MIGDAL
Insurance and finance

Condensed Financial Statements

as of September 30, 2024

MIGDAL INSURANCE AND FINANCIAL HOLDINGS LTD.

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MIGDAL INSURANCE AND FINANCIAL HOLDINGS LTD.

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Report of the Board of Directors on the State of the Corporation's Affairs

IMPORTANT

This document is an unofficial translation for convenience only of the Hebrew original of the September 30, 2024, financial report of Migdal Insurance and Financial Holdings Ltd. that was submitted to the Tel-Aviv Stock Exchange and the Israeli Securities Authority on November 21, 2024.

The Hebrew version submitted to the TASE and the Israeli Securities Authority shall be the sole legally binding version.

Migdal Insurance and Financial Holdings Ltd.

Report of the Board of Directors on the State of the Corporation's Affairs

As of September 30, 2024

Chapter 1 - Report of the Board of Directors on the State of the Corporation's Affairs - Table of Contents

Report of the Board of Directors on the State of the Corporation's Affairs for the Period ended September 30, 2024

The Report of the Board of Directors reviews the main changes in the activities of Migdal Insurance and Financial Holdings Ltd. and its subsidiaries (hereinafter - the "**Company**", the "**Group**" and the "**Migdal Group**", respectively) for the nine- and three-month periods ended September 30, 2024 (hereinafter - the "**Reporting Period**" and the "**Reporting Quarter**" respectively).

The report was prepared, among other things, in accordance with the Securities Law, 1968 (hereinafter - the "**Securities Law**") and its regulations; and with respect to the Group's insurance, pension and provident businesses, the Report of the Board of Directors was prepared, among other things, in accordance with the Supervision of Insurance Business Regulations (Report Details), 1998 and in accordance with the circulars of the Commissioner for the Capital Market, Insurance and Savings (hereinafter - the "**Commissioner**"). The report was prepared under the assumption that the reader has access to the full periodic report for 2023, dated March 20, 2024, as published on March 21, 2024 (Ref. No.: 2024-01-029619) (hereinafter - the "**Periodic Report**"), included in this report by way of reference.

1. Description of the Group

1.1. General

The Company is a publicly-traded company, whose shares are traded on the Tel Aviv Stock Exchange. Through its subsidiaries, the Company operates mainly in the fields of insurance, pension, provident and financial services.

As of shortly before the publication date of this report, Mr. Shlomo Eliahu - who, jointly with Ms. Chaya Eliahu, holds approx. 60.90% of the Company's issued and paid-up share capital, through private companies under his control, Eliahu Issues Ltd. (hereinafter - "**Eliahu Issues**"), which holds approx. 54.75% of the issued and paid-up share capital of the Company and Gan Ha'ir Project Ltd., which holds approx. 6.15% of the Company's issued and paid-up share capital, is the actual controlling shareholder of the Company. For details, see Note 1.B to the Financial Statements and Section 2.2 to the Description of the Corporation's Business in the Periodic Report.

During the third quarter, on September 15, 2024, Eliahu Issues sold 35,613,185 Company shares to an institutional entity at a price of NIS 4.577 per share. Eliahu Issues' holdings as detailed above are as of this report publication date, i.e., after the said sale of shares. For further details, see the Company's immediate reports dated September 15, 2024 (Ref. No.: 2024-01-603443) and July 17, 2024 (Ref. No. 2024-01-075427), included in this report by way of reference.

1.2. Main developments in the Group during the Reporting Quarter and through the report's publication date

1.2.1. Effect of the economic environment and volatility of the interest rate curve

The Group's operating results are significantly affected by capital markets, including, among other things, by interest rates, which impact the returns implicit in the financial assets under the Group's management and the Group's income from financial margins and variable management fees for yield-dependent insurance policies (hereinafter - "**profit participating portfolio**"). Migdal Insurance Company Ltd. (hereinafter - "**Migdal Insurance**") is exposed to an increase in inflation rates, since most insurance liabilities in non-yield-dependent policies are CPI-linked. In addition, since the collection of variable management fees in the profit participating portfolio is dependent on the real return achieved, a higher inflation rate may have an adverse effect on Migdal Insurance's revenues from management fees.

In the Reporting Period, against the back of the continued rise in inflation and the expectation that future interest rate cuts will moderate, there was an increase in the yield to maturity on government bonds, which led to an increase in the interest rate curve. In Israel and abroad, shares saw price increases.

In the Reporting Quarter, amid expectations that interest rates will be cut across the world due to the subsidence of inflation, there was a slight decline in yield to maturity of government and corporate bonds, which led to a certain decrease in the interest rate curve. In Israel and abroad, shares saw price increases. Volatility in financial markets, including exchange rates, remains high, as does the State's risk premium.

For the effect of the change in the interest rate curve on insurance reserves, see Section 1.2.2 below.

For details, regarding the Company's sensitivity to market risks - of interest rate changes and inflation, see Note 37.b.1(a) to the 2023 Financial Statements, as well as Note 9 to the Financial Statements for the Reporting Period.

For further details, including developments in the economic environment subsequent to the balance sheet date, see Section 3.1 below.

1.2.2. **Effect of various actuarial assumptions in Migdal Insurance's various areas of activity**

In Life Insurance - following the rise of the interest rate curve, net of the decrease in the spreads on linked bonds - the expected return on the existing and expected asset portfolio has increased. As a result, assumptions regarding the discount interest rates used to calculate contributions towards benefits were updated,[1] including the change in the discount K factor,[2] leading to a decrease in the Life Insurance reserves and an increase in comprehensive income in the Reporting Period. In the Reporting Quarter, following the decline in the interest rate curve, life insurance reserves increased and comprehensive income decreased.

It is noted that on March 31, 2024, Migdal Insurance reached the K-value ceiling for participating policies, with no change therein since March 31, 2024. Furthermore, part of the increase in the risk-free interest rate in the Reporting Period was not reflected in a decrease in the insurance liabilities due to the maximum regulatory interest limit; therefore, a decrease in interest rates to the regulatory interest rate will not result in an increase in the insurance liabilities.

Regarding the revision of the set of demographic assumptions for Life Insurance following an amendment to the Provisions of the Consolidated Circular and its effect on Migdal Insurance, see Section 1.2.10 below.

In addition, in the first half of 2024, Migdal Insurance revised the actuarial assumptions of the expected retirement dates and accordingly, the benefit takeup rates were adjusted. The assumptions were revised following the maturing of the portfolio and accumulation of information and experience for ages older than the statutory retirement age. Accordingly, the insurance liabilities for pensions decreased and, at the same time, there was an increase in comprehensive income in the amount of approx. NIS 731 million before tax.

For details, see Section 2.4 below and Note 9 to the Financial Statements.

In Health Insurance Migdal Insurance revised the estimate of the discount rate in insurance liabilities of medical expenses and critical illness. The revision of the estimate resulted in a decrease in insurance liabilities and an increase in comprehensive income in the Reporting Period and the Reporting Quarter, respectively.

In P&C, the rise of the interest rate curve and effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts resulted in a decrease in the retention insurance liabilities and an increase in comprehensive income in the Reporting Period and Reporting Quarter, respectively.

For details, see Section 2.8 below and Note 9 to the Financial Statements.

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[1] Including the effect of the change on the reserve and revision of the cancellation rates for the "Migdal Batuach" plan. For details, see Note 9 to the Financial Statements.

[2] The provision for the supplementary retirement pension reserve is made gradually, using the K factor. For details, see Note 9 to the Financial Statements.

1.2.3. **Implementation of Solvency II-based economic solvency regime of an insurance company**

Pursuant to the implementation provisions published as part of the Solvency Circular, Migdal Insurance is subject to a Solvency II-based economic solvency regime. This report provides data from Migdal Insurance's Solvency Ratio Report as of June 30, 2024. The report was calculated and prepared in accordance with the Commissioner's Directives on Solvency II-based economic solvency regime of an insurance company and approved by Migdal Insurance's Board of Directors. For details, see Section 3.2 below and Note 6 in the Financial Statements.

1.2.4. **Effect of the War on the Group**

By virtue of its activity, the Group is exposed to financial market volatility, a slowdown in the Israeli economy and other risks arising from the War; for details, see Section 2.4.10 to the Description of the Corporation's Business in the Periodic Report.

The State of Israel is in the midst of an ongoing war; lately, the intensity of the fighting in the northern front increased and tensions with Iran have heightened. The ongoing geopolitical uncertainty resulted in the downgrading of Israel's sovereign credit rating, and affected the State's risk premium, which continued to increase.

As of the balance sheet date, the War has had no material impact on the Group's business continuity, liquidity, financial position and sources of financing, or on its underwriting results. At this stage, there is still significant uncertainty as to the future development of the War, its scope and duration. Therefore, it is currently impossible to assess the full effect of the War on the Group and its results.

For developments in the economic environment subsequent to the balance sheet date, see Section 3.1 below.

For the effect of the War on the solvency ratio of Migdal Insurance as of June 30, 2024, see Section 3.2 below.

For details regarding regulatory provisions following the War, see Section 27.4 under Description of the Corporation's Business in the Periodic Report.

For an analysis of the Group's financial results in the respective Reporting Period and the Reporting Quarter, see Sections 2.3 and 2.4 below.

The above is based on information available to the Company as of the publication date of this report. In addition, it shall be clarified that the Group's results are largely affected by events exogenous to the Group, including capital market volatility and changes in the interest rate curve. Therefore, sharp volatility in the financial markets and the interest rate curve due to the War or due to other events may lead to a significant decrease or increase in the data detailed above. The assessments regarding the implications detailed above on the Group's activities, including the possible consequences of the War, its development and the security situation - subsequent to the balance sheet date - on the economic activity and in general, are uncertain and their materialization or the extent of their materialization are not under the control of the Group companies and constitute "forward-looking information" as defined in the Securities Law. These assessments are based, among other things, on the information that is available to the Company and Group companies on this subject, on possible scenarios which the Company and Group companies have examined, at their discretion, including regarding the guidelines of the regulatory entities and conduct of the various sectors in which the Group operates. These assessments and scenarios may not materialize, in whole or in part, or may materialize in a different manner, including in a materially different manner than expected.

1.2.5. **Taxation**

In accordance with the Minister of Finance's Ordinance, as from January 1, 2025 the VAT rate on transactions and the importation of goods will increase from 17% to 18%. Furthermore, the increase in VAT will result in an increase in the profit tax and payroll tax applicable to financial institutions. For further details, including regarding the increase in VAT and its effect on the Company, see Note 9 to the Financial Statements.

1.2.6. **Issuance of Bonds (Series M and N)**

In June 2024, Migdal Insurance Capital Raising Ltd. (hereinafter - "**Migdal Capital Raising**") raised a total of approx. NIS 421 million in a public offering of two new series of Bonds (Series M and N) (hereinafter in this paragraph - the "**Bonds**"), according to Migdal Capital Raising's shelf offering report dated June 4, 2024 (hereinafter - the "**Shelf Offering Report**") published in accordance with Migdal Capital Raising's shelf prospectus dated July 29, 2022 (Ref. No.: 2022-01-096607) (hereinafter - the "**Shelf Prospectus**"). The Bonds bear an annual interest rate of 6.07%. In accordance with the terms and conditions detailed in the Shelf Prospectus and Shelf Offering Report - the amount raised was deposited with Migdal Insurance for its use, at its discretion and responsibility, and Migdal Insurance has an obligation, vis a vis the trustee for the Bonds, to fulfill the Bonds' terms and conditions. Furthermore, the Bonds issued were recognized by the Commissioner as Tier 2 capital instrument held by Migdal Insurance, subject to the restrictions placed by the Commissioner's Directives, all as detailed in the Shelf Prospectus and Shelf Offering Report. For further details, see the Company's immediate reports dated June 4, 2024 (Ref. No.: 2024-01-056866) and of June 6, 2024 (Ref. No.: 2024-01-057784), included in this report by way of reference, as well as in Note 9 to the Financial Statements.

1.2.7. **Full early redemption of the Bonds (Series E) of Migdal Capital Raising at the initiative of Migdal Capital Raising**

On June 30, 2024, Migdal Capital Raising initiated the full early redemption of outstanding Bonds (Series E) totaling approx. NIS 417 million, in accordance with the Bonds' terms and conditions. With the aforementioned early redemption of the Bonds, the Bonds were delisted from the Stock Exchange, with Migdal Capital Raising's obligations towards the bondholders being terminated. For details, see Note 9 to the Financial Statements.

1.2.8. **Publication of a Shelf Prospectus of the Company and extension of the validity of the Shelf Prospectus of Migdal Capital Raising**

On August 4, 2024, the Company published a shelf prospectus dated August 5, 2024, after receiving a permit thereto by the Israel Securities Authority. For further details, see the Company's immediate report dated August 4, 2024 (Ref. No. 2024-02-082765).

On July 21, 2024, Migdal Capital Raising received a permit by the Israel Securities Authority to extend the validity of its Shelf Prospectus (as defined in Section 1.2.6 above) to July 28, 2025.

1.2.9. **Dividend distribution by the Company**

On May 23, 2024, the Company's Board of Directors approved a dividend distribution to the Company's shareholders in the amount of NIS 25 million, which originated from a dividend from a subsidiary, Migdal Capital Markets (1965) Ltd. (hereinafter - "**Migdal Capital Markets**"), and on June 24, 2024, after receiving the approval of the general meeting for the dividend distribution, the Company distributed the aforementioned dividend.

For details, see the Company's immediate reports dated May 23, 2024 (Ref. No.: 2024-01-051214) and June 16, 2024 (Ref. No.: 2024-01-060442), included in this report by way of reference, as well as in Note 9G to the Financial Statements.

On November 20, 2024, the Company's Board of Directors approved a NIS 30 million dividend distribution, which originated in a dividend from Migdal Capital Markets to the Company's shareholders, subject to the approval of the Company's General Meeting. For details, see immediate reports published concurrently with the publication of this report, immediate report regarding the convening of an extraordinary general meeting, and immediate report regarding dividend distribution, which are included herein by way of reference. In addition, see Note 9O to the Financial Statements.

1.2.10. **Amendment to the Provisions of the Consolidated Circular regarding Measurement of Liabilities - Revising the Demographic Assumptions in Life Insurance and Pension Funds**

On July 24, 2024, the Commissioner published an amendment to the Provisions of the Consolidated Circular regarding Measurement of Liabilities - Revising the Demographic Assumptions in Life Insurance and Pension Funds" (hereinafter - the "**Circular**"). The provisions of the Circular include a revision of the default demographic assumptions used to calculate liabilities and coefficients in Life Insurance policies and pension funds. The Circular will enter into effect on its publication date; it was noted that this regulation will be reviewed by the Capital Markets, Insurance and Savings Authority (hereinafter - the "**Authority**" or "**Capital Market Authority**") after five years from its effective date.

As a result, Migdal Insurance increased, in the first half of 2024, the provision in respect of the supplementary pension reserve and reduced the comprehensive income by approx. NIS 458 million before tax. For further details, see Note 9.A.1) to the Financial Statements.

For details regarding the expected effect of the Circular's provisions on Migdal Insurance's economic solvency ratio, see Section 3.2 below.

The effect of the changes in the mortality tables increased the liabilities in respect of annuity recipients in the Migdal Makefet Ishit and Migdal Makefet Mashlima funds by approx. 0.3% and reduced the liabilities in respect of the planholders of Yozma Pension Fund for the Self-Employed by approx. 0.1%. The abovementioned changes did not affect the Financial Statements of the management company.

1.2.11. **Expected material effects of IFRS 9 and IFRS 17 on capital and on the balance of the contractual service margin as of the transition date (hereinafter - the "Reporting Standards")**

As part of Migdal Insurance's preparations for the implementation of the Reporting Standards in 2025 (as stated in Note 10 to the Financial Statements); and in accordance with data, which were prepared by Migdal Insurance as of the report publication date and which were not reviewed or audited by the independent auditors in connection with the fair value of insurance assets and liabilities, which will be accounted for in accordance with IFRS 17 and in connection with the effects of the first-time application of IFRS 9 Financial Instruments - at this stage Migdal Insurance's initial assessment is that the material effects on the opening balances of capital and the contractual service margin in the financial statements as of January 1, 2024 (the transition date set by the Capital Market Authority), will be as detailed below:

Migdal Insurance's total capital as of the transition date is expected to be between NIS 6 billion and NIS 6.5 billion, and in the Company - between NIS 6.5 billion and NIS 7 billion (compared to an accounting capital of Migdal Insurance totaling approx. NIS 8.2 billion and accounting capital of the Company totaling approx. NIS 8.6 billion, in accordance with each of the companies' financial statements as of December 31, 2023).

In addition, Migdal Insurance expects to recognize a contractual service margin (CSM)[3] (net of CSM from reinsurance) of between NIS 11 billion and NIS 11.5 billion pre-tax and between NIS 7 billion and NIS 7.5 billion post-tax.

For more information about the implementation of IFRS 9 and IFRS 17, see Note 10 to the Financial Statements.

[3] Contractual Service Margin

It is noted that Migdal Insurance has not yet completed all the controls and tests in connection with those data, and that changes may be made to the abovementioned data through the actual implementation date.

The abovementioned information was included in the data sent to the Capital Market Authority in accordance with the roadmap published by the Authority in connection with the adoption of IFRS 17, and in the quantitative impact studies, which were designed to assist Migdal Insurance and the Capital Market Authority in assessing the preparedness of Migdal Insurance and the Authority for the implementation of the new standards, while assisting in the decision-making process. Therefore, the data may be adjusted, including, among other things, in accordance with the Authority's guidance, or due to further preparations by Migdal Insurance for the implementation of the standard, including following discussions with the independent auditors.

The manner by which the standard will be implemented may also be subject to changes or adjustments following clarifications or revisions to international financial reporting standards, changes to existing practices abroad and the emerging practice in Israel, regulatory changes, tax changes or changes and adjustments to various estimates made by Migdal Insurance in accordance with professional judgment. Therefore, the above data should not be deemed binding data or results. Therefore all the information included above constitutes forward-looking information as defined in the Securities Law, 1968.

It is clarified that the above data do not cover or reflect the full effects of the standards, including any potential effects on the relevant tax regime and on Migdal Insurance's Solvency 2-based economic solvency ratio (with and without the application of the Provisions for the Transitional Period). These matters have not yet been fully settled, are not under full control of Migdal Insurance, and are under review as of the report publication date.

1.2.12. **Rating of the issued bonds and rating of Migdal Insurance**

Subsequent to the reporting date, on November 20, 2024, Migdal Insurance received a tracking report from Midroog Ltd. (hereinafter - "**Midroog**"). Midroog reiterated Migdal Insurance's Insurer Financial Strength (IFS) rating at Aa2.il and reiterated the A1.il (hyb) rating of the subordinated notes (Tier 2 capital) issued by Migdal Capital Raising. The rating outlook is stable. For further details, see the Company's immediate report published concurrently with this report, which is included herein by way of reference, and Note 9M to the Financial Statements.

2. The Board of Directors' Explanations for the State of the Corporation's Affairs

2.1. Analysis of the financial position and operating results

Following is an analysis of the sources of the Company's comprehensive income (in NIS million):

	1-9/2024	1-9/2023	Difference	2023	7-9/2024	7-9/2023	Difference
Underwriting income							
Life Insurance and Long-Term Savings	384	320	64	265	204	116	88
Health Insurance	58	17	41	11	7	(1)	8
P&C Insurance	83	(11)	95	6	(37)	10	(47)
Financial Services	65	43	22	53	20	14	6
Agencies	106	80	26	105	26	21	5
Total underwriting income (loss)	**695**	**448**	**247**	**440**	**219**	**160**	**59**
Investment income							
Life Insurance and Long-Term Savings	(523)	(669)	145	(718)	(60)	(312)	253
Health Insurance	(74)	(129)	55	(103)	12	(79)	91
P&C insurance	(53)	(104)	51	(57)	42	(71)	112
Equity and Other	(42)	(134)	92	(53)	187	(180)	367
Total investment income (loss)	**(692)**	**(1,035)**	**343**	**(931)**	**181**	**(642)**	**823**
Special Items							
Life Insurance and Long-Term Savings	633	656	(23)	1,314	(15)	443	(458)
Health Insurance	44	0	44	(37)	44	3	41
P&C Insurance	55	47	8	(8)	6	33	(27)
Equity and Other	-	-	-	27	-	-	-
Total income (loss) from Special Items	**733**	**703**	**29**	**1,296**	**35**	**480**	**(444)**
Income (loss) the areas of activity, agencies and other							
Life Insurance and Long-Term Savings	494	307	187	860	129	247	(118)
Health Insurance	28	(112)	140	(130)	63	(77)	140
P&C insurance	85	(68)	153	(58)	10	(28)	38
Financial Services	65	43	22	53	20	14	6
Agencies	106	80	26	105	26	21	5
Equity and Other	(42)	(134)	92	(26)	187	(180)	367
Comprehensive income, before tax	**737**	**117**	**620**	**805**	**435**	**(3)**	**438**
Taxes on income (tax benefit)	(243)	(32)	(211)	(252)	(150)	(11)	(139)
Comprehensive income, after tax	**494**	**85**	**409**	**553**	**285**	**(14)**	**299**
Total return on equity, annualized	**7.7%**	**1.4%**		**6.8%**	**13.0%**	**(0.7%)**	

The Company reviews, during all Reporting Periods, the sources of its comprehensive income, according to the following breakdown:

(a) Income provided by insurance activity in the Group's main business lines, including investment income based on assumptions as to real returns (fixed for all Reporting Periods), which were set by Migdal Insurance and which range between 2% and 4.5% per year in the various areas of activity, and net of Special Items (hereinafter - the "underwriting income"). This metric is generally used in the industry to measure business results and is subject to the abovementioned return assumptions. In Life Insurance - the underwriting income includes variable management fees in the participating portfolio in 1992-2003 and a financial margin in guaranteed return policies, which are calculated on the basis of the abovementioned return assumptions and the total amount of fixed management fees recorded in the Reporting Quarter. In Health and Property and Casualty Insurance - underwriting income includes investment income based on the said assumptions regarding real returns.

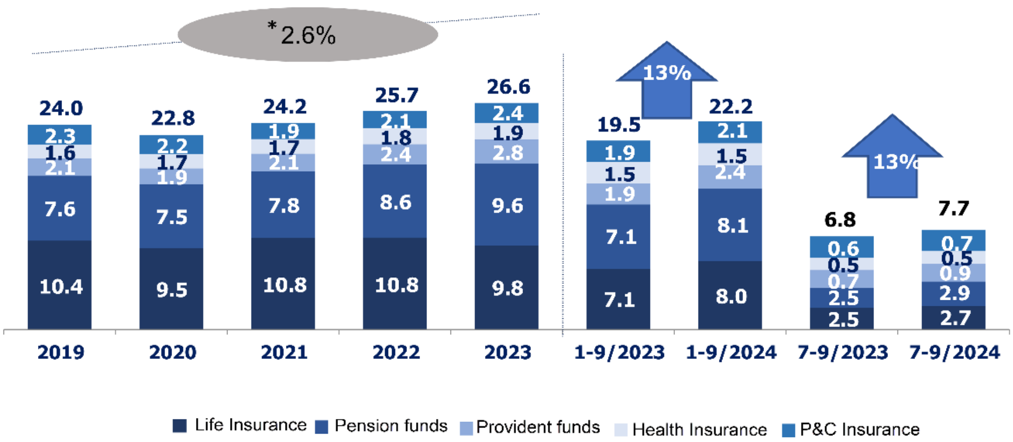
(b) Excess profit/ profit shortfall from investments beyond the abovementioned return assumptions (hereinafter - "**investment income**"). Investment income includes: excess variable management fees/shortfall of variable management fees in the participating portfolio beyond the variable management fees calculated in accordance with the return assumptions and included in the underwriting income, excess investment income or shortfall in investment income beyond the real returns in the operating segments, and investment income earmarked to capital net of finance expenses.

(c) Special Items, including the effect of changes in the interest rate curve (hereinafter - "**income from Special Items**").

Total comprehensive income is calculated in accordance with GAAP. However, the breakdown into the income sources mix is not based on generally accepted accounting principles and is not a substitute for the information included in the financial statements.

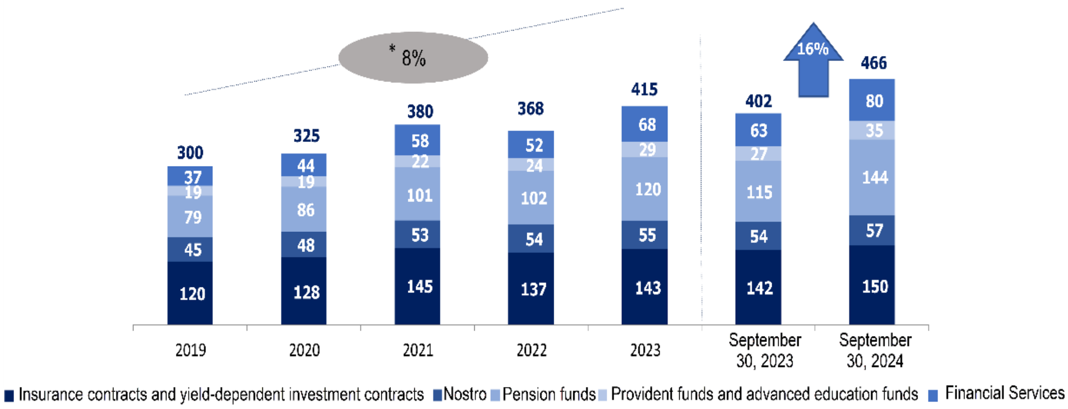
2.2. Development in the Group's scope of activity during the Reporting Quarter

In the Reporting Quarter and during the Reporting Period, there was an increase in premiums with respect to insurance contracts and investment contracts compared to the respective corresponding periods last year, which was manifested across all areas of activity. In Life Insurance, the increase was affected by an increase in one-off proceeds in respect of investment contracts, and on the other hand - there was a decrease in premiums. Below is the development of premiums, proceeds for investment contracts and contributions towards benefits in the Group (in NIS billion):



* Average annual growth.

Below is the development of total assets under management by the Group (in NIS billion):[4]

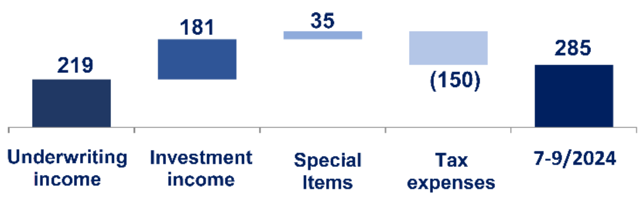


* Average annual growth.

The increase in total assets under management as of September 30, 2024 compared to September 30, 2023 was affected by the positive capital market returns recorded in the past 12 months, including in the Reporting Period, and by an increase in net contributions of pension and provident funds. In addition, there was an increase in assets under management of Migdal Capital Markets, which was mainly affected by an increase in capital raising and capital market returns.

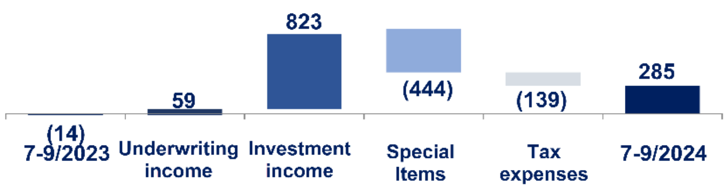
2.3. Description of the development of operating results in the Reporting Quarter

Composition of comprehensive income in the reporting quarter (in NIS million)



	Underwriting income	Investment income	Special Items	Tax expenses	Comprehensive income (after tax)
7-9/2024	219	181	35	(150)	285
7-9/2023	160	(642)	480	(11)	(14)
Difference	59	823	(444)	(139)	299

Change in comprehensive income components compared to the corresponding quarter (in NIS million)



Underwriting income - in the Reporting Quarter, there was an increase in underwriting income in Life Insurance and Savings and in Health Insurance, which was partially offset by a decrease in the underwriting income in P&C Insurance. In the other areas of activity, which mainly include the operating results of the Group’s insurance agencies, there was an increase due to higher revenues from fees and commissions.

In addition, there was an increase in income from the Financial Services Segment, which is mainly due to an increase in the mutual funds’ management fees.

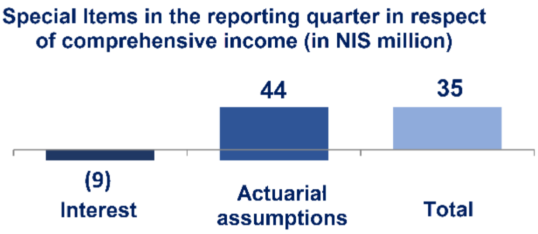
[4] Data regarding assets under management include nostro assets, which are earmarked in respect of capital. They also include the assets under management by pension funds, provident funds, mutual funds and portfolio management, which are not included in the Company's consolidated financial statements.

Investment income - the transition from excess investment loss in the corresponding quarter last year to excess investment income in the Reporting Quarter arose mainly from higher returns achieved by the Group.

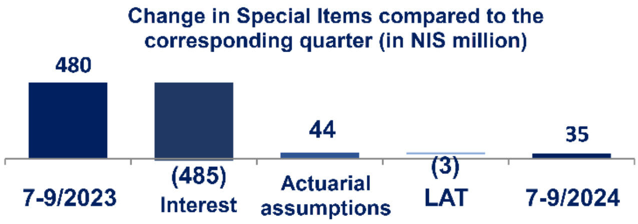
In participating Life Insurance policies marketed through 2004, there was a cumulative positive real return in the Reporting Period. However, due to a negative real return accrued as from the beginning of 2022, no variable management fees were recorded, but rather only fixed management fees. As long as the policies do not achieve a cumulative positive real return that will cover the investment losses charged to the policyholders, Migdal Insurance will not be able to collect variable management fees. As of September 30, 2024, management fees which will not be collected due to negative real returns until a cumulative positive return is achieved amounted to approx. NIS 0.4 billion before tax (compared to approx. NIS 1 billion as of December 31, 2023). Subsequent to the reporting date and until shortly prior to the publication of the financial statements, there were rallies in financial markets which reduced the non-collected estimated variable management fees to approx. NIS 0.3 billion.

In the nostro investment portfolio, including designated bonds, approx. NIS 1,450 million in investment income was recorded compared to approx. NIS 290 million in investment income in the corresponding quarter last year.

It is noted that the Group's operations and results are significantly affected by changes in capital markets, including, among other things, by changes in the interest rate, which has implications for the insurance liabilities and financial asset portfolios under the Group's management, and consequently - for management fees and financial margins from investments as well.



	Interest	Actuarial assumptions	LAT	Total
7-9/2024	(9)	44	-	35
7-9/2023	476	-	3	480
Difference	(485)	44	(3)	(444)



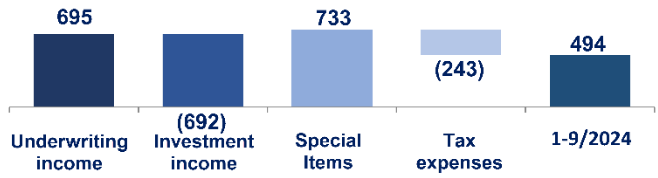
Special Items - in Life Insurance, the decrease in the interest rate curve resulted in an increase in reserves and a decrease in pre-tax comprehensive income. In Health Insurance, Migdal Insurance revised the estimate of the discount rate as detailed in Section 1.2.2 above, which resulted in a decrease in insurance liabilities and an increase in pre-tax comprehensive income. In Property and Casualty Insurance, the change in the interest rate curve in the short- to mid-term resulted in a decrease in reserves and an increase in comprehensive income.

In the corresponding quarter last year, in Life Insurance, the increase in the interest rate curve, including the change in the K factor offset by the decrease in spreads of linked bonds in the risk-free interest rate curve resulted mainly in a decrease in reserves and an increase in comprehensive income. Furthermore, in P&C Insurance, there was a decrease in reserves and an increase in comprehensive income as a result of the effect of the rise in the interest rate curve, offset by the illiquidity premium and the revised attribution of part of the excess fair value of illiquid assets over their carrying amounts. For details, see Note 9 to the Financial Statements.

For details regarding the development of the results in the Reporting Quarter, see under operating segments below.

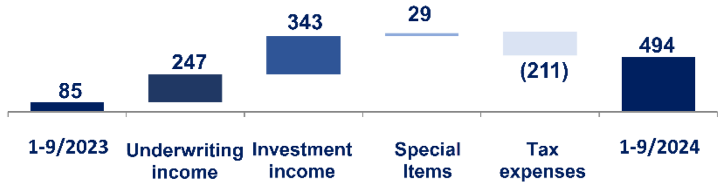
2.4. Description of development of operating results in the Reporting Period

Composition of comprehensive income in the reporting period (in NIS million)



	Underwriting income	Investment income	Special Items	Tax expenses	Comprehensive income (after tax)
1-9/2024	695	(692)	733	(243)	494
1-9/2023	448	(1,035)	703	(32)	85
Difference	247	343	29	(211)	409
2023	440	(931)	1,296	(252)	553

Change in comprehensive income components compared to the corresponding period last year (in NIS million)



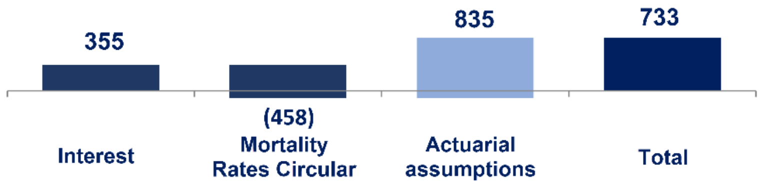
Underwriting income - in the Reporting Period, underwriting income increased in all of the Group's operating segments. In the other areas of activity, which mainly include the operating results of the Group's insurance agencies, there was an increase due to higher revenues from fees and commissions.

Investment income - in the Reporting Period, there was a decrease in the excess investment loss compared to the corresponding period last year, mainly due to higher returns achieved by the Group in the Reporting Period. The investment loss in the Reporting Period was mainly due to an excess investment loss in the nostro portfolio and from the collection of variable management fees in the Life Insurance participating portfolio, as stated below.

In participating Life Insurance policies marketed through 2004, there was a cumulative positive real return. However, due to a negative real return accrued as from the beginning of 2022, no variable management fees were recorded, but rather only fixed management fees, as stated above.

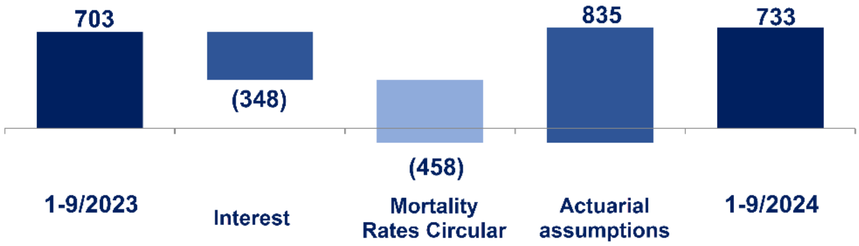
In the nostro investment portfolio, including designated bonds, approx. NIS 2,553 million in investment income was recorded compared to approx. NIS 2,050 million in investment income in the corresponding period last year.

Special Items in the reporting period in respect of comprehensive income (in NIS million)



	Interest	Mortality Rates Circular	Actuarial assumptions	PHI	Other	Total
1-9/2024	355	(458)	835	-	-	733
1-9/2023	703	-	-	-	-	703
Difference	(348)	(458)	835	-	-	29
2023	1,007	-	533	(280)	36	1,296

Change in Special Items compared to the corresponding period last year (in NIS million)



Special Items - in Life Insurance, the effect of the studies regarding the estimated annuity takeup and rise of the interest rate curve, offset by the change in spreads of linked bonds and the effect of the revision of the default demographic assumptions (hereinafter - the "**Mortality Rates Circular**") resulted in a decrease in reserves and an increase in comprehensive income before tax. In P&C, the rise of the interest rate curve and effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts resulted in a decrease in the retention insurance liabilities and an increase in comprehensive income. In Health Insurance, the estimate of the discount rate as detailed above was revised, which resulted in a decrease in reserves and an increase in pre-tax comprehensive income.

In the corresponding period last year, in the Life Insurance Subsegment, the effect of the increase in the interest rate curve, including the change in the K factor triggered a decrease in reserves and an increase in comprehensive income. Furthermore, in P&C Insurance, there was a decrease in reserves and an increase in comprehensive income as a result of the rise in the interest rate curve, offset by the revised attribution of some of the excess fair value of illiquid assets over their carrying amounts. For details, see Note 9 to the Financial Statements.

For details regarding the developments in capital markets in Israel and across the world during the Reporting Period and subsequent to balance sheet date, see also Section 3.1 below.

2.5. Life Insurance and Long-Term Savings

2.5.1. Operating results in the Reporting Quarter

Development in the scope of activity

Life Insurance - in the Reporting Quarter, premiums (including payments in respect of investment contracts) amounted to approx. NIS 2,724 million, compared with approx. NIS 2,540 million in the corresponding quarter last year - an increase of approx. 7%.

Current premiums (including current receipts for investment contracts) amounted to approx. NIS 1,609 million, compared to approx. NIS 1,780 million in the corresponding quarter last year, a decrease of approx. 10%. One-off premiums in respect of insurance contracts and one-off proceeds in respect of investment contracts amounted to approx. NIS 1,116 million compared with approx. NIS 759 million in the corresponding quarter last year - an increase of approx. 47%.

Pension funds - contributions towards benefits[5] amounted to approx. NIS 2,908 million compared with approx. NIS 2,509 million in the corresponding quarter last year - an increase of approx. 16%.

Provident funds - contributions towards benefits amounted to approx. NIS 854 million compared with approx. NIS 695 million in the corresponding quarter last year - an increase of approx. 23%.

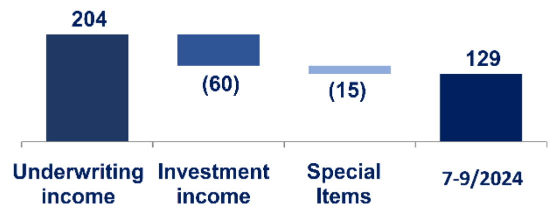
In addition, during the Reporting Quarter, there was an increase in pension and provident sales compared with the corresponding quarter last year.

Redemptions and transfers - in the Reporting Quarter, there was an increase in net incoming transfers in the Pension Funds Subsegment and a decrease in net incoming transfers in the Provident Funds Subsegment compared to the corresponding quarter last year. On the other hand, in Life Insurance, the increase in net outgoing transfers and redemptions in individual and executive savings policies continued.

Life insurance redemptions - the rate of redemptions (including transfers) out of the average reserve (in annual terms) amounted to approx. 5.7% in the Reporting Quarter compared with approx. 5.4% in the corresponding quarter last year.

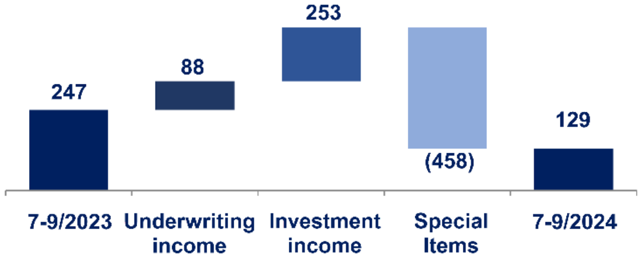
Development of comprehensive income in the Reporting Quarter

Composition of comprehensive income in Long-Term Savings in the reporting quarter (in NIS million)



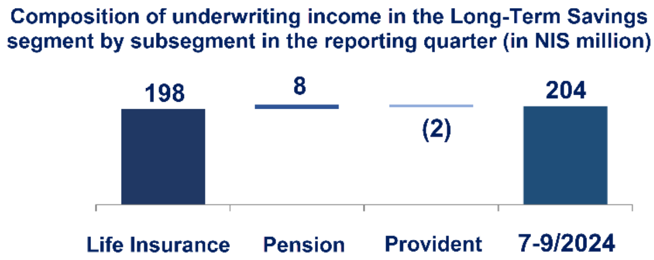
	Underwriting income	Investment income	Special Items	Comprehensive income (before tax)
7-9/2024	204	(60)	(15)	129
7-9/2023	116	(312)	443	247
Difference	88	253	(458)	(118)

Change in income components of Long-Term Savings compared with the corresponding quarter (in NIS million)

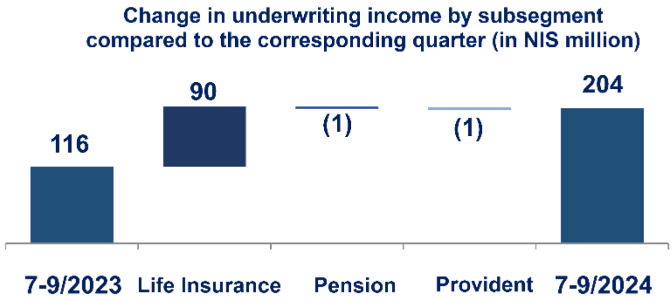


[5] Contributions towards benefits in pension and provident funds do not include funds transferred in respect of planholders transferring to the funds.

Following is an analysis of underwriting income by subsegment in the Reporting Quarter:



	Life Insurance	Pension	Provident	Other
7-9/2024	198	8	(2)	204
7-9/2023	108	9	(1)	116
Difference	90	(1)	(1)	88



Underwriting income - in the Reporting Quarter, in **Life Insurance**, the increase in underwriting income compared to the corresponding quarter last year was mainly due to an increase in income in the Permanent Health Insurance and Disability Insurance Subsegments and due to an increase in fixed management fees. In **Pension and Provident**, there was a decrease in the underwriting income mainly due to an increase in administrative and general expenses and a reduction in deferred acquisition expenses, which was partly offset by the increase in management fees.

Investment income - in the Reporting Quarter, there was a decrease in investment loss compared to the corresponding quarter last year. The investment loss in the Reporting Quarter resulted mainly from non-collection of variable management fees in the participating portfolio.

Special Items - in the Reporting Quarter, the decrease in the interest rate curve resulted in an increase in reserves and a decrease in pre-tax comprehensive income totaling approx. NIS 15 million in Life Insurance.

In the corresponding quarter last year, the increase in the interest rate curve, offset by the decrease in spreads of linked bonds in the risk-free interest rate curve resulted mainly in a decrease in reserves and an increase in pre-tax comprehensive income totaling approx. NIS 443 million in Life Insurance. For details, see Note 9 to the Financial Statements.

2.5.2. **Operating results in the Reporting Period**

Development in the scope of activity

Life Insurance - in the Reporting Period, premiums (including receipts for investment contracts) totaled approx. NIS 8,003 million, compared to approx. NIS 7,121 million in the corresponding period last year, an increase of approx. 12%.

Current premiums (including current receipts for investment contracts) totaled approx. NIS 4,919 million, compared to approx. NIS 5,434 million in the corresponding period last year, a decrease of approx. 9%. One-off premiums for insurance contracts and one-off proceeds in respect of investment contracts amounted to approx. NIS 3,083 million compared to approx. NIS 1,687 million in the corresponding period last year - an increase of approx. 83%.

Pension funds - contributions towards benefits[6] amounted to approx. NIS 8,148 million compared with approx. NIS 7,136 million in the corresponding period last year - an increase of approx. 14%.

Provident funds - contributions towards benefits amounted to approx. NIS 2,437 million compared with approx. NIS 1,925 million in the corresponding period last year - an increase of approx. 27%.

Furthermore, during the Reporting Period, there was an increase in pension and provident sales compared with the corresponding period last year.

Redemptions and transfers - in the Reporting Period, there was an increase in net incoming transfers in the Pension Funds Subsegment and a decrease in net incoming transfers in the Provident Funds Subsegment compared to the corresponding period last year. On the other hand, in Life Insurance, the increase in net outgoing transfers and redemptions in individual and executive savings policies continued.

Life insurance redemptions - the rate of redemptions (including transfers) out of the average reserve (in annual terms) amounted to approx. 5.6% in the Reporting Period, compared with 4.7% in the corresponding period last year.

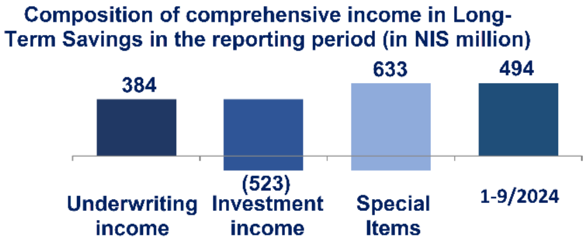
In the Group's new pension funds, the net transfer of funds to the Group[7] totaled approx. NIS 5,101 million in the Reporting Period, compared to net transfers of funds to the Group in the corresponding period last year, in the amount of approx. NIS 109 million. Transfers to the Group's pension funds totaled approx. NIS 11,476 million in the Reporting Period (compared to approx. NIS 5,520 million in the corresponding period last year), compared to transfers from the Group's pension funds to other funds, which totaled approx. NIS 6,375 million in the Reporting Period (compared to approx. NIS 5,410 million in the corresponding period last year).

In the Group's provident funds, there was a decrease in the net transfers of funds to the Group in the Reporting Period, compared to the corresponding period last year, which amounted to approx. NIS 1,709 million compared to approx. NIS 1,908 million in the corresponding period last year. Transfers to the Group's provident funds totaled approx. NIS 3,727 million in the Reporting Period (compared to approx. NIS 3,074 million in the corresponding period last year), compared to transfers from the Group's provident funds to other funds, which totaled approx. NIS 2,018 million in the Reporting Period (compared to approx. NIS 1,166 million in the corresponding period last year).

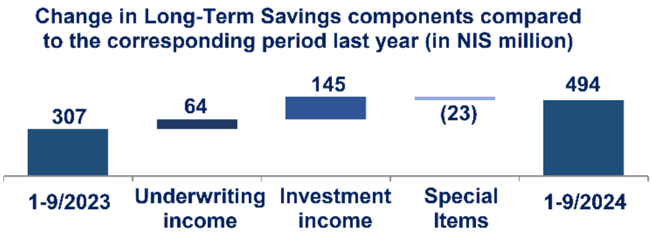
[6] Contributions towards benefits in pension and provident funds do not include funds transferred in respect of planholders transferring to the funds.

[7] The transfers of funds include intra-group transfers.

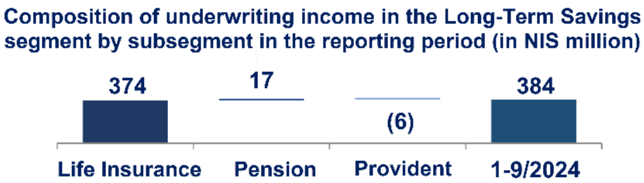
Development of comprehensive income in the Reporting Period



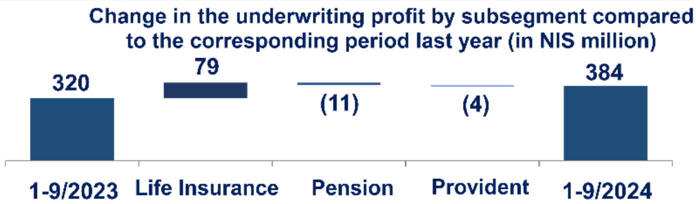
	Underwriting income	Investment income	Special Items	Comprehensive income (before tax)
1-9/2024	**384**	**(523)**	**633**	**494**
1-9/2023	320	(669)	656	307
Difference	**64**	**145**	**(23)**	**187**
2023	265	(718)	1,314	860



Following is an analysis of underwriting income by subsegment in the Reporting Period:



	Life Insurance	Pension	Provident	Other
1-9/2024	**374**	**17**	**(6)**	**384**
1-9/2023	295	28	(3)	320
Difference	**79**	**(11)**	**(4)**	**64**
2023	240	31	(6)	265



Underwriting income - in the Reporting Period, in **Life Insurance**, the increase in underwriting income compared to the corresponding period last year was mainly due to an increase in income in the Permanent Health Insurance and Disability Insurance Subsegments, a decrease in expenses in respect of a lawsuit dealing with the payment of “policy factor” totaling approx. NIS 50 million (pre-tax), which was recognized in the corresponding period last year, and due to an increase in fixed management fees. In **Pension and Provident**, there was a decrease in the underwriting income, which was mainly affected by an increase in administrative and general expenses and from an increase in the reduction of deferred acquisition expenses, which was partially offset by an increase in income from management fees.

Investment income - in the Reporting Period, there was a decrease in investment loss compared to the corresponding period last year. The investment loss in the Reporting Period was mainly due to non-collection of variable management fees in the participating portfolio and from a negative financial spread in Nostro Life Insurance.

Special Items - in the Reporting Period, the effect of the studies regarding the estimate of annuity takeup and the rise in the interest rate curve - offset by the change in spreads of linked bonds and the effect of the Mortality Rates Circular, led to a decrease in reserves and an increase in comprehensive income before tax in Life Insurance totaling approx. NIS 633 million.

In the corresponding period last year, the effect of the increase in the interest rate curve mainly led to a decrease in reserves and an increase in the comprehensive income before tax in Life Insurance in the amount of approx. NIS 656 million. For details, see Note 9 to the Financial Statements.

