

# 2024 Results

## Phoenix Financial

March, 2025

# Disclaimer

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This presentation does not constitute an offer to purchase the Company's securities or solicitation to receive such offers and is designed solely to offer information as part of the Company's explanations regarding its Financial Statements.

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# Agenda

## Highlights

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Strategy & Targets

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Financial Results

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Segment Breakdown

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Appendix

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Glossary

# Phoenix Financial | Company Overview



**Leading financial group**

525 NISb (\$144b)  
*AUM*<sup>1</sup>

20%  
*AUM 5-year CAGR*<sup>2</sup>

**Distinctive performance**

2,087 NISm  
*Comprehensive Income*

16.9%  
*ROE 5-year average*<sup>2</sup>

1,760 NISm  
*Core Income*

Significant payout  
*(buyouts + 40% dividends)*

**Strong capital base**

AA  
*Israel ratings*<sup>4</sup>

11.9 NISb  
*Shareholders' equity*<sup>1</sup>

**Insurance**

P&C, Life & Health

Attractive ROE

Strategic capital / balance sheet deployment

Shifting mix toward high ROE activities

1,175 NISm  
*Core Income*

189%  
*Solvency II Ratio*<sup>3</sup>

7.2 NISb  
*Shareholders' Equity*<sup>5</sup>

AAA  
*Israel ratings*<sup>4</sup>

A- / Baa1  
*International ratings*<sup>4</sup>

**Asset Management**

Investment House & Wealth, Retirement, Agencies & Credit

Mostly Fee Related Earnings (FRE), commissions, & spreads

Capital light with strong organic potential

High multiples & limited capital needs

585 NISm  
*Core Income*

1,145 NISm  
*Core EBITDA*<sup>6</sup>

4.2 NISb  
*Revenues*

All figures based on 2024 unless specified otherwise

<sup>1</sup> Includes all activities including insurance as of December 31, 2024

<sup>2</sup> Five-year period (2020-24), acquisitions included

<sup>3</sup> Solvency with transitional measures estimated as of September 30, 2024 (adjusted for Phoenix Insurance dividend in kind 565 NISm distributed to date out of 1.4 NISb announced, additional -6% impact estimated from full distribution)

<sup>4</sup> Israeli ratings: iIAA for Phoenix Financial & iIAAA for Phoenix Insurance by S&P Maalot, Aa2.il for Phoenix Financial & Aaa.il for Phoenix Insurance by Midroog; international ratings include S&P A- with stable outlook & Moody's Baa1 with negative outlook (Moody's standalone credit profile A2 before sovereign constraint)

<sup>5</sup> As of December 31, 2024 after Phoenix Insurance 565 NISm dividend in kind distributed out of 1.4 NISb announced

<sup>6</sup> Adjusted EBITDA calculated as income before finance expense, taxes, depreciation, and amortization in the relevant areas of activity, see Glossary for definitions; 1,002 NISm without minority interest



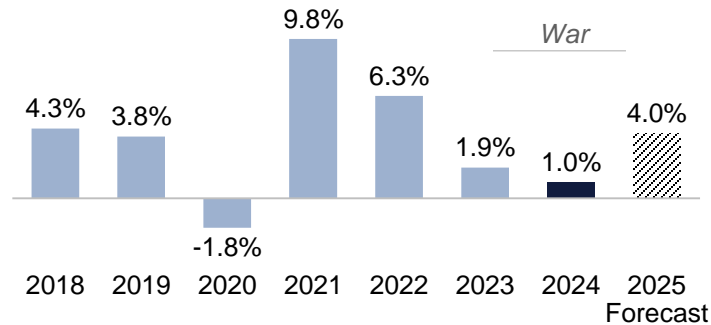
# Israel Economy | Main Indicators

Long-term positive structural trends (e.g., wealth accumulation, demographics, vibrant tech sector)<sup>1</sup>

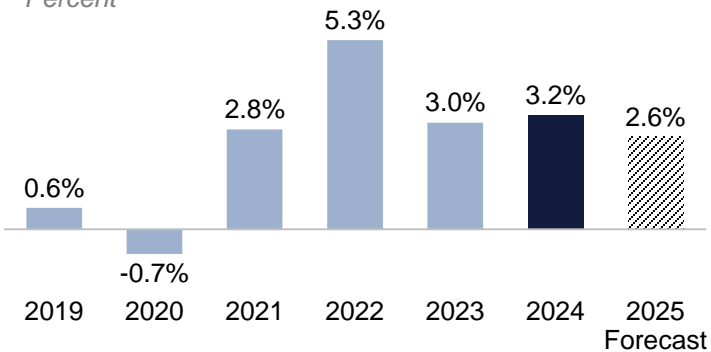
Resilience in face of 2023-24 headwinds (war, political uncertainty, inflation, rates)

Equity market rebound in 2024

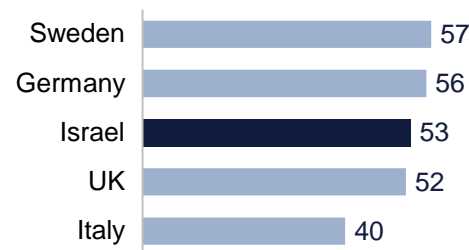
**GDP Growth <sup>2</sup>**  
Percent



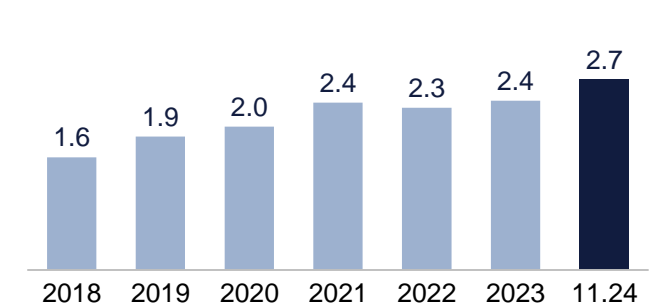
**Inflation <sup>5</sup>**  
Percent



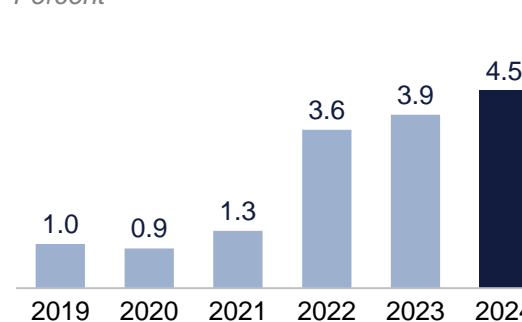
**GDP per Capita <sup>3</sup>**  
USD '000



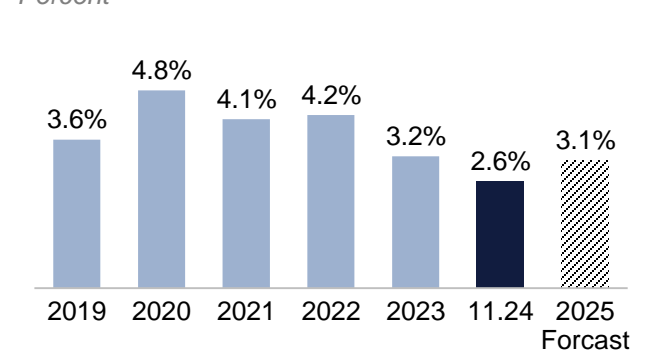
**Long-Term Savings AUM <sup>4</sup>**  
NIS Trillion



**Long-Term Yields (10Y) <sup>6</sup>**  
Percent



**Unemployment <sup>7</sup>**  
Percent



# 2024 | Financial Highlights

2024

**2,087**<sup>NISm</sup>  
Comprehensive Income

**8.32**<sup>NIS</sup>  
Comp. Income per Share

**18.6%**  
ROE

**11.9**<sup>NISb</sup>  
Shareholders Equity

**525**<sup>NISb</sup>  
AUM

**189%**  
Solvency<sup>1</sup>

Q4/24

**803**<sup>NISm</sup>  
Comprehensive Income

**3.20**<sup>NIS</sup>  
Comp. Income per Share

**30.9%**  
ROE

**Continued growth in core income to 1,760 NISm (15.9% core ROE)** with strong performance across activities

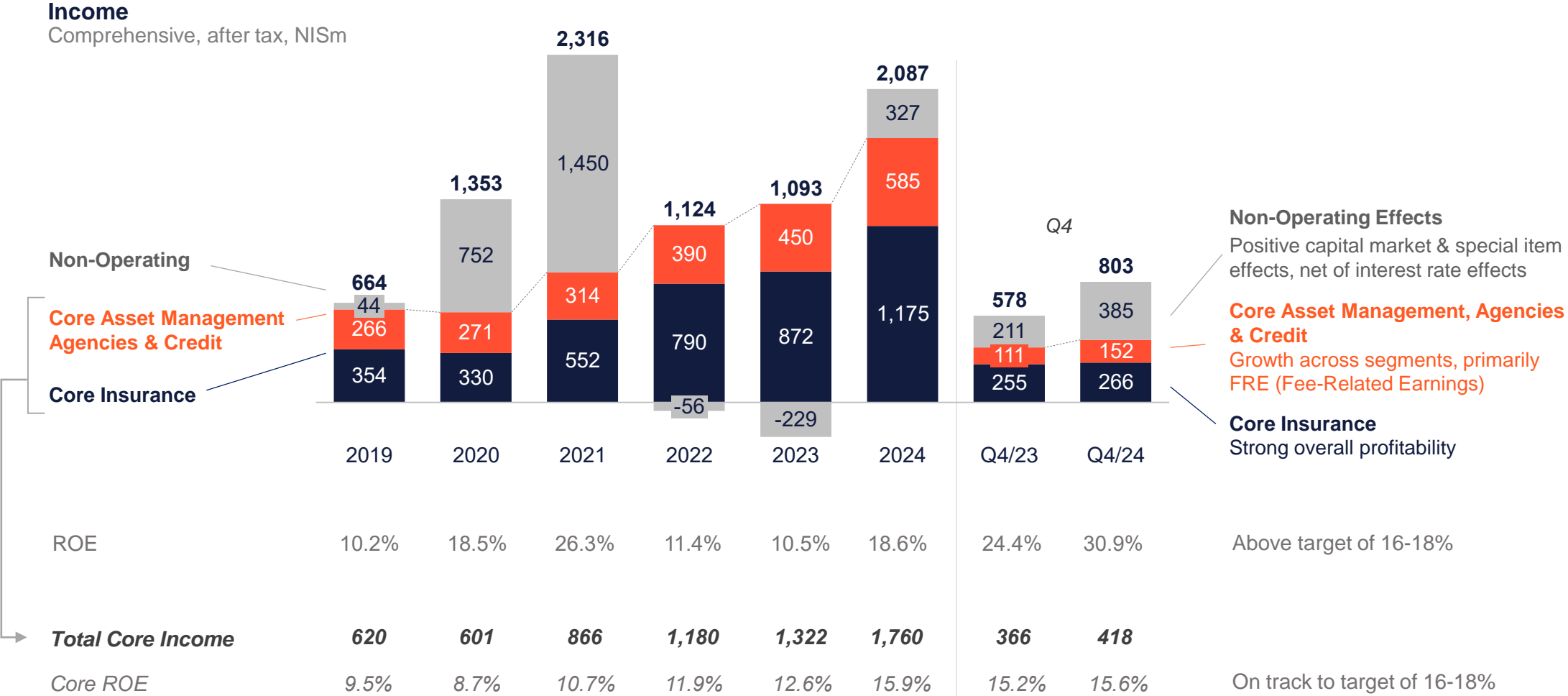
**Positive non-operating effects of 327 NISm** from investment performance & actuarial studies (net), partially offset by interest rate effects

**Resilience** in face of headwinds, maintaining strong Solvency position and credit profile

**Leading international investors** acquired shares from former control shareholders with company transitioning to dispersed ownership during Q3

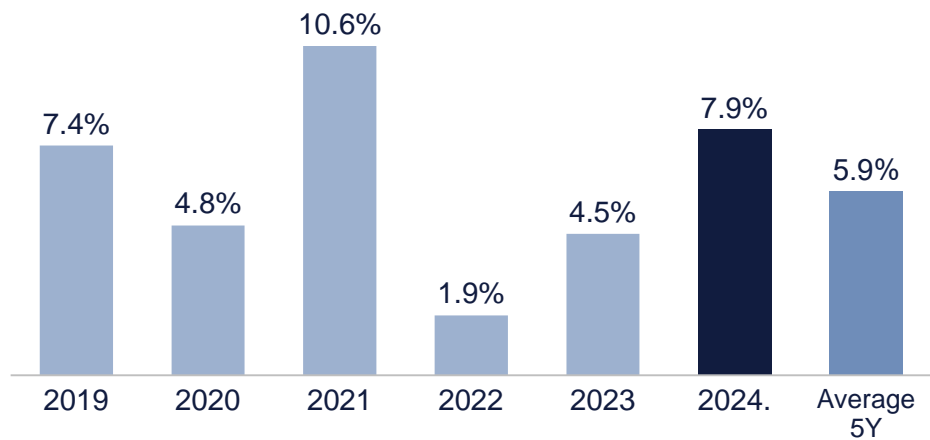
**2027 strategic targets & roadmaps** published in September, with potential income above targets (e.g., from IFRS-17 implementation)

# 2024 | Continued Growth in Core Activities



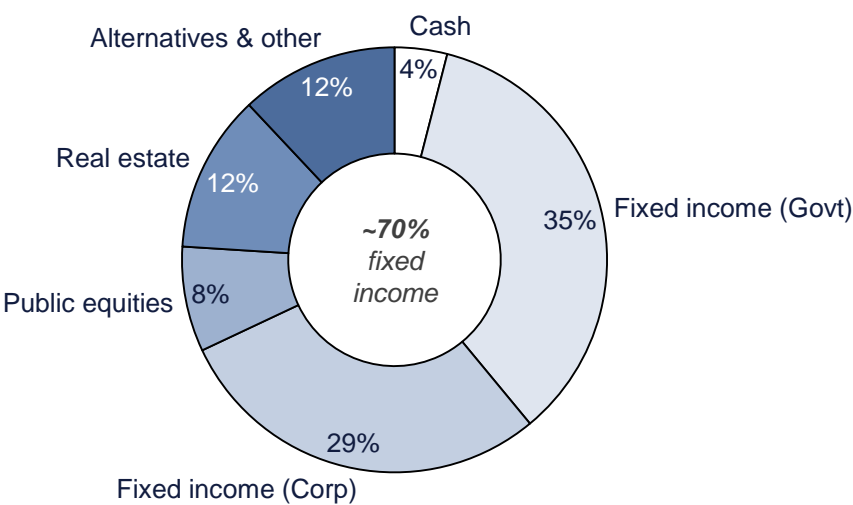
# Investments | Core Capabilities

Returns – Insurance Nostro / Corporate Account  
Percent (nominal)



Real Yield	7.1%	5.4%	8.0%	(3.2%)	1.2%	4.3%	3.1%*
Above nominal risk-free rate	7.2%	4.7%	10.6%	1.2%	0.2%	3.6%	4.0%

Asset Allocation - Corporate Account (Nostro)  
Percent (December 31, 2024)



## Investment performance & track record

- Mark to market** reporting transparency (reporting volatility)
- Group plans** based on normalized returns\*\*
- Team of over 100 investment professionals** managing corporate account and client assets
- Investing in capabilities** including international investments and technology platforms

## Responsible allocation & risk management

- Proactive and proprietary** dealflow and sourcing
- Balanced** asset allocation
- International investments** with leading partners, co-investments, & direct positions
- Responsible** asset and liability management

