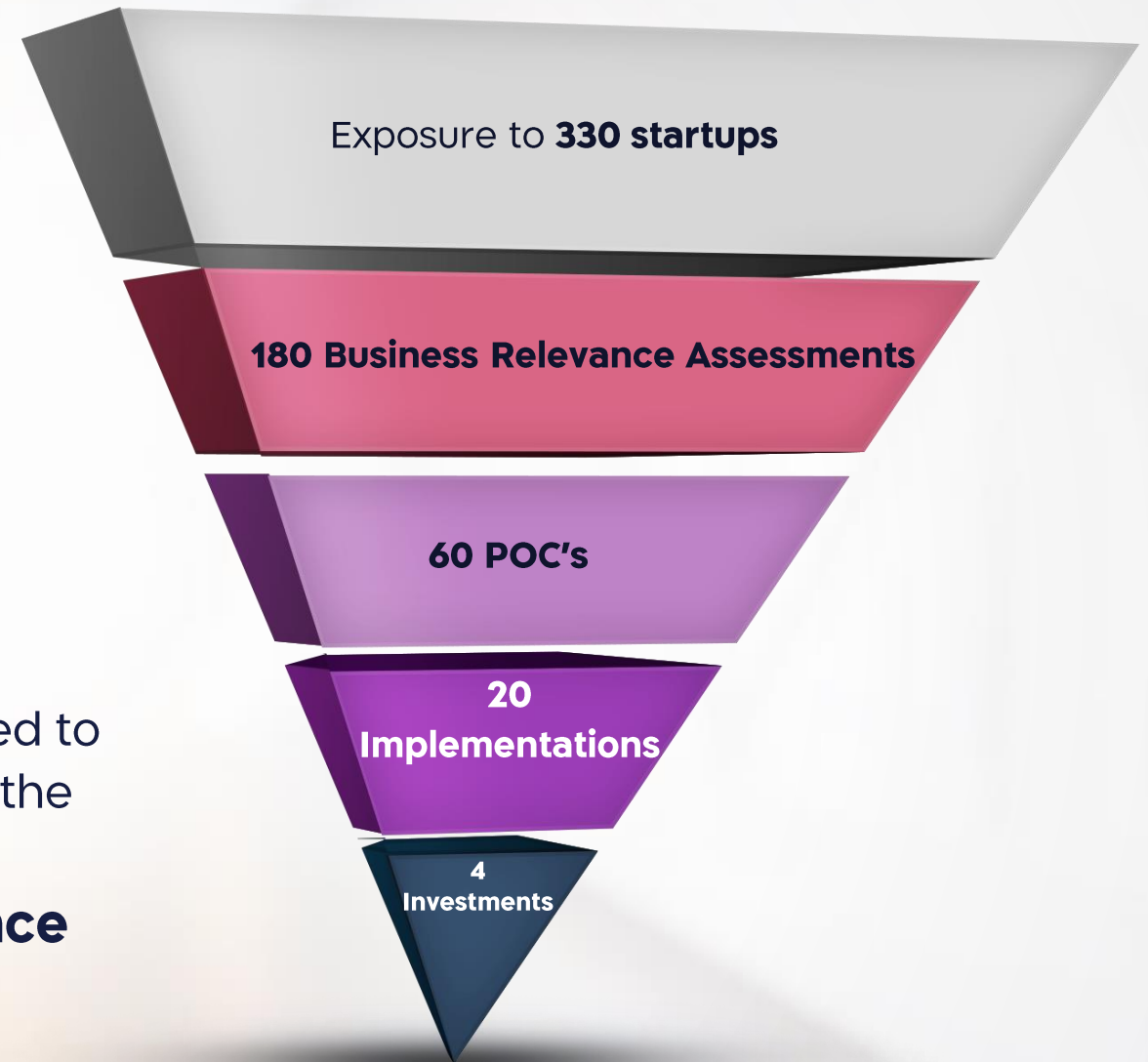


GEN AI applications

DIRECTLAB:: **Direct Insurance's** **innovations**

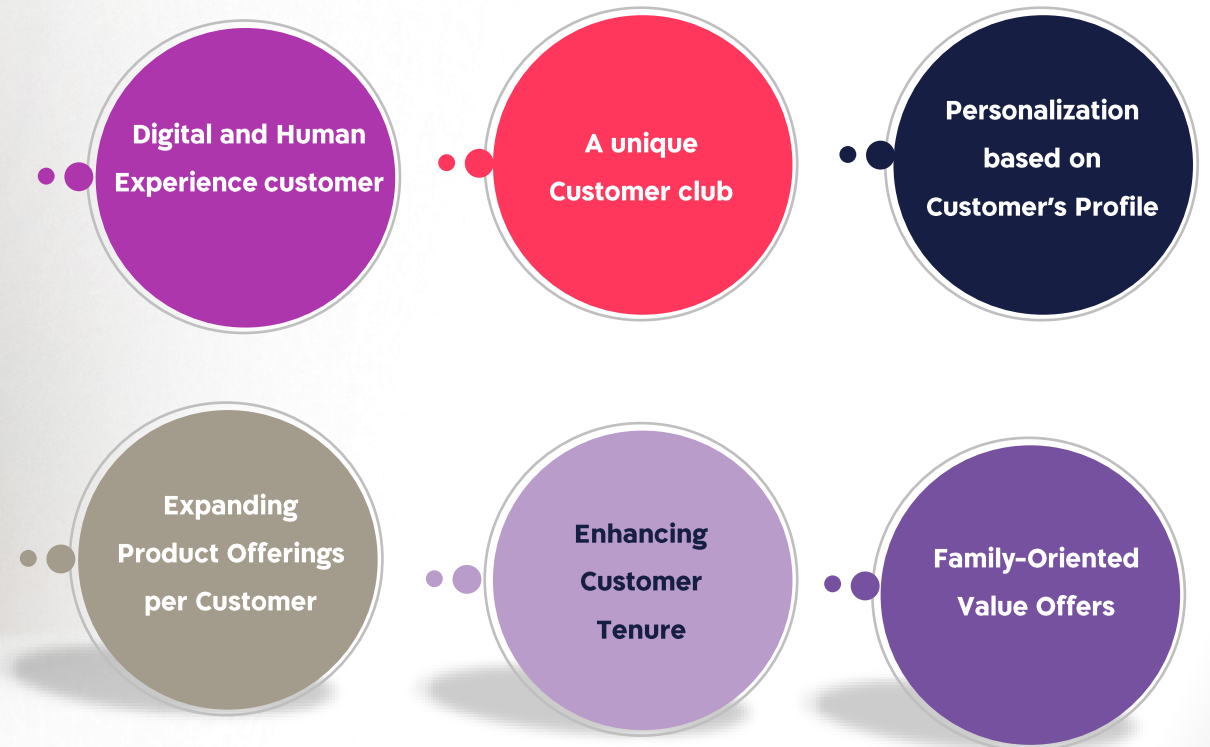