2.6. Further details regarding the development of income in Life Insurance

Weighted returns on participating policies (Fund J) (in %):

	Policies issued in 1992-2003			Policies issued as from 2004		
	1-9/2024	1-9/2023	2023	1-9/2024	1-9/2023	2023
Gross positive (negative) real return	5.3%	3.2%	5.5%	5.2%	2.9%	5.1%
Net positive (negative) real return	4.8%	2.7%	4.9%	4.3%	2.0%	3.9%
Gross positive (negative) nominal return	9.0%	6.5%	9.0%	8.9%	6.2%	8.6%
Net positive (negative) nominal return	8.5%	6.1%	8.4%	8.0%	5.3%	7.4%

	Policies issued in 1992-2003		Policies issued as from 2004	
	Q3 2024	Q3 2023	Q3 2024	Q3 2023
Gross positive (negative) real return	2.2%	0.4%	2.3%	0.3%
Net positive (negative) real return	2.0%	0.2%	2.0%	0.0%
Gross positive (negative) nominal return	3.8%	1.1%	3.9%	1.0%
Net positive (negative) nominal return	3.6%	1.0%	3.6%	0.8%

Investment income (losses) credited to policyholders in participating policies and management fees - following are details regarding the estimated amount of investment gains (losses) carried to policyholders in Life Insurance and participating investment contracts and management fees calculated in accordance with guidelines set out by the Commissioner, based on the return and the quarterly balances of insurance reserves in the Company’s business reports (in NIS million):

	1-9/2024	1-9/2023	2023	Q3 2024	Q3 2023
Investment gains (losses) carried to policyholders net of management fees	11,303	7,392	10,364	5,065	1,152
Management fees	801	772	1,030	271	262

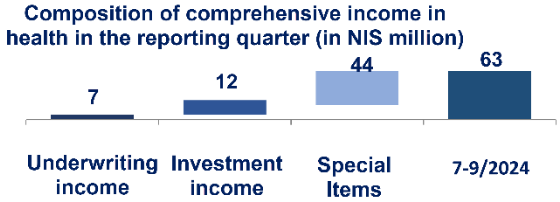
2.7. Health Insurance Segment

2.7.1. Operating results in the Reporting Quarter

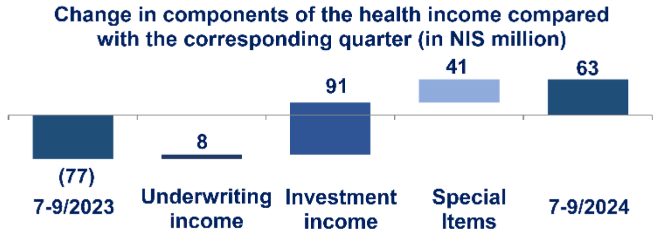
Development in the scope of activity

In the Reporting Quarter, premiums amounted to approx. NIS 517 million, compared with approx. NIS 493million in the corresponding quarter last year - an increase of approx. 5%. The increase in premiums in the Reporting Quarter compared to the corresponding quarter last year applies to most individual insurance policies, as well as collective insurance policies.

Composition of comprehensive income



	Underwriting income	Investment income	Special Items	Comprehensive income (before tax)
7-9/2024	7	12	44	63
7-9/2023	(1)	(79)	3	(77)
Difference	8	91	41	140



Underwriting income - in the Reporting Quarter, there was an increase in underwriting income compared to the corresponding quarter last year, which arose mainly from long-term care insurance and an improvement in collective insurance policies.

Investment income - in the Reporting Quarter, there was an increase in investment income compared to an investment loss in the corresponding quarter last year, which was mainly due to higher real returns in the Reporting Quarter.

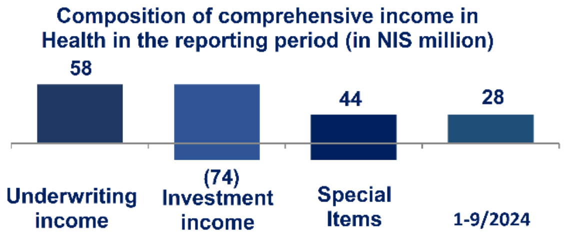
Special Items - in the Reporting Quarter, Migdal Insurance revised the estimate of the discount rate as detailed in Section 1.2.2 above, which resulted in a decrease in insurance reserves and an increase in comprehensive income. A decrease in the LAT reserve and an increase in comprehensive income were recorded in the corresponding quarter last year. For details, see Note 9 to the Financial Statements.

2.7.2. **Operating results in the Reporting Period**

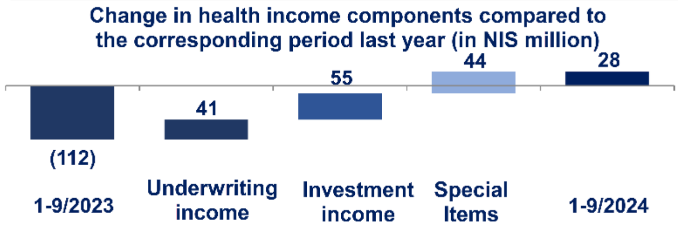
Development in the scope of activity

In the Reporting Period, premiums amounted to approx. NIS 1,512 million, compared with approx. NIS 1,454 million in the corresponding period last year - an increase of approx. 4%. The increase in premiums in the Reporting Period compared to the corresponding period last year applies to most individual insurance policies, as well as to collective insurance policies.

Composition of comprehensive income



	Underwriting income	Investment income	Special Items	Comprehensive income (before tax)
1-9/2024	58	(74)	44	28
1-9/2023	17	(129)	0	(112)
Difference	**41**	**55**	**44**	**140**
2023	11	(103)	(37)	(130)



Underwriting income - in the Reporting Period, there was an increase in underwriting income compared to the corresponding period last year, which was mainly concentrated in medical expenses insurance, among other things, due to a change in the mix of the surgery portfolio, as stated in Section 4.3.1 above, as well as an improvement in personal and collective accidents insurance.

Investment income - in the Reporting Period, there was a decrease in investment loss compared to the corresponding period last year, which was mainly due to higher returns in the Reporting Period.

Special Items - in the Reporting Period, the estimate of the discount rate as detailed above was revised, which resulted in an increase in comprehensive income. For details, see Note 9 to the Financial Statements.

2.8. Property and casualty insurance

2.8.1. Operating results in the Reporting Quarter

Development in the scope of activity

In the Reporting Quarter, gross premiums amounted to approx. NIS 651 million, compared with approx. NIS 563 million in the corresponding quarter last year - an increase of approx. 16%. The increase in premiums was mainly due to an increase in the average premium in the Motor Subsegments and from an increase in the Other Property Subsegments due to a change in policy renewal dates, where the insurance coverage is longer than one year in several large businesses.

In accordance with a notice delivered to Migdal Insurance by the Office of the Accountant General in the Ministry of Finance in September 2024, Migdal Insurance was selected as one of the companies, which won the tender for motor insurance for government employees in 2025 (hereinafter - the "**Winning Bid Notice**").

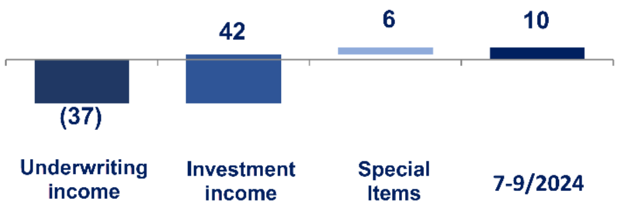
As per the Winning Bid Notice, according to policyholders data received from the insurance companies, which won the tender for 2024, the number of policyholders won by Migdal Insurance, which hold comprehensive, compulsory and third-party motor insurance policies, is expected to stand at approx. 24,000. Subject to the above, Migdal Insurance is of the opinion that the estimated annual premium, which will be paid to Migdal Insurance totals approx.

NIS 100 million. Winning the said tender is not expected to have a material effect on Migdal Insurance's profitability in 2025.

The above statement regarding the amount of annual premium expected from the win, and to the effect that it is not expected to have a material effect on Migdal Insurance's profitability constitute forward-looking information, as defined in the Securities Law, which is based on Migdal Insurance's assessments arising, among other things, from the information included in the Winning Bid Notice and from Migdal Insurance's experience in Property and Casualty Insurance and in particular in Motor Insurance. Such assessments might not materialize or materialize in a different manner, due to, among other things, factors outside Migdal Insurance's control, including the actual amount of insurance policies, which will be purchased by government employees in accordance with the tender's terms and conditions.

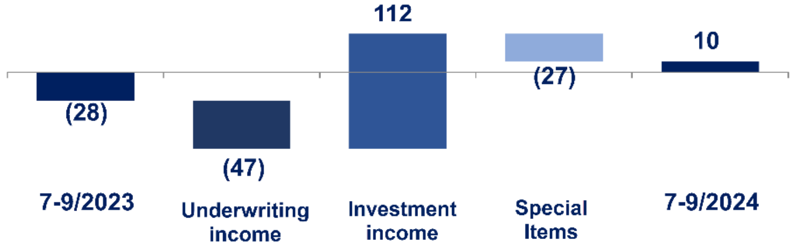
Composition of comprehensive income

Composition of comprehensive income in P&C Insurance in the reporting quarter (in NIS million)



	Underwriting income	Investment income	Special Items	Comprehen-sive income (before tax)
7-9/2024	(37)	42	6	10
7-9/2023	10	(71)	33	(28)
Difference	(47)	112	(27)	38

Change in income components of P&C Insurance compared with the corresponding quarter (in NIS million)



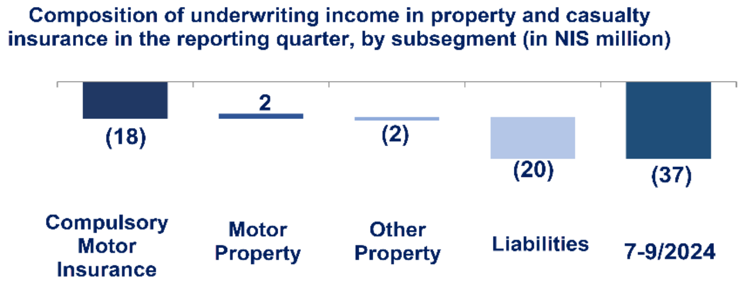
Underwriting income - the decrease in underwriting income in the Reporting Quarter compared to the corresponding quarter last year was mainly due to a decrease in underwriting income in Motor Property and an underwriting loss in the Liability Subsegments; for details by subsegment, see below.

Investment income - in the Reporting Quarter, there was an increase in investment income compared to an investment loss in the corresponding quarter last year, due to higher real returns in the Reporting Quarter.

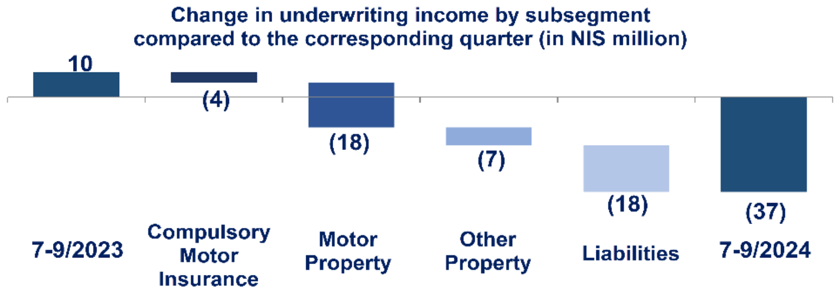
Special Items - in the Reporting Quarter, the change of the interest rate curve in the short- to mid-term and the effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts, resulted in a decrease in the retention insurance liabilities and an increase in comprehensive income totaling approx. NIS 6 million, of which approx. NIS 2 million was in the Compulsory Motor Insurance Subsegment and approx. NIS 4 million in the Liability Subsegments. For details, see Note 9 to the Financial Statements.

In the corresponding quarter last year, the rise of the interest rate curve - which was offset by the illiquidity premium and the effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts - resulted in the Reporting Quarter in a decrease in the retention insurance liabilities and an increase in comprehensive income totaling approx. NIS 33 million, of which: In the Compulsory Motor Subsegment - approx. NIS 25 million and in the Liability Subsegments - approx. NIS 8 million.

Following is an analysis of underwriting income by subsegment in the Reporting Quarter:



	Compulsory Motor Insurance	Motor Property	Other Property	Liabilities	Other
7-9/2024	(18)	2	(2)	(20)	(37)
7-9/2023	(14)	20	6	(2)	10
Difference	**(4)**	**(18)**	**(7)**	**(18)**	**(47)**



In the **Compulsory Motor Subsegment** - the underwriting loss in the Reporting Quarter remained at a level similar to that of the corresponding quarter last year.

In the **Motor Property Subsegment** - the decrease in underwriting income in the Reporting Quarter compared to the corresponding quarter last year arose mainly from a negative development in claims with respect of older underwriting years, and from the release of a premium deficiency in the corresponding quarter last year.

In the **Other Property Subsegments** - there was a decrease in underwriting income in the Reporting Quarter compared to the corresponding quarter last year due to an increase in claims in the Home Insurance Subsegment, including the rise in reinsurance costs.

In the **Liability Subsegments** - there was an increase in underwriting loss compared to the corresponding quarter last year, which arose mainly from a negative development in claims in the Reporting Quarter with respect of older underwriting years in third party insurance and employer liability insurance compared to the corresponding quarter last year.

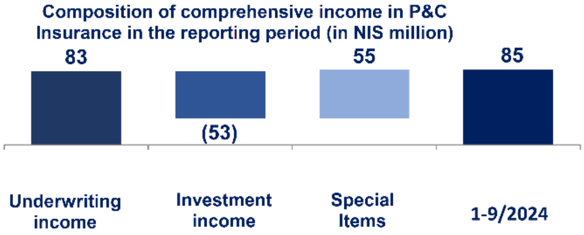
2.8.2. Operating results in the Reporting Period

Development in the scope of activity

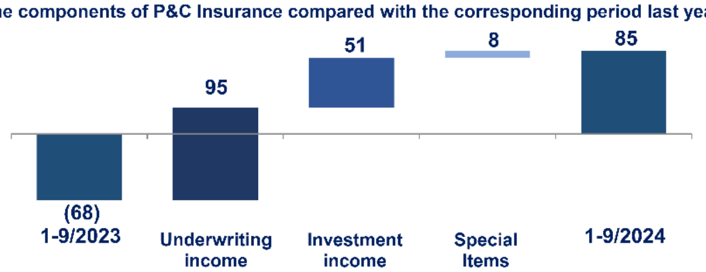
In the Reporting Period, premiums amounted to approx. NIS 2,064 million, gross, compared with approx. NIS 1,913 million in the corresponding period last year - an increase of approx. 8% over the corresponding period last year. The increase in premiums was mainly due to an increase in the average premium in the Motor Subsegments and from an increase in the Other Property Subsegments due to a change in policy renewal dates, where the insurance coverage is longer than one year in several large businesses.

In the Reporting Period, Migdal Insurance began to issue insurance policies in accordance with the provisions of the Sale Law (Apartments) (Guaranteeing Investments of Apartment Buyers), 1974 as part of providing financing for residential construction projects; the scope of this activity, as of the end of the Reporting Period, is immaterial.

Composition of comprehensive income



	Underwriting income	Investment income	Special Items	Comprehen-sive income (before tax)
1-9/2024	83	(53)	55	85
1-9/2023	(11)	(104)	47	(68)
Difference	95	51	8	153
2023	6	(57)	(8)	(58)



Underwriting income - the increase in underwriting income in the Reporting Period compared to the corresponding period last year was mainly due to breaking even to underwriting income in the motor subsegments; for details by subsegment, see below.

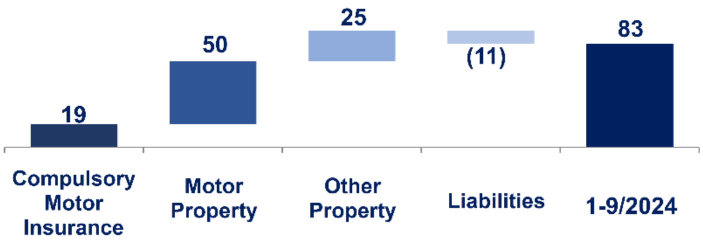
Investment income - in the Reporting Period, there was a decrease in investment loss compared to the corresponding period last year, due to higher real returns in the Reporting Period.

Special Items - in the Reporting Period, the rise of the interest rate curve and effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts, resulted in a decrease in the retention insurance liabilities and an increase in comprehensive income totaling approx. NIS 55 million, of which approx. NIS 30 million was in the Compulsory Motor Insurance Subsegment and approx. NIS 25 million in the Liability Subsegments. For details, see Note 9 to the Financial Statements.

In the corresponding period last year, the rise of the interest rate curve - which was offset by the illiquidity premium and the effect of reclassifying part of the excess fair value of illiquid assets over their carrying amounts - resulted in the Reporting Period in a decrease in the retention insurance liabilities and an increase in comprehensive income totaling approx. NIS 47 million, of which: In the Compulsory Motor Subsegment - approx. NIS 39 million and in the Liability Subsegments - approx. NIS 8 million.

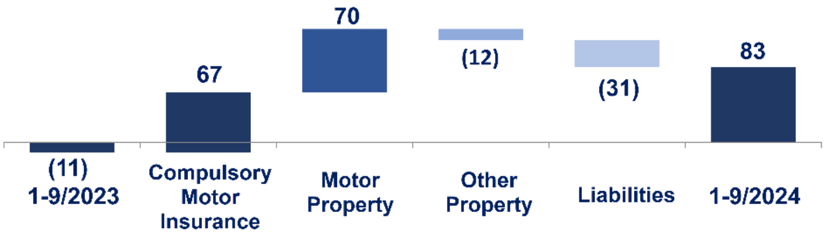
Following is an analysis of underwriting income by subsegment in the Reporting Period:

Composition of underwriting income in P&C Insurance in the reporting period, by subsegment (in NIS million)



	Compulsory Motor Insurance	Motor Property	Other Property	Liabilities	Other
1-9/2024	19	50	25	(11)	83
1-9/2023	(48)	(20)	37	20	(11)
Difference	67	70	(12)	(31)	95
2023	(74)	(13)	55	38	6

Change in the underwriting profit by subsegment compared to the corresponding period last year (in NIS million)



In the **Compulsory Motor Subsegment** - breaking even to underwriting income in the Reporting Period was mainly due to a positive development in the claims experience with respect to older underwriting years.

In the **Motor Property Subsegment** - breaking even to underwriting income in the Reporting Period, from an underwriting loss in the corresponding period last year, was affected by an increase in the average premium as well as a positive development in claims experience.

In the **Other Property Subsegments** - there was a decrease in underwriting income in the Reporting Period compared to the corresponding period last year, due to an increase in claims in the Home Insurance Subsegment and increase in reinsurance prices.

In the **Liability Subsegments** - there was an underwriting loss compared to an underwriting income in the corresponding period last year, mainly due to a higher loss in the current underwriting year in the Third Party Subsegment, as well as due to a positive development in the corresponding period last year regarding previous underwriting years in the Third-Party Liability and Employer Liability Insurance Subsegments.

	Motor Property Subsegment			Property Subsegments (excluding motor)		
	1-9/2024	**1-9/2023**	**2023**	**1-9/2024**	**1-9/2023**	**2023**
Claims rate - gross	74.0	82.7	78.9	55.8	61.0	53.7
Claims rate - retention	74.2	83.0	79.2	48.8	40.5	35.0
Claims rate and expenses - gross	96.5	105.6	103.3	81.9	88.1	81.4
Claims rate and expenses - retention	96.8	106.1	103.8	91.7	83.1	79.7

The decrease in the gross claims rate in the Motor Property Subsegment in the Reporting Period, compared to the corresponding period last year is mainly due to the increase in the average premium. In 2023, in the Property Subsegments (non-motor), the gross and retention claims rate, respectively, were affected by a corporation's claim, which was almost fully covered by reinsurance.

2.9. Financial Services[8]

Assets under management - on September 30, 2024, assets under management amounted to approx. NIS 80 billion compared to approx. NIS 63 billion on September 30, 2023 and compared to approx. NIS 68 billion on December 31, 2023.

Operating results in the Reporting Quarter

In the Reporting Quarter, revenues amounted to approx. NIS 75 million compared to approx. NIS 67 million in the corresponding quarter last year. The increase in income was mainly concentrated in the Mutual Funds Subsegment, due to an increase in fixed management fees, which was mainly due to an increase in assets under management as well as an increase in variable management fees.

The comprehensive income amounted to approx. NIS 20 million compared to approx. NIS 14 million in the corresponding quarter last year. The increase in income was mainly affected by the abovementioned increase in revenues and was partly offset by an increase in variable expenses.

Operating results in the Reporting Period

In the Reporting Period, revenues amounted to approx. NIS 227 million, compared with approx. NIS 191 million in the corresponding period last year. The increase in income was mainly concentrated in the Mutual Funds Subsegment, due to an increase in fixed management fees, which was mainly due to an increase in assets under management as well as an increase in variable management fees. In addition, there was an increase in the market-making activity due to an increase in turnover compared to the corresponding period last year.

The comprehensive income amounted to approx. NIS 65 million compared to approx. NIS 43 million in the corresponding period last year. The increase in income was mainly affected by the abovementioned increase in revenues and was partly offset by an increase in variable expenses.

2.10. Main on-balance sheet data from the financial statements

Assets in respect of yield-dependent contracts, as of September 30, 2024, amounted to approx. NIS 150 billion, compared with approx. NIS 143 billion on December 31, 2023 - an increase of approx. 5%. The increase in total assets compared with December 31, 2023 stemmed mainly from net investment income in the capital markets.

The collectible premium balance as of September 30, 2024 amounted to approx. NIS 669 million compared with approx. NIS 588 million as of December 31, 2023 and approx. NIS 875 million as of September 30, 2023. The increase in the collectible premium balance compared to the end of December 2023 was mainly due to an increase in P&C premiums, while the decrease compared to the end of the corresponding period last year was mainly concentrated in Life Insurance and was due to the advance current collection implemented during the fourth quarter of 2023.

The balance of capital as of September 30, 2024 totaled approx. NIS 9,070 million, compared to approx. NIS 8,599 million as of December 31, 2023. The change in capital arises from a comprehensive income of approx. NIS 494 million in the Reporting Period less a dividend of approx. NIS 25 million distributed in June 2024.

For details regarding the results of the calculation in accordance with the New Solvency Regime (Solvency II), see Section 3.2 below and Note 6 to the Financial Statements.

The cash and cash equivalents balances amounted to approx. NIS 21.6 billion as of September 30, 2024, compared with approx. NIS 19.5 billion as of December 31, 2023. The increase was mainly due to cash flows from operating activities, net (which was mainly affected by the timing of buying or selling financial investments) from cash flows provided by financing activities; for details, see the cash flow statement in the Company's financial statements.

[8] The income, expenses and profit before tax figures include the results of the Financial Services Activity carried out by Migdal Capital Markets (1965) Ltd.

2.11. Financing sources

In NIS million	September 30, 2024	September 30, 2023	December 31, 2023
Financial liabilities	**8,814**	**10,234**	**7,359**
Long-term loans (Tier 2 capital)	5,854	5,836	5,832
Short-term loans (1)	1,623	920	928
Other(2)	1,337	3,478	599

(1) During the Reporting Quarter, the repo liability (hereinafter - "**Repo**") decreased.

(2) The balance mainly includes derivatives reflecting the liability that has arisen as of balance sheet date, mainly in respect of the exposure to foreign currency and foreign shares.

3. Trends, Events and Developments in the Group's Operations and in its Business Environment

3.1. Macroeconomic environment

Following is a summary description of trends, events and developments in the Group's macroeconomic environment, which have or are expected to have an effect on the Group.[9]

Developments in the market and in employment

The Group operates in Israel, and the economic, political and security conditions in Israel impact the Group's sales in its different operating segments, the scope of insurance claims and various costs involved in its operations. The rate of employment in the Israeli economy mainly affects the scope of the Group's life insurance and long-term savings businesses.

Global environment - In the Reporting Period, global economic activity improved, with the US standing out with strong growth and China seeing some recovery and on the other hand - continued slight weakness in the Eurozone countries.

Israeli economy - in the Reporting Period, the indicators for economic activity and employment rates point to a continued gradual recovery, following the sharp decline in the fourth quarter of 2023 upon the outbreak of the War; however, the economic sectors are highly varied in this respect and real activity have yet to resume its pre-war levels.

It is noted that, in the Reporting Quarter and previous quarter, the rate of economic recovery moderated. Supply limits are weighing down on resuming the trend which characterized the pre-War economy, and the level of ongoing geopolitical uncertainty is manifested in the economy's elevated risk premium.

According to an initial estimate by the Central Bureau of Statistics for the third quarter of 2024,[10] in the third quarter of 2024, GDP was up by approx. 3.8% (annualized) compared to the second quarter of 2024, decreasing by approx. 1.0% (annualized) compared to the corresponding quarter last year and compared to an increase of approx. 2% in 2023 over 2022. The increase in GDP in the Reporting Quarter compared to the previous quarter reflects an increase in private consumption data and in investment in property, plant and equipment and in the exportation of goods and services, and - on the other hand - a decrease in public spending (which is still higher than the public spending in the corresponding quarter last year). Per-capita GDP decreased by approx. 2.3% in the Reporting Quarter compared to the corresponding quarter last year, following a decrease of approx. 0.1% in the whole of 2023.

Job market - in the Reporting Quarter, the unemployment rate - in its broadest definition[11] - was down, from a level of approx. 7.5% in December 2023 - which was affected by the War, to a level of approx. 5.0% in September 2024, with a certain increase during the Reporting Quarter. The job market recovered against the backdrop of the increased demand for workers, with some relief in the limited job supply due to the downsizing of reserve forces.

[9] The review is based, among other things, on the publications of the Bank of Israel and Central Bureau of Statistics.

[10] According to the National Accounts estimate for the third quarter of 2024 published on November 17, 2024.

[11] The unemployment rate under its broad definition includes unemployed persons, employed persons who have been temporarily absent from work all week due to economic reasons, and persons not participating in the workforce who ceased working due to dismissal or closure of the workplace in the past two years, as well as those who have given up on finding jobs.

From January to August 2024, there was an increase of approx. 3% in the average real wages (in fixed prices) compared to the corresponding period last year, with a slight decrease in job numbers.

Capital market

The insurance companies, pension funds and provident funds and the companies operating within the financial services sector, invest a considerable portion of their asset portfolio in capital markets. Returns in various capital market investment channels have a material effect both on the returns achieved for the Group's customers and on the Group's earnings.

In the Reporting Period, inflation subsided in a considerable number of countries. In the USA, the Fed cut interest rates for the first time by 0.5% to a level of 5% and revised its forecast for future interest rates cuts. In the Eurozone, the European Central Bank (hereinafter - "**ECB**") cut the interest rate twice in June and September 2024 to a level of 3.65%. In contrast to the global trend, the inflation environment in Israel has been rising in recent months.

In January 2024, the Bank of Israel lowered the interest rate by 0.25% to 4.5%, on the back of the moderation of the inflation rate and stabilization of financial markets, including the foreign exchange market. However, against the backdrop of the increase in Israel's risk premium, which is reflected in the spread between the Israeli government bonds and US treasury bills, which is high due to heightened geopolitical uncertainty and higher inflation expectations for the coming year, no further interest rate cuts were made.

In October 2024, the Bank of Israel revised the macroeconomic forecast, revising its growth forecasts for 2024 and 2025 downwards; the expected inflation forecast for 2024 was revised upwards, with the forecasted interest rate for the third quarter of 2025 increasing to 4.5%, following the higher risks due to the duration and intensity of the War and a higher inflation environment.

In capital markets in Israel and abroad, stock indices rallied in the Reporting Period and quarter. The domestic capital market underperformed compared to rallies in share indices abroad. In the Reporting Quarter, government bond rates were down both in Israel and around the world, particularly long bonds.

In February 2024, rating agency Moody's announced a downgrading of the State of Israel's debt credit rating from A1 to A2 with a negative rating outlook. The downgrading of the credit rating and the change of the rating outlook to negative reflected - as explained by the rating agency - the uncertainty as to the economic consequences of the War, the manner and timing by which the War will end and the change in fiscal conditions.

In September 2024, Moody's downgraded the rating by two notches from A2 to BAA1 with a negative rating outlook; the credit rating downgrade was carried out due to the rating agency's view that the geopolitical risk has increased significantly and reached a very high level, with material negative consequences for the country's creditworthiness in both the near and longer term. In the opinion of the rating agency, a delayed and slower economic recovery in combination with a more prolonged and broader military campaign will more persistently impact public finances, further pushing out the prospect of a stabilization of Israel's debt to GDP ratio, compared to the rating agency's earlier forecasts.

In April 2024, international credit rating agency S&P announced the downgrading of the sovereign rating of Israel from AA- to A+ and reiterated the rating outlook at negative. The rating downgrade was carried out against the backdrop of the escalating conflict between Israel and Iran and the geopolitical risks that Israel has faced since the outbreak of the War. A further downgrade of the rating was made in October 2024 by S&P to a level of A with a negative rating outlook amid the escalation in fighting in the northern border and an expectation that economic recovery in Israel will be delayed.

In August 2024, international credit rating agency Fitch announced the downgrading of Israel's credit rating from A+ to A with a negative rating outlook.

Following are the key trends in the main investment channels and their implications:

Change in capital market indexes	1-9.2024	7-9.2024
Inflation (known CPI)	3.5%	1.6%
Inflation (in lieu CPI)	3.4%	1.3%
NIS government bonds with a fixed interest rate (real)	(3.6%)	0.2%
CPI-linked government bonds (real)	(3.1%)	1.6%
Corporate bonds (real)	0.7%	0.8%
TA 35 (real)	10.0%	5.3%
TA 125 (real)	8.4%	6.7%
MSCI (nominal)	17.2%	6.2%
NASDAQ 100 (nominal)	19.2%	1.9%
S&P 500	20.8%	5.5%
USD exchange rate (nominal)	2.3%	(1.3%)

Interest - in September 2024, Israel's monetary interest rate stood at 4.5%, following the abovementioned interest rate cut by the Bank of Israel at the beginning of the year, and the Bank of Israel's subsequent decisions to leave the interest rate without change, compared to an interest rate of 4.75% in December 2023.

Government bonds - in the Reporting Period, there were increases in the yields-to-maturity of NIS bonds and CPI-linked bonds in all ranges, which were partially offset during the Reporting Quarter.

Israel's risk premium, as measured by the spread between Israeli government bonds denominated in USD and US government bonds, remained high and even increased during the Reporting Period.

Corporate bonds - in the Reporting Period, there was an increase in the yields-to-maturity of the corporate bonds, which was mostly offset by a decrease in the risk margin compared to the government bonds. In the Reporting Quarter, there was a decrease in yields-to-maturity of the NIS corporate bonds and CPI-linked corporate bonds.

The changes in the interest rate and the forecast inflation led to changes in the returns on financial asset portfolios held by the insurance companies, including the asset portfolios held against the participating policies, from which the insurance companies derive their investment income.

Interest rates have an impact on future returns when refinancing assets against the liabilities and on the embedded value of the life insurance portfolio, as well as on future returns on planholders' funds. Moreover, a higher inflation rate has an impact on reducing the real return on the planholders' portfolios and as such, has a derivative effect on the variable management fees Migdal Insurance may charge, as well as on the financial margin in Migdal Insurance's nostro portfolio.

Developments in the economic environment subsequent to the balance sheet date

Subsequent to the balance sheet date, share indices in Israel rallied and there was a mixed trend in share indices across the world. The CPI for the month of October 2024 was up by approx. 0.5%.

In the Eurozone, the European Central Bank (ECB) cut the interest rate by 0.25% in October 2024 to a level of 3.4%. In the United States, the Fed cut the interest rate by 0.25% in November 2024 to a level of 4.75%.

The War has had an impact on global financial markets, which resulted from the increase in geopolitical tensions in the Middle East, however, so far, the impact has been moderate. In addition, the level of geopolitical uncertainty increased and is reflected in the economy's relatively high-risk premium.

It is noted that economic activity in Israel is affected by a degree of uncertainty, among other things - regarding the duration and nature of the War, including its possible escalation and possible spreading to other fronts, and regarding future decisions made by the government regarding the budgetary response to the security and civilian needs arising from the War. Various developments impacting the duration and scope of the War may have a substantial impact on economic developments. An expansion of the War to additional fronts may further harm growth and cause disruptions to routine economic activity, and as a result - may destabilize the markets and create an upward pressure on inflation.

3.2. Capital, Economic Solvency Regime of an Insurance Company based a Solvency II and Dividend

3.2.1. Solvency Ratio Report

On November 20, 2024, Migdal Insurance published its Solvency Ratio Report for June 30, 2024 as approved by Migdal Insurance's Board of Directors. For details, see the publication on the Migdal Insurance website at the link: https://www.migdal.co.il/about/economic-solvency-reports.

The economic solvency ratio data for June 30, 2024 were calculated in accordance with the Commissioner's directives regarding economic solvency of a Solvency II-based insurance company as included in the provisions of Insurance Circular 2020-1-15 "Amendment to the Consolidated Circular concerning Implementation of a Solvency II-Based Economic Solvency Regime" (hereinafter - the "**Solvency Circular**").

Following are data regarding Migdal Insurance's solvency ratio and minimum capital requirement (MCR) (in NIS million):

	As of June 30, 2024	As of December 31, 2023
	Unaudited**	**Audited***
Shareholders equity in respect of SCR	17,199	16,466
Solvency capital requirement (SCR)	13,369	13,416
Surplus	3,829	3,050
Solvency ratio (in %)	129%	123%
Effect of material equity transactions taken in the period between the calculation date and publication date of the Solvency Ratio Report		
Raising (redemption) of capital instruments	-	-
(Deviation from quantitative limitations) / reversal of deviation from quantitative limitations	-	-
Own capital for solvency capital requirement (SCR)	17,199	16,466
Surplus	3,829	3,050
Economic solvency ratio (in %)	129%	123%

* The term "Audited" refers to an audit held in accordance International Standard on Assurance Engagement (ISAE) 3400 – "The Examination of Prospective Financial Information".

** The term "unaudited" refers to a review conducted in accordance with the principles of the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

For details regarding the economic solvency ratio without applying the Provisions for the Transitional Period and regarding dividend distribution limitations applicable to the Company, see Sections 3.2.5 and 3.2.2 below.

Main changes in the solvency ratio as of June 30, 2024 compared to December 31, 2023:

Migdal Insurance's economic solvency ratio as of June 30, 2024 increased by 6% from 123% as of December 31, 2023 to 129%. It is noted that in the Reporting Period there was a significant decease in the Deduction from approx. NIS 6.7 billion to approx. NIS 4.2 billion, which moderated the increase in Migdal Insurance's economic solvency ratio (with the application of the Provisions for the Transitional Period).

Without the application of the Provisions for the Transitional Period, there was a 20% increase in Migdal Insurance's solvency ratio from 78% as of December 31, 2023 to 98% as of June 30, 2024 (see Section 3.2.2 below).

Following is a breakdown of the main factors affecting the change in solvency ratio (with and without the application of the Provisions for the Transitional Period):

(a) A substantial increase in the real risk-free interest rate curve during the first half of 2024 had a material positive effect on Migdal Insurance's solvency ratio without the application of the Provisions for the Transitional Period, but at the same time substantively reduced the Deduction. On an aggregate basis, the increase in the real risk-free interest rate curve had a positive effect on the solvency ratio (with the application of the Provisions for the Transitional Period).

(b) During the first half of 2024, Migdal Insurance revised the demographic assumptions of the expected retirement dates in executive insurance policies and accordingly, the pension takeup rates were also adjusted. The assumptions were revised following the maturing of the portfolio and accumulation of information and experience for ages older than the statutory retirement age. This revision increased the economic capital and had a material positive effect on Migdal Insurance’s solvency ratio without the application of the Provisions for the Transitional Period, but at the same time substantively reduced the Deduction. On an aggregate basis, the above revision had a positive effect on the solvency ratio (with the application of the Provisions for the Transitional Period).

(c) In the first half of 2024, the increase in the number of cancellations (including customer churn) of executive insurance policies continued. Accordingly, Migdal Insurance revised the cancellation rates assumptions of those policies, which are used to calculate actuarial estimates for the financial statements and the solvency ratio as of June 30, 2024. This revision, together with the effect of actual cancellations in the Reporting Period, reduced Migdal Insurance’s economic capital and had a material adverse effect on Migdal Insurance’s solvency ratio with and without the application of the Provisions for the Transitional Period.

(d) The Amendment to the Provisions of the Consolidated Circular regarding Measurement of Liabilities - Revising the Demographic Assumptions in Life Insurance and Pension Funds, as described in Section 1.2.10 above, had an adverse effect on Migdal Insurance’s solvency ratio with and without the application of the Provisions for the Transitional Period.

(e) Model revisions and other actuarial assumptions had a positive and a negative effect on the economic capital and the capital requirements. On an aggregate basis, these changes had an immaterial positive effect on Migdal Insurance's solvency ratio with and without the application of the Provisions for the Transitional Period.

(f) The release of capital requirements and risk margin (RM) for existing businesses had a positive effect on the economic capital. On the other hand, current underwriting profitability, which is lower than expected in the actuarial model for these existing businesses has partially offset this positive effect.

(g) In view of the change in the risk-free interest rate curve and the other changes described above, Migdal Insurance recalculated the Deduction during the Transitional Period as of June 30, 2024. The Deduction during the Transitional Period decreased from approx. NIS 6.7 billion in 2023 to approx. NIS 4.2 billion.

It is noted that the full value (before linear amortization) of the Deduction after the recalculation as of June 30, 2024 stands at approx. NIS 6.1 billion, compared to approx. NIS 9.7 billion as of December 31, 2023. The abovementioned Deduction is amortized on a linear basis over 13 years through December 31, 2032, such that its amortized balance as of June 30, 2024 totaled approx. NIS 4.2 billion (amortized over 9 years), instead of approx. NIS 6.7 billion as of December 31, 2023 (amortized over 9 years).

The consequences of the War on the solvency ratio as of June 30, 2024:

It is noted that there is substantial uncertainty regarding the further development of the War, its scope and duration. In addition, there is uncertainty as to the impact of the War on fluctuations in the financial markets, including, among other things, with regard to the risk-free interest rate curve and the inflation rate, which continued in the period between the calculation date of Migdal Insurance's solvency ratio as of June 30, 2024 and the balance sheet date. Accordingly, there is significant uncertainty regarding the future effects of the War on Migdal Insurance's solvency ratio.

Minimum capital requirement (MCR) (in NIS million):

	As of June 30, 2024	As of December 31, 2023
	Unaudited	Audited
Minimum capital requirement (MCR)	3,342	3,354
Own capital for MCR	12,343	11,508

3.2.2. Solvency ratio without applying the Provisions for the Transitional Period, and without adjusting the stock scenario

Following are data without application of the Provisions for the Transitional Period and without adjusting the stock scenario (in NIS million):

	As of June 30, 2024	As of December 31, 2023
	Unaudited	Audited
Shareholders equity in respect of SCR [(1)]	14,465	12,070
Solvency capital requirement (SCR)	14,826	15,486
Surplus (deficit)	(360)	(3,416)
Economic solvency ratio (in %)	98%	78%
Effect of material equity transactions taken in the period between the calculation date and publication date of the Solvency Ratio Report		
Own capital	14,465	12,070
Raising (redemption) of capital instruments	-	-
Deviation from quantitative limitations / reversal of deviation from quantitative limitations	-	-
Own capital for solvency capital requirement (SCR)	14,465	12,070
Surplus (deficit)	(360)	(3,416)
Economic solvency ratio (in %)	98%	78%

(1) This amount does not include a reduction of 35% of the original difference in a management company amounting to approx. NIS 64 million as of June 30, 2024.

3.2.3. Update regarding the use economic scenario generators in the calculation of Migdal Insurance’s economic solvency ratio

As of the report publication date, Migdal Insurance completed the calculation of the economic solvency ratio using economic scenario generators, including the completion of tests and control processes for ensuring accuracy, robustness and market compatibility, as is generally accepted in foreign companies that apply stochastic models to calculate their economic solvency ratio (hereinafter - the “**Model**” or the “**Stochastic Model**”).

The Stochastic Model is used to make an optimal actuarial estimate of asymmetric insurance liability flows (including future variable management fees), whose value is not included in full in the current model for calculation of the economic solvency ratio. Both in the existing model and the Stochastic Model, the return underlying the calculation is the risk-free return. However, unlike in the case of the existing model, the calculation of the cash flows in the Stochastic Model takes into account the fluctuations in the returns on the relevant assets, according to their composition and characteristics, including the investment channels, average duration and exposure to the CPI and to the exchange rates of foreign currencies. In order to create the Stochastic Model, Migdal Insurance selected economic models that match the asset types. These models were calibrated by using relevant historical market information. In selecting, calibrating and testing these economic models, Migdal Insurance was assisted by international consulting companies. In addition, the independent auditors reviewed the calculation process and internal controls.

In Migdal Insurance's estimation, the implementation of the Stochastic Model is expected to affect the economic solvency ratio at an addition of approx. 9% and approx. 11% to the economic solvency ratio as of June 30, 2024, without taking into account and after taking into account the Provisions for the Transitional Period, respectively. It is noted that this data are neither audited nor reviewed and are also sensitive to changes in the interest rate curve and other financial and demographic assumptions; therefore, the effect of the Stochastic Model may be different, including substantially different, at the actual implementation date.

Further to Section 3.2.2 to the Company's Report of the Board of Directors for 2023 regarding the audit carried out by the Capital Market Authority in connection with the implementation of the Stochastic Model, in September 2024 Migdal Insurance received the final audit report and is taking steps to implement it.

Migdal Insurance is expected to implement the Stochastic Model for the first time in its calculation of the solvency ratio as of December 31, 2024.

3.2.4. **Migdal Insurance's capital policy**

On May 26, 2021, Migdal Insurance's Board of Directors examined Migdal Insurance's capital policy and set a capital policy, according to which Migdal Insurance will strive to operate at a solvency ratio in the range of 155% to 175%. In addition, Migdal Insurance's Board of Directors set a minimum solvency ratio target of 140%. These targets relate to a solvency ratio taking into account the Deduction during the Transitional Period until the end of 2032 and thereafter. According to the capital policy, Migdal Insurance's solvency ratio, without taking into consideration the Provisions for the Transitional Period, shall be built gradually pursuant to these targets until the end of 2032.

On March 20, 2024, Migdal Insurance's Board of Directors re-examined its capital policy and left unchanged the solvency ratio at which Migdal Insurance aims to operate, in the range of 155% to 175%. In addition, taking into account the risk factors characterizing Migdal Insurance's activity - including their implicit volatility and its effect on the solvency ratio - and in order to support the achievement of Migdal Insurance's long-term goals and the measures included in its strategic plan (for details, see Section 4 of Migdal Insurance's Report of the Board of Directors for 2023), Migdal Insurance's Board of Directors decided to revise the minimum solvency ratio target for the coming years, such that it will match Migdal Insurance's rate of building capital gradually to support high-quality, stable and long-term growth of the solvency ratio. Accordingly, Migdal Insurance's Board of Directors updated the minimum solvency ratio target to 115%, which will increase gradually, reaching 140% at the end of the Transitional Period (end of 2032). These targets relate to a solvency ratio taking into account the Deduction during the Transitional Period. According to the capital policy, Migdal Insurance's solvency ratio, without taking into consideration the Provisions for the Transitional Period, shall be built gradually pursuant to these targets until the end of 2032.

3.2.5. **Restrictions on dividend distribution in Migdal Insurance**

According to the letter published by the Commissioner, in October 2017, an Insurance Company shall be entitled to distribute a dividend only if, following the distribution, the Company has a solvency ratio (according to the Solvency Circular) of at least 100%, calculated without taking into account the Provisions for the Transitional Period and subject to the solvency ratio target set by the Board of Directors. The aforesaid ratio is calculated without the relief granted in respect of the original difference attributed to the acquisition of the provident funds and management companies activity. In addition, the letter sets out provisions for reporting to the Commissioner. As of June 30, 2024, Migdal Insurance does not meet the conditions required for dividend distribution.

The information and estimates included in this section are based, among other things, on forecasts, assessments and estimates regarding future events whose materialization is uncertain and beyond Migdal Insurance's control, and which may materialize differently than predicted, among other things with respect to actuarial assumptions (including rates of mortality, morbidity, recovery, cancellations, expenses, annuity takeup, release rate of the risk margin and underwriting income rate), results of actuarial studies, regulatory provisions and guidance regarding the economic solvency ratio, including specific guidance issued to Migdal Insurance, assumptions regarding future measures taken by management, risk-free interest rates, capital market returns, future income and damage under catastrophe scenarios. Accordingly, these data and estimates should be considered "forward-looking information", as defined in the Securities

Law, which may not materialize, in whole or in part, or materialize in a different manner, including in a substantially different manner.

4. Material Changes in Regulatory and Legislative Arrangements

The Group's areas of activity are subject to frequent changes in legislative arrangements. Some of the material legislative arrangements published during the first quarter of 2024, commencing from January 2024, and until the date of publication of the Periodic Report, were included in the periodic report. This chapter outlines material changes in the legislative arrangements published from the periodic report publication date to the publication date of this report.

4.1. Legislative arrangements pertaining to institutional entities and general provisions

4.1.1. Call for proposals on reduction of regulatory arbitrage in short- and mid-term investment and savings instruments

On April 18, 2024, a call for proposals was published regarding the reduction of regulatory arbitrage in short- and mid-term investment and savings instruments (savings policies, investment provident funds, and mutual funds), the main points of which are as follows:

(a) Assembling of a team led by the Director General of the Ministry of Finance with the participation of representatives of the Capital Market Authority, Israel Securities Authority, Israel Tax Authority, Chief Economist Department, Accountant General Department and Budget Department of the Ministry of Finance, to review existing regulations on short- and mid-term investment instruments and map the regulatory and taxation gaps therein

(b) Formulation of recommendations on the appropriate regulatory outline, including legislative amendments and required regulatory provisions.

Since the inter-ministerial team's work is in preliminary stages and the team's recommendations have not yet been published, at this stage, the Company is unable to assess the degree of materiality and impact of the team's recommendations, if any, on Migdal Insurance.

4.1.2. Draft Economic Plan for 2025:

The Government's Draft Economic Plan for 2025 was published in October 2024, which includes, among other things, the following proposed resolutions:

(a) **Streamlining the taxation on pension contributions:**

It is suggested to amend the Income Tax Ordinance as follows:

(1) The pay cap amount in respect of contributions made by all employers of an employee to annuity provident funds on account of the employer contributions component (hereinafter - the "**Cap Amount**") will stand at twice the average pay in Israel. The employee will be required to pay tax in respect of employer contributions, which will be paid in excess of the Cap Amount.

(2) The pay cap in respect of contributions made by all employers of an employee to annuity provident funds on account of the severance pay component will be equal to the abovementioned Cap Amount and will stand at twice the average pay in Israel. The employee will be required to pay tax in respect of contributions on account of the severance pay component, which will be paid in excess of the Cap Amount.

(b) **The increase in the tax benefit available upon withdrawal of an annuity will stop in 2025**

It is suggested to amend Section 9A to the Income Tax Ordinance, such that the tax exemption rate applicable to an entitling annuity, capitalization of an annuity and the exempted capital balance as per that section, which stands at 52% for tax years 2020 through 2024, will also apply to tax year 2025.

(c) **Assessing the impact on the Israeli economy of the scope and manner of management of public assets by institutional entities:**

Under this draft, it is suggested to set up a public committee for assessing the economy-wide impact of the scope of asset management by the institutional entities, including their expected development, on the levels of current and future competition, and - where needed - to make recommendations as to practical steps, including required legislative amendments or regulatory directives. The draft specified various issues, which will be assessed as part of the committee's work.

(d) **Reform in the SMEs credit market and improvement of the Central Credit Register:**

In order to facilitate competition and access to credit for businesses, mostly through non-banking market players, it is suggested to expand the existing Central Credit Register to include corporations by setting appropriate rules, which will come into effect on June 1, 2026.

On November 1, 2024, the Government decided to approve the Economic Plan for 2025. Since the text of the abovementioned government resolutions has not yet been published, the above review covers the Draft Economic Plan, which was published in October 2024, and changes may be made therein following the abovementioned government resolutions.

Since the Economic Plan is in preliminary stages, Migdal Insurance is unable to assess - at this stage - the degree of materiality and the impact of the above draft resolutions, if any, on Migdal Insurance's activity.

4.2. Legislative arrangements pertaining to Life Insurance and Long-Term Savings

4.2.1. Investment Tracks Circular and Investment Track List

Further to that which is stated in Section 6.4.4 to the chapter Description of the Corporation's Business in the Periodic Report, in April 2024, an amendment was published to the circular entitled Investment Track List, which includes a revised list of investment tracks that an institutional entity may administer, as well as the mandatory investment policy applicable to each track. Following are details of the main changes in the list of investment tracks in relation to the circular published in December 2022: (1) Addition of an investment track entitled "Halacha for existing annuity recipients"; (2) Canceling the "specializing flexible track" in light of the Capital Market Authority's intention to examine general tracks on a broad level; (3) Updating the bylaws investment policy of the "Credit and Bonds" track; (4) Adding tracks combining bonds and shares (up to 25% in shares) in savings products not payable as annuities (advanced education fund, investment provident fund and Life Insurance policies other than insurance funds); (5) Updating the bylaws regulatory investment policy of index-tracking tracks, including setting a minimum and maximum rate of the track's total assets (at least 10% and no more than 50%), for the three main indexes in the track.

Migdal Insurance and Migdal Makefet made the required changes to the investment tracks according to the Authority's guidance, the last phase of which came into effect on July 1, 2024, including changing the names of tracks, changing investment policies, merging tracks and starting new tracks.