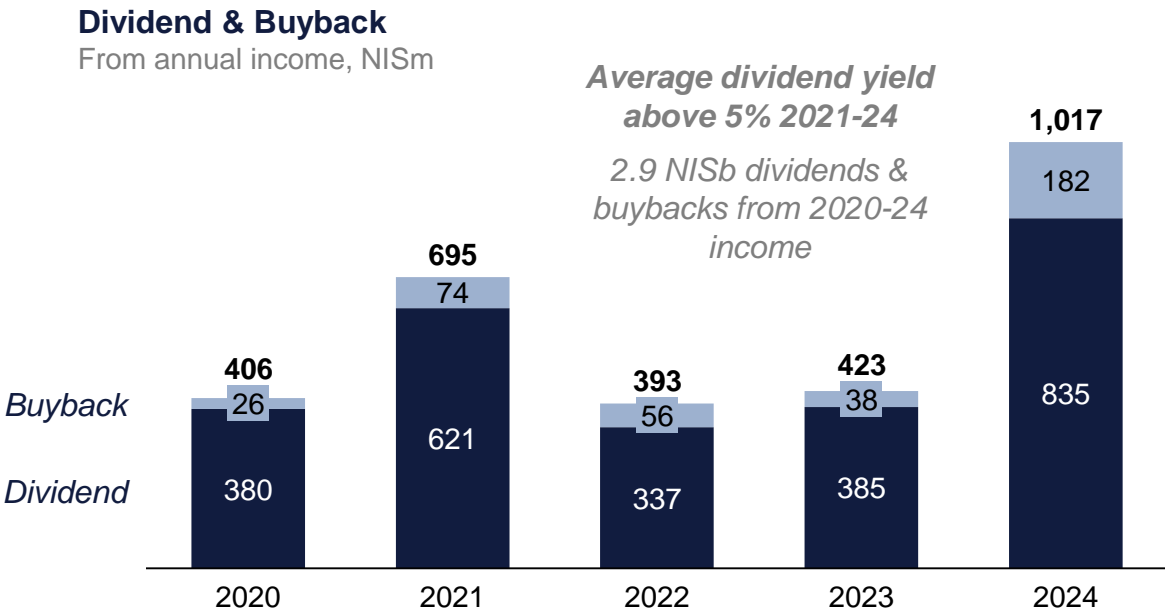


# Dividend Track Record | Commitment to Attractive Payout

**Dividend:** 565 NISm to be paid in March 2025, increasing total dividend from 2024 income to 835 NISm (together with 270 NISm paid in September); policy at least 40% from annual income, semi-annual

**Buybacks:** 182 NISm executed from 2024 program; 100 NISm program approved for 2025

**2027 payout target:** over 50% combined dividends & buybacks (over 1 NISb / 4 NIS per share) facilitated by diverse cash flows & strong financial position including Solvency II, ratings, liquidity



**From annual income** (including paid in following calendar year)

Payout (Dividends + Buyback, from annual income)	-	30%	35%	39%	49%
Shareholders' Equity	7,970	9,653	10,145	10,580	11,927

**During calendar year**

Dividends	-	580	581	297	535
Dividends per share (NIS)	-	2.3	2.3	1.2	2.1
Dividend Yield*	-	7.1%	5.9%	3.1%	4.6%

\* Dividend yield calculated based on total dividends distributed in calendar year divided by average share price at beginning and end of year

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**Strategy & Targets**

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Financial Results

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Segment Breakdown

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Glossary

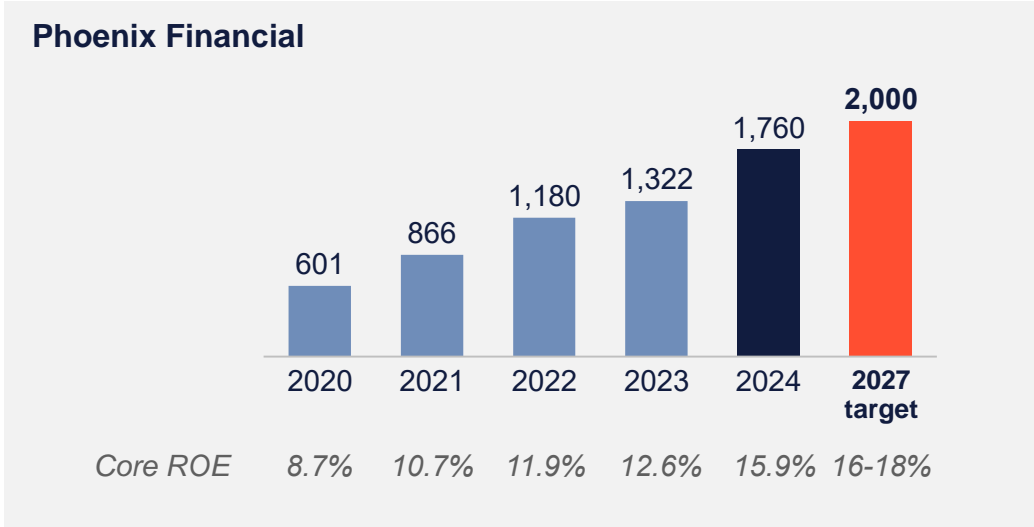


# Group Income | Growth Towards 2027 Targets

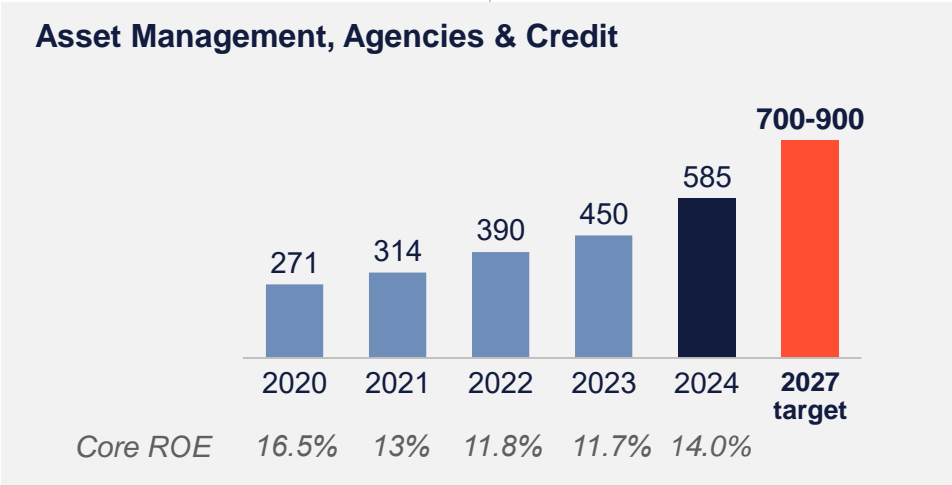
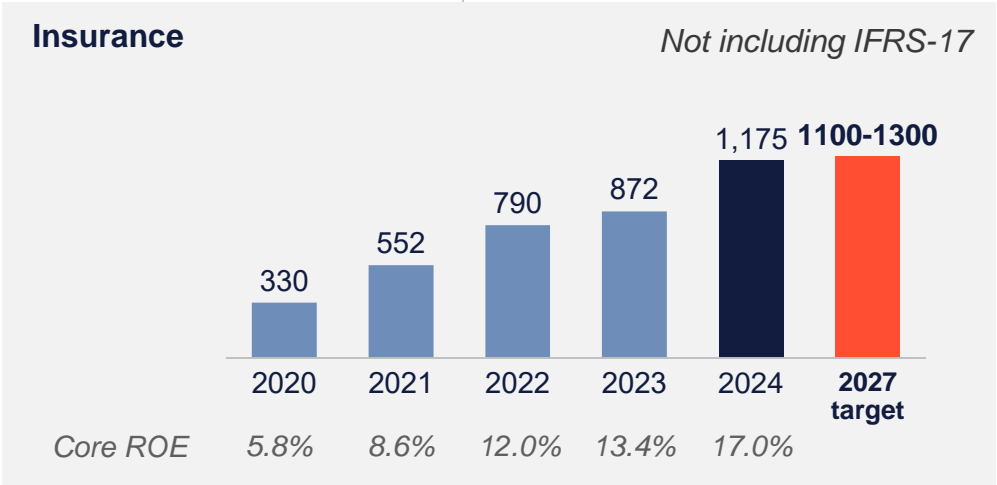
Targets before IFRS-17 and upside, to be updated during 2025

## Core Income

NISm, before non-operating effects (capital markets, interest rates, & special items)



Actual comprehensive income (including non-operating effects) already above 2 NISb



# Potential Income | Above Published 2027 Targets

Preliminary estimates

Targets to be updated during 2025 based on IFRS-17 and performance



<b>2027 targets</b>	<b>1,100-1,300 NISm</b>	<b>+</b>	<b>700-900 NISm</b>	<b>=</b>	<b>2,000 NISm</b>
<b>Potential income above 2027 targets</b>	<b>300-400 NISm</b>	<b>+</b>	<b>100-200 NISm</b>	<b>=</b>	<b>400-600 NISm</b> 20%-30% upside

## Rationale

**IFRS-17** positive impact starting 2025, mainly Health & Life (pro-forma H1/24: +200 NISm comprehensive income versus IFRS-4)

**Investment House & Wealth** accelerated growth plus Phoenix Capital Partners

**Credit** growth including consumer credit & EI AI frequent flyer program holdings\*

**Agencies** with potential additional growth

**Less: Investment Policies** (to be reclassified as Asset Management, in line with IFRS-17)

**Plus: Investment Policies** activity and growth (to be reclassified from Insurance starting 2025)

# Group Strategy | Value Drivers to Capture Opportunity



## Accelerated Growth

in profitable & capital-efficient activities



## Innovation & Efficiency

to increase competitive advantages



## Active Management

of people & structure



## Capital & Investments Management

to maximize performance

### *Value Catalysts*

*Income growth*  
*Shifting mix*

*Competitive advantage*  
*Margin expansion*

*Unlocking value*  
*M&A*

*Investments >3% real*  
*Dividend distributions*

# Value Creation | Runway Beyond 2027

## Significant opportunities & strong trends

Global trends of convergence between asset management and insurance, AI, growth in private markets

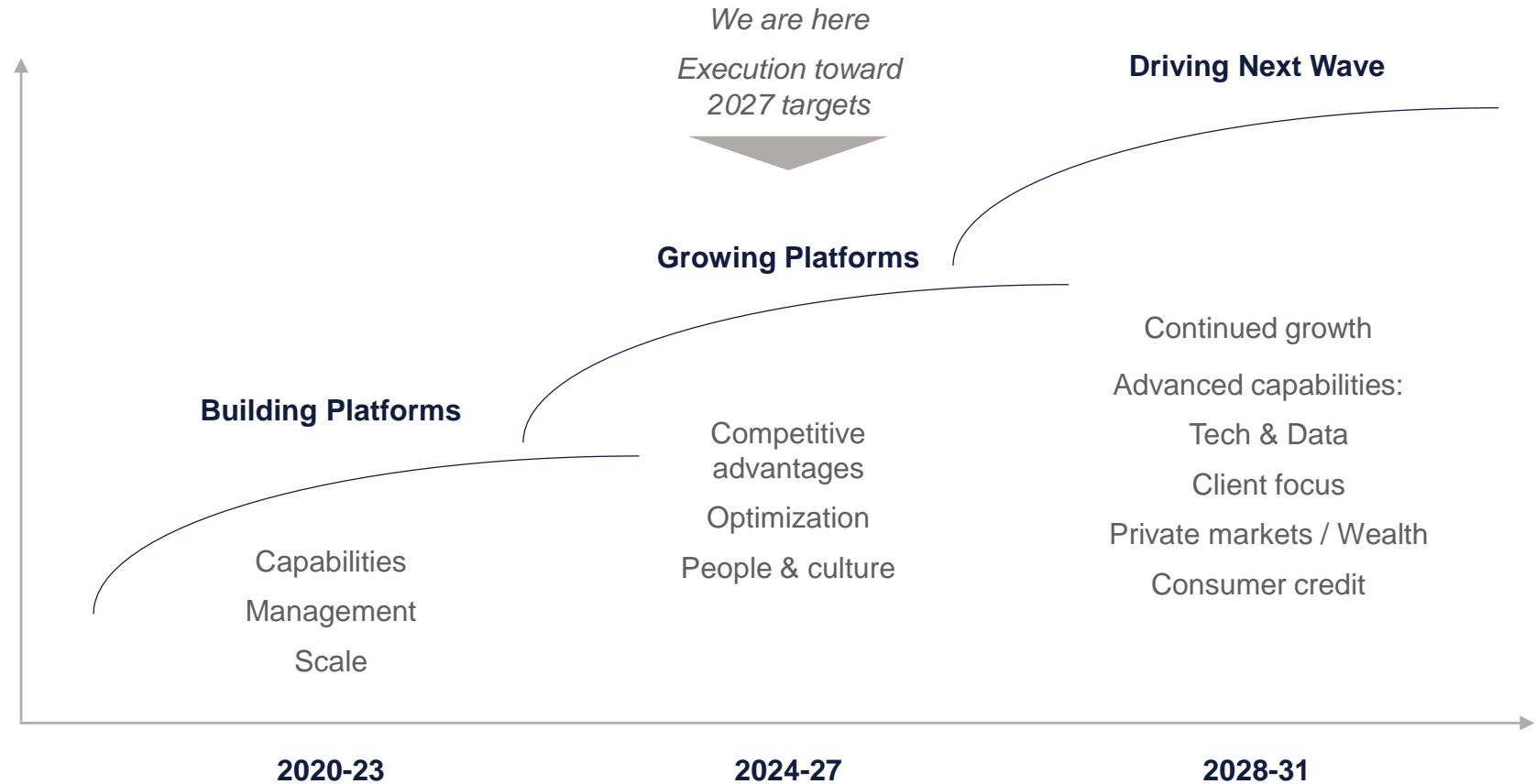
Israel trends of rapid wealth accumulation, growing client demand & sophistication, broad digitization

## Phoenix is positioned to capture Israel market opportunity

Built businesses to capture opportunities & trends

Multiple waves of value creation

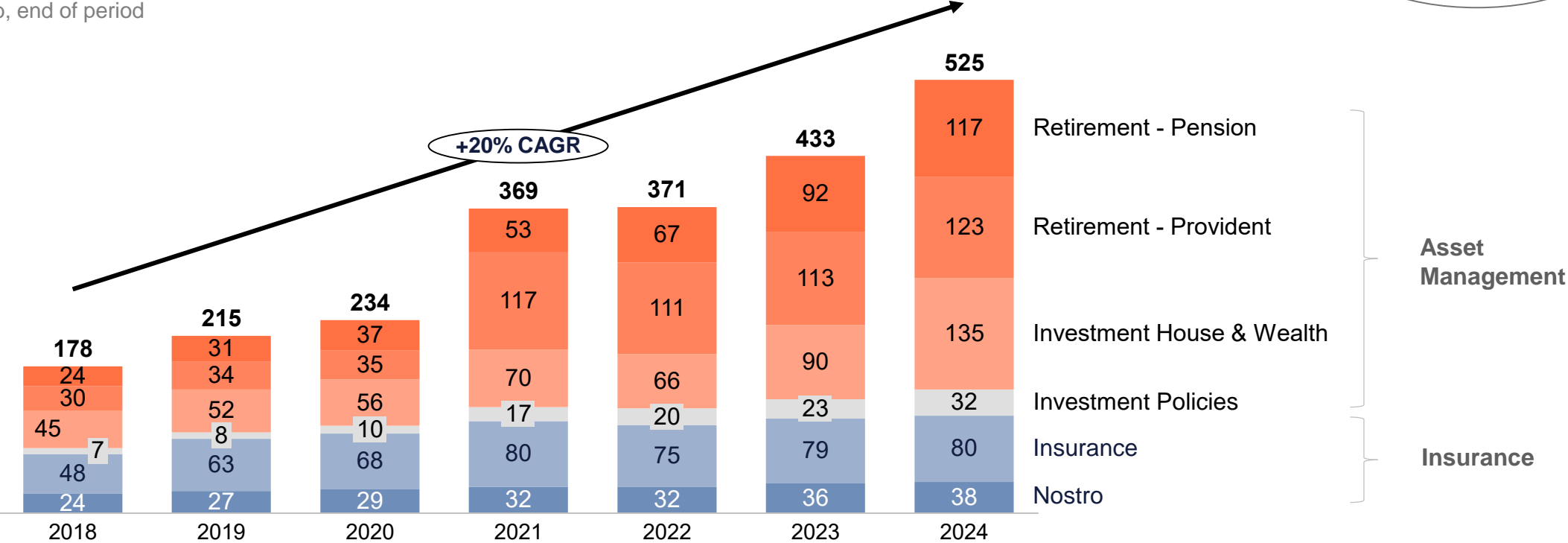
### Value creation over time



# Compounding AUMs | Continued Growth

Assets Under Management  
NISb, end of period

2027 Target  
600-650 NISb



Significant growth in high-margin activities  
Synergetic acquisition of 22 NISb Psagot funds



