

# PHOENIX FINANCIAL LTD

PHOENIX FINANCIAL LTD

Registration Number: 520017450

To: Israel Securities Authority  
To: Tel Aviv Stock Exchange Ltd.  
Form Number: T081 (Public)  
Sent via MAGNA: 25/08/2025  
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## Immediate Report on Cash Dividend Distribution for Securities

Regulation 37(a) of the Securities Regulations (Periodic and Immediate Reports), 1970

1. We hereby report that on the date 24/08/2025, it was decided to pay a dividend.
2. Record date (ex-date): 01/09/2025

Payment date: 08/09/2025

3. Payment details:

- Dividend distributed from an Israeli resident company (see section 7a for composition of dividend sources and tax rates)
- Dividend distributed by a Real Estate Investment Trust (see section 7c for composition of dividend sources and tax rates)

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Eligible Security Number	Security Name	Dividend Amount per Security	Dividend Amount Currency	Payment Currency	Representative Rate for Payment Date	Individual Tax %	Corporate Tax %
767012	PHOENIX FINANCIAL LTD	1.59208	NIS	NIS		25	0

- Dividend distributed from a foreign resident company (see section 7b for tax rates)

Security Number	Security Name	Gross Amount per Security	Amount Currency	Tax Abroad %	Tax by Treaty %	Individual Tax Balance in Israel %	Corporate Tax Balance in Israel %

Amount to be Paid in Israel per Security	Payment Currency	Representative Rate for Payment Date	Actual Individual Tax in Israel %	Actual Corporate Tax in Israel %

Note: The dividend amount to be paid must be specified with up to 7 decimal places when the currency is NIS, and up to 5 decimal places if the currency is other.

4. The total dividend amount to be paid is: 400,000,000 NIS.
5. The corporation's retained earnings as defined in section 302 of the Companies Law, 1999, after the distribution subject to this report, are: 11,153,350,000 NIS.
6. Dividend distribution approval process:

Board of Directors' resolution dated 24 August 2025

The above distribution is not subject to court approval according to section 303 of the Companies Law.

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The final dividend amount per share is subject to changes due to: If options are exercised by employees of the PHOENIX FINANCIAL LTD group between the date of the distribution announcement and two days before the record date, the dividend per share will be adjusted according to the actual number of shares on the record date. The company will publish a supplementary report regarding this adjustment on the record date. Such exercise will reduce the dividend amount per share.

Note: The final dividend amount per share can be updated up to 2 trading days before the record date.

7. The withholding tax rates detailed below are for the purpose of withholding tax by TASE members.

### **7a. Composition of dividend sources distributed from an Israeli resident company from shares and financial instruments, excluding REIT funds.**

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	% of Dividend	Individuals	Companies	Foreign Residents
Income subject to corporate tax (1)	100	25%	0%	25%
Income originating abroad (2)	0	25%	23%	25%
Income from approved/preferred enterprise (3)	0	15%	15%	15%
Income from Irish privileged enterprise until 2013 (4)	0	15%	15%	4%
Income from Irish privileged enterprise from 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income from approved agricultural/tourism enterprise (6)	0	20%	20%	20%
Income from approved/preferred enterprise that submitted waiver notice (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by Participating unit	0	0	0	0
Other	0	0	0	0

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Explanation: (1) Income subject to corporate tax – income from profit distribution or dividend originating from income produced or accrued in Israel, received directly or indirectly from another entity subject to corporate tax. (2) Income originating abroad is income produced or accrued abroad and not taxed in Israel. (3) Including income from a preferred tourism enterprise with the selection/operation year up to 2013. (4) Irish privileged enterprise with selection year up to 2013. (5) Irish privileged enterprise with selection year from 2014 onwards. (6) Including income from a preferred tourism enterprise with the selection/operation year from 2014 onwards. (7) Approved or preferred enterprise that submitted a waiver notice by 30.6.2015, after corporate tax was deducted.

**7b. Dividend distributed from a foreign resident company**

	Individuals	Companies	Foreign Residents
Dividend from foreign resident company	25%	23%	0%

**7c. Dividend distributed by a Real Estate Investment Trust**

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	% of Dividend	Individuals (1)	Companies	Foreign Resident Companies	Exempt Trust Fund	Pension Fund (2)
From real estate appreciation, capital gain, and depreciation (3)		25%	23%	23%	0%	0%
Other taxable income (e.g., rent)		47%	23%	23%	23%	0%
From income-producing real estate for rental housing		20%	20%	20%	0%	0%
Income taxed by the fund (4)		25%	0%	25%	0%	0%
Extraordinary income		70%	70%	70%	60%	70%
Other						
Weighted withholding tax %	100%					

(1) Individuals – including taxable trust fund income, foreign resident individuals. (2) Pension fund for retirement, provident, or compensation as defined in the Income Tax Ordinance, as well as a foreign pension fund resident in a reciprocating country. (3) From real estate appreciation or capital gain, except from the sale of real estate held for a short period, and from income in the amount of depreciation expenses. (4) Distribution from income taxed by the fund according to section 64A4(e).

8. Number of dormant securities of the corporation not entitled to dividend payment and for which a waiver letter must be provided to receive the dividend payment: 12,042,400.5
9. Effect of the dividend distribution on convertible securities:
- The company has no convertible securities
  - The dividend distribution has no effect on convertible securities
  - The effect of the dividend distribution on convertible securities is as follows:

Security Name	Security Number	Remarks
PHOENIX FINANCIAL LTD Employee Warrants	7670235	The current exercise price will be reduced by the gross dividend per share

10. Recommendations and decisions of the directors regarding the dividend distribution according to Regulation 37(a)(1) of the Securities Regulations (Periodic and Immediate Reports), 1970:

According to the company's financial statements as of June 30, 2025, the distributable profit according to the provisions of the Companies Law, 1999 ("Companies Law"), amounted to approximately NIS 11.6 billion, so the distribution meets the "profit test" as defined in the Companies Law. For the purpose of examining the company's compliance with the "solvency test" as defined in the Companies Law, the company ensured that the dividend distribution does not prevent the company from meeting its existing and expected obligations as they become due. The company's Board of Directors believes, after examining the effect of the distribution on: the company's financial position; its expected cash flow; its capital structure; its liquidity status and compliance with existing financial covenants, that the distribution does not prevent the company from meeting its obligations as stated. It should be noted that the Board's decision is also based, among other things, on dividend distributions from subsidiaries to the company, which have accordingly updated their distribution policy to quarterly distributions. Accordingly, the Board determined that the distribution is in accordance with the distribution tests set forth in the Companies Law and, in the Board's opinion, the dividend distribution does not have a negative impact on the company's financial position.

**Authorized signatories on behalf of the corporation:**

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#	Signatory Name	Position
1	Meni Ne'eman	Legal Counsel
2	Eli Schwartz	Deputy CFO

Note: According to Regulation 5 of the Periodic and Immediate Reports Regulations (1970), a report submitted under these regulations must be signed by those authorized to sign on behalf of the corporation. Staff position on the matter can be found on the Authority's website: [Click here](#).

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Securities of the corporation are listed for trading on the Tel Aviv Stock Exchange

Short name: PHOENIX FINANCIAL LTD

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Email: [menin@fnx.co.il](mailto:menin@fnx.co.il)

Previous names of the reporting entity: PHOENIX HOLDINGS LTD, PHOENIX ISRAEL INSURANCE COMPANY LTD

Electronic signatory name: Elad Sirkis

Position: Company Secretary

Employer: PHOENIX INSURANCE LTD.

Address: 53 Derech Hashalom, Givatayim 5345433

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