4.2.2. Provisions Regarding Selecting Provident Funds (hereinafter - "Default")

A Revision to the Circular on Provisions Regarding Selecting Provident Funds was published in August 2024, and so was a procedure for selecting default funds. The revision to the circular included the following main changes: (1) default pension funds will be selected every four years instead of every three years (starting in November 2024 and over the next four years); (2) a mechanism was added for the conversion of management fees on accrual to management fees on contributions for active planholders; (3) the formula for calculating weighted management fees was changed; (4) a mechanism was added for allocating new planholders between the default pension funds, which will apply to employers, which employ 50 employees or more, based on the employee’s identity number check digit.

On September 19, 2024, the Authority published the results of the tender for selecting default pension funds, as part of which the four funds which will serve as “default funds” as from November 1, 2024 through October 31, 2028 were selected.

The Company believes that the selection of the 4 default pension funds (which are not among Migdal Makefet’s pension funds) will not result in a material change in the pension market. Nevertheless, following the results of this procedure, there may be changes in the market shares of the default funds.

The said assessment regarding the effect of the procedure for selecting default pension funds is based on the revision to the Circular and its provisions and on the tender’s results. This assessment is uncertain and its materialization or the extent of its materialization constitute "forward-looking information" as defined in the Securities Law. This assessment may not materialize or may materialize differently than assessed.

4.2.3. Guaranteed return to planholders and pensioners

The Supervision of Financial Services Regulations (Provident Funds) (Imputation of a Return in a Comprehensive New Pension Fund), 2017 stipulate that as from January 1, 2025 the allocation of designated bonds or a return guarantee mechanism, as the case may be (hereinafter - “**Guaranteed Return**”), shall vary between three age groups: savers aged 50 and under, savers aged 50 and over and annuity recipients. In the draft amendment to the regulations, which was published in October 2024, it is suggested to stipulate that the Guaranteed Return of 30% will apply only to planholders aged 50 and over, who save in an age-based track, which is appropriate for their age, and to such planholders who save in the general track. Since currently savers can opt to invest in an age-based track, which is not appropriate for their age, in order to ensure that Guaranteed Return at the said rate will only apply to planholders aged 50 and over, who save in an age-based track, which is appropriate to their age, and in the general track, it is suggested to regulate this issue by making a further amendment to the regulations, as detailed below:

(a) **Draft Supervision of Financial Services Regulations (Provident Funds) (Transfer of Planholders in Default Tracks to a Track Appropriate for Their Age), 2024**

In October 2024, draft regulations were published, which apply to comprehensive pension funds, regarding the transfer of planholders in default tracks to a track appropriate for their age. Under the draft it is suggested to prohibit planholders from selecting an age-based track, which is not appropriate for their age; it is also suggested to stipulate that the funds saved by a planholder, who invests in an age-based track, which is not appropriate for their age, will be transferred to a track, which is appropriate to their age, no later than December 31, 2025.

(b) **Draft Supervision of Financial Services Regulations (Provident Funds) (Imputation of Return in a Comprehensive New Pension Fund) (Amendment), 2024.**

Draft regulations on imputation of return in a comprehensive pension fund was published in October 2024, under which it is suggested to change the existing regulations as from January 1, 2026 and stipulate that the Guaranteed Return of 30% will apply only to planholders aged 50 and over, who save in an age-based track, which is appropriate for their age, and to such planholders who save in the general track.

4.3. Legislative arrangements in Health Insurance

4.3.1. Transferring policyholders of “First Shekel” surgery insurance

Further to that which is stated in Section 9.3 to the section entitled Description of the Corporation's Business in the Periodic Report, regarding the Health Insurance Reform, during the Reporting Quarter, the provisions regarding the transfer of holders of “From the First Shekel” surgery policies to the "Supplementary SHABAN" surgery insurance policies came into effect, and as a result - there was a considerable increase in "Supplementary SHABAN" surgery insurance policies, which affected the mix of Migdal Insurance's surgery insurance portfolio. For further details, see Section 2.7 above.

As of the report publication date, the Company is unable to estimate the effect of the implementation of the Health Insurance Reform on the surgery portfolio's profitability.

4.4. Legislative arrangements in P&C Insurance

4.4.1. Circular of Filing of Insurance Plans in the Motor Property Subsegment

Further to that which is stated in Section 12.2.3 to the chapter Description of the Corporation's Business in the Periodic Report, on May 15, 2024, the Commissioner published the final version of the Circular entitled Filing of Insurance Plans in the Motor Property Subsegment, the main points of which are: (a) Revision of the disclosure to a policyholder in an insurance plan, such that it refers to the deduction rules of insurance benefits in case of damage mitigation. The deduction rules will be submitted for approval by the Commissioner when implementing an insurance plan and will take into account the parameters detailed in the circular. (b) In cases where a policyholder opted to repair his/her vehicle other than at an authorized auto repair shop and meets the terms and conditions detailed in the Circular, the insurance company shall apply a deductible, as if the policyholder had repaired his/her vehicle at an authorized auto repair shop; (c) An insurance plan shall not include compensation due to alleged total loss, except in cases submitted by the insurance company to the Capital Market Authority under an application to institute an insurance plan, and the Capital Market Authority did not object thereto.

The provisions of the circular apply to motor property insurance plans, which are marketed as from September 1, 2024, with the exception of the provisions of Paragraph (c) above, which will come into effect after the definition of "total loss" in the Traffic Regulations, 1961 is amended. It is noted that Migdal Insurance received the Commissioner's approval for the outline and the plans it submitted.

4.4.2. Amending the provisions of the Consolidated Circular, Chapter 6, Part 2 - Provisions in the Motor Property Subsegment

On May 15, 2024, the Commissioner published Amendment to the Provisions of the Consolidated Circular, Chapter 6, Part 2 - Provisions in the Motor Property Subsegment regarding the Manner in which Insurance Companies Work with Appraisers and Auto Repair Shops. In accordance with the provisions of the Amendment, the lists of external appraisers will be cancelled and each insurance company will use a dynamic, extensive database of appraisers and a random selection mechanism. In addition, provisions were established with the aim of encouraging insurance companies to increase the number of existing authorized auto repair shops by establishing guidelines for authorizing auto repair shops (hereinafter - "**authorized auto repair shops**") and regulating the engagement between the insurance companies and authorized auto repair shops performing repairs on their behalf, in accordance with the compensation methods provided by the policy.

The amendment will become effective as from May 1, 2025, subject to the publication of professional guidelines regarding "market price" according to Section 153 of the Licensing Services and Professions in the Automotive Industry Law, 2016. In addition, Provisions for the Transitional Period were included in the amended Provisions for the Transitional Period for the first year from the amendment's effective date.

Since as of the report publication date Migdal Insurance is in the process of assessing and preparing for the implementation of the provisions of the Circular, which has not yet come into effect, it cannot fully assess the effects of the implementation of the aforementioned provisions on its activity.

4.5. Additional regulatory aspects

4.5.1. On April 18, 2024, Migdal Insurance was informed of a decision by the Capital Market Authority to impose a financial sanction on Migdal Insurance in the amount of NIS 250,000, for violating the reporting and documentation provisions of the Prohibition on Money Laundering Law, 2000, with respect to the period between July 2018 and June 2019. For further details, see Note 8F. to the Financial Statements and the immediate report dated April 21, 2024 (Ref. No. 2024-01-039751), which is included in this report by way of reference.

4.5.2. On November 10, 2024, Migdal Insurance received a notification from the Capital Market Authority regarding the imposition of a financial sanction totaling NIS 242,500 for failure to report to the Commissioner, contrary to the provisions of the Consolidated Circular. For further details, see Note 8F to the Financial Statements.

4.5.3. In July 2024, the Capital Market Authority approved for Migdal Insurance an outline for refunding premium payments to eligible policyholders due to overlapping compulsory motor insurance following the Authority’s demand for refund by Migdal Insurance in March 2024. For further details, see Note 8.F to the Financial Statements.

5. Disclosure on Exposure to Market Risks and Management Thereof

Migdal Holdings

During the Reporting Period, there were no material changes in the exposure to market risks and management thereof in relation to that which is described in the Report of the Board of Directors for 2023.

Migdal Capital Markets

During the Reporting Period, there were no material changes with respect to market risks and management thereof in relation to that which is described in the Report of the Board of Directors for 2023.

6. Corporate Governance Aspects

6.1. Requests for approval of derivative claims against the Company’s controlling shareholder

6.1.1. As detailed in Section 41.1 in the chapter Description of the Corporation's Business in the Periodic Report and in Note 39.1.F.2 in the Financial Statements for 2023, regarding a motion filed by a shareholder of the Company (hereinafter - the “**Movant**") to the Tel Aviv District Court to certify a derivative claim by the Company against Mr. Eliyahu, the Company’s controlling shareholder, alleging that the conduct of Mr. Eliyahu constitutes a violation of the duty of care and duty of loyalty in his capacity as a director of the Company and Migdal Insurance, a violation of the duty of fairness as a controlling shareholder of the Company, as well as a denial of the directors’ independent discretion, which he alleges caused damage to the Company (hereinafter - the “**First Certification Motion**”) - on May 8 2024, a judgment was rendered, in which the court dismissed the motion to certify.

On July 7, 2024, the Movant appealed the ruling to the Supreme Court, requesting that it be revoked and that the motion to certify the derivative claim be granted. An appeal hearing is scheduled for May 2025.

For details, see the Company's immediate reports dated May 9, 2024 (Ref. No.: 2024-01-046099) and July 9, 2024 (Ref. No.: 2024-01-071662), included in this report by way of reference as well as in Note 8.F to the Financial Statements.

6.1.2. Further to Section 41.1 to the chapter Description of the Corporation's Business in the Periodic Report and Note 39. 1.F.3 to the Financial Statements for 2023 regarding the movant's additional motion, as defined in Section 6.1.1 above, which was submitted on March 15, 2023 for certification of the Company's derivative claim against Mr. Eliyahu, on March 27, 2024, the Company submitted its response to the motion to certify, in which the court was moved to dismiss the motion to certify, based, among other things, on the report of the independent committee adopted by the Company's Board of Directors, and the movant's response to the Company's response was also submitted. On August 26, 2024, the court ruled - further to a stay of proceedings motion filed by the Company in connection with the additional application, and the responses of the movant, the Company and Mr. Eliyahu - that the proceedings will be delayed through May 31, 2025. For further details, see Note 8.F to the Financial Statements.

6.2. Changes in the composition of the Company’s Board of Directors

6.2.1. On February 5, 2024, Dr. Keren Bar Hava, who served as a director in the Company and Migdal Insurance, announced her resignation from all her positions in the Migdal Group. This resignation took effect on the same date. For details regarding the background to the resignation, see Section 41.4 to the chapter Description of the Corporation's Business in the periodic report.

6.2.2. On March 14, 2024, the Company's annual general meeting resolved to reappoint the current directors of the Company (who are not external directors) - Mr. Hanan Meltzer, Mr. Shlomo Eliyahu, Dr. Gavriel Picker, Mr. Carmi Gillon, Mr. Avraham Dotan and Mr. Ron Tor (the current independent director in the Company), for another term of office until the next annual general meeting. The annual general meeting also approved the reappointment of Mr. Hanan Meltzer as the Company’s Chairman of the Board. For details, see the Company's immediate reports dated February 21, 2024 (Ref. No. 2024-01-018438) and March 14, 2024 (Ref. No. 2024-01-026316), included in this report by way of reference.

6.2.3. On October 15, 2024, the Honorable Judge (Retd.) Hanan Meltzer announced that he will not stand for a further term in office as member of the Company’s Board of Directors and as the Chairman of the Board at the annual general meeting, which was convened for that date; this was at the request of Mr. Shlomo Eliahu, the Company’s controlling shareholder, and by mutual agreement with the Company. On November 5, 2024, the convening date of the annual general meeting, Mr. Meltzer ended his tenure as a director and as the Chairman of the Company’s Board of Directors. For details, see the Company's immediate report dated October 15, 2024 (Ref. No.: 2024-01-611143), which is included in this report by way of reference. On October 15, 2024, as part of a discussion held in the Company’s Compensation Committee and Board of Directors in connection with Mr. Meltzer’s terms of retirement, it was decided that the Company will look favorably, in accordance with Section 2.7 to the Private Offering Report published on May 30, 2023 (Ref. No.: 2023-01-058461), which is included in this report by way of reference, on the acceleration of the remaining options awarded to him, and which will not vest automatically on his termination date, which is expected to take place on August 5, 2025, all subject to Mr. Meltzer’s request, the approval of the Company’s competent organs, at their discretion, and to Mr. Meltzer’s waiver of some of the compensation he is entitled to such that he does not exceed the compensation cap in accordance with the Officer Compensation in Financial Corporations Law (Special Permit and Non-Deductible Expenses Due to Exceptional Compensation), 2016. For further details, see the Company's annual general meeting summons report dated October 15, 2024 (Ref. No.: 2024-01-611159), a supplementary report of October 31, 2024 (Ref. No.: 2024-01-612902**)** (hereinafter - the “**Annual Meeting Summons Report**”), and Note 9 to the Financial Statements.

6.2.4. On November 5, 2024, the annual general meeting of the Company resolved, among other things, to appoint Prof. Ronni Gamzu as a director and the Company’s Chairman of the Board starting on November 17, 2024 on a 50% FTE basis at this stage. Furthermore, it was decided to reappoint the Company’s serving directors (excluding Mr. Hanan Meltzer as detailed above), who are not external directors: Mssrs. Shlomo Eliahu, Carmi Gillon, Avraham Dotan and Ron Tor from the date of the general meeting through the date of the next annual general meeting, which the Company will convene. For further details, see the annual meeting summons report and other immediate reports published by the Company on November 5, 2024 (Ref. Nos: 2024-01-614002 and 2024-01-614006), which are included herein by way of reference.

Further to the appointment of Prof. Gamzu as Chairman of the Company's Board of Directors, on November 19 and November 20, 2024 his terms of service and employment were approved by the Company's Compensation Committee and Board of Directors (respectively), subject to the approval of the Company's general meeting. For details in connection with the terms of service and employment offered to Prof. Gamzu, see the meeting summons report, which is included in this report by way of reference, and Note 9 to the Financial Statements.

6.3. Changes in the composition of Migdal Insurance's Board of Directors

6.3.1. On January 24, 2024, the Company's Board of Directors, sitting as the general meeting of Migdal Insurance, appointed Mr. Benny Maman as an additional independent director in Migdal Insurance, subject to receiving the Commissioner's notice of non-objection, which was received on February 13, 2024, as stated in the Company's immediate report dated February 14, 2024 (Ref. No.: 2024-01-016116), included in this report by way of reference.

6.3.2. On January 31, 2024, Migdal Insurance's Board of Directors decided to appoint a search committee for the purpose of identifying relevant candidates to serve as independent directors in Migdal Insurance. The committee was not required to search for candidates in light of the discussions between Migdal Insurance and the Capital Market Authority, as detailed in Section 6.3.4 below. For details regarding a revised resolution for the appointment of a search committee following Ms. Meirav Ben Cnann Heller's notice of ending her tenure as an independent director and following the end of Ms. Ronit Bodo's tenure as an independent director on April 5, 2025, see Section 6.3.6 below.

6.3.3. On February 5, 2024, Dr. Keren Bar Hava, who served as a director in Migdal Insurance and the Company, announced her resignation from the Migdal Group. This resignation took effect on the same date. For details, see Section 6.2.1 above.

6.3.4. On February 19, 2024, the annual general meeting of Migdal Insurance resolved to reappoint the current directors of Migdal Insurance (who are not independent directors), Mr. Avraham Dotan and Mr. Gad Nussbaum, for another term of office until the next annual general meeting. On that date, the tenure of the directors Mr. Arie Mintkevich and Mr. Carmi Gillon ended, and as from that date, the Board of Directors of Migdal Insurance is composed of 7 directors, of which 4 are independent directors.

On February 19, 2024, shortly before the Company's board meeting, Migdal Insurance received a letter from the Commissioner addressed to the Chairman of the Board of Migdal Insurance, regarding the composition of Migdal Insurance's Board of Directors. In his letter, the Commissioner raised various allegations against the conduct of Migdal Insurance and ordered it to send to him a detailed response regarding the eventual composition of the Board of Directors, the number of its members and the extent to which it complies with the provisions of the law, including the required expertise. On February 22, 2024, Migdal Insurance's Chairman of the Board replied to the abovementioned Commissioner's letter, stating that Migdal Insurance operates with full transparency as to its intentions regarding the composition of Migdal Insurance's board of directors, that the Commissioner was presented with a staffing plan for Migdal Insurance's Board, and that these fall under the purview of Migdal Insurance's general meeting, that a board of directors consisting of seven members meets the specialization requirements under law, that the majority of the board (four directors) consists of independent directors (including three women), and that - in order to further strengthen its board - the Company intends to expand Migdal Insurance's Board to include nine members, with the aim of one of the additional candidates being a woman, all subject to identifying suitable candidates and approval by the Company in its capacity as an extraordinary general meeting of Migdal Insurance.

On May 15, 2024, the Commissioner sent a letter to Migdal Insurance's Chairman of the Board (hereinafter - the "**Letter Regarding the Composition of the Board**"), in which he stated, among other things, that - despite his letter dated February 19, 2024 - the General Meeting did not renew the term of office of Mr. Carmi Gillon and of Mr. Arie Mintkevich as directors in Migdal Insurance, and that he regards this conduct as a direct continuation of the marked managerial instability in Migdal Insurance.

In his letter, the Commissioner reviewed Migdal Insurance's response dated February 22, 2024, noting that he had not yet been notified of the changes that have been made and were expected to be made in the composition of Migdal Insurance's Board of Directors and mentioned the fact that, according to the regulations, Migdal Insurance's Board of Directors should determine the Board's composition, including the desired number of its members, and that an inappropriate application of the provisions of the law could contradict the aims of the Financial Services Supervision Law (Insurance), 1981 (hereinafter - the "**Supervision Law**"), including ensuring the proper management of Migdal Insurance. In the Letter Regarding the Composition of the Board, the Commissioner notified that the review of Migdal Insurance's requests to change the composition of the Board of Directors will be made by the Commissioner only after a detailed response has been submitted by Migdal Insurance regarding the eventual composition of Migdal Insurance's Board of Directors, the number of its members and the extent to which it complies with the various legal provisions.

The Company disagrees with the alleged assumptions of the Commissioner in the Letter Regarding the Composition of the Board and reserves all its rights and claims. Without detracting from the aforementioned, in the Company's position, among other things, the current board of Migdal Insurance is an independent board, whose composition complies with the various legal provisions, as well as the provisions of expertise required by law and that, as detailed in the reply letter dated February 22, 2024, even after the appointment of additional directors For Migdal Insurance, to the extent that it is appointed, Migdal Insurance will comply with all the provisions of the law and the supervisor concerning the composition of the Board of Directors that apply to it.

Further to the above, on June 3, 2024, Migdal Insurance's Chairman of the Board sent the Commissioner a letter in response to the Letter Regarding the Composition of the Board, in which it was stated that Migdal Insurance acted with complete transparency towards the Capital Market Authority, and presented to it the desired composition of Migdal Insurance's board of directors (nine members, including at least three women and four independent directors, subject to meeting the terms and conditions of professional expertise as required). Migdal Insurance's Chairman of the Board also stated in his letter that, during his term of office until February 2024, the Board of Directors of Migdal Insurance appointed nine members and that, as of this date, Migdal Insurance's Board of Directors appointed seven members, due to the recent changes in the identity of the members of the Board of Directors resulting from the non-renewal of the terms of office of two directors - as resolved by the general meeting of Migdal Insurance, the resignation of an additional director and the appointment of another independent director. According to the letter, after receiving the Capital Market Authority's decision on the two applications submitted to it (approval of the appointment of the Company's CEO as a director of Migdal Insurance and approval of the castling request (as defined in Section 41.2.2.I of the Description of the Corporation's Business in the Periodic Report), Migdal Insurance's Board of Directors may be expanded subject to a resolution by the general meeting of Migdal Insurance and non-objection of the Capital Market Authority. The said letter also stated that the current composition of Migdal Insurance's Board of Directors is appropriate and complies with the requirements of the Law, including the Commissioner's guidance for Migdal Insurance dated July 28, 2023.

For details, see Sections 41.2.2(i) and 41.4 to the Description of the Corporation's Business in the Periodic Report and immediate reports of the Company dated February 20, 2024 (Ref. No. 2024-01-017901), May 16, 2024 (Ref. No.: 2024-01-047818), and June 4, 2024 (Ref. No.: 2024-01-056827), included in this report by way of reference.

6.3.5. On October 15, 2024, the annual general meeting of Migdal Insurance resolved to reappoint the current directors of Migdal Insurance (who are not independent directors), Mr. Avraham Dotan and Mr. Gad Nussbaum, for another term of office until the next annual general meeting. Since Prof. Amir Barnea was initially appointed as Chairman of the Board of Migdal Insurance for a period of three years, he continues his tenure.

6.3.6. In October 2024, Ms. Meirav Ben Cnann Heller - an independent director in Migdal Insurance - informed Prof. Amir Barnea - Chairman of the Board of Migdal Insurance - of her wish to end her tenure as an independent director in Migdal Insurance, since lately she was presented with relevant business opportunities in her capacity as a financial advisor, which will not allow her to continue serving as a director in Migdal Insurance. In order to allow Migdal Insurance to make the required preparations, Ms. Ben Cnann Heller agreed to the request of the Chairman of the Board of Migdal Insurance to continue serving in the Board through the end of February 2025.

6.3.7. In October 2024, following Ms. Ben Cnann Heller's notice of ending her tenure as an independent director, as detailed in Section 6.3.6 above, and following the end of Ms. Ronit Bodo's third term in office as an independent director on April 5, 2025, the Board of Directors of Migdal Insurance appointed a search committee to search for relevant candidates for service as independent directors in Migdal Insurance instead of the directors, whose tenure is due to end.

6.3.8. In November 2024 Ms. Maayan Cohen Moalem's tenure as an independent director in Migdal Insurance was renewed, after receipt of the Commissioner's non-objection notice in September 2024.

6.4. The Company's Compensation Policy

The Company's General Meeting initially adopted a Compensation Policy in September 2013, after approval of its Board of Directors and the recommendations of its Compensation Committee. The Compensation Policy was revised from time to time, and its latest revision came into effect on July 5, 2023, upon its approval by the General Meeting of the Company's shareholders; the Compensation Policy will be in effect through February 10, 2026 (hereinafter - the "**Existing Compensation Policy**").

On November 20, 2024, after receiving the recommendation of the Compensation Committee, the Company's Board of Directors approved the revision of the Existing Compensation Policy (hereinafter - the "**Revised Compensation Policy**"), subject to its approval by the General Meeting. For details about the change proposed in the Revised Compensation Policy compared to the wording of the Existing Compensation Policy, see the meeting summons report, which is published concurrently with the publication of this report and included herein by way of reference.

It is noted that concurrently with the revision of the Existing Compensation Committee, on November 20, 2024 Migdal Insurance's Board of Directors approved an amendment to the Compensation Policy of the institutional entities for 2023 to 2025, after it received the recommendation of Migdal Insurance's Compensation Committee. Highlights of the Compensation Policy of the institutional entities are published on Migdal Insurance's website, in the following link:

https://www.migdal.co.il/about/reward-policy

For details, see Note 9N to the Financial Statements.

6.5. Details regarding implementation of an equity compensation plan in the Group

Further to that which is stated in Section 32.6.2 to the chapter Description of the Corporation's Business in the Periodic Report regarding the approval of an equity compensation plan for the Group and allocation of options thereunder, on May 23, 2024, the Company's Board of Directors, in accordance with the powers conferred thereon, and subsequent to approval by the Company's Compensation Committee, decided to push forward the vesting date of part of the second tranche of the options allocated to a former officer in the Company and Migdal Insurance (out of a total of 567,874 options allocated in three annual tranches), due to her expected departure upon reaching retirement age, after a long tenure and following a decision to further postpone the date of the actual termination of the employment relationship. The calculation of the number of the aforementioned options is based on the period in which the employee-employer relationship with the officer exists out of the entire vesting period of the second tranche of options to which she is entitled. The acceleration complies with the terms and conditions of the compensation policy and the terms and conditions of the equity compensation plan adopted by the Company and Migdal Insurance; for details, see the immediate reports of the Company dated May 23, 2024 (Ref. No.: 2024-01-051223) and from July 17, 2024 (Ref. No.: 2024-01 -074893), included in this report by way of reference.

On the same date, May 23, 2024, the Company's Board of Directors, after approval by the Compensation Committee, approved an additional allocation of 721,968 options to a officer who then served as an officer of Migdal Insurance (who is not a director or CEO) who, since August 18, 2024, also serves as an officer of the Company, in accordance with the Company's compensation plan and under the same terms and conditions detailed in the private offering report (the offering is neither material nor extraordinary) dated May 23, 2024 (Ref. No.: 2024-01-051244) and the Company's additional immediate report published regarding the said private offering dated July 17, 2024 (Ref. No.: 2024-01-074893), included in this report by way of reference.

For further details, see Note 9H to the Financial Statements.

For details regarding equity compensation for the Chairman of the Company’s Board of Directors, Mr. Ronni Gamzu, as part of the terms of his employment by the Company, see Note 9L to the Financial Statements.

6.6. Changes in the Group’s officers

6.6.1. Changes in the Company’s officers

(a) In June 2024, Ms. Tali Kassif ended her service as the Corporate Secretary.

(b) On August 19, 2024, Mr. Tal Cohen ended his service in the Group (as the Company’s CFO and Head of the Finance and Resources Division of Migdal Insurance), and as from that date, Mr. David Saban has been serving as the Company's CFO, Head of the Finance and Resources Division of Migdal Insurance and other positions in the Group.

For details, see the Company's immediate reports dated February 20, 2024 (Ref. No.: 2024-01-017892), April 21, 2024 (Ref. No. 2024-01-039757), and August 5, 2024 (Ref. No.: 2024- 01-083524 and 2024-01-083533), included in this report by way of reference.

6.6.2. Changes in Migdal Insurance’s officers

(a) On January 31, 2024, Migdal Insurance’s Board of Directors approved the appointment of Mr. David Santori as a Supervising Actuary of Life Insurance in Migdal Insurance, which came into effect on April 18, 2024, after receiving the Commissioner’s notice of non-objection to the said appointment,, subject to assistance by another actuary for a period of one year from the appointment’s effective date.

(b) In January 2024, Ms. Anat Atlas, Head of the Business Development, Data and Digital Division at Migdal Insurance, announced her wish to end her term of office effective January 31, 2024. For organizational change due to the above, see Section 32.3 under Description of the Corporation's Business in the Periodic Report.

(c) Concurrently with the end of Ms. Tali Kassif’s tenure as the Corporate Secretary and the end of Mr. Tal Cohen’s service as the Company’s CFO as detailed in Section 6.6.1 above, their tenure in Migdal Insurance has also ended. On August 19, 2024, Mr. David Saban started his tenure as the Head of the Finance and Resources Division of Migdal Insurance, concurrently with his tenure as the Company's CFO.

(d) Ms. Ron Regev, the Head of the Long-Term Savings & Health Operation Division in Migdal Insurance ended her tenure at the end of October 2024, and as from November 3, 2024, Ms. Sandra Oren has been serving as the Head of the Long-Term Savings & Health Operation Division instead of Ms. Ron Regev.

6.7. Additional changes in the Company

In July 2024, Ms. Sarit Perlmutter Sugarman was appointed as the Company's Secretary and Corporate Governance Supervisor, in place of Ms. Kassif, who ended her term of office as Corporate Secretary in June 2024, as stated in Section 6.6.1(a) above.

6.8. Letters from the Capital Markets Authority

6.8.1. Further to that which is stated in Section 41.3 to the chapter Description of the Corporation's Business in the Periodic Report - regarding inquiries by the Capital Market Authority in which allegations were made regarding the stability and proper management of Migdal Insurance as well as its corporate governance, as to guidance issued by the Commissioner following written and oral discussions between the Capital Market Authority and the Company and Migdal Insurance (hereinafter - the "**Commissioner's Guidance**"), and regarding a petition filed by the Company against the Commissioner's Guidance - on February 14, 2024, the court issued a ruling reversing the guidance regarding the separation of the place of residence of the Chairman of the Company's Board of Directors from the place of residence of the officers of Migdal Insurance. In addition, the petition regarding the other guidance issued by the Commissioner - regarding which the Company notified in the hearing on the petition and after hearing the court's comments that it did not comply with the remedies pertaining thereto - was dismissed, with the court commenting that the Company's notice did not detract from the Company's ability to apply to the Commissioner in the future regarding the effective period of these provisions, without the court expressing any opinion in this regard. For details, see the Company's immediate reports dated August 30, 2023 (Ref. No.: 2023-01-100662), September 10, 2023 (Ref. No.: 2023-01-104970), September 26, 2023 (Ref. No.: 2023-01- 109452 and 2023-01-109503), February 13, 2024 (Ref. No. 2024-01-015759) and February 15, 2024 (Ref. No.: 2024-01-016485), included in this report by way of reference.

6.8.2. Further to that which is stated in Section 41.2.2(d) of the chapter Description of the Corporation's Business in the Periodic Report, regarding the Commissioner's notice dated July 28, 2023, regarding his intention to oppose the appointment of Mr. Yossi Ben Baruch, the Company's CEO, as a director in Migdal Insurance (hereinafter - the "**Pre-Hearing Letter**"), on May 15, 2024, the Commissioner sent another letter to Mr. Ben Baruch. In the letter, the Commissioner stated, among other things, that - based on the Commissioner's claims in the pre-hearing letter and developments that have taken place at Migdal Insurance since the hearing, and further to that which is stated in the Letter Regarding the Composition of the Board (see Section 6.3.4 above) regarding the lack of accurate and relevant information on the expected composition of Migdal Insurance's Board of Directors, the expertise of its members and compliance with the provisions of the law, and the Commissioner's request that Migdal Insurance provide such information - it is impossible, at this time, to continue discussing the request to approve the tenure of Mr. Ben Baruch as a director at Migdal Insurance, since examining the composition of the Board of Directors is one of the key considerations in examining his suitability for the position. For details, see Section 41.2.2(d) to Chapter A of the Periodic Report and immediate reports of the Company dated July 30, 2023 (Ref. No.: 2023-01-086409) and May 16, 2024 (Ref. No.: 2024-01-047818), included in this report by way of reference.

The Company disagrees with the alleged assumptions of the Commissioner in his said letter dated May 15, 2024 and reserves all its rights and claims. Without detracting from the aforementioned, regarding the candidate, the Company had selected him to serve as a director of Migdal Insurance precisely due to his skills, experience, expertise and expected contribution to Migdal Insurance's Board of Directors, and the Company believes that he meets all the requirements of the law for his appointment as a director, as stated, and that there is no conflict of interest between him and Migdal Insurance.

Further to the aforementioned, in June 2024, Mr. Ben Baruch filed a petition with the District Court in Jerusalem, sitting as an administrative court (hereinafter - the "**Petition**"), to order that the deadline for the Commissioner's objection (as defined by law) to the appointment of Mr. Ben

Baruch as a director in Migdal Insurance has passed and expired, and therefore, under law, his appointment was completed both procedurally and substantively, and alternatively, that the Commissioner and the Capital Market Authority's intention to oppose the appointment of Mr. Ben Baruch as a director in Migdal Insurance did not mature into an objection as defined by law and that, in view of the Authority's reasons to conduct the hearing held for Mr. Ben Baruch and as part of the hearing, there is no longer any impediment to the immediate beginning of his term as a director in Migdal Insurance.

In the petition, the legal and factual grounds underlying the requested remedies are detailed. In addition, the petition includes detailed reasoning for dismissing the Commissioner's claims and details of Mr. Ben Baruch's rich experience, his suitability for the position of director in Migdal Insurance and his obligation to act as a director in Migdal Insurance to ensure its success and to uphold the interests of its policyholders and planholders. The Company and Migdal Insurance were added as respondents to the petition and submitted their response. For details, see the Company's immediate report dated June 5, 2024 (Ref. No.: 2024-01-057349), included in this report by way of reference.

On November 12, 2024, the court heard the petition; at the end of the hearing the court ruled, at the agreement of the parties, that it will be notified - by January 1, 2025 - whether the Commissioner's position regarding the appointment of Mr. Ben Baruch as a director in Migdal Insurance has been allowed; and that the parties will notify the court - by January 7, 2025 - whether the court is required to hand down a judgment regarding the petition.

6.8.3. In another letter sent to by the Commissioner to Migdal Insurance, on May 15, 2024, the Commissioner notified that the Capital Market Authority intends to conduct an audit at Migdal Insurance regarding corporate governance, through employees of the Capital Market Authority and an external auditor, in accordance with the power of the Commissioner according to Sections 50(a) and 97 of the Supervision Law.

On June 3, 2024, Migdal Insurance's Chairman of the Board requested that the Capital Market Authority reconsider the need for an audit at Migdal Insurance, and if the Authority deems otherwise, that the topics of the audit will be focused, that the audit period shall be limited to the current period and conducted taking into account the numerous comprehensive inspections that have been conducted at Migdal Insurance with respect to corporate governance matters as well as the various processes promoted by Migdal Insurance. The Authority did not accept the aforementioned request and began the audit.
For details, see the Company's immediate report dated June 4, 2024 (Ref. No.: 2024-01-056827), included in this report by way of reference.

7. Effectiveness of Internal Control over Financial Reporting and Disclosure

Management, under the supervision of the Board of Directors, performed an examination and assessment of the internal control over financial reporting and disclosure and their effectiveness. The assessment includes: entity-level controls (ELCs), financial statement close process controls, general IT controls (ITGCs) and controls over highly material processes (performed by Migdal Insurance).

In addition to the officers' statements and the report on the effectiveness of controls required in accordance with the Securities Regulations, attached are statements, reports and disclosures regarding internal control of the consolidated institutional entities to which the Commissioner's Directives apply. These are attached in Chapters 4 and 5 to this report.

Information required according to the Commissioner's circular

The Group's institutional entities adopted the internal control model of COSO - the Committee of Sponsoring Organization of the Treadway Commission - which is a generally accepted framework for assessment of internal controls.

7.1. Disclosure controls and procedures

Managements of the Group’s institutional entities, together with their CEOs and CFOs, respectively, assessed - as of the end of the Reporting Period - the effectiveness of the controls and procedures concerning the said institutional entities’ disclosure in their financial statements. Based on this assessment, the CEOs and CFOs of the institutional entities in the Group, respectively, concluded that, as of the end of this period, the controls and procedures as to the institutional entities’ disclosure are sufficiently effective for recording, processing, summarizing, and reporting the information that the institutional entities are required to disclose in their quarterly report in accordance with the provisions of the law and the reporting provisions set by the Commissioner of the Capital Market, Insurance, and Savings and on the date set out in these provisions.

7.2. Internal controls over financial reporting

During the Reporting Period ending June 30, 2024, no changes took place in the internal control over financial reporting of the Group’s institutional entities that had a material effect, or is expected to have a material effect, on the institutional entities’ internal control over financial reporting. The statements, reports and disclosures required with reference to the relevant processes are attached to the financial statements of the Group’s institutional entities.

The Board of Directors wishes to thank the managements of the Group’s companies, the Group's employees and its agents for their contribution to its achievements.

Prof. Ronni Gamzu	**Yossi Ben Baruch**
Chairman of the Board	CEO

November 20, 2024

Consolidated Financial Statements

Migdal Insurance and Financial Holdings Ltd.

Condensed Consolidated Interim Financial Statements

As of September 30, 2024

Unaudited

Migdal Insurance and Financial Holdings Ltd.

Consolidated Financial Statements as of September 30, 2024

Unaudited

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Review Report of the Independent Auditors to the Shareholders of Migdal Insurance and Financial Holdings Ltd.

Introduction

We have reviewed the accompanying financial information of Migdal Insurance and Financial Holdings Ltd. and its subsidiaries (hereinafter - the "**Group**"), including the Condensed Consolidated Statement of Financial Position as of September 30, 2024 and the Condensed Consolidated Statements of Profit and Loss, Comprehensive Income, Changes in Equity and Cash Flows for the nine- and three-month periods then ended. The Board of Directors and management are responsible for the preparation and presentation of financial information for these interim periods in accordance with the Israel Securities Regulations (Periodic and Immediate Reports), 1970, which pertain to holding companies of insurers, as described in Note 2.A to the Financial Information. Our responsibility is to express a conclusion regarding the financial information for this interim period based on our review.

Review Scope

We performed our review pursuant to Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of inquiries, mostly of persons responsible for financial and accounting issues, and of applying analytical and other review procedures. A review is substantially smaller in scope than an audit performed pursuant to generally accepted auditing standards in Israel and, as a result, does not enable us to obtain assurance that we would become aware of all significant matters that may be identified in an audit. Consequently, we are not expressing an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the abovementioned financial information does not comply, in all material respects, with the Israel Securities Regulations (Periodic and Immediate Reports), 1970, which pertain to insurers' holding companies, as described in Note 2.A to the financial information.

Emphasis of matter

Without qualifying the above conclusion, we draw attention to that which is stated in Note 8 to the Financial Statements regarding exposure to contingent liabilities.

Tel Aviv,	Somekh Chaikin	Kost Forer Gabbay & Kasierer
November 20, 2024	Certified Public Accountants	Certified Public Accountants

Joint Independent Auditors

Condensed Consolidated Interim Statements of Financial Position

	As of September 30		As of December 31
	2024	2023	2023
	Unaudited		Audited
	NIS thousand		
Assets			
Intangible assets	1,678,425	1,522,650	1,570,616
Deferred tax assets	9,544	63,076	16,582
Deferred acquisition costs	2,451,172	2,218,164	2,204,801
Fixed assets	1,298,686	1,275,091	1,325,239
Investments in associates	20,493	19,683	19,097
Investment property in respect of yield-dependent contracts	9,244,696	8,669,079	8,972,287
Investment property - other	1,136,297	1,005,905	1,090,537
Reinsurance assets	1,643,378	1,527,387	1,548,933
Current tax assets	125,915	189,100	62,837
Receivables and debit balances	3,032,504	4,397,268	1,121,125
Premiums collectible	668,890	875,181	588,292
Financial investments in respect of yield-dependent contracts	119,906,581	114,970,224	116,891,056
Other financial investments:			
Liquid debt assets	16,784,263	15,067,253	16,032,719
Illiquid debt assets	28,308,002	27,302,842	27,065,496
Shares	322,449	247,559	258,555
Other	6,990,287	6,286,152	6,588,765
Total other financial investments	52,405,001	48,903,806	49,945,535
Cash and cash equivalents in respect of yield-dependent contracts	19,006,234	14,671,283	16,580,074
Other cash and cash equivalents	2,580,505	2,950,940	2,922,734
Total assets	215,208,321	203,258,837	204,859,745
Total assets for yield-dependent contracts in a consolidated insurance company	150,485,061	142,338,028	143,126,392

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Financial Position

	As of September 30		As of December 31
	2024	2023	2023
	Unaudited		Audited
	NIS thousand		
Equity and liabilities			
Equity			
Share capital	110,629	110,629	110,629
Share premium	273,735	273,735	273,735
Capital reserves	(163,433)	(106,034)	(78,784)
Retained earnings	8,840,109	7,865,261	8,283,142
Total equity attributable to Company's shareholders	9,061,040	8,143,591	8,588,722
Non-controlling interests	9,079	9,113	9,870
Total equity	9,070,119	8,152,704	8,598,592
Liabilities			
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	45,310,397	43,624,955	43,656,181
Liabilities in respect of insurance contracts and yield-dependent investment contracts	148,839,418	138,143,954	140,210,405
Liabilities in respect of deferred taxes	381,285	285,239	293,995
Liabilities for employee benefits, net	308,314	287,411	300,501
Liability for current taxes	18,514	6,636	5,335
Payables and credit balances	2,465,847	2,523,493	4,435,243
Financial liabilities	8,814,427	10,234,445	7,359,493
Total liabilities	206,138,202	195,106,133	196,261,153
Total equity and liabilities	215,208,321	203,258,837	204,859,745

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

November 20, 2024			
Approval date of the financial statements	Prof. Ronni Gamzu Chairman of the Board	Yossi Ben Baruch CEO	David Saban CFO

Condensed Consolidated Interim Statements of Profit and Loss

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS thousand				
Premiums earned, gross	9,042,983	9,423,700	3,037,300	3,232,180	12,574,699
Premiums earned by reinsurers	769,725	677,756	264,789	223,488	878,336
Premiums earned - retention	8,273,258	8,745,944	2,772,511	3,008,692	11,696,363
Investment income, net and finance income	15,098,921	10,501,840	6,525,991	2,095,902	14,546,309
Income from management fees	1,447,222	1,326,442	496,359	452,370	1,775,869
Income from fees and commissions	343,110	311,731	98,336	91,941	388,564
Other income	55,800	54,302	18,253	18,725	72,966
Total income	25,218,311	20,940,259	9,911,450	5,667,630	28,480,071
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	22,131,477	18,645,567	9,147,753	4,565,661	24,761,243
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	495,930	514,244	199,470	149,042	692,533
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	21,635,547	18,131,323	8,948,283	4,416,619	24,068,710
Fees and commissions, marketing expenses and other purchase expenses	1,521,992	1,478,023	521,369	514,029	2,009,225
General and administrative expenses	977,530	900,351	337,864	305,856	1,246,032
Other expenses	13,203	21,946	4,532	4,770	26,312
Finance expenses	201,190	198,539	69,871	68,238	262,013
Total expenses	24,349,462	20,730,182	9,881,919	5,309,512	27,612,292
Share in profit (loss) of equity-accounted investees	1,084	(2,502)	410	343	(2,281)
Profit before taxes on income	869,933	207,575	29,941	358,461	865,498
Taxes on income	293,143	62,580	9,432	134,333	276,770
Income for the period	576,790	144,995	20,509	224,128	588,728
Attributable to:					
Company's shareholders	575,116	144,233	20,266	224,211	587,178
Non-controlling interests	1,674	762	243	(83)	1,550
Income for the period	576,790	144,995	20,509	224,128	588,728
Basic diluted earnings per share attributable to the Company's shareholders (in NIS)	0.55	0.14	0.02	0.22	0.56

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Comprehensive Income

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS thousand				
Income for the period	576,790	144,995	20,509	224,128	588,728
Other comprehensive income (loss)					
Other comprehensive income (loss) items that, subsequent to initial recognition in comprehensive income, were or will be carried to profit and loss					
Net change in fair value of available for sale financial assets, carried to other comprehensive income	(622,464)	(476,196)	180,202	(453,857)	(534,404)
Net change in fair value of available for sale financial assets carried to profit and loss	484,981	368,988	225,518	82,223	423,140
Impairment loss of available-for-sale financial assets carried to profit and loss	3,207	15,081	-	10,239	17,239
Foreign currency translation differences in respect of foreign operations	995	1,067	(184)	434	361
Tax effect on available-for-sale financial assets	51,161	31,411	(140,980)	123,447	32,306
Tax effect on other components of other comprehensive income	(341)	(365)	64	(148)	(124)
Total other comprehensive income (loss) items that, subsequent to initial recognition in comprehensive income, were or will be carried to profit and loss, net of tax	(82,461)	(60,014)	264,620	(237,662)	(61,482)
Other comprehensive income (loss) items not transferred to profit and loss					
Actuarial income (loss) in respect of defined benefit plans	-	-	-	-	(3,555)
Revaluation of fixed assets	-	-	-	-	36,148
Tax effect	(199)	-	-	-	(7,201)
Other comprehensive income (loss) for the period, not transferred to profit and loss, net of tax	(199)	-	-	-	25,392
Other comprehensive income (loss), net of tax	(82,660)	(60,014)	264,620	(237,662)	(36,090)
Comprehensive income (loss) for the period	494,130	84,981	285,129	(13,534)	552,638
Attributable to:					
Company's shareholders	492,456	84,219	284,886	(13,451)	551,119
Non-controlling interests	1,674	762	243	(83)	1,519
Comprehensive income (loss) for the period	494,130	84,981	285,129	(13,534)	552,638

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to the Company's shareholders												
			Capital reserves										
	Share capital	Share premium	Available for sale financial assets	Investment revaluation subsequent to assuming control	Trans-actions with non-controlling interests	Share-based payment	Tran-slation of foreign operations	Re-valuation	Retained earnings	Total	Non-controlling interests	Total equity
	NIS thousand											
Balance as of January 1, 2024 (audited)	110,629	273,735	(526,549)	6,989	(1,735)	6,455	(756)	436,812	8,283,142	8,588,722	9,870	8,598,592
Income for the period	-	-	-	-	-	-	-	-	575,116	575,116	1,674	576,790
Other comprehensive income (loss), net of tax	-	-	(83,115)	-	-	-	654	-	(199)	(82,660)	-	(82,660)
Total comprehensive income (loss)	-	-	(83,115)	-	-	-	654	-	574,917	492,456	1,674	494,130
Share-based payment	-	-	-	-	-	6,732	-	-	-	6,732	-	6,732
Transfer from revaluation reserve in respect of revaluation of fixed assets, at the depreciation amount	-	-	-	-	-	-	-	(7,050)	7,050	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(25,000)	(25,000)	-	(25,000)
Dividend to non-controlling interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(2,465)	(2,465)
Acquisition of non-controlling interests	-	-	-	-	(1,870)	-	-	-	-	(1,870)	-	(1,870)
Balance as of September 30, 2024 (unaudited)	110,629	273,735	(609,664)	6,989	(3,605)	13,187	(102)	429,762	8,840,109	9,061,040	9,079	9,070,119

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to the Company's shareholders											
			Capital reserves									
	Share capital	Share premium	Available for sale financial assets	Investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation of foreign operations	Revaluation	Retained earnings	Total	Non-controlling interests	Total equity
	NIS thousand											
Balance as of January 1, 2023 (audited)	110,629	273,735	(464,830)	6,989	(1,735)	-	(993)	417,779	7,746,574	8,088,148	8,351	8,096,499
Income for the period	-	-	-	-	-	-	-	-	144,233	144,233	762	144,995
Other comprehensive income (loss), net of tax	-	-	(60,716)	-	-	-	702	-	-	(60,014)	-	(60,014)
Total comprehensive income (loss)	-	-	(60,716)	-	-	-	702	-	144,233	84,219	762	84,981
Share-based payment	-	-	-	-	-	3,224	-	-	-	3,224	-	3,224
Transfer from revaluation reserve in respect of revaluation of fixed assets, at the depreciation amount	-	-	-	-	-	-	-	(6,454)	6,454	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(32,000)	(32,000)	-	(32,000)
Balance as of September 30, 2023 (unaudited)	110,629	273,735	(525,546)	6,989	(1,735)	3,224	(291)	411,325	7,865,261	8,143,591	9,113	8,152,704

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to the Company's shareholders											
			Capital reserves									
	Share capital	Share premium	Available for sale financial assets	Investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation of foreign operations	Revaluation	Retained earnings	Total	Non-controlling interests	Total equity
	NIS thousand											
Balance as of July 1, 2024 (unaudited)	110,629	273,735	(874,404)	6,989	(3,605)	11,841	18	432,127	8,817,478	8,774,808	10,573	8,785,381
Income for the period	-	-	-	-	-	-	-	-	20,266	20,266	243	20,509
Other comprehensive income (loss), net of tax	-	-	264,740	-	-	-	(120)	-	-	264,620	-	264,620
Total comprehensive income (loss)	-	-	264,740	-	-	-	(120)	-	20,266	284,886	243	285,129
Share-based payment	-	-	-	-	-	1,346	-	-	-	1,346	-	1,346
Transfer from revaluation reserve in respect of revaluation of fixed assets, at the depreciation amount	-	-	-	-	-	-	-	(2,365)	2,365	-	-	-
Dividend to non-controlling interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,737)	(1,737)
Balance as of September 30, 2024 (unaudited)	110,629	273,735	(609,664)	6,989	(3,605)	13,187	(102)	429,762	8,840,109	9,061,040	9,079	9,070,119

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to the Company's shareholders											
			Capital reserves									
	Share capital	Share premium	Available for sale financial assets	Investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation of foreign operations	Revaluation	Retained earnings	Total	Non-controlling interests	Total equity
	NIS thousand											
Balance as of July 1, 2023 (unaudited)	110,629	273,735	(287,598)	6,989	(1,735)	838	(577)	413,500	7,638,875	8,154,656	9,196	8,163,852
Profit (loss) for the period	-	-	-	-	-	-	-	-	224,211	224,211	(83)	224,128
Other comprehensive income (loss), net of tax	-	-	(237,948)	-	-	-	286	-	-	(237,662)	-	(237,662)
Total comprehensive income (loss)	-	-	(237,948)	-	-	-	286	-	224,211	(13,451)	(83)	(13,534)
Share-based payment	-	-	-	-	-	2,386	-	-	-	2,386	-	2,386
Transfer from revaluation reserve in respect of revaluation of fixed assets, at the depreciation amount	-	-	-	-	-	-	-	(2,175)	2,175	-	-	-
Balance as of September 30, 2023 (unaudited)	110,629	273,735	(525,546)	6,989	(1,735)	3,224	(291)	411,325	7,865,261	8,143,591	9,113	8,152,704

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to the Company's shareholders											
			Capital reserves									
	Share capital	Share premium	Available for sale financial assets	Investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation of foreign operations	Re-valuation	Retained earnings	Total	Non-controlling interests	Total equity
	NIS thousand											
Balance as of January 1, 2023 (audited)	110,629	273,735	(464,830)	6,989	(1,735)	-	(993)	417,779	7,746,574	8,088,148	8,351	8,096,499
Income for the period	-	-	-	-	-	-	-	-	587,178	587,178	1,550	588,728
Other comprehensive income (loss), net of tax	-	-	(61,719)	-	-	-	237	27,660	(2,237)	(36,059)	(31)	(36,090)
Comprehensive income (loss)	-	-	(61,719)	-	-	-	237	27,660	584,941	551,119	1,519	552,638
Share-based payment	-	-	-	-	-	6,455	-	-	-	6,455	-	6,455
Transfer from revaluation reserve in respect of revaluation of fixed assets, at the depreciation amount	-	-	-	-	-	-	-	(8,627)	8,627	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	(57,000)	(57,000)	-	(57,000)
Balance as of December 31, 2023 (audited)	110,629	273,735	(526,549)	6,989	(1,735)	6,455	(756)	436,812	8,283,142	8,588,722	9,870	8,598,592

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

Condensed Consolidated Interim Statements of Cash Flows

	Appendix	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
		2024	2023	2024	2023	2023
		Unaudited				Audited
		NIS thousand				
Cash flows from operating activities	A	1,518,233	216,096	(1,169,332)	(2,852,121)	2,442,957
Cash flows provided by investing activities						
Proceeds from disposal of investment in associate, less transaction costs		-	5,777	-	-	7,087
Investment in fixed assets		(24,720)	(28,373)	(2,492)	(7,379)	(38,106)
Investment in intangible assets		(211,695)	(190,228)	(83,160)	(69,729)	(254,002)
Dividend received from associates		683	787	83	238	888
Proceeds from disposal of fixed assets		53	98	-	-	100
Net cash used for investing activities		(235,679)	(211,939)	(85,569)	(76,870)	(284,033)
Cash flows provided by financing activities						
Liabilities for Repo in respect of insurance contracts and non-yield-dependent investment contracts, net		713,695	(9,855)	844,129	-	(9,855)
Proceeds from issue of bonds		420,622	659,682	-	659,682	659,682
Expenses for bonds issuance		(3,742)	(5,631)	-	(5,631)	(5,631)
Repayment of lease liability principal		(27,374)	(23,835)	(9,994)	(9,119)	(32,680)
Redemption of bonds		(403,861)	(1,902,809)	-	-	(1,902,809)
Change in short-term credit from banks and others, net		26	(48)	(19)	-	(94)
Acquisition of non-controlling interests		(1,870)	-	-	-	-
Dividend to non-controlling interests		(2,465)	-	(1,737)	-	-
Dividend		(25,000)	(32,000)	-	-	(57,000)
Net cash provided by (used for) financing activities		670,031	(1,314,496)	832,379	644,932	(1,348,387)
Effect of exchange rate fluctuations on balance of cash and cash equivalents		131,346	185,850	20,679	64,259	(54,441)
Increase (decrease) in cash and cash equivalents		2,083,931	(1,124,489)	(401,843)	(2,219,800)	756,096
Balance of cash and cash equivalents as of the beginning of the period	B	19,502,808	18,746,712	21,988,582	19,842,023	18,746,712
Balance of cash and cash equivalents as of the end of the period	C	21,586,739	17,622,223	21,586,739	17,622,223	19,502,808

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

MIGDAL Insurance and finance

Appendix A - Cash Flows from Operating Activities before Income Taxes [(1)]

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS thousand				
Income for the period	576,790	144,995	20,509	224,128	588,728
Items not involving cash flows					
Company's share in results of investees, net	(1,084)	2,502	(410)	(343)	2,281
Income, net on financial investments in respect of insurance contracts and yield-dependent investment contracts	(11,406,538)	(6,957,109)	(5,251,699)	(975,613)	(10,250,407)
Losses (gains), net on other financial investments					
Liquid debt assets	(306,203)	(368,696)	(70,828)	(137,880)	(372,655)
Illiquid debt assets	(1,962,586)	(1,856,857)	(756,082)	(536,126)	(2,191,871)
Shares	(922)	(9,236)	(319)	(936)	(11,437)
Other investments	(302,436)	217,234	(185,477)	57,675	(113,644)
Finance expenses for financial and other liabilities	29,296	36,713	11,334	12,973	46,695
Realized losses (gains)					
Intangible assets	-	8,805	-	479	8,774
Fixed assets	466	(59)	(11)	5	3
Change in fair value of investment property in respect of yield-dependent contracts	(44,961)	(66,295)	1,131	-	(153,981)
Change in fair value of other investment property	2,061	1,017	197	-	(11,348)
Depreciation and amortization					
Fixed assets	65,761	59,549	22,506	20,809	80,893
Intangible assets	96,928	82,825	34,954	30,021	109,801
Change in liabilities in respect of insurance contracts and yield-dependent investment contracts	8,629,013	5,114,674	4,039,403	31,513	7,181,125
Change in liabilities in respect of insurance contracts and non-yield-dependent investment contracts	1,654,216	1,745,870	976,298	255,586	1,777,096
Share-based payment transactions	6,732	3,224	1,346	2,386	6,455
Change in reinsurance assets	(94,445)	(125,724)	(85,681)	(12,510)	(147,270)
Change in deferred acquisition costs	(246,371)	(98,230)	(102,952)	(14,245)	(84,867)
Taxes on income	293,143	62,580	9,432	134,333	276,770
Changes in other on-balance sheet line items					
Financial investments and investment property in respect of yield-dependent contracts					
Acquisition of investment property	(227,448)	(476,889)	(55,822)	(54,265)	(692,411)
Sales (purchases), net of financial investments	5,190,457	(549,712)	205,423	(453,223)	(3,021,319)
Financial investments and other investment property					
Acquisition of investment property	(74,321)	(88,618)	(30,037)	(11,236)	(160,885)
Proceeds from sale of investment property	26,500	-	26,500	-	-
Acquisitions of financial investments, net	(1,641,080)	(656,721)	(1,450,570)	(894,341)	(1,886,181)
Premiums collectible	(80,598)	(110,661)	6,941	83,390	176,228
Receivables and debit balances	(1,911,367)	(454,060)	(879,599)	(1,996,768)	2,820,884
Payables and credit balances	(1,844,849)	325,839	284,268	138,679	2,326,240
Liabilities for employee benefits, net	7,813	556	(9,937)	(4,441)	10,091
Total adjustments required to present cash flows from operating activities	(4,142,823)	(4,157,479)	(3,259,691)	(4,324,078)	(4,274,940)
Cash paid and received during the period for					
Interest paid	(142,706)	(156,372)	(35,175)	-	(267,929)
Interest received[(2)]	2,108,334	1,975,030	536,210	412,667	3,056,053
Taxes received (taxes paid), net	(198,093)	(138,940)	69,666	3,097	(178,983)
Dividend received from financial investments	3,316,731	2,548,862	1,499,149	832,065	3,520,028
Net cash provided by (used for) operating activities	1,518,233	216,096	(1,169,332)	(2,852,121)	2,442,957

(1) The cash flows from operating activities include net purchases and sales of financial investments and investment property, which arise mainly from the activity in respect of insurance contracts and investment contracts.