# Growth Engines | Continued EBITDA Growth

**Growth engines** include Asset Management, Agencies & Credit

**Significant FRE** (Fee-Related Earnings)

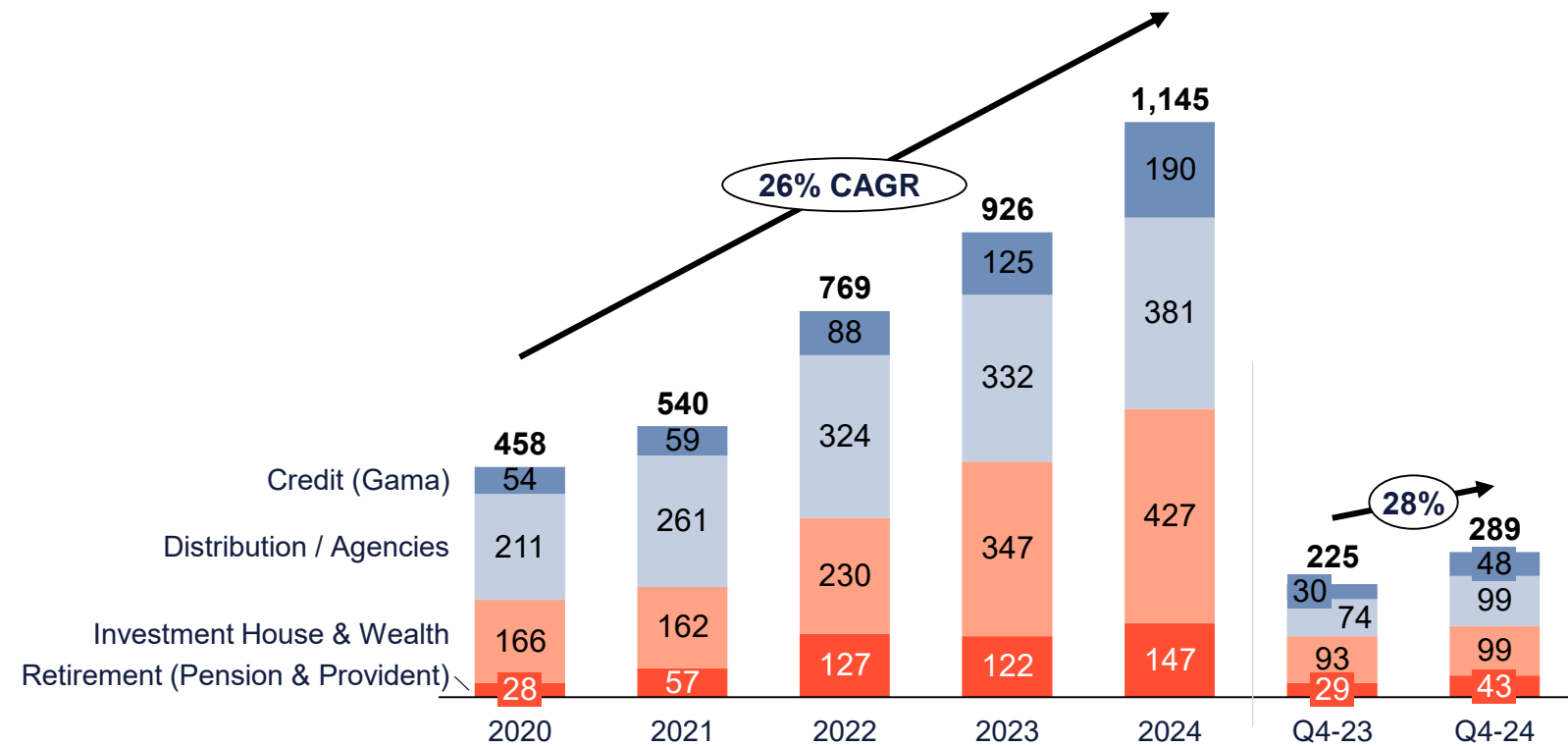
- EBITDA from non-insurance businesses
- Mostly fees & commissions
- In addition, spread income in Credit (adjusted EBITDA includes finance expense & provisions)

**Strategy focused on accelerated growth**, with strong organic capabilities & proactive acquisitions – doubling EBITDA in 3 years

**1,002 NISm adjusted EBITDA** not including minority interest in 2024

**Adjusted EBITDA for Asset Management, Agencies & Credit**  
NISm, consolidated including minorities

**2027 Target**  
1.6-1.8 NISb







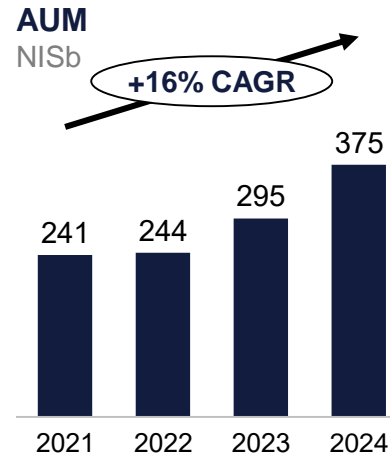
# Asset Management

## Description:

Investment House (Funds & ETFs, Brokerage, Portfolios, ESOP, W)  
Wealth (private markets)  
Retirement (Pension & Provident)  
Investment Policies (reported in Asset Management starting 2025)  
Phoenix Capital Partners

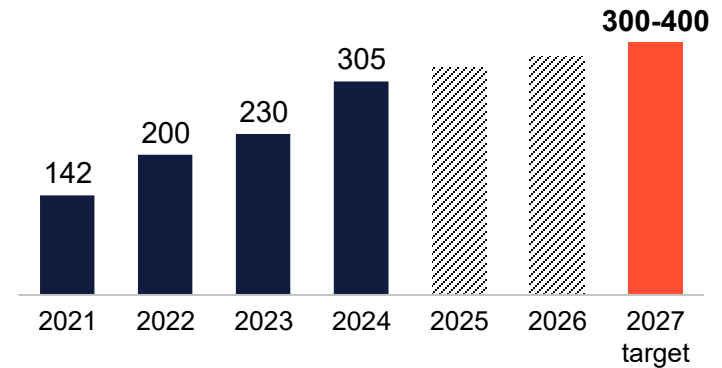
## Strategy:

Positioned to capture market opportunity  
Accelerated growth based on market leadership, scale, client focus, and differentiated products / distribution  
Focus on efficiency in retirement



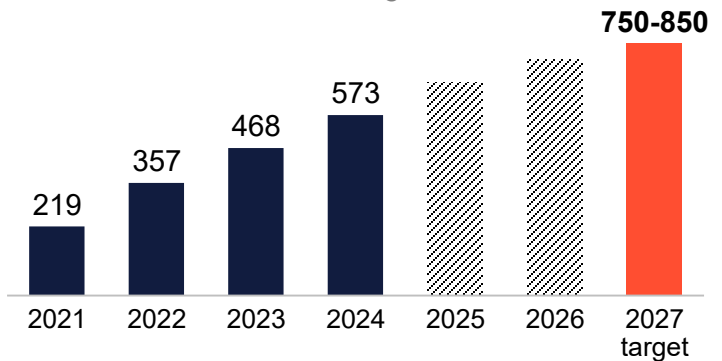
## Core Income, net

NISm, before non-operating effects



## Adjusted EBITDA

NISm, consolidated including minorities





# Distribution | Agencies

Assessing opportunities to  
unlock & create value

## Description:

Benefit administration, retirement planning,  
& insurance (life, health, P&C, specialties)

Independent agencies providing access to  
all asset managers / insurance groups;  
Phoenix distributes across multiple  
channels

Experienced management / equity partners

Cash-generative & capital-light business  
model, market leader but still low 7%  
market share<sup>1</sup>

## Strategy:

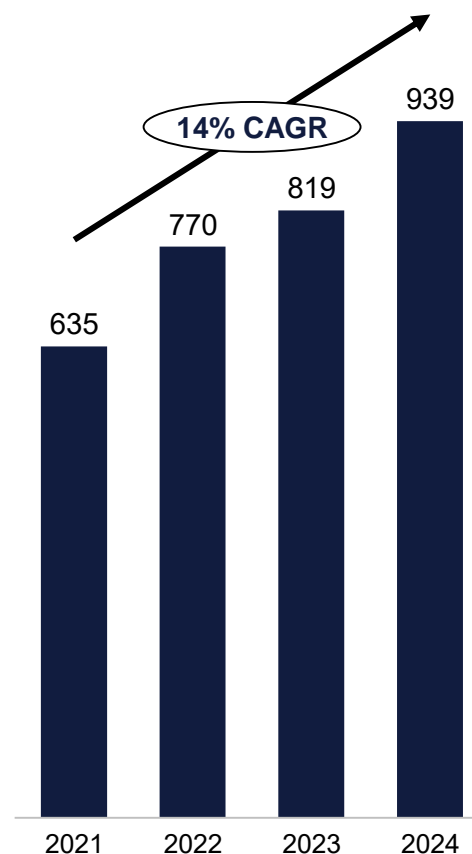
Accelerated organic growth based on  
capabilities, scale, technology, and broad  
investment solutions

Inorganic growth / rollups of smaller firms  
onto platforms

Streamlining & investing in capabilities,  
technology, infrastructure

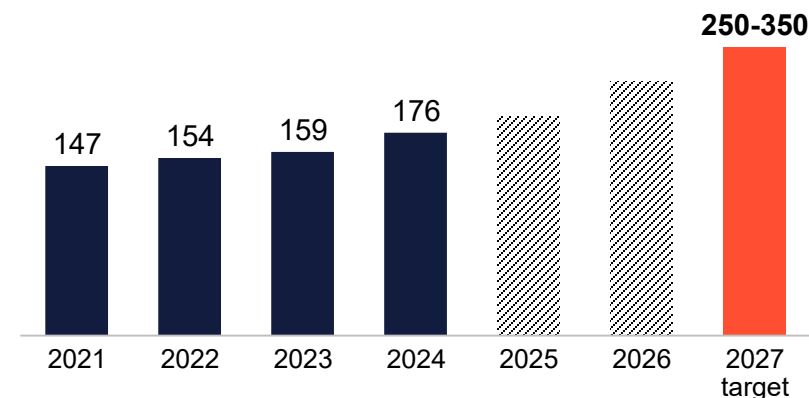
Capital efficiency

## Revenues NISm



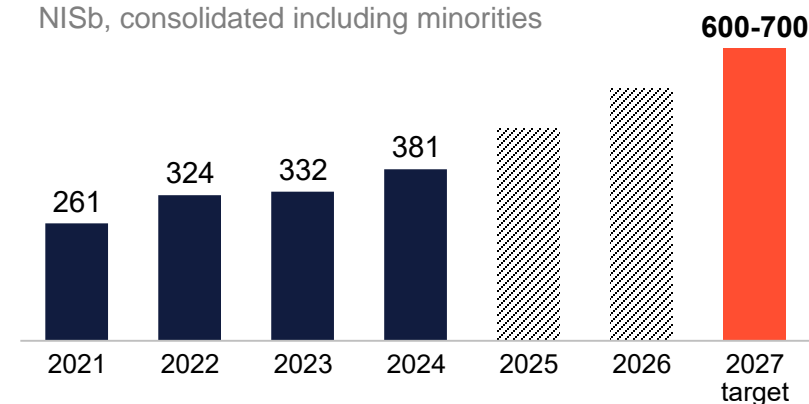
## Core Income, net

NISm, before non-operating effects



## Adjusted EBITDA

NISb, consolidated including minorities





# Credit | Primarily Phoenix Gama

## Description:

Credit card clearing & financing  
SME lending  
Construction finance (merged 2024)  
Consumer credit (launched 2024)  
El Al Frequent Flyer Program (Minority)\*

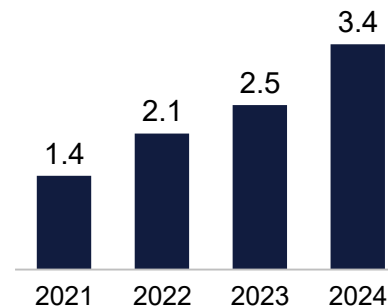
## Strategy:

Accelerated growth based on capabilities, relationship, organizational infrastructure, scale, synergies  
Broadening credit solutions & financial value propositions across client segments  
Improved capital management & infrastructure

*Phoenix Financial has several credit activities – Phoenix Gama is the primary platform and is included in the Credit Segment, but in addition several other activities provide credit or related solutions or invest in fixed income instruments from corporate account (Nostro) funds or client assets and are not included in the Credit Segment*

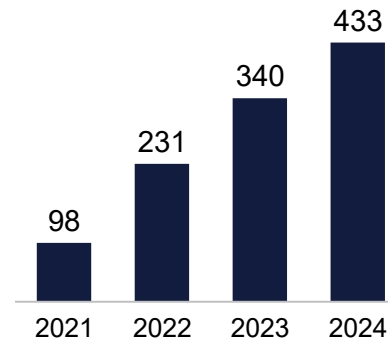
## Credit Portfolio

NISb, including mergers



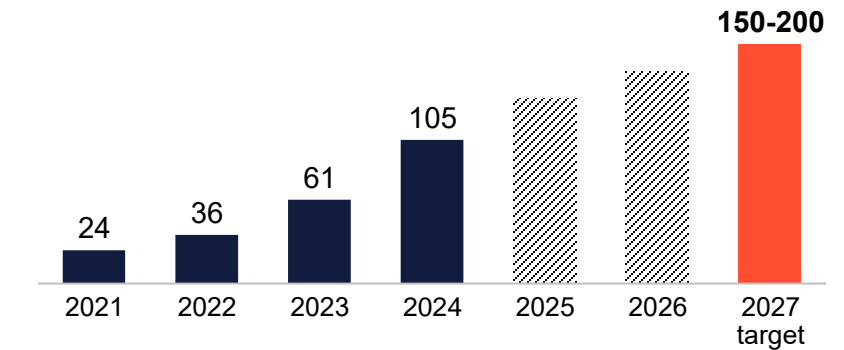
## Revenues

NISm



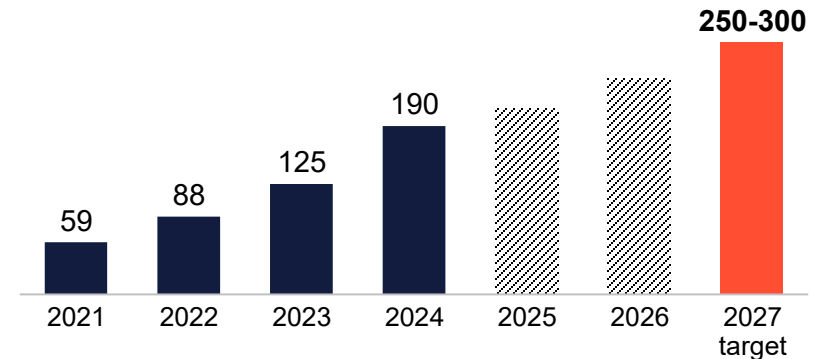
## Core Income, net

NISm, before non-operating effects



## Adjusted EBITDA

NISb, consolidated



Note: Core Income - Comprehensive Income assuming 3% real yield, not including minorities and tax, investments performance above/below 3%, interest rate effects & special items; adjusted EBITDA calculated as earnings before interest, tax, depreciation & amortization; consolidated before minority interests; adjusted for non-operating items, without IFRS 16 influence, & cash items relevant to specific segments; Core income historic numbers were updated from last presentation

\* Distribution from Insurance Company announced December 31, 2024, subject to completion, to be included in 2025



