**Phoenix Financial LTD**
Registry Number 520017450

To: The Securities Authority www.isa.gov.il
To: The Tel Aviv Stock Exchange Ltd. www.tase.co.il
T081(Public)
Transmission Date:
Reference:

## Immediate Report on Distribution of Cash Dividend to Securities

**Regulation 37(A) of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970**

1. We are hereby report that on 25/11/2025 it was decided to pay a dividend to the Company's securities.

2. The effective date (Record Day): 03/12/2025
   Date of payment: 10/12/2025

3. Payment details:

- Dividend distributed from a company resident in Israel (For the composition of the sources of dividends and tax rates, see section 7a)

- ○ Dividend distributed by a Real Estate Investment Fund (For the composition of dividend sources and tax rates, see section 7c)

| No. of Eligible Securities | Security Name | Dividend Amount for Single Security | Currency Dividend Amount | Payment Currency | Representative Rate for Payment as of | Individual Tax % | Corporate Tax % |
|---|---|---|---|---|---|---|---|
| 767012 | The Phoenix | 1.2589420 | NIS _______ | NIS | ________________ | 25 | 0 |

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

| No. of Eligible Securities | Security Name | Gross Amount Per Single Security | Currency Amount | Overseas Tax % | Treaty Tax % | Individual Tax Balance for Deduction in Israel % | Corporate Tax Balance for Deduction in Israel % |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| | | Amount to be Paid in Israel for Single Security | Payment Currency | Representative Rate for Payment as of | | Actual Individual Tax in Israel % | Actual Corporate Tax in Israel % |

The dividend amount to be paid must be specified with an accuracy of up to 7 digits after the decimal point for a payment made in NIS and up to 5 digits after the decimal point in case of payment in another currency.

4. The total amount of the dividend to be paid is: NIS 320,000,000.

5. The balance of the corporation's profits as defined in section 302 of the Companies Law, 5769-1999, after the distribution in relation to this report, is in the amount of NIS 11,647,753,000.

6. Dividend distribution approval procedure:

   Decision of the Board of Directors ("**BOD**") dated November 25, 2025.

   The above distribution complies with the approval of the court in accordance with section 303 of the Companies Law? *No.*

   The dividend amount for single security is subject to change due to:
   If options are exercised by Phoenix Group employees between the announcement date and two trading days before the record date, the dividend per share will be adjusted accordingly. A supplementary report will be published on the record date. Such an exercise will reduce the dividend amount per share.

7. The rates of withholding tax listed below are for the purpose of deducting withholding tax by members of the Stock Exchange.

   7a. The composition of the sources of dividends distributed from a company resident in Israel from shares and financial instruments, excluding the Reit Trust.

| | % Of Dividend | Individuals | Companies | Foreign Residents |
|---|---|---|---|---|
| Income subject to corporate tax (1) | 100 | 25% | 0% | 25% |
| Income originated overseas (2) | 0 | 25% | 23% | 25% |
| Income approved/benefited enterprise (3) | 0 | 15% | 15% | 15% |
| Income Ireland benefited enterprise until 2013 (4) | 0 | 15% | 15% | 4% |
| Income Ireland benefited enterprise as of 2014 (5) | 0 | 20% | 20% | 4% |
| Preferred income | 0 | 20% | 0% | 20% |
| Income approved tourism/agricultural enterprise (6) | 0 | 20% | 20% | 20% |
| Income approved/benefited enterprise submitted a 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) Income subject to corporate tax - Income from dividends or dividends deriving from income produced or constructed in Israel, received directly or indirectly from another body of persons subject to corporate tax.
(2) Income originated overseas is income produced or constructed overseas and not charged in Israel.

(3) Including income from a tourist benefited enterprise and that the year of selection/operation is until 2013.
(4) Ireland benefited enterprise - the year of selection is until 2013.
(5) Ireland benefited enterprise - the year of selection is from 2014 onwards.
(6) Including income from a tourist benefited enterprise and that the year of selection/operation is from 2014 onwards.
(7) Approved/benefited enterprise submitted a waiver notice until 30.6.2015, after deducting corporate tax to which it was subject.