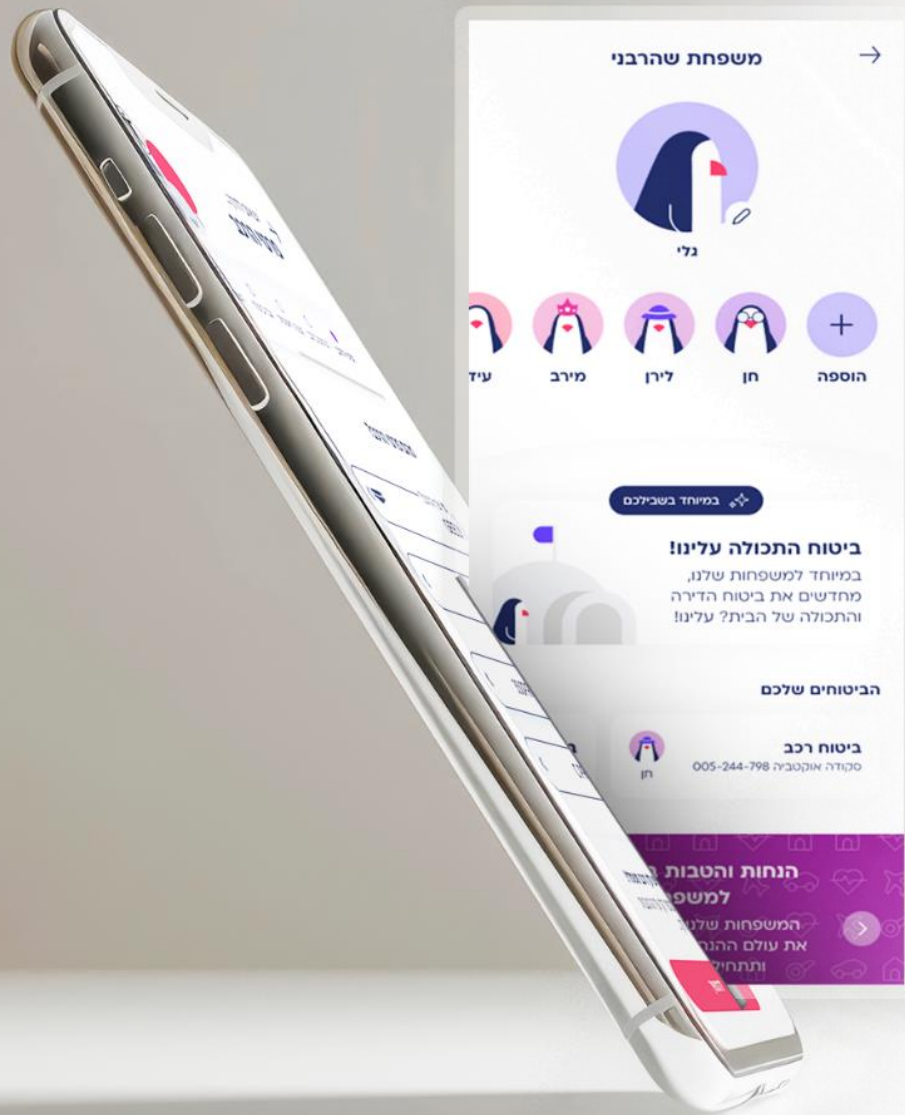
We have developed a
Structured and Focused screening process designed to
identify startups with higher potential to enhance the
value chain

