Condensed Financial Statements

as of June 30, 2026

MIGDAL INSURANCE AND FINANCIAL HOLDINGS LTD.

MIGDAL
Insurance and finance

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TABLE OF CONTENTS

MIGDAL INSURANCE AND FINANCIAL HOLDINGS LTD.

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

Migdal Insurance and Financial Holdings Ltd.

Report of the Board of Directors

on the State of the Corporation’s Business

As of June 30, 2026

IMPORTANT

This document is an unofficial translation for convenience only of the Hebrew original of the June 30, 2026, financial report of Migdal Insurance and Financial Holdings Ltd. that was submitted to the Tel-Aviv Stock Exchange and the Israeli Securities Authority on August 16, 2026.

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

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 June 30, 2026

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**", as the case may be, respectively) for the six- and three-month periods ended June 30, 2026 (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 2025, dated March 24, 2026, as published on March 25, 2026 (Ref. No.: 2026-01-026679) (hereinafter - the "**Periodic Report**") and the Financial Report for the first quarter of 2026, dated May 20, 2026 (Ref. No.: 2026-01-046424) (hereinafter - the "**First Quarter Report 2026**"), included herein 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.

Shortly prior to the publication date of this report, the Company's controlling shareholder is Mr. Shlomo Eliahu – who, jointly with Ms. Chaya Eliahu, holds approx. 45.41% of the Company's issued and paid-up share capital, through Eliahu Issues Ltd. (hereinafter - "**Eliahu Issues**").

For details, see Note 1.B to the Financial Statements and Section 2.2 in Part A (Description of the Corporation's Business) in the Periodic Report.

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

1.2.1. Effect of the economic environment and a shift in the interest rate curve

The Group's operating results are substantially affected by the capital markets, including, among other things, by the interest rates, which affect both the returns embedded in the financial assets under the Group's management, and the insurance liabilities, and consequently the financial margin. Furthermore, Migdal Insurance Company Ltd. (hereinafter - "**Migdal Insurance**") mitigates the exposure to an increase in inflation rates, since most insurance liabilities are CPI-linked.

In the Reporting Period, capital markets in Israel and globally experienced an upward momentum, along with a decline in the yield to maturity of government bonds, mainly NIS-denominated bonds, due to, among other things, the ceasefire in Iran and Lebanon and the subsidence of inflation in Israel. As of the end of the Reporting Quarter, following the signing of the Memorandum of Understanding between Iran and the United States, energy prices dropped and geopolitical tensions subsided, although uncertainty levels remained high.

Notwithstanding the rallies in capital markets during the Reporting Period, during the Reporting Quarter (primarily towards its end), share prices in Israel slumped, which partially offset the returns achieved since the beginning of the year.

The shift in the interest rate curve and the illiquidity premium[1] (hereinafter - the "**Interest Rate Curve**") in the Reporting Quarter led to an increase in insurance liabilities, which are mainly affected by the linked long-term interest rate curve and the illiquidity premium in Migdal Insurance's Operating Segments and to a decrease in financial gain. This effect was largely offset by an increase in the fair value of the designated bonds and in the value of bonds in the nostro portfolio; however, in total, insurance liabilities decreased during the Reporting Period.

For a disclosure regarding the financial effect on insurance liabilities in profit and loss for changes in interest rates and other financial assumptions, see Note 11 to the Financial Statements.

For details regarding the effect of a 0.5% change in the Interest Rate Curve on Migdal Insurance's comprehensive income as of December 31, 2025, see Note 29 to the Financial Statements included in the Periodic Report.

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 the War on the Group

Following on Section 2.4.5 to the Description of the Corporation's Business Chapter, as from the end of February 2026, Operation Lion's Roar is conducted against Iran, and as from March 2026, the campaign has also been expanded to Lebanon due to the Hezbollah terror organization's joining the campaign. In Israel, the Operation interrupted the economy's growth trajectory. Most of the economy was shut down, and private consumption declined. The effect on the various economic sectors is not uniform, and in some sectors activities came to a halt during the Operation's period. The restrictions imposed on business activities during the Operation's period under the Home Front Command's guidance did not apply to essential entities, including the Group's institutional entities, and therefore the War did not have a material effect on the Group's activity.

At the beginning of April 2026, it was agreed to implement a two-stage ceasefire plan, during which the parties will conduct negotiations whose conclusion is expected to result in a ceasefire between Iran, Israel and the United States. Once the ceasefire took effect, the restrictions imposed on the economy were gradually lifted, until normal activities resumed. In mid-April 2026, a ceasefire was announced in Lebanon, in order to assess the feasibility of a peace agreement between Israel and Lebanon.

As from May 2026, progress has been made in the diplomatic negotiations between Israel and Lebanon mediated by the United States, including the formulation of initial understandings for a security arrangement. Alongside this, isolated violations and tensions in the region continued, as did regional developments with the potential to affect security and economic stability. Consequently, uncertainty remains regarding the stability of the situation in the region and the potential effects of the abovementioned developments.

Towards the end of June 2026, the Memorandum of Understanding between Iran and the United States was signed, which contributed to a certain subsidence in geopolitical tensions in the region. However, subsequent to the balance sheet date, there was a resurgence in regional tensions, driving, among other things, an increase in energy prices and volatility in the capital markets.

[1] The variables affecting the discount rate and the assumption of future return in insurance liabilities.

It is clarified that as of the report publication date, the above events did not have a material effect on the Group's activity. However, given the regional developments and the ongoing geopolitical uncertainty, at this stage, the Company is unable to assess the full potential effects on the Group's activity and future results.

1.2.3. **Reinsurance transaction to cover catastrophe**

As from January 1, 2026, Migdal Insurance entered into a reinsurance transaction with Turris Re - a special-purpose vehicle (SPV) which was established in Bermuda for the purpose of this transaction. This is a transaction in which catastrophe bonds are used to diversify the supply of reinsurers. The transaction is for a three-year period, covers part of Migdal Insurance's earthquake exposure and constitutes a tier in an excess-of-loss reinsurance plan. For details, see Section 2.4.14 in the chapter Description of the Corporation's Business in the Periodic Report.

1.2.4. **Issuance of Bonds (Series S)**

On April 16, 2026, Migdal Insurance Capital Raising Ltd. (hereinafter - "**Migdal Capital Raising**") issued 531,020,000 Bonds (Series S) of NIS 1 par value each, which were issued in accordance with Migdal Capital Raising's shelf offering report dated April 15, 2026, and in accordance with Migdal Capital Raising's shelf prospectus dated July 10, 2025 (hereinafter, jointly - the "**Bonds**"). The bonds issued are unlinked and bear annual interest of 4.92%.

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 Additional Tier 1 capital in Migdal Insurance, subject to the restrictions set in the Solvency Circular regarding this matter.

The bonds were rated A2.il(hyb), with a positive outlook by Midroog Ltd.

For details, see Note 7 to the Company's Financial Statements as well as the Company's immediate reports dated April 15, 2026 (Ref. Nos.: 2026-01-034694, 2026-15-034774 and 2026-01-035068) and April 16, 2026 (Ref. No.: 2026-01-035668), the details of which are included in this report by way of reference.

1.2.5. **Rating by Maalot S&P**

On June 22, 2026, the rating agency Maalot S&P assigned an ilAA+ rating with a stable outlook to Migdal Insurance and its subsidiary, Migdal Capital Raising Ltd. The rating constitutes an acknowledgment of Migdal Insurance's financial resilience and robustness. For further details, see Note 7 to the Financial Statements as well as the Company's immediate report dated June 22, 2026 (Ref. No.: 2026-01-058346), included in this report by way of reference.

1.2.6. **Investments in the Company's Equity and Transactions in its Shares**

Subsequent to the Reporting Period, on July 6, 2026 (hereinafter - the "**Forced Exercise Date**") the Company exercised - under a forced exercise for senior officers as of the Forced Exercise Date - 5,020,500 unlisted options into 1,421,626 ordinary shares of NIS 0.01 p.v. each; the shares were sold in an off-market transaction in consideration for approx. NIS 24.3 million. For further details regarding the senior officers, the number of options exercised by way of a forced exercise, the number of shares that resulted from such exercise, and the price at which the exercise shares were sold in an off-market transaction, see the Company's immediate report dated July 7, 2026 (Ref. No.: 2026-01-064494), included in this report by way of reference.

1.2.7. **Rating update by Midroog**

On August 13, 2026 and subsequent to the reporting date, Migdal Insurance and Migdal Capital Raising received a rating report from Midroog (hereinafter - for purposes of this section, Migdal Insurance and Migdal Capital Raising - the “**Companies**"). According to the report, Midroog raised the Insurer Financial Strength (IFS) rating from Aa2.il to Aa1.il and upgraded the rating of the subordinated notes (Tier 2 capital) and the rating of the subordinated notes (Additional Tier 1 capital) from A1.il (hyb) to Aa3.il (hyb) and from A2.il (hyb) to A1.il (hyb), respectively, which were issued by subsidiary Migdal Capital Raising.

The rating upgrade stems from an improvement in the underwriting income and profitability measure alongside an improvement in Migdal Insurance's economic solvency ratio, which is reflected, inter alia, in an improvement in its financial flexibility. At the same time, the rating outlook was modified from positive to stable.

2. The Board of Directors' explanations on 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):

	1-6/2026	1-6/2025	Difference	2025	4-6/2026	4-6/2025	Difference
Core income							
Long-term savings	443	280	163	655	239	181	58
Health Insurance	312	336	(24)	650	181	165	16
P&C Insurance	151	216	(65)	400	111	179	(68)
Financial Services	66	49	17	105	34	34	-
Agencies	93	71	22	141	43	32	11
Equity	246	214	32	422	124	107	17
Core income	**1,311**	**1,166**	**144**	**2,373**	**731**	**698**	**33**
Surplus financial gain (loss)	**221**	**100**	**121**	**601**	**178**	**182**	**(4)**
Income (loss) from Special Items	**(108)**	**(10)**	**(98)**	**(212)**	**17**	**(6)**	**23**
Comprehensive income, before tax	**1,424**	**1,256**	**168**	**2,762**	**927**	**874**	**53**
Income tax (tax benefit)	527	431	96	971	352	303	49
Comprehensive income, after tax	**897**	**825**	**72**	**1,791**	**575**	**571**	**4**
Total return on equity, annualized*	**18.0%**	**20.2%**		**21.9%**	**22.4%**	**27.1%**	

* The return on equity is annualized based on the comprehensive income for the period divided by the Company's equity at the beginning of the period taking into account any dividend distributed, in the relevant periods.

The comprehensive income is divided as follows:

2.1.1. **Core income (loss):**

(a) Income (loss) from insurance services, net - the underwriting income in life and health insurance reflects the release of the remaining contractual service margin, risk margin release and the adjustment of actual expenses and revenues to the expected cash flows, after the effects of reinsurance. In the property and casualty insurance segment and the short-term health insurance segment, the income includes the premium earned net of claims, fees and commissions, and expenses. This income is presented net of (primarily) general and administrative expenses not attributed to insurance contracts (comparative figures were restated accordingly).

(b) Assumption of a normative return on investments in the life insurance segment (excluding the designated bonds component), the health insurance segment and the P&C insurance segment assuming a real risk-free interest rate plus an annual spread of 2% (hereinafter - the "**Normative Return**") on the free nostro portfolio.

This income includes the results of Pension and Provident Funds, Investment Contracts, Other and the Financial Services and capital services (net of finance expenses in respect the share of bonds issued by Migdal Capital Raising).

2.1.2. **Surplus financial gain** - This line item includes financial effects, including market changes, inflation, changes in the Interest Rate Curve on assets, and the finance expenses of life, health and P&C insurance and capital (excluding finance expenses in respect of the share of bonds issued by Migdal Capital Raising and included in core income).

Furthermore, this line item includes the increase in the fair value of designated bonds due to the interest rate effects and the effect of the change in the Interest Rate Curve on insurance liabilities.

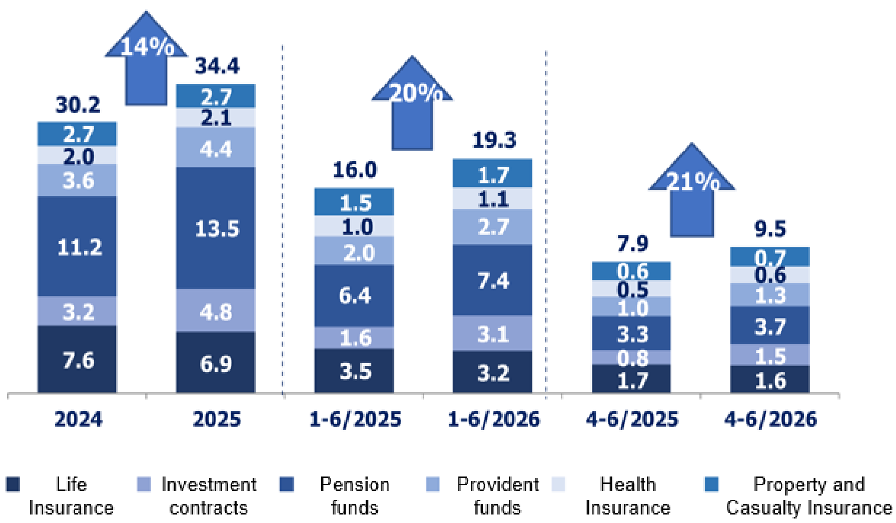
2.1.3. **Income (loss) from special effects** - This line item includes the effects of actuarial changes on the fair value of designated bonds and the effects of expenses arising from class action proceedings. This line item also includes the effect of the losses of insurance contract groups in the new participating life insurance portfolio as detailed in Section 2.8 below.

Total comprehensive income is calculated in accordance with generally accepted accounting principles (in accordance with IFRSs as defined in Section 2 to Chapter B (Report of the Board of Directors) included in the Periodic Report). 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.

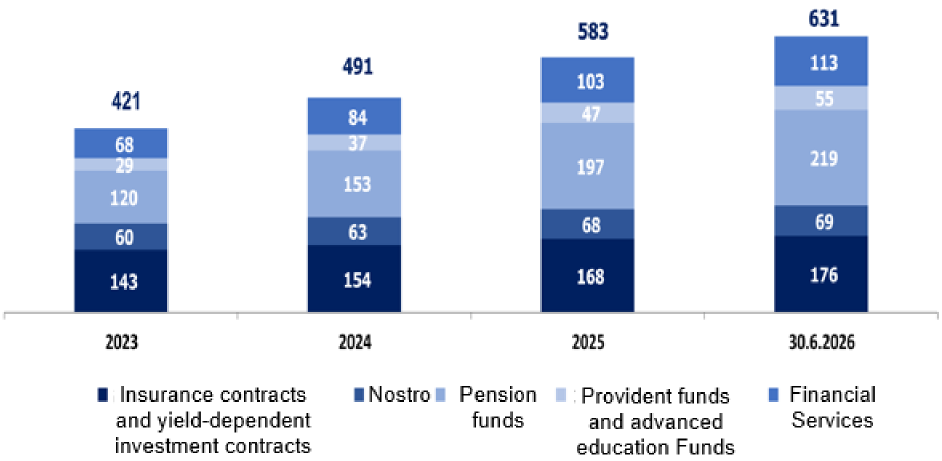
The above breakdown into the income sources mix is carried out according to a representative return on the investment income (instead of actual return in accordance with generally accepted accounting principles), and the difference between the two is carried to the surplus financial gain (loss) line item. Given the volatility in the capital markets, the Company believes that this methodology more accurately reflects the financial gain (loss) line item across periods, and the core income for periods, such that they reflect the investment income similarly across each period with lower variability.

2.2. Development of the Group's scope of activity

In the Reporting Period and the Reporting Quarter, premiums increased compared to the corresponding periods last year. Below is the development of premiums, proceeds for investment contracts and contributions towards benefits in the Group (in NIS billion):



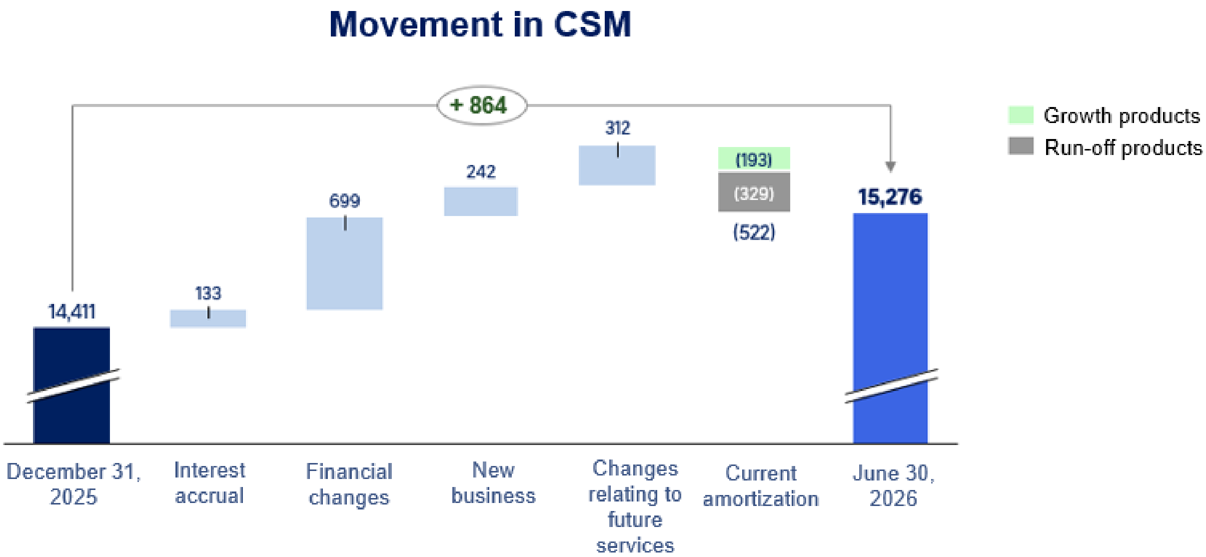
Below is the development of total assets under management by the Group (in NIS billion):[2]



The increase in total assets under management as of June 30, 2026 compared to 2025 was mainly affected by the positive returns achieved in the Reporting Quarter, and by an increase in net contributions into pension and provident funds. Furthermore, there was an increase in financial services assets (primarily mutual funds).

2.3. **Change in the remaining contractual service margin in the Reporting Period (in NIS million):**

Change in CSM (retention):



The increase in the contractual service margin in the **life insurance subsegment** arose mainly from the effects of financial changes and changes pertaining to future services, which include, among other things, further revisions to the stochastic model and an increase in the new business.

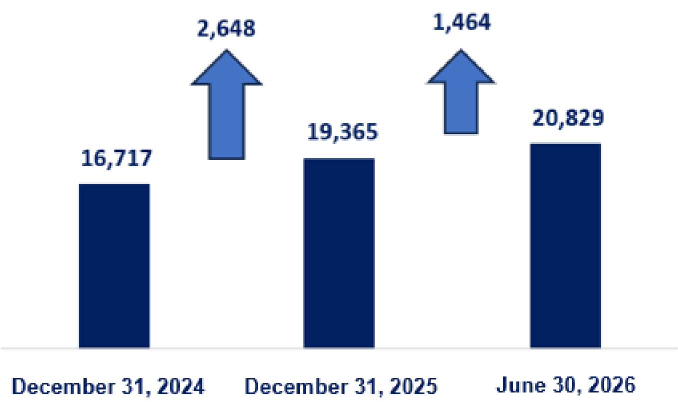
The increase in the contractual service margin in the **Health Insurance Segment** arose primarily from an increase in financial changes and an increase in the new business.

[2] 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.

The added value creation metric[3] totaled approx. 134% in the Reporting Period.

It is emphasized that there is no certainty that the Company will be able to achieve in the future an excess return over the risk-free return in the participating portfolios, such that the metric in future periods may differ. Furthermore, it is emphasized that the metric does not take into account changes which occurred during the period in the CSM of the participating portfolios or of other insurance and reinsurance portfolios due to other financial or demographic factors, including accrual of interest, or changes in the value of the stochastic component.

2.4. **Development of the Company's total capital*** (in NIS million)



* Total equity is defined as the Company's equity plus the contractual service margin (net of tax).

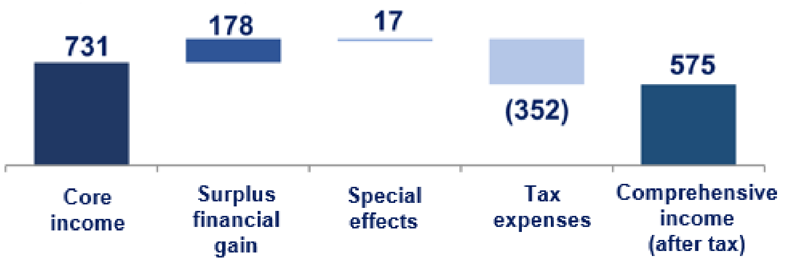
2.5. **Development of variable management fees in life insurance**

In participating life insurance policies marketed through 2004, variable management fees totaling approx. NIS 632 million were recognized in the Reporting Period. It is clarified that in accordance with IFRSs as defined in Section 2 to Chapter B (Report of the Board of Directors) included in the Periodic Report, the variable management fees are recognized as a revenue in Migdal Insurance’s financial statements by way of future release through the contractual service margin (CSM) in the insurance portfolios in life insurance and not directly to profit and loss.

[3] The added value creation metric reflects the ratio between new business CSM plus CSM growth from excess return, and the current CSM release (excluding release in long-term care)..

Description of the development of operating results in the Reporting Quarter

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



	Core income	Surplus financial gain	Special effects	Tax expenses	Comprehensive income (after tax)
4-6/2026	731	178	17	(352)	575
4-6/2025	698	182	(6)	(303)	571
Difference	**33**	**(4)**	**23**	**(49)**	**4**

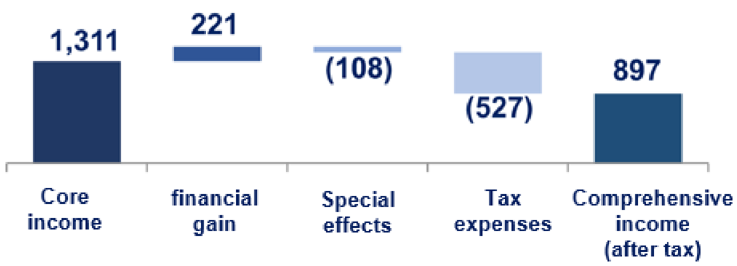
Core income - In the Reporting Quarter, core income increased primarily due to an improvement in underwriting income in the long-term savings and health insurance segments.

Excess financial income - The excess financial income in the Reporting Quarter arose mainly from high returns achieved by the Company in the capital markets. On the other hand, the decrease in the Interest Rate Curve in the Reporting Quarter resulted in an increase in insurance liabilities.

Special effects - in the Reporting Quarter are mainly due to financial returns and lapses in the new participating portfolio.

2.6. **Description of development of operating results in the Reporting Period**

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



	Core income	financial gain	Special effects	Tax expenses	Comprehensive income (after tax)
1-6/2026	1,311	221	(108)	(527)	897
1-6/2025	1,166	100	(10)	(431)	825
Difference	**144**	**121**	**(98)**	**(96)**	**72**
2025	2,373	601	(212)	(971)	1,791

Core income - In the Reporting Period, core income increased primarily due to an improvement in underwriting income in the Long-Term Savings and Agencies subsegments.

Excess financial income - The excess financial income in the Reporting Period arose mainly from high returns achieved by the Company in the capital markets.

Special effects - in the Reporting Period are mainly due to financial returns and lapses in the new participating portfolio.

For further details regarding the development of the results, see under operating segments below, and Notes 5 and 6 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.

2.7. Life Insurance and Long-Term Savings

2.7.1. Operating results in the Reporting Quarter

Development in the scope of activity

Life insurance - In the Reporting Quarter, premiums amounted to approx. NIS 1,628 million, compared with approx. NIS 1,716 million in the corresponding quarter last year - a decrease of approx. 5%.

Investment contracts - in the Reporting Quarter, proceeds from investment contracts totaled approx. NIS 1,548 million, compared to approx. NIS 780 million in the corresponding quarter last year, an increase of approx. 98%.

Pension funds - contributions towards benefits[4] amounted to approx. NIS 3,736 million compared with approx. NIS 3,295 million in the corresponding quarter last year - an increase of approx. 13%.

Provident funds - contributions towards benefits amounted to approx. NIS 1,349 million compared with approx. NIS 956 million in the corresponding quarter last year - an increase of approx. 41%.

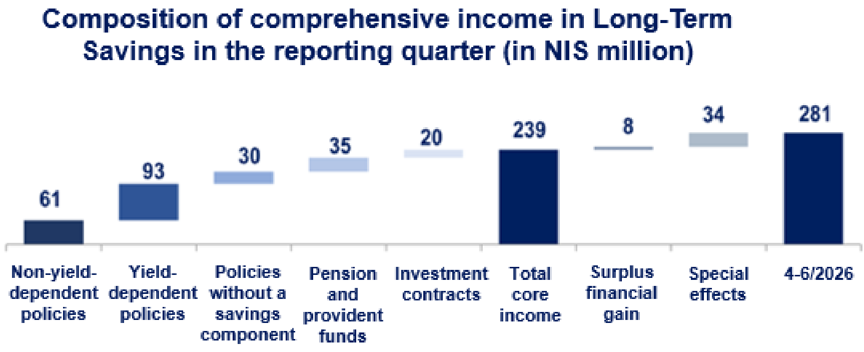
During the reporting quarter, there was an increase in provident sales and a decrease in pension sales compared with the corresponding quarter last year.

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

Life insurance redemptions - the rate of redemptions (including transfers) out of the average savings balance (annualized) amounted to approx. 6.6% in the Reporting Quarter compared with approx. 5.7% in the corresponding quarter last year.

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

Development of comprehensive income in the Reporting Quarter



	Non-yield-dependent policies	Yield-dependent policies	Policies without a savings component	Pension and provident funds	Investment contracts	Total core income	Surplus financial gain	Special effects	Compre-hensive income (before tax)
4-6/2026	61	93	30	35	20	239	8	34	281
4-6/2025	50	62	55	2	12	181	(120)	(2)	59
Difference	11	31	(25)	33	8	58	128	36	222

Core income - In the Reporting Quarter, core income in **life insurance** increased mainly due to an increase in the release of the contractual service margin in the old participating portfolio following an increase in balances due to the returns achieved by the Company, an improvement in permanent health insurance claims history and revisions to the stochastic model, which was partially offset by a deterioration in claims, mainly in the death benefit subsegment. In **pension funds**, there was an increase in income compared to the corresponding quarter last year, as a result of an increase in management fees resulting from an increase in assets under management and contributions towards benefits (despite the erosion in average management fees) as well as a decrease in acquisition expenses. **In provident funds**, there was an increase in income compared to the corresponding quarter last year, which was mainly affected by an increase in management fees resulting from an increase in assets under management and contributions towards benefits (despite the erosion in average management fees) and a decrease in general and administrative expenses, which was partially offset by an increase in acquisition expenses, including commissions and a reduction in deferred acquisition expenses.

Surplus financial gain - In the Reporting Quarter surplus financial gain increased mainly due to an increase in returns achieved by the Company in the capital markets.

Special effects - in the Reporting Quarter are mainly due to financial returns and lapses in the new participating portfolio.

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

Development in the scope of activity

Life insurance - In the Reporting Period, premiums amounted to approx. NIS 3,242 million, compared with approx. NIS 3,485 million in the corresponding period last year - a decrease of approx. 7%.

Investment contracts - in the Reporting Period, proceeds from investment contracts totaled approx. NIS 3,117 million, compared to approx. NIS 1,606 million in the corresponding period last year, an increase of approx. 94%.

Pension funds - contributions towards benefits[5] amounted to approx. NIS 7,408 million compared with approx. NIS 6,396 million in the corresponding period last year - an increase of approx. 16%.

Provident funds - contributions towards benefits amounted to approx. NIS 2,728 million compared with approx. NIS 1,974 million in the corresponding period last year - an increase of approx. 38%.

During the Reporting Period, there was an increase in provident sales and a decrease in pension sales compared to the corresponding period last year.

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

Life insurance redemptions - the rate of redemptions (including transfers) out of the average savings balance (annualized) amounted to approx. 6.6% in the Reporting Period compared with approx. 6.1% in the corresponding period last year.

In the Group's new pension funds, the net transfer of funds to the Group[6] totaled approx. NIS 4,802 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 6,812 million. Transfers to the Group's pension funds totaled approx. NIS 12,417 million in the Reporting Period (compared to approx. NIS 12,059 million in the corresponding period last year), compared to transfers from the Group's pension funds totaled approx. NIS 7,615 million in the Reporting Period (compared to approx. NIS 5,247 million in the corresponding period last year).

In the Group's provident funds, there was an increase in the net transfers of funds to the Group in the Reporting Period, compared to the corresponding period last year, and which amounted to approx. NIS 3,705 million compared to approx. NIS 1,389 million in the corresponding period last year. Transfers to the Group's provident funds totaled approx. NIS 5,717 million in the Reporting Period (compared to approx. NIS 3,058 million in the corresponding period last year), compared to transfers from the Group's provident funds, which totaled approx. NIS 2,012 million in the Reporting Period (compared to approx. NIS 1,669 million in the corresponding period last year).