# Insurance | Strong Performance

Targets to be updated  
during 2025 based on  
IFRS-17 and performance

## Activities:

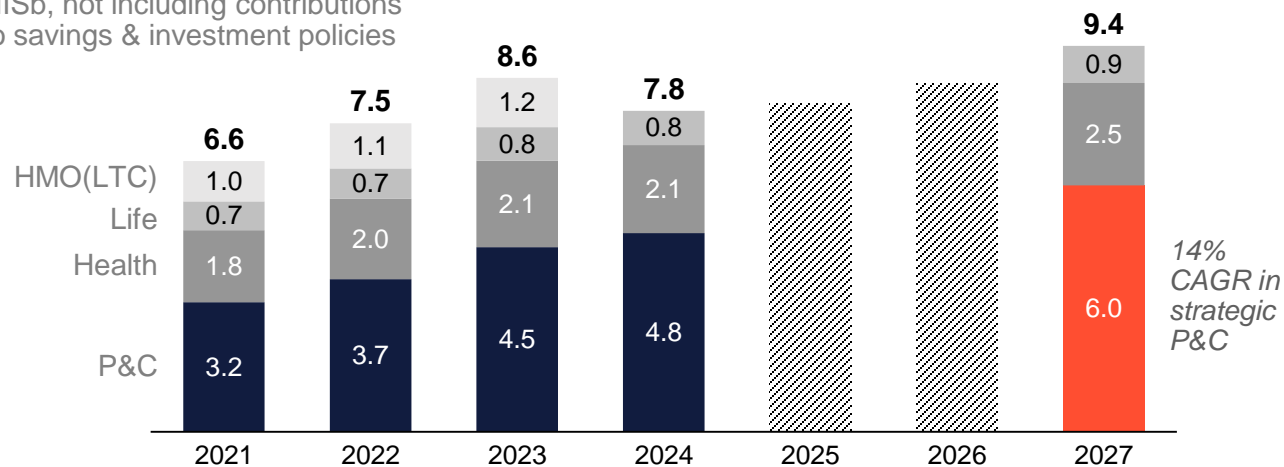
P&C (motor, property, liabilities)  
Life (risks, unit-linked savings)  
Investment Policies (to be reported  
in Asset Management as of 1/2025)  
Health (medical expenses, critical  
illness, travel)

## Strategy:

Deepen competitive advantages,  
focusing on high ROE activities  
(e.g., P&C)  
Optimization including technology  
(digitization, automation), business  
mix, financial & operational  
efficiency, reduced volatility

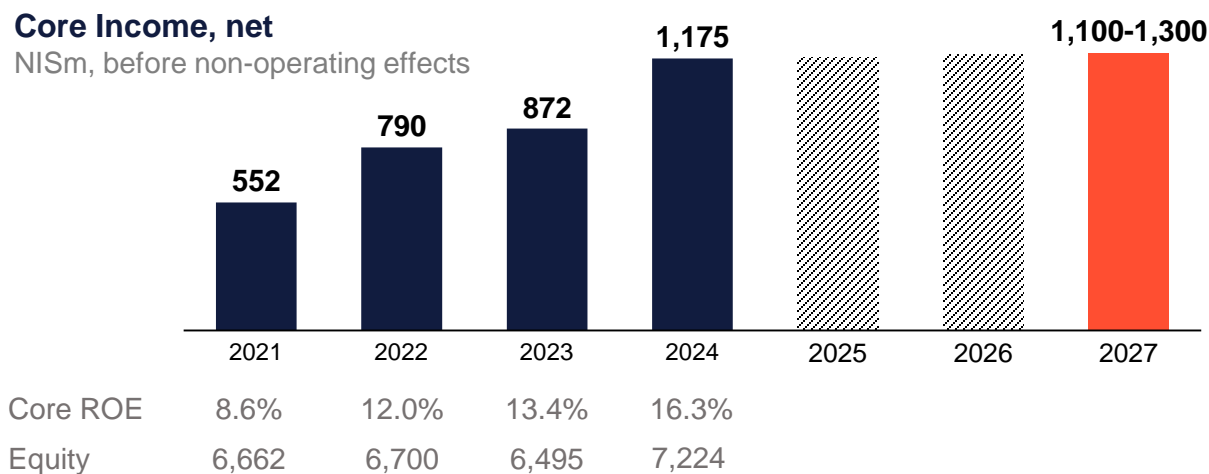
## Insurance Gross Premiums

NISb, not including contributions  
to savings & investment policies



## Core Income, net

NISm, before non-operating effects



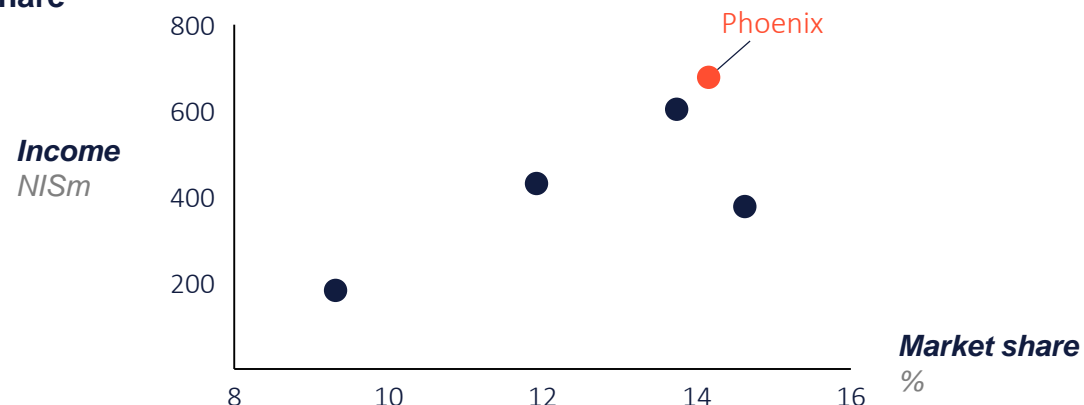


# Insurance | Competitive Advantage & Optimization

## Competitive advantage

**P&C growth focusing on competitive advantages:**  
Accelerate profitable growth driven by ML-based accurate pricing, hybrid distribution, self-service, claims & operational efficiency

**Income and share<sup>1</sup>**  
P&C, 9M/2024

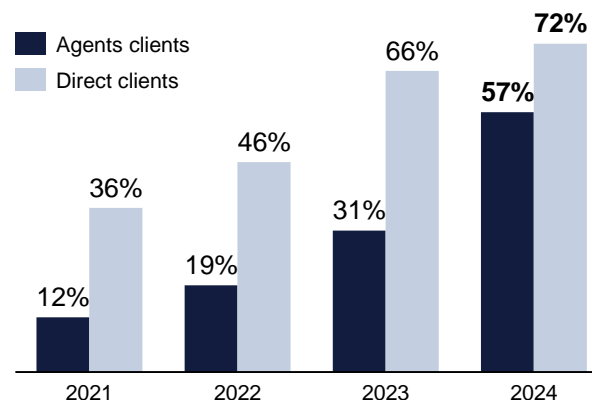


## Optimization

**Life & Health focusing on optimization:** Financial & capital efficiency (IFRS-17, solvency, de-risk backbook)

Operational efficiency driven by digitization & automation

**Digital Self-Service**  
% of service interactions



**G&A Expense Ratios**

	P&C	Health	Life
2020	5.08%	5.82%	0.49%
2021	4.40%	5.50%	0.41%
2022	3.53%	5.00%	0.40%
2023	3.46%	5.13%	0.39%
<b>2024</b>	<b>2.96%</b>	<b>6.26%<sup>2</sup></b>	<b>0.36%</b>
<b>2027 target</b>	<b>2.5-2.9%</b>	<b>5.4-5.8%</b>	<b>0.2-0.3%</b>

# Technology | In Step with Business Strategy

## Goals

Strategy execution  
Long-term value creation  
Group synergies  
Business resilience

## Focus Areas & Examples

### **Competitive Advantage**

Data analytics & ML for pricing & underwriting, cross-sell, personalization  
Consumer Credit distinctive digital platform (data, underwriting, service)

### **Client Experience**

Digitization & transparency (e.g., group app)  
Self-service (Gen AI)  
Agent sales & production (digital interface)

### **Business Optimization**

Productivity & efficiency by processes automation, Gen AI  
Streamlined business systems  
Claims management, fraud detection (AI/ML)

### **Group Resilience**

Cyber security  
Core infrastructure  
Backup



# Sustainability | Ensuring Value Creation

## 1. Business Value Creation

### Insurance

#### a. Business opportunities & risks from disruption

*Electric vehicles*  
*Strategic growing market with 30% of new sales, specific brand strategies*

**268** NISm premiums & revenues from selected products in 2024

**Environment**

### Asset Management

#### b. Investment stewardship

*Corporate governance*  
*Appointment of directors, conflict of interest, compensation, etc.*

**30** portfolio companies with meaningful engagements in 2024

**Governance**

## 2. Corporate Responsibility

**Community:** Nonprofit ventures for social resilience (VC model)

**Environment:** Reducing carbon footprint, measurement across group

**Clients:** Innovation and simplicity (e.g., digitization) to improve service

**Employees:** Workplace excellence (e.g., development, welfare)

**Shareholders:** Transparency (e.g., ratings, publications)

# Agenda

Highlights

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Strategy & Targets

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**Financial Results**

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Segment Breakdown

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Appendix

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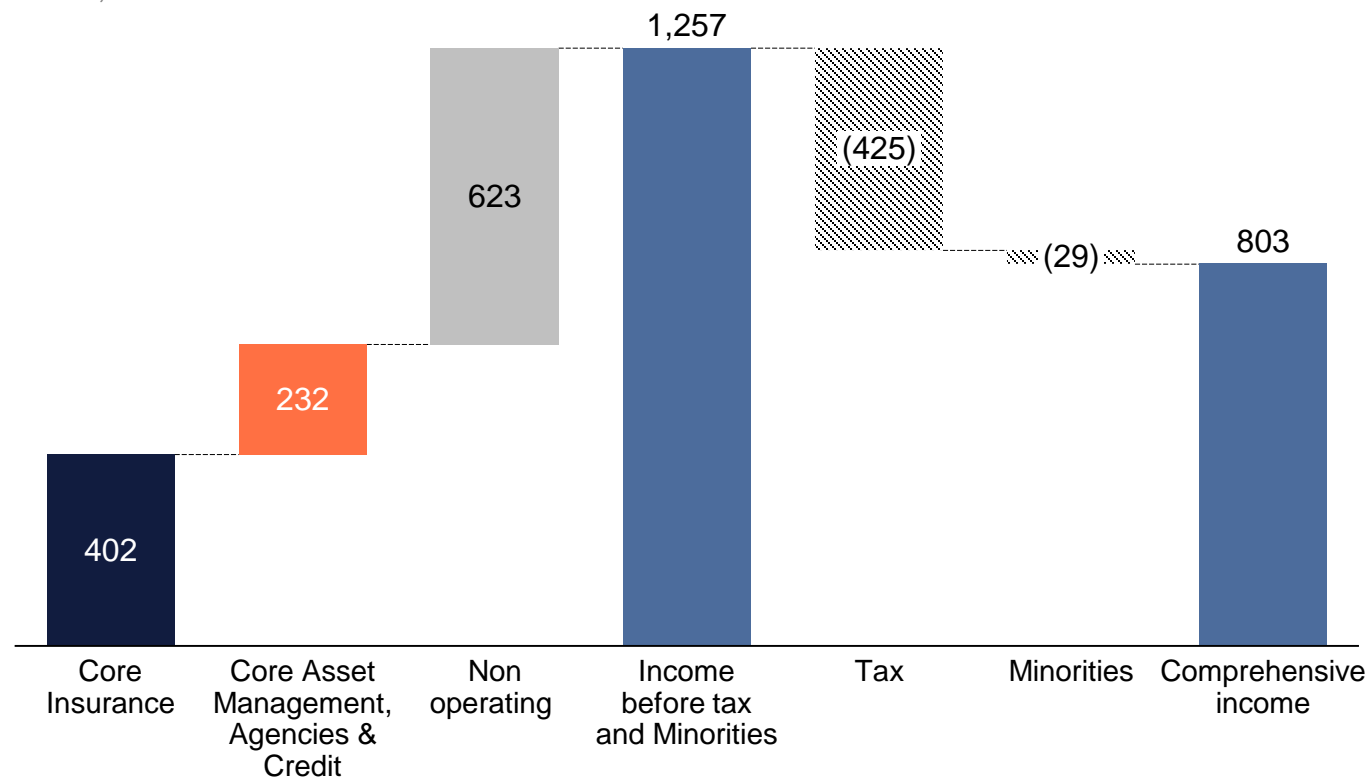
Glossary



# Q4 2024 | Income by Source

## Core Income Breakdown (Comprehensive)

Q4 2024, NISm



Q4-23	394	174	338	906	(306)	(22)	578
Difference	8	58	285	351	(119)	(7)	225

## Breakdown Before Tax – By Segment

NISm

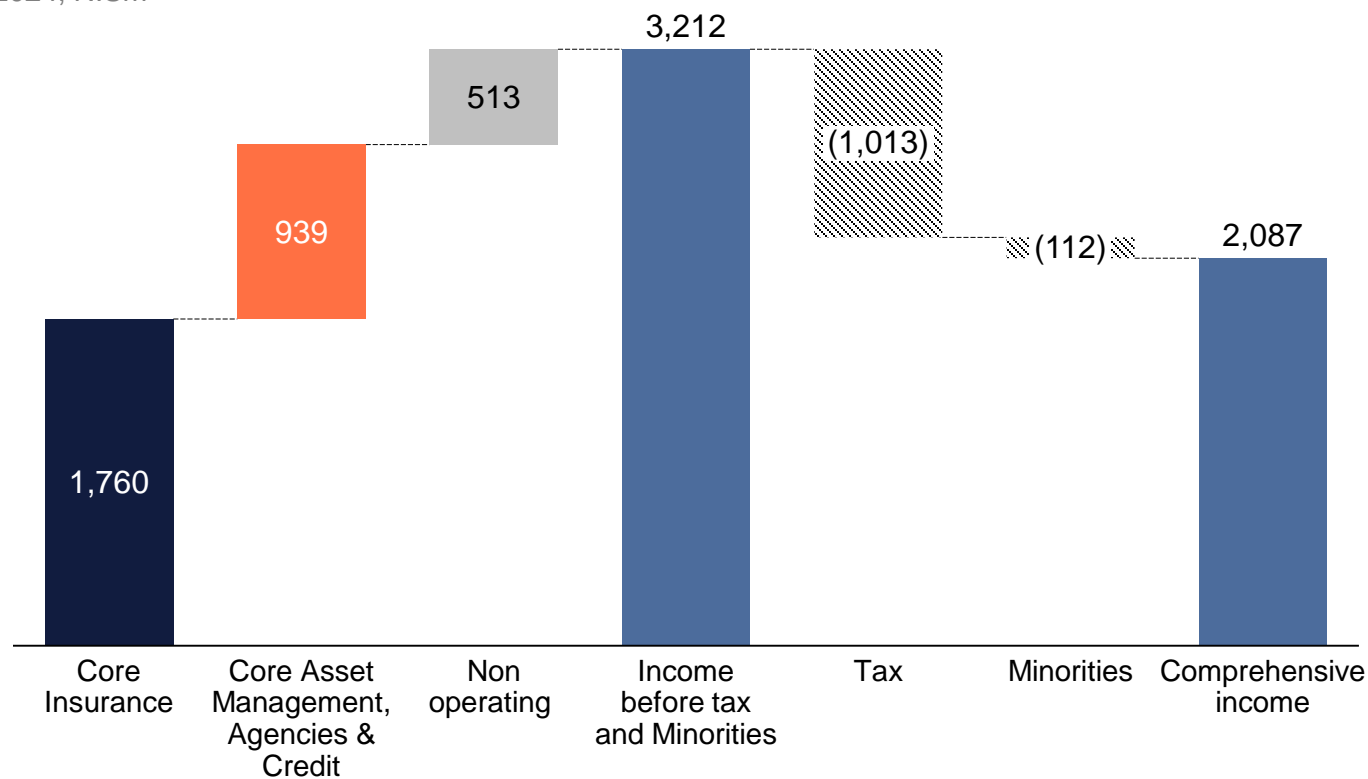
Before IFRS-17 implementation

	Q4-24	Q4-23	Difference
<b>P&amp;C</b>	253	328	(75)
Health	51	21	30
Life & Savings	65	50	15
Other Equity Returns	33	(5)	38
<b>Core Insurance</b>	<b>402</b>	<b>394</b>	<b>8</b>
<b>Core Asset Management &amp; Credit</b>	<b>232</b>	<b>174</b>	<b>58</b>
<b>Investment Income (*)</b>	<b>797</b>	<b>232</b>	<b>565</b>
P&C	78	20	58
Health	11	(25)	36
Life	288	(10)	298
Other Equity Returns	423	248	175
Retirement (Pension & Provident)	5	(5)	10
Distribution (Agencies)	(8)	4	(12)
<b>Interest</b>	<b>(221)</b>	<b>204</b>	<b>(425)</b>
P&C	86	108	(22)
Health	(215)	71	(286)
Life	(92)	25	(117)
<b>Special Items</b>	<b>47</b>	<b>(98)</b>	<b>145</b>
P&C	(6)	(13)	7
Health	120	(14)	134
Life	(2)	(19)	17
Other Equity Returns	(17)	(22)	5
Retirement (Pension & Provident)	(15)	(3)	(12)
Investment House & Wealth	(21)	(3)	(18)
Distribution (Agencies)	(4)	(7)	3
Credit	(8)	(5)	(3)
Other	0	(12)	12
<b>Non-operating income</b>	<b>623</b>	<b>338</b>	<b>285</b>