**In cooperation with the Japanese insurance
giant MSI**



Customer Centric Approach











Maximizing Customer Engagement



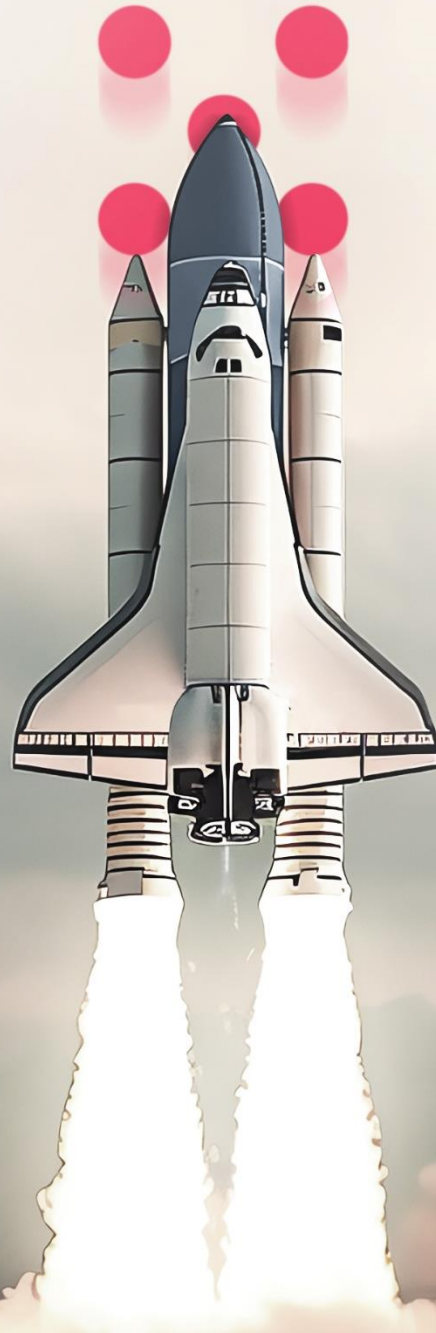
Direct Insurance Ranked First in Finance and Insurance Category in the BDI Survey

High-Quality, committed and satisfied workforce

Consistently Ranked Among Top High-Tech Companies and First in the Financial Sector for Several Years*

	Nvidia	1
	Google	2
	Microsoft	3
	Check Point	4
	Applied Materials	5
	Direct Insurance	6
	SAP	7
	Israel Aircraft Industries	8
	CyberArk	9
	Elbit Systems	10

* According to the most recent TheMarker and BDI Survey– June 2025



Thank you.
**The future
moves fast
and so do we.**