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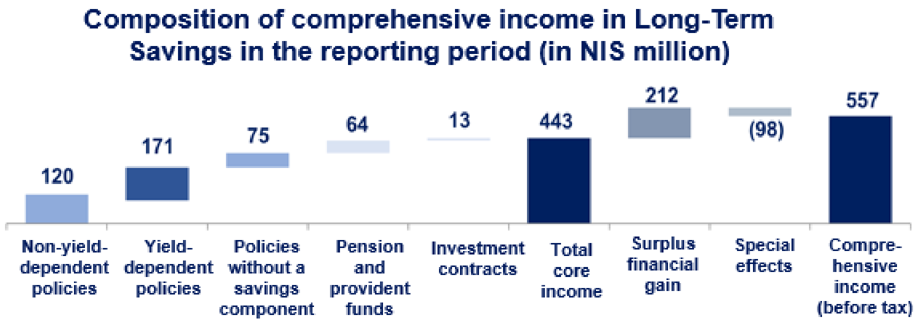
[5] Contributions towards benefits in pension and provident funds do not include funds transferred in respect of planholders transferring to the funds.

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



	Non-yield-dependent policies	Yield-dependent policies	Policies without a savings component	Pension and provident funds	Investment contracts	Total core income	Surplus financial gain	Special effects	Compre-hensive income (before tax)
1-6/2026	120	171	75	64	13	443	212	(98)	557
1-6/2025	86	121	64	7	2	280	(60)	(6)	214
Difference	**34**	**50**	**11**	**57**	**11**	**163**	**272**	**(92)**	**343**
2025	192	285	121	31	26	655	69	(176)	548

Core income - In the Reporting Period, core income in **life insurance** increased due to an increase in the release of the contractual service margin in the old participating portfolio following an increase in the portfolio due to the returns achieved by the Company, and revisions to the stochastic model, which was partially offset by a deterioration in claims, mainly in the death benefit subsegment. In **pension funds**, there was an increase in income compared to the corresponding period last year, as a result of an increase in management fees resulting from an increase in assets under management and contributions towards benefits (despite the erosion in average management fees) as well as a decrease in acquisition expenses. **In provident funds**, there was an increase in income compared to the corresponding period last year, which was mainly affected by an increase in management fees resulting from an increase in assets under management and contributions towards benefits (despite the erosion in average management fees) and a decrease in general and administrative expenses, which was partially offset by an increase in acquisition expenses, including commissions and a reduction in deferred acquisition expenses.

Surplus financial gain - In the Reporting Period surplus financial gain increased mainly due to an increase in returns achieved by the Company in the capital markets.

Special effects - in the Reporting Period are mainly due to the effects of financial returns and lapses in the new participating portfolio.

For further details, see Notes 5 and 6 to the Financial Statements.

2.8. **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		
	1-6/2026	**1-6/2025**	**2025**	**1-6/2026**	**1-6/2025**	**2025**
Gross positive (negative) real return	5.0%	5.2%	12.3%	5.1%	5.2%	12.5%
Net positive (negative) real return	4.0%	4.1%	9.9%	4.5%	4.6%	11.3%
Gross positive (negative) nominal return	6.2%	6.8%	14.9%	6.3%	6.8%	15.2%
Net positive (negative) nominal return	5.2%	5.8%	12.5%	5.8%	6.2%	13.9%

	1-6/2026	1-6/2025	2025	Q2 2026	Q2 2025
Investment income (losses) credited to policyholders net of management fees	7,631	7,665	16,867	7,031	7,562
Management fees	1,196	1,085	2,490	799	825

For further details regarding management fees, see Note 6 to the Financial Statements.

2.9. **Health Insurance Segment**

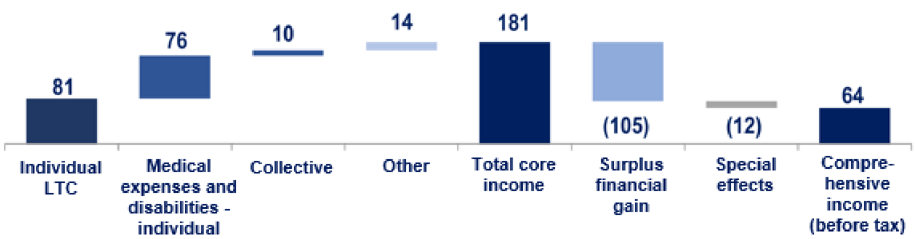
2.9.1. **Operating results in the Reporting Quarter**

Development in the scope of activity

In the Reporting Quarter, premiums amounted to approx. NIS 557 million, compared with approx. NIS 527 million in the corresponding quarter last year - an increase of approx. 6%. 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

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



	Individual LTC	Medical expenses and disabilities - individual	Collective	Other	Total core income	Surplus financial gain	Special effects	Compre-hensive income (before tax)
4-6/2026	81	76	10	14	181	(105)	(12)	64
4-6/2025	83	70	11	1	165	(33)	0	132
Difference	(2)	6	(1)	13	16	(72)	(12)	(68)

Core income - In the Reporting Quarter, core income increased compared to the corresponding quarter last year primarily due to an improvement in surgery and critical illness claims.

Surplus financial gain - In the Reporting Quarter, the Company recognized a surplus financial loss arising mainly from a decrease in the Interest Rate Curve and its negative effect on insurance liabilities.

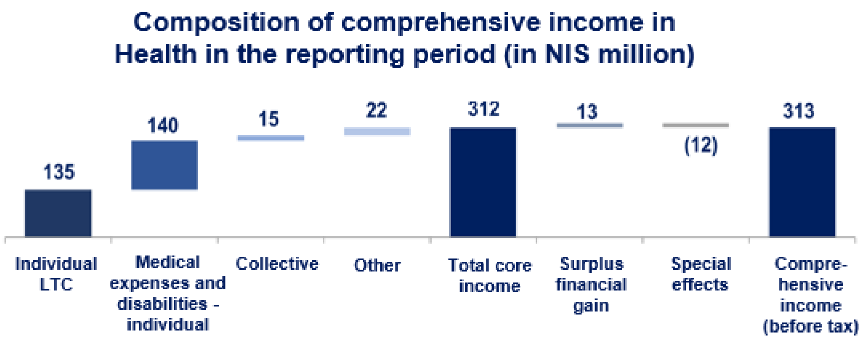
Special effects - In the Reporting Quarter, there was a decrease in comprehensive income due to the effect of class action proceedings.

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

Development in the scope of activity

In the Reporting Period, premiums amounted to approx. NIS 1,107 million, compared with approx. NIS 1,045 million in the corresponding period last year - an increase of approx. 6%. 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



	Individual LTC	Medical expenses and disabilities - individual	Collective	Other	Total core income	Surplus financial gain	Special effects	Compre-hensive income (before tax)
1-6/2026	135	140	15	22	312	13	(12)	313
1-6/2025	163	136	23	14	336	23	0	359
Difference	(28)	4	(8)	8	(24)	(10)	(12)	(46)
2025	317	263	28	42	650	248	0	898

Core income - In the Reporting Period, there was a decrease in income compared to the corresponding period last year, mainly due to a deterioration in long-term care insurance claims and a decrease in income from collective policies and travel insurance policies. The above decrease was partly offset by an improvement in surgery and critical illness claims.

Surplus financial gain - in the Reporting Period, the Company recognized a surplus financial gain arising mainly from an increase in returns achieved by the Company in the capital markets, and - on the other hand - a financial loss due to a change in the Interest Rate Curve, and its negative effect on insurance liabilities.

Special effects - In the Reporting Period, there was a decrease in comprehensive income due to the effect of class action proceedings.

For further details, see Notes 5 and 6 to the Financial Statements.

2.10. **Property and Casualty Insurance**

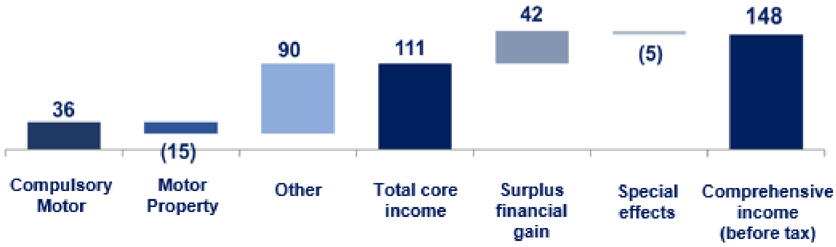
2.10.1. **Operating results in the Reporting Quarter**

Development in the scope of activity

In the Reporting Quarter, gross premiums amounted to approx. NIS 698 million, compared with approx. NIS 592 million in the corresponding quarter last year - an increase of approx. 18%. The increase in premiums arose primarily from an increase in motor insurance policies and engineering insurance policies and from an increase in other property insurance due to a change in policy renewal dates of policies with coverage periods longer than one year in several large businesses, and was partially offset by a decrease in the average premium in motor property insurance.

Composition of comprehensive income

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



	Compulsory Motor	Motor Property	Other	Total core income	Surplus financial gain	Special effects	Comprehensive income (before tax)
4-6/2026	36	(15)	90	111	42	(5)	148
4-6/2025	54	25	100	179	75	(4)	250
Difference	(18)	(41)	(9)	(68)	(33)	(1)	(102)

Core income - In the Reporting Quarter, there was a decrease in core income in the motor insurance subsegments arising primarily from a positive development in the claims history for older underwriting years, which was lower than the corresponding quarter last year, and from a deterioration in current underwriting year's results in the motor property and other property subsegments.

Excess financial income - In the Reporting Quarter, excess financial income decreased compared to the corresponding quarter last year, mainly due to the effect of the change in the Interest Rate Curve on insurance liabilities.

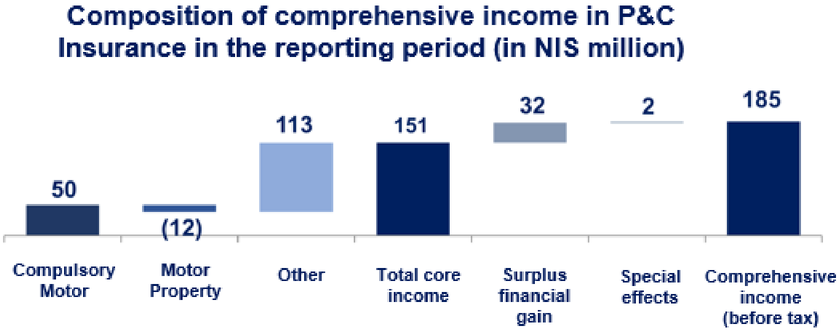
Special effects - In the Reporting Quarter, the Company recognized a comprehensive loss due to the effect of class action proceedings similar to the corresponding quarter last year.

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

Development in the scope of activity

In the Reporting Period, premiums amounted to approx. NIS 1,678 million, gross, compared with approx. NIS 1,525 million in the corresponding period last year - an increase of approx. 10%. The increase in premiums arose partly from an increase in motor insurance policies following Migdal Insurance's winning the civil servants' motor insurance tender for 2026, an increase in engineering insurance policies and an increase in other property insurance due to a change in policy renewal dates of policies with coverage periods longer than one year in several large businesses, and was partially offset by a decrease in the average premium in motor property insurance.

Composition of comprehensive income



	Compulsory Motor	Motor Property	Other	Total core income	Surplus financial gain	Special effects	Comprehensive income (before tax)
1-6/2026	50	(12)	113	151	32	2	185
1-6/2025	68	41	107	216	66	(4)	278
Difference	**(18)**	**(52)**	**6**	**(65)**	**(34)**	**6**	**(93)**
2025	66	72	262	400	125	(14)	511

Core income - In the Reporting Period, core income in motor insurance subsegments decreased. In compulsory motor insurance, a positive development was recorded in claims history in respect of prior underwriting years, which was lower than in the corresponding period last year. The results of the current underwriting year in motor property insurance reflected a deterioration.

Surplus financial gain - In the Reporting Period, excess financial gain decreased compared to the corresponding period last year. In the Reporting Period, there was an increase in liabilities due to the effect of the change in the Interest Rate Curve compared to a decrease in insurance liabilities in the corresponding period last year.

Special effects - In the Reporting Period, the Company recognized a comprehensive income due to the effect of class action proceedings, compared to a comprehensive loss last year.

For further details, see Notes 5 and 6 to the Financial Statements.

	Motor Property Subsegment				
	1-6/2026	1-6/2025	**Q2 2026**	**Q2 2025**	2025
Claims rate and expenses - gross	101.0%	92.3%	106.6%	90.7%	93.3%
Claims rate and expenses - retention	101.4%	92.6%	106.9%	91.1%	93.6%

It is noted that the calculation of the loss and expense ratio from premiums (CR) takes into account acquisition costs, general and administrative expenses attributable to insurance contracts, indirect claim settlement expenses, and other operating expenses which include expenses not attributable to insurance contracts (the comparative figures were restated accordingly).

2.11. **Financial Services**

Assets under management - on June 30, 2026, assets under management amounted to approx. NIS 113 billion compared to approx. NIS 93 billion on June 30, 2025 and compared to approx. NIS 103 billion on December 31, 2025.

Operating results in the Reporting Quarter

In the Reporting Quarter, revenues amounted to approx. NIS 98 million compared to approx. NIS 91 million in the corresponding quarter last year. Revenues saw an increase in fixed and variable management fees in the mutual funds subsegment and an increase in portfolio management fees arising primarily from an increase in assets under management. Furthermore, the underwriting and distribution activity saw an increase.

The comprehensive income before tax totaled approx. NIS 34 million, similar to the corresponding quarter last year.

Operating results in the Reporting Period

In the Reporting Period, revenues amounted to approx. NIS 194 million, compared with approx. NIS 166 million in the corresponding period last year. Revenues saw an increase in fixed management fees in the mutual funds subsegment and an increase in portfolio management fees arising primarily from an increase in assets under management. Furthermore, an increase was recorded in revenues from market making, underwriting and distribution activities, and from net financial and financing transactions.

The comprehensive income before tax amounted to approx. NIS 66 million compared to approx. NIS 49 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 expenses, mainly variable expenses.

2.12. **Main on-balance sheet data from the financial statements**

Assets in respect of yield-dependent contracts, as of June 30, 2026, amounted to approx. NIS 176 billion, compared with approx. NIS 161 billion in 2025 - an increase of approx. 9%. The increase in assets under management compared to December 31, 2025 was mainly affected by returns achieved by the Company in the capital markets and was partially offset by net negative transfers and redemptions in individual savings policies and executive insurance policies in life insurance.

The cash and cash equivalents balances amounted to approx. NIS 28.9 billion as of June 30, 2026, similarly to as of December 31, 2025. For details, see the cash flow statement in the Company's financial statements.

2.13. **Financing sources**

In NIS million	June 30, 2026	June 30, 2025	December 31, 2025
Loans, credit	8,343	7,804	8,239
Long-term loans (mostly Tier 2 capital)	6,969	5,843	6,443
Short-term loan(1)	1,261	1,827	1,677
Other(2)	113	134	119

(1) Mostly a repo liability

(2) The balance mainly includes lease liabilities.

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.[7]

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 saw a mixed trend, including with respect to the inflation rate due to the increase in energy and shipping prices following the geopolitical tensions and the war in Iran. During the Reporting Quarter, following the signing of the Memorandum of Understanding between Iran and the United States, energy prices dropped and geopolitical tensions subsided alongside the decline in inflation expectations, although uncertainty levels remained high.

The Israeli economy - During the Reporting Period, the Israeli economy continued to operate in an environment of high geopolitical uncertainty due to Operation Lion's Roar and subsequent developments; the Reporting Quarter saw a recovery compared to the first quarter of 2026.

According to an initial estimate by the Central Bureau of Statistics for the first half of 2026, during the Reporting Period, GDP increased by approx. 3.2% (annualized) compared to the previous half, compared to an increase of approx. 3.5% in 2025 compared to 2024. The increase in GDP reflects an increase in the export of commodities and services and in the investment in fixed assets, and, on the other hand, a decrease in private consumption. Per-capita GDP increased by approx. 1.6% in the Reporting Period compared to the second half of 2025, following an increase of approx. 2.1% in 2025 as a whole.

It is noted that in the Reporting Quarter, there was a sharp increase recorded in GDP reflecting a substantial increase in private consumption, public consumption and the export of commodities and services. These increases follow the major slumps in the first quarter of 2026 due to Operation Lion's Roar.

The labor market - in the Reporting Period, broad unemployment increased due to the War and the restrictions imposed on the operation of private businesses and government and municipal services; however, upon the signing of the ceasefire agreement, the unemployment rate reverted to its original level and stood at approx. 4.0% at the end of the Reporting Quarter.

From January to May 2026, the average real wage increased (at constant prices) compared to the corresponding period, and the number of vacancies declined.

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

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.

As from the end of February 2026, Operation Lion's Roar was conducted against Iran, and as from March 2026, the campaign has also been expanded to Lebanon due to the Hezbollah terror organization's joining the campaign. In April 2026, ceasefire agreements were signed in both fronts; however, regional tensions are still high. During and subsequent to the operation capital markets in Israel and globally experienced considerable increases despite the operation, which subsided at the end of the Reporting Quarter following the Memorandum of Understanding between Iran and the United States. The increase in energy prices was curbed upon the coming into effect of the agreement and prices started to decline during the Reporting Quarter.

In the reporting period, inflation began to rise in the Eurozone and in the United States, due to, among other things, the increase in energy prices. Local stock indices and prices of Israeli bonds saw increases concurrently with the appreciation of the shekel against the currency basket following Operation Lion's Roar; however, the momentum has changed further down the line and slumps were recorded which offset some of the increases in share prices in Israel and in the NIS's exchange rate against the USD during the Reporting Quarter.

During the Reporting Period, foreign capital markets saw increases, due to, among other things, the announcement of the ceasefire agreement between the United States and Iran which led to a decline in energy prices.

In the Eurozone, the European Central Bank (hereinafter - the "**ECB**") increased the main refinancing operations rate in June 2026 by 0.25% to 2.4%, and revised upwards the inflation forecast for 2026. The interest rate in the United States remained without change.

In May 2026, the rating agency S&P reiterated Israel's credit rating at A, and maintained the rating outlook at stable. This decision reflects the Company's assessment that the ceasefire agreements between Israel and Hamas and between the United States and Iran will hold for the most part, thereby mitigating the immediate security risks.

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

Change in capital market indexes (nominal)	1-6/2026	4-6/2026
NIS government bonds with a fixed interest rate	3.1%	2.6%
CPI-linked government bonds	1.4%	2.7%
Corporate bonds	2.7%	2.5%
TA 35 index	12.0%	(0.8%)
TA 90 index	0.3%	2.2%
TA 125 index	9.5%	(0.1%)
MSCI index	10.4%	14.5%
NASDAQ 100 index	19.9%	27.5%
S&P 500	9.6%	14.9%
Inflation (known CPI)	1.2%	1.3%
Inflation (in lieu CPI)	1.2%	0.9%
USD exchange rate	(6.6%)	(5.9%)

Interest - In June 2026, the monetary interest rate in Israel stood at 3.75%, after interest rate cuts carried out by the Bank of Israel in January and May 2026, compared to approx. 4.25% in December 2025.

Government bonds - In the Reporting Period, yields-to-maturity of short term NIS-denominated and linked bonds declined while yields-to-maturity on medium- and long-term linked bonds increased. In the Reporting Quarter, yields-to-maturity of NIS-denominated and linked bonds declined across all maturities.

Corporate bonds - In the Reporting Period and the Reporting Quarter, yields-to-maturity of NIS-denominated and linked bonds declined.

Israel's risk premium, as reflected in the CDs price and the dollar spread relative to US treasuries returned to its pre-War level.

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

In July 2026, the Bank of Israel cut the interest rate by approx. 0.25%, such that the interest rate in Israel stood at approx. 3.5%. Furthermore, the Bank of Israel revised its macroeconomic forecast; among other things, under this revision, the growth forecast for 2026 was revised upwards and the expected deficit forecast was revised downwards. The expected inflation forecast for 2026 decreased by approx. 0.4% to 1.8%. In addition, the expected interest rate as of the end of the second quarter of 2027 was revised to 3.0%, which prices-in two additional interest rate cuts in the forthcoming year.

The forecast's underlying assumptions are that in view of the Memorandum of Understanding signed between the United States and Iran, there will be no further round of fighting against Iran in the forecast horizon. Another underlying assumption of the forecast is that global energy prices will remain around the low level to which they have declined following the signing of the Memorandum of Understanding. Furthermore, the forecast assumes that the intensity of the fighting in Lebanon decreases in a way which facilitates a certain easing of the supply constraints in the economy.

In July 2026, the rating agency Moody's reiterated Israel's credit rating at Baa1 with a stable outlook. The rating agency noted that the Israeli economy has demonstrated resilience in the face of geopolitical shocks, but the fragile security environment continues to pose a risk to the economic and fiscal outlook.

The CPI for the month of July 2026 was up by approx. 0.3%.

It is noted that economic activity in Israel is affected by a degree of uncertainty, including, among other things, due to the duration and nature of the War (including its resumption), and by government resolutions which will be made regarding fiscal management and addressing the security and civilian needs arising from the War.

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

3.2.1. Solvency Ratio Report

On May 19, 2026, Migdal Insurance published its Solvency Ratio Report for December 31, 2025, 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 December 31, 2025 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 and the provisions of Chapter 1, Part 4 Article 5 to the Consolidated Circular, as updated in Circular 2025-1-3 (hereinafter - the “**Solvency Circular**”).

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

	December 31, 2025	December 31, 2024
	Audited*	Audited*
Own funds for SCR purposes	20,076	17,950
Solvency capital requirement (SCR)	14,562	13,685
Surplus	5,514	4,265
Solvency ratio (in %)	138%	131%
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	531	-
Own funds for SCR purposes	20,607	17,950
Surplus	6,045	4,265
Economic solvency ratio (in %)	142%	131%

* The term “audited” refers to an audit held by an independent auditor in accordance International Standard on Assurance Engagement (ISAE) 3400 – The Examination of Prospective Financial Information.

For details regarding the economic solvency ratio without applying the transitional provisions and regarding dividend distribution limitations applicable to Migdal Insurance, see Sections 3.2.5 and 3.2.6 below.

The Deduction during the Transitional Period (hereinafter - the “**Deduction**”) was calculated in accordance with the provisions of a letter to insurance companies’ managers as included in the Solvency Circular - Principles for Calculating Deduction during the Transitional Period in a Solvency II-based Economic Solvency Regime - of October 15, 2020 (hereinafter - the “**Letter of Principles**”), and in accordance with the Circular of April 10, 2025 - Calculation of Deduction during the Transitional Period in an Economic Solvency Regime under IFRS 17 (hereinafter - the “**Deduction Revision Circular**”), which revised the manner of calculating the Deduction recognized during the transitional period in respect of insurance reserves, following the coming into effect of IFRS 17.

The full value (before linear amortization) of the Deduction as of December 31, 2025 stands at approx. NIS 6.4 billion, compared to approx. NIS 6.1 billion as of December 31, 2024. The abovementioned Deduction is amortized on a linear basis over 13 years through December 31, 2032, such that its amortized balance as of December 31, 2025 totaled approx. NIS 3.4 billion (amortized over 7 years), instead of approx. NIS 3.7 billion as of December 31, 2024 (amortized over 8 years).

Key changes in the solvency ratio during the Solvency Report period:

(a) A decrease in the real risk-free interest rate curve (hereinafter - the “**Interest Rate Curve**") compared to the Interest Rate Curve as of December 31, 2024, had a material adverse effect on Migdal Insurance's solvency ratio.

(b) Positive real returns in planholders and nostro portfolios during 2025 had a positive effect on Migdal Insurance's economic capital, but - on the other hand - increased the capital requirements. In total, the returns on investments had a material positive effect on Migdal Insurance's solvency ratio.

(c) Revisions to the expected retirement dates and adjustments to annuity takeup rates in executive insurance policies issued through 2004 (participating policies and guaranteed return policies) had an adverse effect on Migdal Insurance's solvency ratio.

(d) Lapses in executive insurance policies issued as from 2004, including revisions to lapse assumptions along with revisions to annuity takeup rates, had a negative effect on Migdal Insurance's solvency ratio.

(e) Migdal Insurance improved the stochastic model it uses to estimate the inherent value of future management fees in participating executive insurance policies with variable management fees. These improvements had a material positive effect on Migdal Insurance's solvency ratio.

(f) Following an improvement in actual lapse rates in risk policies, the assumptions regarding future lapse rates in death benefit and critical illnesses policies were revised. This revision had a positive effect on Migdal Insurance’s solvency ratio.

(g) Migdal Insurance has revised assumptions regarding the probability of future claims (incidence) and the cost of claims (severity) in health insurance policies. This resulted in an improvement in the loss ratio of surgery and critical illness coverages; on the other hand, this ratio has deteriorated significantly in medications coverages. In total, these changes had a positive effect on Migdal Insurance’s solvency ratio.

(h) Following the completion of a study regarding demographic assumptions for long-term care policies, Migdal Insurance has revised assumptions regarding mortality rates, before and after a claim, morbidity, lapses, and future fees and commissions to agents. The cumulative effect of these revisions had a negative impact on Migdal Insurance’s solvency ratio.

(i) The release of capital requirements and risk margin (RM) for existing businesses, along with higher-than-expected current underwriting profitability in respect of those businesses, had a positive effect on Migdal Insurance's solvency ratio.

(j) Sales of new policies in risk, health and savings products and positive underwriting profitability in the P&C insurance business, had a positive effect on Migdal Insurance's solvency ratio.

(k) On September 2, 2025, Migdal Insurance raised - through Migdal Capital Raising - a total of approx. NIS 555 million, recognized as Tier 2 capital, under a public offering of two new series of bonds (Series O and Series P). This issuance had a positive effect on Migdal Insurance’s solvency ratio.

(l) During December 2025, Migdal Insurance raised - through Migdal Capital Raising - a total of approx. NIS 535 million, against early redemption of approx. NIS 503 million, which was carried out on December 31, 2025. These actions had no material effect on the solvency ratio of Migdal Insurance.

(m) On April 16, 2026, Migdal Insurance raised - through Migdal Capital Raising - a total of approx. NIS 531 million, recognized as Additional Tier 1 capital, under a public offering of a new series of bonds (Series S). This issuance had a positive effect on Migdal Insurance’s solvency ratio.

3.2.2. The consequences of the War on the solvency ratio as of December 31, 2025

As of December 31, 2025, the War did not have a material effect on Migdal Insurance's economic solvency ratio. Notwithstanding the above, there is substantial uncertainty as to the development of the ceasefire, its scope and duration. Therefore, it is currently impossible to assess the full effect of the War on Migdal Insurance's economic solvency ratio.

For further details, including regarding Operation Lion’s Roar, see Section 1.2.2 above.

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

	December 31, 2025	December 31, 2024
	Audited	Audited
Minimum capital requirement (MCR)	3,640	3,421
Own funds for MCR purposes	14,348	12,996

3.2.4. Solvency ratio net of transitional provisions

Following are data excluding the application of the transitional provisions (in NIS million):

	December 31, 2025	December 31, 2024
	Audited	**Audited**
Own funds for SCR purposes (1)	17,681	15,506
Solvency capital requirement (SCR)	15,755	14,987
Surplus (deficit)	1,926	519
Economic solvency ratio (in %)	112%	103%
Effect of material equity transactions taken in the period between the calculation date and publication date of the Solvency Ratio Report		
Own capital	17,681	15,506
Raising (redemption) of capital instruments	531	-
Own funds for SCR purposes	18,212	15,506
Surplus (deficit)	2,457	519
Economic solvency ratio (in %)	116%	103%
The Board of Directors' economic solvency ratio target (2)	115%	115%
Capital surplus (shortfall) in relation to the target (2)	93	(1,729)

(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 December 31, 2025.

(2) As to Migdal Insurance's capital policy set by the Board of Directors, see Section 3.2.6 below.

3.2.5. Solvency ratio estimate as of March 31, 2026

In accordance with the undertakings of Migdal Capital Raising Ltd. under the provisions of the Additional Tier 1 deed of trust for Subordinated Notes (Series S), which was published by Migdal Capital Raising on April 14, 2026, Migdal Insurance made an estimate - which is not audited or reviewed by the independent auditor - of its economic solvency ratio as of March 31, 2026 (hereinafter - the "**Estimate**").

The economic solvency ratio data for March 31, 2026 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 the Solvency Circular.

Migdal Insurance carries out the Estimate and publishes this quarterly disclosure in addition to the publication of a mandatory solvency ratio reports as required under the Provisions of the Economic Solvency Regime. It should be noted that the scope of the controls executed by Migdal Insurance for the purpose of publishing the Estimate is reduced compared to those executed for the purpose of publishing the Economic Solvency Ratio Report, which is published in accordance with the Commissioner's guidance. In accordance with the Estimate, Migdal Insurance's economic solvency ratio as of March 31, 2026, is 144% (with the application of the transitional provisions) and 119% (without the application of the transitional provisions).