(2) Excluding interest received on account of current accounts and deposits amounting to approx. NIS 731,886 thousand and approx. NIS 266,516 thousand for the nine and three-month periods ended September 30, 2024, approx. NIS 612,408 thousand and approx. NIS 219,137 thousand for the nine and three-month periods ended September 30, 2023, and approx. NIS 850,461 thousand for the year ended December 31, 2023.

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS thousand				
Appendix B - Cash and Cash Equivalents as of the Beginning of the Period					
Cash and cash equivalents in respect of yield-dependent contracts	16,580,074	14,715,486	18,726,175	16,707,175	14,715,486
Other cash and cash equivalents	2,922,734	4,031,226	3,262,407	3,134,848	4,031,226
	19,502,808	18,746,712	21,988,582	19,842,023	18,746,712
Appendix C - Cash and Cash Equivalents as of the End of the Period					
Cash and cash equivalents in respect of yield-dependent contracts	19,006,234	14,671,283	19,006,234	14,671,283	16,580,074
Other cash and cash equivalents	2,580,505	2,950,940	2,580,505	2,950,940	2,922,734
	21,586,739	17,622,223	21,586,739	17,622,223	19,502,808
Appendix D - Material Activity Not Involving Cash Flows					
Acquisition of fixed assets, intangible assets and investment property against payables	21,295	16,247	-	-	40,626
Recognition of right-of-use asset against a lease liability	27,612	43,982	13,288	15,981	56,675
Exchange of bonds by way of an exchange tender offer	-	-	-	-	503,027

The accompanying notes are an integral part of the Condensed Consolidated Interim Financial Statements.

NOTE 1 - GENERAL

A. The reporting entity

Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Company**") is an Israeli resident company incorporated in Israel, whose official address is 4 Efal St., Kiryat Aryeh, Petah Tikva. The Company's Condensed Consolidated Interim Financial Statements as of September 30, 2024 include the financial statements of the Company and its subsidiaries and investments in associates (hereinafter, jointly – the "**Group**"). The Group is mainly engaged in insurance, pension, provident and financial services activities. The securities of the Company are listed for trading on the Tel Aviv Stock Exchange.

B. Control of the Company

Mr. Shlomo Eliahu - who, jointly with Ms. Chaya Eliahu, holds approx. 60.90% of the Company's issued and paid-up share capital, through private companies under his control (Eliahu Issues Ltd. and Gan Ha'ir Project Ltd.) is the actual controlling shareholder of the Company.

As of the report date, Eliahu Issues Ltd. and Gan Ha'ir Project Ltd. (hereinafter – "**Eliahu Issues**") hold approx. 54.75% and approx. 6.15% of the Company's issued and paid-up share capital, respectively.

On September 15, 2024, Eliahu Issues sold 35,613,185 Company shares to an institutional entity at a price of NIS 4.577 per share. Eliahu Issues' holdings are as of this report publication date (as detailed above) are subsequent to the said sale of shares.

C. Effect of the Iron Swords War on the Company

On October 7, 2023, the Iron Swords War between the State of Israel and the Gaza-based "Hamas" terror organization broke out (hereinafter - the "**War**"). The State of Israel is in the midst of an ongoing war; lately, the intensity of the fighting in the northern front increased and tensions with Iran have heightened. The ongoing geopolitical uncertainty resulted in the downgrading of Israel's sovereign credit rating, and affected the State's risk premium, which continued to increase. By virtue of its activity, the Group is exposed to financial market volatility, a slowdown in the Israeli economy and other risks arising from the War.

Further to Note 1.C to the Company's Consolidated Financial Statements as of December 31, 2023 and for the year then ended no material changes took place in the Reporting Period in connection with the effects of the War on its financial results.

At this stage, there is significant uncertainty as to the development of the War, its scope and duration. Therefore, it is currently impossible to assess the full effect of the War on the Group and its results.

NOTE 2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

A. Preparation format of the Condensed Consolidated Interim Financial Statements

The Consolidated Interim Financial Statements of the Company have been drawn up in accordance with the provisions of the Securities Regulations (Periodic and Immediate Reports), 1970. In accordance with these provisions, those financial statements data that relate to a consolidated subsidiary, which falls within the scope of the definition of insurer, as defined in the Securities Regulations (Preparation of Annual Financial Statements), 2010 (hereinafter - the "**Preparation of Financial Statements Regulations**"), are drawn up in accordance with the requirements set by the Commissioner in accordance with the Financial Services Supervision Law (Insurance), 1981.

In accordance with requirements set by the Commissioner, the first-time application date of IFRS 17 regarding Insurance Contracts and IFRS 9 regarding Financial Instruments was postponed to January 1, 2025 (instead of the first-time application date that was set in the standard itself - January 1, 2023). Consequently, during the periods through the date of first-time application in Israel, those data in the financial statements that relate to a subsidiary, as stated above, continue to be drawn up in accordance with IFRS 4 regarding Insurance Contracts, and IAS 39, Financial Instruments (of 2017) - the standards superseded by IFRS 17 and IFRS 9, respectively.

For the other issues, including regarding the information in the financial statements that does not refer to said subsidiary meeting the definition of insurer, the consolidated interim financial statements are prepared in accordance with IAS 34, Interim Financial Reporting. In view of the above and in accordance with the provisions of the Preparation of Financial Statements Regulations in combination with the provisions of Staff Position No. 10-99: "Application Issues in the Application of IFRS 17", which was published by the Israel Securities Authority staff, as from January 1, 2023, the Company's Consolidated Financial Statements do not fully comply with IFRS.

In addition, the financial statements were prepared in accordance with the disclosure provisions in Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, insofar as these regulations apply to a corporation consolidating an insurance company. The condensed financial statements should be read in conjunction with the Company's Consolidated Financial Statements as of December 31, 2023 and for the year then ended (hereinafter - the "**Annual Financial Statements**").

B. Use of estimates and judgments

In preparing the Condensed Consolidated Interim Financial Statements in accordance with the above, the Company's management is required to exercise discretion in assessments, estimates and assumptions that affect the implementation of the policy and the amounts of assets and liabilities, revenue and expenses. It is clarified that the actual results may differ from those estimates.

The judgment of management, when applying the Group's accounting policy and the principal assumptions used in assessments that involve uncertainty, are consistent with those used in the preparation of the annual financial statements.
Regarding the revision of the assumptions and discount rates used to calculate the contributions towards benefits and the liability adequacy testing, see Note 9.A.

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in the preparation of these Condensed Consolidated Interim Financial Statements is consistent with those applied in the preparation of the Consolidated Annual Financial Statements, except as detailed below.

A. Disclosure of the new IFRSs in the period prior to their application

For details regarding IFRS 17 - Insurance Contracts and IFRS 9, Financial Instruments, see Note 10.

IFRS 18, Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board (IASB) published IFRS 18 - Presentation and Disclosure in Financial Statements (hereinafter - the "**New Standard**") - which supersedes IAS 1 - Presentation of Financial Statements (hereinafter - "**IAS 1**").

The New Standard is aimed at improving the comparability and transparency of communication of financial statements.

The New Standard includes requirements previously included in IAS 1, and introduces new requirements on presentation within the statement of profit or loss, including the presentation of totals and subtotals required under the New Standard, disclosure of management-defined performance measures, and new requirements for the aggregation and disaggregation of financial information.

The New Standard does not change the provisions regarding recognition and measurement of items in the financial statements. However, since items in the statement of profit or loss must be classified into one of five categories (operating, investing, financing, income taxes, and discontinued operation), it may change the structure of the Company's statement of profit and loss. In addition, the publication of the New Standard triggered limited amendments to other accounting standards, including IAS 7 - Statement of Cash Flow - and IAS 34 - Interim Financial Reporting.

The New Standard was applied retrospectively as from annual periods beginning on January 1, 2027 or thereafter. In accordance with the resolution of the Israel Securities Authority, early application is permitted as from the period starting on January 1, 2025, provided a disclosure is made.

The Company is studying the effect - on the consolidated financial statements - of the New Standard, including the effect of consequential amendments to other accounting standards.

B. Details of the change rates in the Consumer Price Index and USD representative exchange rate

	CPI		USD representative exchange rate
	In lieu CPI	Known CPI	
		%	
For the nine months ended on			
September 30, 2024	3.4	3.5	2.3
September 30, 2023	2.8	3.2	8.7
For the three months ended			
September 30, 2024	1.3	1.6	(1.3)
September 30, 2023	0.6	0.7	3.4
For the year ended December 31, 2023	2.9	3.3	3.1

NOTE 4 - SEASONALITY

A. Life and Health Insurance

Income from life and health insurance premiums are not characterized by seasonality. However, since contributions towards life insurance and pension and provident funds benefit from tax benefits, a significant portion of the new sales take place mainly at the end of the year.

B. Property and Casualty Insurance

Gross income from premiums in property and casualty insurance is characterized by seasonality, mainly due to renewal of motor insurance policies of various groups of employees and businesses' vehicle fleets, whose renewal dates normally fall in January; seasonality is also caused by renewal of business insurance policies, which are typically renewed in January or April. The effect of this seasonality on the reported profit is neutralized through the provision for unearned premium.

Other expenses components, such as claims, and other income components, such as investment income, do not have significant seasonality, and therefore there is no significant seasonality in the income. However, it should be noted that a severe winter may trigger an increase in claims, mainly in the Motor Property subsegments, in the first and fourth quarters of the year, and as a consequence, a decrease in the reported income.

NOTE 5 - OPERATING SEGMENTS

A. General

The operating segments note includes several segments, which constitute strategic business units of the Group. These business units include a range of products; they are managed separately for the purposes of allocating resources and assessing performance. The underlying products of each segment are similar in terms of their nature, the manner of their distribution, customer mix, regulatory environment and long-term economic and demographic characteristics arising from similar exposure to insurance risks. In addition, the results of the investment portfolio held against the insurance liabilities may have a substantial effect on profitability.

The results of each segment include items attributed directly to the segment and items, which may be allocated on a reasonable basis.

The accounting principles applied in segment reporting correspond to the generally accepted accounting principles applied in the preparation and presentation of the Group's consolidated financial statements.

Inter-company movements take place between the segments, which include, among other things, interest calculated in accordance with the provisions of the law.

Migdal Insurance allocates the assets, which are not measured at fair value, in accordance with the provisions of the law regarding the allocation of assets upon calculation of LAT and in accordance with Migdal Insurance’s procedures; for details, see Note 37.B.3.b)(4) to the Annual Financial Statements. Accordingly, this allocation may have an effect on measuring investment income attributable to the various segments.

Subordinated notes, which serve Migdal Insurance’s capital requirements and finance expenses in respect thereof are allocated to the “not allocated to operating segments” column.

1. Life Insurance and Long-Term Savings Segment
   The Life Insurance and Long-Term Savings Segment includes the life insurance, pension and provident funds subsegments and focuses mainly on long-term savings (in the framework of various types of insurance policies, pension and provident funds including educational funds), as well as insurance coverage for various risks such as: death, disability, permanent health insurance, etc.

   In accordance with the Commissioner’s Directives, the Life Insurance and Long-Term Savings Segment is broken down into life insurance, pension funds and provident funds.

2. Health Insurance Segment
   The Health Insurance Segment consolidates the Group's entire activities in health insurance – the segment includes long-term care insurance, medical expense insurance, operations, transplants, dental insurance, etc.

3. Property and Casualty Segment
   The Property and Casualty Segment includes the Lability and Property subsegments. In accordance with the Commissioner’s Directives, the Property and Casualty Segment is broken down into the Compulsory Motor Insurance, Motor Property, Other Property, and Other Liability subsegments.

   - Compulsory Motor Subsegment
     The Compulsory Motor Subsegment focuses on coverage, the purchase of which by the vehicle owner or driver is mandatory, in respect of bodily injury caused as a result of the use of a motor vehicle (to the driver, passengers, or pedestrians).
   - Motor Property subsegment
     The Motor Property subsegment focuses on coverage against property damage to the policyholder’s vehicle and third-party property damage caused by the insured vehicle.
   - Other Liability subsegments
     The Liability subsegments provide coverage in respect of the policyholder’s liability for any third-party damage he/she may cause. These subsegments include:

     These subsegments include: employer liability, professional liability, third-party liability, product liability, vessel body and aircraft body insurance.
   - Property and Other Segment
     All other Property and Casualty insurance subsegments other than the Motor and Liability subsegments, including property loss insurance, comprehensive business insurance, mortgage banks, personal accidents, cargos in transit, engineering insurance and other risks.

NOTE 5 - OPERATING SEGMENTS (cont.)

A. General (cont.)

4. Financial Services Segment
This segment mainly includes financial assets management services and investment marketing (mainly management of mutual funds and portfolio management).

5. Other Operating Segments
Other Operating Segments include the results of the insurance agencies activity.

6. Activity not attributed to operating segments
This activity includes part of the Group's HQ function that is not attributed to the operating segments, activities which are ancillary/overlapping with the Group's activity and holding assets and liabilities against the share capital of Migdal Insurance.

NOTE 5 - OPERATING SEGMENTS (cont.)

B. Reportable segment

	For the nine-month period ended September 30, 2024							
	Life Insurance and Long-Term Savings	Health	Property and Casualty Insurance	Financial Services	Other Operating Segments	Not attributed to operating segments	Adjustments and offsets	Total
	Unaudited							
	NIS thousand							
Premiums earned, gross	5,704,464	1,511,843	1,826,676	-	-	-	-	9,042,983
Premiums earned by reinsurers	186,491	130,419	452,815	-	-	-	-	769,725
Premiums earned - retention	5,517,973	1,381,424	1,373,861	-	-	-	-	8,273,258
Investment income, net and finance income	14,295,427	390,787	196,503	3,852	8,531	280,484	(76,663)	15,098,921
Income from management fees	1,242,023	-	-	205,199	-	-	-	1,447,222
Income from fees and commissions	43,191	21,356	74,381	2,777	323,648	-	(122,243)*)	343,110
Other income	-	-	128	14,932	37,298	17,874	(14,432)	55,800
Total income	21,098,614	1,793,567	1,644,873	226,760	369,477	298,358	(213,338)	25,218,311
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	19,374,991	1,356,455	1,412,329	-	-	-	(12,298)	22,131,477
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	113,846	94,889	287,195	-	-	-	-	495,930
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	19,261,145	1,261,566	1,125,134	-	-	-	(12,298)	21,635,547
Fees and commissions, marketing expenses and other purchase expenses	684,774	413,512	359,063	53,110	130,446	-	(118,913)	1,521,992
General and administrative expenses	548,691	73,483	59,664	108,180	129,072	70,642	(12,202)	977,530
Other expenses	2,114	-	-	704	1,930	8,455	-	13,203
Finance expenses	41,303	2,762	11,879	125	2,923	210,008	(67,810)	201,190
Total expenses	20,538,027	1,751,323	1,555,740	162,119	264,371	289,105	(211,223)	24,349,462
Share in profits of equity-accounted investees	188	-	74	-	822	-	-	1,084
Profit (loss) before taxes on income	560,775	42,244	89,207	64,641	105,928	9,253	(2,115)	869,933
Other comprehensive income (loss) before taxes on income	(66,575)	(13,768)	(3,949)	-	53	(49,042)	-	(133,281)
Total comprehensive income (loss) for the period before income tax	494,200	28,476	85,258	64,641	105,981	(39,789)	(2,115)	736,652
Liabilities in respect of insurance contracts and yield-dependent investment contracts	145,246,370	3,593,048	-	-	-	-	-	148,839,418
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	35,611,384	3,320,538	6,378,475	-	-	-	-	45,310,397

*) Arises from income from fees and commissions received from the agencies owned by the Group, from the Life Insurance and Long-Term Savings activity - in the amount of NIS 87,625 thousand, from Health Insurance - NIS 19,118 thousand, from Property and Casualty - NIS 14,497 thousand and from Financial Services - NIS 1,003 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

B. Reportable Segment (cont.)

	For the nine-month period ended September 30, 2023							
	Life Insurance and Long-Term Savings	Health	Property and Casualty Insurance	Financial Services	Other Operating Segments	Not attributed to operating segments	Adjustments and offsets	Total
	Unaudited							
	NIS thousand							
Premiums earned, gross	6,302,448	1,454,101	1,667,151	-	-	-	-	9,423,700
Premiums earned by reinsurers	142,218	128,485	407,053	-	-	-	-	677,756
Premiums earned - retention	6,160,230	1,325,616	1,260,098	-	-	-	-	8,745,944
Investment income, net and finance income	10,043,915	220,068	134,849	5,036	1,415	177,420	(80,863)	10,501,840
Income from management fees	1,158,341	-	-	168,101	-	-	-	1,326,442
Income from fees and commissions	33,789	23,173	72,086	4,107	293,334	-	(114,758)*)	311,731
Other income	11	-	126	13,351	36,883	17,804	(13,873)	54,302
Total income	17,396,286	1,568,857	1,467,159	190,595	331,632	195,224	(209,494)	20,940,259
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	15,924,273	1,303,974	1,429,051	-	-	-	(11,731)	18,645,567
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	93,250	98,094	322,900	-	-	-	-	514,244
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	15,831,023	1,205,880	1,106,151	-	-	-	(11,731)	18,131,323
Fees and commissions, marketing expenses and other purchase expenses	683,879	398,740	333,317	49,802	123,644	-	(111,359)	1,478,023
General and administrative expenses	487,498	65,723	49,877	97,404	127,500	84,186	(11,837)	900,351
Other expenses	2,416	-	8,380	781	1,398	8,971	-	21,946
Finance expenses	51,719	3,075	16,710	106	39	199,636	(72,746)	198,539
Total expenses	17,056,535	1,673,418	1,514,435	148,093	252,581	292,793	(207,673)	20,730,182
Share in profits (losses) of equity-accounted investees	(3,975)	-	744	-	789	(60)	-	(2,502)
Profit (loss) before taxes on income	335,776	(104,561)	(46,532)	42,502	79,840	(97,629)	(1,821)	207,575
Other comprehensive income (loss) before taxes on income	(28,589)	(7,040)	(21,036)	-	104	(34,499)	-	(91,060)
Total comprehensive income (loss) for the period before income tax	307,187	(111,601)	(67,568)	42,502	79,944	(132,128)	(1,821)	116,515
Liabilities in respect of insurance contracts and yield-dependent investment contracts	134,918,905	3,225,049	-	-	-	-	-	138,143,954
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	34,804,345	2,921,073	5,899,537	-	-	-	-	43,624,955

*) Arises from income from fees and commissions received from the agencies owned by the Group, from the Life Insurance and Long-Term Savings activity - in the amount of NIS 84,859 thousand, from Health - NIS 17,339 thousand, from Property and Casualty - NIS 11,102 thousand and from Financial Services - NIS 1.458 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

B. Reportable Segment (cont.)

	For the three-month period ended September 30, 2024							
	Life Insurance and Long-Term Savings	Health	Property and Casualty Insurance	Financial Services	Other Operating Segments	Not attributed to operating segments	Adjustments and offsets	Total
	Unaudited							
	NIS thousand							
Premiums earned, gross	1,895,412	517,253	624,635	-	-	-	-	3,037,300
Premiums earned by reinsurers	61,868	45,781	157,140	-	-	-	-	264,789
Premiums earned - retention	1,833,544	471,472	467,495	-	-	-	-	2,772,511
Investment income, net and finance income	6,183,298	165,451	82,948	1,191	2,953	118,820	(28,670)	6,525,991
Income from management fees	428,108	-	-	68,251	-	-	-	496,359
Income from fees and commissions	13,702	7,664	19,948	469	97,350	-	(40,797)[*)]	98,336
Other income	-	-	57	5,114	12,050	5,900	(4,868)	18,253
Total income	8,458,652	644,587	570,448	75,025	112,353	124,720	(74,335)	9,911,450
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	8,075,511	489,505	586,892	-	-	-	(4,155)	9,147,753
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	39,772	35,272	124,426	-	-	-	-	199,470
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	8,035,739	454,233	462,466	-	-	-	(4,155)	8,948,283
Fees and commissions, marketing expenses and other purchase expenses	226,425	143,167	129,778	17,676	44,204	-	(39,881)	521,369
General and administrative expenses	195,749	24,020	22,882	36,922	40,634	21,715	(4,058)	337,864
Other expenses	705	-	-	243	797	2,787	-	4,532
Finance expenses	14,074	950	4,199	37	955	75,311	(25,655)	69,871
Total expenses	8,472,692	622,370	619,325	54,878	86,590	99,813	(73,749)	9,881,919
Share in profits of equity-accounted investees	203	-	80	-	127	-	-	410
Profit (loss) before taxes on income	(13,837)	22,217	(48,797)	20,147	25,890	24,907	(586)	29,941
Other comprehensive income before taxes on income	143,073	40,565	59,086	-	-	162,812	-	405,536
Total comprehensive income (loss) for the period before income tax	129,236	62,782	10,289	20,147	25,890	187,719	(586)	435,477
Liabilities in respect of insurance contracts and yield-dependent investment contracts	145,246,370	3,593,048	-	-	-	-	-	148,839,418
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	35,611,384	3,320,538	6,378,475	-	-	-	-	45,310,397

*) Arises from income from fees and commissions received from the agencies owned by the Group, from the Life Insurance and Long-Term Savings activity - in the amount of NIS 29,891 thousand, from Health - NIS 6,501 thousand, from Property and Casualty - NIS 4,359 thousand and from Financial Services - NIS 46 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

B. Reportable Segment (cont.)

	For the three-month period ended September 30, 2023							
	Life Insurance and Long-Term Savings	Health	Property and Casualty Insurance	Financial Services	Other Operating Segments	Not attributed to operating segments	Adjustments and offsets	Total
	Unaudited							
	NIS thousand							
Premiums earned, gross	2,172,834	493,191	566,155	-	-	-	-	3,232,180
Premiums earned by reinsurers	47,458	34,453	141,577	-	-	-	-	223,488
Premiums earned - retention	2,125,376	458,738	424,578	-	-	-	-	3,008,692
Investment income, net and finance income	1,988,227	48,727	35,546	2,063	538	51,794	(30,993)	2,095,902
Income from management fees	395,399	-	-	56,971	-	-	-	452,370
Income from fees and commissions	8,284	4,226	25,394	2,441	93,545	-	(41,949)*)	91,941
Other income	-	-	25	5,212	12,135	5,984	(4,631)	18,725
Total income	4,517,286	511,691	485,543	66,687	106,218	57,778	(77,573)	5,667,630
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	3,749,572	431,016	388,986	-	-	-	(3,913)	4,565,661
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	34,708	42,407	71,927	-	-	-	-	149,042
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	3,714,864	388,609	317,059	-	-	-	(3,913)	4,416,619
Fees and commissions, marketing expenses and other purchase expenses	228,655	136,735	127,700	16,673	42,331	-	(38,065)	514,029
General and administrative expenses	154,395	21,989	15,988	35,774	42,550	39,241	(4,081)	305,856
Other expenses	805	-	369	275	445	2,876	-	4,770
Finance expenses (income)	18,527	1,050	5,570	39	(414)	71,657	(28,191)	68,238
Total expenses	4,117,246	548,383	466,686	52,761	84,912	113,774	(74,250)	5,309,512
Share in profits (losses) of equity-accounted investees	191	-	75	-	138	(61)	-	343
Profit (loss) before taxes on income	400,231	(36,692)	18,932	13,926	21,444	(56,057)	(3,323)	358,461
Other comprehensive loss before taxes on income	(153,441)	(40,212)	(46,593)	-	(94)	(120,621)	-	(360,961)
Total comprehensive income (loss) for the period before income tax	246,790	(76,904)	(27,661)	13,926	21,350	(176,678)	(3,323)	(2,500)
Liabilities in respect of insurance contracts and yield-dependent investment contracts	134,918,905	3,225,049	-	-	-	-	-	138,143,954
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	34,804,345	2,921,073	5,899,537	-	-	-	-	43,624,955

*) Arises from income from fees and commissions received from the agencies owned by the Group, from the Life Insurance and Long-Term Savings activity - in the amount of NIS 31,113 thousand, from Health - NIS 6,130 thousand, from Property and Casualty - NIS 3,338 thousand and from Financial Services - NIS 1.368 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

B. Reportable Segment (cont.)

	For the year ended December 31, 2023							
	Life Insurance and Long-Term Savings	Health	Property and Casualty Insurance	Financial Services	Other Operating Segments	Not attributed to operating segments	Adjustments and offsets	Total
	Audited							
	NIS thousand							
Premiums earned, gross	8,367,162	1,949,632	2,257,905	-	-	-	-	12,574,699
Premiums earned by reinsurers	147,065	166,454	564,817	-	-	-	-	878,336
Premiums earned - retention	8,220,097	1,783,178	1,693,088	-	-	-	-	11,696,363
Investment income, net and finance income	13,801,302	350,222	194,398	6,068	6,079	295,092	(106,852)	14,546,309
Income from management fees	1,554,158	-	-	221,711	-	-	-	1,775,869
Income from fees and commissions	21,438	32,130	100,839	5,751	388,189	-	(159,783)*)	388,564
Other income	11	-	157	18,569	49,695	23,368	(18,834)	72,966
Total income	23,597,006	2,165,530	1,988,482	252,099	443,963	318,460	(285,469)	28,480,071
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	21,116,444	1,770,963	1,889,591	-	-	-	(15,755)	24,761,243
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	139,648	130,195	422,690	-	-	-	-	692,533
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	20,976,796	1,640,768	1,466,901	-	-	-	(15,755)	24,068,710
Fees and commissions, marketing expenses and other purchase expenses	923,491	534,439	473,256	66,507	166,397	-	(154,865)	2,009,225
General and administrative expenses	677,996	90,630	72,355	132,024	169,888	119,265	(16,126)	1,246,032
Other expenses	3,223	-	8,380	1,029	1,844	12,064	(228)	26,312
Finance expenses	69,924	4,264	16,753	160	1,827	265,752	(96,667)	262,013
Total expenses	22,651,430	2,270,101	2,037,645	199,720	339,956	397,081	(283,641)	27,612,292
Share in profits (losses) of equity-accounted investees	(3,946)	-	781	-	883	1	-	(2,281)
Profit (loss) before taxes on income	941,630	(104,571)	(48,382)	52,379	104,890	(78,620)	(1,828)	865,498
Other comprehensive income (loss) before taxes on income	(81,375)	(25,029)	(9,930)	155	421	54,687	-	(61,071)
Total comprehensive income (loss) for the period before income tax	860,255	(129,600)	(58,312)	52,534	105,311	(23,933)	(1,828)	804,427
Liabilities in respect of insurance contracts and yield-dependent investment contracts	136,918,092	3,292,313	-	-	-	-	-	140,210,405
Liabilities in respect of insurance contracts and non-yield-dependent investment contracts	34,715,310	3,053,433	5,887,438	-	-	-	-	43,656,181

*) Arises from income from fees and commissions received from the agencies owned by the Group, from the Life Insurance and Long-Term Savings activity - in the amount of NIS 118,329 thousand, from Health Insurance - NIS 22,859 thousand, from Property and Casualty - NIS 16,125 thousand and from Financial Services - NIS 2,470 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.1. Additional information regarding the Life Insurance and Long-Term Savings Segment

	For the nine-month period ended September 30, 2024			
	Life Insurance	Pension	Provident	Total
	Unaudited			
	NIS thousand			
Premiums earned, gross	5,704,464	-	-	5,704,464
Premiums earned by reinsurers	186,491	-	-	186,491
Premiums earned - retention	5,517,973	-	-	5,517,973
Investment income, net and finance income	14,283,840	8,466	3,121	14,295,427
Income from management fees	801,065	317,405	123,553	1,242,023
Income from fees and commissions	43,191	-	-	43,191
Total income	20,646,069	325,871	126,674	21,098,614
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	19,374,991	-	-	19,374,991
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	113,846	-	-	113,846
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	19,261,145	-	-	19,261,145
Fees and commissions, marketing expenses and other purchase expenses	490,615	128,026	66,133	684,774
General and administrative expenses	314,235	172,761	61,695	548,691
Other expenses	-	-	2,114	2,114
Finance expenses	41,292	5	6	41,303
Total expenses	20,107,287	300,792	129,948	20,538,027
Share in profits of equity-accounted investees	188	-	-	188
Profit (loss) before taxes on income	538,970	25,079	(3,274)	560,775
Other comprehensive loss before taxes on income	(64,224)	(1,716)	(635)	(66,575)
Total comprehensive income (loss) for the period before income tax	474,746	23,363	(3,909)	494,200

NOTE 5 - OPERATING SEGMENTS (cont.)

C.1. Additional data regarding the Life Insurance and Long-Term Savings Segment (cont.)

	For the nine-month period ended September 30, 2023			
	Life Insurance	Pension	Provident	Total
	Unaudited			
	NIS thousand			
Premiums earned, gross	6,302,448	-	-	6,302,448
Premiums earned by reinsurers	142,218	-	-	142,218
Premiums earned - retention	6,160,230	-	-	6,160,230
Investment income (losses), net and finance income	10,044,200	(272)	(13)	10,043,915
Income from management fees	772,094	284,379	101,868	1,158,341
Income from fees and commissions	33,789	-	-	33,789
Other income	11	-	-	11
Total income	17,010,324	284,107	101,855	17,396,286
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	15,924,273	-	-	15,924,273
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	93,250	-	-	93,250
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	15,831,023	-	-	15,831,023
Fees and commissions, marketing expenses and other purchase expenses	525,215	106,329	52,335	683,879
General and administrative expenses	287,411	150,322	49,765	487,498
Other expenses	-	-	2,416	2,416
Finance expenses	51,714	5	-	51,719
Total expenses	16,695,363	256,656	104,516	17,056,535
Share in losses of equity-accounted investees	(3,975)	-	-	(3,975)
Profit (loss) before taxes on income	310,986	27,451	(2,661)	335,776
Other comprehensive income (loss) before taxes on income	(35,684)	5,463	1,632	(28,589)
Total comprehensive income (loss) for the period before income tax	275,302	32,914	(1,029)	307,187

NOTE 5 - OPERATING SEGMENTS (cont.)

C.1. Additional data regarding the Life Insurance and Long-Term Savings Segment (cont.)

	For the three-month period ended September 30, 2024			
	Life Insurance	Pension	Provident	Total
	Unaudited			
	NIS thousand			
Premiums earned, gross	1,895,412	-	-	1,895,412
Premiums earned by reinsurers	61,868	-	-	61,868
Premiums earned - retention	1,833,544	-	-	1,833,544
Investment income, net and finance income	6,178,726	3,335	1,237	6,183,298
Income from management fees	270,673	113,958	43,477	428,108
Income from fees and commissions	13,702	-	-	13,702
Total income	8,296,645	117,293	44,714	8,458,652
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	8,075,511	-	-	8,075,511
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	39,772	-	-	39,772
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	8,035,739	-	-	8,035,739
Fees and commissions, marketing expenses and other purchase expenses	156,828	44,913	24,684	226,425
General and administrative expenses	114,266	61,260	20,223	195,749
Other expenses	-	-	705	705
Finance expenses	14,067	5	2	14,074
Total expenses	8,320,900	106,178	45,614	8,472,692
Share in profits of equity-accounted investees	203	-	-	203
Profit (loss) before taxes on income	(24,052)	11,115	(900)	(13,837)
Other comprehensive income (loss) before taxes on income	144,514	(1,052)	(389)	143,073
Total comprehensive income (loss) for the period before income tax	120,462	10,063	(1,289)	129,236

NOTE 5 - OPERATING SEGMENTS (cont.)

C.1. Additional data regarding the Life Insurance and Long-Term Savings Segment (cont.)

	For the three-month period ended September 30, 2023			
	Life Insurance	Pension	Provident	Total
	Unaudited			
	NIS thousand			
Premiums earned, gross	2,172,834	-	-	2,172,834
Premiums earned by reinsurers	47,458	-	-	47,458
Premiums earned - retention	2,125,376	-	-	2,125,376
Investment income, net and finance income	1,985,745	1,909	573	1,988,227
Income from management fees	262,250	97,575	35,574	395,399
Income from fees and commissions	8,284	-	-	8,284
Total income	4,381,655	99,484	36,147	4,517,286
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	3,749,572	-	-	3,749,572
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	34,708	-	-	34,708
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	3,714,864	-	-	3,714,864
Fees and commissions, marketing expenses and other purchase expenses	171,967	37,744	18,944	228,655
General and administrative expenses	86,625	50,624	17,146	154,395
Other expenses	-	-	805	805
Finance expenses	18,527	-	-	18,527
Total expenses	3,991,983	88,368	36,895	4,117,246
Share in profits of equity-accounted investees	191	-	-	191
Profit (loss) before taxes on income	389,863	11,116	(748)	400,231
Other comprehensive loss before taxes on income	(153,408)	(26)	(7)	(153,441)
Total comprehensive income (loss) for the period before income tax	236,455	11,090	(755)	246,790

NOTE 5 - OPERATING SEGMENTS (cont.)

C.1. Additional data regarding the Life Insurance and Long-Term Savings Segment (cont.)

	For the year ended December 31, 2023			
	Life Insurance	Pension	Provident	Total
	Audited			
	NIS thousand			
Premiums earned, gross	8,367,162	-	-	8,367,162
Premiums earned by reinsurers	147,065	-	-	147,065
Premiums earned - retention	8,220,097	-	-	8,220,097
Investment income, net and finance income	13,797,771	2,666	865	13,801,302
Income from management fees	1,029,684	386,351	138,123	1,554,158
Income from fees and commissions	21,438	-	-	21,438
Other income	11	-	-	11
Total income	23,069,001	389,017	138,988	23,597,006
Payments and change in liabilities in respect of insurance contracts and investment contracts, gross	21,116,444	-	-	21,116,444
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	139,648	-	-	139,648
Payments and change in liabilities in respect of insurance contracts and investment contracts - retention	20,976,796	-	-	20,976,796
Fees and commissions, marketing expenses and other purchase expenses	705,048	147,571	70,872	923,491
General and administrative expenses	400,057	207,806	70,133	677,996
Other expenses	1	-	3,222	3,223
Finance expenses	69,910	13	1	69,924
Total expenses	22,151,812	355,390	144,228	22,651,430
Share in losses of equity-accounted investees	(3,946)	-	-	(3,946)
Profit (loss) before taxes on income	913,243	33,627	(5,240)	941,630
Other comprehensive income (loss) before taxes on income	(86,682)	4,071	1,236	(81,375)
Total comprehensive income (loss) for the period before income tax	826,561	37,698	(4,004)	860,255

NOTE 5 - OPERATING SEGMENTS (cont.)

C.2. Additional data regarding Life Insurance

	For the nine-month period ended September 30, 2024						
	Policies including a savings component (including appendices) by policy issuance date				Policies without a savings component sold as a single policy		
			From 2004				
	Until 1990	Until 2003	Non-yield-dependent	Yield-dependent	Individual	Collective	Total
	Unaudited						
	NIS thousand						
Gross premiums	175,209	1,723,514	-	3,225,575	565,714	14,452	5,704,464
Proceeds in respect of investment contracts credited directly to insurance reserves	-	-	453,362	1,845,023	-	-	2,298,385
Financial margin including management fees	(111,455)	377,381	(10,400)	387,028	-	-	642,554
Payments and change in liabilities in respect of insurance contracts, gross	1,747,294	9,163,154	7,240	7,473,671	347,028	16,768	18,755,155
Payments and change in liabilities for investment contracts	-	61	4,518	615,257	-	-	619,836
Total comprehensive income (loss) from Life Insurance Business	481,655	(244,753)	4,254	129,964	100,944	2,682	474,746

Comments

1. Products issued until 1990 (including increases in respect thereof) were primarily guaranteed return policies which were mainly backed by designated bonds.
2. The financial margin does not include additional income of the Company collected as a percentage of the premium and is calculated before deducting investment management expenses.
   The financial margin in guaranteed return policies is based on actual investment income for the reporting year, less the product of the annual guaranteed rate of return, multiplied by the average reserve per year in the various insurance reserves. Regarding this matter, investment income also includes the change in the fair value of available-for-sale financial assets that is charged to the statement of comprehensive income.
   In yield-dependent contracts, the financial margin is the total fixed and variable management fees calculated on the basis of the yield and average balance of insurance reserves.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.2. Additional data regarding Life Insurance (cont.)

	For the nine-month period ended September 30, 2023						
	Policies including a savings component (including appendices) by policy issuance date				Policies without a savings component sold as a single policy		
			From 2004				
	Until 1990	Until 2003	Non-yield-dependent	Yield-dependent	Individual	Collective	Total
	Unaudited						
	NIS thousand						
Gross premiums	191,029	1,797,633	-	3,745,532	554,209	14,045	6,302,448
Proceeds in respect of investment contracts credited directly to insurance reserves	-	-	47,447	770,808	-	-	818,255
Financial margin including management fees	(246,343)	350,351	(14,242)	368,559	-	-	458,325
Payments and change in liabilities in respect of insurance contracts, gross	2,079,121	6,557,988	(20,775)	6,644,347	322,432	28,068	15,611,181
Payments and change in liabilities for investment contracts	-	40	5,634	307,418	-	-	313,092
Total comprehensive income (loss) from Life Insurance Business	(93,408)	282,263	20,756	(21,423)	90,765	(3,651)	275,302

Comments

1. Products issued until 1990 (including increases in respect thereof) were primarily guaranteed return policies which were mainly backed by designated bonds.
2. The financial margin does not include additional income of the Company collected as a percentage of the premium and is calculated before deducting investment management expenses.
   The financial margin in guaranteed return policies is based on actual investment income for the reporting year, less the product of the annual guaranteed rate of return, multiplied by the average reserve per year in the various insurance reserves. Regarding this matter, investment income also includes the change in the fair value of available-for-sale financial assets that is charged to the statement of comprehensive income.
   In yield-dependent contracts, the financial margin is the total fixed and variable management fees calculated on the basis of the yield and average balance of insurance reserves.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.2. Additional data regarding Life Insurance (cont.)

	For the three-month period ended September 30, 2024						
	Policies including a savings component (including appendices) by policy issuance date				Policies without a savings component sold as a single policy		
			From 2004				
	Until 1990	Until 2003	Non-yield-dependent	Yield-dependent	Individual	Collective	Total
	Unaudited						
	NIS thousand						
Gross premiums	57,091	571,803	-	1,072,753	188,884	4,881	1,895,412
Proceeds in respect of investment contracts credited directly to insurance reserves	-	-	155,336	673,671	-	-	829,007
Financial margin including management fees	54,327	133,974	14,062	141,393	-	-	343,756
Payments and change in liabilities in respect of insurance contracts, gross	952,720	3,827,173	3,514	2,946,222	87,035	4,323	7,820,987
Payments and change in liabilities for investment contracts	-	45	9,964	244,515	-	-	254,524
Total comprehensive income (loss) from Life Insurance Business	16,943	(38,595)	9,091	60,173	67,935	4,915	120,462

Comments

1. Products issued until 1990 (including increases in respect thereof) were primarily guaranteed return policies which were mainly backed by designated bonds.
2. The financial margin does not include additional income of the Company collected as a percentage of the premium and is calculated before deducting investment management expenses.
   The financial margin in guaranteed return policies is based on actual investment income for the reporting year, less the product of the annual guaranteed rate of return, multiplied by the average reserve per year in the various insurance reserves. Regarding this matter, investment income also includes the change in the fair value of available-for-sale financial assets that is charged to the statement of comprehensive income.
   In yield-dependent contracts, the financial margin is the total fixed and variable management fees calculated on the basis of the yield and average balance of insurance reserves.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.2. Additional data regarding Life Insurance (cont.)

	For the three-month period ended September 30, 2023						
	Policies including a savings component (including appendices) by policy issuance date				Policies without a savings component sold as a single policy		
			From 2004				
	Until 1990	Until 2003	Non-yield-dependent	Yield-dependent	Individual	Collective	Total
	Unaudited						
	NIS thousand						
Gross premiums	62,699	597,787	-	1,320,900	186,701	4,747	2,172,834
Proceeds in respect of investment contracts credited directly to insurance reserves	-	-	-	366,695	-	-	366,695
Financial margin including management fees	(155,046)	116,952	(6,253)	114,933	-	-	70,586
Payments and change in liabilities in respect of insurance contracts, gross	519,323	1,265,975	(10,362)	1,830,586	100,699	9,126	3,715,347
Payments and change in liabilities for investment contracts	-	-	(5,981)	40,206	-	-	34,225
Total comprehensive income (loss) from Life Insurance Business	(36,165)	287,017	12,326	(58,687)	35,315	(3,351)	236,455

Comments

1. Products issued until 1990 (including increases in respect thereof) were primarily guaranteed return policies which were mainly backed by designated bonds.
2. The financial margin does not include additional income of the Company collected as a percentage of the premium and is calculated before deducting investment management expenses.
   The financial margin in guaranteed return policies is based on actual investment income for the reporting year, less the product of the annual guaranteed rate of return, multiplied by the average reserve per year in the various insurance reserves. Regarding this matter, investment income also includes the change in the fair value of available-for-sale financial assets that is charged to the statement of comprehensive income.
   In yield-dependent contracts, the financial margin is the total fixed and variable management fees calculated on the basis of the yield and average balance of insurance reserves.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.2. Additional data regarding Life Insurance (cont.)

	For the year ended December 31, 2023						
	Policies including a savings component (including appendices) by policy issuance date				Policies without a savings component sold as a single policy		
			From 2004				
	Until 1990	Until 2003	Non-yield-dependent	Yield-dependent	Individual	Collective	Total
	Audited						
	NIS thousand						
Gross premiums	252,483	2,382,347	-	4,969,441	741,852	21,039	8,367,162
Proceeds in respect of investment contracts credited directly to insurance reserves	-	-	174,823	1,280,663	-	-	1,455,486
Financial margin including management fees	(171,236)	478,304	(7,962)	509,424	-	-	808,530
Payments and change in liabilities in respect of insurance contracts, gross	2,188,424	8,608,576	(24,655)	9,331,682	524,882	34,940	20,663,849
Payments and change in liabilities for investment contracts	-	71	9,543	442,981	-	-	452,595
Total comprehensive income (loss) from Life Insurance Business	301,170	765,727	28,781	(294,220)	31,902	(6,799)	826,561

Comments

1. Products issued until 1990 (including increases in respect thereof) were primarily guaranteed return policies which were mainly backed by designated bonds.
2. The financial margin does not include additional income of the Company collected as a percentage of the premium and is calculated before deducting investment management expenses.
   The financial margin in guaranteed return policies is based on actual investment income for the reporting year, less the product of the annual guaranteed rate of return, multiplied by the average reserve per year in the various insurance reserves. Regarding this matter, investment income also includes the change in the fair value of available-for-sale financial assets that is charged to the statement of comprehensive income.
   In yield-dependent contracts, the financial margin is the total fixed and variable management fees calculated on the basis of the yield and average balance of insurance reserves.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.3. Additional data regarding Health Insurance

	For the nine-month period ended September 30, 2024				
	LTC		Other *)		
	Individual	Collective	Long-term	Short-term	Total
	Unaudited				
	NIS thousand				
Gross premiums	361,907	2,917	1,126,790	22,249	1,513,863
Payments and change in liabilities in respect of insurance contracts, gross	666,389	2,391	675,705	11,970	1,356,455
Total comprehensive income (loss) from Health Insurance Business	(55,120)	1,169	84,877	(2,450)	28,476

*) The most substantial coverage included in other long-term health insurance is medical expenses and in short-term health insurance - travel. Of which, individual premiums in the amount of NIS 964,567 thousand and collective premiums in the amount of NIS 184,472 thousand.