# 2024 | Income by Source

## Core Income Breakdown (Comprehensive)

2024, NISm



2023	1,314	731	(432)	1,613	(413)	(107)	1,093
Difference	446	208	945	1,599	(600)	(5)	994

Before IFRS-17 implementation

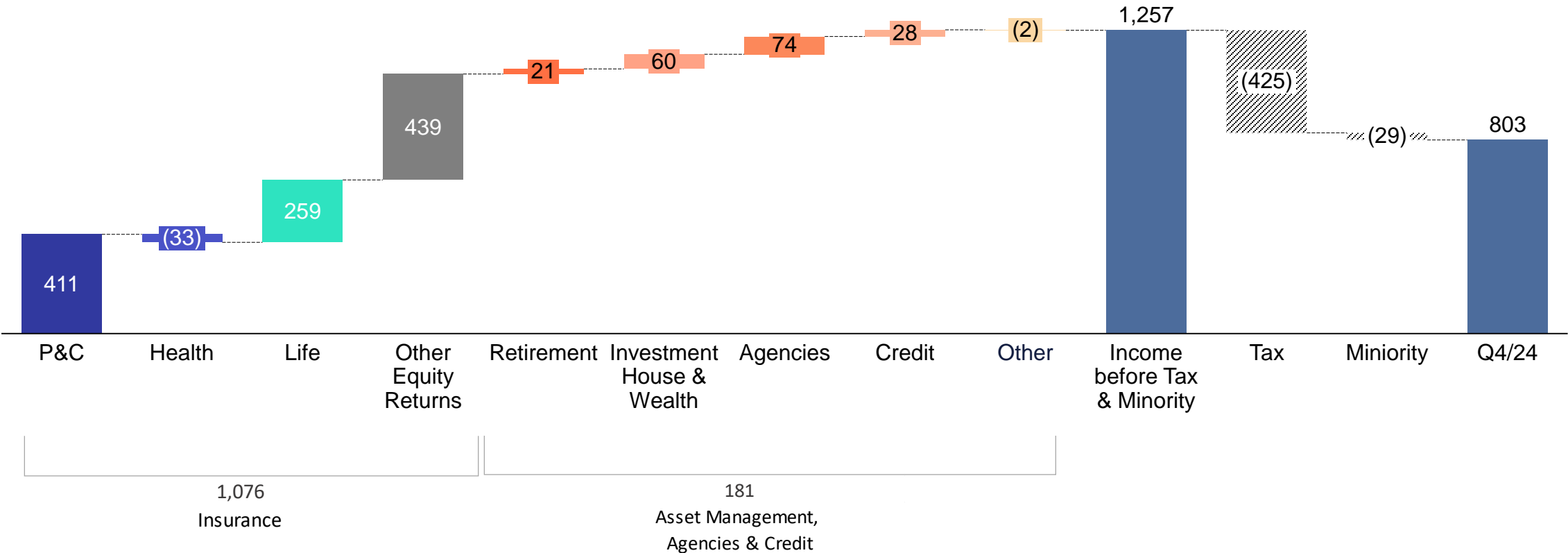
## Breakdown Before Tax – By Segment

NISm

	2024	2023	Difference
P&C	884	638	246
Health	348	165	183
Life & Savings	245	217	28
Other Equity Returns	283	294	(11)
<b>Core Insurance</b>	<b>1,760</b>	<b>1,314</b>	<b>446</b>
Retirement (Pension & Provident)	118	89	29
Investment House & Wealth	333	259	74
Distribution (Agencies)	331	290	41
Credit	150	103	47
Other	7	(10)	17
<b>Core Asset Management &amp; Credit</b>	<b>939</b>	<b>731</b>	<b>208</b>
<b>Investment Income (*)</b>	<b>333</b>	<b>(765)</b>	<b>1,098</b>
P&C	41	(56)	97
Health	(12)	(15)	3
Life	(101)	(303)	202
Other Equity Returns	436	(406)	842
Retirement (Pension & Provident)	(10)	(9)	(1)
Distribution (Agencies)	(21)	24	(45)
<b>Interest</b>	<b>220</b>	<b>379</b>	<b>(159)</b>
P&C	179	143	36
Health	(136)	147	(283)
Life	177	89	88
<b>Special Items</b>	<b>(40)</b>	<b>(46)</b>	<b>6</b>
P&C	(15)	(22)	7
Health	90	51	39
Life	(40)	6	(46)
Other Equity Returns	(7)	(41)	34
Retirement (Pension & Provident)	(15)	(7)	(8)
Investment House & Wealth	(30)	(18)	(12)
Distribution (Agencies)	(10)	(7)	(3)
Credit	(13)	(12)	(1)
Other	0	4	(4)
<b>Non-operating Income</b>	<b>513</b>	<b>(432)</b>	<b>945</b>

# Q4 2024 | Income by Segment

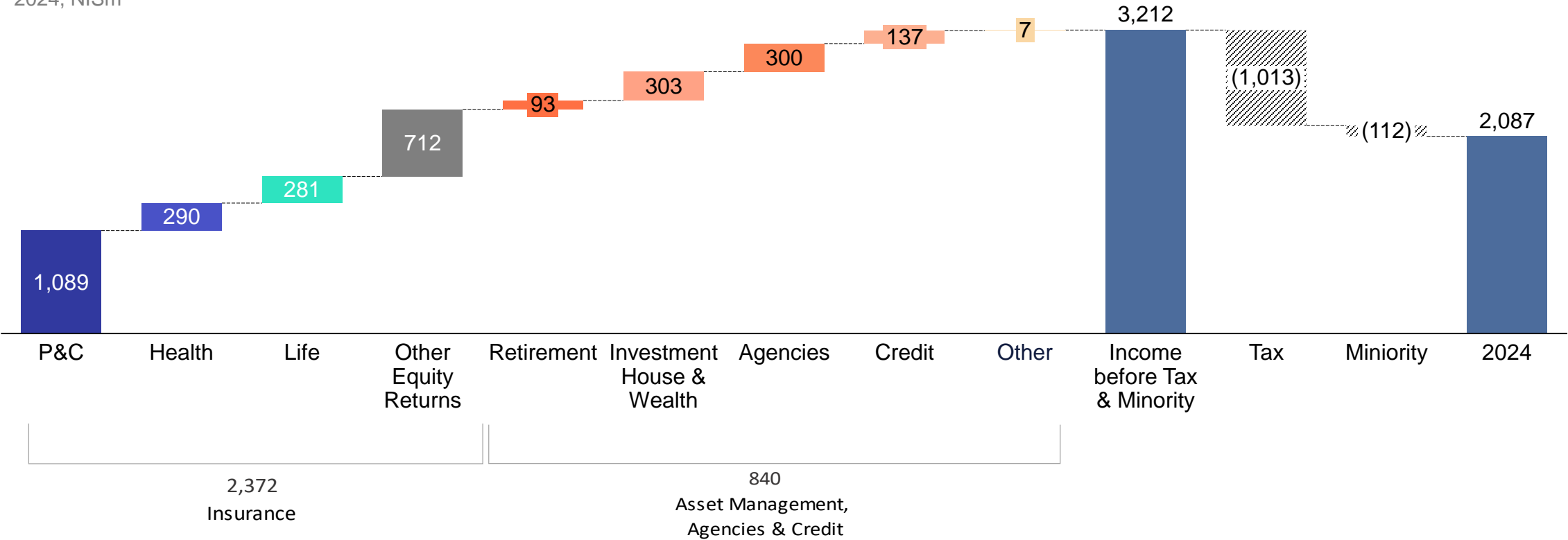
Segment Income Breakdown (Comprehensive)  
Q4 2024, NISm



Q4/23	443	53	46	221	9	65	66	14	(11)	906	(306)	(22)	578
Difference	(32)	(86)	213	218	12	(5)	8	14	9	351	(119)	(7)	225

# 2024 | Income by Segment

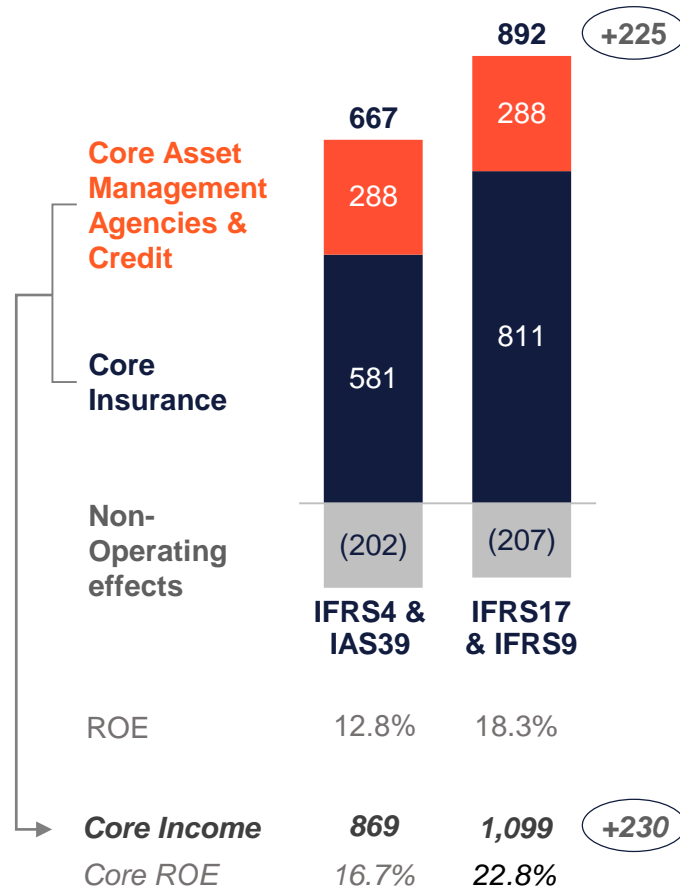
Segment Income Breakdown (Comprehensive)  
2024, NISm



2023	703	348	9	(153)	73	241	307	91	(6)	1,613	(413)	(107)	1,093
Difference	386	(58)	272	865	20	62	(7)	46	13	1,599	(600)	(5)	994

# IFRS 17 & 9 | Positive Impact on H1 2024 Income

## Comprehensive Income & Core Income H1 2024 (after tax), NISm



## Highlights

### Positive impact

Increase of over 200 NISm on H1 2024 income

Mostly in Health & Life segments, with limited impact on P&C and non-insurance activities

High CSM balances

### Core income normalization adjusted to IFRS 17

IFRS 17 core income based on investment yields of nominal risk-free rate plus 2.25%

Compared to IFRS 4 core income based on 3% real yields

Rationale: adjustment needed to reflect normalized core income with low volatility under new accounting standard

Continued prudent approach

## Pre-tax Income Breakdown H1 2024 (before tax), NISm

	IFRS 4	IFRS 17&9	Difference
P&C	437	429	(8)
Health	198	441	243
Life & Savings	87	209	122
Other Equity Returns	150	137	(13)
<b>Core Insurance</b>	<b>872</b>	<b>1,216</b>	<b>344</b>
Retirement& investments policies	76	76	0
Investment House & Wealth*	159	159	0
Distribution (Agencies)	157	157	0
Credit	76	76	0
Other	(1)	(1)	0
<b>Core Asset Management &amp; Credit</b>	<b>466</b>	<b>466</b>	<b>0</b>
<b>Investment Income</b>	<b>(556)</b>	<b>(733)</b>	<b>(177)</b>
P&C	(26)	(0)	26
Health	2	(80)	(82)
Life	(241)	(373)	(132)
Other Equity Returns	(281)	(270)	11
Retirement& investments policies	(9)	(9)	0
Distribution (Agencies)	(1)	(1)	0
<b>Interest</b>	<b>485</b>	<b>447</b>	<b>(38)</b>
P&C	102	33	(69)
Health	79	26	(53)
Life	304	388	84
<b>Special Items</b>	<b>(241)</b>	<b>(48)</b>	<b>193</b>
P&C	(6)	0	6
Health	(20)	0	20
Life	(212)	(46)	166
Other Equity Returns	10	11	1
Retirement& investments policies	0	0	0
Investment House & Wealth	(8)	(8)	0
Distribution (Agencies)	0	0	0
Credit	(5)	(5)	0
Other	0	0	0
<b>Non-operating Income</b>	<b>(312)</b>	<b>(334)</b>	<b>(22)</b>

# Balance Sheet | Strong & Liquid

Phoenix Financial NISm	IFRS 4			IFRS 17&9	
	31/12/2024	31/12/2023	Difference	31/12/2023	Difference
Cash	2,742	3,053	(311)	3,053	-
Intangible Assets***	3,832	3,598	235	3,598	-
Deferred acquisition costs	2,848	2,686	162	1,281	(1,405) (1)
Investments in associates	2,002	1,652	350	1,652	-
Investment property - other	1,022	1,239	(217)	1,239	-
Credit for purchase of securities	4,970	3,700	1,270	3,700	-
Other Assets	9,084	8,326	758	8,242	(84)
Other Financial Investments	31,805	30,771	1,034	32,224	1,452 (2)
Assets for yield-dependent contracts	114,264	104,770	9,495	104,770	-
<b>Total Assets</b>	<b>172,570</b>	<b>159,795</b>	<b>12,776</b>	<b>159,758</b>	<b>(36)</b>
Financial liabilities	17,189	15,576	1,613	15,576	-
Liabilities in respect of non-yield-dependent insurance contracts and investments contracts	26,209	25,597	611	24,851	(746)
Liabilities in respect of yield-dependent insurance contracts and investments contracts	111,484	102,973	8,511	106,731	3,758
Other Liabilities	5,779	4,754	1,025	2,341	(2,414) (3)
Total equity	11,909	10,895	1,014	10,260	(635)
<b>Total equity and liabilities</b>	<b>172,570</b>	<b>159,795</b>	<b>12,775</b>	<b>159,758</b>	<b>(36)</b>

IFRS-17 Implementation: no material change in equity; higher ratio of tangible assets; higher profitability due to CSM release

(1) Deferred acquisition costs attributed to long-term products in life and health segments were reduced to equity at the transition date. Starting in 2024, will be measured and presented as part of the liabilities/assets for insurance contracts.

(2) The main change is due to the revaluation of designated bonds to fair value instead of measurement at amortized cost.