The data included in this assessment are based, among other things, on forecasts, assessments and estimates regarding future events, whose materialization is uncertain and is not under Migdal Insurance’s control and which should be considered as forward-looking information as defined in Section 32A to the Securities Law, 1968. Actual results may differ from the those reflected in this assessment, since such forecasts, assessments and estimates, either in whole or in part, fail to materialize or materialize in a manner different than anticipated, including, among other things, with respect to actuarial assumptions (including mortality rates, including mortality tables published by the Commissioner from time to time, morbidity rates, recovery rates, lapses, expenses, pension takeup, rate of release of the risk margin and underwriting income rate), regulatory directives and guidance regarding economic solvency ratio - including specific guidance given to Migdal Insurance, assumptions regarding future management actions, risk-free interest rates, capital market returns, future revenues, and damage in catastrophe scenarios.

3.2.6. **Restrictions on dividend distribution and Migdal Insurance's capital policy**

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 transitional provisions 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.

On January 29, 2025, Migdal Insurance’s Board assessed Migdal Insurance's capital policy and set a minimum capital requirement for dividend distribution (hereinafter, jointly - the “**Capital Policy**"), as detailed below:

Migdal Insurance will strive to operate under an economic solvency ratio of 150% to 170% (instead of 155% to 175%), and the minimum economic solvency ratio target (taking into account the transitional provisions) will be 115%, which will gradually increase to 135% (instead of 140%) at the end of the Transitional Period, i.e., the end of 2032.

The minimum capital requirement for dividend distribution will be an economic solvency ratio of 115% without taking into account the transitional provisions.

The abovementioned revision to the Capital Policy as stated above, was made against the backdrop of assessing sensitivity tests to the risk factors relevant to Migdal Insurance, including the volatility inherent therein and their effect on the solvency ratio. It is clarified that Migdal Insurance’s Board may review the Capital Policy from time to time and decide on a revision thereof, taking into account, among other things, changes to the risk factors and their effect on Migdal Insurance, the development of Migdal Insurance's economic solvency ratio and the legal and regulatory provisions applicable to it.

In accordance with the Economic Solvency Ratio Report as of December 31, 2025, Migdal Insurance complies with the minimum capital target for dividend distribution as set by Migdal Insurance's Board.

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 2026, commencing from January 2026, 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 as 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. Promoting Competition in the Banking Market Law (Legislative Amendments), 2026

Further to the provisions of Section 28.3.1 to the periodic report, in March 2026, the Law for Promoting Competition in the Banking Sector (Legislative Amendments), 2026 (hereinafter - the "**Law**" or the "**Law for Promoting Competition in the Banking Sector**") was published under the Economic Plan for the 2026 budget year, aimed at regulating a new outline of a tiered bank licensing track in order to facilitate the entry of new players into the banking system. The legislative amendments included in the Law added definitions for **small banks** and a **micro banks**, and stipulated various regulatory arrangements in accordance with the banking corporation's type under the flexible business model and the infant industry protections granted to small and micro banks. In addition, provisions were set which allow a financial holding company which controls an institutional entity to concurrently control an entity which will receive a banking license, subject to its compliance with the asset limit to be set and the regulation of this entity's advising on and providing brokerage and marketing services pertaining to insurance and savings products.

At this stage, the Company is unable to assess the scope and format of the legislative provisions' implementation by the relevant entities, and accordingly their impact on the Group.

4.1.2. Service to Institutional Entities Clients Circular - Amendment

In July 2026, the Authority published an amendment to the Service to Institutional Entities Clients Circular, according to which an institutional entity will be required to conduct a service call or send a digital message to a customer who has filed an application for an unlawful withdrawal of pension savings (which is subject to maximum tax payment). Under the abovementioned call or digital message, the customer will be presented with material details regarding the withdrawal and will be required to approve the withdrawal prior to its execution. The amendment to the circular will enter into effect three months after its publication date.

The Company is making preparations for the implementation of the provisions included in the abovementioned amendment.

4.2. Legislative arrangements in Life Insurance & Long-term Savings

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

Further to the provisions of Section 7.4.2 to the Periodic Report, in July 2026 the final report of the interministerial taskforce for reviewing the narrowing of gaps in short- and mid-term savings instruments, which was appointed by the Minister of Finance in February 2024 (hereinafter - the "**Taskforce**") was published. The Taskforce's main recommendation is to enable TASE Members to set up a dedicated investment account offering tax benefits, through which it will be possible to invest in savings instruments (mutual funds, investment provident funds and insurance policies), and in securities and financial assets as determined by the Minister of Finance. In order to narrow down the tax arbitrage between the three savings instruments, it is proposed that a uniform tax deferral system be applied to the investment account until the funds' withdrawal date; such system will be neutral with respect to the investment instrument selected by the saver. It is further recommended that withdrawal of funds from the abovementioned investment account by an investor over the age of 60 as an annuity rather than as a lump sum, will be exempt from capital gains tax, similar to the current rules applicable to investment provident funds, and the capital gains tax exemption will be capped at a total investment of NIS 200 thousand.

Regarding brokerage services, it is recommended that a broker who wishes to offer brokerage services for all products traded in the investment account will be required to obtain an investment advisor license and a pension insurance agent license. Furthermore, the Taskforce recommends that the Minister of Finance set up a professional team to discuss issues arising from brokerage activities.

It is also recommended in the final report to allow the acquisition of investment provident funds or savings policies outside the investment account.

The Company is studying the report's recommendations; however, at this preliminary stage, since the final report was published shortly before the publication date of this report and as the regulatory provisions for regulating the report's recommendations have not yet been published, to the extent they are published, the Company is unable to assess the effect of the Taskforce's recommendations.

4.3. Legislative arrangements in P&C Insurance

4.3.1. Occasional Driver Circular - Draft

In June 2026, the Authority published a draft of the occasional driver circular (hereinafter - the "**Occasional Driver Circular Draft"**) for regulating the marketing of insurance products for occasional drivers in the motor property insurance subsegment. The draft includes, among other things, provisions regarding the requirement to disclose the scope of coverage, its limitations, period and cost, and the option to activate, extend, or terminate these insurance products through digital means around the clock.

It is also proposed to stipulate that an insurance company which sells occasional driver coverage will perform a series of actions during the insurance signing-on process to ensure that the coverage matches the policyholder's characteristics, including verifying that the insurance applicant has a compulsory motor insurance in place, in order to prevent uncertainty, underpricing and loading costs on the general public in the compulsory motor insurance subsegment.

4.3.2. **Draft Supervision of Financial Services Regulations (Insurance) (Terms of Compulsory Motor Insurance Contract), 2025**

In June 2026, Draft Supervision of Financial Services Regulations (Insurance) (Terms of Compulsory Motor Insurance Contract), 2025 (hereinafter - the "**Supervision Regulations Draft**"), was published, which proposes to add to the purposes of use permitted under the standard compulsory motor insurance policy, a private purpose of driving instruction and a driving test, subject to noting on the insurance certificate that it is designated for driving instruction. It is further proposed to establish that if it is stipulated in the insurance certificate that in the event of an overlapping insurance the full liability with respect to the policyholder will rest with the insurer, then the latter will bear full liability under any law, and the additional insurer will not be liable and will not bear the payment of the insurance benefits. This constitutes a supplementary regulation regarding the sale of occasional driver's insurance.

The Company is studying the drafts referred to in Sections 4.1.1 and 4.1.2 above; however, at this preliminary stage, it is unable to assess their effects.

5. Disclosure on Exposure to Market Risks and Management Thereof

Migdal Holdings

During the Reporting Period, there were no material changes in the Company's exposure to market risks and their mitigation compared to the description provided in the Report of the Board of Directors for 2025 with respect to changes in the Group's sensitivity to exposure to changes in the Interest Rate Curve, See Section 1.2.1 above.

Migdal Capital Markets

During the Reporting Period, Migdal Capital Markets did not experience any 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 2025.

6. Corporate Governance Aspects

6.1. Changes in the composition of the Board of Directors of Migdal Insurance and the Company

6.1.1. On February 11, 2026, the Company's Board decided how it will vote at an extraordinary general meeting of Migdal Insurance; the Board and decided to vote in favor of the appointment of Mssrs. Raviv Zoller, Efraim Sadka, Anat Guetta and Barry Ben Zeev (hereinafter, jointly – the "**Candidates**") as directors in Migdal Insurance, subject to the Commissioner's non-objection and the fulfillment of additional conditions and relevant statutory provisions. For further details, see the immediate report published by the Company on February 12, 2026 (Ref. No.: 2026-01-014467), which is included in this report by way of reference.

6.1.2. On February 22, 2026, the Company's Board of Directors resolved to revise its resolution on its vote of February 11, 2026, such that as of the resolution date, it voted in favor of the appointment of two of the four candidates to serve as directors in Migdal Insurance's Board - Mr. Raviv Zoller and Ms. Anat Guetta (hereinafter jointly – the "**Two Candidates**") - subject to the Commissioner's non-objection. Accordingly, the appointment of the two additional candidates (out of the four candidates) will be promoted at a later stage - after the Chairperson of Migdal Insurance's Board assumes office (instead of Prof. Amir Barnea).

Subject to the Commissioner's non-objection, the Two Candidates will replace Mr. Avraham Dotan and Prof. Amir Barnea in Migdal Insurance's Board, such that Migdal Insurance's Board will still be composed of nine directors.

Furthermore, pursuant to the Commissioner's demand in his letters to the Company's Board (as detailed in Section 6.3 below), the Company's Board recommended that Mr. Zoller be nominated to serve as the Chairman of the Board of Migdal Insurance (instead of Prof. Barnea), subject to the judgment of Migdal Insurance's Board and its decision as to the identity of the Chairman of the Board of Directors, and subject to the Commissioner's non-objection.

6.1.3. On March 4, 2026, Migdal Insurance's Board convened and resolved, among other things, to submit a notice to the Capital Market, Insurance and Savings Authority regarding the appointment of Mr. Raviv Zoller as a director in Migdal Insurance's Board; according to the above resolution, Mr. Zoller's tenure will enter into effect at the later of the following: April 1, 2026, or the date of receipt of the Commissioner's non-objection to his appointment as a director. Accordingly, and further to Prof. Barnea's announcement, his tenure on Migdal Insurance's Board is to end on the abovementioned date. For further details on the resolution of the Board of Directors of Migdal Insurance, see the immediate report published by the Company on March 4, 2026 (Ref. No.: 2026-01-019592), included in this report by way of reference.

6.1.4. On April 29, 2026, an extraordinary general meeting of the Company's shareholders convened and resolved to reappoint Ms. Orna Hozman-Bechor, as an external director in the Company for a second three-year term of office, commencing on May 28, 2026. For further details regarding the Meeting's decision, see the Company's immediate report published on April 29, 2026 (Ref. No.: 2026-01-039602), included in this report by way of reference.

6.1.5. On May 1, 2026, the Commissioner's notice of non-objection to the appointment of Mr. Raviv Zoller as a director in the Company's Board was received and the tenure of Prof. Amir Barnea as Chairman of the Board and a director in Migdal Insurance ended. For further details, see the immediate report published by the Company on May 3, 2026 (Ref. No.: 2026-01-040523), which is included in this report by way of reference.

On May 10, 2026, Migdal Insurance's Board of Directors resolved to appoint Mr. Raviv as the Chairman of the Board of Migdal Insurance for a period of 3 years. For further details, see the immediate report published by the Company on May 10, 2026 (Ref. No.: 2026-01-042912), which is included in this report by way of reference.

On May 28, 2026, the Commissioner's notice of non-objection to the abovementioned appointment was received, stating that it is subject to the directives given to Migdal Insurance in the Commissioner's Letter dated July 28, 2023, and specifically that the tenure of the Chairman of the Board of Migdal Insurance will be set for a period of at least three years. Accordingly, as from the date of receipt of the abovementioned notice of non-objection, Mr. Zoller's tenure as the Chairman of the Board of Migdal Insurance has started. For further details, see the immediate report published by the Company on May 28, 2026 (Ref. No.: 2026-01-050809), which is included in this report by way of reference.

6.1.6. On May 28, 2026, Ms. Linda Ben Shushan's tenure as an external director in the Company ended. For further details, see the immediate report published by the Company on May 28, 2026 (Ref. No.: 2026-01-050808), which is included in this report by way of reference.

6.1.7. On June 29, 2026, Migdal Insurance's Board, having assessed Ms. Anat Guetta's compliance with the relevant statutory competency requirements, approved the filing of a notification to the Capital Markets, Insurance and Savings Authority to obtain the Commissioner's non-objection to her appointment as a director in Migdal Insurance. On August 2, 2026, following receipt of the Commissioner's non-objection, Ms. Guetta's tenure on Migdal Insurance's Board has started. Accordingly, as from the date of such non-objection, Mr. Avraham Dotan ceased to serve as a director in Migdal Insurance.

6.2. **Changes in the Group's officers**

6.2.1. On December 31, 2025, Mr. Moshe Morgenstern's tenure as Head of Migdal Insurance's Technologies Division ended. On February 11, 2026, the Commissioner's notice of non-objection was received for the appointment of Mr. Shay Michel as the Head of Migdal Insurance's Technologies Division, and accordingly, his tenure started on the date of such non-objection.

6.2.2. On June 15, 2026, the Commissioner's notice of non-objection to the appointment of Mr. Ofer Brandt as Migdal Insurance's Chief Actuary was received. Accordingly, on this date Mr. Ofer Brandt started his tenure as Migdal Insurance's Chief Actuary, replacing Mr. Eli Berglas; Mr. Eli Berglas started his tenure as Migdal Insurance's Head of the Property and Casualty Insurance Division and Deputy CEO replacing Ms. Adva Shlanger Meiri; and Ms. Shlanger Meiri's tenure in the Group ended.

6.2.3. On June 30, 2026, Mr. Matan Gross, who serves as a Supervisor Actuary in the Property and Casualty Insurance subsegment in Migdal Insurance, announced his intention to step down from his position in Migdal Insurance. Mr. Gross will step down from his position on October 31, 2026.

6.2.4. On July 15, 2026, Mr. Yossi Ben Baruch's tenure as the Company's CEO ended, and so did his tenure as an officer in Group companies (except for his positions in Migdal Capital Markets), following his notice of April 23, 2026 regarding his departure by mutual agreement. For details, see the Company's immediate report dated April 23, 2026 (Ref. No.: 2026-01-037375), which is included in this report by way of reference.

6.3. **Draft Audit Report and Capital Market Authority's Letters**

6.3.1. Further to the provisions of Section 43.3 to Part E (Corporate Governance Aspects) in Part A (Description of the Corporation's Business) to the Periodic Report, on January 19, 2026, a letter was received from the Commissioner addressed to the Company's Board. In the said letter, the Commissioner reiterated his request to immediately address the issue of appointing members to Migdal Insurance's Board, including for the position of Chairman of the Board, to ensure that Migdal Insurance's Board will comply with statutory provisions and will be able to properly discharge its duties. For further details regarding the letter from January 2026, as well as the Commissioner's positions regarding the composition of the Migdal Insurance Board, see the Company's immediate report published on January 20, 2026 (Ref. No.: 2026-01-007946), which is included in this report by way of reference.

6.3.2. On March 3, 2026, a letter was received from the Commissioner - addressed to the Company’s Board (hereinafter – the “**Letter**”). In his Letter, the Commissioner outlines his position to the effect that the procedure of non-renewal of Mr. Avraham Dotan’s tenure as a director in Migdal Insurance is invalid; the Commissioner further adds that the promotion of the termination of his tenure may undermine the proper management of Migdal Insurance. For further details regarding the Commissioner's Letter, including his positions regarding the conduct of the Company's Board of Directors with respect to the composition of Migdal Insurance’s Board of Directors, see the Company's immediate report published on March 4, 2026 (Ref. No.: 2026-01-019592), which is included in this report by way of reference. On April 27, 2026, the Company forwarded its response to the letter, in which the Company detailed, among other things, that in its meeting of April 23, 2026, the Company's Board approved again its resolution of February 22, 2026, as detailed in the immediate report dated February 23, 2026 (Ref. No.: 2026-01-016936), which is included in this report by way of reference.

6.3.3. On April 29, 2026, the Company received another letter from the Commissioner addressed to the Company's Board (hereinafter - the "**Additional Letter**"). In the Additional Letter, the Commissioner notes, among other things, that the Company's response of April 27, 2026 did not include a reference to the statement of facts included in its previous letter (of March 3, 2026) regarding the inappropriate involvement by the Company’s CEO and Board in determining the composition of Migdal Insurance’s Board; procedural flaws in the dismissal of Mr. Avraham Dotan; the impact of such involvement and flaws on the ability of Migdal Insurance’s Board to discharge its duties faithfully, in accordance with statutory provisions, and consequently on the proper management of Migdal Insurance; the Commissioner also notes that the Company’s response did not include a reference to the Commissioner's determination that the flaws in Mr. Avraham Dotan’s dismissal process go to the core of the matter, rendering the proceedings in his case null and void.

The Company disputes the Commissioner's position, and in accordance with the Additional Letter - which stated that the Company is expected to provide its response - the Commissioner was informed of the Company's intention to draw up and submit its response accordingly. For further details, see the Company's immediate report published on April 30, 2026 (Ref. No.: 2026-01-039773), included in this report by way of reference.

On May 13, 2026, the Company forwarded its response to the Additional Letter (hereinafter - the “**Response Letter**”). The Response Letter details the legal justifications underlying the Company's vote at Migdal Insurance’s annual general meeting of shareholders of September 16, 2025, regarding Mr. Avraham Dotan, and those underlying its conduct regarding the composition of Migdal Insurance’s Board. Furthermore, the Company presented in the Response Letter its clarifications and the accurate sequence of events with respect to the Commissioner’s positions as presented in the Additional Letter.

6.3.4. On June 1, 2026, Migdal Insurance received a corporate governance audit report, alongside a notice from the Commissioner of the Capital Market, Insurance and Savings of the intention to impose a financial sanction of approx. NIS 6.5 million. On July 14, 2026, Migdal Insurance delivered to the Authority its response to the notice regarding the intention to impose a financial sanction, and on July 19, 2026, a hearing on this matter was held before the Authority. As of the report publication date, Migdal Insurance's claims are being assessed by the Authority and its decision on the matter has not yet been received. For further details regarding the audit report and the notice of the intention to impose a financial sanction, see the immediate report published by the Company on June 1, 2026 (Ref. No.: 2026-01-051880), included in this report by way of reference.

6.4. **Officers compensation policy and principles, including compensation in accordance with the Group's equity compensation plan**

6.4.1. On March 18, 2026, the Company's General Meeting approved the Company's Revised Compensation Policy for 2026 through 2028, following the approval of the Board of Directors and the recommendation of the Compensation Committee. For further details regarding the main changes in the said compensation policy, see Note 32 to the Financial Statements in the Periodic Report.

6.4.2. On March 24, 2026, the Company's Board approved, following the approval of the relevant Group organs, the allocation of 243,903 unlisted options to two Migdal Insurance officers (one of whom is also a Company officer), which are exercisable into up to 243,903 ordinary shares of NIS 0.01 p.v. each. For further details, see the immediate report published by the Company on March 25, 2026 (Ref. No.: 2026-01-026736), as well as Note 14 to the Financial Statements.

6.4.3. Subsequent to the Reporting Period and receipt of approval by the Group's competent organs, on July 2, 2026 the Company's Board approved the award of 3,247,285 unlisted options to 13 offerees (including Company officers), exercisable into 3,247,285 ordinary shares of NIS 0.01 p.v. each. For further details regarding the terms of granting the options, see the Company's immediate report dated July 2, 2026 (Ref. No.: 2026-01-062787), included in this report by way of reference, as well as Note 14 to the Financial Statements.

6.4.4. Subsequent to the Reporting Period, a forced exercise was carried out of 6,453,710 unlisted options, which were awarded to Company and subsidiaries' officers by virtue of the equity compensation plan into 1,827,461 ordinary shares of the Company of NIS 0.01 p.v., in accordance with the limit prices and the cashless exercise mechanism detailed in the private allocation report published by the Company on May 30, 2023 (Ref. No.: 2023-01-058461), which is included in this report by way of reference; with regard to Mr. Yossi Ben Baruch, the former Company CEO, the above details are detailed in the Meeting Summons Report published by the Company on May 30, 2023 (Ref. No.: 2023-01-058452), which is 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 the Committee of Sponsoring Organization of the Treadway Commission (COSO) - 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 the effectiveness of the controls and procedures concerning the said institutional entities' disclosure in their Financial Statements as of the end of the period covered in this report. 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 annual 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 quarter ended June 30, 2026, 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, in accordance with the Management's Responsibility Circulars.

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

Prof. Ronni Gamzu	**Carmi Gillon**
Chairman of the Board	**Director**[8]

August 16, 2026

[8] On August 16, 2026, the Company's Board of Directors appointed Mr. Carmi Gillon to sign the Report of the Board of Directors, since the Company had no CEO in office on the report publication date.

Consolidated Financial Statements

Migdal Insurance and Financial Holdings Ltd.

Condensed Consolidated Interim Financial Statements

As of June 30, 2026

Unaudited

Migdal Insurance and Financial Holdings Ltd.

Consolidated Interim Financial Statements as of June 30, 2026

Unaudited

Table of Contents

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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 June 30, 2026 and the Condensed Consolidated Statements of Profit and Loss, Comprehensive Income, Changes in Equity and Cash Flows for the six- 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 IAS 34 - "Interim Financial Reporting" and in accordance with the disclosure requirements set by the Commissioner of the Capital Market, Insurance and Savings in accordance with the Financial Services Supervision Law (Insurance), 1981; they are also responsible for the preparation of financial information for these interim periods in accordance with Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970 pertaining to insurers' holding companies. 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 IAS 34 and with the disclosure requirements set by the Commissioner of the Capital Market, Insurance and Savings in accordance with the Financial Services Supervision Law (Insurance) Law, 1981.

In accordance with the previous paragraph, 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 disclosure provisions of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970, which pertain to insurers' holding companies.

Emphasis of matter

Without qualifying the above conclusion, we draw attention to that which is stated in Note 13 to the Financial Statements regarding exposure to contingent liabilities.

Tel Aviv,	Somekh Chaikin	Kost Forer Gabbay & Kasierer
August 16, 2026	CPAs	CPAs

Joint Independent Auditors

	Note	June 30 2026	June 30 2025	December 31, 2025
		Unaudited	Unaudited	Audited
		NIS million		
Assets				
Cash and cash equivalents in respect of yield-dependent contracts		**26,499**	22,994	25,358
Other cash and cash equivalents		**2,354**	3,238	3,523
Financial investments for yield-dependent contracts measured at fair value	8.A	**136,251**	126,994	131,646
Other financial investments measured at fair value	8.B	**68,064**	62,672	65,233
Receivables and debit balances		**4,270**	2,505	2,408
Current tax assets		**4**	9	24
Insurance contract assets	5	**1,432**	1,221	1,417
Reinsurance contract assets	5	**1,421**	(* 1,286	1,336
Equity-accounted investments		**84**	47	38
Investment property in respect of yield-dependent contracts		**9,770**	9,444	9,612
Investment property - other		**1,350**	1,135	1,202
Fixed assets measured at fair value		**1,047**	1,032	1,032
Other fixed assets		**238**	264	245
Intangible assets and goodwill		**1,968**	1,817	1,869
Costs of obtaining investment management service contracts		**1,327**	985	1,148
Deferred tax assets		**262**	518	210
Total assets		**256,341**	236,161	246,301
Total assets for yield-dependent contracts		**175,528**	161,055	168,213

*) Reclassified, for further details, see Note 2.D.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	Note	June 30		December 31,
		2026	2025	2025
		Unaudited		Audited
		NIS million		
Liabilities				
Loans and credit	9	**8,343**	7,804	8,239
Held-for-trading financial liabilities	8	**1,705**	1,386	961
Payables and credit balances		**4,795**	3,660	3,460
Liabilities for current taxes		**335**	172	30
Liabilities for yield-dependent investment contracts	5	**15,201**	9,020	12,174
Liabilities for non-yield-dependent investment contracts	5	**673**	761	701
Total liabilities for insurance contracts	5	**213,604**	203,378	210,041
Labilities for reinsurance contracts	5	**367**	(* 393	280
Liabilities for employee benefits, net		**321**	310	311
Liabilities for deferred taxes		**135**	278	142
Total liabilities		**245,479**	227,162	236,339
Equity	7			
Share capital		**111**	111	111
Share premium		**285**	274	285
Capital reserves		**377**	430	379
Retained earnings		**10,075**	8,172	9,175
Total equity attributable to Company's shareholders		**10,848**	8,987	9,950
Non-controlling interests		**14**	12	12
Total equity		**10,862**	8,999	9,962
Total current liabilities and equity		**256,341**	236,161	246,301

*) Reclassified, for further details, see Note 2.D.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

August 16, 2026			
Approval date of the financial statements	Prof. Ronni Gamzu Chairman of the Board	Carmi Gillon Director[1]	Itai Yanai CFO

[1] In accordance with Regulation 46 to the Securities Regulations (Periodic and Immediate Reports), 1970, on August 16, 2026, Mr. Carmi Gillon was authorized by the Company's Board to sign the Financial Report.

	Note	For the six-month period ended June 30		For the three-month period ended June 30		For the year ended December 31
		2026	2025	2026	2025	2025
		Unaudited				Audited
		NIS million				
Revenues from insurance services		**4,365**	4,108	**2,198**	2,069	8,395
Expenses from insurance services		**3,548**	3,098	**1,662**	1,442	6,715
Income from insurance services before reinsurance contracts held		**817**	1,010	**536**	627	1,680
Reinsurance expenses		**297**	389	**133**	197	809
Reinsurance revenues		**168**	175	**63**	64	530
Net expenses from reinsurance contracts held		**(129)**	(214)	**(70)**	(133)	(279)
Income from insurance services	10	**688**	796	**466**	494	1,401
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts		**9,794**	9,422	**8,795**	9,088	21,131
Income (losses) from other investments, net						
Other investment income, net		**1,841**	2,448	**2,640**	2,809	4,527
Share in profits of equity-accounted investees closely related to the investing activity		**-** *)	1	**-** *)	1	2
Total income from other investments, net		**1,841**	2,449	**2,640**	2,810	4,529
Total investment income, net		**11,635**	11,871	**11,435**	11,898	25,660
Finance expenses (revenues), net arising from insurance contracts		**10,059**	10,721	**10,153**	10,914	22,538
Finance income (expenses), net arising from reinsurance contracts		**25**	(31)	**(18)**	(61)	(14)
Increase in liabilities for investment contracts due to the yield component		**757**	451	**762**	469	1,260
Net investment and finance income	11	**844**	668	**502**	454	1,848
Income, net from insurance and investment		**1,532**	1,464	**968**	948	3,249
Revenue from management fees		**640**	534	**325**	281	1,123
Revenues from insurance agencies		**157**	142	**74**	71	290
Other operating expenses		**809**	784	**407**	399	1,623
Other revenues, net		**41**	35	**19**	16	70
Other finance expenses		**139**	135	**52**	42	290
Share in profits of equity-accounted investees which are not closely related to the investing activity		**2**	1	**-** *)	- *)	1
Profit before taxes on income		**1,424**	1,257	**927**	875	2,820
Income taxes		**527**	431	**352**	303	986
Income for the period		**897**	826	**575**	572	1,834
Attributable to:						
Company’s shareholders		**895**	824	**574**	571	1,832
Non-controlling interests		**2**	2	**1**	1	2
Income for the period		**897**	826	**575**	572	1,834
Basic earnings per share attributable to the Company's shareholders (in NIS)		**0.85**	0.78	**0.54**	0.54	1.73
Diluted earnings per share attributable to the Company's shareholders (in NIS)		**0.84**	0.78	**0.54**	0.54	1.73

*) Less than NIS 1 million.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	For the six-month period ended June 30		For the three-month period ended June 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS million				
Income for the period	**897**	826	**575**	572	1,834
Other comprehensive income (loss)					
Foreign currency translation differences in respect of foreign operations	*)-	(1)	*)-	(1)	-
Total other comprehensive loss which, subsequent to initial recognition in comprehensive income, was or will be carried to profit and loss, net of tax	*)-	(1)	*)-	(1)	-
Items of other comprehensive income not transferred to profit and loss					
Gain (loss) from remeasurement of defined benefit plan	**-**	-	**-**	-	(16)
Revaluation of fixed assets	**-**	-	**-**	-	(42)
Tax effect	**-**	-	**-**	-	15
Other comprehensive income for the period, not carried to profit and loss, net of tax	**-**	-	**-**	-	(43)
Other comprehensive loss, net of tax	**-**	(1)	**-**	(1)	(43)
Comprehensive income for the period	**897**	825	**575**	571	1,791
Attributable to:					
Company's shareholders	**895**	823	**574**	570	1,789
Non-controlling interests	**2**	2	**1**	1	2
Comprehensive income for the period	**897**	825	**575**	571	1,791

*) Less than NIS 1 million.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	Attributable to the Company's shareholders										
		Capital reserves									
	Share capital	Share premium	Reserve from investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation reserve of foreign operations	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	NIS million										
For the six-month period ended June 30, 2026											
Balance as of January 1, 2026 (audited)	111	285	7	(4)	8	(*-	368	9,175	9,950	12	9,962
Income for the period	-	-	-	-	-	-	-	895	895	2	897
Other comprehensive income (loss), net of tax	-	-	-	-	-	(*-	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	-	-	(*-	-	895	895	2	897
Share-based payment	-	-	-	-	3	-	-	-	3	-	3
Transfer from revaluation reserve to retained earnings	-	-	-	-	-	-	(5)	5	-	-	-
Balance as of June 30, 2026 (unaudited)	111	285	7	(4)	11	(*-	363	10,075	10,848	14	10,862

*) Less than NIS 1 million.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	Attributable to the Company's shareholders										
		Capital reserves									
	Share capital	Share premium	Reserve from investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation reserve of foreign operations	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	NIS million										
For the six-month period ended June 30, 2025											
Balance as of January 1, 2025 (audited)	111	274	7	(4)	15	-(*	411	7,343	8,157	10	8,167
Income for the period	-	-	-	-	-	-	-	824	824	2	826
Other comprehensive loss, net of tax	-	-	-	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive income (loss)	-	-	-	-	-	(1)	-	824	823	2	825
Share-based payment	-	-	-	-	7	-	-	-	7	-	7
Transfer from revaluation reserve to retained earnings	-	-	-	-	-	-	(5)	5	-	-	-
Balance as of June 30, 2025 (unaudited)	111	274	7	(4)	22	(1)	406	8,172	8,987	12	8,999

*) Less than NIS 1 million.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	Attributable to the Company's shareholders										
		Capital reserves									
	Share capital	Share premium	Reserve from investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation reserve of foreign operations	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	NIS million										
For the three-month period ended June 30, 2026											
Balance as of April 1, 2026 (unaudited)	111	285	7	(4)	9	(*-	366	9,498	10,272	13	10,285
Income for the period	-	-	-	-	-	-	-	574	574	1	575
Other comprehensive income (loss), net of tax	-	-	-	-	-	(*-	-	-	-	-	-
Total comprehensive income (loss)	-	-	-	-	-	(*-	-	574	574	1	575
Share-based payment	-	-	-	-	2	-	-	-	2	-	2
Transfer from revaluation reserve to retained earnings	-	-	-	-	-	-	(3)	3	-	-	-
Balance as of June 30, 2026 (unaudited)	111	285	7	(4)	11	(*-	363	10,075	10,848	14	10,862

*) Less than NIS 1 million.