	For the nine-month period ended September 30, 2023				
	LTC		Other *)		
	Individual	Collective	Long-term	Short-term	Total
	Unaudited				
	NIS thousand				
Gross premiums	360,188	2,265	1,066,037	27,780	1,456,270
Payments and change in liabilities in respect of insurance contracts, gross	570,775	4,994	713,642	14,563	1,303,974
Total comprehensive loss from Health Insurance Business	(92,246)	(2,244)	(15,901)	(1,210)	(111,601)

*) The most substantial coverage included in other long-term health insurance is medical expenses and in short-term health insurance - travel. Of which, individual premiums in the amount of NIS 928,013 thousand and collective premiums in the amount of NIS 165,804 thousand.

	For the three-month period ended September 30, 2024				
	LTC		Other *)		
	Individual	Collective	Long-term	Short-term	Total
	Unaudited				
	NIS thousand				
Gross premiums	121,544	1,109	385,793	10,350	518,796
Payments and change in liabilities in respect of insurance contracts, gross	259,028	1,322	223,614	5,541	489,505
Total comprehensive income (loss) from Health Insurance Business	11,757	173	51,847	(995)	62,782

*) The most substantial coverage included in other long-term health insurance is medical expenses and in short-term health insurance - travel. Of which, individual premiums in the amount of NIS 331,523 thousand and collective premiums in the amount of NIS 64,620 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

C.3. Additional data regarding Health Insurance (cont.)

	For the three-month period ended September 30, 2023				
	LTC		Other *)		
	Individual	Collective	Long-term	Short-term	Total
	Unaudited				
	NIS thousand				
Gross premiums	120,672	1,227	359,259	12,497	493,655
Payments and change in liabilities in respect of insurance contracts, gross	182,117	1,458	238,648	8,793	431,016
Total comprehensive loss from Health Insurance Business	(62,293)	(351)	(12,345)	(1,915)	(76,904)

*) The most substantial coverage included in other long-term health insurance is medical expenses and in short-term health insurance - travel. Of which, individual premiums in the amount of NIS 316,362 thousand and collective premiums in the amount of NIS 55,394 thousand.

	For the year ended December 31, 2023				
	LTC		Other *)		
	Individual	Collective	Long-term	Short-term	Total
	Audited				
	NIS thousand				
Gross premiums	481,546	3,457	1,432,496	32,908	1,950,407
Payments and change in liabilities in respect of insurance contracts, gross	747,395	7,572	1,000,659	15,337	1,770,963
Total comprehensive income (loss) from Health Insurance Business	(80,019)	(3,489)	(46,494)	402	(129,600)

*) The most substantial coverage included in other long-term health insurance is medical expenses and in short-term health insurance - travel. Of which, individual premiums in the amount of NIS 1,241,535 thousand and collective premiums in the amount of NIS 223,869 thousand.

NOTE 5 - OPERATING SEGMENTS (cont.)

D. Additional data regarding the Property and Casualty Segment

	For the nine-month period ended September 30, 2024				
	Compulsory Motor	Motor Property	Property and Other Segment (*)	Other Liability subsegments *)	Total
	Unaudited				
	NIS thousand				
Gross premiums	323,216	787,903	604,969	347,541	2,063,629
Reinsurance premiums	4,178	6,612	396,549	79,912	487,251
Premiums - retention	319,038	781,291	208,420	267,629	1,576,378
Change in unearned premium balance, retention	(44,986)	(114,609)	(25,113)	(17,809)	(202,517)
Premiums earned - retention	274,052	666,682	183,307	249,820	1,373,861
Investment income, net and finance income	99,738	22,197	8,893	65,675	196,503
Income from fees and commissions	-	-	63,496	10,885	74,381
Other income	66	15	4	43	128
Total income	373,856	688,894	255,700	326,423	1,644,873
Payments and change in liabilities in respect of insurance contracts, gross	301,917	497,597	305,401	307,414	1,412,329
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	5,052	3,242	215,991	62,910	287,195
Payments and change in liabilities for insurance contracts - retention	296,865	494,355	89,410	244,504	1,125,134
Fees and commissions, marketing expenses and other purchase expenses	30,559	133,793	127,014	67,697	359,063
General and administrative expenses	12,297	17,430	15,223	14,714	59,664
Finance expenses	5,080	1,258	1,961	3,580	11,879
Total expenses	344,801	646,836	233,608	330,495	1,555,740
Share in profits of equity-accounted investees	38	8	3	25	74
Profit (loss) before taxes on income	29,093	42,066	22,095	(4,047)	89,207
Other comprehensive loss before taxes on income	(2,025)	(448)	(148)	(1,328)	(3,949)
Total comprehensive income (loss) for the period before income tax	27,068	41,618	21,947	(5,375)	85,258
Liabilities in respect of insurance contracts, gross, as of September 30, 2024	2,420,733	721,155	748,446	2,488,141	6,378,475
Liabilities in respect of insurance contracts, retention, as of September 30, 2024	2,331,909	715,716	242,896	1,740,598	5,031,119

*) Property and Other Insurance Subsegments mainly include results from the comprehensive home insurance, comprehensive business insurance, cargo in transit and engineering insurance, and property loss insurance subsegments, whose activity constitutes approx. 99% of total premiums in these subsegments.

Other Liability Insurance subsegments mainly include results from the following insurance subsegments: liability insurance, third-party insurance, professional liability insurance and employers' liability insurance, the activity of which constitutes approx. 87% of total premiums in these subsegments.

NOTE 5 - OPERATING SEGMENTS (cont.)

D. Additional data regarding the Property and Casualty Segment (cont.)

	For the nine-month period ended September 30, 2023				
	Compulsory Motor	Motor Property	Property and Other Segment (*)	Other Liability subsegments *)	Total
			Unaudited		
			NIS thousand		
Gross premiums	316,569	674,781	569,047	352,251	1,912,648
Reinsurance premiums	3,648	6,090	376,049	86,725	472,512
Premiums - retention	312,921	668,691	192,998	265,526	1,440,136
Change in unearned premium balance, retention	(21,145)	(116,875)	(19,170)	(22,848)	(180,038)
Premiums earned - retention	291,776	551,816	173,828	242,678	1,260,098
Investment income, net and finance income	64,574	13,387	13,679	43,209	134,849
Income from fees and commissions	-	-	60,220	11,866	72,086
Other income	65	13	5	43	126
Total income	356,415	565,216	247,732	297,796	1,467,159
Payments and change in liabilities in respect of insurance contracts, gross	370,021	460,430	303,225	295,375	1,429,051
Reinsurers’ share in payments and in changes in liabilities in respect of insurance contracts	10,652	2,397	232,847	77,004	322,900
Payments and change in liabilities for insurance contracts - retention	359,369	458,033	70,378	218,371	1,106,151
Fees and commissions, marketing expenses and other purchase expenses	33,854	114,218	120,383	64,862	333,317
General and administrative expenses	10,355	13,415	13,975	12,132	49,877
Other expenses	241	7,787	148	204	8,380
Finance expenses	4,068	870	9,070	2,702	16,710
Total expenses	407,887	594,323	213,954	298,271	1,514,435
Share in profits of equity-accounted investees	381	79	29	255	744
Profit (loss) before taxes on income	(51,091)	(29,028)	33,807	(220)	(46,532)
Other comprehensive loss before taxes on income	(10,774)	(2,229)	(820)	(7,213)	(21,036)
Total comprehensive income (loss) for the period before income tax	(61,865)	(31,257)	32,987	(7,433)	(67,568)
Liabilities in respect of insurance contracts, gross, as of September 30, 2023	2,363,307	614,579	679,911	2,241,740	5,899,537
Liabilities in respect of insurance contracts, retention, as of September 30, 2023	2,271,284	611,546	206,864	1,563,904	4,653,598

*) Property and other insurance subsegments mainly include results from the comprehensive home insurance, comprehensive business insurance, cargo in transit and engineering insurance, and property loss insurance subsegments, whose activity constitutes approx. 99% of total premiums in these subsegments.

Other Liability Insurance subsegments mainly include results from the following insurance subsegments: liability insurance, third-party insurance, professional liability insurance and employers’ liability insurance, the activity of which constitutes approx. 85% of total premiums in these subsegments.

NOTE 5 - OPERATING SEGMENTS (cont.)

D. Additional data regarding the Property and Casualty Segment (cont.)

	For the three-month period ended September 30, 2024				
	Compulsory Motor	Motor Property	Property and Other Segment (*)	Other Liability subsegments *)	Total
	Unaudited				
	NIS thousand				
Gross premiums	92,168	242,897	209,628	106,002	650,695
Reinsurance premiums	1,393	1,714	142,098	31,693	176,898
Premiums - retention	90,775	241,183	67,530	74,309	473,797
Change in unearned premium balance, retention	(5,180)	(7,920)	(2,930)	9,728	(6,302)
Premiums earned - retention	85,595	233,263	64,600	84,037	467,495
Investment income, net and finance income	40,891	10,106	2,768	29,183	82,948
Income from fees and commissions	-	-	17,490	2,458	19,948
Other income	28	7	2	20	57
Total income	126,514	243,376	84,860	115,698	570,448
Payments and change in liabilities in respect of insurance contracts, gross	132,049	186,371	120,249	148,223	586,892
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	(694)	956	84,038	40,126	124,426
Payments and change in liabilities for insurance contracts - retention	132,743	185,415	36,211	108,097	462,466
Fees and commissions, marketing expenses and other purchase expenses	11,212	50,914	45,248	22,404	129,778
General and administrative expenses	4,718	6,715	5,806	5,643	22,882
Finance expenses (income)	2,309	591	(356)	1,655	4,199
Total expenses	150,982	243,635	86,909	137,799	619,325
Share in profits of equity-accounted investees	41	9	3	27	80
Loss before taxes on income	(24,427)	(250)	(2,046)	(22,074)	(48,797)
Other comprehensive income before taxes on income	31,361	6,354	2,119	19,252	59,086
Total comprehensive income (loss) for the period before income tax	6,934	6,104	73	(2,822)	10,289
Liabilities in respect of insurance contracts, gross, as of September 30, 2024	2,420,733	721,155	748,446	2,488,141	6,378,475
Liabilities in respect of insurance contracts, retention, as of September 30, 2024	2,331,909	715,716	242,896	1,740,598	5,031,119

*) Property and other insurance subsegments mainly include results from the comprehensive home insurance, comprehensive business insurance, cargo in transit and engineering insurance, and property loss insurance subsegments, whose activity constitutes approx. 98% of total premiums in these subsegments.

Other Liability Insurance subsegments mainly include results from the following insurance subsegments: liability insurance, third-party insurance, professional liability insurance and employers' liability insurance, the activity of which constitutes approx. 86% of total premiums in these subsegments.

NOTE 5 - OPERATING SEGMENTS (cont.)

D. Additional data regarding the Property and Casualty Segment (cont.)

	For the three-month period ended September 30, 2023				
	Compulsory Motor	Motor Property	Property and Other Segment (*)	Other Liability subsegments *)	Total
	Unaudited				
	NIS thousand				
Gross premiums	84,791	210,886	162,757	104,545	562,979
Reinsurance premiums	1,216	1,613	102,169	23,356	128,354
Premiums - retention	83,575	209,273	60,588	81,189	434,625
Change in unearned premium balance, retention	2,851	(13,187)	(1,098)	1,387	(10,047)
Premiums earned - retention	86,426	196,086	59,490	82,576	424,578
Investment income, net and finance income	16,458	3,539	4,055	11,494	35,546
Income from fees and commissions	-	-	19,319	6,075	25,394
Other income	13	2	1	9	25
Total income	102,897	199,627	82,865	100,154	485,543
Payments and change in liabilities in respect of insurance contracts, gross	90,931	134,433	64,927	98,695	388,986
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	2,902	573	41,562	26,890	71,927
Payments and change in liabilities for insurance contracts - retention	88,029	133,860	23,365	71,805	317,059
Fees and commissions, marketing expenses and other purchase expenses	11,537	43,795	47,161	25,207	127,700
General and administrative expenses	3,274	4,336	4,448	3,930	15,988
Other expenses	74	173	51	71	369
Finance expenses	1,472	315	2,804	979	5,570
Total expenses	104,386	182,479	77,829	101,992	466,686
Share in profits of equity-accounted investees	36	8	4	27	75
Profit (loss) before taxes on income	(1,453)	17,156	5,040	(1,811)	18,932
Other comprehensive loss before taxes on income	(23,969)	(4,923)	(1,794)	(15,907)	(46,593)
Total comprehensive income (loss) for the period before income tax	(25,422)	12,233	3,246	(17,718)	(27,661)
Liabilities in respect of insurance contracts, gross, as of September 30, 2023	2,363,307	614,579	679,911	2,241,740	5,899,537
Liabilities in respect of insurance contracts, retention, as of September 30, 2023	2,271,284	611,546	206,864	1,563,904	4,653,598

*) Property and other insurance subsegments mainly include results from the comprehensive home insurance, comprehensive business insurance, cargo in transit and engineering insurance, and property loss insurance subsegments, whose activity constitutes approx. 98% of total premiums in these subsegments.

Other Liability Insurance subsegments mainly include results from the following insurance subsegments: liability insurance, third-party insurance, professional liability insurance and employers' liability insurance, the activity of which constitutes approx. 85% of total premiums in these subsegments.

NOTE 5 - OPERATING SEGMENTS (cont.)

D. Additional data regarding the Property and Casualty Segment (cont.)

	For the year ended December 31, 2023				
	Compulsory Motor	Motor Property	Property and Other Segment (*)	Other Liability subsegments *)	Total
	Audited				
	NIS thousand				
Gross premiums	366,745	836,047	724,381	444,825	2,371,998
Reinsurance premiums	6,245	7,546	483,342	114,428	611,561
Premiums - retention	360,500	828,501	241,039	330,397	1,760,437
Change in unearned premium balance, retention	16,359	(66,797)	(10,129)	(6,782)	(67,349)
Premiums earned - retention	376,859	761,704	230,910	323,615	1,693,088
Investment income, net and finance income	96,713	18,973	13,073	65,639	194,398
Income from fees and commissions	-	-	84,291	16,548	100,839
Other income	81	16	5	55	157
Total income	473,653	780,693	328,279	405,857	1,988,482
Payments and change in liabilities in respect of insurance contracts, gross	512,395	606,504	363,914	406,778	1,889,591
Reinsurers' share in payments and in changes in liabilities in respect of insurance contracts	11,832	3,403	283,073	124,382	422,690
Payments and change in liabilities for insurance contracts - retention	500,563	603,101	80,841	282,396	1,466,901
Fees and commissions, marketing expenses and other purchase expenses	48,199	168,696	166,225	90,136	473,256
General and administrative expenses	14,629	19,087	21,164	17,475	72,355
Other expenses	241	7,787	148	204	8,380
Finance expenses	5,623	1,181	6,107	3,842	16,753
Total expenses	569,255	799,852	274,485	394,053	2,037,645
Share in profits of equity-accounted investees	400	78	31	272	781
Profit (loss) before taxes on income	(95,202)	(19,081)	53,825	12,076	(48,382)
Other comprehensive loss before taxes on income	(5,092)	(995)	(389)	(3,454)	(9,930)
Total comprehensive income (loss) for the period before income tax	(100,294)	(20,076)	53,436	8,622	(58,312)
Liabilities in respect of insurance contracts, gross as of December 31, 2023	2,388,615	554,711	650,794	2,293,318	5,887,438
Liabilities in respect of insurance contracts - retention - as of December 31, 2023	2,298,975	551,881	192,659	1,583,569	4,627,084

*) Property and other insurance subsegments mainly include results from the comprehensive home insurance, comprehensive business insurance, cargo in transit and engineering insurance, and property loss insurance subsegments, whose activity constitutes approx. 98% of total premiums in these subsegments.

Other Liability subsegments mainly include results of the following segments: employers' liability insurance, third-party liability, and professional liability insurance, the activity of which constitutes approx. 86% of total premiums in these subsegments.

NOTE 6 - CAPITAL MANAGEMENT AND REQUIREMENTS OF THE GROUP COMPANIES

A. It is Migdal Insurance's policy to maintain a strong capital base in order to retain the Company's ability to continue its activities such that it will be able to generate returns to its shareholders and support future business activities.

B. The Group companies, which are institutional entities, are subject to capital requirements set by the Commissioner of the Capital Market, Insurance and Savings (hereinafter - the "**Commissioner**").

C. Solvency II-based Economic Solvency Regime

Migdal Insurance is subject to the Solvency II-based Economic Solvency Regime in accordance with implementation provisions as published in June 2017 and revised in October 2020 (hereinafter - the "**Solvency Circular**").

The Economic Solvency Regime sets a standard model for calculating eligible capital and the regulatory solvency capital requirement, with the aim of bringing insurance companies to hold buffers to absorb losses arising from the materialization of unexpected risks to which they are exposed (hereinafter - the "**solvency capital requirement (SCR)**"). The solvency ratio is the ratio between an insurance company's existing shareholder's equity and its regulatory solvency capital requirement.

The eligible shareholders' equity for economic solvency regime purposes was composed of Tier 1 capital and Tier 2 capital. Tier 1 capital includes shareholders' equity calculated by evaluating an insurance company's assets and liabilities in accordance with the circular's provisions, and Additional Tier 1 capital. Additional Tier 1 capital and Tier 2 capital include equity instruments with loss absorption mechanisms, including Subordinated Tier 2 capital, Hybrid Tier 2 capital and Tier 3 capital, which were issued prior to the circular's effective date.

The solvency capital requirement (SCR) is designed to estimate the economic shareholders' equity's exposure to a series of scenarios set out in the Solvency Circular, and which reflect insurance, market and credit risks as well as operating risks.

The Solvency Circular includes, among other things, Provisions for the Transitional Period in connection with compliance with capital requirements. Migdal Insurance opted for the alternative of increasing the economic capital by making a deduction from the insurance reserves; such a deduction will decrease gradually through 2032 (hereinafter - ""**Deduction during the Transitional Period**").

D. Solvency ratio and Migdal Insurance's capital policy

1. In accordance with the Solvency Ratio Report as of June 30, 2024, approved on November 20, 2024, Migdal Insurance has excess capital, taking into account the Provisions for the Transitional Period in the Transitional Period. For further details, see Section 3.2.1 to the Report of the Board of Directors.

   It is emphasized that the data included in the Economic Solvency Ratio Report as of June 30, 2024, including the eligible shareholders' equity and the solvency capital requirement are based mainly on past experience as arising from actuarial studies conducted from time to time. In view of the reforms in the capital market, insurance and savings, and the changes in the economic environment, past data do not necessarily reflect future results. The calculation is sometimes based on assumptions regarding future events, steps taken by management, and the pattern of the future development of the risk margin, that will not necessarily materialize or will materialize in a manner different than the assumptions used in the calculation. Furthermore, actual results may materially vary from the calculation, since the combined scenarios of events may materialize in a manner that is materially different than the assumptions made in the calculation.

2. Migdal Insurance's capital management policy

   Migdal Insurance's policy is to have a solid capital base to ensure its solvency and ability to meet its liabilities to policyholders, to preserve Migdal Insurance's ability to continue its business activity such that it is able to provide returns to its shareholders. In its capacity as an institutional entity, the Company is subject to the capital requirements set by the Commissioner.

   On May 26, 2021, Migdal Insurance's Board of Directors set a capital policy, according to which Migdal Insurance will strive to operate at a solvency ratio in the range of 155% to 175%. In addition, Migdal Insurance's Board of Directors set a minimum solvency ratio target of 140%. These targets relate to a solvency ratio taking into account the Deduction during the Transitional Period until the end of 2032.

NOTE 6 - CAPITAL MANAGEMENT AND REQUIREMENTS OF THE GROUP COMPANIES (cont.)

D. Solvency ratio and Migdal Insurance's capital policy (cont.)

2. Migdal Insurance's capital management policy (cont.)

Migdal Insurance’s solvency ratio, without taking into consideration the Provisions for the Transitional Period, shall be built gradually pursuant to these targets until the end of 2032.

On March 20, 2024, Migdal Insurance's Board of Directors re-examined its capital policy and left unchanged the solvency ratio at which Migdal Insurance aims to operate, in the range of 155% to 175%. In addition, taking into account the risk factors characterizing Migdal Insurance's activity - including their implicit volatility and its effect on the solvency ratio - and in order to support the achievement of Migdal Insurance's long-term goals and the measures included in its strategic plan, Migdal Insurance’s Board of Directors decided to revise the minimum solvency ratio target for the coming years, such that it will match Migdal Insurance’s rate of building capital gradually to support high-quality, stable and long-term growth of the solvency ratio.

Accordingly, Migdal Insurance’s Board of Directors updated the minimum solvency ratio target to 115%, which will increase gradually, reaching 140% at the end of the Transition Period (end of 2032). These targets relate to a solvency ratio taking into account the Deduction during the Transitional Period. According to the capital policy, Migdal Insurance’s solvency ratio, without taking into consideration the Provisions for the Transitional Period, shall be built gradually pursuant to these targets until the end of 2032.

3. Solvency ratio for dividend distribution purposes

According to the letter published by the Commissioner, in October 2017, (hereinafter - the "**Letter**") an insurance company shall be entitled to distribute a dividend only if, following the distribution, the company has a solvency ratio (according to the Solvency Circular) of at least 100%, calculated without taking into account the Provisions for the Transitional Period and subject to the solvency ratio target set by the Company's Board of Directors.

The aforesaid ratio shall be calculated without the relief granted in respect of the original difference attributable to the acquisition of the provident funds and management companies. In addition, the letter set out provisions for reporting to the Commissioner.

Pursuant to the solvency ratio report dated June 30, 2024, Migdal Insurance’s solvency ratio for the purpose of dividend distribution, namely, without taking into consideration the Provisions for the Transitional Period, is less than 100%.

For further details, see Section 3.2 to the Report of the Board of Directors.

E. Capital requirements of the management company

The capital requirements of the Group’s management company include capital requirements in accordance with the total assets under management and the annual expenses, but no less than a start-up capital of NIS 10 million. As of the date of this report, this company complies with the requirements of the Capital Regulations.

Consolidated companies, which manage mutual funds and investment portfolios are required to hold a minimum capital in accordance with the Israel Securities Authority’s guidance. As of the date of this report, the consolidated companies comply with those requirements.

F. Dividend distributed

1. On May 23, 2024, the Company's Board of Directors approved a dividend distribution in the amount of NIS 25 million, which originated from a dividend from a subsidiary, Migdal Capital Markets (1965) Ltd., to the Company’s shareholders. For further details, see Note 9.G.

2. Subsequent to the reporting date, on November 20, 2024, the Company's Board of Directors approved a dividend distribution in the amount of NIS 30 million, which originated from a dividend from a subsidiary, Migdal Capital Markets (1965) Ltd., to the Company’s shareholders. The dividend distribution is subject to approval by the Company’s General Meeting.

NOTE 7 - FINANCIAL INSTRUMENTS

A. Assets for yield-dependent contracts

1. Breakdown of assets held against insurance contracts and investment contracts presented at fair value through profit and loss:

	As of September 30		As of December 31
	2024	2023	2023
	Unaudited		Audited
	NIS thousand		
Investment property	9,244,696	8,669,079	8,972,287
Financial investments			
Liquid debt assets	25,054,407	25,606,670	26,397,493
Illiquid debt assets *)	17,491,065	17,271,105	17,195,281
Shares	26,942,517	26,797,652	25,981,430
Other financial investments	50,418,592	45,294,797	47,316,852
Total financial investments	119,906,581	114,970,224	116,891,056
Cash and cash equivalents	19,006,234	14,671,283	16,580,074
Other	2,327,550	4,027,442	682,975
Total assets for yield-dependent contracts	150,485,061	142,338,028	143,126,392
*) Of which debt assets measured at amortized cost	14,461	27,793	28,415
Fair value of debt assets measured at amortized cost	14,790	29,371	29,731

2. Fair value of financial assets by level

The following tables present an analysis of assets held against insurance contracts and investment contracts presented at fair value through profit and loss. The different levels were defined as follows:

- Level 1 - fair value measured using quoted prices (unadjusted) in an active market for identical instruments.
- Level 2 - fair value measured using observable inputs, either directly or indirectly, that are not included in Level 1 above.
- Level 3 - fair value measured using inputs that are not based on observable market inputs.

For financial instruments periodically recognized at fair value, the Company estimates, at the end of each reporting period, whether transfers have been made between the various levels of the fair value hierarchy.

During the reporting periods there were no material transfers between Level 1 and Level 2.

	As of September 30, 2024			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Financial investments				
Liquid debt assets	21,328,810	3,725,597	-	25,054,407
Illiquid debt assets	-	11,660,294	5,816,310	17,476,604
Shares	21,774,894	-	5,167,623	26,942,517
Other financial investments	22,817,103	575,150	27,026,339	50,418,592
Total financial investments	65,920,807	15,961,041	38,010,272	119,892,120

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

A. Assets for yield-dependent contracts (cont.)

2. Fair value of financial assets by level (cont.)

	As of September 30, 2023			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Financial investments				
Liquid debt assets	20,345,017	5,261,653	-	25,606,670
Illiquid debt assets	-	10,596,171	6,647,141	17,243,312
Shares	21,677,333	-	5,120,319	26,797,652
Other financial investments	18,123,163	1,501,665	25,669,969	45,294,797
Total financial investments	60,145,513	17,359,489	37,437,429	114,942,431

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
	Audited			
	NIS thousand			
Financial investments				
Liquid debt assets	21,367,782	5,029,711	-	26,397,493
Illiquid debt assets	-	10,880,682	6,286,184	17,166,866
Shares	21,327,981	-	4,653,449	25,981,430
Other financial investments	18,929,269	2,876,971	25,510,612	47,316,852
Total financial investments	61,625,032	18,787,364	36,450,245	116,862,641

Assets measured at fair value - Level 3

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of January 1, 2024	6,286,184	4,653,449	25,510,612	36,450,245
Total realized gains:				
In profit and loss *)	500,672	59,558	2,160,890	2,721,120
Proceeds from interest and dividend	(256,234)	(82,988)	(1,841,735)	(2,180,957)
Investments	210,448	537,604	2,404,918	3,152,970
Realized	(372,617)	-	(1,053,133)	(1,425,750)
Redemptions	(552,143)	-	-	(552,143)
Transfers to Level 3	-	-	(155,213)**)	(155,213)
Balance as of September 30, 2024	5,816,310	5,167,623	27,026,339	38,010,272
*) Of which Total unrealized gains for the period with respect to financial assets held as of September 30, 2024	489,536	59,558	2,110,161	2,659,255

**) Transfers from Level 3 in respect of a security which has begun to receive a marketable quote.

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

A. Assets for yield-dependent contracts (cont.)

2. Fair value of financial assets by level (cont.)

Assets measured at fair value - Level 3 (cont.)

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of January 1, 2023	6,751,267	4,869,736	20,921,038	32,542,041
Total realized gains:				
In profit and loss *)	778,461	131,843	2,828,460	3,738,764
Proceeds from interest and dividend	(289,796)	(112,060)	(1,210,534)	(1,612,390)
Investments	321,472	323,536	3,535,310	4,180,318
Realized	-	(92,736)	(404,305)	(497,041)
Redemptions	(1,023,164)	-	-	(1,023,164)
Transfers to Level 3	108,901 **)	-	-	108,901
Balance as of September 30, 2023	6,647,141	5,120,319	25,669,969	37,437,429
*) Of which Total unrealized gains for the period with respect to financial assets held as of September 30, 2023	765,355	118,672	2,806,073	3,690,100

**) Transfers to Level 3 arise from a security for which the publication of observable inputs was discontinued.

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of July 1, 2024	5,918,970	5,132,469	26,483,378	37,534,817
Total realized gains (losses):				
In profit and loss *)	130,272	(87,006)	461,951	505,217
Proceeds from interest and dividend	(81,374)	(10,449)	(833,862)	(925,685)
Investments	134,957	132,609	1,070,085	1,337,651
Realized	(117,790)	-	-	(117,790)
Redemptions	(168,725)	-	-	(168,725)
Transfers to Level 3	-	-	(155,213)**)	(155,213)
Balance as of September 30, 2024	5,816,310	5,167,623	27,026,339	38,010,272
*) Of which Total unrealized gains (losses) for the period with respect to financial assets held as of September 30, 2024	125,137	(87,006)	458,525	496,656

**) Transfers from Level 3 in respect of a security which has begun to receive a marketable quote.

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

A. Assets for yield-dependent contracts (cont.)

2. Fair value of financial assets by level (cont.)

Assets measured at fair value - Level 3 (cont.)

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of July 1, 2023	6,922,588	5,101,418	23,965,091	35,989,097
Total realized gains (losses):				
In profit and loss *)	296,531	(24,161)	1,015,754	1,288,124
Proceeds from interest and dividend	(78,177)	(27,035)	(486,048)	(591,260)
Investments	3,995	106,258	1,175,172	1,285,425
Realized	-	(36,161)	-	(36,161)
Redemptions	(606,697)	-	-	(606,697)
Transfers to Level 3	108,901 **)	-	-	108,901
Balance as of September 30, 2023	6,647,141	5,120,319	25,669,969	37,437,429
*) Of which Total unrealized gains (losses) for the period with respect to financial assets held as of September 30, 2023	296,531	(24,479)	1,015,754	1,287,806

**) Transfers to Level 3 arise from a security for which the publication of observable inputs was discontinued.

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss			
	Illiquid debt assets	Shares	Other financial investments	Total
	Audited			
	NIS thousand			
Balance as of January 1, 2023	6,751,267	4,869,736	20,921,038	32,542,041
Total realized gains (losses):				
In profit and loss *)	692,534	(339,453)	2,093,285	2,446,366
Proceeds from interest and dividend	(419,525)	(149,869)	(1,805,095)	(2,374,489)
Investments	659,823	397,677	4,705,689	5,763,189
Realized	(6,123)	(124,642)	(404,305)	(535,070)
Redemptions	(1,500,693)	-	-	(1,500,693)
Transfers to Level 3	108,901 **)	-	-	108,901
Balance as of December 31 2023	6,286,184	4,653,449	25,510,612	36,450,245
*) Of which Total unrealized gains (losses) in profit and loss for the period in respect of financial assets held as of December 31, 2023	627,605	(352,662)	2,070,898	2,345,841

**) Transfers to Level 3 arise from a security for which the publication of observable inputs was discontinued.

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

B. Other financial investments

1. Illiquid debt assets

	As of September 30		As of December 31	As of September 30		As of December 31
	2024	2023	2023	2024	2023	2023
	Carrying amount			Fair value		
	Unaudited		Audited	Unaudited		Audited
	NIS thousand			NIS thousand		
Government bonds - designated bonds *)	25,767,688	25,169,352	24,898,529	30,125,662	30,134,039	30,010,292
Other non-convertible debt assets						
Presented as loans and receivables, excluding deposits with banks	2,212,069	1,774,947	1,810,709	2,169,431	1,758,909	1,788,865
Deposits with banks	328,245	358,543	356,258	366,935	408,493	408,244
Total other non-convertible debt assets	2,540,314	2,133,490	2,166,967	2,536,366	2,167,402	2,197,109
Total illiquid debt assets	28,308,002	27,302,842	27,065,496	32,662,028	32,301,441	32,207,401
Impairments carried to profit and loss (cumulative)	25,450	42,551	35,963			

*) The fair value of the designated bonds was calculated according to the contractual repayment date.

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

B. Other financial investments (cont.)

2. Fair value of financial assets by level

The tables below depict an analysis of the financial instruments presented at fair value.
The balance as per the financial statements of cash and cash equivalents, collectible premiums and receivables and debit balances is equal to or approximates their fair value.

During the reporting periods there were no material transfers between Level 1 and Level 2.

	As of September 30, 2024			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Liquid debt assets	15,229,614	1,554,649	-	16,784,263
Shares	55,380	-	267,069	322,449
Other	1,883,521	266,451	4,840,315	6,990,287
Other financial investments	17,168,515	1,821,100	5,107,384	24,096,999

	As of September 30, 2023			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Liquid debt assets	13,265,822	1,801,431	-	15,067,253
Shares	2,620	-	244,939	247,559
Other	1,357,683	426,895	4,501,574	6,286,152
Other financial investments	14,626,125	2,228,326	4,746,513	21,600,964

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
	Audited			
	NIS thousand			
Liquid debt assets	14,760,605	1,272,114	-	16,032,719
Shares	14,225	-	244,330	258,555
Other	1,651,097	455,006	4,482,662	6,588,765
Other financial investments	16,425,927	1,727,120	4,726,992	22,880,039

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

B. Other financial investments (cont.)

2. Fair value of financial assets by level (cont.)

Assets measured at fair value - Level 3

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss and available-for-sale financial assets			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of January 1, 2024	-	244,330	4,482,662	4,726,992
Total realized gains (losses):				
In profit and loss *)	-	97	463,882	463,979
In other comprehensive income	-	(9,583)	(64,691)	(74,274)
Proceeds from interest and dividend	-	(4,070)	(480,400)	(484,470)
Investments	-	36,295	500,901	537,196
Realized	-	-	(62,039)	(62,039)
Balance as of September 30, 2024	-	267,069	4,840,315	5,107,384
*) Of which				
Total unrealized gains for the period included in profit and loss in respect of financial assets held as of September 30, 2024	-	97	469,873	469,970

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss and available-for-sale financial assets			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of January 1, 2023	-	229,709	3,711,169	3,940,878
Total realized gains (losses):				
In profit and loss *)	-	13,991	260,475	274,466
In other comprehensive income	-	(18,050)	253,601	235,551
Proceeds from interest and dividend	-	(2,945)	(285,661)	(288,606)
Investments	-	32,667	602,849	635,516
Realized	-	(10,433)	(40,859)	(51,292)
Balance as of September 30, 2023	-	244,939	4,501,574	4,746,513
*) Of which				
Total unrealized gains for the period included in profit and loss in respect of financial assets held as of September 30, 2023	-	11,350	258,734	270,084

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

B. Other financial investments (cont.)

2. Fair value of financial assets by level (cont.)

Assets measured at fair value - Level 3 (cont.)

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss and available-for-sale financial assets			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of July 1, 2024	-	239,831	4,745,158	4,984,989
Total realized gains (losses):				
In profit and loss *)	-	(401)	219,876	219,475
In other comprehensive income	-	1,048	(123,797)	(122,749)
Proceeds from interest and dividend	-	(126)	(235,196)	(235,322)
Investments	-	26,717	234,278	260,995
Realized	-	-	(4)	(4)
Balance as of September 30, 2024	-	267,069	4,840,315	5,107,384
*) Of which Total unrealized gains (losses) for the period included in profit and loss in respect of financial assets held as of September 30, 2024	-	(401)	219,876	219,475

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss and available-for-sale financial assets			
	Illiquid debt assets	Shares	Other financial investments	Total
	Unaudited			
	NIS thousand			
Balance as of July 1, 2023	-	246,457	4,215,128	4,461,585
Total realized gains (losses):				
In profit and loss *)	-	417	91,239	91,656
In other comprehensive income	-	(67)	70,416	70,349
Proceeds from interest and dividend	-	(2,526)	(103,812)	(106,338)
Investments	-	6,678	230,308	236,986
Realized	-	(6,020)	(1,705)	(7,725)
Balance as of September 30, 2023	-	244,939	4,501,574	4,746,513
*) Of which Total unrealized gains for the period included in profit and loss in respect of financial assets held as of September 30, 2023	-	350	91,109	91,459

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

B. Other financial investments (cont.)

2. Fair value of financial assets by level (cont.)

Assets measured at fair value - Level 3 (cont.)

	Fair value measurement at the reporting date			
	Financial assets at fair value through profit and loss and available-for-sale financial assets			
	Illiquid debt assets	Shares	Other financial investments	Total
	Audited			
	NIS thousand			
Balance as of January 1, 2023	-	229,709	3,711,169	3,940,878
Total realized gains (losses):				
In profit and loss *)	-	14,497	380,057	394,554
In other comprehensive income	-	(22,225)	21,641	(584)
Proceeds from interest and dividend	-	(4,644)	(416,961)	(421,605)
Investments	-	38,536	829,481	868,017
Realized	-	(11,543)	(42,725)	(54,268)
Balance as of December 31 2023	-	244,330	4,482,662	4,726,992
*) Of which Total unrealized gains for the period included in profit and loss in respect of financial assets held as of December 31, 2023	-	11,848	377,202	389,050

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

C. Financial liabilities

1. Breakdown of financial liabilities

	As of September 30		As of December 31	As of September 30		As of December 31
	2024	2023	2023	2024	2023	2023
	Carrying amount			Fair value		
	Unaudited		Audited	Unaudited		Audited
	NIS thousand			NIS thousand		
a) Financial liabilities presented at amortized cost						
Loans from banking corporations	31	1	5	31	1	5
Loans from non-bank entities	-	1,774	-	-	1,652	-
Subordinated notes (hereinafter - the "**Bonds**") *)	5,853,665	5,833,995	5,832,309	5,724,235	5,638,813	5,728,590
Liability for Repo	1,622,904	919,838	927,679	1,506,464	902,158	921,023
Total financial liabilities presented at amortized cost	7,476,600	6,755,608	6,759,993	7,230,730	6,542,624	6,649,618
b) Financial liabilities presented at fair value through profit and loss						
Derivatives held for yield-dependent contracts	964,793	3,170,246	310,755	964,793	3,170,246	310,755
Derivatives held for non-yield-dependent contracts	78,915	120,186	94,228	78,915	120,186	94,228
Short sales	154,642	56,026	56,997	154,642	56,026	56,997
Total financial liabilities presented at fair value through profit and loss	1,198,350	3,346,458	461,980	1,198,350	3,346,458	461,980
Total	8,674,950	10,102,066	7,221,973	8,429,080	9,889,082	7,111,598
Lease liabilities	139,477	132,379	137,520			
Total financial liabilities	8,814,427	10,234,445	7,359,493			

*) The fair value of the liquid bonds, which is provided for disclosure purposes only, is determined in accordance with their closing price as of the reporting date.

NOTE 7 - FINANCIAL INSTRUMENTS (cont.)

C. Financial liabilities (cont.)

2. Fair value of financial liabilities by level

The following table presents an analysis of the financial liabilities presented at fair value through profit and loss.
The balance as per the financial statements of payables and credit balances is equal to or approximates their fair value.

	As of September 30, 2024			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Derivatives	34,519	1,009,189	-	1,043,708
Short sales	154,642	-	-	154,642
Total financial liabilities	189,161	1,009,189	-	1,198,350

	As of September 30, 2023			
	Level 1	Level 2	Level 3	Total
	Unaudited			
	NIS thousand			
Derivatives	553,246	2,737,186	-	3,290,432
Short sales	56,026	-	-	56,026
Total financial liabilities	609,272	2,737,186	-	3,346,458

	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
	Audited			
	NIS thousand			
Derivatives	3,191	401,792	-	404,983
Short sales	56,997	-	-	56,997
Total financial liabilities	60,188	401,792	-	461,980

D. Valuation techniques

The fair value of investments traded actively in regulated financial markets is determined based on market prices as of the reporting date. For investments where there is no active market, fair value is determined using a valuation method. Such techniques include using transactions that were recently made at fair market value, reference to the current market value of another instrument which is substantially the same, discounted cash flows, or other valuation methods.

The interest rates used in determining the fair value

The fair value of illiquid debt assets, which are measured at fair value through profit and loss, and the fair value of illiquid financial debt assets, for which fair value information is provided solely for clarification purposes, is determined by discounting the estimated future cash flows from those assets. The discount rates are based primarily on yields on government bonds and spreads of corporate bonds as measured on the Tel Aviv Stock Exchange. The quoted prices and interest rates used for discounting purposes are determined by a company which won the tender, published by the Ministry of Finance, for the setting up and operating a database of quoted prices and interest rates for institutional entities.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS

A. Legal and other proceedings - general

Sections (b) to (e) (inclusive) below contain details regarding legal and other proceedings against the Company and/or consolidated companies. Section (b) below describes pending motions to certify lawsuits as class actions, including lawsuits that have been certified as class actions (hereinafter - "**Class Proceedings**"); Section (c) below describes Class Proceedings that have concluded during the reporting period and up to the report publication date; Section (d) below describes other legal proceedings and material lawsuits; Section (e) below presents a summary of the legal actions data; and Section (f) below describes additional legal proceedings and other proceedings, the Insurance Commissioner directives, and events and developments that create an exposure for the Company and/or its consolidated companies.

In recent years, a substantial increase has been observed in Class Proceedings brought against the Company and/or its consolidated companies. The above is in line with an upward trend in motions to certify class actions in general, and an upward trend in such motions against companies in the consolidated companies' operating segments. This trend significantly increases the Company's and/or the consolidated companies' potential exposure to losses in the event that a class action against the Company and/or consolidated companies is granted. The Class Proceedings are at different stages legal procedural stages, from the stage of adjudicating the motion to certify a class action to the stage in which the claim is certified as a class action and is adjudicated as such. Some of the class actions are under appeal.

Class actions may be brought for a variety of causes of action the law specifies for this purpose, and with respect to an insurer, they include any matter between a company and its customer, regardless of whether or not they entered into a transaction. The law stipulates procedures and restrictions regarding settlement agreements in class actions that hinder the conclusion of settlement agreements in class actions, including, among other things, the right granted to the Attorney General and others to submit their objection to the settlement agreements and the appointment of an examiner for the settlement agreement. A class action's scope is determined once it is certified, and it depends on the certified causes of action and the approved remedy for these causes.

In respect of legal proceedings or motion to certify class actions in which, in the Company's assessment, based among others on legal opinions it received, it is more likely than not (i.e. a probability of more than 50%) that the plaintiff's claims will be accepted and the case decided in his favor (or in the case of a class action certification motion – that the court will certify a class action), provisions were included in the financial statements to cover the exposure estimated by the Company and/or its consolidated companies

In respect of motions to certify lawsuits in which a class action was certified by the court, provisions were included in the financial statements to cover the exposure estimated by the Company and/or its consolidated companies, where, in management's assessment, based, among other things, on legal opinions it received, it is more likely than not that the plaintiff's claims will be accepted in the action itself. If a class action has been certified by the court and the plaintiff appeals, petitioning to extend the scope of the judgment rendered, the financial statements include provisions to cover the estimated exposure in the appeal, according to the Company and/or its consolidated companies, if, according to the management's assessment, based, among other things, on legal opinions it receives, it is more likely than not that the plaintiff's claims in the appeal would be accepted.

If there is a willingness to settle in any proceeding, a provision is made, equal to the acceptable potential settlement, even in cases in which, according to the above details, no provision would have been made in the financial statements were it not for the settlement or the willingness to settle. In cases in which, according to the above description, a provision must be made in the financial statements and there is a willingness to settle, a provision is made in the statements to cover the estimated exposure according to the Company and/or its consolidated companies, or the total acceptable settlement, whichever is higher. If a settlement agreement is approved, the statements include a provision equal to the estimated cost of the settlement agreement, according to the Company and/or the consolidated companies.

For legal and other proceedings, as described below in this note, in which the foregoing does not apply according to the management's assessment, based, among other things, on legal opinions it has received, and for proceedings in the initial stages detailed in Items 24, 28, 29 and 32 to 37 in the table below, whose chances cannot be estimated – no provision is made in the financial statements.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

A. Legal and other proceedings - general (cont.)

In management's assessment, which is based on, inter alia, legal opinions it received, adequate provisions were included in the financial statements, where necessary, to cover the exposure estimated by the Company and/or its consolidated companies or in respect of the amount the Company and/or its companies are prepared to pay for a settlement agreement, as the case may be.

B. Class proceedings – pending class action certification motions and certified class actions

Below is a breakdown of the motions to certify lawsuits as class actions and pending certified class actions against the Company and/or its consolidated companies, presented in chronological order according to the day they were brought:

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
1	1/2008 District Court - Tel Aviv	A life insurance policyholder v. Migdal Insurance and additional insurance companies	Unlawful collection of a premium component known as “sub-annuals” with respect to certain policy components and/or types of coverage, at an amount that exceeds the permitted amount. The remedies include a motion to order a refund of the amount the class members were unlawfully charged due to sub-annuals, as well as a mandatory injunction compelling the defendants to change their modus operandi.	Anyone who was charged a fee for the “sub-annuals” component under circumstances and at an amount that deviate from the permitted limit.	In July 2016, the court rendered a ruling that certified the lawsuit as a class action with respect to anyone who was charged a fee for sub-annuals in relation to the savings component of mixed policies or in relation to the policy factor component or in relation to policies that cover health, disability, critical illness, permanent health insurance, and long-term care. Migdal Insurance and the other defendant companies brought a motion for leave to appeal the ruling before the Supreme Court in December 2016. In May 2018, the Supreme Court granted the motion for leave to appeal and overturned the District Court’s ruling in favor of certifying the class action. A motion for a further hearing of the case was brought in June 2018. In July 2019, the Supreme Court ordered a further hearing before a panel comprising 7 judges. In February 2020, the Attorney General’s position was submitted, stating that insofar as the regulator’s interpretation of its guidelines is acceptable according to accepted interpretation principles, it ought to be preferred, unless there are other considerations that warrant giving it less weight. It is noted that the regulator’s position before the trial court was that there is no impediment to charging the sub-annuals component in relation to the collection components. In July 2021, the Supreme Court rendered a judgment in the further hearing, overturning the judgment on the motion for leave to appeal and holding that the regulator’s position ought not to be preferred and that its status is the same as any administrative authority’s. Accordingly, it was held that the District Court’s judgment would be reinstated, and the motion to certify and the class action would be heard on their merits. In May 2023, the parties accepted the Court’s recommendation and went into mediation. The parties submitted an affidavit of evidence-in-chief. An evidentiary hearing of the case was scheduled. Since the first quarter of 2024, the lead plaintiffs’ representatives have been in communication with the defendants’ representatives, further to the mediator’s referral in the case.	Approx. NIS 2,300 million. Approx. NIS 827 million is attributed to Migdal Insurance.