(3) Deposits for reinsurance companies were classified to the reinsurance assets (other assets)

## Financial Liabilities (NISm)

	Bonds and Loans				
	31/12/2024				31/12/2023
	CPI linked	Floating interest	Fixed interest	Total	Total
<b>Financial Solo*</b>	<b>950</b>	<b>397</b>	<b>527</b>	<b>1,875</b>	<b>1,896</b>
<b>Insurance</b>					
Tier 1 capital	374	-	-	374	218
Tier 2 capital	777	199	2,848	3,824	4,067
Tier 3 capital	-	-	-	-	399
<b>Insurance Total</b>	<b>1,151</b>	<b>199</b>	<b>2,848</b>	<b>4,198</b>	<b>4,684</b>
Retirement	-	626	-	626	-
Credit	-	1,296	151	1,447	1,438
Agencies	-	364	-	364	379
Investment House & Wealth	-	236	-	236	263
<b>AM&amp;C Total</b>	<b>-</b>	<b>2,522</b>	<b>151</b>	<b>2,673</b>	<b>2,080</b>
<b>Total bonds and loans</b>	<b>2,101</b>	<b>3,118</b>	<b>3,526</b>	<b>8,745</b>	<b>8,661</b>
<b>Exposure Ratio</b>	<b>24%</b>	<b>36%</b>	<b>40%</b>	<b>100%</b>	<b>100%</b>
Derivatives, Repo & Other (Nostro)**				4,525	2,921
Derivatives, Repo & Other (Unit linked)**				2,018	2,240
Credit cards liabilities (Gama)				1,902	1,755
<b>Total</b>				<b>17,189</b>	<b>15,576</b>

Net financial debt exposure includes financial assets & only some of the financial liabilities (see 2024 Financial Statements Section – Section 6.7.2 in the BOD Report)

Phoenix Financial has limited solo net debt with 1% LTV based on net debt

Liabilities include use of derivatives opposite relevant financial assets for operational purposes (e.g., Insurance, Investment House) and Gama financing for credit portfolio and improved capital structure

\* Mainly offset against Insurance Tier 1 capital

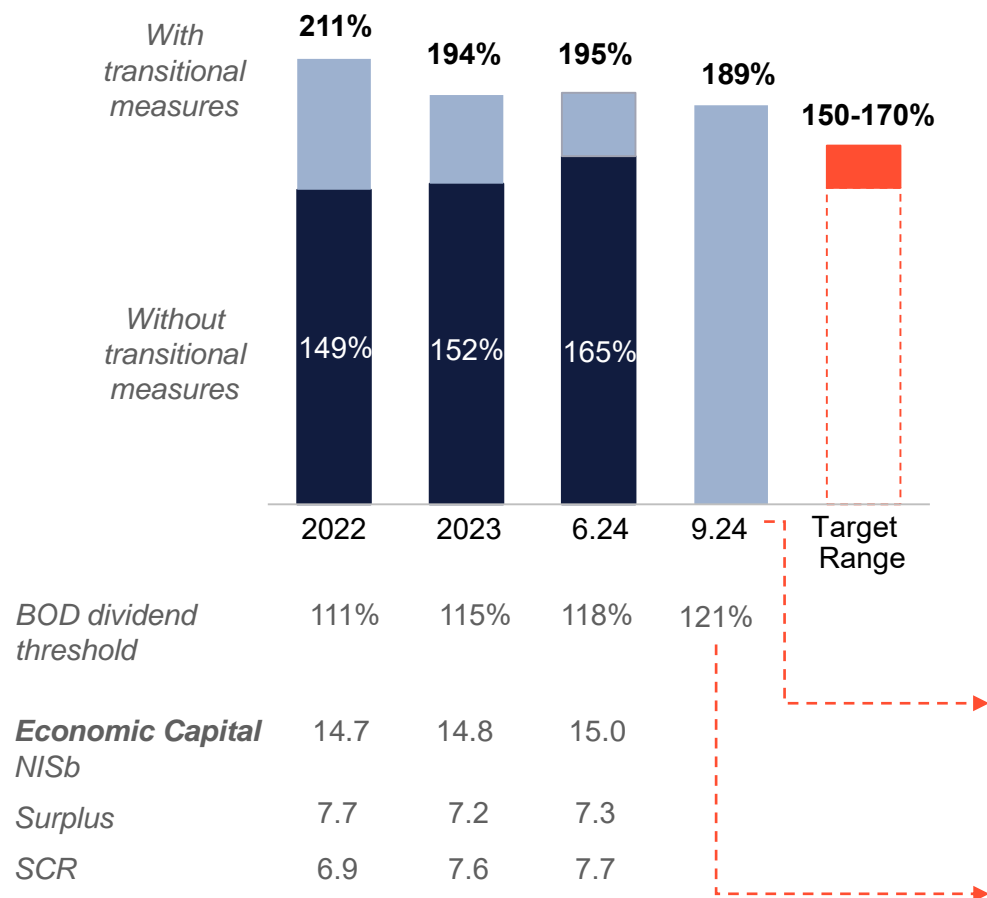
\*\* For more details, see 2024 Financial Reports (Note 27)

Includes CSM of 9.7 NISb (35-45% to be recognized over 5 years) & RA (Risk Adjustment) of 1.9 NISb as of transition date



# Capital Management | Solvency

## Solvency ratio (Insurance Company)



## Solvency II implementation

Solvency II implemented in Israel in line with international standards, with strong regulatory oversight

Transitional measures through 2032, with natural offset from Phoenix backbook runoff (expected to release Solvency capital requirements and risk margin at least as high as transitional measures through 2032, reflecting the difference between Solvency ratio with and without transitional measures)

Standard model used (internal models not allowed)

Phoenix Solvency does not include group equity outside Insurance Company; significant additional group capital resources held under Phoenix Financial (formerly Phoenix Holdings)

Quarterly publication of Solvency ratio with one quarter delay; full breakdown for Q2 and Q4, with only transitional headline figure for Q1 and Q3

## Changes in Solvency Ratio

**189%** with transitional measures estimated as of September 2024 (after 565 NISm dividend in kind distributed through publication date out of total 1.4 NISb announced; additional -6% impact estimated from full distribution)

Insurance Company BOD dividend threshold raised to **121%** without transitionals as of December 31, 2024

## Cashflow and Liquidity (Phoenix Financial Company)

Insurance subsidiary dividend payout 40-60% of comprehensive income, in line with solvency target range

AM&C generate significant cash from fee-based earnings (e.g., asset management, agencies)

Strong liquidity at Phoenix Financial level including Phoenix Insurance Tier 1 capital notes of 1.2 NISb (trading on Tel-Bond 40 index) & 1% net debt LTV

Insurance Company with international ratings (Moody's Baa1, S&P A-) and AAA local rating

## Accounting Income

IFRS 17 & IFRS 9 implementation in 2025, expected to reduce volatility, see IFRS17 road map slide 29

Dynamic management of market exposures

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**Segment Breakdown**

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# P&C

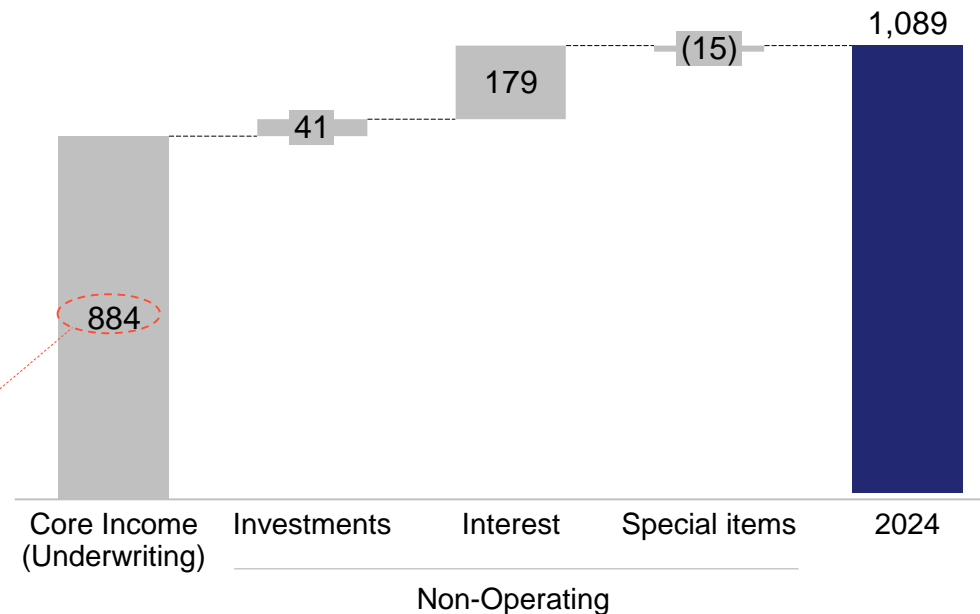
**Continued growth and profitability** despite competitive market & high theft frequency

**Optimized use of machine learning** for motor underwriting

Positive impact of **investments & interest rates**

Core Income (Before Tax)	2023	Q1/24	Q2/24	Q3/24	Q4/24	2024
Compulsory Motor	234	15	65	35	96	211
Motor Property	31	85	58	67	51	261
Loss Ratio (MP)	79%	65%	71%	70%	63%	67%
Property & Other	114	62	37	55	34	188
Liability	259	12	103	37	72	224
Total	638	174	263	194	253	884

## Comprehensive Income Before Tax NISm



2023	638	(56)	143	(22)	703
Difference	246	97	36	7	386
Q4/24	253	78	86	(6)	411
Q4/23	328	20	108	(13)	443
Difference	(75)	58	(22)	7	(32)

# Health

## Improvement in underwriting profit

**Negative impact from LAT reserves** mainly due to decrease in interest rates

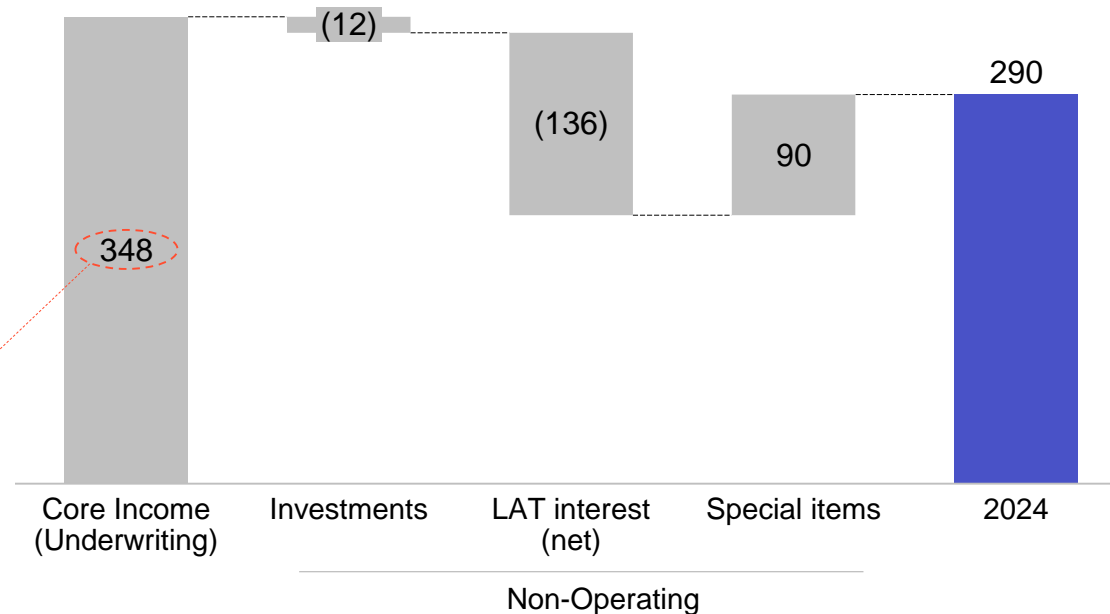
Positive impact from actuary research

Maccabi HMO collective LTC agreement ended December 2023

Health insurance reform implemented during 2024

## Comprehensive Income Before Tax

NISm



Core Income (Before Tax)	2023	Q1/24	Q2/24	Q3/24	Q4/24	2024
LTC Individual	18	7	12	6	5	30
LTC group	-44	1	11	14	1	27
Other long-term	178	26	140	74	42	282
Other short-term	13	1	-	5	3	9
<b>Total</b>	<b>165</b>	<b>35</b>	<b>163</b>	<b>99</b>	<b>51</b>	<b>348</b>

2023	165	(15)	147	51	348
Difference	183	3	(283)	39	(58)

Q4/24	51	11	(215)	120	(33)
Q4/23	21	(25)	71	(14)	53
Difference	30	36	(286)	134	(86)

# Life & Savings

## Improvement in underwriting profit

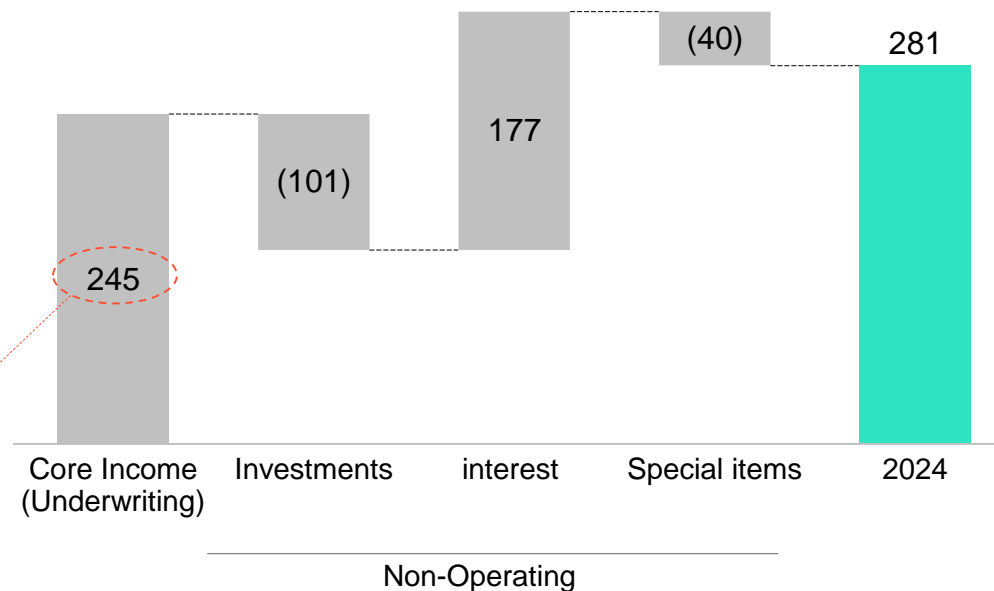
**Positive non-operating effects** mainly due to interest rate effects, partially offset by investment profit below 3%.

Continued inflows from investment policies

Initiated re-collection of variable management fee in beginning of fourth quarter (105 NISm during Q4)

## Comprehensive Income Before Tax

NISm



Core Income (Before Tax)	2023	Q1/24	Q2/24	Q3/24	Q4/24	2024
Until 1990	-7	-3	4	21	15	37
Until 2003	55	24	21	13	35	93
Since 2004	37	53	6	20	5	84
Individual	50	-20	6	8	2	-4
Group	32	5	11	11	8	35
<b>Total</b>	<b>167</b>	<b>59</b>	<b>48</b>	<b>73</b>	<b>65</b>	<b>245</b>

2023	217	(303)	89	6	9
Difference	28	202	88	(46)	272

Q4/24	65	288	(92)	(2)	259
Q4/23	50	(10)	25	(19)	46
Difference	15	298	(117)	17	213

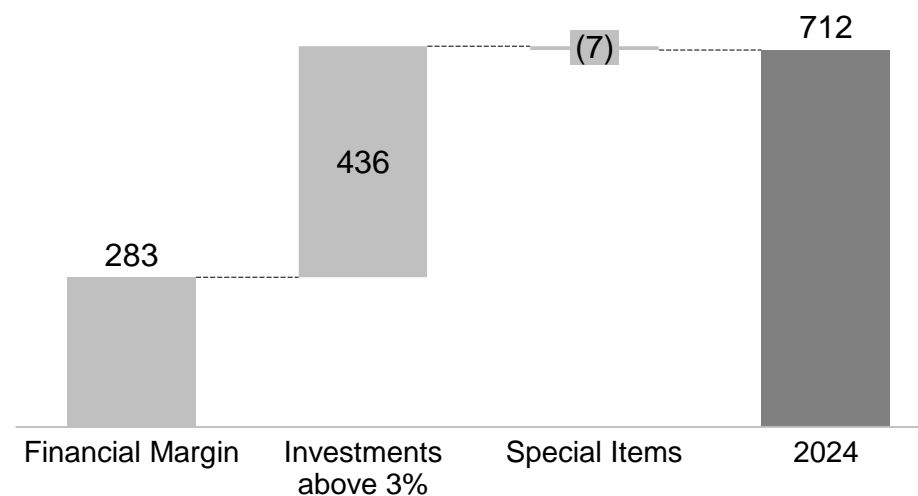


# Other Equity Returns (Insurance)

Positive capital market effects (above 3% real yields) compared to negative effects in 2023