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

	Attributable to the Company's shareholders										
		Capital reserves									
	Share capital	Share premium	Reserve from investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation reserve of foreign operations	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	NIS million										
For the three-month period ended June 30, 2025											
Balance as of April 1, 2025 (unaudited)	111	274	7	(4)	16	*) -	408	7,599	8,411	11	8,422
Income for the period	-	-	-	-	-	-	-	571	571	1	572
Other comprehensive loss, net of tax	-	-	-	-	-	(1)	-	-	(1)	-	(1)
Total comprehensive income (loss)	-	-	-	-	-	(1)	-	571	570	1	571
Share-based payment	-	-	-	-	6	-	-	-	6	-	6
Transfer from revaluation reserve to retained earnings	-	-	-	-	-	-	(2)	2	-	-	-
Dividend to non-controlling interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2025 (unaudited)	111	274	7	(4)	22	(1)	406	8,172	8,987	12	8,999

*) Less than NIS 1 million.

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

	Attributable to the Company's shareholders										
	Capital reserves										
	Share capital	Share premium	Reserve from investment revaluation subsequent to assuming control	Transactions with non-controlling interests	Share-based payment	Translation reserve of foreign operations	Revaluation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	NIS million										
Balance as of January 1, 2025 (audited)	111	274	7	(4)	15	(*-	411	7,343	8,157	10	8,167
Income for the period	-	-	-	-	-	-	-	1,832	1,832	2	1,834
Other comprehensive income (loss), net of tax	-	-	-	-	-	(*-	(33)	(10)	(43)	-	(43)
Total comprehensive income (loss)	-	-	-	-	-	(*-	(33)	1,822	1,789	2	1,791
Share-based payment	-	-	-	-	4	-	-	-	4	-	4
Transfer from revaluation reserve to retained earnings	-	-	-	-	-	-	(10)	10	-	-	-
Exercise into employee share options	-	11	-	-	(11)	-	-	-	-	-	-
Balance as of December 31, 2025 (audited)	111	285	7	(4)	8	(*-	368	9,175	9,950	12	9,962

*) Less than NIS 1 million.

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	Appendix	For the six-month period ended June 30		For the three-month period ended June 30		For the year ended December 31
		2026	2025	2026	2025	2025
		Unaudited				Audited
		NIS million				
Cash flows from operating activities	A	**284**	3,170	**4,145**	5,986	5,597
Cash flows provided by investing activities						
Investment in associates		**(45)**	-	**(5)**	-	(6)
Proceeds from disposal of investment in associate, less transaction costs		**-**	-	**-**	-	17
Investment in fixed assets		**(54)**	(44)	**(28)**	(16)	(76)
Investment in intangible assets		**(186)**	(173)	**(105)**	(94)	(340)
Dividend received from associates		**-**	1	**-**	1	1
Net cash used for investing activities		**(285)**	(216)	**(138)**	(109)	(404)
Cash flows provided by financing activities						
Liabilities for repo for insurance contracts and non-yield-dependent investment contracts, net		**(413)**	187	**(413)**	(4)	99
Proceeds from issue of bonds		**531**	-	**531**	-	1,094
Less issuance expenses		**(7)**	-	**(7)**	-	(12)
Repayment of lease liability principal		**(21)**	(20)	**(10)**	(11)	(46)
Redemption of bonds		**-**	-	**-**	-	(490)
Change in short-term credit from banks and others, net		**-**	-	**-**	(2)	-
Net cash provided by (used for) financing activities		**90**	167	**101**	(17)	645
Effect of exchange rate fluctuations on balance of cash and cash equivalents		**(117)**	(135)	**(108)**	(150)	(203)
Increase (decrease) in cash and cash equivalents		**(28)**	2,986	**4,000**	5,710	5,635
Balance of cash and cash equivalents as of the beginning of the period	B	**28,881**	23,246	**24,853**	20,522	23,246
Balance of cash and cash equivalents as of the end of the period	C	**28,853**	26,232	**28,853**	26,232	28,881

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

Appendix A – Cash Flows from Operating Activities before Income Taxes

	For the six-month period ended June 30		For the three-month period ended June 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS million				
Income for the period	**897**	826	**575**	572	1,834
Items not involving cash flows					
Company's share in results of equity-accounted investees, net	**(2)**	(2)	**-**	(1)	(3)
Income, net on financial investments for insurance contracts and yield-dependent investment contracts	**(9,568)**	(9,374)	**(8,840)**	(9,479)	(20,538)
Losses (gains), net on other financial investments					
Liquid debt assets	**(346)**	(450)	**(542)**	(438)	(965)
Illiquid debt assets	**(843)**	(1,292)	**(1,629)**	(1,680)	(2,095)
Shares	**(79)**	(5)	**(44)**	(7)	(36)
Other investments	**(520)**	(608)	**(398)**	(631)	(1,277)
Finance expenses for financial and other liabilities	**17**	7	**(16)**	(19)	25
Realized losses (gains)					
Intangible assets	**-**	(1)	**-**	(2)	-
Fixed assets	**-**	2	**-**	2	4
Change in fair value of investment property in respect of yield-dependent contracts	**(38)**	(57)	**(38)**	(57)	(167)
Change in fair value of other investment property	**(1)**	9	**(1)**	9	(5)
Share-based payment transactions	**3**	3	**2**	1	(6)
Depreciation and amortization					
Fixed assets	**51**	48	**24**	25	100
Intangible assets	**99**	82	**51**	43	195
Income taxes	**527**	431	**352**	303	986
Changes in assets and liabilities line items					
Change in assets and liabilities for insurance contracts	**3,548**	5,435	**6,883**	8,363	11,778
Change in assets for reinsurance contracts	**1**	(9)	**(15)**	48	(172)
Change in liabilities for yield-dependent investment contracts	**3,028**	1,436	**1,942**	976	4,590
Change in liabilities for non-yield-dependent investment contracts	**(27)**	(2)	**(29)**	(28)	(62)
Change in costs of obtaining investment management service contracts	**(180)**	(166)	**(92)**	(79)	(329)
Receivables and debit balances	**(1,864)**	104	**412**	627	203
Payables and credit balances	**1,491**	1,361	**1,450**	2,036	1,394
Liabilities for employee benefits, net	**10**	1	**4**	(1)	(14)
Changes in other on-balance sheet line items					
Financial investments and investment property in respect of insurance contracts and yield-dependent investment contracts:					
Acquisition of investment property	**(121)**	(36)	**(85)**	(18)	(94)
Sale of financial investments, net	**3,478**	3,309	**3,271**	3,338	7,233
Financial investments and other investment property					
Acquisition of investment property	**(147)**	(10)	**(139)**	(5)	(65)
Proceeds from sale of investment property	**-**	-	**-**	-	1
Sales (purchases), net of financial investments	**(995)**	(734)	**322**	278	(1,953)
Total adjustments required to present cash flows from operating activities	**(2,478)**	(518)	**2,845**	3,604	(1,272)
Cash paid and received during the period for					
Interest paid	**(174)**	(132)	**(126)**	(84)	(339)
Interest received	**908**	1,745	**345**	1,194	3,329
Taxes received (taxes paid), net	**(260)**	(332)	**(191)**	(199)	(860)
Dividend received from financial investments	**1,391**	1,581	**697**	899	2,905
Net cash provided by (used for) operating activities	**284**	3,170	**4,145**	5,986	5,597

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

	For the six month period ended June 30		For the three-month period ended June 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited				Audited
	NIS million				
Appendix B - Cash and Cash Equivalents as of the Beginning of the Period					
Cash and cash equivalents in respect of yield-dependent contracts	**25,358**	20,133	**22,771**	18,089	20,133
Other cash and cash equivalents	**3,523**	3,113	**2,082**	2,433	3,113
	28,881	23,246	**24,853**	20,522	23,246
Appendix C - Cash and Cash Equivalents as of the End of the Period					
Cash and cash equivalents in respect of yield-dependent contracts	**26,499**	22,994	**26,499**	22,994	25,358
Other cash and cash equivalents	**2,354**	3,238	**2,354**	3,238	3,523
	28,853	26,232	**28,853**	26,232	28,881
Appendix D - Material Activity Not Involving Cash Flows					
Acquisition of fixed assets, intangible assets and investment property against payables	**55**	26	**2**	-	53
Recognition of right-of-use asset against a lease liability	**5**	6	**-**	-	11
Exchange of bonds by way of an exchange tender offer	**-**	376	**-**	376	376

The attached notes to the Condensed Consolidated Interim Financial Statements form an integral part thereof.

NOTE 1 - GENERAL

A. 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 June 30, 2026 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 - as of the report publication date - approx. 45.41% of the Company's issued and paid-up share capital, through Eliahu Issues Ltd. (hereinafter - "**Eliahu Issues**") – is the ultimate controlling shareholder of the Company.

For details regarding transactions carried out by the Company's controlling shareholder during 2024 and 2025, see Note 1.B to the Consolidated Financial Statements for 2025.

C. Effect of the Iron Swords War, Operation Rising Lion and Operation Lion's Roar on the Company

For details regarding the effects of the Iron Swords War, Operation Rising Lion and Operation Lion's Roar see Note 1.C to the Company's Annual Financial Statements as of December 31, 2025. As from the end of February 2026, Operation Lion's Roar was conducted against Iran, and as from March 2026, the campaign has also been expanded to Lebanon due to the Hezbollah terror organization's joining the campaign. In Israel, the Operation interrupted the economy's growth trajectory. Most of the economy was shut down, and private consumption declined. The effect on the various economic sectors is not uniform, and in some sectors activities came to a halt during the Operation's period. The restrictions imposed on business activities during the Operation's period under the Home Front Command's guidance did not apply to essential entities, including the Group's institutional entities, and therefore the War did not have a material effect on the Group's activity. At the beginning of April 2026, it was agreed to implement a two-stage ceasefire plan, during which the parties will conduct negotiations whose conclusion is expected to result in a ceasefire between Iran, Israel and the United States. Once the ceasefire took effect, the restrictions imposed on the economy were gradually lifted, until normal activities resumed. In mid-April 2026, a ceasefire was announced in Lebanon, in order to assess the feasibility of a peace agreement between Israel and Lebanon.

As from May 2026, progress has been made in the diplomatic negotiations between Israel and Lebanon mediated by the United States, including the formulation of initial understandings for a security arrangement; alongside this, isolated violations and tensions in the region continued, as did regional developments with the potential to affect security and economic stability. Consequently, uncertainty remains regarding the stability of the situation in the region and the potential effects of the abovementioned developments.

Towards the end of June 2026, the Memorandum of Understanding between Iran and the United States was signed, which contributed to a certain subsidence in geopolitical tensions in the region. However, subsequent to the balance sheet date, there was a resurgence in regional tensions, driving, among other things, an increase in energy prices and volatility in the capital markets.

It is clarified that as of the report publication date, the above events did not have a material effect on the Group's activity. However, given the regional developments and the ongoing geopolitical uncertainty, at this stage, the Company is unable to assess the full potential effects on the Group's activity and future results.

NOTE 1 - GENERAL (cont.)

D. General

These financial statements were prepared in condensed format as of June 30, 2026 and for the six- and three-month periods then ended (hereinafter - the “**Consolidated Interim Financial Statements**”).

These financial statements should be read in conjunction with the Company's Consolidated Annual Financial Statements as of December 31, 2025 and for the year then ended and the accompanying notes (hereinafter - the “**Consolidated Annual Financial Statements**”).

NOTE 2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

A. Statement of compliance with International Financial Reporting Standards

The Consolidated Interim Financial Statements have been prepared in accordance with IAS 34 - Interim Financial Reporting; in addition, these reports have been prepared in accordance with the provisions of Chapter D of the Israel Securities Regulations (Periodic and Immediate Reports), 1970, insofar as these regulations apply to a corporation consolidating an insurance company. They should be read together with the financial statements as of and for the year ended December 31, 2025 (hereinafter - the “**Annual Financial Statements**”).

The accounting policies applied to the financial statements have been applied consistently across all the periods presented, unless stated otherwise.

The Condensed Consolidated Interim Financial Statements were approved by the Company’s Board of Directors on August 16, 2026.

B. Functional currency and presentation currency

These Consolidated Interim Financial Statements are presented in NIS, which is the Group companies' functional currency, rounded to the nearest million. This currency best reflects the economic environment in which the Group companies operate.

C. Use of estimates and judgments

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

For more information regarding significant judgements and estimates in insurance and reinsurance contracts applied by the Company, see Note 18.F to the Annual Financial Statements for 2025.

For the effects of changes in models and key assumptions on profit and loss and on the contractual service margin (CSM), see Note 6.E on additional information regarding insurance contracts, reinsurance contracts and investment contracts by main portfolio groups.

Interest rates

Following are the interest rates, including the illiquidity premium with the appropriate weights, divided into main time bands, used by Migdal Insurance to determine the discount rates and the return in measuring the insurance contracts and reinsurance contracts (the aggregation of portfolios is done in accordance with the illiquidity premium weights applied):

As of June 30, 2026	Discounting period							
	One year	3 years	5 years	10 years	15 years	25 years	45 years	60 years
Policies with a non-yield-dependent savings component *)	1.9%	1.8%	1.9%	2.1%	2.2%	2.5%	2.6%	2.7%
Policies that include a yield-dependent savings component and include variable management fees	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%	2.6%	2.7%
Policies that include a yield-dependent savings component and include fixed management fees	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%	2.6%	2.6%
Annuity policies	1.9%	1.9%	1.9%	2.1%	2.3%	2.5%	2.6%	2.7%
LTC and compulsory motor policies	1.9%	1.8%	1.9%	2.1%	2.2%	2.4%	2.6%	2.6%
Remaining portfolios	1.8%	1.8%	1.8%	2.0%	2.2%	2.4%	2.5%	2.6%

*) This curve is also used to calculate the fair value of the designated bonds.

NOTE 2 - BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS (cont.)

As of June 30, 2025	Discounting period							
	One year	3 years	5 years	10 years	15 years	25 years	45 years	60 years
Policies with a non-yield-dependent savings component *)	2.4%	2.3%	2.2%	2.2%	2.2%	2.3%	2.5%	2.6%
Policies that include a yield-dependent savings component and include variable management fees	2.3%	2.2%	2.2%	2.1%	2.1%	2.3%	2.5%	2.6%
Policies that include a yield-dependent savings component and include fixed management fees	2.3%	2.2%	2.2%	2.1%	2.1%	2.3%	2.4%	2.5%
Annuity policies	2.5%	2.3%	2.3%	2.2%	2.2%	2.4%	2.6%	2.6%
LTC and compulsory motor policies	2.4%	2.3%	2.2%	2.2%	2.2%	2.3%	2.5%	2.6%
Remaining portfolios	2.3%	2.2%	2.1%	2.1%	2.1%	2.2%	2.4%	2.5%

*) This curve is also used to calculate the fair value of the designated bonds.

As of December 31, 2025	Discounting period							
	One year	3 years	5 years	10 years	15 years	25 years	45 years	60 years
Policies with a non-yield-dependent savings component *)	2.0%	2.1%	2.1%	2.3%	2.3%	2.4%	2.6%	2.7%
Policies that include a yield-dependent savings component and include variable management fees	1.9%	2.0%	2.1%	2.2%	2.3%	2.3%	2.6%	2.7%
Policies that include a yield-dependent savings component and include fixed management fees	1.9%	2.0%	2.1%	2.2%	2.2%	2.3%	2.5%	2.6%
Annuity policies	2.1%	2.2%	2.2%	2.4%	2.4%	2.5%	2.6%	2.7%
LTC and compulsory motor policies	2.0%	2.1%	2.2%	2.3%	2.3%	2.4%	2.6%	2.6%
Remaining portfolios	1.9%	2.0%	2.0%	2.2%	2.2%	2.3%	2.4%	2.5%

*) This curve is also used to calculate the fair value of the designated bonds.

D. Reclassification

Immaterial reclassifications were made to the amounts presented in the Condensed Consolidated Interim Statements of Financial Position compared to the Group's reports for the second quarter of 2025, in the reinsurance contract assets and liabilities for reinsurance contracts line items. These classifications did not affect the Group’s total capital, its operating results or comprehensive income.

E. The following table presents information on the change in the CPI and USD exchange rate

	Consumer Price Index		USD representative exchange rate
	In lieu CPI	Known CPI	
	%		
For the six months ended			
June 30, 2026	**1.2**	**1.2**	**(6.7)**
June 30, 2025	2.1	1.6	(7.0)
For the three months ended			
June 30, 2026	0.9	1.3	(5.9)
June 30, 2025	1.0	1.3	(8.8)
For the year ended December 31, 2025	2.7	2.4	(12.5)

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Except as specified below, the Group's accounting policies in these Condensed Consolidated Interim Financial Statements are the same as the accounting policies applied to the Annual Financial Statements for 2025. Following is a description of the main changes to the accounting policy in these Condensed Consolidated Interim Financial Statements and their effect:

Amendments to IFRS 9 - Financial Instruments and IFRS 7 - Financial Instruments: Disclosures

On May 30, 2024, the International Accounting Standards Board (hereinafter - “**IASB**”) published amendments to IFRS 9 Financial Instruments (hereinafter - “**IFRS 9**”) and IFRS 7 Financial Instruments: Disclosures (hereinafter - “**IFRS 7**”), which amend certain aspects of classification and measurement of financial instruments.

The amendments address the following topics:

- Assessing the features of contractual cash flows for the purpose of classifying financial assets - the amendments provide clarity on how to assess the features of the contractual cash flows of financial assets with environmental, social and corporate governance (ESG) features and other similar contingent features. Furthermore, the amendments expand the definition of the term non-recourse and clarify the features of contractually linked instruments (CLIs).
- Disclosures - new disclosure requirements were added to IFRS 7 for financial assets and liabilities with contractual conditions related to contingent events (including those with ESG-linked features).

The Group adopted the said amendments as of January 1, 2026. The above Amendments did not have a material effect on the Company’s Condensed Consolidated Interim Financial Statements.

New standards, standard amendments and interpretations not yet adopted

New standards, standard amendments and interpretations not yet adopted have been detailed in the Group's Annual Financial Statements.

Since the publication of the Company's Annual Financial Statements, an amendment to IAS 28 was published in June 2026 - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (hereinafter the “**Amendment**").

The Amendment is designed to clarify the eligibility criteria for the implementation of the fair value option set in the Standard and the manner of its implementation, due to, among other things, the new classification requirements set under International Financial Reporting Standard 18 - Presentation and Disclosure in Financial Statements (hereinafter - "**IFRS 18**").

The amendment includes a clarification that the term “similar entities” includes entities whose main business activity involves investing in particular types of assets, and a clarification that assessment of eligibility for implementation of the fair value option is carried out at the level of the entity holding the investment in the associate or joint venture.

In addition, the Amendment clarifies that an entity eligible to implement the fair value option may change the method of measuring its investments in associates and in joint ventures from the equity method to measurement at fair value through profit or loss upon initial application of IFRS 18.

The amendment does not change the provisions of IFRS 18 regarding the classification of revenues and expenses arising from investments in associates and joint ventures, which will continue to be determined in accordance with the provisions of the Standard and the assessment of a main business activity involving investment in assets.

The amendments will apply on the initial application date of IFRS 18, including in the case of early application of IFRS 18, and will be applied retrospectively.

The Company is studying the effect of the amendments to IAS 28 on the Consolidated Financial Statements.

NOTE 4 - SEASONALITY

A. Life and Health Insurance

As a general rule, revenues from insurance services in life insurance, revenues from management fees in pension and provident funds, and payments for claims, are not characterized by significant seasonality. However, a considerable part of new sales is concentrated mostly in December, due to, among other things, the end of the tax year and the eligibility for tax benefits in respect of contributions to life insurance premiums, and contributions toward benefits to pension and provident funds. Furthermore, during this period, supplementary payments and one-off contributions made by employers for severance pay rights are common. In addition, additional one-off contributions, whether in premiums or contributions toward benefits, may be made throughout the year, the scope and timing of which vary from year to year.

B. Property and Casualty Insurance

As a general rule, revenues earned from insurance services in the Property and Casualty Insurance Segment are not affected by significant seasonality. However, it is noted that certain seasonality applies to premium proceeds in the first quarter of the year, arising primarily from the renewal of motor insurance policies for groups of employees and corporate car fleets, which are usually carried out in January or April. The effect of this seasonality on the reported income is adjusted through the liability for remaining coverage.

There is no significant seasonality in other expense components - such as claims and in other revenue components, such as investment revenues - which affects the income. However, it should be noted that during the winter season - in the first quarter or fourth quarter of the year, or both - there is sometimes an increase in claims, mainly in the Property Insurance Subsegment, and consequently the reported profit for the period decreases.

NOTE 5 - OPERATING SEGMENTS

The operating segments were determined based on the information assessed by the chief operating decision maker for the purpose of making decisions regarding the allocation of resources and assessment of performance. Accordingly, for management purposes, the Group operates in the following operating segments:

1. **Life Insurance and Long-Term Savings Segment**
   The Life and Long-Term Savings Segment includes the life insurance, pension and provident funds subsegments and investment contracts, and focuses mainly on long-term savings (under various types of insurance policies, savings policies, pension funds and provident funds, including advanced education funds), as well as insurance coverage for various risks such as: death, disability, permanent health insurance, etc.
2. **Health Insurance Segment**
   The Health Insurance Segment consolidates the Group's entire activities in the health insurance domain – 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.
4. **Financial Services Segment**
   This segment mainly includes financial asset management services and investment marketing (mainly mutual funds and portfolio management), market making in various securities and other services.
5. **Other Operating Segments**
   Other Operating Segments include the results of the insurance agencies operation.
6. **Non-segmented operation**
   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 Group’s share capital.

NOTE 5 - OPERATING SEGMENTS (cont.)

Information on reportable segments - income statement

	For the six-month period ended June 30, 2026 (unaudited)							
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Financial services	Other Operating Segments	Non-segmented	Adjust-ments and offsets	Total
	NIS million							
Revenues from insurance services	1,851	1,159	1,355	-	-	-	-	4,365
Expenses from insurance services	1,622	853	1,073	-	-	-	-	3,548
Income from insurance services before reinsurance contracts held	229	306	282	-	-	-	-	817
Reinsurance expenses *)	21	(32)	308	-	-	-	-	297
Reinsurance revenues: *)	47	(59)	180	-	-	-	-	168
Revenues (expenses), net from reinsurance contracts held	26	(27)	(128)	-	-	-	-	(129)
Income from insurance services	255	279	154	-	-	-	-	688
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	9,545	249	-	-	-	-	-	9,794
Income (losses) from other investments, net								
Other investment income (losses), net	1,105	147	172	4	6	422	(15)	1,841
Total gains (losses) from other investments, net	1,105	147	172	4	6	422	(15)	1,841
Total investment income (losses), net	10,650	396	172	4	6	422	(15)	11,635
Finance expenses (revenues), net arising from insurance contracts	9,595	344	120	-	-	-	-	10,059
Finance income (expenses), net arising from reinsurance contracts	14	-	11	-	-	-	-	25
Increase (decrease) in liabilities for investment contracts due to the yield component	757	-	-	-	-	-	-	757
Income (loss) from investments and financing, net	312	52	63	4	6	422	(15)	844
Income (loss), net from insurance and investment	567	331	217	4	6	422	(15)	1,532
Revenue from management fees	465	-	-	175	-	-	-	640
Finance income (expenses) from fees and commissions from insurance agencies	-	-	-	3	246	-	(92)	157
Other operating expenses (income)	483	23	37	128	184	52	(98)	809
Other revenues (expenses), net	(1)	-	-	12	24	7	(1)	41
Other finance expenses (income)	(9)	(5)	(5)	-	1	166	(9)	139
Share in profits of equity-accounted investees which are not closely related to the investing activity	-	-	-	-	2	-	-	2
Profit (loss) before income tax	557	313	185	66	93	211	(1)	1,424
Total segment assets	220,851	13,336	6,555	1,730	988	18,673	(5,792)	256,341
Total segment assets for yield-dependent contracts	170,428	5,100	-	-	-	-	-	175,528
Total segment liabilities	222,430	12,197	6,520	1,234	273	8,564	(5,739)	245,479

*) Including the effect of the termination of agreement with reinsurers.

The assets and liabilities of the Life and Health Insurance Segment include the net remaining CSM from reinsurance totaling approx. NIS 8,952 million and approx. NIS 6,324 million, respectively.

NOTE 5 - OPERATING SEGMENTS (cont.)

Information on reportable segments - income statement (cont.)

	For the six-month period ended June 30, 2025 (unaudited)							
	Life Insurance and Long-Term Savings	**Health Insurance**	**Property and Casualty Insurance**	**Financial services**	**Other Operating Segments**	**Non-segmented**	**Adjust-ments and offsets**	**Total**
	NIS million							
Revenues from insurance services	1,678	1,057	1,373	-	-	-	-	4,108
Expenses from insurance services	1,384	736	978	-	-	-	-	3,098
Income from insurance services before reinsurance contracts held	294	321	395	-	-	-	-	1,010
Reinsurance expenses	34	78	277	-	-	-	-	389
Reinsurance revenues	31	53	91	-	-	-	-	175
Revenues (expenses), net from reinsurance contracts held	(3)	(25)	(186)	-	-	-	-	(214)
Income from insurance services	291	296	209	-	-	-	-	796
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	9,173	249	-	-	-	-	-	9,422
Income (losses) from other investments, net								
Other investment income (losses), net*)	1,522	266	193	3	6	471	(13)	2,448
Share in profits of equity-accounted investees closely related to the investing activity	1	-	-	-	-	-	-	1
Total gains (losses) from other investments, net	1,523	266	193	3	6	471	(13)	2,449
Total investment income (losses), net	10,696	515	193	3	6	471	(13)	11,871
Finance expenses (revenues), net arising from insurance contracts	10,227	386	108	-	-	-	-	10,721
Finance income (expenses), net arising from reinsurance contracts	(9)	(35)	13	-	-	-	-	(31)
Increase (decrease) in liabilities for investment contracts due to the yield component	451	-	-	-	-	-	-	451
Income (loss) from investments and financing, net	9	94	98	3	6	471	(13)	668
Income (loss), net from insurance and investment	300	390	307	3	6	471	(13)	1,464
Revenue from management fees	380	-	-	154	-	-	-	534
Finance income (expenses) from fees and commissions from insurance agencies	1	-	-	2	220	-	(81)	142
Other operating expenses (income)	472	22	33	117	179	46	(85)	784
Other revenues (expenses), net	(1)	-	-	8	24	5	(1)	35
Other finance expenses (income)*)	(7)	9	(4)	1	1	143	(8)	135
Share in profits of equity-accounted investees which are not closely related to the investing activity	-	-	-	-	1	-	-	1
Profit (loss) before income tax	215	359	278	49	71	287	(2)	1,257
Other comprehensive income (loss) before taxes on income	(1)	-	-	-	-	-	-	(1)
Total comprehensive income (loss) before income tax	214	359	278	49	71	287	(2)	1,256
Total segment assets *)	201,983	14,160	6,055	885	860	15,098	(2,880)	236,161
Total segment assets for yield-dependent contracts	156,361	4,694	-	-	-	-	-	161,055
Total segment liabilities *)	204,235	11,592	6,019	460	271	7,417	(2,832)	227,162

*) Reclassified.