1 The filing date of the lawsuits and the motions is the original lawsuit and motion filing date, and the court is the court before which the proceeding was originally brought.
2 References to statutes are according to their full title, without the year on which they were enacted in.
3 The class that the plaintiff seeks to represent, as requested in the original motion to certify in the proceeding, is the class that forms the basis for estimating the claimed amount in the statement of claim, unless stated otherwise.
4 The amount that the plaintiff estimated in the original lawsuit. Unless stated otherwise, the amounts are approximations.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
2	5/2013 District Court - Tel Aviv	Health insurance policyholders v. Migdal Insurance and additional insurance companies	Defaults on linkage differences and interest payments from the date of the insured event, and alternatively, payment of the interest differentials due to insurance benefits after 30 days from the lawsuit service date and until the payment date. The sought remedy is the payment of linkage differences and interest that have not been lawfully paid.	Any eligible party (policyholder, beneficiary, or third party) who received insurance benefits without lawful interest and linkage in the 7 years preceding the claim filing date and/or who receives them until a judgment is rendered.	In August 2015, a ruling was rendered, denying the motion to certify a class action with respect to linkage differences, and granting the motion to certify with respect to the interest lawsuit, starting 30 days from the day of submitting the claim for insurance benefits (as opposed to the day of delivery of the last document the insurer requires to examine its liability), for a period of 3 years prior to filing the claim and until the date of the abovementioned ruling, except with respect to insurance benefits that were paid pursuant to a court judgment. The defendants brought a motion for leave to appeal before the Supreme Court, and in a hearing held in August 2016, they withdrew their motion for leave to appeal, while preserving their claims. On February 28, 2021, a partial judgment was rendered in the lawsuit, according to which the class action against the defendants was certified (hereinafter - the "**Judgment**"), for all eligible parties (policyholders, beneficiaries, or third parties) who, during the period commencing three years before the lawsuit was brought and ending on the day the Judgment was rendered, received insurance benefits from the defendants, other than pursuant to an applicable judgment, without the lawful interest being added (hereinafter - the "**Class Members**"). It is noted that the principles according to which the class members' entitlement to interest differentials is to be calculated were specified in the Judgment. Furthermore, the court held that an expert would be appointed to implement it and calculate the restitution. In addition, the costs and legal fees payable to the lead plaintiffs and their counsel were awarded, at immaterial amounts. The payable compensation to the lead plaintiffs and their legal counsel shall be determined in the final judgment. In May 2021, Migdal Insurance and other defendants filed a motion for leave to appeal and a motion for stay of execution of the Judgment. In November 2022, the Supreme Court denied the motion for leave to appeal, while preserving the defendants' right to raise their arguments again in an appeal on the final judgment.	Approx. NIS 503 million, of which, approx. NIS 120 million with respect to Migdal Insurance.[5]

[5] In accordance with the amended statement of claim that was filed in accordance with the certification ruling.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
2	Cont.				In January 2023, the court appointed an expert for the case, pursuant to the judgment. It is noted that another lawsuit and another motion to certify a class action have been brought against Migdal Insurance for the same cause of action, regarding another class of plaintiffs, with respect to the period after the certification ruling. In light of the court's decision in the judgment, to extend the class membership until the day a judgment is rendered (instead of the ruling in the certification ruling, as noted above), it is reasonable to assume that litigating this additional lawsuit and the respective motion to certify it as a class action, which was filed only for the sake of caution in the first place, in the event that the court holds otherwise for the class members, would become unnecessary. On this matter, see Claim 8 in this note below.	
3	7/2014 District Court - Central	NGOs and organizations, which support the elderly, vs. Migdal Makefet and four other pension fund management companies	Bad faith use of the right to raise the management fees to the highest permitted rate under the bylaws upon the planholder's retirement, as well as failure to give advance notice before retirement. The sought remedies are the remedy of compelling restitution of the excessive management fees that pensioners or the pension fund were, was, and/or will be unlawfully charged, and alternatively, to refund the total management fees the pensioners were charged to the pension fund and make an equitable, fair distribution of the funds the pensioners were illegally charged among all pension planholders; to prohibit the defendants from raising the management fees for each policyholder shortly before they retire; to rule that the condition in the defendants' bylaws that allows them to raise the management fees from time to time is (allegedly) an unduly disadvantageous condition in a standard contract; and to order its revocation or modification such that the alleged disadvantage is eliminated.	Each planholder in the respondents' new comprehensive pension fund who is entitled to an old-age pension and/or becomes entitled to an old-age pension.	In March 2022, the District Court approved the certification motion against Makefet and the other defendants. The court ruled that the definition of the class shall be as requested in the motion to certify and shall include anyone who is a planholder in a new comprehensive pension fund included among the defendants, and who is entitled to an old-age pension and/or becomes entitled to an old-age pension in the future. The certified causes of action are: breach of the duty of good faith; breach of fiduciary duty; and breach of the duty of proactive disclosure. The questions under discussion in the class action are whether the defendants had had to notify the planholders of the management fees they would be charged in the pension period in advance, and if so, what damage had been caused by the failure to provide such a notice. Migdal Makefet submitted its statement of defense in July 2022, and the preliminary procedures were then adjudicated. In January 2024, the parties accepted the court's recommendation and went into mediation.	At least NIS 48 million, "without quantifying the other remedies at this stage", as well as compensation for the future from all defendants.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
4	9/2015 District Court - Central	An LTC policyholder v. Migdal Insurance and other insurance companies	Breach of policy terms due to an interpretive position regarding the manner of assigning points for the “incontinence” component when examining the policyholders’ eligibility for long-term care insurance benefits only when their incontinence stems from urological or gastroenterological conditions, whereas it is argued that points ought to be awarded for this component even in cases of functional lack of control, and failure to fulfill the duty of disclosure in this context before the policy is bought. The sought remedies include charging the plaintiffs damages.	Anyone who was a long-term care insurance policyholder and did not receive the appropriate points for incontinence upon an insured event because of that interpretation.	In April 2020, a ruling was rendered in favor of partially granting the motion to certify against Migdal Insurance and three other insurance companies. The class was certified with respect to any policyholder of Migdal Insurance and the other companies against whom the class action was certified, who suffered from loss of bowel or bladder control, due to a combination of incontinence that does not amount to an organic loss of control with a poor functional condition, and regardless of the aforesaid did not receive from the said insurers credit points for incontinence when examining their claim to receive long-term care insurance benefits, such that their rights to insurance benefits were impaired between September 2012 and the date of certifying the claim as a class action. An amended statement of claim was filed in accordance with the certification ruling in June 2020. The parties in the case, except for Migdal Insurance, went into mediation. Migdal Insurance will hold a direct dialogue with the plaintiff to examine how the proceeding is to be resolved with respect to it, after the mediation with the other defendants ends. The parties must advise the court whether they have reached any consents in a joint announcement.	Tens, even hundreds of millions of shekels.
5	9/2015 District Court - Tel Aviv	A pension fund planholder v. Migdal Insurance and pension fund management companies	According to the claim, the respondents pay insurance agents fees that derive from the management fees, which puts the insurance agents in a conflict of interest and puts the planholder in a situation where they pay excessive management fees. The claimed remedies are a declaratory remedy, according to which the respondents must change their arrangement with the agents and adapt it to the law; restitution of all excessive management fees; and any other remedy the court finds equitable and suitable under the circumstances.	Planholders of provident funds of the management companies, who were charged management fees from which the agents' commission is derived based on the management fees amount.	In November 2022, the Tel Aviv District Court denied the motion to certify the claim as a class action and ruled, among other things, that the common practice at the relevant time for the purpose of the motion to certify, prior to Amendment No. 20 to the Financial Services Supervision Law (Provident Funds), 2005, was not prohibited by law. Migdal Insurance was served a statement of appeal to the Supreme Court in January 2023. In August 2023, Migdal Insurance filed its response to the appeal, and an appeal hearing was scheduled.	NIS 2 billion - probably from all the defendants.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
6	1/2019 District Court - Tel Aviv	A policyholder v. Migdal Insurance	The lawsuit concerns the allegation that the denial of claims under a personal accidents policy in cases of hospitalization in rehabilitation-centered medical facilities (hospitals), based on the policy's definition of a "hospital" to the exclusion of rehabilitation centers, is unlawful. According to the plaintiff, this is a coverage restriction that had been presented in a misleading manner and/or improperly stated.	The class that the plaintiff seeks to represent consists of Migdal customers who had purchased personal accident health insurance policies and whose claims pursuant to the compensation for hospitalization days component were denied, on the grounds that a "hospital," within the meaning thereof in the policy, is exclusively a medical institution that is recognized as a general hospital by the competent authorities in Israel or overseas, not a rehabilitation center and/or mental health facility and/or convalescent home and/or nursing care facility.	In February 2021, a ruling was issued in favor of the lawsuit's class certification, as detailed below: The class members: Migdal Insurance policyholders who had purchased personal accident health insurance policies and whose claims pursuant to the compensation for hospitalization days component were denied, on the grounds that a "hospital," within the meaning thereof in the policy, is exclusively a medical institution that is recognized as a general hospital by the competent authorities in Israel or overseas, not a rehabilitation center and/or mental health facility and/or convalescent home and/or nursing care facility, in the three years preceding the day the motion to certify the lawsuit as a class action was brought. The causes of action for which the lawsuit was certified as a class action: violation of Section 3 of the Insurance Contract Law; breach of the provisions of the Capital Market, Insurance and Savings Authority circular regarding "Full disclosure to the policyholder upon joining a health insurance policy"; breach of insurance contract. The claimed remedy: payment of insurance benefits for hospitalization days that qualify for compensation for hospitalization days, regardless of the institution the policyholder was hospitalized in; the removal of the definition of "hospital" from the policy or its revision in accordance with the law; and a declaratory judgment that states that Migdal Insurance has violated the law. In April 2021, Migdal Insurance brought a motion for leave to appeal the certification ruling to the Supreme Court. The proceedings were stayed in January 2022, until a ruling was issued on the motion for leave to appeal. In July 2022, the Attorney General submitted her position on the case, according to which the definition of a "hospital" in insurance policies, that Migdal Insurance relied on when denying the insurance claims, is a restriction on liability under the policy. According to the Attorney General, that restriction was not duly emphasized, as required in the relevant legislative arrangement, and Migdal Insurance is therefore barred from relying on it. In July 2022, Migdal Insurance filed a consensual motion to strike out the motion for leave to appeal, which was granted without a costs order. The parties entered into a mediation proceeding. A settlement agreement, including an approx. NIS 3.6 million refund; provisions on Migdal Insurance's future conduct; as well as payment of the plaintiff's award and legal fees to the plaintiff's counsel, at immaterial amounts, was brought before the Tel Aviv District Court for approval in April 2023. The court ordered the settlement agreement's publication.	At this stage, it is estimated at approx. NIS 24 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
6	Cont.				In July 2024, the Attorney General submitted her position on the settlement agreement, stating that approving the arrangement in the current form is unjustified, on several grounds that mainly concern the future regulation and the compensation mechanism. In September 2024, the parties submitted a response to the Attorney General's position, in which Migdal Insurance objected to that part of the Attorney General's position pertaining to the future arrangement in accordance with the settlement agreement; at the same time, the Attorney General's position as to the manner by which payments will be made (bank transfers or checks) was accepted, and so was its position as to the transfer of the remaining funds, if any, to a fund charged with the management and distribution of the funds.	
7	5/2019 District Court - Tel Aviv	A life insurance policyholder v. Migdal Insurance	The lawsuit concerns the allegation that in policies that stipulate a profit participation formula with an RM formula, Migdal Insurance does not pay the full amounts it must pay under the insurance policy and statutory provisions, and within this, it does not pay the full share of the profits owed to the policyholders under the policies; and the allegation of a breach of the duties of disclosure and reporting to policyholders in connection with the policy and the policyholders' rights thereunder. In the motion, the plaintiff relied on a ruling that had certified a class action against another insurance company regarding that company's policies, with similar causes of action. A similar claim was also filed against another insurance company.	The class that the plaintiff seeks to represent consists of all Migdal Insurance policyholders or former policyholders who received payments pursuant to participating life insurance policies with an RM formula.	A response has been filed to the class action certification motion. The proceeding is in the stage of the class action certification motion being reviewed. In August 2020, the movant brought a motion for a consolidation of the hearing of this lawsuit and a lawsuit he has brought against another insurance company. The insurance companies, including Migdal Insurance, objected to that motion, citing, among other things, the differences between the proceedings and the lawsuits. Migdal Insurance has submitted its response to the motion. In May 2021, the court ruled that the lawsuits would be heard before the same panel. The panel the cases were assigned to ruled that the proceedings would be stayed until the Supreme Court ruled on the appeals against the certified class action lawsuit against another insurance company. In September 2021, the other insurance company informed the court that a judgment has been rendered in the appeal. The plaintiff's appeal in that case was denied, and the insurance company's motion for leave to appeal, that focused on the definition of the class and the issue of the prescriptive period, was partially granted. In March 2022, the movant brought a motion to strike out the motion to certify described below in Section 9 of this table. In February 2024, the court ordered the consolidation of this motion to certify and the motion described below, in Section 9 of this table, and the submission of a consolidated and revised statement of claim and a consolidated and revised motion to certify. In accordance with the ruling given in June 2024 as part of a motion for leave to appeal the consolidation of the aforementioned motions, the proceedings will be discussed together, with each motion to certify being heard in accordance with the original statements of claim, which were submitted separately. An evidentiary hearing of the case was scheduled.	NIS 692 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
8	6/2019 District Court - Tel Aviv	A third-party motor insurance policyholder v. Migdal Insurance and additional insurance companies	The lawsuit concerns the allegation that Migdal Insurance does not pay interest on insurance benefits at the lapse of 30 days from the day the claim is filed. This is a follow-up lawsuit to the lawsuit described above in Section 2 (hereinafter - the "**First Lawsuit**"), and it was filed, as the movant claims, solely for the sake of caution in case the court denies his motion to extend the class until a judgment is rendered therein.	Anyone who was and/or is paid insurance benefits from Migdal Insurance in the period commencing on August 31, 2015 (after the date of the certification ruling in the First Lawsuit), and ending when a judgment is rendered on that lawsuit, without the lawful interest being added to the insurance benefits.	No response has as yet been filed with respect to the class action certification motion. In February 2021, a partial judgment was rendered on the First Lawsuit, granting the lawsuit, including the plaintiffs' motion to extend the class, until the date the judgment is rendered, as the movant in that lawsuit had petitioned. Accordingly, the adjudication of this lawsuit and the motion to certify it as a class action are likely to be rendered unnecessary. In November 2022, the Supreme Court denied the motion for leave to appeal in the abovementioned Lawsuit No. 2, while preserving Migdal Insurance's and the other respondents' right to raise the claims raised in the motion for leave to appeal again in an appeal on the final judgment in the class action, if such an appeal is brought. For details regarding the first claim and the partial ruling, see Claim No. 2 above in this section.	NIS 90 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
9	6/2019 Regional Labor Court - Tel Aviv	A disability insurance policyholder v. Migdal Insurance	The lawsuit concerns the allegation that Migdal Insurance unlawfully subtracts sums due to “calculative interest,” starting from the 25th payment, from the insurance benefits paid under participating policies that include permanent health insurance and/or a waiver of premium. A similar claim was also filed against another insurance company.	Policyholders or former policyholders in participating life insurance policies that stipulate a mechanism for linking insurance benefits and/or the waiver of premium to the returns on the investment portfolio from the 25th payment onward, and to whom Migdal Insurance paid insurance benefits and/or applied a waiver of premium from savings appendixes for a period exceeding 24 months, and from the 25th month onward, deducted interest from the returns, except for policyholders or former policyholders whose respective policies prominently and exactly stated the interest rate that would be deducted in the linkage clause, provided that the words “according to which the monthly benefits amount is calculated” do not appear.	A response has been filed to the class action certification motion. The proceeding is in the stage of the class action certification motion being reviewed. In November 2020, a motion by the movant who had brought a motion to certify another class action against Migdal Insurance, as described in Section 7 of this table above, to assign the hearing of this class action to the panel that hears the lawsuit it has brought, was granted; accordingly, the hearing of the lawsuit would be held before the Tel Aviv District Court. In March 2022, the movant in the motion to certify described in Section 7 above brought a motion to strike out the motion to certify. Migdal Insurance and the movant responded to the motion to strike out. In February 2024, the court ordered the consolidation of this motion to certify and the motion described above, in Section 7 of this table, and the submission of a consolidated and revised statement of claim and a consolidated and revised motion to certify. In accordance with the ruling given in June 2024 as part of a motion for leave to appeal the consolidation of the aforementioned motions, the proceedings will be discussed together, with each motion to certify being heard in accordance with the original statements of claim, which were submitted separately. An evidentiary hearing of the case was scheduled.	NIS 1.5 billion.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
10	2/2020 Regional Labor Court - Tel Aviv	A life insurance policyholder v. Migdal Insurance	The lawsuit concerns the allegation that Migdal Insurance raised the movant's management fees over the agreed-upon rate, unilaterally and without consent, and that Migdal Insurance must refund the management fees it had overcharged. The motion stated that there is a pending motion to certify against another insurance company because of an identical practice, in which a settlement agreement has been submitted to the court, wherein the insurance company pledged to reinstate the class members' management fees had originally agreed upon, as well as to refund the class members a total of 67.5% of the management fees it had overcharged. The main alleged causes of action are: the contractual causes of breach of contract and breach of the duty of good faith when performing a contract; unjust enrichment; breach of duties of trust; deception; and breach of statutory duty. The main claimed remedy in the lawsuit is a monetary remedy to refund the full amount Migdal had charged to the class members due to management fees in excess of the specified management fees under the policy and/or in contrast with the competent authority's instructions and/or in contravention of the law.	All of Migdal Insurance's customers under executive insurance policies, who had been charged management fees at a rate that exceeds the specified rate in the policy and/or the insurance schedule and/or in contravention of the directives issued by the Commissioner of the Capital Market, Insurance and Savings (or any other relevant competent authority) and/or in contravention of the Insurance Contract Law (or any other relevant statutory provision).	The proceeding is in the stage of the class action certification motion being reviewed. A response to the class action certification motion has been filed. An evidentiary hearing of the case was scheduled. In January 2023, a revised motion to certify was submitted. The parties conducted a mediation proceeding that was unsuccessful. In June 2024, Migdal Insurance submitted its response to the revised motion to certify. An evidentiary hearing of the case was scheduled.	Was not estimated by the movant.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
11	4/2020 District Court - Haifa	A motor insurance (compulsory and property) policyholder v. Migdal Insurance and additional insurance companies	The lawsuit concerns the allegation that the defendants, in alleged contravention of their legal obligation, do not reduce the insurance premiums in motor insurance policies (compulsory and property), despite the highly material decrease in the risk that the defendants are exposed to, as alleged in the lawsuit, due to the movement restrictions that have been imposed because of the outbreak of the coronavirus in Israel, that had led to a dramatic drop in travel volumes, from March 8, 2020, to the absolute and total removal of the aforementioned movement restrictions (hereinafter - the "**Effective Period**"). The main alleged causes of action are: unjust enrichment; violation of the Insurance Contract Law; the contractual causes of breach of the duty of good faith when performing a contract; the tort of breach of statutory duty; and the tort of negligence. The main claimed remedies are: restitution of the excess premium that the defendants had charged to the class members during the Effective Period; a mandatory injunction compelling the defendants to adjust the insurance premiums they charge to the actual risk that the defendants were exposed to during the Effective Period; and/or a declaratory judgment that states that a material reduction in car usage in circumstances like those of events described in the lawsuit calls for an adjustment to the premium (reduction).	Anyone who had been a policyholder of one or more of the defendants, under compulsory motor insurance and/or comprehensive insurance and/or third-party insurance, during the Effective Period or part thereof.	In April 2020, three motions to certify a class action lawsuit against Migdal Insurance and other insurance companies were brought, that raised similar allegations. The motion was submitted for adjudication before the Tel Aviv District Court, before the panel that had heard the other two motions. One motion to certify regarding motor insurance policies (insofar as it concerns Migdal Insurance) has been stricken out, and the two remaining motions have been consolidated and resubmitted in April 2021. In January 2023, a pre-trial hearing was held, during which the court suggested that the parties in this case go into mediation. The defendants informed the court that they are not interested in mediation. The parties submitted summations on their behalf.	NIS 125 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
12	5/2020 District Court - Tel Aviv	An advanced education fund planholder v. Migdal Makefet and additional management companies	The motion to certify concerns the allegation that the defendants allegedly classify some of the contributions for planholders as taxable, even though they are not taxable, and/or that the records about them are false. The alleged causes of action are, among other things, breach of the fund bylaws; breach of the duty of good faith; violation of the Financial Services Supervision Law (Provident Funds), the Wage Protection Law, and the Income Tax Ordinance; breach of statutory duty; unjust enrichment; negligence; breach of autonomy; theft; and violation of the Consumer Protection Law. The main remedies: compelling the defendants to cease the unlawful denial of the tax benefit; compelling restitution and/or payment, as detailed in the lawsuit, to all class members and/or the public; and compelling the defendants to revise the annual statements in which the contributions were incorrectly classified.	All of the defendants' past and present customers, for whom the defendants managed and/or manage an advanced education fund, and for whom, the defendants unlawfully classified the contributions made for them as taxable and/or regarding whose contributions that records are incorrect (whether tax has already been deducted because of them or not).	A response to the class action certification motion has been filed. Migdal Makefet filed a motion to file a third-party notice against the Israel Tax Authority. In June 2020, the court expressed its position that the manner in which the motion was filed, against 14 different respondents and 34 different movants with different factual claims, is prima facie unreasonable and inefficient. In August 2021, the Israel Tax Authority submitted its response to the third-party notice, stating that it accepts the respondents' position on the interpretation of the law regarding the classification of taxable contributions to an advanced education fund, noting that the respondents are a mere conduit for transferring funds to the Israel Tax Authority. The Authority's position is that the main allegation in the proceeding is against the Authority's guidelines on implementing the provisions of the law regarding setting the tax benefit ceiling, and therefore, it should be joined to the proceeding as a respondent, as an "indispensable party," not as a third party. In January 2022, the court decided to join the Israel Tax Authority as a respondent in the motion and advised the parties to go into mediation. In August 2022, the Israel Tax Authority submitted its response to the motion brought against it in the motion to certify, stating that it believes that the motion to certify a class action lawsuit ought to be denied. The parties are conducting a mediation procedure.	Cannot be estimated.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
13	5/2020 Regional Labor Court - Tel Aviv	An executive insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that Migdal has allegedly made excessive deductions from employer contributions, compared to the permitted rate under the law for the purpose of buying life insurance coverage, and moreover, that it purchased non-life insurance coverage for the policyholders that may not be purchased out of employer contributions, with respect to policyholders whose insurance policies were issued between August 1999 and December 2003 (hereinafter - the "**Relevant Period**"). The alleged causes of action are, among other things, breach of statutory duty (the Income Tax Regulations) and unjust enrichment. The main remedies claimed in the lawsuit are mandatory injunctions compelling Migdal to transfer the excessive funds it had collected into the class members' savings account kept at the insurance fund/s registered to them that it manages, or into the class members' or their heirs' respective bank accounts, with the accrued returns in the fund from the date each excess payment was deposited to the day they are refunded, and from here on out, to terminate the collection that exceeds the rate set out in the Income Tax Regulations (Provident Fund Approval and Management Rules), 1964 (hereinafter - the "**Income Tax Regulations**").	All of the respondent's policyholders whose insurance fund was opened during the Relevant Period, and for whom Migdal deducted a sum that exceeds 10% of the total employer contribution portion of these contributions for the purpose of insurance coverage, starting seven years before the motion was brought and until Migdal discontinues the wrongful deductions or the day the lawsuit is certified as a class action, whichever is earliest. The above – except for such policyholders who had asked that Regulation 45 of the Income Tax Regulations be applied to them.	The proceeding is in the stage of the class action certification motion being reviewed. In July 2021, the Commissioner presented his position on the case, that supports Migdal Insurance's position regarding the purchase of death benefit coverage out of the employee contributions. The position noted that it is prohibited to purchase any other insurance coverage (such as income disability) out of the contributions, unless the employee has consented after the start of 2004, in accordance with Regulation 45 of the Income Tax Regulations, as applicable on January 1, 2004. In addition, the Commissioner asked the court to reconsider the continued adjudication of the class proceeding, in light of the Commissioner's intention to carry out a comprehensive regulatory process addressing this subject. In December 2021, the Commissioner sent a demand for information notice to Migdal Insurance regarding the collection of insurance coverage in accordance with the limitations under Regulation 45 of the Income Tax Regulations, that contained instructions to carry out restitution if it is found that Migdal Insurance has acted in contravention of the rules set out in the notice (hereinafter - the "**Demand**"). The Demand stipulated that Migdal Insurance must submit a detailed outline of the measures it will take to execute the restitution of the funds it had charged unlawfully to the Commissioner. In March 2022, Migdal Insurance submitted its position about the Demand to the Capital Market Authority, and held a meeting on the subject with the Capital Market Authority. The Authority has not yet addressed Migdal Insurance's abovementioned position. Regarding this matter, see Section F(7) to this note below.	Cannot be estimated.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
13	Cont.				A ruling that partially granted the motion to certify against Migdal Insurance was rendered in January 2024. The lawsuit's certification relates to any policyholder who had contracted with the respondent to purchase executive insurance during the relevant period and with respect to whom, in the seven years preceding the date the case in question was brought, funds contributed for them due to provident or severance pay had been designated to purchase disability income insurance. Furthermore, in the motion, the movant's allegation regarding death benefit coverage was dismissed (including the allegation that for policies bought in the relevant period, only 1.3% of the wages could be designated for the purchase of death risk). The plaintiffs brought a motion for leave to appeal before the National Labor Court in January 2024, with respect to these allegations' dismissal. The National Court held that the motion for leave to appeal would be heard as an appeal. The Regional Court proceeding is stayed until the appeal is decided.	

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
14	6/2020 District Court - Central	A planholder of a pension fund v. Migdal Insurance, Migdal Makefet, and other insurance companies	The class action certification motion involves an allegation that in CPI-linked loan agreements the defendants supposedly adopted an unlawful practice that is purportedly a depriving condition in a contract, in view of the one-way linkage mechanism – by which when the Consumer Price Index is lower at the time of making a loan payment (hereinafter - the “**new index**") than the index that was known at the time the loan was granted (hereinafter - the “**base index**"), the planholder does not receive the difference, contrary to the opposite situation (where the new index is higher than the base index) where the payment is raised by the rate at which the new index is higher than the base index. The alleged causes of action are, among other things, an unduly disadvantageous condition in a standard contract under the Standard Contracts Law, 1982, and unjust enrichment. The main remedies claimed in the lawsuit are: a declaratory order according to which the defendants’ actions within index-linked loan agreements, as described above, are contrary to the law; a mandatory injunction compelling the defendants to establish a two-way linkage mechanism and allow borrowers to benefit from decreases in the new index, compared to the base index, in index-linked loans; and damages in favor of the class members. As claimed in the motion to certify, there are pending motions to certify against two other insurance companies that raise common factual and legal issues, as detailed in the motion to certify.	All the defendants’ customers who had borrowed index-linked loans of any kind, in which an unduly disadvantageous condition was set, according to which a decrease in the index compared with the base index would not benefit the customer.	A response to the class action certification motion has been filed. The proceeding is in the stage of the class action certification motion being reviewed. The parties conducted a mediation proceeding that was unsuccessful. The Attorney General has announced that he does not believe that the state ought to present its position on this case. The Commissioner of the Capital Market, Insurance and Savings presented the position that, among other things, the question of the condition’s being an unduly disadvantageous condition is a legal question that the court has jurisdiction over, and to the extent that the court grants the lawsuit, the restitution ought to be made out of the planholders’ funds. In April 2023, a decision was made to assign the adjudication of the case to the Labor Court. In December 2023, there was a hearing in which the court proposed a settlement outline to conclude the proceeding to the parties.	Over NIS 3 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
15	7/2020 District Court - Central	A health and permanent health insurance policyholder v. Migdal Insurance and additional insurance companies	The motion to certify concerns the allegation that in cases of insurance policies that stipulate that an event / injury / illness, or any materialized risk that arose from and/or were related to the policyholder's pre-existing medical condition on the policy purchase date are not covered under the policy (hereinafter - "**Exclusion**"), the defendants charged premiums unlawfully, as they did not lower the premiums on such policies in proportion to the reduced risk following the Exclusion. The alleged causes of action include, among other things, contravention of the Equal Rights of People with Disabilities Law, 1998; the Prohibition of Discrimination in Products, Services, and Entry to Places of Entertainment and Public Places Law, 2000; bad faith; violation of the provisions of the Financial Services Supervision Law (Insurance), 1981; breach of statutory duty; negligence; and unjust enrichment. The sought remedies are the restitution of the excess premiums that had been allegedly charged, as well as a mandatory injunction compelling the defendants to rectify their conduct and lower the premium when an Exclusion applies.	Anyone who was a policyholder during the period beginning 7 years before the day of filing the claim and ending on the day of its certification as a class action, by one or more of the defendants, under an insurance policies for disability, long-term care, life, permanent health insurance, personal accidents, health (including critical illness, surgeries in Israel or abroad, transplants in Israel or abroad, medications, ambulatory procedures or any other medical coverage) that contains an exclusion.	The proceeding is in the stage of the class action certification motion being reviewed. A response to the class action certification motion has been filed. In January 2022, the movant replied to the response to the motion. In August 2022, Migdal Insurance and the other respondents submitted supplemental statements of claim. Following the parties' consent, a consensual expert was appointed.	NIS 228 million.
16	3/2021 District Court - Tel Aviv	Health insurance policyholders v. Migdal Insurance and additional insurance companies	The motion to certify concerns the allegation that the defendants are in breach of the terms of the insurance contract, as they refuse to fund the plaintiffs' medical cannabis purchase expenses, despite the fact that medical cannabis is an approved medical indications in several Western countries that the insurance contract terms referenced. The alleged causes of action include, among other things, breach of agreement, bad faith, unjust enrichment, and the tort of negligence. The claimed remedies in the lawsuit are a declaratory remedy, stating that the defendants must reimburse the non-Healthcare Services Basket pharmaceuticals insurance coverage policyholders for expenses incurred for the purchase of medical cannabis; and a monetary remedy, within which the defendants would be compelled to reimburse the value of the economic damage resulting from their faulty conduct and the breach of the insurance contract to all class members.	The class on whose behalf the motion to certify is brought encompasses anyone who was the defendants' policyholder under a non-Healthcare Services Basket pharmaceuticals insurance, and who was not reimbursed for their medical cannabis purchase expenses.	A response to the class action certification motion has been filed. According to the Court's recommendation, the parties entered into a mediation proceeding.	Approx. NIS 79 million from all the defendants.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
17	4/2021 District Court - Tel Aviv	An advanced education fund planholder v. Migdal Insurance, as well as against institutional entities, banks, and credit card companies	The motion to certify mainly concerns the allegation that when the defendants' customers surf their account/personal area on the defendants' websites and applications, the defendants' customers' private, personal, and confidential information is disclosed to third parties without the customers' express consent, while committing a serious and unprecedented violation of their right to privacy and the defendants' legal obligations. The alleged causes of action are, among other things, infringement of privacy, breach of the duties of confidentiality and trust, unjust enrichment, bad faith in the performance of an agreement and breach of agreement, deception, negligence, breach of statutory duty, and breach of autonomy. The main sought remedies in the lawsuit are, among other things, to compel the defendant to refrain from transferring and/or sharing and/or disclosing, or otherwise revealing, information about the defendants' customers and the activity in their account to third parties, and to Google in particular; to act in accordance with the law to protect and safeguard their customers' privacy; and to compensate the class members for the damage they incurred.	Any person who uses and/or used the defendants' and/or any defendant's digital services in the 7 years preceding the motion's submission, and whose private and/or personal and/or confidential information has been transferred to a third party.	A response to the class action certification motion has been filed. In November 2022, a hearing took place in which the court suggested that the parties engage in mediation, but the mediation ultimately failed. The evidentiary stage of the case has ended. In July 2024, a hearing was held, in which it was decided that the parties would discuss the issues among themselves and advise the court on whether they have reached a consensual outline. At the same time, the court instructed the parties to file their summations.	The class members' total damage was not estimated, and the movants estimate it in millions of shekels, and more than NIS 2.5 million in any case.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
18	7/2021 District Court - Tel Aviv	Executive insurance policyholders v. Migdal Insurance and additional insurance companies	The motion to certify mainly concerns the allegation that upon receiving a pension, the defendants deduct annual interest at a rate of 2.5% (or any other rate) from the monthly return that accrues on the outstanding cash surrender value, unlawfully and without a contractual basis in the policy terms. The alleged causes of action are, among other things, breach of contract, breach of statutory duty, breach of the defendants' heightened duties as insurance companies, breach of the duty of disclosure, unjust enrichment, and an unduly disadvantageous condition in a standard contract. The main remedies sought in the lawsuit are a declaratory order, stating that the interest deduction from the monthly return, as described above, is a breach of the policies the defendants had issued, a breach of a statutory duty, unjust enrichment, and more; a mandatory injunction compelling the defendants to rectify the breach in the future; restitution of the full amounts that were unlawfully deducted from the class members' monthly return, plus linkage differences and interest, from the deduction date to the actual compensation, starting seven years before the motion to certify was filed. The total pecuniary damage to the plaintiff is estimated at NIS 1,000.	All the defendants' policyholders who purchased from them a life insurance policy that includes accrued savings, issued between 1991 and 2004, and from which interest was and/or will be deducted at a rate not specified in the policy, based on the provision in the policy, according to which the amount of the monthly pension will change "each month according to the results of the investments net of the interest according to which the amount of the monthly pension was calculated, and the appropriate provisions for this matter in the insurance plan" and/or any other similar provision.	A response to the class action certification motion has been filed. The parties in the case, except for Migdal Insurance, went into mediation. It is noted that two lawsuits and motions to certify lawsuits as class actions were filed against Migdal Insurance with respect to similar issues; see Items 7 and 9, above in the table.	The total claimed damage amount for the class members was not assessed, and was estimated by the movants at more than NIS 2.5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
19	8/2021 District Court - Central	A motor property insurance policyholder v. Migdal Insurance	The motion to certify mainly concerns the allegation that Migdal Insurance does not pay insurance benefits for diminution of value to policyholders who had purchased a non-regulated insurance policy and whose vehicle was hit in the accident and incurred damage in the form of diminution of value, claiming that the policy does not indemnify against such damage. The main causes of action are: violation of the provisions of the Insurance Contract Law, 1981; breach of the duty of good faith in the performance of contracts; an unduly disadvantageous condition in a standard contract; breach of statutory duty; and unjust enrichment. The main sought remedies are an order that states that the policyholders in the policies the motion to certify contemplates must be paid for the diminution in value, and payment of diminution in value damages to the class members. The pecuniary damage to the plaintiff is estimated to be approx. NIS 20,061. The lawsuit seeks to add interest and linkage to that sum.	Any policyholder or third party (including their heirs) who, in the three years preceding the submission of the motion to certify and until its certification as a class action, has not been paid for the diminution of value of their vehicle as a result of an insured event that is covered by a Migdal Insurance non-regulated insurance policy.	In August 2023, a settlement agreement was submitted to the court for approval, which includes paying immaterial damages to the class, as well as an immaterial payment of the award and legal fees. In October 2023, the court ordered that the settlement agreement must be published. In November 2024, the Attorney General submitted its position regarding the settlement agreement, whereunder, among other things, the restitution amount should be distributed among all class members, and the payment mechanism should be modified in order to maximize class members' exercise of their right to the compensation.	The class members' total damage was not estimated, and the movant estimates it in many millions of shekels.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
20	5/2022 District Court - Central	A home insurance policyholder v. Migdal Insurance	The motion to certify mainly concerns the allegation that Migdal Insurance chooses to transfer insurance benefits or money their customers have paid to the customers by check, in contrast with the provisions of Institutional Entities Circular 9-9-2016, regarding clarifying and settling claims and handling public inquiries, that stipulate that funds must be transferred to customers via wire transfer or credit card.	Migdal Insurance customers who received money from Migdal Insurance through checks, and not by crediting their credit card or a wire transfer. Subgroup 1: Customers who cashed the checks and suffered damages. Subgroup 2: Customers who did not cash the checks.	No response has as yet been filed with respect to the motion to certify. The parties entered into a mediation proceeding. In May 2024, the court received a motion to approve a settlement agreement; the settlement agreement sets out the restitution outline for Migdal Insurance's property and casualty insurance customers who had been credited for insurance premiums through uncashed checks. Pursuant to the settlement agreement, Migdal Insurance would refund policyholders whose restitution amount exceeds the amount specified in the settlement agreement (hereinafter - the "**Full Restitution Cap Amount**") the full restitution amount, subject to the terms and conditions specified therein. In addition, the settlement agreement defines the percentage of the restitution amounts that would be transferred to a funds management and distribution fund, for funds that are awarded as a remedy in favor of the public, with respect to policyholders who did not respond to Migdal Insurance's notifications, according to the outline set out in the settlement agreement, and with respect to policyholders whose specific restitution amount is lower than the stipulated amount under the settlement agreement. Moreover, the settlement agreement addresses the matter of regulating future conduct regarding premium refunds and the payable award to the lead plaintiff and its counsels' legal fees. The court ordered the settlement agreement's publication in June 2024. In October 2024, the Attorney General submitted its position, whereunder, among other things, restitution of any amount should be made with respect to existing customers of the respondent; and - in relation to former customers - the Full Restitution Cap Amount should be lowered.	The total claimed damage amount for the class members was estimated by the plaintiff at more than NIS 3 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
21	8/2022 District Court - Central	A health insurance policyholder v. Migdal Insurance	The motion to certify mainly concerns the allegation that a Migdal Insurance advertisement promised a full discount for the youngest child in a family with four children or more, until they reach adulthood; and that the plaintiff had relied on this advertisement, whereas Migdal Insurance had explained to the plaintiff that the discount would only apply to the adult child, and only after they had contracted.	The class on whose behalf the motion to certify was brought consists of all Migdal Insurance health insurance policy customers who had been exposed, directly or indirectly, to Migdal Insurance advertisements that indicate “free from the fourth child onward,” and had contracted with Migdal Insurance, as they allege, in accordance with the offer in these advertisements.	A response to the class action certification motion has been filed. Evidentiary hearings are underway in the case.	The total claimed damage amount for the class members was estimated by the plaintiff at more than NIS 5.5 million.
22	9/2022 District Court - Central	A health insurance policyholder v. Migdal Insurance	The motion to certify mainly concerns the allegation that Migdal Insurance does not compensate its policyholders for half the actual cost of surgery in a private hospital, but rather pays according to the Ministry of Health’s price list index; moreover, it alleges that Migdal Insurance does not indemnify policyholders for the deductible they had paid for the surgery, in alleged contravention of the policy’s terms.	The classes on whose behalf the motion to certify is submitted: 1. All past and present Migdal Insurance policyholders who had bought personal or collective health insurance policies from it that stipulate a compensation arrangement that is identical or similar to the arrangement the movant’s policy stipulates, and who have experienced an insured event that is subsidized by a health maintenance organization via Form 17 (or an equivalent form), from the date the policies were marketed and until Migdal Insurance discontinues the alleged breach of insurance contracts and/or until a final, irreversible decision is made on the class action. 2. All past and present Migdal Insurance policyholders who had bought personal or collective health insurance policies from Migdal Insurance, that stipulate a compensation arrangement that is identical or similar to the arrangement the movant’s policy stipulates, and who have experienced an insured event that is subsidized by a health maintenance organization via Form 17 (or an equivalent form), for which the policyholders had paid the deductible and were allegedly not refunded by Migdal Insurance, from the date the policies were marketed and until Migdal Insurance discontinues the alleged breach of insurance contracts and/or until a final, irreversible decision is made on the class action.	A response to the class action certification motion has been filed. The movant filed a response to the answer to the motion to certify. Evidentiary hearings were held and the parties submitted their summations.	The total claimed damage amount for the class members was estimated by the movant at more than NIS 2.5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
23	9/2022 District Court - Tel Aviv	A health insurance policyholder v. Migdal Insurance and additional insurance companies	The motion to certify mainly concerns the allegation of wrongful discrimination by Migdal Insurance and other defendants against men who are covered under their health insurance policies, based solely on their gender. Accordingly, it was argued that the defendants deny men who pay an additional premium for the ambulatory services appendix reimbursement for expenses they incur for their infant, claiming that only women are entitled to be reimbursed for pregnancy-, childbirth-, and newborn care-related expenses.	The class on whose behalf the motion to certify is brought is all policyholders under the defendants' health insurance policies, whose policies (or the appendixes thereto) include coverage for services in connection with pregnancy, childbirth, and newborn care, and who have been denied coverage because they are men and/or because they had used a surrogate's services for the pregnancy and childbirth; as well as all of the defendants' policyholders under health insurance policies, or any person who had sought to obtain health insurance from one or more of the defendants and who had been exposed to the defendants' discriminatory policy in connection with coverage for pregnancy-, childbirth-, and newborn care-related services for women only, and suffered harm because of this, in the form of humiliation and violation of dignity due to the discrimination, among other things.	A response to the class action certification motion has been filed. According to the Court's recommendation, the parties entered into a mediation proceeding.	The total claimed damage amount for the class members was estimated by the movant at more than NIS 2.5 million.
24	6/2023 District Court - Central	A policyholder under a mortgage insurance policy v. Migdal Insurance	The motion to certify mainly concerns the allegation that Migdal Insurance automatically renews the mortgage insurance policy without informing the customer and obtaining their consent, on new conditions that allegedly include an insurance premium increase. As alleged, this price increase exceeds the index increase and reflects, among other things, the revocation of the first-year bonus to policyholders.	The class on whose behalf the motion to certify was brought consists of the respondent's customers for whom the respondent had extended the apartment insurance policy while raising the premiums disproportionately to the index increase, including by way of revoking the benefit, without duly informing them and/or duly obtaining their consent, subject to the prescription period.	No response has as yet been filed with respect to the motion to certify. The parties are conducting a mediation procedure.	The total claimed damage amount for the class members was estimated by the movant at more than NIS 2.5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
25	7/2023 Regional Labor Court - Tel Aviv	Planholder in a pension fund v. Migdal Makefet	The motion to certify mainly concerns the allegation that Migdal Makefet customarily has some of its planholders sign an insurance extension arrangement that allows an automated deduction of the risk cost from the remaining accrued pension savings when they join the pension funds it manages, ahead of time, for a period that may not exceed 24 months overall, in alleged contrast with the statutory arrangement.	The class on whose behalf the motion to certify is brought includes anyone from whose accrued remaining pension savings the respondent had unlawfully deducted the risk cost in the last 7 years.	A response to the class action certification motion has been filed.	The total claimed damage amount for the class members was estimated by the movant at more than NIS 4 million.
26	9/2023 District Court - Tel Aviv	A motor insurance policyholder v. Migdal Insurance and additional insurance companies	The motion to certify mainly concerns the allegation that in the event of a malfunction that requires lifting to tow front-wheel drive or all-wheel drive vehicles, whether they are hybrid, electric, or controlled by a computer, Migdal Insurance refuses to provide the service and demands an additional fee.	The class on whose behalf the motion to certify is brought is the class of customers that holds, or has held in the past 7 years, riders on behalf of the respondent, whose vehicle requires towing by lifting when it is immobilized (and must be towed to an auto repair shop).	A response to the class action certification motion has been filed. In August 2024, a ruling was issued in which the court asked for explanations as to why a joint motion to certify was filed against all respondents, instead of filing separate lawsuits. The parties are required to respond to this ruling.	The movant estimates the total damage to the class members in the aggregate, and for all sued insurance companies in the motion to certify, at NIS 80 million.
27	11/2023 District Court - Tel Aviv	A motor insurance policyholder v. Migdal Insurance and additional insurance companies	The motion to certify concerns the allegation that in an extreme event such as the Iron Swords War, insurance companies anticipate a sharply reduced risk in life insurance, health insurance, and property and casualty insurance policies, which was not taken into account when setting the premium when the insurance was bought. Therefore, per the plaintiffs, the premium ought to be partially or fully refunded in policies whose risk-weighted components have decreased significantly (or eliminated altogether).	The class on whose behalf the motion to certify is brought is "the policyholders under the respondents' various insurance policies who, faced with the sudden attack on Simchat Torah on Saturday, October 7, 2023, did not and will not receive all insurance services and/or coverage from any of the respondents until the War is over – in a state of emergency in accordance with the ever-changing, ever-shifting emergency rules and instructions" (verbatim from the motion). Moreover, the motion itself names several sub-classes.	A response to the class action certification motion has been filed. In May 2024, a pretrial hearing was held in which the court ordered the movants to announce whether they intend to continue the case's litigation, noting its likelihood of success. In June 2024, the movants announced their intent to proceed with the case's litigation.	The claimed damage amount for the class members with respect to all defendants was assessed at more than NIS 2.5 million. As for one of the defined subclasses in the motions to certify – reservists who had been called up for duty – the alleged damage for all defendants was estimated at approx. NIS 10 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
28	2/2024	A motor insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that when paying insurance benefits under a comprehensive motor insurance policy in a total loss, Migdal Insurance subtracts funds due to "reducing variables" or "special variables," even though these variables were not disclosed to the policyholders in the pre-contractual stage, in contravention of the "Motor insurance (Property) – Insurance Benefits in a Total Loss" circular.	Anyone who has received or receives reduced insurance benefits under a comprehensive motor insurance policy issued by Migdal Insurance, including through Respondent 1 (an insurance agency), in cases of a "total loss" or a "constructive total loss," because of "reducing/special variables," while these variables had not been disclosed to them in the pre-contract stage, in the last 3 years and until the class action is certified.	A response to the class action certification motion has been filed.	The claimed damage amount for the class members was assessed at more than NIS 2.5 million.
29	4/2024	A (former) pension fund planholder v. Migdal Makefet	The motion to certify concerns the allegation that when the employer makes retroactive contributions, Migdal Makefet deducts the cost of the insurance coverage for permanent health insurance or death out of the contributions or the planholders' pension savings funds in the pension funds under its management retroactively, without this having granted these planholders any insurance benefits and without Migdal Makefet having assumed any risk. The above is allegedly in contravention of the law, including the Supervision of Financial Services Regulations (Provident Funds) (Insurance Coverages in a Provident Fund), 2013, and the pension bylaws.	Any present or former Migdal Makefet pension fund planholder, from whose pension contributions or pension savings Migdal Makefet had deducted funds to buy insurance coverages unlawfully in the last 7 years.	No response has as yet been filed with respect to the motion to certify.	The claimed damage amount for the class members was assessed at more than NIS 2.5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
30	4/2024	A life and health insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that the Migdal Insurance website does not feature accessibility adaptations for people with disabilities to enable proper use of the website, in violation of the provisions of the Equal Rights of People with Disabilities Law, 1998, and the Equal Rights for People with Disabilities Regulations (Service Accessibility Adaptations), 2013.	Any person with disabilities who may have needed the information on the Migdal Insurance website, who surfed and/or sought to surf the Migdal Insurance's website directly or through another using a computer and/or a mobile phone, whether they had used any service owned and/or maintained and/or operated by Migdal Insurance and/or anyone on its behalf, and who has been completely or partially denied the option to surf Migdal Insurance website, as described above. The above, as Migdal Insurance did not provide internet services accessibility adaptations pursuant to Israeli Standard 5568, Part 1, and Israeli Standard 5568, Part 2, at the AA tier, and subject to the provisions of Title C of the Equal Rights for People with Disabilities Regulations (Service Accessibility Adaptations), 2013, from the date the regulations came into effect and until this legal proceeding concludes.	No response has as yet been filed with respect to the motion to certify.	The claimed damage amount for the class members was assessed at NIS 2.5 million.
31	5/2024	Movant v. Migdal Insurance and additional insurance companies	The motion to certify concerns the movant's allegation of discrimination in providing services or products in travel insurance policies that do not provide insurance coverage for "mental illnesses" (the term appearing in the motion to certify).	The class on whose behalf the motion to certify is brought "is estimated at approx. 600,000 members with a mental disability or a mental illness."	No response has as yet been filed with respect to the motion to certify. Migdal Insurance is reviewing the motion to certify and the lawsuit; however, regarding the sought remedy for punitive damages, Migdal Insurance considers it without merit. In November 2024, a ruling was issued according to which it seems that the proceeding cannot be conducted without the movant's acting to appoint a legal counsel. The movant was given some time to announce whether they managed to appoint a legal counsel, and the ruling specifies that in the absence of such a notice the court may instruct the striking out of the lawsuit. At this stage, the dates for the case are suspended.	Monetary damages to the movant and the class members, totaling NIS 250 thousand, and punitive damages totaling NIS 26 billion.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
32	5/2024	A travel insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that Migdal Insurance offers a discount on the purchase of travel insurance to members of the "Behatzda'a" and "Beyachad Bishvilcha" loyalty programs, yet Migdal Insurance does not provide the discount in practice, and even charges loyalty program members a higher price compared to the price it charges the general public.	All loyalty program members, and anyone who was entitled to receive the benefit Migdal Insurance has been offering in the past 7 years, who had purchased travel insurance or any other insurance product based on the said benefit, and did not receive the discount Migdal Insurance had announced in practice.	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.
33	6/2024	Movants v. Migdal Insurance and additional insurance companies	The motion to certify concerns the allegation that the windshield installers operating on behalf of the defendants under a "windshield insurance" rider do not calibrate the safety systems installed on the front vehicle's front windshield when dismantling the broken windshield and installing the new (spare) windshield. The defendants allegedly do not order the installers to perform the calibration, as noted above, and even refrain from disclosing to the policyholders, when they buy the rider or after the vehicle is delivered, that the coverage does not include inspection and calibration of the safety system when replacing the front windshield, despite the manufacturer's instructions and the risk this entails.	The three classes on whose behalf the lawsuit was brought include the category of consumers who hold or have held windshield riders/insurance issued by the defendants, whose vehicles' safety systems were not inspected and/or calibrated when exercising the rider (Class A); the category of consumers who hold or have held windshield riders/insurance issued by the defendants, whose vehicles' safety systems were inspected and/or calibrated when exercising the rider, and the installer on the defendants' behalf charged them an extra fee for the inspection and/or calibration (Class B); the category of consumers who own a vehicle that features a safety system, who bought the defendants windshield rider/insurance, and were not told that the coverage does not include the safety system's inspection and calibration when replacing the front windshield when they bought the rider (Class C).	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.
34	6/2024	A life insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that Migdal Insurance acts unlawfully and harms policyholders as it allegedly unilaterally changes the end of the policy period for permanent health insurance coverage, thus cutting the policy period short, without the policyholder's knowledge and without full disclosure.	All of the respondent's permanent health insurance policyholders whose policy period the respondent had changed from the date specified in the insurance offer and/or such policyholders whose policy period end date the respondent set unilaterally, before they turned 65 or 67, respectively, starting seven years before the motion was filed.	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

B. Class proceedings – pending class action certification motions and certified class actions (cont.)

No.	Date and court[1]	Parties	Main arguments, causes and reliefs[2]	Class[3]	Details	Claimed amount[4]
35	7/2024	A former life insurance policyholder and a former pension fund planholder v. Migdal Insurance	The motion to certify concerns the allegation that Migdal Insurance acts unlawfully by increasing the total debt owed by customers who had borrowed loans from it and defaulted on the repayments, by not seizing the collateral it has recourse to as a "secured creditor" out of the pension savings funds accrued to these customers' credit within a reasonable time.	Anyone who defaulted on loan repayments owed to Migdal Insurance in the past 7 years and who overpaid, under execution procedures or otherwise. The above, because Migdal Insurance, which is defined as a "secured creditor" under the parties' loan agreement, did not seize the collateral it had had recourse to, i.e., the pension funds it holds, within a reasonable time.	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed at more than NIS 50 million.
36	9/2024	Movant v. Migdal Insurance	The motion to certify concerns the allegation that Migdal Insurance and/or the insurance agents working with it refuse to issue a compulsory motor insurance for a vehicle without such vehicle also having a comprehensive insurance or third-party insurance, and that such refusal is in breach of the prohibition in Section 8 to the Motor Vehicle Ordinance [New Version], 1970, and Section 57 to the Financial Services Supervision Law (Insurance), 1981. It is also alleged that Migdal Insurance breaches the privacy of the customers, who provided it with personal information solely for the purpose of issuing compulsory motor insurance.	Every customer who made enquiries regarding the option of taking out compulsory motor insurance with the defendant (whether they entered into insurance contract with the defendant or not) or who asked for compulsory motor insurance quotes through an insurance agent but did not receive a quote from the defendant due to the unlawful condition, or received a quote subject to the unlawful condition and accrued damages in one or more of the ways described above during the 7 years prior to the submission of the lawsuit and until it is certified as a class action.	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.
37	11/2024	Planholder in provident fund v. Migdal Insurance, Migdal Makefet	The motion to certify concerns the allegation that Migdal Insurance and Migdal Makefet allegedly sent to the movant and to a large group of recipients notices, which constitute an "advertisement" contrary to the provisions of Section 30A to the Communications Law (Bezeq and Broadcasting), 1982 (hereinafter - the "**Communications Law**").	All recipients, who received an advertisement from Migdal Insurance and/or Migdal Makefet over the past seven years contrary to the provisions of Section 30A to the Communications Law, and who consequently suffered damage.	No response has as yet been filed with respect to the motion to certify.	The total claimed damage amount for the class members was assessed NIS 5 million.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date