## Comprehensive Income Before Tax

NISm



<b>2023</b>	<b>294</b>	<b>(406)</b>	<b>(41)</b>	<b>(153)</b>
Difference	(11)	842	34	865
<b>Q4/24</b>	<b>33</b>	<b>423</b>	<b>(17)</b>	<b>439</b>
Q4/23	(5)	248	(22)	221
Difference	38	175	5	218

# Investment House & Wealth (Financial Services)

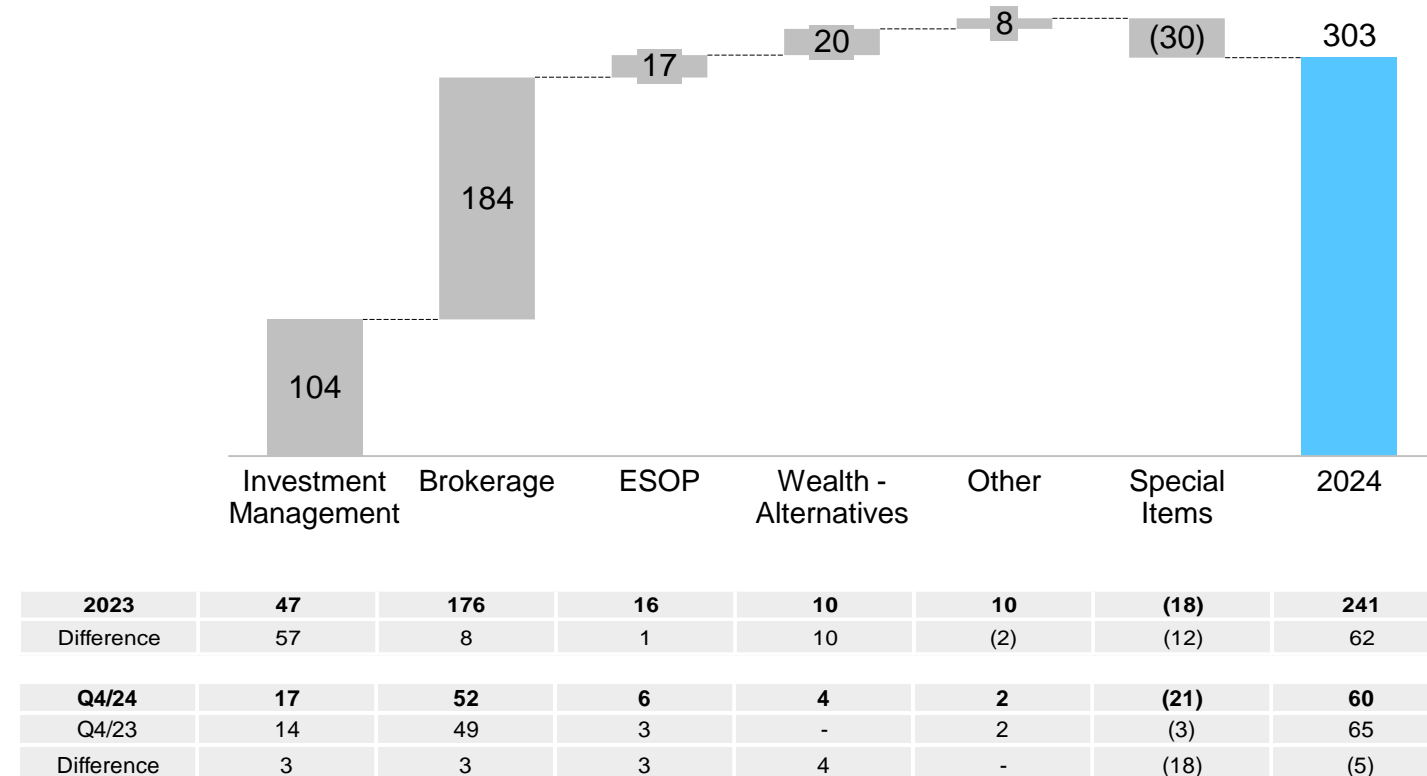
**Performance improvement** from continued strategic execution

**Growth in brokerage business** continued new client acquisition, average revenues & higher spreads in margin credit

**Synergies from acquisitions completed in 2023-24 achieved in 2024**, including Epsilon & assets from Psagot (including portfolio management and funds)

Continued growth in **alternative / wealth business**, including structural changes to optimize platform and strengthen for future scale

## Comprehensive Income Before Tax NISm



# Retirement (Pension & Provident)

## Continued organic growth

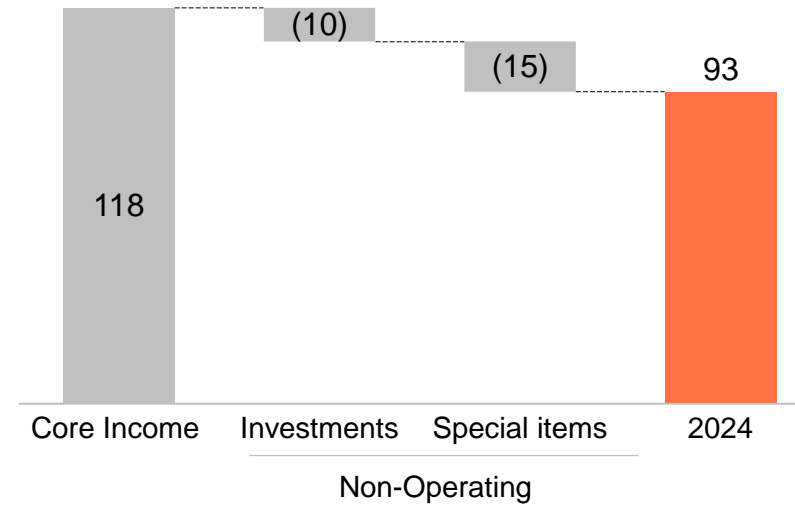
### Focus on profitability

including higher margin / efficient activities

Negative Special Items due to increase of legal provisions

## Comprehensive Income Before Tax

NISm



<b>2023</b>	<b>89</b>	<b>(9)</b>	<b>(7)</b>	<b>73</b>
Difference	29	(1)	(8)	20
<b>Q4/24</b>	<b>31</b>	<b>5</b>	<b>(15)</b>	<b>21</b>
Q4/23	19	(7)	(3)	9
Difference	12	12	(12)	12

# Distribution (Agencies, Planning, Benefits)

**17% growth in core income** year on year

**Continued organic growth** leading to higher core income, despite negative effects of slower pace of hiring in the market (including in tech sector)

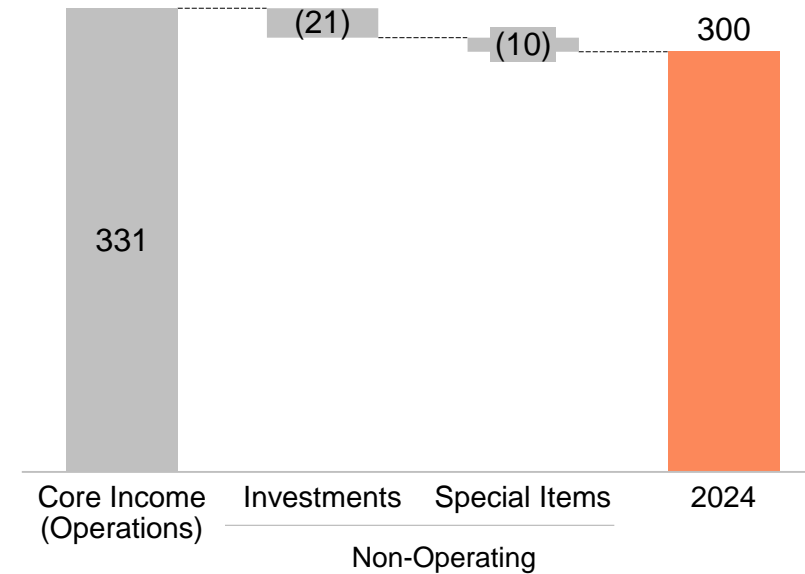
**Continued inorganic growth** following conclusion of regulatory committee review

**Accelerated value creation** under a reorganized structure with synergies

Assessing opportunities to unlock & create value going forward

Lower net investment income due to recapitalization / dividend distribution to Phoenix Financial

## Comprehensive Income Before Tax NISm



<b>2023</b>	283	31	(7)	307
Difference	48	(52)	(3)	(7)
<b>Q4/24</b>	<b>86</b>	<b>(8)</b>	<b>(4)</b>	<b>74</b>
Q4/23	69	4	(7)	66
Difference	17	(12)	3	8

# Credit (Primarily Phoenix Gama)

**Synergetic merger of Phoenix Construction Finance** in January 2024, following successful take-private tender offer for Gama in 2023

**Limited growth** in SME increase of credit card turnover

**Continued improvement** in pre-tax income

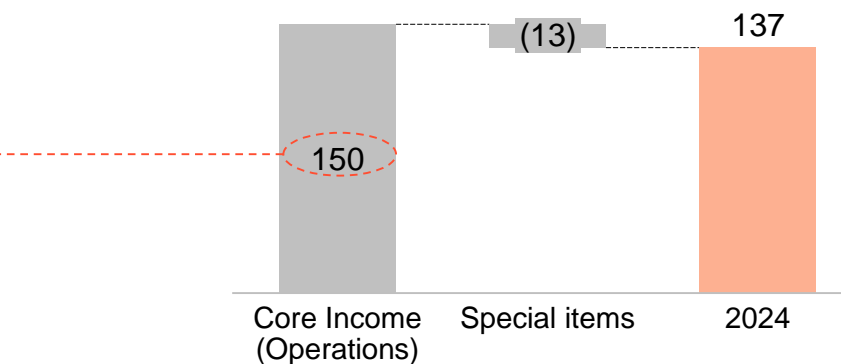
**Strong balance sheet** with 27% Equity-to-Assets ratio\*

**Consumer credit activity** launched in H1 2024 included in Credit Segment results (moved under Gama\*\*)

**Approved credit lines** 1.5 NISb

(NISm)	2023	2024	Turnover	credit portfolio
<b>Net Finance Income</b>				
Credit card	142	151	40,252	-
SME***	89	83	-	2,237
Constriction finance****	-	72	-	1,188
<b>GA, Marketing &amp; Other</b>	(128)	(156)	-	-
<b>Total</b>	<b>103</b>	<b>150</b>	<b>40,252</b>	<b>3,425</b>

## Comprehensive Income Before Tax NISm



<b>2023</b>	<b>103</b>	<b>(12)</b>	<b>91</b>
Difference	47	(1)	46
<b>Q4/24</b>	<b>36</b>	<b>(8)</b>	<b>28</b>
Q4/23	19	(5)	14
Difference	17	(3)	14

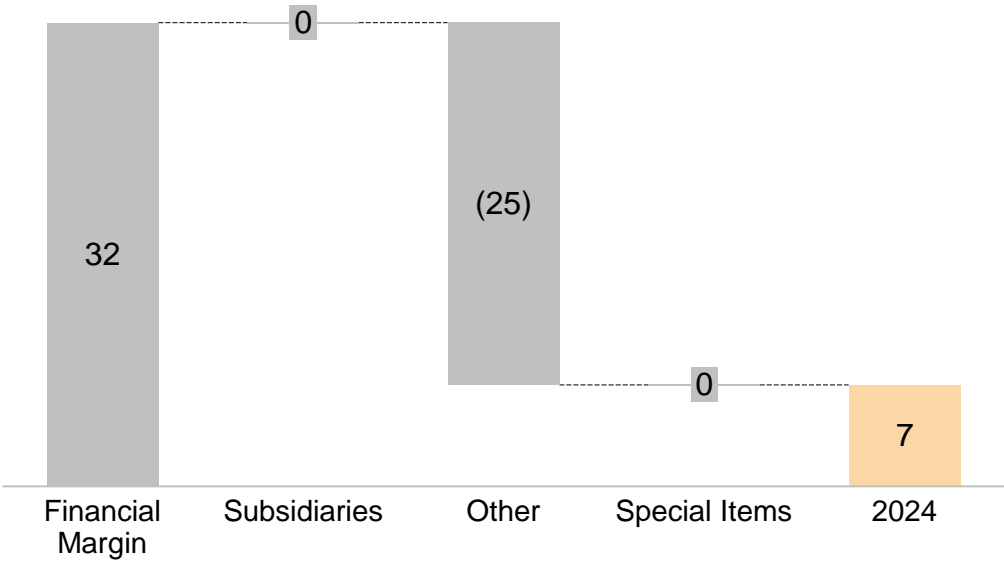


# Other

Segment includes Phoenix Financial (formerly Phoenix Holdings) solo profits (including RT1 holding) as well as other items

Restructured to improve capital & investments efficiency

Comprehensive Income Before Tax  
NISm



2023	13	(2)	(21)	4	(6)
Difference	19	2	(4)	(4)	13
Q4/24	5	-	(7)	-	(2)
Q4/23	2	-	(1)	(12)	(11)
Difference	3	-	(6)	12	9

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**Appendix**

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# IFRS 17 & 9 | Pro-Forma H1/2024 by Segment

Not normalized for core income versus non-operating effects

Pro-forma under new accounting standards IFRS 17 & 9:

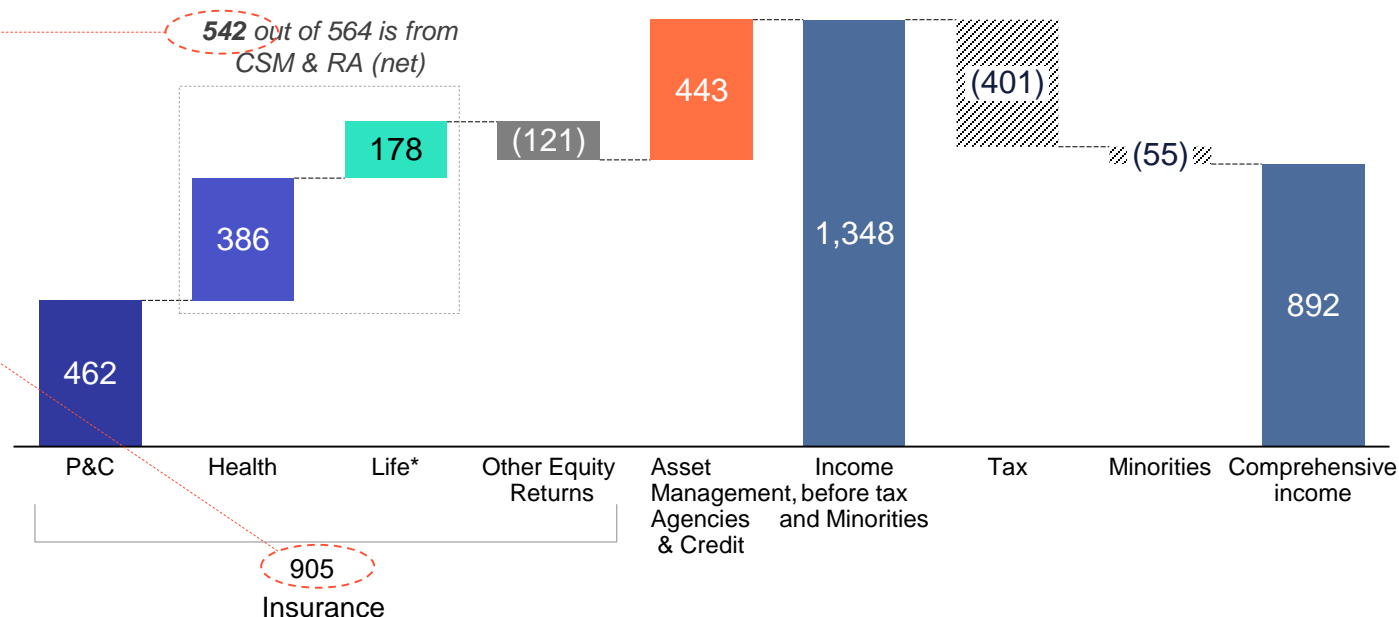
## Insurance P&L (Key line items)\*\*

H1 2024, NISm

Insurance Services Result (Net)	875
Of which: 542 out of 875 is from CSM & RA in Health & Life (Net)	
Net Investment Result	209
Other Income (Loss)	(179)
Income before Tax	905