The assets and liabilities of the Life and Health Insurance Segment include the net remaining CSM from reinsurance totaling approx. NIS 7,314 million and approx. NIS 5,748 million, respectively.

NOTE 5 - OPERATING SEGMENTS (cont.)

Information on reportable segments - income statement (cont.)

	For the three-month period ended June 30, 2026 (unaudited)							
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Financial services	Other Operating Segments	Non-segmented	Adjust-ments and offsets	Total
	NIS million							
Revenues from insurance services	940	583	675	-	-	-	-	2,198
Expenses from insurance services	743	415	504	-	-	-	-	1,662
Income from insurance services before reinsurance contracts held	197	168	171	-	-	-	-	536
Reinsurance expenses *)	(10)	(15)	158	-	-	-	-	133
Reinsurance revenues: *)	(7)	(23)	93	-	-	-	-	63
Revenues (expenses), net from reinsurance contracts held	3	(8)	(65)	-	-	-	-	(70)
Income from insurance services	200	160	106	-	-	-	-	466
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	8,578	217	-	-	-	-	-	8,795
Income (losses) from other investments, net								
Other investment income (losses), net	1,880	141	155	2	3	467	(8)	2,640
Total gains (losses) from other investments, net	1,880	141	155	2	3	467	(8)	2,640
Total investment income (losses), net	10,458	358	155	2	3	467	(8)	11,435
Finance expenses (revenues), net arising from insurance contracts	9,631	401	121	-	-	-	-	10,153
Finance income (expenses), net arising from reinsurance contracts	8	(47)	21	-	-	-	-	(18)
Increase (decrease) in liabilities for investment contracts due to the yield component	762	-	-	-	-	-	-	762
Income (loss) from investments and financing, net	73	(90)	55	2	3	467	(8)	502
Income (loss), net from insurance and investment	273	70	161	2	3	467	(8)	968
Revenue from management fees	235	-	-	90	-	-	-	325
Finance income (expenses) from fees and commissions from insurance agencies	-	-	-	2	119	-	(47)	74
Other operating expenses (income)	241	13	18	64	91	29	(49)	407
Other revenues (expenses), net	-	-	-	4	12	3	-	19
Other finance expenses (income)	(14)	(7)	(5)	-	-	83	(5)	52
Profit (loss) before income tax	281	64	148	34	43	358	(1)	927

*) Including the effect of the termination of agreement with reinsurers.

NOTE 5 - OPERATING SEGMENTS (cont.)

Information on reportable segments - income statement (cont.)

	For the three-month period ended June 30, 2025 (unaudited)							
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Financial services	Other Operating Segments	Non-segmented	Adjust-ments and offsets	Total
	NIS million							
Revenues from insurance services	850	527	692	-	-	-	-	2,069
Expenses from insurance services	665	358	419	-	-	-	-	1,442
Income from insurance services before reinsurance contracts held	185	169	273	-	-	-	-	627
Reinsurance expenses	13	39	145	-	-	-	-	197
Reinsurance revenues	3	15	46	-	-	-	-	64
Revenues (expenses), net from reinsurance contracts held	(10)	(24)	(99)	-	-	-	-	(133)
Income from insurance services	175	145	174	-	-	-	-	494
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	8,851	237	-	-	-	-	-	9,088
Income (losses) from other investments, net								
Other investment income (losses), net*)	1,918	252	167	-	3	459	10	2,809
Share in profits of equity-accounted investees closely related to the investing activity	1	-	-	-	-	-	-	1
Total gains (losses) from other investments, net	1,919	252	167	-	3	459	10	2,810
Total investment income (losses), net	10,770	489	167	-	3	459	10	11,898
Finance expenses (revenues), net arising from insurance contracts	10,385	432	97	-	-	-	-	10,914
Finance income (expenses), net arising from reinsurance contracts	(11)	(63)	13	-	-	-	-	(61)
Increase (decrease) in liabilities for investment contracts due to the yield component	469	-	-	-	-	-	-	469
Income (loss) from investments and financing, net	(95)	(6)	83	-	3	459	10	454
Income (loss), net from insurance and investment	80	139	257	-	3	459	10	948
Revenue from management fees	194	-	-	87	-	-	-	281
Finance income (expenses) from fees and commissions from insurance agencies	1	-	-	1	106	-	(37)	71
Other operating expenses (income)	239	11	17	59	88	24	(39)	399
Other revenues (expenses), net	(1)	-	-	4	11	2	-	16
Other finance expenses (income)*)	(25)	(4)	(10)	(1)	-	69	13	42
Profit (loss) before income tax	60	132	250	34	32	368	(1)	875
Other comprehensive income (loss) before taxes on income	(1)	-	-	-	-	-	-	(1)
Total comprehensive income (loss) before income tax	59	132	250	34	32	368	(1)	874

*) Reclassified.

NOTE 5 - OPERATING SEGMENTS (cont.)

Information on reportable segments - income statement (cont.)

	For the year ended December 31, 2025 (audited)							
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Financial services	Other Operating Segments	Non-segmented	Adjust-ments and offsets	Total
	NIS million							
Revenues from insurance services	3,462	2,192	2,741	-	-	-	-	8,395
Expenses from insurance services	3,033	1,578	2,104	-	-	-	-	6,715
Income from insurance services before reinsurance contracts held	429	614	637	-	-	-	-	1,680
Reinsurance expenses	69	149	591	-	-	-	-	809
Reinsurance revenues	75	106	349	-	-	-	-	530
Revenues (expenses), net from reinsurance contracts held	6	(43)	(242)	-	-	-	-	(279)
Income from insurance services	435	571	395	-	-	-	-	1,401
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	20,580	551	-	-	-	-	-	21,131
Income (losses) from other investments, net								
Other investment income (losses), net	2,659	493	388	9	13	991	(26)	4,527
Share in profits of equity-accounted investees closely related to the investing activity	2	-	-	-	-	-	-	2
Total gains (losses) from other investments, net	2,661	493	388	9	13	991	(26)	4,529
Total investment income (losses), net	23,241	1,044	388	9	13	991	(26)	25,660
Finance expenses (revenues), net arising from insurance contracts	21,693	632	213	-	-	-	-	22,538
Finance income (expenses), net arising from reinsurance contracts	(12)	(21)	19	-	-	-	-	(14)
Increase (decrease) in liabilities for investment contracts due to the yield component	1,260	-	-	-	-	-	-	1,260
Income (loss) from investments and financing, net	276	391	194	9	13	991	(26)	1,848
Income (loss), net from insurance and investment	711	962	589	9	13	991	(26)	3,249
Revenue from management fees	804	-	-	319	-	-	-	1,123
Finance income (expenses) from fees and commissions from insurance agencies	-	-	-	11	443	-	(164)	290
Other operating expenses (income)	958	46	72	250	363	103	(169)	1,623
Other revenues (expenses), net	(5)	-	-	18	50	10	(3)	70
Other finance expenses (income)	(14)	16	(7)	2	3	305	(15)	290
Share in profits of equity-accounted investees which are not closely related to the investing activity	-	-	-	-	1	-	-	1
Profit (loss) before income tax	566	900	524	105	141	593	(9)	2,820
Other comprehensive income (loss) before taxes on income	(18)	(2)	(13)	-	-	(24)	-	(57)
Total comprehensive income (loss) before income tax	548	898	511	105	141	569	(9)	2,763
Total segment assets	214,270	12,146	6,169	1,349	921	17,169	(5,723)	246,301
Total segment assets for yield-dependent contracts	163,337	4,876	-	-	-	-	-	168,213
Total segment liabilities	215,215	11,679	6,134	895	277	7,809	(5,670)	236,339

The assets and liabilities of the Life and Health Insurance Segment include the net remaining CSM from reinsurance totaling approx. NIS 8,097 million and approx. NIS 6,314 million, respectively.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment for the six-month period ended June 30, 2026 (unaudited)

	Provident	Pension	Investment contracts	Life Insurance	Total
			NIS million		
Revenues from insurance services	-	-	-	1,851	1,851
Expenses from insurance services	-	-	-	1,622	1,622
Income from insurance services before reinsurance contracts held	-	-	-	229	229
Reinsurance expenses	-	-	-	21	21
Reinsurance revenues	-	-	-	47	47
Revenues (expenses), net from reinsurance contracts held	-	-	-	26	26
Income (loss) from insurance services	-	-	-	255	255
Investment gains (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	718	8,827	9,545
Income (losses) from other investments, net					
Other investment income, net	2	5	42	1,056	1,105
Total gains (losses) from other investments, net	2	5	42	1,056	1,105
Total investment income (losses), net	2	5	760	9,883	10,650
Finance expenses (revenues), net arising from insurance contracts	-	-	-	9,595	9,595
Finance income (expenses), net arising from reinsurance contracts	-	-	-	14	14
Increase (decrease) in liabilities for investment contracts due to the yield component	-	-	757	-	757
Net investment and finance income	2	5	3	302	312
Income (loss), net from insurance and investment	2	5	3	557	567
Revenue from management fees	127	278	60	-	465
Other operating expenses	117	230	50	86	483
Other revenues (expenses), net	(1)	-	-	-	(1)
Other finance expenses (income)	-	-	-	(9)	(9)
Profit (loss) before income tax	11	53	13	480	557

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment for the six-month period ended June 30, 2025 (unaudited) (cont.)

	Provident	Pension	Investment contracts	Life Insurance	Total
			NIS million		
Revenues from insurance services	-	-	-	1,678	1,678
Expenses from insurance services	-	-	-	1,384	1,384
Income from insurance services before reinsurance contracts held	-	-	-	294	294
Reinsurance expenses	-	-	-	34	34
Reinsurance revenues	-	-	-	31	31
Revenues (expenses), net from reinsurance contracts held	-	-	-	(3)	(3)
Income (loss) from insurance services	-	-	-	291	291
Investment gains (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	423	8,750	9,173
Income (losses) from other investments, net					
Other investment income (losses), net*)	2	4	31	1,485	1,522
Share in profits of equity-accounted investees closely related to the investing activity	-	-	-	1	1
Total gains (losses) from other investments, net	2	4	31	1,486	1,523
Total investment income (losses), net	2	4	454	10,236	10,696
Finance expenses (revenues), net arising from insurance contracts	-	-	-	10,227	10,227
Finance income (expenses), net arising from reinsurance contracts	-	-	-	(9)	(9)
Increase (decrease) in liabilities for investment contracts due to the yield component	-	-	451	-	451
Income (loss) from investments and financing, net	2	4	3	-	9
Income (loss), net from insurance and investment	2	4	3	291	300
Revenue from management fees	98	241	42	(1)	380
Revenues from insurance agencies	-	-	-	1	1
Other operating expenses	96	241	43	92	472
Other revenues (expenses), net	(1)	-	-	-	(1)
Other finance expenses (income)*)	-	-	-	(7)	(7)
Profit (loss) before income tax	3	4	2	206	215
Recognized in other comprehensive income					
Total investment gains (losses), net	-	-	-	(1)	(1)
Total comprehensive income (loss) before income tax	3	4	2	205	214

*) Reclassified.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment for the three-month period ended June 30, 2026 (unaudited) (cont.)

	Provident	Pension	Investment contracts	Life Insurance	Total
			NIS million		
Revenues from insurance services	-	-	-	940	940
Expenses from insurance services	-	-	-	743	743
Income from insurance services before reinsurance contracts held	-	-	-	197	197
Reinsurance expenses	-	-	-	(10)	(10)
Reinsurance revenues	-	-	-	(7)	(7)
Revenues (expenses), net from reinsurance contracts held	-	-	-	3	3
Income (loss) from insurance services	-	-	-	200	200
Investment gains (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	748	7,830	8,578
Gains (losses) from other investments, net:					
Other investment income (losses), net	1	2	28	1,849	1,880
Share in profits of equity-accounted investees closely related to the investing activity	-	-	-	-	-
Total gains (losses) from other investments, net	1	2	28	1,849	1,880
Total investment income (losses), net	1	2	776	9,679	10,458
Finance expenses (revenues), net arising from insurance contracts	-	-	-	9,631	9,631
Finance income (expenses), net arising from reinsurance contracts	-	-	-	8	8
Increase (decrease) in liabilities for investment contracts due to the yield component	-	-	762	-	762
Income (loss) from investments and financing, net	1	2	14	56	73
Income (loss), net from insurance and investment	1	2	14	256	273
Revenue from management fees	66	139	30	-	235
Other operating expenses	61	112	24	44	241
Other finance expenses (income)	-	-	-	(14)	(14)
Profit (loss) before income tax	6	29	20	226	281

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment for the three-month period ended June 30, 2025 (unaudited) (cont.)

	Provident	Pension	Investment contracts	Life Insurance	Total
			NIS million		
Revenues from insurance services	-	-	-	850	850
Expenses from insurance services	-	-	-	665	665
Income from insurance services before reinsurance contracts held	-	-	-	185	185
Reinsurance expenses	-	-	-	13	13
Reinsurance revenues	-	-	-	3	3
Revenues (expenses), net from reinsurance contracts held	-	-	-	(10)	(10)
Income (loss) from insurance services	-	-	-	175	175
Investment gains (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	464	8,387	8,851
Gains (losses) from other investments, net:					
Other investment income (losses), net*)	1	1	19	1,897	1,918
Share in profits of equity-accounted investees closely related to the investing activity	-	-	-	1	1
Total gains (losses) from other investments, net	1	1	19	1,898	1,919
Total investment income (losses), net	1	1	483	10,285	10,770
Finance expenses (revenues), net arising from insurance contracts	-	-	-	10,385	10,385
Finance income (expenses), net arising from reinsurance contracts	-	-	-	(11)	(11)
Increase (decrease) in liabilities for investment contracts due to the yield component	-	-	469	-	469
Income (loss) from investments and financing, net	1	1	14	(111)	(95)
Income (loss), net from insurance and investment	1	1	14	64	80
Revenues (expenses) from management fees	50	122	23	(1)	194
Revenues from insurance agencies	-	-	-	1	1
Other operating expenses	49	122	25	43	239
Other expenses, net	(1)	-	-	-	(1)
Other finance expenses (income)*)	-	-	-	(25)	(25)
Profit (loss) before income tax	1	1	12	46	60
Recognized in other comprehensive income					
Total investment gains (losses), net	-	-	-	(1)	(1)
Total comprehensive income (loss) before income tax	1	1	12	45	59

*) Reclassified.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment for the year ended December 31, 2025 (audited) (cont.)

	Provident	Pension	Investment contracts	Life Insurance	Total
			NIS million		
Revenues from insurance services	-	-	-	3,462	3,462
Expenses from insurance services	-	-	-	3,033	3,033
Income from insurance services before reinsurance contracts held	-	-	-	429	429
Reinsurance expenses	-	-	-	69	69
Reinsurance revenues	-	-	-	75	75
Revenues (expenses), net from reinsurance contracts held	-	-	-	6	6
Income (loss) from insurance services	-	-	-	435	435
Investment gains (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	1,223	19,357	20,580
Income (losses) from other investments, net					
Other investment income (losses), net	3	9	57	2,590	2,659
Share in profits of equity-accounted investees closely related to the investing activity	-	-	-	2	2
Total gains (losses) from other investments, net	3	9	57	2,592	2,661
Total investment income (losses), net	3	9	1,280	21,949	23,241
Finance expenses (revenues), net arising from insurance contracts	-	-	-	21,693	21,693
Finance income (expenses), net arising from reinsurance contracts	-	-	-	(12)	(12)
Increase (decrease) in liabilities for investment contracts due to the yield component	-	-	1,260	-	1,260
Income (loss) from investments and financing, net	3	9	20	244	276
Income (loss), net from insurance and investment	3	9	20	679	711
Revenue from management fees	209	505	90	-	804
Other operating expenses	207	482	84	185	958
Other revenues (expenses), net	(3)	-	-	(2)	(5)
Other finance expenses (income)	-	-	-	(14)	(14)
Profit (loss) before income tax	2	32	26	506	566
Recognized in other comprehensive income					
Total investment gains (losses), net	-	(3)	-	(15)	(18)
Total comprehensive income (loss) before income tax	2	29	26	491	548

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

A. Additional data regarding the Life Insurance and Long-Term Savings operating segment (cont.) (audited)

Additional information regarding investment contracts

	For the six-month period ended June 30		For the three-month period ended June 30		For the year ended December 31
	2026	2025	2026	2025	2025
	Unaudited		Unaudited		Audited
	NIS million				
Proceeds from investment contracts	**3,117**	1,606	**1,548**	780	4,782
Annualized receipts for investment contracts – new business	**30**	30	**13**	13	66
One-off proceeds for investment contracts	**3,005**	1,512	**1,490**	732	4,573

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of results by main portfolio groups for the six-month period ended June 30, 2026 (unaudited)

	Policies with a non-yield-dependent savings component (a)	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	**409**	**923**	**519**	**1,851**
Expenses from insurance services *)	**387**	**799**	**436**	**1,622**
Income (loss) from insurance services before reinsurance contracts held	**22**	**124**	**83**	**229**
Reinsurance expenses (revenues)	**-**	**31**	**(10)**	**21**
Reinsurance revenues (expenses)	**-**	**44**	**3**	**47**
Revenues (expenses), net from reinsurance contracts held	**-**	**13**	**13**	**26**
Income (loss) from insurance services	**22**	**137**	**96**	**255**
Total investment income (losses), net	**899**	**8,979**	**5**	**9,883**
Finance expenses (revenues), net arising from insurance contracts	**1,001**	**8,575**	**19**	**9,595**
Finance income (expenses), net arising from reinsurance contracts	**-**	**8**	**6**	**14**
Income (loss) from investments and financing, net	**(102)**	**412**	**(8)**	**302**
Income (loss), net from insurance and investment	**(80)**	**549**	**88**	**557**
Other operating expenses	**5**	**56**	**25**	**86**
Other finance expenses (income)	**(1)**	**(8)**	**-**	**(9)**
Profit (loss) before income tax	**(84)**	**501**	**63**	**480**
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	**388**	**738**	**408**	**1,534**
Changes relating to past service – adjustment for liabilities for incurred claims (b)	**(2)**	**(44)**	**1**	**(45)**

A. The policies include a non-yield-dependent savings component, including annuity policies, which are not yield dependent; policies which include a yield-dependent savings component, including yield-dependent annuity policies.

B. The "claims and expenses of other insurance services incurred” line item and the line item "changes relating to past services - adjustment of liabilities for incurred claims" are components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life Insurance - breakdown of assets and liabilities by main portfolio groups as of June 30, 2026 (unaudited) (cont.)

	Policies with a non-yield-dependent savings component	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (c)				
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	44,042	149,245	(1,400)	191,887
Loss component (LC)	-	249	-	249
Liabilities, net for incurred claims (LIC)	72	2,694	1,075	3,841
Balances of accounts receivable and payable, net	-	-	-	(6)
Total liabilities (assets), net for insurance contracts	44,114	152,188	(325)	195,971
Liabilities (assets), net for insurance contracts, by measurement components (c) (d)				
Contracts not measured according to the PAA model				
Best estimates (BE) of the present value of the future cash flows	43,353	143,462	(1,119)	185,696
Risk adjustment (RA) for non-financial risk	219	872	87	1,178
Contractual service margin (CSM)	542	7,854	707	9,103
Balances of accounts receivable and payable, net ***)	-	-	-	(6)
Total liabilities (assets), net for insurance contracts	44,114	152,188	(325)	195,971
**) Of which: Total insurance contract assets	-	-	784	784
*****) Composition of balances of accounts receivable and payable, net**				
Premiums collectible				78
Payables for claims and insurance service expenses				95
Other				(179)
Total balances of receivables and payables, net				(6)
Liabilities (assets), net for reinsurance contracts	-	(65)	54	(11)
Balances of other receivables and payables and reinsurance deposits				(8)
Total liabilities (assets), net for reinsurance contracts				(19)
(3) Additional information (e)				
Gross data, for the six-month period ended June 30, 2026				
Gross premiums for insurance contracts net of reimbursement of premiums (f)	95	2,693	454	3,242
Of which: Savings component	85	2,394	1	2,480
Variable management fees	-	632	-	632
Fixed management fees	-	563	-	563
Annualized premium for insurance contracts - new business (g)	-	28	54	82
One-off premium for insurance contracts (g)	-	559	-	559
Acquisition expenses for insurance contracts (h)	-	15	79	94

C. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

D. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

E. For additional information regarding investment contracts - see Section A above - Additional data regarding the Life Insurance and Long-Term Savings operating segment

F. The premiums and management fees were received based on billing dates.

G. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

H. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of results by main portfolio groups for the six-month period ended June 30, 2025 (unaudited) (cont.)

	Policies with a non-yield-dependent savings component (a)	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	373	847	458	1,678
Expenses from insurance services *)	347	661	376	1,384
Income (loss) from insurance services before reinsurance contracts held	26	186	82	294
Reinsurance expenses (revenues)	-	17	17	34
Reinsurance revenues (expenses)	-	12	19	31
Revenues (expenses), net from reinsurance contracts held	-	(5)	2	(3)
Income (loss) from insurance services	26	181	84	291
Total investment income (losses), net	1,978	8,227	31	10,236
Finance expenses (revenues), net arising from insurance contracts	1,595	8,645	(13)	10,227
Finance income (expenses), net arising from reinsurance contracts	-	(6)	(3)	(9)
Income (loss) from investments and financing, net	383	(424)	41	-
Income (loss), net from insurance and investment	409	(243)	125	291
Other operating expenses	6	60	26	92
Other finance expenses (income) **)	(1)	(6)	-	(7)
Profit (loss) before income tax	404	(297)	99	206
Recognized in other comprehensive income (b)				
Total investment gains (losses), net	(2)	1	-	(1)
Comprehensive income (loss) before income tax	402	(296)	99	205
***) Of which:**				
Claims and expenses of other insurance services incurred (c)	350	730	354	1,434
Changes relating to past service – adjustment for liabilities for incurred claims (c)	(4)	(70)	6	(68)

**) Reclassified

A. The policies include a non-yield-dependent savings component, including annuity policies, which are not yield dependent; policies which include a yield-dependent savings component, including yield-dependent annuity policies.

B. The total investment income (losses), net includes the line item revaluation of fixed assets, net and loss from remeasurement due to defined benefit plans.

C. The "claims and expenses of other insurance services incurred" line item and the line item "changes relating to past services - adjustment of liabilities for incurred claims" are components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life Insurance - breakdown of assets and liabilities by main portfolio groups as of June 30, 2025 (unaudited) (cont.)

	Policies with a non-yield-dependent savings component	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (c)				
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	43,894	140,181	(1,124)	182,951
Loss component (LC)	-	-	-	-
Liabilities, net for incurred claims (LIC)	89	2,662	980	3,731
Balances of accounts receivable and payable, net	-	-	-	(40)
Total liabilities (assets), net for insurance contracts	43,983	142,843	(144)	186,642
Liabilities (assets), net for insurance contracts, by measurement components (c) (d)				
Contracts not measured according to the PAA model				
Best estimates (BE) of the present value of the future cash flows	43,119	135,738	(866)	177,991
Risk adjustment (RA) for non-financial risk	248	864	109	1,221
Contractual service margin (CSM)	616	6,241	613	7,470
Balances of accounts receivable and payable, net ***)	-	-	-	(40)
Total liabilities (assets), net for insurance contracts	43,983	142,843	(144)	186,642
**) Of which: Total insurance contract assets	-	-	690	690
*****) Composition of balances of accounts receivable and payable, net**				
Premiums collectible				119
Payables for claims and insurance service expenses				24
Other				(183)
Total balances of receivables and payables, net				(40)
Liabilities (assets), net for reinsurance contracts	-	(89)	62	(27)
Balances of other receivables and payables and reinsurance deposits				(1)
Total liabilities (assets), net for reinsurance contracts				(28)
(3) Additional information (e)				
Gross data, for the six-month period ended June 30, 2025				
Gross premiums for insurance contracts net of reimbursement of premiums (f)	106	2,947	432	3,485
Of which: Savings component	94	2,620	1	2,715
Variable management fees	-	562	-	562
Fixed management fees	-	523	-	523
Annualized premium for insurance contracts - new business (g)	-	26	55	81
One-off premium for insurance contracts (g)	-	544	-	544
Acquisition expenses for insurance contracts (h)	-	13	75	88

D. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

E. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

F. For additional information regarding investment contracts - see Section A above - Additional data regarding the Life Insurance and Long-Term Savings operating segment

G. The premiums and management fees were received based on billing dates.

H. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

I. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of results by main portfolio groups for the three-month period ended June 30, 2026 (unaudited) (cont.)

	Policies with a non-yield-dependent savings component (a)	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	206	469	265	940
Expenses from insurance services *)	195	324	224	743
Income (loss) from insurance services before reinsurance contracts held	11	145	41	197
Reinsurance expenses (revenues)	-	(7)	(3)	(10)
Reinsurance revenues (expenses)	-	(2)	(5)	(7)
Revenues (expenses), net from reinsurance contracts held	-	5	(2)	3
Income (loss) from insurance services	11	150	39	200
Total investment income (losses), net	1,693	7,981	5	9,679
Finance expenses (revenues), net arising from insurance contracts	2,033	7,642	(44)	9,631
Finance income (expenses), net arising from reinsurance contracts	-	5	3	8
Income (loss) from investments and financing, net	(340)	344	52	56
Income (loss), net from insurance and investment	(329)	494	91	256
Other operating expenses	2	29	13	44
Other finance expenses (income)	(2)	(12)	-	(14)
Profit (loss) before income tax	(329)	477	78	226
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	195	367	219	781
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(1)	(22)	(9)	(32)
Gross data, for the three-month period ended June 30, 2026				
Gross premiums for insurance contracts net of reimbursement of premiums (c)	47	1,349	232	1,628
Of which: Savings component	42	1,200	1	1,243
Variable management fees	-	514	-	514
Fixed management fees	-	284	-	284
Annualized premium for insurance contracts - new business (d)	-	10	25	35
One-time premium for insurance contracts (d)	-	302	-	302
Acquisition expenses for insurance contracts (e)	-	6	37	43

A. The policies include a non-yield-dependent savings component, including annuity policies, which are not yield dependent; policies which include a yield-dependent savings component, including yield-dependent annuity policies.

B. The "claims and expenses of other insurance services incurred" line item and the line item "changes relating to past services - adjustment of liabilities for incurred claims" are components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

C. For additional information regarding investment contracts - see Section A above - Additional data regarding the Life Insurance and Long-Term Savings operating segment

D. The premiums and management fees were received based on billing dates.

E. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of results by main portfolio groups for the three-month period ended June 30, 2025 (unaudited) (cont.)

	Policies with a non-yield-dependent savings component (a)	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	190	429	231	850
Expenses from insurance services *)	170	328	167	665
Income (loss) from insurance services before reinsurance contracts held	20	101	64	185
Reinsurance expenses (revenues)	-	7	6	13
Reinsurance revenues (expenses)	-	(4)	7	3
Revenues (expenses), net from reinsurance contracts held	-	(11)	1	(10)
Income (loss) from insurance services	20	90	65	175
Total investment income (losses), net	2,393	7,861	31	10,285
Finance expenses (revenues), net arising from insurance contracts	2,128	8,284	(27)	10,385
Finance income (expenses), net arising from reinsurance contracts	-	(10)	(1)	(11)
Income (loss) from investments and financing, net	265	(433)	57	(111)
Income (loss), net from insurance and investment	285	(343)	122	64
Other operating expenses	3	28	12	43
Other finance expenses (income) **)	(3)	(22)	-	(25)
Profit (loss) before income tax	285	(349)	110	46
Recognized in other comprehensive income (b)				
Total investment gains (losses), net	(2)	1	-	(1)
Comprehensive income (loss) before income tax	283	(348)	110	45
***) Of which:**				
Claims and expenses of other insurance services incurred (c)	177	359	144	680
Changes relating to past service – adjustment for liabilities for incurred claims (c)	(8)	(30)	13	(25)
Gross data, for the three-month period ended June 30, 2025				
Gross premiums for insurance contracts net of reimbursement of premiums (d)	52	1,448	216	1,716
Of which: Savings component	47	1,283	1	1,331
Variable management fees	-	562	-	562
Fixed management fees	-	263	-	263
Annualized premium for insurance contracts - new business (e)	-	11	26	37
One-time premium for insurance contracts (e)	-	267	-	267
Acquisition expenses for insurance contracts (f)	-	7	33	40

**) Reclassified

A. The policies include a non-yield-dependent savings component, including annuity policies, which are not yield dependent; policies which include a yield-dependent savings component, including yield-dependent annuity policies.

B. The total investment income (losses), net includes the line item revaluation of fixed assets, net and loss from remeasurement due to defined benefit plans.

C. The "claims and expenses of other insurance services incurred” line item and the line item "changes relating to past services - adjustment of liabilities for incurred claims" are components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

D. For additional information regarding investment contracts - see Section A above - Additional data regarding the Life Insurance and Long-Term Savings operating segment

E. The premiums and management fees were received based on billing dates.

F. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of results by main portfolio groups for the year ended December 31, 2025 (audited) (cont.)