---

7b. Dividend distributed from a foreign resident company

| | Individuals | Companies | Foreign Residents |
|---|---|---|---|
| Dividend distributed from a foreign resident company | 25% | 23% | 0% |

7c. Dividend distributed by a real estate investment fund

| | % Of Dividend | Individuals (1) | Companies | Foreign Resident Companies | Exempt Mutual Fund | Provident Fund (2) |
|---|---|---|---|---|---|---|
| From real estate appreciation, capital gain and depreciation (3) | ________ | 25% | 23% | 23% | 0% | 0% |
| Other taxable income (such as rent) | ________ | 47% | 23% | 23% | 23% | 0% |
| From income-producing real estate for rental housing | ________ | 20% | 20% | 20% | 0% | 0% |
| Income charged by the fund (4) | ________ | 25% | 0% | 25% | 0% | 0% |
| Exceptional income | ________ | 70% | 70% | 70% | 60% | 70% |
| Other | ________ | ________ | ________ | ________ | ________ | ________ |
| % Withholding tax deducted | 100% | ________ | ________ | ________ | ________ | ________ |

(1) Individuals - including income from a taxable mutual fund, foreign residents.
(2) An annuity provident fund or benefits or compensation as defined in the Income Tax Ordinance and a provident fund or foreign pension fund that is a resident of a reciprocating country.
(3) Real estate appreciation or capital gain, other than the sale of real estate held for a short period, and from income in the amount of depreciation costs.
(4) Distribution of taxable income by the fund in accordance with section 64A4(e).

8. The number of dormant securities of the corporation that are not eligible for dividend payment and for which a waiver letter must be made to receive the dividend payment 9,318,235.5

9. The effect of the dividend distribution on convertible securities:

- ○ The Company has no convertible securities
- ○ Dividend distribution has no effect on convertible securities
- ● The effect of the dividend distribution on the convertible securities is as follows:

| Name of Security | Security No. | Notes |
|---|---|---|
| Phoenix Opt. Employees | 7670235 | The gross dividend per share will be reduced from the current exercise price |

10. Recommendations and resolutions of the directors in connection with the distribution of the dividend pursuant to Regulation 37(a)(1) of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970:

*According to the Company's financial statements dated September 30, 2025, the distributable profit in accordance with the provisions of the Companies Law, 1999 ("Companies Law") amounted to approximately NIS 12 billion, and therefore the distribution meets the "profit criterion" as defined in the Companies Law.*

*For the purpose of examining the Company's compliance with the "ability to meet liabilities criterion" 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 when they become due. The Company's board of directors believes, after examining the impact of the distribution on the Company's financial condition,* *its expected cash flow, its capital structure, its liquidity status, and its compliance with existing financial covenants, that the execution of the distribution does not prevent the Company from meeting its obligations as mentioned.*

*It should be noted that the board's decision is also based, among other things, on the distribution of dividends from the subsidiary companies to the Company, which have accordingly updated their distribution policies to quarterly distributions.*

*Accordingly, the board of directors has determined that the distribution is in accordance with the distribution criteria set forth in the Companies Law and, in the opinion of the Company's board of directors, the dividend distribution does not negatively impact the Company's financial condition.*

**Details of the signatories authorized to sign on behalf of the corporation:**

| | **Name of Signatory** | **Position** |
|---|---|---|
| **1** | Meni Neeman | Chief Legal Advisor |
| **2** | Eli Schwartz | Chief Financial Officer |

Explanation: Pursuant to Regulation 5 of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970, a report submitted under these regulations shall be signed by the authorized signatories on behalf of the corporation. A staff position on the subject can be found on the Authority's website: Click here.

Reference numbers of previous documents in this matter (the reference does not constitute inclusion by reference):

---

The corporation's securities are listed for trading on the Tel Aviv Stock Exchange

Date of update of form structure: 15.07.2025

Short name: The Phoenix
Adress: 53 Derech Hashalom, Givatayim 53454, Tel: 03–7332997, 03-7338174 ; Fax: 03–7238855
E-mail: menin@fnx.co.il
Previous names of the reporting entity: The Israel Phoenix Insurance Company Ltd.

Name of electronic reporter: Elad Sirkis; His position: Company Secretary
Employer's name: The Phoenix Insurance Company Ltd.
53 Derech Hashalom, Givatayim 5345433, Tel: 03–7315656, Fax: 03–7238855
E-mail: elads1@fnx.co.il