## Segment Income Breakdown

H1 2024, NISm



IFRS 4-1-6/2024	507	259	(62)	(121)	443	1,026	(304)	(55)	667
Difference	(45)	127	240	-	-	322	(97)	-	225

# Investment Returns | Explanation

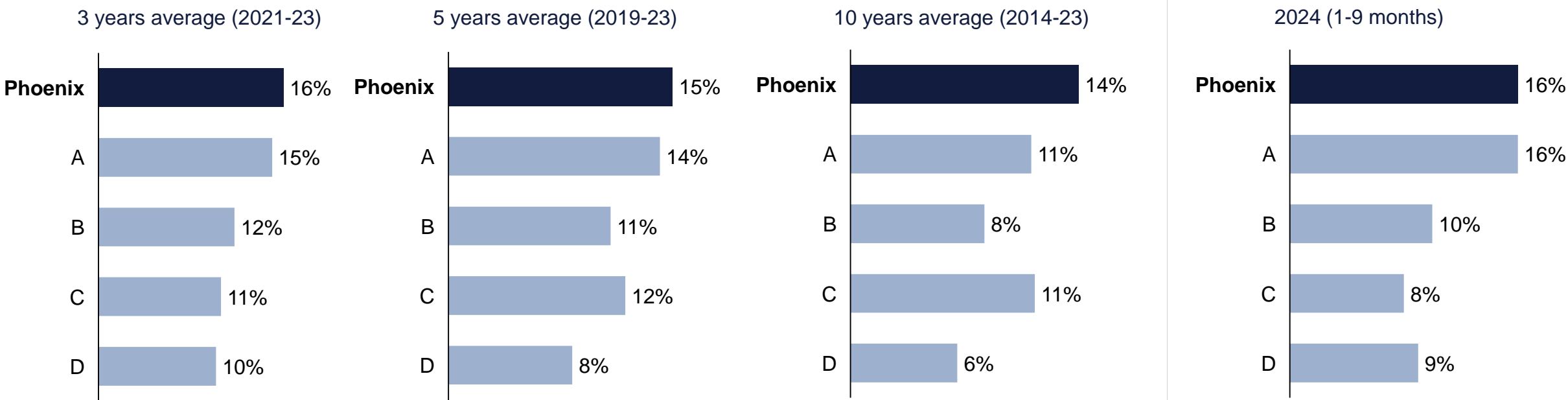
## Reconciliation of investment returns above / below 3% real returns with financial statements

NISm

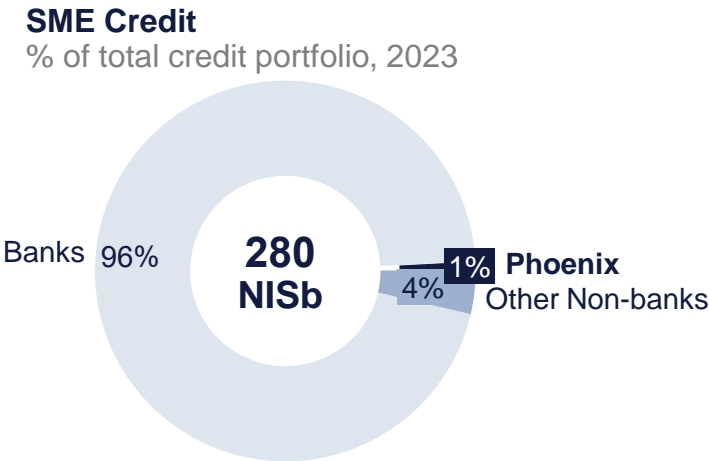
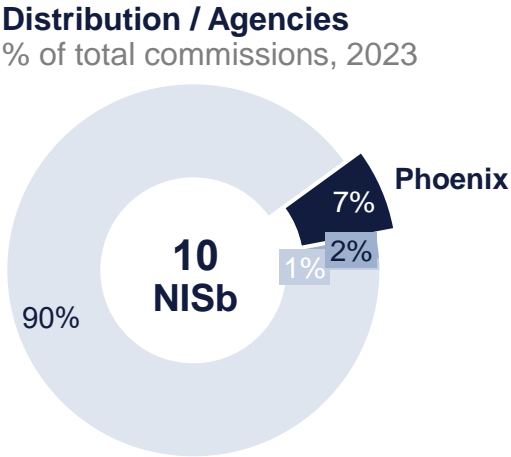
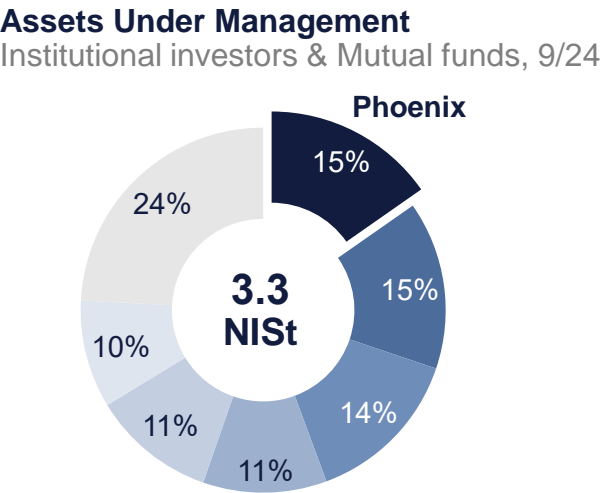
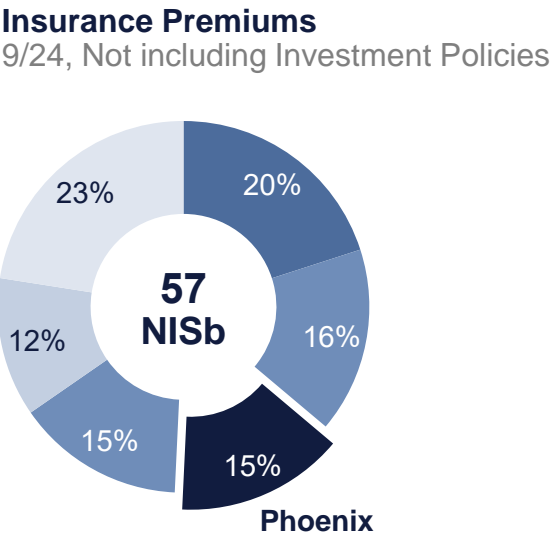
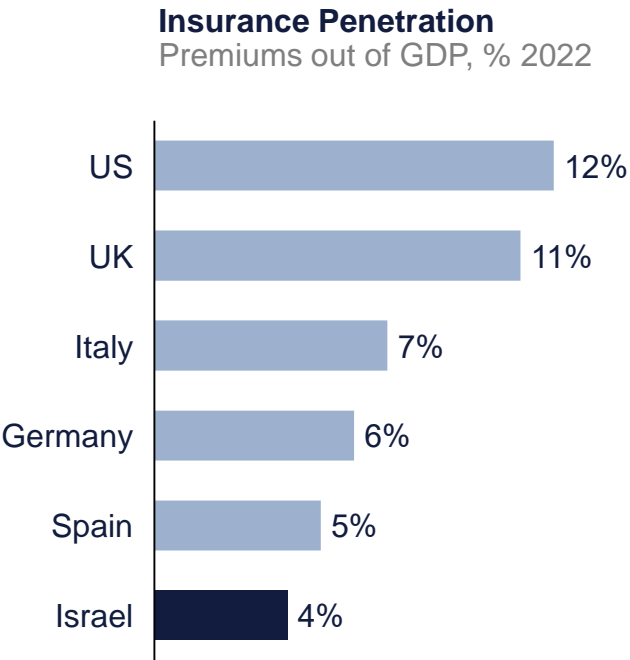
	2024	2023
<u>P&amp;L Items from Financial Statements</u>		
Investment income	16,570	9,910
Share in profits of equity-accounted investees	103	42
Total components of net other comprehensive income	281	306
Tax effect	171	147
<b>Subtotal</b>	<b>17,125</b>	<b>10,404</b>
<u>Less:</u>		
Investment gains (losses) relating to yield-dependent policies	13,996	8,531
Investment gains (losses) relating to investment services & credit	461	349
<b>Subtotal</b>	<b>14,457</b>	<b>8,881</b>
<b>Corporate account (Nostro) total investment income</b>	<b>2,668</b>	<b>1,526</b>
Corporate account (Nostro) investment income assuming 3% real returns	2,335	2,291
<b>Corporate account (Nostro) investment income above (below) 3% real returns</b>	<b>333</b>	<b>(765)</b>

# Best in Class ROE

## Return on Equity



# Positioned to Capture Opportunities



# Growth & Value Drivers

1

## **Strong market position with distinctive growth & performance**

Phoenix Financial is the premier financial group in Israel with \$140 billion assets under management, delivering compounding AUMs with 20% annual growth and best-in-class 17% average ROE over 5 years. Trading on Tel Aviv's leading TA-35 index, activities including broad asset management and insurance businesses and a large private client base. Phoenix is regularly covered by leading international and Israeli investment banks and rating agencies.

2

## **Proven value creation strategy with focus on growth and competitive advantages**

Phoenix is strategically positioned to capture significant market opportunities including wealth accumulation, demographic growth, consolidation, and strong demand trends. Phoenix's proven value creation strategy focuses on driving accelerated growth in high-multiple businesses, fostering innovation and efficiency for competitive advantage and data-driven synergies, actively managing talent and structure, and proactively deploying capital and investments.

In asset management, Phoenix is accelerating growth across strong platforms with high margins, high multiples, scale, and capital efficiency, including investments, wealth, stock option administration, retirement, credit origination, and agencies for retirement / insurance distribution.

In insurance, Phoenix is deepening competitive advantages including data and technology to accelerate growth in P&C and other capital-light activities while optimizing business mix, channels, operations, and capital across activities.

Phoenix plans to grow to 2 NISb comprehensive income and 16-18% ROE by 2027, with additional 400-600 NISm upside beyond plans, and targets to be updated during 2025. Phoenix is currently investing in technology and capabilities to drive additional value creation from data, client focus, and automation during 2028-31.

3

## **Strong cash flow generation driving payouts and continued growth**

Phoenix maintains a strong financial position with high levels of capital, Solvency, and liquidity, as well as low leverage. The dual focus on asset management and insurance generates strong and growing cash flows, strategically allocated through dividends and buybacks (target above 50% of income) as well as reinvested to fuel growth and consolidation, and supporting value creation based on earnings multiples.

4

## **Experienced and aligned leadership**

Phoenix upholds world-class governance and fosters a culture of excellence, with an experienced and aligned management team committed to strategic vision and execution.

# Agenda

Highlights

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Strategy & Targets

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Financial Results

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Segment Breakdown

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Appendix

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Glossary





# Glossary

<b>Adjusted EBITDA</b>	Adjusted EBITDA - calculated as income before finance, taxes, depreciation and amortization in the relevant areas of activity; adjustments as detailed below: Investment House - IFRS 16 adjustment and special items Retirement (Pension and Provident) - IFRS 16 adjustment and amortization of DAC and special items Distribution (Agencies) - IFRS 16 adjustment and special items Credit - IFRS 16 adjustment, financing expenses, credit provisions, and special items
<b>AM</b>	Asset Management
<b>AUM</b>	Assets Under Management; the total market value of all the investments that are managed by the Company
<b>Bps</b>	Basis Points; 1 basis points is .01%
<b>CGU</b>	Cost Generating Unit
<b>CI</b>	Comprehensive Income
<b>CLR</b>	Combined Loss Ratio
<b>CO</b>	Corporate, Other and Consolidation
<b>Core Income</b>	Income from operations not including investment yields & variable fees above/below 3% real yields, interest rate effects, and special items
<b>Core ROE</b>	Core income as a percent of total equity
<b>CPI</b>	Consumer Price Index; measures the average change of prices in an agreed upon basket of consumer goods and services over time
<b>CSM</b>	Contractual Service Margin
<b>D&amp;O</b>	Directors and Officers Liability Insurance
<b>DAC</b>	Deferred Acquisition Cost
<b>ESOP</b>	Employee Stock Ownership Plan; workplace benefit program, that provides the employees with ownership interest in the company.
<b>ETF</b>	Exchange Traded Fund; an open end, tradable basket of securities that tracks an underlying index, sector, or security type
<b>Fixed-Rate Gov Bonds</b>	A government issued bond for which the interest income payment is agreed upon and does not change
<b>FX</b>	Foreign Exchange Currency
<b>Gama</b>	Financial services and credit company owned by the Phoenix Group
<b>Halman corporate funds</b>	Israeli Electric Company (IEC)
<b>Illiquidity Premium</b>	Or Liquidity Premium; premium demanded by investors when any given security cannot be easily converted into cash for its fair market value.
<b>IMF</b>	International Monetary Fund
<b>Insurance Core Income</b>	Core Income from insurance activities
<b>Index Linked Gov Bonds</b>	A government issued bond for which the interest income payment is related (or linked) to the CPI
<b>LAT</b>	Liability Adequacy Test
<b>Liquidity Premium</b>	See Illiquidity Premium
<b>LOB</b>	Line of Business
<b>LTC</b>	Long Term Care insurance; typically helps pay for costs associated with long term care

# Glossary

<b>LTS</b>	Long Term Services; including but not limited to Life, Provident and Pension funds
<b>Marketable Securities</b>	Liquid financial assets that can be quickly converted into cash; most are trading assets
<b>MF</b>	Management Fees; wages charged by a financial manager
<b>Moody's</b>	A credit risk rating agency
<b>MSCI</b>	Morgan Stanley Capital International Emerging Markets Index; measures the performance in equity markets, specifically in global emerging markets
<b>Mutual Fund</b>	Open end, non-tradable basket of securities that tracks the performance of an undelaying index, sector, or security type
<b>Net Inflows</b>	The net amount of new cash, excluding the impact of investment market value; calculated by subtracting withdrawals from new deposits
<b>NIS</b>	New Israeli Shekel
<b>Non-Marketable Securities</b>	Asset group that is considered to be difficult to buy or sell due to the fact they are not traded on any major exchange; could include government issued debt securities, limited partnerships, real estate investments and more
<b>Non-Operating Income</b>	Impact on income of investment yields & variable fees above/below 3% real yields, interest rate effects, and special items
<b>Nostro</b>	The account in which a financial institution manages its own funds
<b>OPEX</b>	Operational Expenses
<b>P&amp;C</b>	Property and Casualty insurance
<b>PF</b>	Phoenix Financial
<b>PHI</b>	Permanent Health Insurance
<b>PI</b>	Phoenix insurance
<b>PLI</b>	Professional Liability insurance
<b>Reinsurance</b>	A balancing risk strategy; one or more insurers that share the liability
<b>Revenue</b>	All encompassing streams of income; including, but not limited to: premium, management fees, benefit contributions
<b>RFR</b>	Risk Free Rates
<b>ROE</b>	Return On Equity; calculated by dividing net income over total equity
<b>Services Core Income</b>	Core Income from Services activities including asset management, distribution, and credit
<b>SME60</b>	"The Rest Index"; tracks the performance of the 60 largest market value companies that are excluded from the Tel Aviv Stock Exchange
<b>Special Items</b>	Changes in profit or loss that are not part of the usual business of the Company, including changes in actuarial research, actuarial model changes, other structural changes and strategic acquisition costs in AM segment
<b>Tel Bond 20</b>	Index that tracks the performance of the 20 largest Index Linked Corporate Bonds in terms of market value
<b>Tel Bond 40</b>	Index that tracks the performance of the 40 largest Index Linked Corporate Bonds in terms of market value
<b>Tel Bond 60</b>	Index that tracks the performance of the 60 largest Index linked Corporate Bonds in terms of market value
<b>TLV 125</b>	An index that tracks the performance of the 125 largest market value companies in the Tel-Aviv Stock Exchange
<b>TLV 35</b>	An index that tracks the performance of the 35 largest market value companies in the TLV Stock Exchange
<b>TLV 90</b>	An index that tracks the performance of the 90 largest market value companies in the TLV stock Exchange
<b>TMTTP</b>	Transitional Measures on Technical Provisions
<b>Workers' Compensation Insurance</b>	Insurance coverage for employees' injuries or sickness
<b>Yield Curve</b>	A line that plots interest rates of bonds with equal credit risk with different maturity dates in the future