	Policies with a non-yield-dependent savings component (a)	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	770	1,792	900	3,462
Expenses from insurance services *)	708	1,544	781	3,033
Income (loss) from insurance services before reinsurance contracts held	62	248	119	429
Reinsurance expenses (revenues)	-	33	36	69
Reinsurance revenues (expenses)	-	32	43	75
Revenues (expenses), net from reinsurance contracts held	-	(1)	7	6
Income (loss) from insurance services	62	247	126	435
Total investment income (losses), net	2,654	19,241	54	21,949
Finance expenses (revenues), net arising from insurance contracts	2,595	19,102	(4)	21,693
Finance income (expenses), net arising from reinsurance contracts	-	(9)	(3)	(12)
Income (loss) from investments and financing, net	59	130	55	244
Income (loss), net from insurance and investment	121	377	181	679
Other operating expenses	12	120	53	185
Other revenues (expenses), net	-	(2)	-	(2)
Other finance expenses (income)	(2)	(12)	-	(14)
Profit (loss) before income tax	111	267	128	506
Recognized in other comprehensive income (b)				
Total investment gains (losses), net	(3)	(8)	(4)	(15)
Comprehensive income (loss) before income tax	108	259	124	491
***) Of which:**				
Claims and expenses of other insurance services incurred (c)	718	1,481	731	2,930
Changes relating to past service – adjustment for liabilities for incurred claims (c)	(10)	(102)	12	(100)

A. The policies include a non-yield-dependent savings component, including annuity policies, which are not yield dependent; policies which include a yield-dependent savings component, including yield-dependent annuity policies.

B. The total investment income (losses), net includes the line item revaluation of fixed assets, net and loss from remeasurement due to defined benefit plans.

C. The "claims and expenses of other insurance services incurred" line item and the line item "changes relating to past services - adjustment of liabilities for incurred claims" are components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

B. Life insurance - breakdown of assets and liabilities by main portfolio groups as of December 31, 2025 (audited) (cont.)

	Policies with a non-yield-dependent savings component	Policies with a yield-dependent savings component	Policies without a savings component	Total
	NIS million			
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (d)				
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	43,993	146,036	(1,261)	188,768
Loss component (LC)	-	160	-	160
Liabilities, net for incurred claims (LIC)	75	2,690	1,028	3,793
Balances of accounts receivable and payable, net	-	-	-	53
Total liabilities (assets), net for insurance contracts	44,068	148,886	(233)	192,774
Liabilities (assets), net for insurance contracts, by measurement components (d) (e)				
Contracts not measured according to the PAA model				
Best estimates (BE) of the present value of the future cash flows	43,045	141,236	(1,096)	183,185
Risk adjustment (RA) for non-financial risk	247	867	113	1,227
Contractual service margin (CSM)	776	6,783	750	8,309
Balances of accounts receivable and payable, net ***)	-	-	-	53
Total liabilities (assets), net for insurance contracts	44,068	148,886	(233)	192,774
**) Of which: Total insurance contract assets	-	-	778	778
***) **Composition of balances of accounts receivable and payable, net**				
Premiums collectible				81
Payables for claims and insurance service expenses				152
Other				(180)
Total balances of receivables and payables, net				53
Liabilities (assets), net for reinsurance contracts	-	(88)	68	(20)
Balances of other receivables and payables and reinsurance deposits				11
Total liabilities (assets), net for reinsurance contracts				(9)
(3) Additional information (f)				
Gross data, as of December 31, 2025				
Gross premiums for insurance contracts net of reimbursement of premiums (g)	200	5,825	826	6,851
Of which: Savings component	184	5,139	2	5,325
Variable management fees	-	1,416	-	1,416
Fixed management fees	-	1,074	-	1,074
Annualized premium for insurance contracts - new business (h)	-	50	103	153
One-off premium for insurance contracts (h)	-	1,089	-	1,089
Acquisition expenses for insurance contracts (i)	-	25	150	175

D. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

E. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

F. For additional information regarding investment contracts - see Section A above - Additional data regarding the Life Insurance and Long-Term Savings operating segment

G. The premiums and management fees were received based on billing dates.

H. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

I. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of results by main portfolio groups for the six-month period ended June 30, 2026 (unaudited)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective (a)	Other (a)	Total
	NIS million				
Amounts recognized in profit or loss					
Revenues from insurance services	287	528	131	213	1,159
Expenses from insurance services *)	184	366	113	190	853
Income (loss) from insurance services before reinsurance contracts held	103	162	18	23	306
Reinsurance expenses	28	(42)	-	(18)	(32)
Reinsurance revenues	6	(53)	-	(12)	(59)
Revenues (expenses), net from reinsurance contracts held	(22)	(11)	-	6	(27)
Income (loss) from insurance services	81	151	18	29	279
Total investment income (losses), net	390	-	4	2	396
Finance expenses (revenues), net arising from insurance contracts	327	15	4	(2)	344
Finance income (expenses), net arising from reinsurance contracts	2	(2)	-	-	-
Income (loss) from investments and financing, net	65	(17)	-	4	52
Income (loss), net from insurance and investment	146	134	18	33	331
Other operating expenses	2	11	3	7	23
Other finance expenses (income)	(5)	-	-	-	(5)
Profit (loss) before income tax	149	123	15	26	313
***) Of which:**					
Claims and expenses of other insurance services incurred (b)	200	372	108	171	851
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(17)	(18)	5	(7)	(37)

A. Collective medical expenses and disability, including dental, other health - including critical illness, travel, and personal accidents.

B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of assets and liabilities by main portfolio groups as of June 30, 2026 (unaudited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective	Other	Total
	NIS million				
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (c)					
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	10,020	(716)	-	(473)	8,831
Loss component (LC)	-	-	40	1	41
Liabilities (assets), net for incurred claims (LIC)	987	300	163	265	1,715
Balances of accounts receivable and payable, net	-	-	-	-	(35)
Total liabilities (assets), net for insurance contracts	11,007	(416)	203	(207)	10,552
Liabilities (assets), net for insurance contracts, by measurement components (c) (d)					
Contracts not measured according to the PAA model					
Best estimates (BE) of the present value of the future cash flows	5,223	(3,363)	-	(883)	977
Risk adjustment (RA) for non-financial risk	1,977	328	-	104	2,409
Contractual service margin (CSM)	3,807	2,619	-	558	6,984
Balances of accounts receivable and payable, net	-	-	-	-	(35)
Total contracts not measured according to the PAA model	11,007	(416)	-	(221)	10,335
Contracts measured according to the PAA model	-	-	203	14	217
Total liabilities (assets), net for insurance contracts	11,007	(416)	203	(207)	10,552
**) Of which: Total insurance contract assets	-	355	-	293	648
*****) Composition of balances of accounts receivable and payable, net**					
Premiums collectible					(37)
Other					2
Total balances of receivables and payables, net					(35)
Liabilities (assets), net for reinsurance contracts	(120)	71	-	(93)	(142)
Balances of other receivables and payables and reinsurance deposits					12
Total liabilities (assets), net for reinsurance contracts					(130)
Additional information					
Gross data, for the six-month period ended June 30, 2026					
Gross premiums net of repayment of premiums (e)	250	495	131	231	1,107
Annualized premium for insurance contracts - new business (f)	-	41	-	24	65
Acquisition expenses for insurance contracts (g)	-	59	-	56	115

C. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

D. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

E. Premiums received based on billing dates.

F. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

G. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of results by main portfolio groups for the six-month period ended June 30, 2025 (unaudited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective (a)	Other (a)	Total
	NIS million				
Amounts recognized in profit or loss					
Revenues from insurance services	272	478	125	182	1,057
Expenses from insurance services *)	153	327	99	157	736
Income (loss) from insurance services before reinsurance contracts held	119	151	26	25	321
Reinsurance expenses	30	32	-	16	78
Reinsurance revenues	15	28	-	10	53
Revenues (expenses), net from reinsurance contracts held	(15)	(4)	-	(6)	(25)
Income (loss) from insurance services	104	147	26	19	296
Total investment income (losses), net	503	-	8	4	515
Finance expenses (revenues), net arising from insurance contracts	420	(30)	4	(8)	386
Finance income (expenses), net arising from reinsurance contracts	(33)	-	-	(2)	(35)
Income (loss) from investments and financing, net	50	30	4	10	94
Income (loss), net from insurance and investment	154	177	30	29	390
Other operating expenses	3	11	3	5	22
Other finance expenses (income) **)	10	(1)	-	-	9
Profit (loss) before income tax	141	167	27	24	359
***) Of which:**					
Claims and expenses of other insurance services incurred (b)	198	374	142	162	876
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(45)	(53)	(33)	(17)	(148)

**) Reclassified

A. Collective medical expenses and disability, including dental, other health - including critical illness, travel, and personal accidents.

B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of assets and liabilities by main portfolio groups as of June 30, 2025 (unaudited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective	Other	Total
	NIS million				
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (c)					
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	9,581	(551)	-	(432)	8,598
Loss component (LC)	-	-	47	-	47
Liabilities (assets), net for incurred claims (LIC)	871	293	152	267	1,583
Balances of accounts receivable and payable, net	-	-	-	-	(30)
Total liabilities (assets), net for insurance contracts	10,452	(258)	199	(165)	10,198
Liabilities (assets), net for insurance contracts, by measurement components (c) (d)					
Contracts not measured according to the PAA model					
Best estimates (BE) of the present value of the future cash flows	4,873	(2,717)	-	(608)	1,548
Risk adjustment (RA) for non-financial risk	1,719	297	-	90	2,106
Contractual service margin (CSM)	3,860	2,162	-	345	6,367
Balances of accounts receivable and payable, net	-	-	-	-	(30)
Total contracts not measured according to the PAA model	10,452	(258)	-	(173)	9,991
Contracts measured according to the PAA model	-	-	199	8	207
Total liabilities (assets), net for insurance contracts	10,452	(258)	199	(165)	10,198
**) Of which: Total insurance contract assets	-	257	-	274	531
***) **Composition of balances of accounts receivable and payable, net**					
Premiums collectible					(32)
Other					2
Total balances of receivables and payables, net					(30)
Liabilities (assets), net for reinsurance contracts	(103)	86	-	(95)	(112)
Balances of other receivables and payables and reinsurance deposits					53
Total liabilities (assets), net for reinsurance contracts					(59)
Additional information					
Gross data, for the six-month period ended June 30, 2025					
Gross premiums net of repayment of premiums (e)	251	460	125	209	1,045
Annualized premium for insurance contracts - new business (f)	-	34	-	21	55
Acquisition expenses for insurance contracts (g)	-	42	-	41	83

C. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

D. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

E. Premiums received based on billing dates.

F. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

G. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of results by main portfolio groups for the three-month period ended June 30, 2026 (unaudited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective (a)	Other (a)	Total
	NIS million				
Amounts recognized in profit or loss					
Revenues from insurance services	144	267	65	107	583
Expenses from insurance services *)	84	185	53	93	415
Income (loss) from insurance services before reinsurance contracts held	60	82	12	14	168
Reinsurance expenses	14	(20)	-	(9)	(15)
Reinsurance revenues	2	(20)	-	(5)	(23)
Revenues (expenses), net from reinsurance contracts held	(12)	-	-	4	(8)
Income (loss) from insurance services	48	82	12	18	160
Total investment income (losses), net	352	-	4	2	358
Finance expenses (revenues), net arising from insurance contracts	524	(100)	3	(26)	401
Finance income (expenses), net arising from reinsurance contracts	(43)	(2)	-	(2)	(47)
Income (loss) from investments and financing, net	(215)	98	1	26	(90)
Income (loss), net from insurance and investment	(167)	180	13	44	70
Other operating expenses	1	6	2	4	13
Other finance expenses (income)	(12)	4	-	1	(7)
Profit (loss) before income tax	(156)	170	11	39	64
***) Of which:**					
Claims and expenses of other insurance services incurred (b)	105	190	42	83	420
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(22)	(11)	11	(4)	(26)
Gross data, for the three-month period ended June 30, 2026					
Gross premiums net of reimbursement of premiums (c)	125	250	65	117	557
Annualized premium for insurance contracts - new business (d)	-	20	-	11	31
Acquisition expenses for insurance contracts (e)	-	29	-	28	57

A. Collective medical expenses and disability, including dental, other health - including critical illness, travel, and personal accidents.
B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.
C. Premiums received based on billing dates.
D. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.
E. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of results by main portfolio groups for the three-month period ended June 30, 2025 (unaudited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective (a)	Other (a)	Total
	NIS million				
Amounts recognized in profit or loss					
Revenues from insurance services	133	239	63	92	527
Expenses from insurance services *)	69	154	50	85	358
Income (loss) from insurance services before reinsurance contracts held	64	85	13	7	169
Reinsurance expenses	16	15	-	8	39
Reinsurance revenues	5	5	-	5	15
Revenues (expenses), net from reinsurance contracts held	(11)	(10)	-	(3)	(24)
Income (loss) from insurance services	53	75	13	4	145
Total investment income (losses), net	500	-	(7)	(4)	489
Finance expenses (revenues), net arising from insurance contracts	402	25	5	-	432
Finance income (expenses), net arising from reinsurance contracts	(61)	-	-	(2)	(63)
Income (loss) from investments and financing, net	37	(25)	(12)	(6)	(6)
Income (loss), net from insurance and investment	90	50	1	(2)	139
Other operating expenses	1	5	2	3	11
Other finance expenses (income) **)	(20)	14	-	2	(4)
Profit (loss) before income tax	109	31	(1)	(7)	132
***) Of which:**					
Claims and expenses of other insurance services incurred (b)	92	174	58	84	408
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(25)	(22)	(3)	(6)	(56)
Gross data, for the three-month period ended June 30, 2025					
Gross premiums net of reimbursement of premiums (c)	126	233	63	105	527
Annualized premium for insurance contracts - new business (d)	-	15	-	10	25
Acquisition expenses for insurance contracts (e)	-	20	-	20	40

**) Reclassified

A. Collective medical expenses and disability, including dental, other health - including critical illness, travel, and personal accidents.
B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.
C. Premiums received based on billing dates.
D. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.
E. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of results by main portfolio groups for the year ended December 31, 2025 (audited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective (a)	Other (a)	Total
	NIS million				
Amounts recognized in profit or loss					
Revenues from insurance services	557	985	251	399	2,192
Expenses from insurance services *)	330	693	218	337	1,578
Income (loss) from insurance services before reinsurance contracts held	227	292	33	62	614
Reinsurance expenses	57	60	-	32	149
Reinsurance revenues	31	54	-	21	106
Revenues (expenses), net from reinsurance contracts held	(26)	(6)	-	(11)	(43)
Income (loss) from insurance services	201	286	33	51	571
Total investment income (losses), net	1,021	-	15	8	1,044
Finance expenses (revenues), net arising from insurance contracts	683	(44)	7	(14)	632
Finance income (expenses), net arising from reinsurance contracts	(19)	1	-	(3)	(21)
Income (loss) from investments and financing, net	319	45	8	19	391
Income (loss), net from insurance and investment	520	331	41	70	962
Other operating expenses	9	23	5	9	46
Other finance expenses (income)	17	(1)	-	-	16
Profit (loss) before income tax	494	309	36	61	900
Recognized in other comprehensive income (b)					
Total investment gains (losses), net	(1)	(1)	-	-	(2)
Investment and finance income (loss), net recognized in other comprehensive income	(1)	(1)	-	-	(2)
Comprehensive income (loss) before income tax	493	308	36	61	898
***) Of which:**					
Claims and expenses of other insurance services incurred (c)	358	737	265	333	1,693
Changes relating to past service – adjustment for liabilities for incurred claims (c)	(28)	(60)	(30)	(28)	(146)

A. Collective medical expenses and disability, including dental, other health - including critical illness, travel, and personal accidents.
B. The total investment income (losses), net includes the line item revaluation of fixed assets, net and loss from remeasurement due to defined benefit plans.
C. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

C. Health Insurance Segment - breakdown of assets and liabilities by main portfolio groups as of December 31, 2025 (audited) (cont.)

	LTC	Health - other			
	Individual	Medical expenses and disabilities - individual	Medical expenses and disabilities - collective	Other	Total
	NIS million				
Liabilities (assets), net for insurance contracts according the remaining coverage and incurred claims (d)					
Liabilities (assets), net for remaining coverage (LRC), excluding loss component	9,789	(640)	-	(450)	8,699
Loss component (LC)	-	-	40	-	40
Liabilities (assets), net for incurred claims (LIC)	913	303	165	266	1,647
Balances of accounts receivable and payable, net	-	-	-	-	(32)
Total liabilities (assets), net for insurance contracts	10,702	(337)	205	(184)	10,354
Liabilities (assets), net for insurance contracts, by measurement components (d) (e)					
Contracts not measured according to the PAA model					
Best estimates (BE) of the present value of the future cash flows	5,159	(3,265)	-	(863)	1,031
Risk adjustment (RA) for non-financial risk	1,747	302	-	95	2,144
Contractual service margin (CSM)	3,796	2,626	-	570	6,992
Balances of accounts receivable and payable, net	-	-	-	-	(32)
Total contracts not measured according to the PAA model	10,702	(337)	-	(198)	10,135
Contracts measured according to the PAA model	-	-	205	14	219
Total liabilities (assets), net for insurance contracts	10,702	(337)	205	(184)	10,354
**) Of which: Total insurance contract assets	-	337	-	302	639
*****) Composition of balances of accounts receivable and payable, net**					
Premiums collectible					(34)
Other					2
Total balances of receivables and payables, net					(32)
Liabilities (assets), net for reinsurance contracts	(81)	51	-	(31)	(61)
Balances of other receivables and payables and reinsurance deposits					(6)
Total liabilities (assets), net for reinsurance contracts					(67)
Additional information					
Gross data, as of December 31, 2025					
Gross premiums net of repayment of premiums (f)	502	944	251	448	2,145
Annualized premium for insurance contracts - new business (g)	-	66	-	50	116
Acquisition expenses for insurance contracts (h)	-	94	-	86	180

D. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts - both by remaining coverage and incurred claims and by measurement components - do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

E. Liabilities for insurance contracts according to measurement components include both liabilities for the remaining coverage and liabilities for incurred claims, by measurement components.

F. Premiums received based on billing dates.

G. The Company recognizes existing policies as a new contract in the accounting system, and accordingly - the annualized premium for a new business also includes such increases.

H. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of results by main portfolio groups for the six-month period ended June 30, 2026 (unaudited)

	Compulsory motor insurance	Motor property	Other (a)	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	217	498	640	1,355
Expenses from insurance services *)	175	490	408	1,073
Income (loss) from insurance services before reinsurance contracts held	42	8	232	282
Reinsurance expenses	3	3	302	308
Reinsurance revenues	-	1	179	180
Revenues (expenses), net from reinsurance contracts held	(3)	(2)	(123)	(128)
Income (loss) from insurance services	39	6	109	154
Total investment income (losses), net	60	20	92	172
Finance expenses (revenues), net arising from insurance contracts	49	6	65	120
Finance income (expenses), net arising from reinsurance contracts	1	-	10	11
Income (loss) from investments and financing, net	12	14	37	63
Income (loss), net from insurance and investment	51	20	146	217
Other operating expenses	8	12	17	37
Other finance expenses (income)	(2)	(1)	(2)	(5)
Profit (loss) before income tax	45	9	131	185
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	223	327	368	918
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(61)	59	(104)	(106)

A. Including the remaining Property and Casualty Insurance subsegments, other than compulsory motor and property and casualty, and consists mainly of the result of the “businesses” insurance group (portfolio) for which the activity constitutes 54.8% of total revenues from insurance services in these subsegments.

B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of assets and liabilities by main portfolio groups as of June 30, 2026 (unaudited) (cont.)

	Compulsory motor insurance	Motor property	Other	Total
	NIS million			
Liabilities (assets), net for insurance contracts				
Liabilities (assets), net for remaining coverage (LRC) (c) (d)				
Liabilities (assets), net for remaining coverage, excluding loss component	233	395	578	1,206
Loss component (LC)	-	8	5	13
Total liabilities (assets), net for remaining coverage	233	403	583	1,219
Liabilities (assets), net for incurred claims (LIC) (d)				
Best estimates (BE) of the present value of future cash flows for contracts according to the PAA model	1,848	365	2,509	4,722
Risk adjustment (RA) for non-financial risk for contracts according to the PAA model	59	10	99	168
Total liabilities (assets), net for incurred claims	1,907	375	2,608	4,890
Balances of accounts payable and receivable, net ***)				(459)
Total liabilities (assets), net for insurance contracts **)				5,650
**) Of which: Total insurance contract assets				-
*****) Composition of balances of accounts receivable and payable, net**				
Premiums collectible				(519)
Payables for claims and insurance service expenses				41
Other				19
Total balances of receivables and payables, net				(459)
Liabilities (assets), net for reinsurance contracts	82	4	1,431	1,517
Balances of other receivables and payables and reinsurance deposits				(314)
Total liabilities (assets), net for reinsurance contracts				1,203
Additional information				
Gross data, for the six-month period ended June 30, 2026				
Gross premiums net of repayment of premiums (e)	302	633	743	1,678
Acquisition expenses for insurance contracts (f)	28	119	160	307

C. The liability for the remaining coverage arising from all the insurance subsegments in the P&C Segment are those to which the premium allocation approach (PAA) has been applied. For insurance contracts to which the premium allocation approach (PAA) has been applied, liability for the remaining coverage is in fact similar to the unexpired risks reserve (UPR) and is generally calculated on the basis of the premiums received net of insurance acquisition cash flows (unless they have been recognized as an immediate expense).

D. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

E. Premiums received based on billing dates.

F. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year (both for insurance contracts recognized in the financial statements and for future insurance contracts not yet recognized) and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of results by main portfolio groups for the six-month period ended June 30, 2025 (unaudited) (cont.)

	Compulsory motor insurance	Motor property	Other (a)	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	217	529	627	1,373
Expenses from insurance services *)	173	477	328	978
Income (loss) from insurance services before reinsurance contracts held	44	52	299	395
Reinsurance expenses	3	4	270	277
Reinsurance revenues	11	2	78	91
Revenues (expenses), net from reinsurance contracts held	8	(2)	(192)	(186)
Income (loss) from insurance services	52	50	107	209
Total investment income (losses), net	72	22	99	193
Finance expenses (revenues), net arising from insurance contracts	47	5	56	108
Finance income (expenses), net arising from reinsurance contracts	1	-	12	13
Income (loss) from investments and financing, net	26	17	55	98
Income (loss), net from insurance and investment	78	67	162	307
Other operating expenses	7	11	15	33
Other finance expenses (income) **)	(1)	-	(3)	(4)
Profit (loss) before income tax	72	56	150	278
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	220	330	325	875
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(45)	46	(141)	(140)

**) Reclassified

A. Including the remaining Property and Casualty Insurance subsegments, other than compulsory motor and property and casualty, and consists mainly of the result of the “businesses” insurance group (portfolio) for which the activity constitutes 57% of total revenues from insurance services in these subsegments.

B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of assets and liabilities by main portfolio groups as of June 30, 2025 (unaudited) (cont.)

	Compulsory motor insurance	Motor property	Other	Total
	NIS million			
Liabilities (assets), net for insurance contracts				
Liabilities (assets), net for remaining coverage (LRC) (c) (d)				
Liabilities (assets), net for remaining coverage, excluding loss component	205	405	512	1,122
Loss component (LC)	11	-	3	14
Total liabilities (assets), net for remaining coverage	216	405	515	1,136
Liabilities (assets), net for incurred claims (LIC) (d)				
Best estimates (BE) of the present value of future cash flows for contracts according to the PAA model	1,877	298	2,292	4,467
Risk adjustment (RA) for non-financial risk for contracts according to the PAA model	52	7	79	138
Total liabilities (assets), net for incurred claims	1,929	305	2,371	4,605
Balances of accounts payable and receivable, net ***)				(421)
Total liabilities (assets), net for insurance contracts **)				5,320
**) Of which: Total insurance contract assets				-
*****) Composition of balances of accounts receivable and payable, net**				
Premiums collectible				(447)
Payables for claims and insurance service expenses				26
Other				-
Total balances of receivables and payables, net				(421)
Liabilities (assets), net for reinsurance contracts	86	4	1,146	1,236
Balances of other receivables and payables and reinsurance deposits				(256)
Total liabilities (assets), net for reinsurance contracts				980
Additional information				
Gross data, for the six-month period ended June 30, 2025				
Gross premiums net of repayment of premiums (e)	266	618	641	1,525
Acquisition expenses for insurance contracts (f)	25	107	147	279

C. The liability for the remaining coverage arising from all the insurance subsegments in the P&C Segment are those to which the premium allocation approach (PAA) has been applied. For insurance contracts to which the premium allocation approach (PAA) has been applied, liability for the remaining coverage is in fact similar to the unexpired risks reserve (UPR) and is generally calculated on the basis of the premiums received net of insurance acquisition cash flows (unless they have been recognized as an immediate expense).

D. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

E. Premiums received based on billing dates.

F. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year (both for insurance contracts recognized in the financial statements and for future insurance contracts not yet recognized) and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of results by main portfolio groups for the three-month period ended June 30, 2026 (unaudited) (cont.)

	Compulsory motor insurance	Motor property	Other (a)	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	103	250	322	675
Expenses from insurance services *)	71	260	173	504
Income (loss) from insurance services before reinsurance contracts held	32	(10)	149	171
Reinsurance expenses	1	2	155	158
Reinsurance revenues	1	1	91	93
Revenues (expenses), net from reinsurance contracts held	-	(1)	(64)	(65)
Income (loss) from insurance services	32	(11)	85	106
Total investment income (losses), net	54	18	83	155
Finance expenses (revenues), net arising from insurance contracts	49	5	67	121
Finance income (expenses), net arising from reinsurance contracts	2	-	19	21
Income (loss) from investments and financing, net	7	13	35	55
Income (loss), net from insurance and investment	39	2	120	161
Other operating expenses	4	6	8	18
Other finance expenses (income)	(2)	(1)	(2)	(5)
Profit (loss) before income tax	37	(3)	114	148
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	79	173	129	381
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(14)	34	(32)	(12)
Gross data, for the three-month period ended June 30, 2026				
Gross premiums net of reimbursement of premiums (c)	103	241	354	698
Acquisition expenses for insurance contracts (d)	12	58	75	145

A. Including the remaining Property and Casualty Insurance subsegments, other than compulsory motor and property and casualty, and consists mainly of the result of the “businesses” insurance group (portfolio) for which the activity constitutes 54.5% of total revenues from insurance services in these subsegments.

B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

C. Premiums received based on billing dates.

D. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year (both for insurance contracts recognized in the financial statements and for future insurance contracts not yet recognized) and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of results by main portfolio groups for the three-month period ended June 30, 2025 (unaudited) (cont.)

	Compulsory motor insurance	Motor property	Other (a)	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	105	268	319	692
Expenses from insurance services *)	62	237	120	419
Income (loss) from insurance services before reinsurance contracts held	43	31	199	273
Reinsurance expenses	2	2	141	145
Reinsurance revenues	4	1	41	46
Revenues (expenses), net from reinsurance contracts held	2	(1)	(100)	(99)
Income (loss) from insurance services	45	30	99	174
Total investment income (losses), net	62	19	86	167
Finance expenses (revenues), net arising from insurance contracts	42	4	51	97
Finance income (expenses), net arising from reinsurance contracts	1	-	12	13
Income (loss) from investments and financing, net	21	15	47	83
Income (loss), net from insurance and investment	66	45	146	257
Other operating expenses	4	6	7	17
Other finance expenses (income) **)	(3)	(1)	(6)	(10)
Profit (loss) before income tax	65	40	145	250
***) Of which:**				
Claims and expenses of other insurance services incurred (b)	70	165	119	354
Changes relating to past service – adjustment for liabilities for incurred claims (b)	(7)	21	(75)	(61)
Gross data, for the three-month period ended June 30, 2025				
Gross premiums net of reimbursement of premiums (c)	79	227	286	592
Acquisition expenses for insurance contracts (d)	10	48	68	126

**) Reclassified

A. Including the remaining Property and Casualty Insurance subsegments, other than compulsory motor and property and casualty, and consists mainly of the result of the "businesses" insurance group (portfolio) for which the activity constitutes 57.4% of total revenues from insurance services in these subsegments.
B. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.
C. Premiums received based on billing dates.
D. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year (both for insurance contracts recognized in the financial statements and for future insurance contracts not yet recognized) and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of results by main portfolio groups for the year ended December 31, 2025 (audited) (cont.)