No.	Date and court	Parties	Main points of claim	Amount	Details
1	5/2016 District Court - Central	Policyholders v. Migdal Insurance	Allegations that Migdal Insurance divides the premiums it receives arbitrarily, in contrast with the instructions it receives, and contrary to contractual and statutory provisions; that Migdal Insurance transfers some of the overcharged amounts to another insurance plan that the policyholder never asked for; that Migdal Insurance charges the policyholders premiums for non-existent risks and makes retroactive corrections to reports it issues, thus misleading the policyholders; and that Migdal Insurance does not implement review mechanisms that could flag potential errors and prevent unlawful charges. The main sought remedies are: (a) damages to the class members for the pecuniary and non-pecuniary damage they incurred; (b) to compel Migdal Insurance to adjust the premiums it charges to what it should have charged, and compel Migdal Insurance to correct the statements; (c) to compel Migdal Insurance to refund premiums it had received without a legal right and that exceed the agreed-upon premiums and to refund income and management fees it had accrued on the overcharged amounts; (d) to declare that Migdal Insurance charged funds unlawfully and must take action to rectify the situation; (e) to issue a mandatory injunction on changing the work procedures and systems and on the policies' wording.	Was not estimated by the plaintiff.	At the court's recommendation, the parties underwent mediation with consensual disputes, drafted a settlement agreement, and submitted it to the court for approval in February 2022. The agreement stipulated that Migdal Insurance would carry out several reviews of executive insurance policies to detect discrepancies, to the extent possible, in the class members' policies, and resolve them insofar as discrepancies are detected, in accordance with the provisions of the settlement agreement. Among other things, it was stipulated that overcharge examinations would be carried out regarding the difference between the actual premium and the consensual premium, as well as examinations regarding employer underpayments due to the permanent health insurance component. In November 2022, the Attorney General presented her position that the settlement agreement, in its current form, did not merit approval. In November 2022, the court decided to appoint an examiner for the settlement agreement. The examiner's report was submitted in July 2023. The parties and the examiner submitted comments and suggestions to amend the settlement agreement, most recently in December 2023, along with an amended settlement agreement. In January 2024, a ruling was handed down confirming the amended settlement agreement. Migdal Insurance will seek to take measures in accordance with the settlement agreement.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
2	7/2019 District Court - Tel Aviv	A third party who was hit by a motor insurance policyholder v. Migdal Insurance	The lawsuit concerns the allegation that when a third party chooses to exercise their right and not repair the damaged vehicle, Migdal Insurance makes arbitrary and disparate deductions out of the amounts specified in the appraiser expert opinion for the damaged parts that need to be replaced and that have not been replaced in practice, according to the value of the remaining salvage, without presenting an opposing expert opinion on its behalf, and despite the salvage being of no value.	NIS 11.5 million.	The parties underwent mediation, as per the court's recommendation. In May 2023, a settlement agreement was filed, according to which Migdal Insurance would pay the class members approx. NIS 1.1 million, as well as immaterial legal fees, award, and costs. It was, furthermore, agreed that in the future, Migdal would attach to its position letters the appraiser's assessments concerning the deduction of the salvage value from here on out; such assessments shall be drafted in accordance with the claim investigation and settlement circular. In October 2023, the Attorney General's position on the settlement agreement was received, proposing that the refund to the class members would be carried out via wire transfer or using the method by which the policyholder had paid the company. In January 2024, a judgment was rendered, confirming the settlement agreement. Migdal Insurance seeks to take measures in accordance with the settlement agreement.
3	10/2016 Regional Labor Court - Jerusalem	An advanced education fund policyholder v. Migdal Makefet	An allegation that investment management expenses were charged without an applicable contractual provision. The sought remedy is full restitution of the investment management expenses or fees charged to the class members in the seven years prior to the date of filing the lawsuit, plus shekel-denominated interest as per the law, as well as to compel Migdal Makefet to refrain from charging any amounts to the class members' account due to investment management expenses or fees.	Approx. NIS 94 million.	In June 2023, the Supreme Court ruled on a contemporaneous proceeding, in which an appeal brought by four insurance companies against the District Court's ruling in favor of certifying class actions against the insurance companies was heard, alleging unlawful collection of investment management expenses from individual insurance policyholders. The Supreme Court granted the appeal and ruled that the insurance companies were entitled to charge policyholders investment management costs, dismissing the motion to certify. The parties submitted supplemental summations regarding the effect of the Supreme Court's judgment in the contemporaneous proceeding on the proceeding herein. In March 2024, a consensual motion to withdraw the motion to certify was submitted to the court, moving with the court to strike out the lawsuit and the motion to certify and to order the denial of the plaintiffs' individual claims, without a costs order; the court granted the motion. See also Claims 4 and 9 above in this section.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
4	12/2016 Regional Labor Court - Tel Aviv	Executive insurance policyholders v. Migdal Insurance	An allegation that investment management expenses were charged without a contractual provision that allows this in the policies. The sought remedy is full restitution of the investment management expenses charged to the class members in the seven years prior to the date of filing the lawsuit, plus shekel-denominated interest as per the law, as well as to compel Migdal Insurance to refrain from charging any amounts to the class members' account due to investment management expenses.	NIS 567 million.	In June 2023, the Supreme Court ruled on a contemporaneous proceeding, in which an appeal brought by four insurance companies against the District Court's ruling in favor of certifying class actions against the insurance companies was heard, alleging unlawful collection of investment management expenses from individual insurance policyholders. The Supreme Court granted the appeal and ruled that the insurance companies were entitled to charge policyholders investment management costs, dismissing the motion to certify. The parties submitted supplemental statements of claim regarding the effect of the Supreme Court's judgment in the contemporaneous proceeding on the proceeding herein. In April 2024, a consensual motion to withdraw the motion to certify was submitted to the court, moving with the court to strike out the lawsuit and the motion to certify and to order the denial of the plaintiffs' individual claims, without a costs order; the court granted the motion. See also Claims 3 and 9 above in this section.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
5	1/2017 District Court - Central	Two compulsory motor insurance policyholders v. Migdal Insurance and additional insurance companies	An allegation that Migdal Insurance refrains from disclosing to its policyholders that, according to its prevailing practice (that the other insurance companies practice as well), they are entitled to a lower premium when they reach the applicable age and/or driving experience bracket. The sought remedies are to compel Migdal Insurance to refund the class members for the unlawfully overcharged insurance premium following its above-described conduct, and a mandatory injunction compelling Migdal Insurance to rectify its conduct, as described above.	Approx. NIS 62 million.	In March 2022, the movants brought a motion to stay the proceedings in light of the denial of a similar motion against another insurance company, until a ruling was issued on the appeal they would submit on the denied motion to certify in that proceeding. The motion to stay the proceedings was granted. The appeal that had been brought in the contemporaneous proceeding was denied in March 2024. The case was scheduled for a hearing in June 2024, regarding the ramifications of the judgment rendered in the appeal in the abovementioned contemporaneous proceeding. In May 2024, the court rendered its ruling, after the parties had put their arguments regarding the abovementioned contemporaneous proceeding in writing, according to which, the parties in the case were advised to discuss things amongst themselves before the hearing, in order to reach consensus regarding a potential withdrawal from the case and what it would entail, while if no such consensus is reached, the dispute surrounding the expenses would be left to the court. In July 2024, the movants who had filed the lawsuit and the motion to certify against Migdal Insurance brought a motion to approve their withdrawal from the motion to certify and the denial of their personal lawsuits. The court granted the motion. The legal proceeding thus concluded.
6	12/2017 District Court - Jerusalem	Insurance applicants v. Migdal Insurance, other insurance companies, and the Maccabi and Clalit Healthcare Services health maintenance organizations	An allegation that Migdal Insurance refuses to provide long-term care insurance to the movants and other individuals on the autism spectrum, while setting impossible and unreasonable conditions for them without providing any explanation or justification for their conduct. Moreover, complaints were raised about the failure to offer the insurance candidate a detailed and respectful response regarding the refusal and the detailed justifications for the refusal, and that the refusal is not based on relevant statistical, actuarial, or medical data, in alleged contrast with the Equal Rights for People with Disabilities Law, 1998, and the Equal Rights for People with Disabilities Regulations (Insurer's Notice of Different Treatment of One or of Refusal to Insure), 2016.	According to the movants, the personal damage they incurred sums up to tens of thousands of shekels per movant. The total damage to all class members cannot be estimated accurately at this stage; the amount in question gives the District Court jurisdiction.	In February 2023, a hearing took place in which the court informed the plaintiff, among other things, that it does not accept the plaintiff's arguments. In February 2023, a judgment was rendered, denying the motion to certify. In April 2023, the movants appealed the judgment to the Supreme Court. In January 2024, Migdal Insurance submitted its response to the appeal. In July 2024, an appeal hearing took place, and a Supreme Court judgment was rendered, denying the appeal, based on the appellants' announcement that they were withdrawing the appeal. The proceeding thus concluded.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
7	4/2011 District Court - Central	A life insurance policyholder v. Migdal Insurance and additional insurance companies	Charging funds due to a "policy factor," that can amount to a sizable portion of the premium payments, without consent in the contract and without full disclosure. The sought remedies include paying damages or restitution equal to the total "policy factor" charged to the class members in practice, including the return they had been denied on that sum, and a mandatory injunction ordering that these sums may no longer be charged.	Approx. NIS 1,470 million (over a period of 7 years), of which, a total of approx. NIS 522 million is attributable to Migdal Insurance.[1]	In June 2015, a settlement agreement was filed, under which the parties agreed upon a cash refund totaling NIS 100 million; Migdal Insurance's share of the above is NIS 44.5 million. A future 25% discount on the actually collected policy factor was agreed on. The consensual fees are approx. NIS 43 million, plus VAT; Migdal's share of the above is 44.5%. In November 2016, a ruling was issued in favor of denying the settlement agreement and partially granting the motion to certify a class action regarding the charged policy factor, starting seven years before the lawsuit filing date (April 2004), as charged to policyholders holding combined life insurance and savings policies that were issued between 1982 and 2003, whose accrued savings were diminished because of the policy factor charged to them. The sought remedies in the motion to certify the claim as a class action were an update to the accrued savings in favor of the policyholders according to the additional savings amount they would have accrued had the policy factor not been charged, or damages to the policyholders according to that amount, and the discontinuation of the policy factor collection henceforth. In May 2017, Migdal Insurance and the other sued insurance companies brought a motion for leave to appeal the District Court's above ruling to the Supreme Court. In February 2019, Migdal and the other defendants withdrew the motion for leave to appeal, while preserving their claims, and the case was remanded to the District Court. After the evidentiary stage had concluded, the parties went into mediation. In September 2022, the court issued a ruling stating that the bottom threshold for settlement purposes must be set at 40%. In June 2023, the defendants brought a motion to approve a settlement agreement, whose main terms were restitution of 42% of the total policy factor charges that should have allegedly been transferred to the savings but were not, starting from seven years before the motion to certify was filed. The parties to the settlement agreement disagree on the revaluation of the total restitution (the plaintiffs argue that it should be revalued by adding the returns on the savings to the policy, and the other defendants argue that it should be revalued by linking it to the index, and at the very least, using interest and linkage); the parties agreed that the court would decide the matter. The parties further agreed that future policy factor charges would be reduced by 50%. The parties to the agreement agreed on legal fees and compensation in accordance with the common increments in case law. In June 2023, Migdal Insurance submitted a notice stating that it did not sign the settlement agreement because of specific circumstances that Migdal Insurance believes warrant some adjustments to the settlement agreement. In a discussion held in July 2023, the parties (Migdal Insurance and the lead plaintiff) had reached consents that had been validated as a ruling, according to which the parties would seek out a legal expert (hereinafter - the "**Deciding Entity**") who would issue a binding and irreversible decision on whether, noting the wording of two Migdal Insurance individual policies (hereinafter - the "**Unique Policies**"), they ought to be subject to the settlement agreement the other defendants had signed, and at what rate, and a settlement agreement would then be signed, with the necessary adjustments.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
7	Cont.				On August 1, 2023, the Deciding Entity's decision was issued, whose consequences with regard to the settlement agreement and the two Unique Policies, are as follows: (1) for one type of policy, the restitution rate would be 23.1% (instead of 42%), and future charges would be reduced by 27.5% (instead of 50%); (2) for the second type of policy, the restitution rate would be 36.4% (instead of 42%), and future charges would be reduced by 43.3% (instead of 50%). On August 21, 2023, the signed settlement agreement between Migdal Insurance and the lead plaintiff was submitted to the District Court for approval, including the aforementioned arrangement regarding the two Unique Policies; as for the other policies, the provisions of the settlement agreement concluded with the other defendants would apply, as described above. According to the estimate, the settlement agreement stipulates a total nominal restitution of NIS 120 million to NIS 147 million. To clarify, this estimate does not include the returns on the collected amounts, some of which are subject to a supplementary court ruling, and the lead plaintiff's award and their counsel's legal fees, which are subject to the court's approval as well. Moreover, these amounts do not include the reduced charge in the future. On May 5, 2024, the Attorney General submitted her position on the settlement agreement, whose highlights are: non-objection to the restitution rate in favor of the class members for the past (42%), including the individual restitution rates (that are lower than 42%) with respect to the Migdal Insurance Unique Policies, provided that the court rules in favor of restitution, including the actual returns on the policies, from 2013 and onward too (the Attorney General holds that the decision on this issue should not be decided in the manner that the settlement agreement stipulates, i.e., in the form of a decision under Section 79A of the Courts Law); non-objection to the future regulation method and the continued reduced policy factor charge, which the Attorney General leaves this decision to the court. That said, the Attorney General believes that the reduction in the cost of the policy factor ought to be applied only towards savings (rather than proportionately to the policy's risk and savings components, as the settlement agreement proposes); an objection and comments on other elements of the settlement agreement, including regarding the legal fees payable to the plaintiffs' counsel and the settlement agreement implementation method. On June 23, 2024, a court hearing was held, in which the parties presented their positions regarding the Attorney General's position. At the end of the hearing, the court ordered the parties to submit a supplementary notice to the settlement agreement to address several aspects, following which the motion to approve the settlement agreement would be decided. On July 31, 2024, the parties submitted their consensual supplementation regarding these aspects of the settlement agreement. On August 15, 2024, the court approved the settlement agreement and validated it as a judgment (hereinafter - the "**Judgment**"); with respect to the manner of revaluating the total refunds to policyholders from 2013 to the "Reduction Date" (as defined in the Judgment), the court ruled, in accordance with Section 79A of the Courts Law, without an explanation, according to the consents in the settlement agreement, and ruled that 90% of the returns would be added to the refund to policyholders. In addition, the court approved the legal fees and the award stipulated in the settlement agreement, and ruled that the legal fees shall be calculated separately for each defendant, out of each defendant's respective total refund, in accordance with the rates stipulated in the settlement agreement. The legal proceeding thus concluded, and the Company must implement the settlement agreement.

[1] According to the amended statement of claim that the movant had brought after the lawsuit's class certification.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
8	1/2016 Supreme Court	A policyholder v. Migdal Insurance	Infringement of the policyholders' rights in the implementation of Amendment No. 3 to the Financial Services Supervision (Provident Funds) Law, 2005 (hereinafter - "**Amendment 3 to the Pension Funds Law**"). According to the claim, this is because the defendant did not give the policyholders, who had held a lump-sum policy before Amendment 3 to the Pension Funds Law came into effect, the annuity conversion factors they had had according to an earlier annuity policy they had held (hereinafter - "**Earlier Annuity Policy**").	NIS 50 million per year.	The court rendered a ruling in favor of assigning the case to the Labor Court in May 2017. The plaintiff's motion for leave to appeal that ruling to the Supreme Court was denied. In February 2018, the Labor Court denied the plaintiff's motion to certify the lawsuit as a class action based on the Granit Case (Case No. 10-03-48006 - Granit v. Clal Insurance), and held that Migdal Insurance's conduct toward its policyholders should be examined separately. In April 2018, the Attorney General, who had submitted a position in the Granit Case, announced his decision not to appear in this case. In May 2020, after the movant had submitted his summations in the case and before Migdal Insurance had submitted its summations, the court ordered a stay of proceedings in the case until the Granit Case is resolved. In September 2021, the class action lawsuit in the Granit Case was denied and it was held, among other things, that the defendant is not obligated to give a guaranteed conversion factor to policyholder that hold a lump-sum executive insurance policy that does not have symmetrical contributions into an annuity insurance policy. In January 2022, an appeal on the Granit Case was brought before the Supreme Court. The court ordered a stay of proceedings in the case until the Supreme Court ruled on the Granit appeal. In May 2023, the judgment on the Granit Case appeal was rendered, and the appeal was denied after the appellant had withdrawn it. In March 2024, the movant submitted a motion to the court to schedule a hearing on the case, to settle the discussion of the two classes that the movant claims still merit a hearing after the judgment on the Granit Case. In September 2024, the movant requested to withdraw the motion to certify. A judgment was rendered on that day, which allows the movant's withdrawal and denies their individual lawsuit.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

C. Class actions that ended during the reporting period and up to the report publication date (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
9	2/2017 District Court - Central	A registered NGO that caters to the elderly population v. Migdal Makefet	An allegation that Migdal Makefet charged planholders in the pension fund and provident funds it manages a fee for “direct expenses due to execution of transactions in provident fund assets”, in contravention of the provisions of the bylaws and contrary to its contractual and pre-contractual representations toward its planholders. Thus, Migdal Makefet is allegedly in breach of its contract with the planholders, and is moreover violating the provisions of the law.	Approx. NIS 287 million.	In March 2018, the case was assigned to the Regional Labor Court in Tel Aviv. In July 2018, the Labor Court contacted the Commissioner, asking him to state his opinion on whether his positions, as presented in the other cases, are applicable to this case. In November 2018, the Commissioner replied and referred to the position he had submitted in a contemporaneous case. In May 2019, the District Court granted a motion to certify a class action against other insurance companies, that alleged that they unlawfully charge direct expenses from policyholders in individual insurance policies. The movants brought a motion for leave to appeal that certification ruling in the contemporaneous proceeding against other companies. In September 2020, the court ordered a stay of proceedings in this case until the motion for leave to appeal in the contemporaneous proceeding is resolved. The Supreme Court rendered its judgment in the contemporaneous proceeding in June 2023, wherein it granted the appeal and held that the insurance companies were entitled to impose the investment management expenses the savers had borne on the savers, and ordered the denial of the motion to certify in the contemporaneous proceeding. On November 12, 2024 a consensual motion to withdraw the motion to certify was submitted. On November 14, 2024 a judgment was rendered, which allows the movant’s withdrawal and denies their individual lawsuit. See also Claims 3 and 4 above in this section.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

D. Legal and other proceedings

No.	Date and court	Parties	Main points of claim	Amount	Details
1	10/2018 District Court - Tel Aviv	Luxury Apartments Ltd. v. Migdal Insurance, Migdal Makefet Pension and Provident Funds, Migdal Real Estate Holdings and Pel-Hamagen House Ltd.	An allegation of non-compliance with a contractual obligation and harm caused to the plaintiff in Rishon LeZion's Gold Mall, held (75%) by Migdal Insurance and Migdal Makefet, in a partnership with Luxury Apartments, Ltd., who holds 25% of the rights in the Gold Mall. According to Luxury Apartments, the non-compliance with contractual obligations torpedoed the construction of a culinary recreational complex, i.e., the Mall's "Golden Market" project, among other things. This lawsuit was preceded by Luxury Apartments' prior lawsuit for declaratory orders regarding the food market, that culminated in the court issuing a ruling on May 3, 2018, in favor of striking it out and imposing the movant's costs, NIS 7,500.	NIS 800 million.	A statement of defense was filed in January 2019. In November 2019, Migdal Insurance filed a pecuniary lawsuit against the defendant, Luxury Apartments, suing for approx. NIS 60 million. According to Migdal Insurance, Luxury Apartments violated its undertakings pursuant to the set of agreements between the parties, by not fully exercising all its approved additional rights, much less constructing, building, and leasing out the mall's first underground floor as a typical retail floor according to the building permit that had already been authorized in 2015, until the permit expired. Accordingly, the investment funds Migdal Insurance was supposed to invest in the mall were never invested, and the return thereon, which is equal to the claimed amount, never yielded. The plaintiff breached its undertakings in the way it had managed the Golden Market project in the mall, thus causing loss of returns. Furthermore, Migdal Insurance brought a motion to consolidate the hearing with a pending lawsuit against it. In August 2024, a judgment was rendered ordering the denial of the lawsuit against the defendants, and accepting the counter-claim they had filed. The total pecuniary remedy to be paid to the defendants due to the counter-claim has not yet been determined.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

E. Lawsuit Data – Summary

1) The following table summarizes the amounts claimed in pending motions to certify class actions, claims certified as class actions and other material claims, as noted by the plaintiffs in the statements of claim filed on their behalf. It is hereby clarified that the amount claimed does not necessarily constitute a quantification of the exposure amount assessed by the Company and/or consolidated companies, since these are assessments on behalf of the plaintiffs which will be litigated as part of the legal proceedings. It is further clarified that the table below does not include proceedings that have been concluded.

Type	No. of lawsuits	Amount claimed, in NIS thousand [(1)]
Certified class actions	5	1,018,778
Stated amount attributed to the Group	4	1,018,778
No claim amount was specified.	1	-
Pending motions to certify claims as class actions	32	30,737,355
Stated amount attributed to the Group	8	2,648,050
The claim pertains to several companies and no specific amount was attributed to the Group	4	28,089,305
No claim amount was specified.	20	-

(1) All amounts are stated in NIS thousands and as approximations, as of the motions' or the lawsuits' filing date, as applicable.

2) The total amount of the provision in respect of class actions and other material claims that were filed against the Group, as detailed in the summary table in Section 1) above, is approx. NIS 149 million (as of December 31, 2023 – approx. NIS 381 million).

3) The total provision amount in respect of all proceedings against the Group, including class actions and other material claims, including in respect of the proceedings detailed in Section F below, is approx. NIS 452 million (as of December 31, 2023 – approx. NIS 384 million).

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

Additional legal proceedings and other proceedings against the Company and/or its consolidated companies are described below:

1) In 2023, several letters were received from the Commissioner of the Capital Market, Insurance and Savings (hereinafter - the "**Commissioner**"), addressed to the Company's directors and Migdal Insurance's directors; in these letters, the Commissioner raised, among other things, claims regarding Migdal Insurance's stability and proper management, and its corporate governance. The Company and Migdal Insurance held discussions with the Capital Market, Insurance and Savings Authority (hereinafter - the "Capital Market Authority" or the "Authority"), in writing and orally, regarding the claims the letters had raised.

After these discussions, on July 28, 2023, a letter was received from the Commissioner, ordering Migdal Insurance to take various measures, including regarding the number of independent directors; the duration of the Chairman of the Migdal Insurance Board of Directors' term; establishing a procedure for transferring information between Migdal Insurance and its shareholders and a controlling shareholder procedure; as well as separating the Chairman of the Company's Board of Directors' place of residence from that of the other Migdal Insurance officers (hereinafter - the "**Commissioner's Directives**").

On August 30, 2023, the Company petitioned the Jerusalem District Court (in session as the Court of Administrative Affairs) to order the revocation of the Commissioner's Directives.

For further details – see Note 39 to the Company's Consolidated Financial Statements as of December 31, 2023.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

1) (cont.)

On February 14, 2024, the court issued its judgment. The judgment held that the directive regarding the separation of the Company's Board of Directors Chairman's place of residence from that of the other Migdal Insurance officers is annulled. In addition, the petition regarding the other guidance issued by the Commissioner - regarding which the Company notified in the hearing on the petition and after hearing the court's comments that it did not comply with the remedies pertaining thereto - was dismissed, with the court commenting that the Company's notice did not detract from the Company's ability to apply to the Commissioner in the future regarding the effective period of these provisions, without the court expressing any opinion in this regard.

For further details on the hearing of the petition and the court's judgment, see Note 39 to the Company's Consolidated Financial Statements as of December 31, 2023, and the Company's immediate report dated February 15, 2024 (Ref. No. 2024-01-016485).

2) On July 28, 2023, another notice from the Commissioner was received regarding his intention to object to Company CEO Mr. Yossi Ben Baruch's appointment as a director of Migdal Insurance. Mr. Ben Baruch presented his arguments to the Authority. On May 15, 2024, the Commissioner sent Mr. Ben Baruch another letter, stating, among other things, that due to developments that had occurred in Migdal Insurance since the hearing, and further to the Letter Regarding the Composition of the Board (see below) on the lack of accurate, relevant information about the forthcoming composition of Migdal Insurance's Board of Directors, it is impossible, at this time, to continue discussing the request to approve Mr. Ben Baruch's directorship in Migdal Insurance, since, according to the Commissioner, the examination of the Board of Directors' composition is one of the key considerations when examining suitability for the position. The Company disagrees with the alleged assumptions of the Commissioner in his said letter dated May 15, 2024 and reserves all its rights and claims.

Further to the aforementioned, in June 2024, Mr. Ben Baruch filed a petition with the District Court in Jerusalem, sitting as an administrative court (hereinafter - the "**Petition**"), to order that the deadline for the Commissioner's objection (as defined by law) to the appointment of Mr. Ben Baruch as a director in Migdal Insurance has passed and expired, and therefore, under law, his appointment was completed both procedurally and substantively, and alternatively, that the Commissioner and the Capital Market Authority's intention to oppose the appointment of Mr. Ben Baruch as a director in Migdal Insurance did not mature into an objection as defined by law and that, in view of the Authority's reasons to conduct the hearing held for Mr. Ben Baruch and as part of the hearing, there is no longer any impediment to the immediate beginning of his term as a director in Migdal Insurance.

In the petition, the legal and factual grounds underlying the requested remedies are detailed. In addition, the petition includes detailed reasoning for dismissing the Commissioner's claims and details of Mr. Ben Baruch's rich experience, his suitability for the position of director in Migdal Insurance and his obligation to act as a director in Migdal Insurance to ensure its success and to uphold the interests of its policyholders and planholders. The Company and Migdal Insurance were added as respondents to the petition and submitted their response.

On November 12, 2024, the court heard the petition; at the end of the hearing the court ruled, at the agreement of the parties, that it will be notified - by January 1, 2025 - whether the Commissioner's position regarding the appointment of Mr. Ben Baruch as a director in Migdal Insurance has been allowed; and that the parties will notify the court - by January 7, 2025 - whether the court is required to hand down a judgment regarding the petition.

For further details, see the Company's immediate reports dated May 16, 2024 (Ref. No. 2024-01-047818) and June 5, 2024 (Ref. No. 2024-01-057349).

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

3) On February 19, 2024, the annual general meeting of Migdal Insurance resolved to reappoint the current directors of Migdal Insurance, Mr. Avraham Dotan and Mr. Gad Nussbaum, for another term of office. On that date, the term of office of directors Mr. Arie Mintkevich and Mr. Carmi Gillon ended, and as of that date, Migdal Insurance's Board of Directors consists of 7 directors, of which 4 are independent directors. On February 19, 2024, shortly before the Company's board meeting, Migdal Insurance received a letter from the Commissioner addressed to the Chairman of the Board of Migdal Insurance, regarding the composition of Migdal Insurance's Board of Directors. In his letter, the Commissioner raised various allegations against the conduct of Migdal Insurance and ordered it to send to him a detailed response regarding the eventual composition of the Board of Directors, the number of its members and the extent to which it complies with the provisions of the law, including the required expertise. On February 22, 2024, Migdal Insurance's Chairman of the Board replied to the abovementioned Commissioner's letter, stating that Migdal Insurance operates with full transparency as to its intentions regarding the composition of Migdal Insurance's board of directors, that the Commissioner was presented with a staffing plan for Migdal Insurance's Board, and that these fall under the purview of Migdal Insurance's general meeting, that a board of directors consisting of seven members meets the specialization requirements under law, that the majority of the board (four directors) consists of independent directors, and that - in order to further strengthen its board - the Company intends to expand Migdal Insurance's Board to include nine members, with the aim of one of the additional candidates being a woman, all subject to identifying suitable candidates and approval by the Company in its capacity as an extraordinary general meeting of Migdal Insurance. On May 15, 2024, the Commissioner sent a letter to Migdal Insurance's Chairman of the Board (hereinafter - the "**Letter Regarding the Composition of the Board**"), in which he stated, among other things, that - despite his letter dated February 19, 2024 - the General Meeting did not renew the term of office of Mr. Carmi Gillon and of Mr. Arie Mintkevich as directors in Migdal Insurance, and that he regards this conduct as a direct continuation of the marked managerial instability in Migdal Insurance. In his letter, the Commissioner reviewed Migdal Insurance's response dated February 22, 2024, noting that he had not yet been notified of the changes that have been made and were expected to be made in the composition of Migdal Insurance's Board of Directors and mentioned the fact that, according to the regulations, Migdal Insurance's Board of Directors should determine the Board's composition, including the desired number of its members, and that an inappropriate application of the provisions of the law could contradict the aims of the Insurance Supervision Law, including ensuring the proper management of Migdal Insurance. In the letter regarding the composition of the Board of Directors, the Commissioner notified that the review of Migdal Insurance's requests to change the composition of the Board of Directors will be made by the Commissioner only after a detailed response has been submitted by Migdal Insurance regarding the eventual composition of Migdal Insurance's Board of Directors, the number of its members and the extent to which it complies with the various legal provisions.

The Company disagrees with the alleged assumptions of the Commissioner in the Letter and reserves all its rights and claims. Without detracting from the aforementioned, in the Company's position, among other things, the current board of Migdal Insurance is an independent board, whose composition complies with the various legal provisions, as well as the provisions of expertise required by law and that, as detailed in the reply letter dated February 22, 2024, even after the appointment of additional directors For Migdal Insurance, to the extent that it is appointed, Migdal Insurance will comply with all the provisions of the law and the supervisor concerning the composition of the Board of Directors that apply to it.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

3) (cont.)

On June 3, 2024, Migdal Insurance's Chairman of the Board sent the Commissioner a letter in response to the Letter Regarding the Composition of the Board, in which it was stated that Migdal Insurance acted with complete transparency towards the Capital Market Authority, and presented to it the desired composition of Migdal Insurance's board of directors (nine members, including at least three women and four independent directors, subject to meeting the terms and conditions of professional expertise as required). Migdal Insurance's Chairman of the Board also stated in his letter that, during his term of office until February 2024, the Board of Directors of Migdal Insurance appointed nine members and that, as of this date, Migdal Insurance's Board of Directors appointed seven members, due to the recent changes in the identity of the members of the Board of Directors resulting from the non-renewal of the terms of office of two directors - as resolved by the general meeting of Migdal Insurance, the resignation of an additional director and the appointment of another independent director. As said in the letter, after receiving the Capital Market Authority's decision on the two applications it had received (to approve the appointment of the Company's CEO as a director of Migdal Insurance and to approve the appointment of an independent director of Migdal Insurance as an independent director of Makefet, instead of an independent director of Makefet who would be appointed as an independent director of Migdal Insurance), the expansion of Migdal Insurance's Board of Directors could be expedited, subject to a resolution by the general meeting of Migdal Insurance and the Capital Market Authority's non-objection. The said letter also stated that the current composition of Migdal Insurance's Board of Directors is appropriate and complies with the requirements of the Law, including the Commissioner's guidance for Migdal Insurance dated July 28, 2023.

4) Proceedings pursuant to Sections 198 and 198A of the Companies Law, 1999 (hereinafter - the "**Companies Law**") to certify derivative lawsuits against the Company's controlling shareholder, in light of his conduct.

On November 22, 2020, a motion to certify a derivative lawsuit against the Company's controlling shareholder, Mr. Shlomo Eliahu (hereinafter - the "**First Motion to Certify a Derivative Lawsuit**"), was filed with the Economic Department of the Tel Aviv District Court.

The First Motion to Certify a Derivative Lawsuit concerns the allegation that Mr. Eliahu's conduct constitutes a breach of his duty of loyalty as a director of the Company and Migdal Insurance; a breach of the duty of care; a breach of the duty of fairness as the Company's controlling shareholder; as well as causing and assisting in a breach of the directors' duty of loyalty in the Company and Migdal Insurance.

For further details – see Note 39 to the Company's Consolidated Financial Statements as of December 31, 2023.

In response to Mr. Eliahu's inquiry and in accordance with the letter of indemnity he had been issued, the Audit Committee authorized an interim payment for the expert's fees in connection with the above lawsuit, including the independent committee's deliberations, up to the total deductible under the D&O liability insurance policy (USD 150 thousand). The interim payment is subject to a duty to repay, if and to the extent that liability is established in accordance with causes that are not covered under the letter of indemnity.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

4) (cont.)

On May 8, 2024, a judgment was rendered on the First Motion to Certify a Derivative Lawsuit, in which the court denied the motion to certify (hereinafter - the "**Judgment**"). In its judgment, the court ruled, among other things, that the movant had met the prima facie burden it must meet during the discussion of the motion to certify, to prove Mr. Eliahu's involvement in managing the Company's regular affairs, including staffing changes among the Company's and Migdal Insurance's senior officers. Furthermore, it was ruled, among other things, that when Mr. Eliahu exercises his structural power as the controlling shareholder within the Company's regular activity, his property right should be assigned a greater weight, and accordingly, judicial interference with his activities as the Company's controlling shareholder must be minimized, based on the assumption that his actions as the controlling shareholder directly and significantly affect his personal interests, and that the Company's interest aligns with his interest as the latter's largest, most important shareholder (provided that there is no discrimination or abuse of his control for the controlling shareholder's personal interest). In addition, the judgment determined, among other things, that Migdal Insurance is subject to strict regulation in real time by the Commissioner of the Capital Market, Insurance and Savings, who had exercised his authority, including with respect to removing senior Migdal Insurance officers from office. With regard to the causes the movant raises in connection with Mr. Eliahu's role as a director, as opposed to the controlling shareholder, the court held that the motion to certify is without merit. The court found that Mr. Eliahu had exercised independent judgment and that there was no fault in his conduct as a sole director, as no infrastructure has been laid to establish, even prima facie, that the frequency of officer replacements was affected by a conflict of interest, or was in bad faith, or not in the Company's best interest.

On July 7, 2024, the movant appealed the ruling to the Supreme Court, requesting that it be revoked and that the motion to certify the derivative claim be granted. A hearing on the appeal before the Supreme Court was scheduled for May 26, 2025.

For details, see the Company's immediate reports dated May 9, 2024 (Ref. No.: 2024-01-046099) and July 9, 2024 (Ref. No.: 2024-01-071662).

5) On March 15, 2023, another motion to certify the Company's derivative lawsuit against Mr. Shlomo Eliahu, the Company's controlling shareholder, was received at the Company's offices, having been brought to the Economic Department of the Tel Aviv District Court by a Company shareholder (hereinafter - the "**Second Motion to Certify**" and the "**Movant**," respectively). The motion was brought by the Movant and the counsel who had brought the First Motion to Certify a Derivative Lawsuit, as described in Section F.4) of this note.

In the Second Motion to Certify, the court was moved to certify the lawsuit brought against Mr. Eliahu, alleging that over a period of two years, from November 20, 2020, to November 15, 2022 (hereinafter - the "Period"), he had harmed the Company.

For further details – see Note 39 to the Company's Consolidated Financial Statements as of December 31, 2023.

On July 10, 2023, the Company's Board of Directors resolved to establish an independent committee to examine and discuss the issues that the Motion to Certify raised (hereinafter - the "**Committee**").

On October 23, 2023, the Committee submitted its findings, according to which the claims raised in the motion to certify a derivative lawsuit were without merit in the factual and in the legal sense, and that, having considered the Company's best interests in the context of the profitability of bringing and adjudicating a derivative lawsuit, bringing a lawsuit against Mr. Eliahu would be unwarranted. After the Board of Directors adopted the Committee's report, the Company submitted its response to the motion to certify on January 4, 2024, in which the court was moved to deny the motion to certify, based, among other things, on the Committee's report.

For further details – see Note 39 to the Company's Consolidated Financial Statements as of December 31 2023.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

5) (cont.)

On August 26, 2024, Mr. Eliahu and the Company's motion to stay the hearing on the Second Motion to Certify was accepted, due to the appeal on the judgment that denied the Movant's First Motion to Certify a Derivative Lawsuit (see Section F.4) above).Further to Mr. Shlomo Eliahu's request and in accordance with the letter of indemnity that the Company's general meeting authorized for Mr. Eliahu on September 22, 2022, is his capacity as a Company director, the Audit Committee authorized an interim payment for Mr. Eliahu's defense expenses on February 12, 2024, in connection with the aforementioned lawsuit, up to NIS 120 thousand in total (including VAT). The interim payment is subject to a duty to repay, if and to the extent that liability is established for causes that are not covered under the letter of indemnity.

6) The Company and/or the consolidated companies are exposed to lawsuits and additional claims for various reasons - other than claims with respect to insurance coverage for an insured event according to a policy issued by Migdal Insurance - by customers, past customers, and various third parties, of which a total of approx. NIS 18 million is with respect to claims filed (as of December 31, 2023 - approx. NIS 19 million), beyond the general exposures described in this note, including in Sections F.9 and F.10 to this note.

7) On December 21, 2021, the Commissioner sent Migdal Insurance a demand for information notice regarding the collection due to insurance coverages in accordance with the limitations under Regulation 45 of the Income Tax Regulations (Provident Fund Approval and Management Rules), 1964, that also contained an instruction to carry out restitution if it is found that Migdal Insurance has acted in contravention of the rules set out in the notice. For details on this matter, see Section 8(b)(13) above.

8) On September 28, 2023, the Capital Market Authority notified Migdal Insurance that a request had been submitted to the Capital Market Authority's Committee on Imposing financial sanctions (hereinafter - the "**Committee**" or the "**Sanctions Committee**") against Migdal Insurance due to an alleged violation of the provisions of Section 7 of the Prohibition on Money Laundering Law, 2000, based on an audit of Migdal Insurance for the period between July 2018 and June 2019 (hereinafter - the "**Audit Period**"). That notice concerned alleged violations of various reporting duties by Migdal Insurance, pursuant to the Prohibition on Money Laundering Ordinance (Identification, Reporting, and Record-Keeping Duties of Insurance Companies, Insurance Agents, and Managing Companies, to Prevent Money Laundering and Terror Financing), 2017 (hereinafter - the "**Ordinance**"), and the allegation that Migdal Insurance did not keep a record of the control process to detect its customers' unusual activity as required under Section 17(d) of the Ordinance. On April 18, 2024, after Migdal Insurance submitted its response to the Sanctions Committee, Migdal Insurance received the Committee's decision to impose a financial sanction totaling NIS 250 thousand. Migdal Insurance has long taken measures, after the Audit Period, to prevent the violations that are specified in the audit from recurring and to optimize its internal processes in connection with the duties imposed on it by the Ordinance.

9) On May 15, 2024, Migdal Insurance received the Authority's notice regarding the latter's intention to impose a financial sanction on Migdal Insurance due to failure to report to the Commissioner, pursuant to Chapter 1 in Part 3 of Section 5 of the Consolidated Circular on "embezzlement and fraud". The background for the financial sanction is Migdal Insurance's thorough and comprehensive investigations following anonymous inquiries regarding a Migdal Insurance employee's alleged modus operandi in the motor insurance claims and appraisal segment, which did not yield findings of actions that constitute embezzlement or fraud. The allegations the Authority raised in its notice concern the duty to report to the Commissioner, which, according to the Authority, Migdal Insurance had acquired when the investigation first commenced. Migdal Insurance argues that under the circumstances, it did not have an obligation to report according to the circular. The financial sanction specified in the notice totaled NIS 970 thousand, comprised of a sanction due to the breach of the initial duty to report and the ongoing breach. On November 10, 2024, after the Authority considered Migdal Insurance's arguments on the subject, the Commissioner issued a notice regarding the imposition of a financial sanction of NIS 242 thousand, having concluded that some of the grounds for reducing the sanction amount as listed in the provisions of the Fifth Addendum to the Insurance Supervision Law have been met.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

10) In July 2024, the Authority authorized Migdal Insurance’s restitution outline to refund premium payments to eligible policyholders due to overlapping insurance in the compulsory motor insurance subsegment, following a broad audit of various insurance companies that the Authority had conducted on the subject. The restitution outline refers to compulsory motor policies issued for the same vehicle for an overlapping period of over 30 days, starting from the 2014 underwriting year and until the restitution demand was received in March 2024. Migdal Insurance’s investigation shows that the restitution amounts are immaterial. Migdal Insurance is working to carry out the restitution in accordance with the Authority-approved outline, as described above.
11) Further to Note 38G.4.d to the Company’s consolidated financial statements as of December 31, 2023, regarding financial disputes between the Company and Migdal Insurance and Mr. Rosen, who had served as the Company’s CEO and as Chairman of Migdal Insurance’s Board of Directors, the arbitration award was received on June 13, 2024, stating that the main contractual cause of action for payment of non-compete fees equal to 9 monthly salaries was denied in full. As for the second cause, under tort law, the arbitrator held that Migdal Insurance must compensate Mr. Rosen for NIS 1.5 million, plus linkages in accordance with the stipulated linkage mechanism in the services agreement between Migdal Insurance, the Company, and Mr. Rosen. The arbitrator further ruled that the Company and Migdal Insurance must pay Mr. Rosen NIS 530 thousand for reimbursement of costs and legal fees (with the addition of VAT), among other things, based on the provisions of the settlement agreement that had preceded the arbitration. The said amounts were paid to Mr. Rosen by Migdal Insurance during the reporting period.
12) From time to time, the Commissioner issues position papers, principles for drafting insurance plans, papers on proper and improper practices and other documents or draft documents that are relevant to the Group’s areas of operation and which may have an effect on the rights of the policyholder/s and/or planholder/s and may create an exposure for the Group in certain cases with respect to both its period of operation prior to those documents coming into effect and the future.

    It is impossible to predict in advance whether and to what extent the insurers are exposed to allegations connected to and/or resulting from directives that may arise in part through the procedural mechanism set forth in the Class Actions Law. Similar circulars issued by the Commissioner with a future effective date may have such an effect.

    From time to time complaints are filed against the Group, including complaints to the Commissioner with respect to rights of policyholders and/or planholders according to insurance plans and/or funds and/or the law. These complaints are handled regularly by the Group's Ombudsman. At times, the Commissioner's decisions (or draft decisions) on these complaints are rendered across the board for a class of policyholders.

    Furthermore, from time to time, and also following policyholders' complaints, the Commissioner conducts audits on his behalf at the Group's institutional entities and/or sends requests to them to receive information on different issues of management of the institutional entities and management of the rights of the institutional entities' policyholders and planholders, as well as audits to verify the implementation of regulatory directives and/or lessons from previous audits, wherein, among others, demands are received to make changes in various products and instructions are given for implementing circulars and/or guidelines and/or for rectifying deficiencies or for the taking of actions by the institutional entities, including making refunds to planholders and policyholders. On the basis of the audit findings or the information provided, the Commissioner sometimes imposes financial sanctions pursuant to the Enforcement Authority Law.

NOTE 8 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

F. Additional legal proceedings and other proceedings, Insurance Commissioner directives, events and developments in respect of which the Company and/or its consolidated companies are subject to exposure (cont.)

13) There is a general exposure, which cannot be assessed and/or quantified, due to, among other things, the complexity of the services provided by the Group to its policyholders. The complexity of these arrangements inevitably leads to interpretive claims and other claims due to information gaps between the Group and third parties to the insurance contracts in connection with a long list of commercial and regulatory terms. This exposure is expressed mainly in connection with pension savings and long-term insurance products, including health insurance, in which the Group operates, due to them being characterized by a prolonged lifespan and extreme complexity, particularly in view of the legislative arrangements relating both to management of the products and to taxation, including on issues concerning setting tariffs, the deposits made by employers and policyholders, separation and attribution of the deposits to the various policy components, investment management, the policyholder's employment status, his deposit payments, etc. In this context, it is noted that the Supervision of Financial Services Regulations (Provident Funds) (Payments to Provident Funds), 2014 ("the payment regulations"), which came into effect gradually from February 1, 2016, were meant to facilitate this complexity by arranging automated flow of information between all the involved parties on how deposits are made and attributed to the components of the provident fund, including the taxation.

    It is noted further that the Group's products, which are managed over years, are exposed to policy and regulatory changes, as well as to shifting trends in the law, including in court rulings. These changes are implemented by automated systems that undergo frequent changes and adjustments. The complexity of these changes and the application of the changes over many years lead to an increased operational exposure. In addition, allowing new interpretations for the provisions of insurance policies and long-term pension products sometimes affects the Group's future income in respect of its existing portfolio, in addition to the exposure implicit in claims for compensation for customers in respect of past activity. It is impossible to anticipate the types of claims that will be raised in this area or the exposure arising from these and other claims in connection with insurance contracts - claims which are raised through, among other things, the procedural mechanism set forth in the Class Actions Law.

    Furthermore, the insurance area in which the Group companies operate is high in detail and circumstances, and has an inherent risk that cannot be quantified as to the occurrence of an error or series of mechanical or human errors, in both structured work processes and when handling a specific customer, and which may cause expansive consequences as to both the effect on a large number of customers or cases and the relevant monetary effect concerning an individual customer. The Group's institutional entities regularly cleanse the rights of policyholders, in all that concerns management of the products at institutional entities, according to gaps that are discovered from time to time.

    The Company and consolidated companies are exposed to claims and allegations on the level of contract laws and fulfillment of the insurance liabilities in the policy, deficient consultation, breach of fiduciary duty, conflict of interests, duty of care, negligence as part of the professional liability of the professional entities in the Group including the Group's agencies, etc., allegations relating to the services provided by the Group companies, and from time to time there are circumstances and events that raise concerns regarding allegations of that type. The Group purchases professional liability insurance policies, including as required by the legislative arrangement, and when necessary it reports to this policy or policies in order to cover an obligation deriving from professional liability that can be protected by purchasing insurance. The amounts of the possible exposure are higher than the amounts covered and there is no certainty that the insurance coverage will actually be received upon the occurrence of an insured event.

    Regarding other general exposures, see Note 37.A to the annual financial statements.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD

A. Changes in estimates and principal assumptions used to calculate the insurance reserves

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS million				
Life Insurance (1)					
Increase (decrease) in supplementary retirement pension reserve with respect to change in the discount rate (1A1)	(199)	(263)	15	(168)	(479)
Increase (decrease) in the annuity reserves following a change in expected future income due to the change in interest rate (1) (Ka2)	(78)	(351)	-	(270)	(508)
Total increase (decrease) in contributions towards benefits as a result of the change in interest rate	(277)	(614)	15	(438)	(987)
Change in annuity assumptions (1b)	(731)	-	-	-	(570)
Revision to the life expectancy rates (1c)	458	-	-	-	-
Total supplementary reserve for pension	(550)	(614)	15	(438)	(1,557)
Increase (decrease) in Migdal Batuach reserve (1d)	(83)	(42)	-	(5)	(29)
Total - life insurance	(633)	(656)	15	(443)	(1,586)
Health insurance (2)					
Revision to the estimate of discount rate (2a)	(44)	-	(44)	-	-
Increase (decrease) following the liability adequacy testing (2) (in LAT)	-	-	-	(3)	-
Total health	(44)	-	(44)	(3)	-
Total decrease (increase) in profit before tax	(677)	(656)	(29)	(446)	(1,586)
Total decrease (increase) in post-tax income	(445)	(432)	(19)	(294)	(1,044)

1. Life insurance

In recent years, changes have taken place which affected key actuarial assumptions used as the basis for calculating the reserves, including: Increase in life expectancy, change in annuity take-up rates, transition to age-based investment tracks, changes in the interest rates, fluctuations in the estimated rates of return in the portfolio of assets held against insurance liabilities, and changes in taxation arrangements, which were designed to serve as an incentive for the withdrawal of the pension savings by way of an annuity. All those caused changes in liabilities for annuity payment.

a)1. Migdal Insurance uses return assumptions based on the existing and expected portfolio in order to determine the estimated future returns as part of determining the provision for the pension reserve.

In the nine- and three-month period ended September 30, 2024 and the corresponding period last year - due to the increase in the risk-free interest rate curve offset by the decrease in spreads in linked bonds - the expected return in the existing and expected portfolio of assets increased. As a result, assumptions regarding the discount rates used to calculate contributions towards benefits were updated leading to a decrease in the reserves. In the three-month period ended September 30, 2024, the reserve increased due to a decrease in the risk-free interest curve; in the corresponding period last year, the reserve decreased following an increase in the risk-free interest rate curve offset by the decrease in spreads in linked bonds.

For further details regarding the increase in the interest rate curve, see Section a)2. below.

a)2. The supplementary retirement pension reserve is accumulated gradually in respect of the funds accrued in the policies at the same time as the income from management fees is recognized over the remaining period until the policyholder reaches retirement age. For premiums expected to be paid in respect of the policies, the reserve will be accumulated from the date of their receipt and through the retirement age as detailed above.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

A. Changes in estimates and principal assumptions used to calculate the insurance reserves: (cont.)

1. Life insurance (cont.)

a)2. (cont.)

