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PHOENIX FINANCIAL LTD

Registry Number: 520017450

To: Israel Securities Authority

To: Tel Aviv Stock Exchange Ltd.

Form Number: T081 (Public)

Filed on MAGNA: 28/08/2025

ISA Website: www.isa.gov.il

TASE Website: www.tase.co.il

Reference: 2025-01-064875

Supplementary report to the report submitted on 25/08/2025 with reference number: 2025-01-063149

Main details added/completed:

In section 3, the dividend per share amount was updated, and in section 8, the number of dormant shares was updated.

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 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 by 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)

Eligible Security Number	Security Name	Dividend per Security	Dividend Currency	Payment Currency	Representative Rate Date	Individual Tax %	Corporate Tax %
767012	PHOENIX FINANCIAL LTD	1.5674323	NIS	NIS	_____	25	0

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

Note: The dividend amount to be paid must be specified to a precision of up to 7 digits after the decimal point when the dividend currency is NIS, and up to 5 digits after the decimal point if the dividend currency is another currency.

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, amount to: *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: No

The final dividend per share is subject to changes due to: Final dividend

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

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

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

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	% of Dividend	Individuals	Companies	Foreign Residents
Taxable corporate income (1)	100	25%	0%	25%
Income originating overseas (2)	0	25%	23%	25%
Approved/benefited enterprise income (3)	0	15%	15%	15%
Benefited Irish enterprise income until 2013 (4)	0	15%	15%	4%
Benefited Irish enterprise income from 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Approved agricultural/tourism enterprise income (6)	0	20%	20%	20%
Approved/benefited 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

Explanation:

- (1) Taxable corporate income - 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 overseas is income produced or accrued abroad and not taxed in Israel.

- (3) Including income from an approved tourism enterprise with a selection/operation year up to 2013.
- (4) Benefited Irish enterprise with a selection year up to 2013.
- (5) Benefited Irish enterprise with a selection year from 2014 onwards.
- (6) Including income from an approved tourism enterprise with a selection/operation year from 2014 onwards.
- (7) Approved or benefited enterprise that submitted a waiver notice by 30.6.2015, after corporate tax was deducted.

7b. Dividend distributed by 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%	_____	_____	_____	_____	_____

Explanation:

(1) Individuals - including taxable trust fund income, foreign resident individuals.

(2) Pension fund for pension, 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 the corporation's dormant securities not entitled to dividend payment and for which a waiver letter must be provided to receive the dividend payment: 8,095,963.5

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 Employees Option	7670235	From the current exercise price, the gross dividend per share will be deducted

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 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 opinion of the board, the dividend distribution does not have a negative impact on the company's financial position.

Authorized signatories on behalf of the corporation:

#	Signatory Name	Position
1	Meni Ne'eman	Legal Counsel
2	Eli Schwartz	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](#).

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

Form structure update date: 15/07/2025

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

Electronic signatory name: Elad Sirkis

Position: Company Secretary

Employer company name: PHOENIX INSURANCE LTD.

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