	Compulsory motor insurance	Motor property	Other (a)	Total
	NIS million			
Amounts recognized in profit or loss				
Revenues from insurance services	416	1,047	1,278	2,741
Expenses from insurance services *)	379	952	773	2,104
Income (loss) from insurance services before reinsurance contracts held	37	95	505	637
Reinsurance expenses	7	7	577	591
Reinsurance revenues	11	3	335	349
Revenues (expenses), net from reinsurance contracts held	4	(4)	(242)	(242)
Income (loss) from insurance services	41	91	263	395
Total investment income (losses), net	138	42	208	388
Finance expenses (revenues), net arising from insurance contracts	90	11	112	213
Finance income (expenses), net arising from reinsurance contracts	2	-	17	19
Income (loss) from investments and financing, net	50	31	113	194
Income (loss), net from insurance and investment	91	122	376	589
Other operating expenses	16	24	32	72
Other finance expenses (income)	(2)	(1)	(4)	(7)
Profit (loss) before income tax	77	99	348	524
Recognized in other comprehensive income (b)				
Total investment gains (losses), net	(2)	(2)	(9)	(13)
Comprehensive income (loss) before income tax	75	97	339	511
***) Of which:**				
Claims and expenses of other insurance services incurred (c)	380	711	784	1,875
Changes relating to past service – adjustment for liabilities for incurred claims (c)	(21)	36	(304)	(289)

A. Including the remaining Property and Casualty Insurance subsegments, other than compulsory motor and property and casualty, and consists mainly of the result of the “businesses” insurance group (portfolio) for which the activity constitutes 56.5% of total revenues from insurance services in these subsegments.
B. The total investment income (losses), net includes the line item revaluation of fixed assets, net and loss from remeasurement due to defined benefit plans.
C. Components included under expenses from insurance services - see Note 10 - Income (Loss) from Insurance Service and Reinsurance.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

D. Property and Casualty Insurance Segment - breakdown of assets and liabilities by main portfolio groups for the year ended December 31, 2025 (audited) (cont.)

	Compulsory motor insurance	Motor property	Other	Total
	NIS million			
Liabilities (assets), net for insurance contracts				
Liabilities (assets), net for remaining coverage (LRC) (d) (e)				
Liabilities (assets), net for remaining coverage, excluding loss component	152	283	491	926
Loss component (LC)	10	-	6	16
Total liabilities (assets), net for remaining coverage	162	283	497	942
Liabilities (assets), net for incurred claims (LIC) (e)				
Best estimates (BE) of the present value of future cash flows for contracts according to the PAA model	1,831	320	2,440	4,591
Risk adjustment (RA) for non-financial risk for contracts according to the PAA model	58	9	93	160
Total liabilities (assets), net for incurred claims	1,889	329	2,533	4,751
Balances of accounts payable and receivable, net ***)				(196)
Total liabilities (assets), net for insurance contracts **)				5,497
**) Of which: Total insurance contract assets				-
*****) Composition of balances of accounts receivable and payable, net**				
Premiums collectible				(349)
Payables for claims and insurance service expenses				22
Other				131
Total balances of receivables and payables, net				(196)
Liabilities (assets), net for reinsurance contracts	83	3	1,331	1,417
Balances of other receivables and payables and reinsurance deposits				(285)
Total liabilities (assets), net for reinsurance contracts				1,132
Additional information				
Gross data, as of December 31, 2025				
Gross premiums net of repayment of premiums (f)	410	996	1,264	2,670
Acquisition expenses for insurance contracts (g)	45	193	287	525

D. The liability for the remaining coverage arising from all the insurance subsegments in the P&C Segment are those to which the premium allocation approach (PAA) has been applied. For insurance contracts to which the premium allocation approach (PAA) has been applied, liability for the remaining coverage is in fact similar to the unexpired risks reserve (UPR) and is generally calculated on the basis of the premiums received net of insurance acquisition cash flows (unless they have been recognized as an immediate expense).

E. For the purpose of this disclosure, some of the components of the net liabilities for insurance contracts do not include balances of other receivables and payables arising from the difference between the billing or credit date and the actual date of receipt or payment.

F. Premiums received based on billing dates.

G. Acquisition expenses include expenses paid or expenses that the Company is required to pay in respect of insurance contracts issued in the reporting year (both for insurance contracts recognized in the financial statements and for future insurance contracts not yet recognized) and except for recurring commissions that have not been classified as insurance acquisition cash flows.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

E. Following is a summary of the effects of the revision of assumptions in the calculation of the liabilities for insurance contracts on the financial results and remaining CSM (retention):

Type of assumption or model	Effect on income *): Income (loss) from insurance services	Effect on income *): Income (loss) from investments and financing, net	Decrease (increase) in the remaining contractual service margin, net (CSM) *)	Effect on income *): Income (loss) from insurance services	Effect on income *): Income (loss) from investments and financing, net	Decrease (increase) in the remaining contractual service margin, net (CSM) *)	Description of the change
	For the three-month period Ended June 30, 2026 (Unaudited)			For the six-month period Ended June 30, 2026 (Unaudited)			
	In NIS million			In NIS million			
Withdrawal of funds, transfer of policies, and annuity takeup - “classic” executive insurance policies (participating and guaranteed return)	-	-	-	-	-	(179)	Revision of expected retirement dates and adjustment of annuity takeup rates resulted in a decrease in CSM.
Future entitlement to Hetz bonds	-	-	-	-	(14)	-	A combination of revision to retirement assumptions in classic policies, along with additional improvements, led to an expected decrease in future entitlement to Hetz bonds compared to the previous forecast, and consequently to a decrease in the fair value of the bonds and a loss from investments and financing.
Withdrawal of funds, transfer of policies, and annuity takeup - executive insurance policies from 2004	(161)	-	-	(161)	-	-	Revision of assumptions due to accumulated experience - an increase in expected withdrawal of funds including outward transfers, resulting in loss of future management fees.
Claim costs for LTC policies	-	-	203	-	-	203	Improvement of assumptions in respect of the expected duration of a claim in long-term care policies.
The embedded value of future management fees in participating executive insurance portfolio until 2004 (stochastic model)	-	-	637	-	-	637	Improvements were made to the stochastic model used by the Company to estimate the inherent value of future management fees in participating executive insurance policies with variable management fees.
Risk adjustment (RA) for non-financial risk	17	(5)	(187)	17	(5)	(187)	Regular revisions to the risk adjustment to reflect the changes in the Company's insurance and operational risk mix in the recent period. The effect on CSM is NIS 22 million in the life insurance segment and NIS (209) million in the health insurance segment.

*) The effect on income in the period includes the amounts recognized following changes to profit or loss, such as onerous contracts groups, or when the study affects the liability for incurred claims (LIC). The amounts also include the effect on reinsurance. When the effects of the study were carried to CSM, the current effect arising from the change in the current CSM reduction in the period as a result of the study is excluded from the effect on profit or loss in the above tables. The effects of the various studies also include an effect on the stochastic component.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

E. Following is a summary of the effects of the revision of assumptions in the calculation of the liabilities for insurance contracts on the financial results and remaining CSM (retention): (cont.)

	Effect on income *)			Effect on income *)			
Type of assumption or model	Income (loss) from insurance services	Income (loss) from investments and financing, net	Decrease (increase) in the remaining contractual service margin, net (CSM) *)	Income (loss) from insurance services	Income (loss) from investments and financing, net	Decrease (increase) in the remaining contractual service margin, net (CSM) *)	Description of the change
	For the three-month period Ended June 30, 2025 (Unaudited)			For the six-month period Ended June 30, 2025 (Unaudited)			
	In NIS million			In NIS million			
Study of demographic and operating assumptions in LTC policies	-	-	-	-	-	(239)	Revision of assumptions regarding pre- and post-claim mortality rates, morbidity, lapses, and future agent fees and commissions.

*) The effect on income in the period includes the amounts recognized following changes to profit or loss, such as onerous contracts groups, or when the study affects the liability for incurred claims (LIC). The amounts also include the effect on reinsurance. When the effects of the study were carried to CSM, the current effect arising from the change in the current CSM reduction in the period as a result of the study is excluded from the effect on profit or loss in the above tables. The effects of the various studies also include an effect on the stochastic component.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

E. Following is a summary of the effects of the revision of assumptions in the calculation of the liabilities for insurance contracts on the financial results and remaining CSM (retention): (cont.)

Type of assumption or model	Effect on income *): Income (loss) from insurance services	Effect on income *): Income (loss) from investments and financing, net	Decrease (increase) in the remaining contractual service margin, net (CSM) *)	Description of the change
	For the year ended As of December 31, 2025 (Audited)			
	In NIS million			
Withdrawal of funds, transfer of policies, and annuity takeup - "classic" executive insurance policies (participating and guaranteed return)	-	39	(385)	Revision of expected retirement dates and adjustment of annuity takeup rates resulted in a decrease in CSM in participating policies and an increase in CSM in guaranteed return policies. Furthermore, this assumption had a positive effect on the fair value of Hetz bonds, and therefore resulted in investment income and finance income.
Withdrawal of funds, transfer of policies, and annuity takeup - executive insurance policies from 2004	(160)	-	(435)	A combination of the revision of the assumptions regarding lapses with a revision of annuity takeup rates, resulted in a substantial decrease in the remaining CSM and a recognition of a loss component at the end of 2025.
The embedded value of future management fees in participating executive insurance portfolio until 2004 (stochastic model)	-	-	847	Improvements were made to the stochastic model used by the Company to estimate the inherent value of future management fees in participating executive insurance policies with variable management fees.
Lapses in risk policies	-	-	446	Following an improvement in actual lapse rates, assumptions regarding future lapse rates in death benefit policies without a savings component and in critical illness policies were revised.
Morbidity in health insurance policies (medical expenses and critical illness)	-	-	327	The Company revised assumptions regarding the probability of future claims (incidence) (severity). This resulted in an improvement in the loss ratio of surgery and critical illness coverages; on the other hand, this ratio has deteriorated significantly in medications coverages.
Study of demographic and operating assumptions in LTC policies	-	-	(239)	Revision of assumptions regarding pre- and post-claim mortality rates, morbidity, lapses, and future agent fees and commissions.

*) The effect on income in the period includes the amounts recognized following changes to profit or loss, such as onerous contracts groups, or when the study affects the liability for incurred claims (LIC). The amounts also include the effect on reinsurance. When the effects of the study were carried to CSM, the current effect arising from the change in the current CSM reduction in the period as a result of the study is excluded from the effect on profit or loss in the above tables. The effects of the various studies also include an effect on the stochastic component.

NOTE 6 - ADDITIONAL INFORMATION REGARDING THE COMPANY'S ACTIVITIES BY MAIN PORTFOLIO GROUPS (cont.)

E. Following is a summary of the effects of the revision of assumptions in the calculation of the liabilities for insurance contracts on the financial results and remaining CSM (retention): (cont.)

In addition to the changes in assumptions indicated in the above tables, it should be emphasized that there have been changes in assessments as a result of actual changes in the insurance portfolio, inter alia as a result of an increase in the lapse rate in executive insurance policies, and changes in other assumptions and models. In addition, the CSM is also affected by the time value of money and in some portfolios - by changes in financial assumptions as well.

Total effect of all modifications of demographic and operational assumptions and population changes, including the effects of population updates on the CSM, net of reinsurance, for the six months ended June 30, 2026 is an increase of NIS 290 million in the Life Insurance Segment and an increase of NIS 21 million in the Health Insurance Segment. This effect does not include the effect of financial variables on the CSM or income, the ongoing release of profit or loss in the period, and the effect of the sale of new business. The effects of the time value (accrual of interest) and other financial variables on the CSM in the life insurance segment amounted to an increase of approx. NIS 1.709 million and in the health insurance segment - amounted to an increase of approx. NIS 125 million million.

Total effect of all modifications of demographic and operational assumptions and population changes, including the effects of population updates on the CSM, net of reinsurance, for the three months ended June 30, 2026 is an increase of NIS 519 million in the Life Insurance Segment and an increase of NIS 46 million in the Health Insurance Segment. This effect does not include the effect of financial variables on the CSM or income, the ongoing release of profit or loss in the period, and the effect of the sale of new business. The effects of the time value (accrual of interest) and other financial variables on the CSM in the life insurance segment amounted to an increase of approx. NIS 273 million and in the health insurance segment - amounted to an increase of approx. NIS 62 million million.

It is also noted that as from the end of 2025, the Company has a loss component in an executive insurance policy of 2004. The total effect of all changes on the loss component in the portfolio of executive insurance policies of 2004 totaled to an additional loss (increase in the existing loss component) of approx. NIS 88 million during the first six months of 2026, of which a profit (decrease in the existing loss component) of approx. NIS 23 million in the quarter ended June 30, 2026.

Total effect of all modifications of demographic and operational assumptions and population changes, including the effects of population updates on the CSM, net of reinsurance, for the six months ended June 30, 2025 is a decrease of NIS 313 million in the Life Insurance Segment and a decrease of NIS 284 million in the Health Insurance Segment. This effect does not include the effect of financial variables on the CSM or income, the ongoing release of profit or loss in the period, and the effect of the sale of new business. The effects of the time value (accrual of interest) and other financial variables on the CSM in the life insurance segment amounted to an increase of approx. NIS 678 million and in the health insurance segment - amounted to an increase of approx. NIS 118 million million.

Total effect of all modifications of demographic and operational assumptions and population changes, including the effects of population updates on the CSM, net of reinsurance, for the three months ended June 30, 2025 is an increase of NIS 67 million in the Life Insurance Segment and a decrease of NIS 315 million in the Health Insurance Segment. This effect does not include the effect of financial variables on the CSM or income, the ongoing release of profit or loss in the period, and the effect of the sale of new business. The effects of the time value (accrual of interest) and other financial variables on the CSM in the life insurance segment amounted to an increase of approx. NIS 475 million and in the health insurance segment - amounted to an increase of approx. NIS 59 million million.

Total effect of all modifications of demographic and operational assumptions and population changes, including the effects of population updates on the CSM, net of reinsurance, for the year ended December 31, 2025 is a decrease of NIS 531 million in the Life Insurance Segment and an increase of NIS 296 million in the Health Insurance Segment. This effect does not include the effect of financial variables on the CSM or income, the ongoing release of profit or loss in the period, and the effect of the sale of new business. The effects of the time value (accrual of interest) and other financial variables on the CSM in the life insurance segment amounted to an increase of approx. NIS 1,797 million and in the health insurance segment - amounted to an increase of approx. NIS 230 million million.

NOTE 7 - CAPITAL MANAGEMENT AND REQUIREMENTS OF THE GROUP COMPANIES

A. It is Migdal Insurance's policy to maintain a strong capital base in order to secure its liabilities to policyholders, 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.

C. The regulatory capital regime applicable to Migdal Insurance

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**").

Risk-based solvency ratio

A risk-based solvency ratio is calculated as the ratio between the economic shareholders' equity of the insurance company and the solvency capital requirement.
The economic own funds is determined as the sum of the economic balance sheet (see below) and debt instruments that include loss absorption mechanisms (Additional Tier 1 capital instrument and a Tier 2 capital instrument).
Economic balance sheet items are calculated based on economic value, with insurance liabilities calculated on the basis of a best estimate of all expected future cash flows from existing businesses, without conservatism margins, and plus a risk margin.
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**").

Disclosure and Reporting Provisions in connection with Economic Solvency Ratio Report

In accordance with the Solvency Circular, the Economic Solvency Ratio Report in respect of the December 31 and June 30 data of each year shall be included in the first periodic report published after the calculation date.
On July 2, 2025, the Commissioner published a circular entitled Revision to the Provisions of the Consolidated Circular - Report to the Public and Reporting to the Commissioner of the Capital Market - Date of Reporting the Economic Solvency Ratio Report and the Solvency Reporting File, which revised the disclosure structure of the Economic Solvency Ratio Report with respect to certain disclosure tables, in order to adjust them to the financial statements revised in accordance with IFRS 17. The format revision came into effect as from the Economic Solvency Ratio Report as of June 30, 2025.

During the reporting period, Migdal Insurance completed - through Migdal Capital Raising - the issuance for the first time of an additional Tier 1 capital instrument. In accordance with the Company's undertaking under the Deed of Trust of this instrument, as from the date of the abovementioned issuance, Migdal Insurance publishes within its Report of the Board of Directors following the calculation dates, an estimated economic solvency ratio as of March 31 and September 30.
In addition, on June 7, 2026, the Commissioner published a draft circular according to which, as from the Economic Solvency Ratio Report as of December 31, 2026, entities will be allowed to publish economic solvency ratio reports up to one month subsequent to the publication date of the periodic financial report.

NOTE 7 - CAPITAL MANAGEMENT AND REQUIREMENTS OF THE GROUP COMPANIES (cont.)

D. Solvency ratio and Migdal Insurance's capital policy

1. In accordance with the Solvency Ratio Report as of December 31, 2025, approved on May 19, 2026, Migdal Insurance has excess capital, taking or not taking into account the Transitional Provisions in the Transitional Period.

The Company's said calculation was reviewed by the Company's independent auditors, in accordance with International Standard on Assurance Engagements (ISAE 3400) - The Examination of Prospective Financial Information. This standard is relevant to audits of solvency calculations and does not constitute part of the auditing standards that apply to financial statements.

It should be emphasized that the projections and assumptions on the basis of which the Economic Solvency Ratio Report as of December 31, 2025, 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. Restrictions on dividend distribution and 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.

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.

On January 29, 2025, Migdal Insurance's Board assessed Migdal Insurance's capital policy and set a minimum capital requirement for dividend distribution (hereinafter, jointly - the "**Capital Policy**"), as detailed below:

(1) Migdal Insurance will strive to operate under an economic solvency ratio of 150% to 170%, and the minimum economic solvency ratio target (taking into account the Provisions for the Transitional Period) will be 115%, which will gradually increase to 135% at the end of the Transitional Period, i.e., the end of 2032.

(2) The minimum capital requirement for dividend distribution will be an economic solvency ratio of 115% without taking into account the Provisions for the Transitional Period.

The Capital Policy as stated in Sections (1) and (2) above was determined against the backdrop of assessing sensitivity tests to the risk factors relevant to Migdal Insurance, including the volatility inherent therein and their effect on the solvency ratio.

It is clarified that Migdal Insurance's Board may review the Capital Policy from time to time and decide on a revision thereof, taking into account, among other things, changes to the risk factors and their effect on Migdal Insurance, the development of Migdal Insurance's economic solvency ratio and the legal and regulatory provisions applicable to it. In accordance with the Economic Solvency Ratio Report as of December 31, 2025, Migdal Insurance complies with the minimum capital target set by Migdal Insurance's Board.

NOTE 7 - CAPITAL MANAGEMENT AND REQUIREMENTS OF THE GROUP COMPANIES (cont.)

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 said capital requirements.

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. Issuances during the reporting period and thereafter

Issuance of Bonds (Series S)

On April 16, 2026, Migdal Insurance Capital Raising Ltd. (hereinafter - "**Migdal Capital Raising**"), a Migdal Insurance subsidiary, approx. NIS 531 million in Bonds (Series S) of NIS 1 par value each, which were issued in accordance with Migdal Capital Raising's shelf offering report dated April 15, 2026, and in accordance with Migdal Capital Raising's shelf prospectus dated July 10, 2025 (hereinafter, jointly - the "**Bonds**").

The bonds issued are non-linked and bear annual interest of 4.92%. The interest in respect of the Bonds (Series S) is paid twice a year, on June 30th of each calendar year between 2027 and 2076 and December 31 of each calendar year between 2026 and 2075. The principal of the bonds will be repaid in a single installment, which will be paid on June 30, 2076 for Series S, 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 first early redemption date of the Bonds will be June 30, 2037 for and on the terms specified in the Deed of Trust.

The terms of the Bonds stipulate that upon the occurrence of suspending circumstances detailed in the Deed of Trust, interest and/or principal payments for the additional Tier 1 capital instrument in Migdal Insurance may be cancelled or deferred; furthermore, upon the occurrence of certain circumstances Migdal Capital Raising has the option to effect a full or partial write-down of the principal of the Subordinated Notes, as detailed in the Deed of Trust.

Issuance proceeds totaling approx. NIS 525 million were deposited and recorded in the financial statements of Migdal Insurance, and were recognized - in accordance with the Commissioner approval - as Additional Tier 1 capital in Migdal Insurance, subject to the restrictions set in the Solvency Circular regarding this matter.

On April 15, 2026 the Midroog rating agency assigned an A2.il rating with a positive outlook to the Subordinated Notes (Series S) recognized as Additional Tier 1 capital instruments.

Deferred issuance expenses in respect of the Bonds (Series S) totaled approx. NIS 6 million; the effective interest rate in respect of Series S is approx. 5.1%.

On June 22, 2026, Migdal Insurance and Migdal Capital Raising received a rating report from S&P Global Ratings Maalot Ltd. (hereinafter - the "**Report**"). According to the Report, a long-term issuer rating of ilAA+ was assigned to the companies with a stable outlook. In addition, the Company's Subordinated Notes (Series G to R) were rated ilAA-, and the Subordinated Notes (Series S) were rated ilA+.

NOTE 8 - FINANCIAL INVESTMENTS AND DERIVATIVE INSTRUMENTS

A. Financial investments held against yield-dependent contracts - breakdown of financial investments by asset type

	Financial investments measured at fair value through profit or loss		
	As of June 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS million		
Debt instruments			
Illiquid debt instruments			
Illiquid corporate bonds	**946**	1,095	1,029
Loans (including investees)	**11,741**	13,553	12,420
Other illiquid debt instruments	**1,060**	969	993
Total illiquid debt instruments	**13,747**	15,617	14,442
Liquid debt instruments			
Government bonds	**16,215**	14,039	15,555
Liquid corporate bonds	**14,055**	11,570	13,466
Total liquid debt instruments	**30,270**	25,609	29,021
Total debt instruments	**44,017**	41,226	43,463
Equity instruments			
Illiquid shares	**5,314**	5,083	4,925
Liquid shares	**35,870**	27,972	32,499
Total equity instruments	**41,184**	33,055	37,424
Other investments			
Other investments *)	**48,065**	48,928	49,025
Derivative instruments **)	**2,985**	3,785	1,734
Total other investments	**51,050**	52,713	50,759
Total financial investments	**136,251**	126,994	131,646
Held-for-trading financial liabilities **)	**636**	995	253

*) Other investments mainly include investments in ETNs, participation certificates in mutual funds, investment funds, and structured products.

**) Mainly comprise futures and options.

NOTE 8 - FINANCIAL INVESTMENTS AND DERIVATIVE INSTRUMENTS (CONT.)

B. Other financial investments (not in respect of yield-dependent contracts)

Breakdown of financial investments by asset type

	Financial investments measured at fair value through profit or loss		
	As of June 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS million		
Debt instruments			
Illiquid debt instruments			
Deposits with banks and financial institutions	**773**	323	799
Designated bonds	**34,270**	34,723	34,228
Illiquid corporate bonds	**171**	151	139
Loans (including investees)	**3,196**	2,455	2,943
Total illiquid debt instruments	**38,410**	37,652	38,109
Liquid debt instruments			
Government bonds	**12,142**	10,665	11,942
Liquid corporate bonds	**7,702**	6,121	6,328
Total liquid debt instruments	**19,844**	16,786	18,270
Total debt instruments	**58,254**	54,438	56,379
Equity instruments			
Illiquid shares	**345**	278	302
Liquid shares	**281**	88	136
Total equity instruments	**626**	366	438
Other investments			
Other investments *)	**8,431**	7,197	7,824
Derivative instruments **)	**753**	671	592
Total other investments	**9,184**	7,868	8,416
Total financial investments	**68,064**	62,672	65,233
Held-for-trading financial liabilities			
Liabilities for derivatives**)	**125**	151	51
Liabilities for short sales	**944**	240	657
Total held-for-trading financial liabilities	**1,069**	391	708

*) Other investments mainly include investments in ETNs, participation certificates in mutual funds, investment funds, and structured products.

**) Derivative instruments mainly comprise futures and options.

NOTE 9 - LOANS AND CREDIT

Composition of the carrying value of loans and credit

	As of June 30		As of December 31
	2026	2025	2025
	Unaudited		Audited
	NIS million		
Loans and credit presented at amortized cost			
Loans from banking corporations	**27**	-	-
Repo liability	**1,234**	1,827	1,677
Subordinated notes *) **)	**6,969**	5,843	6,442
Lease liabilities	**113**	134	120
Total loans and credit presented at amortized cost	**8,343**	7,804	8,239
Total financial liabilities	**8,343**	7,804	8,239

*) The amounts of financial liabilities are presented net of the interest payable. The interest payable is recognized in the accounts payable line item.

**) The bonds are recognized as Additional Tier 1 capital and Tier 2 capital, subject to restrictions on the maximum rate of these capital components, as stated in the Commissioner's Directive regarding the composition of insurance companies' equity. For details regarding the issuance for the first time of additional Tier 1 capital, see Note 7 above.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE

	Comments	For the six-month period ended June 30, 2026 (unaudited)			
		Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		NIS million			
Revenues from insurance services					
Contracts to which the premium allocation approach (PAA) was not applied:					
Amounts relating to changes in liability for remaining coverage (LRC)					
Contractual service margin (CSM) amount recognized in profit or loss for services provided	A	292	277	-	569
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	38	30	-	68
Claims and other expected insurance service expenses incurred	C	1,492	664	-	2,156
Experience adjustments arising from premiums received	D	(2)	10	-	8
Allocation of the portion of the premiums relating to the recovery of insurance acquisition cash flows.	F	31	21	-	52
Total contracts to which the Premium Allocation Approach (PAA) was not applied		1,851	1,002	-	2,853
Contracts to which the premium allocation approach (PAA) was applied	D	-	157	1,355	1,512
Total revenues from insurance services		1,851	1,159	1,355	4,365
Expenses from insurance services					
Claims and expenses of other insurance services incurred	E	1,534	(* 851	918	3,303
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)		(45)	(*(37)	(106)	(188)
Losses (reversal of losses) for groups of onerous insurance contracts	E	102	1	(2)	101
Amortization of insurance acquisition cash flows	F	31	38	263	332
Total expenses from insurance services		1,622	853	1,073	3,548
Income from insurance services before reinsurance contracts held **)		229	306	282	817

*) These items also include portfolios measured in accordance with the PAA model.

**) Furthermore, there are changes arising from a deduction in respect of amounts deposited with the Company as part of a defined benefit plan for the Group's employees.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		For the six-month period ended June 30, 2026 (unaudited)			
		NIS million			
Revenues (expenses), net for reinsurance contracts held	**G**				
Reinsurance expenses:					
Contracts to which the premium allocation approach (PAA) was not applied					
Amounts relating to changes in assets for remaining coverage (ARC)					
Contractual service margin (CSM) amount recognized in profit or loss for services received	**A, H**	17	30	-	47
Change in risk adjustment (RA) for non-financial risk resulting from past risks	**B**	1	2	-	3
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	**I**	14	28	-	42
Experience adjustments arising from premiums paid		(11)	(92)	-	(103)
Total contracts to which the Premium Allocation Approach (PAA) was not applied	**I**	21	(32)	-	(11)
Contracts to which the premium allocation approach (PAA) was applied	**J**	-	-	308	308
Total expenses (revenues) from reinsurance		21	(32)	308	297
Reinsurance revenues					
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred		6	17	194	217
Changes relating to past service - adjustment for assets for incurred claims		42	(76)	(14)	(48)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts		(1)	-	-	(1)
Total reinsurance revenues (expenses)		47	(59)	180	168
Total revenues (expenses) for reinsurance contracts held		26	(27)	(128)	(129)
Income from insurance services		255	279	154	688

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	For the six-month period ended June 30, 2025 (unaudited)			
		Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		NIS million			
Revenues from insurance services					
Contracts to which the premium allocation approach (PAA) was not applied:					
Amounts relating to changes in liability for remaining coverage (LRC)					
Contractual service margin (CSM) amount recognized in profit or loss for services provided	A	230	248	-	478
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	35	26	-	61
Claims and other expected insurance service expenses incurred	C	1,397	619	-	2,016
Experience adjustments arising from premiums received	D	(2)	11	-	9
Allocation of the portion of the premiums relating to the recovery of insurance acquisition cash flows.	F	18	11	-	29
Total contracts to which the Premium Allocation Approach (PAA) was not applied		1,678	915	-	2,593
Contracts to which the premium allocation approach (PAA) was applied	D	-	142	1,373	1,515
Total revenues from insurance services		1,678	1,057	1,373	4,108
Expenses from insurance services					
Claims and expenses of other insurance services incurred	E	1,434	(* 876	875	3,185
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)		(68)	(*(148)	(140)	(356)
Losses (reversal of losses) for groups of onerous insurance contracts	E	-	(11)	(23)	(34)
Amortization of insurance acquisition cash flows	F	18	19	266	303
Total expenses from insurance services		1,384	736	978	3,098
Income from insurance services before reinsurance contracts held **)		294	321	395	1,010

*) These items also include portfolios measured in accordance with the PAA model.