The gradual reserve is provided for by using a K factor derived from the rate of the future income as detailed above (hereinafter - the "**K Factor**"). This factor is taken into account in calculating the supplementary annuity reserve. The higher the K Factor, the lower the liability for the supplementary annuity reserve that will be recognized in the financial statements and the higher the amount that will be deferred and recorded in the future.

In accordance with the Commissioner's guidance, two separate K Factors are determined. The first K Factor is determined for liabilities in respect of participating policies, and the second is determined in respect of guaranteed return policies. The change in the K factor of participating policies arises from the change in the profits forecast, which is derived from the change in risk-free interest rates.

As of September 30, 2024, December 31, 2023 and September 30, 2023, the K Factor used by Migdal Insurance for participating policies stands at 0.97%, 0.95% and 0.85%, respectively. As a result of the increase in the risk-free interest rate curve and the effect of investment income in the participating portfolio, which is offset by a decline in the illiquidity premium, the Company reached the K Factor ceiling as of March 31, 2024, and there was no change as of September 30, 2024.

It is noted that part of the increase in the risk-free interest rate curve in the nine-month period ended September 30, 2024 was not reflected in the reduction of the insurance liabilities due to the maximum regulatory interest limit. Accordingly, and further to Note 37.B.1.a) to the Company's Consolidated Financial Statements as of December 31, 2023, a further future increase in the interest rate curve will not result in a decrease in the insurance liabilities compared to their outstanding balance as of September 30, 2024. In addition, a decrease to the regulatory interest rate will not lead to an increase in most liabilities, such that the Company believes that the estimated sensitivity to a 1% decline in the interest rate as of September 30, 2024 is an approx. NIS 500 million increase in post-tax comprehensive income (due to the fact that in this scenario the expected increase in the value of the assets exceeds the expected increase in liabilities).

During the nine- and three-month periods ended September 30, 2023, the K Factor in participating policies increased as a result of the increase in the risk-free interest rate curve and the effect of investment income in the participating portfolio, which is offset by a decline in the illiquidity premium.

The supplementary retirement pension reserve in respect of guaranteed return policies stands at its full amount (the K Factor Migdal Insurance used for guaranteed return policies as of September 30, 2024, December 31, 2023 and September 30, 2023 is 0%).

b) During the reporting period, Migdal Insurance revised the actuarial assumptions of the expected retirement dates and accordingly, the benefit take-up rates were adjusted. The assumptions were revised following the maturing of the portfolio and accumulation of information and experience for ages older than the statutory retirement age. Accordingly, the insurance liabilities for pension decreased and comprehensive income increased as of June 30, 2024 by approx. NIS 731 million before tax.

c) Effect of a change to the provisions relating to life insurance plans incorporating savings that include "annuity conversion factors taking into account guaranteed life expectancy"

In July 2024, the Capital Market, Insurance and Savings Authority published a circular entitled Amendment of the Consolidated Circular Provisions on Measuring Liabilities - Revising the Demographic Assumptions in Life Insurance and Pension Funds (hereinafter - the "**Circular**"). The Circular includes a revision of the default demographic assumptions (mortality rates)used to calculate liabilities and coefficients in Life Insurance policies and pension funds. As a result, Migdal Insurance increased the supplementary annuity reserves as of June 30, 2024 by approx. NIS 458 million before tax.

d) The "Migdal Batuach" plan is a Profit Participating plan, which includes an undertaking for a linked minimum return when planholders have been with the plan over 20 years. In respect of this liability, the Company has in place a reserve, which is based, among other things, on risk-free interest rates and other assumptions.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

A. Changes in estimates and principal assumptions used to calculate the insurance reserves: (cont.)

1. Life insurance (cont.)

e) In 2023, Migdal Insurance revised the reserves in respect of permanent health insurance by approx. NIS 280 million before tax (retention). See Note 37B.3.b)(5)(c) to the Company's Consolidated Financial Statements as of December 31, 2023. This amount is not included in the above table.

2. Health insurance

a) During the reporting period, Migdal Insurance revised the estimate of the discount rate in insurance liabilities of medical expenses and critical illness. The revision of the estimate caused an approx. NIS 44 million decrease in insurance liabilities before tax.

b) Migdal Insurance conducts liability adequacy testing (LAT) on a periodic basis, in accordance with the LAT Circular.

Following the test, the Company concluded that as of September 30, 2024 and December 31, 2023, it is not required to supplement the LAT reserve, such that the balance of the reserve is zeroed.

It the corresponding period last year, it was not required to supplement the LAT reserve, such that the balance of the reserve provided for in the six-month period ended June 30, 2023 has zeroed out.

3. Property and Casualty Insurance

In the Compulsory Motor, Employers' Liability and Third-party Liability subsegments, Migdal Insurance discounts the future claim payouts in accordance with a risk-free interest rate curve, which is adjusted to the illiquid nature of the insurance liabilities, taking into account the manner by which the assets held against those liabilities were revalued, in accordance with best practice principles. Following is the effect of the change in the risk-free interest rate curve in the short and medium term, and in the excess fair value of the assets above their carrying amounts:

	For the nine-month period ended September 30		For the three-month period ended September 30		For the year ended December 31
	2024	2023	2024	2023	2023
	Unaudited				Audited
	NIS million				
Change in discount rate	(54)	(72)	(5)	(44)	(13)
Change in the excess fair value of the assets above their carrying amounts	(1)	25	(1)	11	22
Total decrease (increase) in profit before tax	(55)	(47)	(6)	(33)	9

B. Further to Note 1.C, in February 2024, rating agency Moody's announced a downgrading of the State of Israel's debt credit rating from A1 to A2 with a negative rating outlook. The downgrading of the credit rating and change of the rating outlook to negative mainly reflected - as explained by the rating agency - the uncertainty as to the economic consequences of the War, the manner and timing by which the War will end and the change in fiscal conditions. In September 2024, Moody's downgraded the rating by two notches from A2 to BAA1 with a negative rating outlook; the credit rating downgrade was carried out due to the rating agency's view that the geopolitical risk has increased significantly and reached a very high level, with material negative consequences for the State of Israel's creditworthiness in both the near and longer term. In the opinion of the rating agency, a delayed and slower economic recovery in combination with a more prolonged and broader military campaign will more persistently impact public finances, further pushing out the prospect of a stabilization of Israel's debt to GDP ratio, compared to the rating agency's earlier forecasts.

In addition, in April 2024, international credit rating agency S&P announced the downgrading of Israel's sovereign rating from AA- to A+, and reiterated the rating outlook at negative. The downgrade was carried out against the backdrop of the escalating conflict between Israel and Iran and the geopolitical risks that Israel has faced since the outbreak of the War.
Subsequent to the reporting date, a further downgrade of the rating was made in October 2024 by S&P to a level of A with a negative rating outlook amid the escalation in fighting in the northern border and an expectation that economic recovery in Israel will be delayed.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

B. (cont.)

In addition, in August 2024, international credit rating agency Fitch announced the downgrading of Israel's credit rating from A+ to A with a negative rating outlook.

By virtue of its activity, the Group is exposed to financial market volatility, a slowdown in the Israeli economy and other risks arising from the War.

In the reporting period, participating life insurance policies marketed through 2004, there was a cumulative positive real return. However, due to the accrued negative real return in the participating life insurance policies, which were marketed through 2004, Migdal Insurance did not recognize variable management fees since the beginning of 2022, but rather only fixed management fees

As long as the policies do not achieve a positive real return that will cover the investment losses accrued by the policyholders, Migdal Insurance will not be able to collect variable management fees. The estimated variable management fees, which will not be collected due to the negative real return until a cumulative positive return is achieved, amounted as of September 30, 2024 to and as of the publication of this report to approx. NIS 0.4 billion and approx. NIS 0.3 billion, respectively.

C. On August 19, 2024, Mr. Tal Cohen ended his service in the Group (as the Company's CFO and Head of the Finance and Resources Division of Migdal Insurance), and as from that date, Mr. David Saban has been serving as the Company's CFO, Head of the Finance and Resources Division of Migdal Insurance and other positions in the Group.

D. On February 21, 2024, a sub-subsidiary - Migdal Makefet Pension and Provident Funds Ltd. (hereinafter - "**Migdal Makefet**") issued to Migdal Insurance capital totaling NIS 164 million against an allocation of 232 shares of NIS 1 p.v. each.

On August 14, 2024 and August 18, 2024, the Board of Directors of Migdal Makefet and the Board of Directors of Migdal Insurance, respectively, approved a further issuance of shares to Migdal Insurance at the total amount of NIS 145 million.

E. In March 2024 an amendment was approved by the Knesset plenum to the Value Added Tax Ordinance (Tax Rate for Non-Profit Organizations and Financial Institutions), 2024 (hereinafter - the "**Ordinance**"), which prescribes that as from January 1, 2025 the rate of payroll tax applicable to financial institutions will stand at 18% of the wage paid for work, and the profit tax shall stand at 18% of the profit generated.

The deferred tax balances included in the financial statements as of March 31, 2024 take into account the effects arising from the increase in tax rates as described above. The effect of the change in tax rates as of March 31, 2024 was immaterial.

F. On January 31, 2024, the Board of Directors of Migdal Insurance decided to appoint Mr. David Santori as Supervising Actuary in the Life Insurance activity. The Commissioner's notice of non-objection to the said appointment was received on April 18, 2024 subject to assistance by another actuary for a period of one year from the appointment's effective date.

G. On May 23, 2024, the Company's Board of Directors approved a dividend distribution in the amount of NIS 25 million (approx. 2 agorot per share), which originated from a dividend from a subsidiary, Migdal Capital Markets (1965) Ltd., to the Company's shareholders. On June 16, 2024 the General Meeting of the Company approved the distribution of the said dividend and it was executed on June 24, 2024.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

H. Further to Note 33 to the Company's Consolidated Financial Statements as of December 31, 2023, on May 23, 2024, the Company's Board of Directors, after approval by the Compensation Committee, approved an additional allocation of 721,968 options to an officer of Migdal Insurance (who is not a director or CEO), who will also serve as an officer in the Company, in accordance with the Company's equity compensation plan, the compensation policy of the Company and the Group's institutional entities, and under the same terms and conditions detailed in the private offering report of May 2023. The allocation constitutes approx. 0.07% of the Company's issued and paid up share capital and voting rights, after the allocation, assuming that all options, which were allocated in accordance with the compensation plan will be exercised. Notwithstanding the above, the assumption that all options will be exercised into an identical number of shares is merely theoretical due to the implementation of a "net exercise" mechanism, which reflects the award of a lower number of exercise shares reflecting only the amount of the potential monetary benefit implicit in the options alone. The options will vest in three equal tranches over a period of three years, subject to compliance with the performance conditions detailed in Note 33 to the Company's Consolidated Financial Statements as of December 31, 2023, and the exercise price is NIS 5.04 for the first tranche of options (reflecting a 5% premium on the closing price of the Company's share on the Stock Exchange during the thirty trading days prior to the decision), NIS 5.28 for the second tranche of options (reflecting a 10% premium) and NIS 5.52 for the third tranche of options (reflecting a 15% premium). The value of the additional options which were awarded - as measured on their award date - is immaterial.

Furthermore, on May 23, 2024, the Company's Board of Directors, in accordance with the powers conferred thereon, and subsequent to approval by the Compensation Committee, decided to push forward the vesting date of part of the second tranche of the options allocated to an officer serving in the Company and Migdal Insurance (out of a total of 567,874 options allocated in three annual tranches), due to her expected departure upon reaching retirement age, after a long tenure and following a resolution to further postpone the date of the actual termination of the employer-employee relations from the date set in the Board of Directors' resolution of January 31, 2024, such that the employer-employee relations will be terminated on December 31, 2024. The said Board of Directors resolution approved the pushing forward of the vesting date of 141,969 options, which constitute a proportionate share of the officer's second tranche of options, such that it will reflect the period during which employer-employee relations will prevail between the officer and the Company and Migdal Insurance out of the overall vesting period of the second tranche (i.e., 18 out of 24 months). The acceleration complies with the terms and conditions of the compensation policy and the terms and conditions of the equity compensation plan adopted by the Company and Migdal Insurance. The total fair value of the options whose vesting has been accelerated, and which has not yet been recognized as an expense - as measured on their award date - is immaterial.

I. In June 2024, Migdal Insurance Capital Raising Ltd. (hereinafter - "**Migdal Capital Raising**"), a subsidiary of Migdal Insurance, raised a total of approx. NIS 420 million, gross in a public offering of two new series of Bonds (Series M and N) (hereinafter in this paragraph - the "**Bonds**"), according to Migdal Capital Raising's shelf offering report dated June 4, 2024 (hereinafter - the "**Shelf Offering Report**") published in accordance with Migdal Capital Raising's shelf prospectus dated July 29, 2022.

The Bonds which were issued are unlinked and bear annual interest of 6.07%. The interest in respect of the Bonds (Series M) is paid twice a year, on June 30th of each calendar year between 2025 and 2037 and December 31 of each calendar year between 2024 and 2037. The interest in respect of the Bonds (Series N) is paid twice a year, on June 30th of each calendar year between 2025 and 2038 and December 31 of each calendar year between 2024 and 2038. The principal of the bonds will be repaid in a single installment, which will be paid on December 31, 2037 for Series M and on December 31, 2038 for Series N, unless Migdal Capital Raising will exercise - prior to those dates - its right to execute full or partial early redemption of the bonds, as detailed in the Deed of Trust. The proceeds of the issuance were deposited and recorded in the financial statements of Migdal Insurance, and were recognized - in accordance with the Commissioner approval - as Tier 2 capital in Migdal Insurance, subject to the restrictions set in the Solvency Circular regarding this matter.

On June 4, 2024 the Midroog rating agency assigned an A1.il rating with a stable outlook to the Subordinated Notes (Series M and N) recognized as Tier 2 capital instruments.

The above amount raised in capital is before deferred issuance expenses in respect of the Bonds (Series M and N), which amounted to approx. NIS 3.7 million. The effective interest rate in respect of each of the Series (M and N) is approx. 6.3%.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

J. On June 30, 2024, Migdal Capital Raising initiated the full early redemption of outstanding Bonds (Series E) totaling approx. NIS 417 million, in accordance with the Bonds' terms and conditions. With the aforementioned early redemption of Migdal Capital Raising's bonds, the Bonds were delisted from the Stock Exchange, with Migdal Capital Raising's obligations towards the bondholders being terminated.

K. In accordance with a notice delivered to Migdal Insurance by the Office of the Accountant General in the Ministry of Finance in September 2024, Migdal Insurance was selected as one of the companies, which won the tender for motor insurance for government employees in 2025 (hereinafter - the "**Winning Bid Notice**"). As per the Winning Bid Notice, according to policyholders data received from the insurance companies, which won the tender for 2024, the number of policyholders won by Migdal Insurance, which hold comprehensive, compulsory and third-party motor insurance policies, is expected to stand at approx. 24,000. Subject to the above, Migdal Insurance is of the opinion that the estimated annual premium, which will be paid to Migdal Insurance totals approx. NIS 100 million. Winning the said tender is not expected to have a material effect on Migdal Insurance's profitability in 2025.

L. Subsequent to the reporting date, on October 15, 2024, the Honorable Judge (Retd.) Hanan Meltzer announced that he will not stand for a further term in office as member of the Company's Board of Directors and as the Chairman of the Board of Directors at the annual general meeting, which was convened for that date; this was at the request of Mr. Shlomo Eliahu, the Company's controlling shareholder, and by mutual agreement with the Company. On November 5, 2024, the convening date of the annual general meeting, Mr. Hanan Meltzer ended his tenure as a director and as the Chairman of the Company's Board of Directors. On October 15, 2024, as part of a discussion held in the Company's Compensation Committee and Board of Directors in connection with Mr. Meltzer's terms of retirement, it was decided - without derogating from the terms and conditions of employment of as detailed in Note 38.G.4.i to the Consolidated Financial Statements as of December 31, 2023 the Company will look favorably, in accordance with Section 2.7 to the Private Offering Report published on May 30, 2023, which is included in this report by way of reference, on the acceleration of the remaining options awarded to him, and which will not vest automatically on his termination date, which is expected to take place on August 5, 2025, all subject to Mr. Meltzer's request, the approval of the Company's competent organs, at their discretion, and to Mr. Meltzer's waiver of some of the compensation he is entitled to such that he does not exceed the compensation cap in accordance with the Officer Compensation in Financial Corporations Law (Special Permit and Non-Deductible Expenses Due to Exceptional Compensation), 2016 (hereinafter - the "**Compensation Law**".

In addition, subsequent to the reporting date, on November 5, 2024, the Company's general meeting resolved to appoint Prof. Ronni Gamzu as a director and Company's Chairman of the Board starting on November 17, 2024 on a 50% FTE basis. Prof. Gamzu's terms of service and employment as the Company's Chairman of the Board were approved by the Company's Compensation Committee and Board, subject to the approval of the Company's general meeting. Accordingly, Prof. Gamzu is entitled to a monthly salary of approx. NIS 140 thousand (before the reduction of his pay against the allocation of Company options as detailed below). At the beginning of each calendar year, the monthly salary will be adjusted to the employment period in accordance with the provisions of the Compensation Law, such that the annual expense, which the Company expects to incur in respect of the total compensation to Prof. Gamzu in accordance with the total cost of all compensation components for the year - in accordance with generally accepted accounting principles - shall stand at the maximum compensation amount as per the Compensation Law (hereinafter - the "**Compensation Limit**"), and under no circumstances, as long as the Company's Compensation Policy has not been revised (as detailed in Section n below) - no more than NIS 3.5 million, excluding severance pay and retirement benefits as required by law. The general meeting, which has convened to approve Prof. Gamzu's compensation will also discuss changes to the Compensation Policy, such that the said limit will no longer apply, and the pay will be capped in accordance with the provisions of the Compensation Law.

NOTE 9 - SIGNIFICANT EVENTS DURING AND AFTER THE REPORTING PERIOD (cont.)

L. (cont.)

Prof. Gamzu is eligible to social benefits and related benefits, such as: Advanced education fund, paid leave, convalescence pay, a car and a mobile phone. Prof. Gamzu's employment agreement is for an indefinite period. Each party to the agreement may terminate it at any given time and for any reason by giving a nine-month advance notice, subject to the provisions pertaining to the Company's Compensation Policy, whereunder the specified notice period during the first six months will stand at three months, and in the second half of the year - four and a half months. Prof. Gamzu has undertaken that upon the termination of his employment he will not compete with the Group's businesses and activity during three months from the actual date on which employer-employee relations actually end, and the Company will pay him an amount equivalent to the total cost of his pay during the non-competition period, subject to the provisions of the Compensation Policy, and in particular the provision whereunder the arrangement will come into effect only after Prof. Gamzu will have completed eighteen months of work for the Company.

Out of the above compensation, Prof. Gamzu waives a total gross amount of NIS 40 thousand for a 36-month period against the allocation of Company options at the total value of NIS 1,440 thousand. The options, which will be awarded to Prof. Gamzu, will vest in one three-year tranche, subject to the performance conditions detailed in Note 33 to the Company's Consolidated Financial Statements as of December 31, 2023, and the exercise price reflects a 10% premium on the adjusted closing price of the Company's share on the Stock Exchange during the thirty trading days prior to the date of approval of the compensation by the Company's general meeting. The allocation will be made in accordance with the Company's equity compensation plan, its Compensation Policy and the other terms and conditions detailed in the Meeting Summons Report, which was published in connection with the approval of his terms of service and employment. It is noted that the number of options, which will be awarded to Prof. Gamzu, the exercise price and the total maximum benefit from the exercise of each option will be set on the date of approval by the general meeting under the assumption that the value of the benefit stands at NIS 1,440 thousand.

M. Subsequent to the reporting date, on November 20, 2024, Migdal Insurance received a monitoring report from Midroog Ltd. (hereinafter - "**Midroog**"). Midroog reiterated Migdal Insurance's Insurer Financial Strength (IFS) rating at Aa2.il, and reiterated the A1.il (hyb) rating of the subordinated notes (Tier 2 capital instruments) issued by Migdal Insurance Capital Raising Ltd. The rating outlook is stable.

N. Subsequent to the reporting date, on November 20, 2024, a change to the Compensation Policy of Migdal Group's institutional entities was approved, such that the total compensation limit will be set as required by law (35 times the compensation to the lowest paid employee), and the limit set in the policy was removed, whereunder the total cost of the annual compensation to an employee and an officer will not exceed NIS 3.5 million (plus provisions for severance pay and retirement benefits as required by law). It is estimated that as of the policy's approval date, the Compensation Limit for 2024 stands at approx. NIS 3,503 thousand. It is noted that an identical change in the Company's Compensation Policy (which was recently revised by the general meeting on July 5, 2023), was approved by the Company's Board on November 20, 2024, after receipt of the Compensation Committee's recommendation, and it will come into effect subject to approval of the Company's general meeting.

O. Subsequent to the reporting date, on November 20, 2024, the Company's Board of Directors approved a dividend distribution in the amount of NIS 30 million, which originated from a dividend from a subsidiary, Migdal Capital Markets (1965) Ltd., to the Company's shareholders. The dividend distribution is subject to approval by the Company's General Meeting.

NOTE 10 - APPLICATION OF IFRS 17 AND IFRS 9 IN SUBSIDIARIES WHICH MEET THE DEFINITION OF AN INSURER IN ACCORDANCE WITH SECURITIES REGULATIONS (PREPARATION OF ANNUAL FINANCIAL STATEMENTS), 2010

Further to Note 2 to the Annual Financial Statements, below is an update in connection with Migdal Insurance's preparations for the application of IFRS 17 and IFRS 9.

As part of the standards' adoption process, Migdal Insurance has completed implementing and integrating IT systems that are necessary for applying the provisions. Furthermore, so far Migdal Insurance has met all the milestones required in the project in accordance with the Roadmap.

On August 12, 2024, the Commissioner published a Fourth Revision to the Roadmap, which included updates the time frames for reporting to the Authority as part of a quantitative impact study (QIS-2); it was also determined that it is not mandatory (but rather voluntary) for the Company to disclose the opening balances data in the Financial Statements of the third quarter of 2024.

In accordance with the revised requirements of the Commissioner, Migdal Insurance filed the QIS-2 results, which include calculations of the opening balances alone on July 10, 2024 and filed with to the Commissioner, on September 15, 2024, a report comprising on-balance sheet data in accordance with IFRS 17 and IFRS 9 as of January 1, 2024 and March 31, 2024, and operating results data for the three-month period ended March 31, 2024.

For the purpose of the preparations made by insurance companies in Israel for the adoption of IFRS 17, the Commissioner published a draft insurance circular regarding "Professional Issues Pertaining to the Implementation of IFRS 17 in Israel" (hereinafter - the "**Professional Issues Circular**").

On August 12, 2024 the Commissioner published Draft 10, which refers, among other things, to clarifications in connection with the calculation of the weight of the illiquidity premium, and the setting of the confidence interval, as well as guidance regarding the calculation of the fair value of Hetz bonds.

It is emphasized that all the details provided below in connection with the accounting policy are correct as of the date of this report.

A. IFRS 17 - Main changes in the accounting policies

Following are the main requirements and accounting policies, which were selected by Migdal Insurance:

Measurement model

The standard includes three models for measuring the insurance contracts liability:

1. General measurement model (GMM)

This model is the standard's default model. The liability in respect of groups of insurance contracts should be measured at the initial recognition date as the present value of the discounted best-estimate of future cash flows (BE), plus an explicit risk adjustment (RA) in respect of the non-financial risks. The expected income implicit in the insurance contracts, which is derived from such calculations, shall be recognized as a liability (contractual service margin - CSM), which will be recognized in profit and loss over the coverage period, by coverage units provided during the period. If there is an expected loss, a loss component will arise, and it will be recognized immediately.

In held reinsurance contracts, the contractual service margin may be an asset or a liability and represents the net expected cost or net expected income, respectively. If a reinsurance contract exists upon recognition of a loss component in respect of a group of insurance contracts covered by it, the company will immediately recognize an income in respect of the reinsurance contract (loss recovery component) against adjustment of the contractual service margin.

Migdal Insurance's products, which will be measured under the GMM model, are the long-term health insurance products, life and disability insurance products, which are sold separately, and contracts, which include guaranteed-return savings. In addition, all reinsurance contracts in the Life and Health Insurance Segment will be measured under the GMM model.

NOTE 10 - APPLICATION OF IFRS 17 AND IFRS 9 IN SUBSIDIARIES WHICH MEET THE DEFINITION OF AN INSURER IN ACCORDANCE WITH SECURITIES REGULATIONS (PREPARATION OF ANNUAL FINANCIAL STATEMENTS), 2010 (cont.)

A. IFRS 17 - Main changes in the accounting policies (cont.)

2. The variable fee approach - the VFA model

This model is a modification of the GMM model and applies to contracts with direct participation features (insurance contracts in which the Company guarantees the policyholder return on investments based on underlying items). In other words, the contract includes a significant service associated with investments.

In accordance with the VFS model, the cash flows for the fulfillment of the contract are composed of the liability to pay the policyholder an amount equal to the fair value of the underlying items, net of the variable fee in respect of the service. A change in the liability to pay the policyholder an amount equal to the fair value of the underlying items is recognized directly in finance expenses in respect of insurance contracts. Unlike the GMM model, the contractual service margin (CSM) is also adjusted in respect of financial changes, which affect the variable fee.

Migdal Insurance expects that the insurance contracts, which include yield dependent savings and will meet this definition as part of the application of IFRS 17, will be measured in accordance with the VFA model.

3. The premium allocation approach - the PAA model

This model is a simplification of the general measurement model; it can be applied to certain groups of insurance contracts, for which it provides a measurement, which is a reasonable approximation to a measurement in accordance with the general measurement model. Migdal Insurance will implement this model mainly in its Property and Casualty Insurance portfolios (including in respect of property and casualty reinsurance contracts), the coverage period of most of which is up to one year.

For groups of insurance contracts, under the PAA model the Company may recognize any insurance acquisition cash flows as expenses when it incurs those costs, provided that the coverage period of each contract in the group is no more than one year. The Company has opted not to apply this alternative.

The liability for incurred claims is calculated in accordance with the same principles as those used in the GMM model. The standard allows not to discount the future cash flows in respect of incurred claims if those cash flows are expected to be paid or received within one year or less from the date the claims are incurred. The Company does not implement the abovementioned expedient.

The measurement of the insurance contracts using the PAA model is essentially similar to the measurement of property and casualty insurance contracts under the Company's existing policy pursuant to IFRS 4.

Aggregation level

IFRS 17 requires the aggregation of insurance contracts into groups for recognition and measurement purposes.

First, Migdal Insurance needs to identify portfolios of insurance contracts. A portfolio comprises contracts subject to similar risks and managed together. Once it identified a portfolio, Migdal Insurance divides it into the following groups, based on the expected profitability upon initial recognition:

- A group of contracts, which are onerous at initial recognition;
- A group of contracts, which at initial recognition have no significant possibility of becoming onerous subsequently; and
- A group of the remaining contracts in the portfolio.

The Company does not predict that the second group will be material.

IFRS 17 stipulates that an entity shall not include contracts issued more than one year apart in the same group, such that each underwriting year will be associated with a separate group of insurance contracts.

NOTE 10 - APPLICATION OF IFRS 17 AND IFRS 9 IN SUBSIDIARIES WHICH MEET THE DEFINITION OF AN INSURER IN ACCORDANCE WITH SECURITIES REGULATIONS (PREPARATION OF ANNUAL FINANCIAL STATEMENTS), 2010 (cont.)

A. IFRS 17 - Main changes in the accounting policies (cont.)

Aggregation level (cont.)

The lowest unit of account in IFRS 17 is the insurance contract, with all insurance coverages included therein. In addition, in certain cases where a set of policies reflects - in economic terms - a single insurance contract, Migdal Insurance will recognize and measure such policies as a single insurance contract.

The contract boundaries

Cash flows are within the boundaries of an insurance contract if they arise from substantive rights and obligations which exist during the reporting period in which the Company can compel the policyholder to pay the premiums or in which it has a substantive obligation to provide the policyholder with services.

When determining the contract boundaries of insurance contracts, the Company assesses each contract separately, and weighs all the substantive obligations and rights, regardless of whether they arise from a contract, law or regulation, and ignoring conditions with no commercial substance.

Following are the contract boundaries of material policies, which were identified:

1. Individual health insurance policies issued as from 2016

   Despite the fact that the policy is renewed every two years, it is impossible to assert that the Company has a practical ability to reassess the portfolio's risks and accordingly to set a new price, which fully reflects those risks. Accordingly, the periods subsequent to fixed renewal date will be included in the contract's boundaries.

2. Life insurance policies, which include a savings component without a guaranteed annuity conversion factor on the policy issuance date

   Life insurance policies, which include a savings component to the retirement age and disability and/or life insurance coverage are insurance contracts, which often also provide an additional pension insurability (hereinafter - the "**Annuity Option**"). The Annuity Option is not included in the contract boundaries, since the Company has the practical ability to reassess the contract's risks and to set an annuity conversion factor, which reflects those risks. Subsequent to its exercise, the Annuity Option shall be recognized as a new insurance contract in accordance with the standard's recognition rules.

3. Reinsurance contracts held

   In accordance with the accounting policy applied under IFRS 4, the measurement of the reinsurance contracts is only in respect of the underlying contracts, which were transferred to the reinsurer as of the balance sheet date. In accordance with IFRS 17, except for these cash flows, the reinsurance contracts' boundaries may also include cash flows in respect of underlying contracts, which the Company expects to sell (and deliver to the reinsurance) in the reporting period, if the Company and the reinsurer do not have the right to cancel or reprice the obligation to deliver those futures.

Risk adjustment (RA) in respect of non-financial risk

The RA reflects the compensation, which the Company demands for bearing the uncertainty regarding the amount and timing of the cash flows arising from non-financial risks, which include insurance risk and other non-financial risks, such as lapse risk, and expenses risk.

The Company adjusts the estimated present value of the future cash flows in respect of this amount, which is reflected separately in the Company's total liabilities.

IFRS 17 does not specify the estimation techniques used to determine the risk adjustment for non-financial risk.

NOTE 10 - APPLICATION OF IFRS 17 AND IFRS 9 IN SUBSIDIARIES WHICH MEET THE DEFINITION OF AN INSURER IN ACCORDANCE WITH SECURITIES REGULATIONS (PREPARATION OF ANNUAL FINANCIAL STATEMENTS), 2010 (cont.)

A. IFRS 17 - Main changes in the accounting policies (cont.)

The coverage units and the manner of releasing the contractual service margin (CSM)

The CSM represents the liability in respect of the unearned profit relating to future services. In accordance with the standard, the CSM will be recognized in profit and loss over the coverage period through a pattern, which reflects the insurance service provided by the Company in connection with the contracts, which are included in the insurance contracts group. This pattern is determined based on the coverage units, which were provided during the period compared to the coverage units, which are expected to be provided in the future in connection with the insurance contracts group.

The number of coverage units in a group is the quantity of coverage services provided by the contracts in the group, determined by considering for each contract the quantity of the benefits provided under a contract and its expected coverage period.

Discount rate curves

Migdal Insurance will determine the discount rate curves for IFRS 17 purposes using the bottom-up approach, which is the default approach according to the Commissioner's draft.

Provisions for the Transitional Period

IFRS 17 should be applied retrospectively (hereinafter - "**Full Retrospective Application**"), unless it is impractical to do so, in which case entities may opt for the modified retrospective approach or the fair value as of the transition date approach.

Migdal Insurance will implement the retrospective application approach for the property and casualty insurance portfolios.

Migdal Insurance is of the opinion that it is impractical to apply IFRS 17 retrospectively to groups of life and health insurance contracts, and therefore it is expected to apply the fair value approach to transition to all life and health insurance portfolios, excluding collective health and travel insurance.

B. IFRS 9 - Main changes in the accounting policies

Classification and measurement

Financial assets

In implementing IFRS 9, Migdal Insurance will classify financial assets in accordance with their subsequent measurement at amortized cost, at fair value through other comprehensive income or at fair value through profit or loss, based on the entity's business model for managing financial assets, and projected cash flow of the financial asset.

The application of IFRS 9 will have the following effect on the classification and measurement of the Company's financial assets:

Participating portfolio

The underlying items of insurance contracts, which include profit participation, will be measured at fair value through profit or loss, similarly to the current practice under IAS 39.

Nostro portfolio

- Investment in equity instruments will be measured at fair value through profit or loss instead of at fair value through capital reserve under IAS 39.
- Derivatives will be measured at fair value through profit or loss as is the case in IAS 39.
- Investments in debt instruments, which do not meet the Solely Payments of Principal and Interest test shall be classified to fair value through profit or loss.
- The remaining debt assets in the nostro portfolio, including Hetz bonds, are expected to be designated to fair value through profit or loss in order to prevent an accounting mismatch with the liabilities in respect of insurance contracts, or - alternatively - they are managed at fair value and will therefore be measured at fair value through profit and loss (including in the case of the assets held against equity and other liabilities, which are not insurance liabilities).

Financial liabilities

The classification and measurement of financial liabilities in the Company will not change.

Appendix - Breakdown of Assets for Other Financial Investments of a Consolidated Insurance Company

Breakdown of financial investments

	As of September 30, 2024			
	Presented at fair value through profit and loss	Available-for-sale	Loans and receivables	Total
	Unaudited			
	NIS thousand			
Liquid debt assets	1,004,848	15,775,944	-	16,780,792
Illiquid debt assets	-	-	28,307,074	28,307,074
Shares	-	322,449	-	322,449
Other	213,493	6,736,447	-	6,949,940
Other financial investments	1,218,341	22,834,840	28,307,074	52,360,255

	As of September 30, 2023			
	Presented at fair value through profit and loss	Available-for-sale	Loans and receivables	Total
	Unaudited			
	NIS thousand			
Liquid debt assets	849,051	14,214,862	-	15,063,913
Illiquid debt assets	-	-	27,301,914	27,301,914
Shares	-	247,559	-	247,559
Other	357,819	5,845,733	-	6,203,552
Other financial investments	1,206,870	20,308,154	27,301,914	48,816,938

	As of December 31, 2023			
	Presented at fair value through profit and loss	Available-for-sale	Loans and receivables	Total
	Audited			
	NIS thousand			
Liquid debt assets	914,446	15,114,906	-	16,029,352
Illiquid debt assets	-	-	27,064,566	27,064,566
Shares	-	258,555	-	258,555
Other	401,764	6,123,918	-	6,525,682
Other financial investments	1,316,210	21,497,379	27,064,566	49,878,155

Appendix A - Breakdown of Other Financial Investments of Consolidated Insurance Company (cont.)

1. Liquid debt assets

	As of September 30 2024	As of September 30 2023	As of December 31 2023	As of September 30 2024	As of September 30 2023	As of December 31 2023
	Carrying amount			Amortized cost *)		
	Unaudited		Audited	Unaudited		Audited
	NIS thousand			NIS thousand		
Government bonds	10,615,794	9,062,677	10,030,058	12,138,764	10,464,631	11,341,852
Other non-convertible debt assets	6,164,998	6,001,236	5,999,294	6,328,878	6,294,023	6,185,572
Total liquid debt assets	16,780,792	15,063,913	16,029,352	18,467,642	16,758,654	17,527,424
Impairments carried to profit and loss (cumulative)	177	262	202			

*) Net of provisions for impairment losses.

2. Shares

	As of September 30 2024	As of September 30 2023	As of December 31 2023	As of September 30 2024	As of September 30 2023	As of December 31 2023
	Carrying amount			Cost*)		
	Unaudited		Audited	Unaudited		Audited
	NIS thousand			NIS thousand		
Liquid shares	55,380	2,620	14,225	52,287	2,560	12,584
Illiquid shares	267,069	244,939	244,330	212,581	176,201	180,258
Total shares	322,449	247,559	258,555	264,868	178,761	192,842
Impairments carried to profit and loss (cumulative)	31,186	29,045	29,866			

*) Net of provisions for impairment losses.

3. Other

	As of September 30 2024	As of September 30 2023	As of December 31 2023	As of September 30 2024	As of September 30 2023	As of December 31 2023
	Carrying amount			Cost*)		
	Unaudited		Audited	Unaudited		Audited
	NIS thousand			NIS thousand		
Liquid financial investments	1,855,953	1,283,567	1,599,091	1,496,195	1,135,455	1,392,293
Illiquid financial investments	5,093,987	4,919,985	4,926,591	4,484,426	3,851,902	4,063,198
Other financial investments	6,949,940	6,203,552	6,525,682	5,980,621	4,987,357	5,455,491
Impairments carried to profit and loss (cumulative)	1,175,320	1,168,786	1,176,478			

*) Net of provisions for impairment losses.

Other financial investments mainly include investments in ETFs, participation certificates in mutual funds, investment funds, hedge funds, financial derivatives, futures, options and structured products.

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November 20, 2024

To the Board of Directors of Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Company**")
4 Efal St., Kiryat Aryeh, Petach Tikva

Dear Sir/Madams,

Re: Letter of consent in connection with a shelf prospectus of Migdal Insurance and Financial Holdings Ltd. of August 2024 (hereinafter- the "**Shelf Prospectus**")

We hereby inform you that we agree to the inclusion (including by way of reference) of our reports, as detailed below with respect to the Shelf Prospectus in the subject line:

Review Report of the Independent Auditors dated November 20, 2024 on the Condensed Financial Information of the Company as of September 30, 2024 and for the nine- and three-month periods then ended.

Somekh Chaikin Certified Public Accountants	Kost Forer Gabbay & Kasierer Certified Public Accountants

Joint Independent Auditors

Report and Statements regarding Internal Control over Financial Reporting and Disclosure

Quarterly Report on the Effectiveness of the Internal Control over Financial Reporting and Disclosure in accordance with Regulation 38C(a)

Management, under the supervision of the Board of Directors of Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Corporation**") is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure in the Corporation.

For this matter, the members of management are:

1. Yossi Ben Baruch, CEO;
2. David Saban, CFO;
3. David Gilad, Chief Risk Officer;
4. Tamir Solomon, Internal Auditor;
5. Noam Hauslich, Legal Counsel & Enforcement Officer;

Internal control over financial reporting and disclosure includes controls and procedures existing in the Corporation, which were planned or overseen by the CEO and the most senior financial officer or under their supervision, or by whoever fulfills these functions in practice, under the supervision of the Board of Directors of the Corporation, and were designed to provide reasonable assurance as to the reliability of the financial reporting and the preparation of the reports in accordance with the provisions of the law, and to ensure that information that the Corporation is required to disclose in the reports it publishes in accordance with the provisions of the law is collected, processed, summarized and reported on the date and in the format laid down in law.

Among other things, internal controls include controls and procedures planned to ensure that all information that the Corporation is required to disclose as aforesaid is collected and transferred to the Corporation's management, including the chief executive officer and the most senior financial officer, or the equivalent acting officers, in order to allow decision making on a timely basis with respect to the disclosure requirements.

Due to its inherent limitations, internal control over financial reporting and disclosure is not designed to provide absolute assurance that misstatements or omissions of information in the financial statements shall be prevented or detected.

Migdal Insurance Company Ltd., a subsidiary of the Corporation, is an institutional entity which is subject to the directives of the Commissioner of the Capital Market, Insurance and Savings in the Ministry of Finance regarding the assessment of the effectiveness of internal controls over financial reporting.

With regard to the internal control in the aforementioned subsidiary, the Corporation applies the following directives: Institutional Entities Circular 2009-9-10, "Management's Responsibility for Internal Control over Financial Reporting", Institutional Entities Circular 2010-9-7, "Internal Control over Financial Reporting - Certifications, Reports and Disclosures", and amendments to said circulars.

In the quarterly report on the effectiveness of internal control over financial reporting and the disclosure attached to the quarterly report for the period ended June 30, 2024 (hereinafter - the "**Most Recent Quarterly Report of Internal Control**"), the internal control was found to be effective.

As of the report date, the Board of Directors and management have not been informed of any event or matter that may alter the assessment of the effectiveness of internal control, as found in the Most Recent Quarterly Report of Internal Control;

As of the report date, based upon the said Most Recent Quarterly Report of Internal Control, and based upon information brought to the attention of Management and the Board of Directors as stated above, the internal controls are effective.

Certification by Officers
Certification by the CEO

I, Yossi Ben Baruch, hereby state that:

(1) I have reviewed the quarterly report of Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Corporation**") for the third quarter of 2024 (hereinafter - the "**Reports**");

(2) To my knowledge, the Reports do not contain any misrepresentation of a material fact, or omit a representation of a material fact that is necessary in order for the representations included therein - under the circumstances in which such representations were included - to be misleading as to the reporting period;

(3) To my knowledge, the financial statements and other financial information included in the Reports present fairly, in all material aspects, the Company's financial position, financial performance and cash flows of the Corporation as of the dates and for the periods covered by the Reports;

(4) I have disclosed to the independent auditor of the Corporation, the Board of Directors, and the Corporation's audit and financial statements committees, based on my most recent evaluation of the internal control over financial reporting and disclosure, the following:

(a) All significant deficiencies and material weaknesses in the establishment or implementation of the internal controls over financial reporting and disclosure that may adversely affect, in a reasonable manner, the Corporation's ability to collect, process, summate or report financial information in a manner that may give rise to doubt as to the reliability of financial reporting and preparation of the financial statements in accordance with the provisions of the law; and -

(b) Any fraud, whether material or not, involving the chief executive officer or anyone directly reporting thereto or involving other employees who have a significant role in the internal control over financial reporting and disclosure;

(5) I, alone or together with others in the Corporation, state that:

(a) I have established such controls and procedures, or ensured that such controls and procedures under my supervision be established and in place, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), -2010, is brought to my attention by others in the Corporation and the consolidated companies, particularly during the Reports' preparation period; and -

(b) I have established controls and procedures, or ensured that such controls and provisions under my supervision be established and in place, designed to ensure, in a reasonable manner, the reliability of financial reporting and preparation of financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles.

(c) I have not been informed of any event or matter that occurred in the period between the most recent report date (quarterly or periodic, as the case may be) and the date of this Report, which may change the conclusion of the Board of Directors and management regarding the effectiveness of internal controls over the corporation's financial reporting and disclosure.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

Date: November 20, 2024 ____________________________

Yossi Ben Baruch, CEO

Certification by Officers

Certification by the Most Senior Financial Officer

I, David Saban, hereby state that:

(1) I have reviewed interim financial statements and other financial information included in the interim report of Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Corporation**") for the third quarter of 2024 (hereinafter – the "**Reports**" or "**Interim Reports**");

(2) To my knowledge, the interim financial statements and other financial information included in the Interim Reports do not contain any misrepresentation of a material fact, nor omit a representation of a material fact that is necessary in order for the representations included therein - under the circumstances in which such representations were included - to be misleading as to the reporting period;

(3) To my knowledge, the Interim Financial Statements and other financial information included in the Interim Reports present fairly, in all material aspects, the Company's financial position, financial performance and cash flows of the Corporation as of the dates and for the periods covered by the Reports;

(4) I have disclosed to the independent auditor of the Corporation, the Board of Directors, and the Corporation's audit and financial statements committees, based on my most recent evaluation of the internal control over financial reporting and disclosure, the following:

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and disclosure insofar as it relates to the Interim Financial Statements and other financial information included in the Interim Reports, which could reasonably adversely affect the Corporation's ability to collect, process, summarize or report financial information so as to cast doubt on the reliability of financial reporting and the preparation of the financial statements in accordance with law; and -

   (b) Any fraud, whether material or not, involving the chief executive officer or anyone directly reporting thereto or involving other employees who have a significant role in the internal control over financial reporting and disclosure;

(5) I, alone or together with others in the Corporation, state that -

   (a) I have established such controls and procedures, or ensured that such controls and procedures under my supervision be established and in place, designed to ensure that material information relating to the Corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), -2010, is brought to my attention by others in the Corporation and the consolidated companies, particularly during the Reports' preparation period; and -

   (b) I have established controls and procedures, or ensured that such controls and provisions under my supervision be established and in place, designed to ensure, in a reasonable manner, the reliability of financial reporting and preparation of financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles;

   (c) No event or matter has been brought to my attention during the period between the most recent report date (quarterly or periodic, as the case may be) and the date of this Report that relates to the Interim Financial Statements and to any other financial information included in the Reports for the Interim Period that changes the conclusion of the Board of Directors and Management in respect of the effectiveness of internal control over the Corporation's financial reporting and disclosure.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

Date: November 20, 2024 ______________________________

David Saban, CFO

Statements regarding Controls and Procedures in respect of Disclosure in the Financial Statements of Migdal Insurance Company Ltd.

Migdal Insurance Company Ltd.

Certification

I, Ronen Agassi, hereby state that:

1. I have reviewed the quarterly report of Migdal Insurance Company Ltd. (hereinafter - the "**Insurance Company**") for the quarter ended September 30, 2024 (hereinafter - the "**Report**").
2. To my knowledge, the Report does not contain any misrepresentation of a material fact, or omit a representation of a material fact, which is necessary in order for the representations included in it - under the circumstances in which such representations were included - to be misleading as to the reporting period.
3. To my knowledge, the quarterly financial statements and other financial information included in the Report present fairly, in all material aspects, the Insurance Company's financial position, financial performance and changes in equity and cash flows as at the dates and for the periods covered by the report.
4. I and others at the Insurance Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the disclosure[1] and internal control over financial reporting[1] of the Insurance Company; and -
   (a) We have established such controls and procedures, or caused such controls and procedures to be established under our oversight, with the aim of ensuring that material information about the Insurance Company and its consolidated companies is brought to our attention by others in the Insurance Company and these companies, especially during the preparation of the Report;
   (b) We have established such internal controls over the financial reporting or have overseen the establishment of such controls over financial reporting, with the aim of providing reasonable assurance as to the reliability of the financial reporting and that the financial statements have been prepared in accordance with the directives of the Commissioner of the Capital Market, Insurance and Savings and in accordance with the Financial Services Supervision Law (Insurance), 1981;
   (c) We have evaluated the effectiveness of the Insurance Company's disclosure controls and procedures and presented in the Report our conclusions regarding the effectiveness of the disclosure controls and procedures as of the end of the reporting period according to our evaluation; and -
   (d) The Report discloses any change in the Insurance Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Insurance Company's internal control over financial reporting. and -
5. I and others at the Insurance Company signing this certification have disclosed to the joint independent auditor, the Board of Directors, and the Committee for Review of the Financial Statements (Balance Sheet Committee) of the Insurance Company, based on our most recent evaluation of the internal control over financial reporting, the following:
   (a) All significant deficiencies and material weaknesses in the establishment or implementation of the internal controls over financial reporting that may harm the Insurance Company's ability to record, process, summarize and report financial information; and -
   (b) Any fraud, whether or not material, involving management or other employees who have a significant role in the Insurance Company's internal control over financial reporting.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

November 20, 2024

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Ronen Agassi, CEO

[1]As defined in the provisions of the Institutional Entities Circular titled "Internal Controls over Financial Reporting - Certifications, Reports and Disclosures".

Migdal Insurance Company Ltd.

Certification

I, David Saban, hereby state that:

1. I have reviewed the quarterly report of Migdal Insurance Company Ltd. (hereinafter - the "**Insurance Company**") for the quarter ended September 30, 2024 (hereinafter - the "**Report**").
2. To my knowledge, the Report does not contain any misrepresentation of a material fact, or omit a representation of a material fact, which is necessary in order for the representations included in it - under the circumstances in which such representations were included - to be misleading as to the reporting period.
3. To my knowledge, the quarterly financial statements and other financial information included in the Report present fairly, in all material aspects, the Insurance Company's financial position, financial performance and changes in equity and cash flows as at the dates and for the periods covered by the report.
4. I and others at the Insurance Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the disclosure[1] and internal control over financial reporting[1] of the Insurance Company; and -
   (a) We have established such controls and procedures, or caused such controls and procedures to be established under our oversight, with the aim of ensuring that material information about the Insurance Company and its consolidated companies is brought to our attention by others in the Insurance Company and these companies, especially during the preparation of the Report;
   (b) We have established such internal controls over the financial reporting or have overseen the establishment of such controls over financial reporting, with the aim of providing reasonable assurance as to the reliability of the financial reporting and that the financial statements have been prepared in accordance with the directives of the Commissioner of the Capital Market, Insurance and Savings and in accordance with the Financial Services Supervision Law (Insurance), 1981;
   (c) We have evaluated the effectiveness of the Insurance Company's disclosure controls and procedures and presented in the Report our conclusions regarding the effectiveness of the disclosure controls and procedures as of the end of the reporting period according to our evaluation; and -
   (d) The Report discloses any change in the Insurance Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Insurance Company's internal control over financial reporting. and -
5. I and others at the Insurance Company signing this certification have disclosed to the joint independent auditor, the Board of Directors, and the Committee for Review of the Financial Statements (Balance Sheet Committee) of the Insurance Company, based on our most recent evaluation of the internal control over financial reporting, the following:
   (a) All significant deficiencies and material weaknesses in the establishment or implementation of the internal controls over financial reporting that may harm the Insurance Company's ability to record, process, summarize and report financial information; and -
   (b) Any fraud, whether or not material, involving management or other employees who have a significant role in the Insurance Company's internal control over financial reporting.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

November 20, 2024

David Saban, Deputy CEO,
Head of the Finance Division

[1]As defined in the provisions of the Institutional Entities Circular titled "Internal Controls over Financial Reporting - Certifications, Reports and Disclosures".