**)Furthermore, there are changes arising from a deduction in respect of amounts deposited with the Company as part of a defined benefit plan for the Group's employees.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	For the six-month period ended June 30, 2025 (unaudited)			
		Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		NIS million			
Revenues (expenses), net for reinsurance contracts held	G				
Reinsurance expenses:					
Contracts to which the premium allocation approach (PAA) was not applied					
Amounts relating to changes in assets for remaining coverage (ARC)					
Contractual service margin (CSM) amount recognized in profit or loss for services received	A, H	12	26	-	38
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	1	2	-	3
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	I	4	29	-	33
Experience adjustments arising from premiums paid		17	21	-	38
Total contracts to which the Premium Allocation Approach (PAA) was not applied	I	34	78	-	112
Contracts to which the premium allocation approach (PAA) was applied	J	-	-	277	277
Total expenses (revenues) from reinsurance		34	78	277	389
Reinsurance revenues					
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred		2	7	116	125
Changes relating to past service - adjustment for assets for incurred claims		29	46	(28)	47
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts		-	-	3	3
Total reinsurance revenues (expenses)		31	53	91	175
Total revenues (expenses) for reinsurance contracts held		(3)	(25)	(186)	(214)
Income from insurance services		291	296	209	796

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

		For the three-month period ended June 30, 2026 (unaudited)			
	Comments	**Life Insurance**	**Health Insurance**	**Property and Casualty Insurance**	**Total**
		NIS million			
Revenues from insurance services					
Contracts to which the premium allocation approach (PAA) was not applied:					
Amounts relating to changes in liability for remaining coverage (LRC)					
Contractual service margin (CSM) amount recognized in profit or loss for services provided	A	153	138	-	291
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	20	15	-	35
Claims and other expected insurance service expenses incurred	C	747	334	-	1,081
Experience adjustments arising from premiums received	D	4	6	-	10
Allocation of the portion of the premiums relating to the recovery of insurance acquisition cash flows.	F	16	11	-	27
Total contracts to which the Premium Allocation Approach (PAA) was not applied		940	504	-	1,444
Contracts to which the premium allocation approach (PAA) was applied	D	-	79	675	754
Total revenues from insurance services		940	583	675	2,198
Expenses from insurance services					
Claims and expenses of other insurance services incurred	E	781	420	381	1,582
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)		(32)	(26)	(12)	(70)
Losses (reversal of losses) for groups of onerous insurance contracts	E	(22)	-	2	(20)
Amortization of insurance acquisition cash flows	F	16	21	133	170
Total expenses from insurance services		743	415	504	1,662
Income from insurance services before reinsurance contracts held **)		197	168	171	536

*) These items also include portfolios measured in accordance with the PAA model.

**) Furthermore, there are changes arising from a deduction in respect of amounts deposited with the Company as part of a defined benefit plan for the Group's employees.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		For the three-month period ended June 30, 2026 (unaudited)			
		NIS million			
Revenues (expenses), net for reinsurance contracts held	G				
Reinsurance expenses:					
Contracts to which the premium allocation approach (PAA) was not applied					
Amounts relating to changes in assets for remaining coverage (ARC)					
Contractual service margin (CSM) amount recognized in profit or loss for services received	A, H	6	11	-	17
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	-	1	-	1
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	I	6	8	-	14
Experience adjustments arising from premiums paid		(22)	(35)	-	(57)
Total contracts to which the Premium Allocation Approach (PAA) was not applied	I	(10)	(15)	-	(25)
Contracts to which the premium allocation approach (PAA) was applied	J	-	-	158	158
Total expenses (revenues) from reinsurance		(10)	(15)	158	133
Reinsurance revenues					
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred		5	10	56	71
Changes relating to past service - adjustment for assets for incurred claims		(11)	(33)	35	(9)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts		(1)	-	2	1
Total reinsurance revenues (expenses)		(7)	(23)	93	63
Total revenues (expenses) for reinsurance contracts held		3	(8)	(65)	(70)
Income from insurance services		200	160	106	466

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	For the three-month period ended June 30, 2025 (unaudited)			
		Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		NIS million			
Revenues from insurance services					
Contracts to which the premium allocation approach (PAA) was not applied:					
Amounts relating to changes in liability for remaining coverage (LRC)					
Contractual service margin (CSM) amount recognized in profit or loss for services provided	A	120	120	-	240
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	18	13	-	31
Claims and other expected insurance service expenses incurred	C	700	309	-	1,009
Experience adjustments arising from premiums received	D	2	7	-	9
Allocation of the portion of the premiums relating to the recovery of insurance acquisition cash flows.	F	10	6	-	16
Total contracts to which the Premium Allocation Approach (PAA) was not applied		850	455	-	1,305
Contracts to which the premium allocation approach (PAA) was applied	D	-	72	692	764
Total revenues from insurance services		850	527	692	2,069
Expenses from insurance services					
Claims and expenses of other insurance services incurred	E	680	(*) 408	354	1,442
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)		(25)	(*) (56)	(61)	(142)
Losses (reversal of losses) for groups of onerous insurance contracts	E	-	(5)	(9)	(14)
Amortization of insurance acquisition cash flows	F	10	11	135	156
Total expenses from insurance services		665	358	419	1,442
Income from insurance services before reinsurance contracts held **)		185	169	273	627

*) These items also include portfolios measured in accordance with the PAA model.

**) Furthermore, there are changes arising from a deduction in respect of amounts deposited with the Company as part of a defined benefit plan for the Group's employees.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	For the three-month period ended June 30, 2025 (unaudited)			
		Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		NIS million			
Revenues (expenses), net for reinsurance contracts held	G				
Reinsurance expenses:					
Contracts to which the premium allocation approach (PAA) was not applied					
Amounts relating to changes in assets for remaining coverage (ARC)					
Contractual service margin (CSM) amount recognized in profit or loss for services received	A, H	5	14	-	19
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	-	1	-	1
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	I	(4)	15	-	11
Experience adjustments arising from premiums paid		12	9	-	21
Total contracts to which the Premium Allocation Approach (PAA) was not applied	I	13	39	-	52
Contracts to which the premium allocation approach (PAA) was applied	J	-	-	145	145
Total expenses (revenues) from reinsurance		13	39	145	197
Reinsurance revenues					
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred		(14)	18	34	38
Changes relating to past service - adjustment for assets for incurred claims		17	(3)	9	23
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts		-	-	3	3
Total reinsurance revenues (expenses)		3	15	46	64
Total revenues (expenses) for reinsurance contracts held		(10)	(24)	(99)	(133)
Income from insurance services		175	145	174	494

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		For the year ended December 31, 2025 (audited)			
		NIS million			
Revenues from insurance services					
Contracts to which the premium allocation approach (PAA) was not applied:					
Amounts relating to changes in liability for remaining coverage (LRC)					
Contractual service margin (CSM) amount recognized in profit or loss for services provided	A	494	507	-	1,001
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	69	56	-	125
Claims and other expected insurance service expenses incurred	C	2,863	1,278	-	4,141
Experience adjustments arising from premiums received	D	(7)	18	-	11
Allocation of the portion of the premiums relating to the recovery of insurance acquisition cash flows.	F	43	26	-	69
Total contracts to which the Premium Allocation Approach (PAA) was not applied		3,462	1,885	-	5,347
Contracts to which the premium allocation approach (PAA) was applied	D	-	307	2,741	3,048
Total revenues from insurance services		3,462	2,192	2,741	8,395
Expenses from insurance services					
Claims and expenses of other insurance services incurred	E	2,930	(* 1,693	1,875	6,498
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)		(100)	(*(146)	(289)	(535)
Losses (reversal of losses) for groups of onerous insurance contracts	E	160	(18)	(22)	120
Amortization of insurance acquisition cash flows	F	43	49	540	632
Total expenses from insurance services		3,033	1,578	2,104	6,715
Income from insurance services before reinsurance contracts held **)		429	614	637	1,680

*) These items also include portfolios measured in accordance with the PAA model.

**)Furthermore, there are changes arising from a deduction in respect of amounts deposited with the Company as part of a defined benefit plan for the Group's employees.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

	Comments	Life Insurance	Health Insurance	Property and Casualty Insurance	Total
		For the year ended December 31, 2025 (audited)			
		NIS million			
Revenues (expenses), net for reinsurance contracts held	G				
Reinsurance expenses:					
Contracts to which the premium allocation approach (PAA) was not applied					
Amounts relating to changes in assets for remaining coverage (ARC)					
Contractual service margin (CSM) amount recognized in profit or loss for services received	A, H	29	50	-	79
Change in risk adjustment (RA) for non-financial risk resulting from past risks	B	2	4	-	6
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	I	15	60	-	75
Experience adjustments arising from premiums paid		23	35	-	58
Total contracts to which the Premium Allocation Approach (PAA) was not applied	I	69	149	-	218
Contracts to which the premium allocation approach (PAA) was applied	J	-	-	591	591
Total expenses (revenues) from reinsurance		69	149	591	809
Reinsurance revenues					
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred		48	81	380	509
Changes relating to past service - adjustment for assets for incurred claims		27	25	(34)	18
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts		-	-	3	3
Total reinsurance revenues (expenses)		75	106	349	530
Total revenues (expenses) for reinsurance contracts held		6	(43)	(242)	(279)
Income from insurance services		435	571	395	1,401

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

Comments

A. The contractual service margin is recognized in profit or loss over each group of contracts' coverage period based on the coverage units provided during the period, in order to reflect the insurance contract services provided during the period. Insurance contract services consist of insurance coverage, investment-return service (for insurance contracts without direct participation features), or investment-related services (for insurance contracts with direct participation features).

B. Changes in risk adjustment reflect the amounts attributed to risks that have elapsed during the period, net of the amounts allocated to the loss component of the liability for the remaining coverage.

C. Claims and other insurance services expenses include the costs of the claims themselves, direct and indirect claim settlement costs, and the remaining current costs that meet the definition of cash flows directly related to contract fulfillment.

D. Other amounts, as applicable, such as experience adjustments arising from premiums received, are immediately recognized in profit or loss as revenues from insurance services, other than such premiums relating to a future service.

For contracts measured in accordance with the PAA model, experience adjustments arising from premiums received, other than such premiums relating to a future service, constitute part of the expected premium receipts, and therefore will be allocated to each coverage period in the same manner as the expected premium receipts (on the basis of the passage of time or the expected timing of incurred insurance services expenses).

E. Losses arising from onerous contracts are immediately recognized in profit or loss. For contracts that are not measured according to the PAA model, losses recognized in previous periods are reversed according to the allocation basis specified in the standard, and are recognized under the "Claims and expenses of other insurance services incurred" item against insurance revenues under these items: "Claims and expected expenses of other insurance services incurred" and "Change in risk adjustment for non-financial risk (RA) arising from elapsed risks" (reversal of the consequential inflationary gross-up effect of revenues and expenses).

For contracts measured according to the PAA model, the change in the loss component is recognized under the item "Losses (reversal of losses) for groups of onerous insurance contracts."

F. Insurance acquisition cash flows are systematically allocated on the basis of the passage of time (on a straight-line basis, which reflects the passage of time and is determined systematically) over a group of contracts' applicable coverage period, and are recognized as an expense from insurance services, except for contracts measured according to the PAA model, in which the coverage period of each contract in the group of contracts does not exceed one year, and for which the Company has elected to recognize insurance acquisition cash flows as expenses immediately.

For contracts not measured according to the PAA model, revenues from insurance services will be recognized in the same amount.

G. Net revenues (expenses) in respect of reinsurance contracts held are recognized similarly to income from insurance services in respect of issued insurance contracts, with the required adjustments, such as interest on reinsurer deposits.

H. The total contractual service margin (CSM) recognized due to receipt of services during the period also includes the net cost arising from the purchase of reinsurance coverage relating to events that occurred prior to the purchase of a group of reinsurance contracts held. The net cost in respect of such retroactive coverage is immediately recognized in profit or loss.

I. Recoveries of expenses in respect of expected insurance services incurred during the period consist of recoveries of claims and other expenses that the Company expects to receive from its reinsurers upon the occurrence of insurance events incurred during the period, less the amounts that the Company expects to receive from the reinsurer that depend on claims pursuant to the underlying contracts, as part of the claims for which indemnification is expected, according to the reinsurance contract held.

NOTE 10 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE (cont.)

Comments (cont.)

J. For contracts measured according to the PAA model, reinsurance expenses are the expected premium amounts to be paid in exchange for services during the period, net of amounts that the Company expects to receive from the reinsurer that do not depend on claims pursuant to the underlying contracts (e.g., certain ceding commissions).

NOTE 11 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET

	For the six-month period ended June 30, 2026 (unaudited)				
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Other	Total
			NIS million		
Investment income, net					
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	9,545	249	-	-	9,794
Other investment income (losses), net	1,105	147	172	417	1,841
Share in income of equity-accounted subsidiaries closely related to the investing activity**)	-	-	-	-	-
Total other income (losses) from other investments, net recognized in the statement of income	1,105	147	172	417	1,841
Total investment income (losses), net recognized in the statement of income	10,650	396	172	417	11,635
Finance expenses (income), net arising from insurance contracts					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts *)	8,414	-	-	-	8,414
Interest accrued	541	179	53	-	773
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	652	164	67	-	883
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(12)	1	-	-	(11)
Total finance expenses (income), net arising from insurance contracts	9,595	344	120	-	10,059
Finance income (expenses), net arising from reinsurance contracts					
Interest accrued	3	4	12	-	19
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	12	(11)	(1)	-	-
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(1)	7	-	-	6
Total finance income (expenses), net arising from reinsurance contracts	14	-	11	-	25
Increase (decrease) in liabilities in respect of investment contracts due to the yield component	757	-	-	-	757
Total income (loss) from investments and financing, net	312	52	63	417	844

*) Of which, the effect of the risk mitigation option in respect of VFA contracts is approx. NIS 36 million; it is noted that during the first half of 2026, the Company modified its risk management policy with respect to the participating portfolio, and reduced the amount of assets used to mitigate the financial risk.

**) Less than NIS 1 million.

NOTE 11 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET (cont.)

	For the six-month period ended June 30, 2025 (unaudited)				
	Life Insurance and Long-Term Savings	**Health Insurance**	**Property and Casualty Insurance**	**Other**	**Total**
	NIS million				
Investment income, net					
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	9,173	249	-	-	9,422
Other investment income (losses), net **)	1,522	266	193	467	2,448
Share in income (losses) of equity-accounted subsidiaries closely related to the investing activity	1	-	-	-	1
Total other income (losses) from other investments, net recognized in the statement of income	1,523	266	193	467	2,449
Total investment income (losses), net recognized in the statement of income	10,696	515	193	467	11,871
Finance expenses (income), net arising from insurance contracts					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts *)	8,552	-	-	-	8,552
Interest accrued	491	167	48	-	706
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,192	229	60	-	1,481
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(8)	(10)	-	-	(18)
Total finance expenses (income), net arising from insurance contracts	10,227	386	108	-	10,721
Finance income (expenses), net arising from reinsurance contracts					
Interest accrued	(1)	4	10	-	13
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	(7)	(27)	3	-	(31)
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(1)	(12)	-	-	(13)
Total finance income (expenses), net arising from reinsurance contracts	(9)	(35)	13	-	(31)
Increase (decrease) in liabilities in respect of investment contracts due to the yield component	451	-	-	-	451
Total income (loss) from investments and financing, net	9	94	98	467	668

*) Of which, the effect of the risk mitigation option in respect of VFA contracts is approx. NIS 190 million.

**) Reclassified.

NOTE 11 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET (cont.)

	For the three-month period ended June 30, 2026 (unaudited)				
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Other	Total
	NIS million				
Investment income, net					
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	8,578	217	-	-	8,795
Other investment income (losses), net	1,880	141	155	464	2,640
Share in income (losses) of equity-accounted subsidiaries closely related to the investing activity**)	-	-	-	-	-
Total other income (losses) from other investments, net recognized in the statement of income	1,880	141	155	464	2,640
Total investment income (losses), net recognized in the statement of income	10,458	358	155	464	11,435
Finance expenses (income), net arising from insurance contracts					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts *)	7,483	-	-	-	7,483
Interest accrued	267	89	26	-	382
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,882	312	95	-	2,289
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(1)	-	-	-	(1)
Total finance expenses (income), net arising from insurance contracts	9,631	401	121	-	10,153
Finance income (expenses), net arising from reinsurance contracts					
Interest accrued	-	2	6	-	8
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	7	(49)	15	-	(27)
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	1	-	-	-	1
Total finance income (expenses), net arising from reinsurance contracts	8	(47)	21	-	(18)
Increase (decrease) in liabilities in respect of investment contracts due to the yield component	762	-	-	-	762
Total income (loss) from investments and financing, net	73	(90)	55	464	502

*) Of which, the effect of the risk mitigation option in respect of VFA contracts is approx. NIS 30 million.

**) Less than NIS 1 million.

NOTE 11 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET (cont.)

	For the three-month period ended June 30, 2025 (unaudited)				
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Other	Total
	NIS million				
Investment income, net					
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	8,851	237	-	-	9,088
Other investment income (losses), net **)	1,918	252	167	472	2,809
Share in income (losses) of equity-accounted subsidiaries closely related to the investing activity	1	-	-	-	1
Total other income (losses) from other investments, net recognized in the statement of income	1,919	252	167	472	2,810
Total investment income (losses), net recognized in the statement of income	10,770	489	167	472	11,898
Finance expenses (income), net arising from insurance contracts					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts *)	8,194	-	-	-	8,194
Interest accrued	260	85	26	-	371
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,939	360	71	-	2,370
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(8)	(13)	-	-	(21)
Total finance expenses (income), net arising from insurance contracts	10,385	432	97	-	10,914
Finance income (expenses), net arising from reinsurance contracts					
Interest accrued	(1)	2	6	-	7
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	(9)	(53)	7	-	(55)
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(1)	(12)	-	-	(13)
Total finance income (expenses), net arising from reinsurance contracts	(11)	(63)	13	-	(61)
Increase (decrease) in liabilities in respect of investment contracts due to the yield component	469	-	-	-	469
Total income (loss) from investments and financing, net	(95)	(6)	83	472	454

*) Of which, the effect of the risk mitigation option in respect of VFA contracts is approx. NIS 178 million.
**) Reclassified.

NOTE 11 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET (cont.)

	For the year ended December 31, 2025 (audited)				
	Life Insurance and Long-Term Savings	Health Insurance	Property and Casualty Insurance	Other	Total
	NIS million				
Investment income, net					
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts	20,580	551	-	-	21,131
Other investment income (losses), net	2,659	493	388	987	4,527
Share in income (losses) of equity-accounted subsidiaries closely related to the investing activity	2	-	-	-	2
Total other income (losses) from other investments, net recognized in the statement of income	2,661	493	388	987	4,529
Total investment income (losses), net recognized in the statement of income	23,241	1,044	388	987	25,660
Finance expenses (income), net arising from insurance contracts					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts *)	18,894	-	-	-	18,894
Interest accrued	1,036	337	100	-	1,473
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,767	305	113	-	2,185
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(4)	(10)	-	-	(14)
Total finance expenses (income), net arising from insurance contracts	21,693	632	213	-	22,538
Finance income (expenses), net arising from reinsurance contracts					
Interest accrued	1	7	19	-	27
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	(12)	(18)	-	-	(30)
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF carried to CSM	(1)	(10)	-	-	(11)
Total finance income (expenses), net arising from reinsurance contracts	(12)	(21)	19	-	(14)
Increase (decrease) in liabilities in respect of investment contracts due to the yield component	1,260	-	-	-	1,260
Total income (loss) from investments and financing, net	276	391	194	987	1,848

*) Of which, the effect of the risk mitigation option in respect of VFA contracts is approx. NIS 376 million.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The different fair value 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 from the market, 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 to transfers from Level 2 to Level 3 - see below.

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 valuation techniques. Such techniques include using transactions which 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.

Illiquid debt assets (excluding designated bonds)

The fair value of illiquid debt assets, which are measured at fair value through profit and loss, 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.

On March 2, 2025, the Capital Markets, Insurance and Savings Authority announced that it had chosen Ness Fair Value Ltd. as the supplier for revaluation of the illiquid debt assets of the institutional entities, in lieu of Fair Spread Ltd., which has served as the revaluation supplier since 2011. The revaluation for the end of 2025 is based on the fair value set by Fair Spread Ltd. As of January 2026, the revaluations are based on the fair value set by Ness Fair Value Ltd. In essence, the revaluation methodology of Ness Fair Value Ltd. takes into account, in the predetermined order of priority, the scope of the existing data on the issuer, in order to select the individual revaluation model. Thus, and depending on the scope of the data observed, data such as the debt instrument issuer's share price; the margins on the issuer's liquid bonds; the issuer's accounting balance sheet details or the credit rating of the issued instrument, are taken into account in order to determine the current bid-ask spread, depending on the relevant revaluation group.

As of the reporting period, the fair value of illiquid debt assets in other countries is calculated by an expert using a model based on the present value obtained from capitalizing the expected cash flows from them, based on corporate bond yields, as measured in trading arenas in other countries.

The Company assessed the types of financial instruments calculated by Ness Fair Value Ltd. in order to classify them to fair value levels (see Table A.1 and Table B.1 below).

The key significant non-observable inputs are presented in the table in Section A.3. For financial instruments held against yield-dependent contracts and in Table B.3. For other financial instruments not held against yield-dependent contracts.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

Designated bonds

Designated Hetz bonds (hereinafter – “**Hetz Bonds**") are illiquid and non-transferable bonds, which are issued (and repaid) by virtue of a series of agreements signed between the insurance companies and the State of Israel, and allocated at a certain rate of the insurance liabilities for insurance contracts, which include a guaranteed return savings component for the policyholder.

The Company calculates the fair value in accordance with the indirect approach, according to which the fair value calculation is based on the amortized cost of Hetz Bonds plus the excess value arising from the difference between the nominal interest on Hetz Bonds and the risk-free interest rate curve plus the illiquidity premium used in the financial statements. This calculation is similar to the method of calculation used in Solvency II-based economic solvency regime. The estimated cash flows of Hetz Bonds are based on expected cash flows in respect of insurance liabilities and therefore include assumptions regarding non-observable inputs, such as lapse rate, annuity takeup rate, retirement age, etc.

Investment in illiquid shares

The fair value of shares for which no quoted market price is available has been assessed primarily using the net asset value valuation method and the discounted cash flow model. The valuation, which is made using the discounted cash flows model, requires the Company to make certain assumptions regarding non-observable inputs included in the model. The key significant non-observable inputs are presented in the table in Section A.3. For financial instruments held against yield-dependent contracts and in Table B.3. For other financial instruments not held against yield-dependent contracts.

Investment funds

The fair value of investment funds is based on the net asset value (NAV) usually reported by the funds each quarter; when the financial reporting date differs from the balance sheet date, as is the case with most investment funds, adjustments are made for subsequent investments and distributions.

Derivatives

The Company enters into transactions involving derivative financial instruments with financial institutions. The derivatives were valued using valuation models with observable market inputs are mainly interest rate swap contracts and foreign currency forwards.

The valuation techniques include forwards prices and SWAP models that use present value calculations. The models combine multiple figures, the current exchange rate (spot), forwards rates, and interest rate curves.

The options’ value was assessed using the B&S model, which assesses the stock’s volatility, since it is not traded on an active market.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts

1. Fair value of financial instruments by level

The following table presents an analysis of the financial assets (liabilities) held against insurance contracts and yield-dependent investment contracts measured at fair value through profit or loss.

	As of June 30, 2026 (unaudited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments	**-**	**-**	**13,747**	**13,747**
Liquid debt instruments	**26,650**	**3,620**	**-**	**30,270**
Equity instruments	**35,870**	**-**	**5,314**	**41,184**
Other investments	**23,324**	**2,903**	**24,823**	**51,050**
Total financial assets	**85,844**	**6,523**	**43,884**	**136,251**
Financial liabilities				
Derivative instruments	**137**	**499**	**-**	**636**
Total financial liabilities	**137**	**499**	**-**	**636**

	As of June 30, 2025 (unaudited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments	-	10,815	4,802	15,617
Liquid debt instruments	21,605	4,004	-	25,609
Equity instruments	27,972	-	5,083	33,055
Other investments	23,165	4,022	25,526	52,713
Total financial assets	72,742	18,841	35,411	126,994
Financial liabilities				
Derivative instruments	27	968	-	995
Total financial liabilities	27	968	-	995

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

1. Fair value of financial instruments by level (cont.)

	As of December 31, 2025 (audited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments	-	11,055	3,387	14,442
Liquid debt instruments	25,358	3,663	-	29,021
Equity instruments	32,499	-	4,925	37,424
Other investments	23,073	3,005	24,681	50,759
Total financial assets	80,930	17,723	32,993	131,646
Financial liabilities				
Derivative instruments	47	206	-	253
Total financial liabilities	47	206	-	253

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3

	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
	NIS million			
Balance as of January 1, 2026	3,387	4,925	24,681	32,993
Total realized gains (losses)				
In profit or loss *)	253	104	(900)	(543)
Proceeds from interest and dividend	(274)	(15)	(643)	(932)
Investments	1,738	468	598	2,804
Realized	(400)	(72)	(19)	(491)
Redemptions	(1,473)	-	(136)	(1,609)
Transfers to Level 3	(** 10,516	-	(** 1,242	11,758
Transfers to Level 3	-	(***(96)	-	(96)
Balance as of June 30, 2026	13,747	5,314	24,823	43,884

*) Recognized under investment gains, net from assets held against insurance contracts and yield-dependent investment contracts.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2026	333	128	(700)	(239)

**) As stated above, as from January 2026, the revaluation of illiquid debt assets is carried out by a new revaluation vendor. The discount interest rate used to calculate fair value, in particular the bond spread which embodies the credit risk premium and illiquidity premium, constitutes a significant unobservable figure, and therefore the fair value of illiquid debt assets was transferred from Level 2 to Level 3.

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

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
	NIS million			
Balance as of January 1, 2025	5,528	4,991	26,725	37,244
Total income (losses) recognized				
In profit or loss *)	(65)	(159)	(175)	(399)
Proceeds from interest and dividend	(136)	(8)	(870)	(1,014)
Investments	143	393	754	1,290
Realized	(179)	(134)	(778)	(1,091)
Redemptions	(489)	-	-	(489)
Transfers to Level 3	-	-	(**(130)	(130)
Balance as of June 30, 2025	4,802	5,083	25,526	35,411

*) Recognized under investment gains, net from assets held against insurance contracts and yield-dependent investment contracts.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2025	(63)	(125)	(177)	(365)

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

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
	NIS million			
Balance as of April 1, 2026	13,543	5,063	25,956	44,562
Total income (losses) recognized				
In profit or loss *)	282	85	(967)	(600)
Proceeds from interest and dividend	(140)	(11)	(335)	(486)
Investments	1,207	284	234	1,725
Realized	(302)	(11)	(19)	(332)
Redemptions	(843)	-	(46)	(889)
Transfers to Level 3	-	(**(96)	-	(96)
Balance as of June 30, 2026	13,747	5,314	24,823	43,884

*) Recognized under investment gains, net from assets held against insurance contracts and yield-dependent investment contracts.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2026	361	108	(767)	(298)

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

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
	NIS million			
Balance as of April 1, 2025	5,208	5,242	27,451	37,901
Total income (losses) recognized				
In profit or loss *)	(219)	(304)	(1,402)	(1,925)
Proceeds from interest and dividend	(67)	(8)	(446)	(521)
Investments	59	287	352	698
Realized	(68)	(134)	(429)	(631)
Redemptions	(111)	-	-	(111)
Balance as of June 30, 2025	4,802	5,083	25,526	35,411

*) Recognized under investment gains, net from assets held against insurance contracts and yield-dependent investment contracts.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2025	(219)	(271)	(1,404)	(1,894)

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Audited			
	NIS million			
Balance as of January 1, 2025	5,528	4,991	26,725	37,244
Total income (losses) recognized				
In profit or loss *)	(162)	(46)	(654)	(862)
Proceeds from interest and dividend	(238)	(33)	(1,827)	(2,098)
Investments	280	572	5,643	6,495
Realized	(504)	(295)	(4,998)	(5,797)
Redemptions	(1,517)	-	-	(1,517)
Transfers to Level 3	-	(**(264)	(**(208)	(472)
Balance as of December 31, 2025	3,387	4,925	24,681	32,993

*) Recognized under "investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts".

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of December 31, 2025:	(97)	11	(649)	(735)

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

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

A. Financial instruments held against yield-dependent contracts (cont.)

3. Substantial non-observable data used in Level 3 fair value measurements

			June 30, 2026			December 31, 2025			
Financial instruments at fair value measured through profit or loss	**Valuation techniques**	**Key significant non-observable inputs**	**Fair value (in NIS million)**	**Range**	**Weighted average (in %)**	**Fair value (in NIS million)**	**Range**	**Weighted average (in %)**	**Sensitivity of fair value to change in inputs**
Illiquid debt instruments	Discounted cash flows	Discount rate	(* **13,747**	**9.8 - 1.3**	**4.5**	3,387	11.3 - 2.2	4.7	A significant increase in the discount rate will lead to a significant decrease in fair value
Equity instruments	Discounted cash flows	Discount rate	**1,160**	**23.9 - 6.5**	**10.2**	1,511	23.9 - 6.5	9.6	A significant increase in the discount rate will lead to a significant decrease in fair value
Equity instruments	Comparison with peer companies in the market	Market multipliers	**745**	**14.0 - 3.5**	**7.4**	187	7.4 - 3.5	5.8	A significant increase in market multiples will lead to a significant increase in fair value
Other investments	Discounted cash flows	Discount rate	(* **1,331**	**8.6 - 2.0**	**5.0**	-	- -	-	A significant increase in the discount rate will lead to a significant decrease in fair value

*) As stated above, as from January 2026, the revaluation of illiquid debt assets is carried out by a new revaluation vendor. The discount interest rate used to calculate fair value, in particular the bond spread which embodies the credit risk premium and illiquidity premium, constitutes a significant unobservable figure, and therefore the fair value of illiquid debt assets was transferred from Level 2 to Level 3.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts

1. Fair value of financial instruments by level

The following table presents an analysis of the financial instruments measured at fair value.

	As of June 30, 2026 (unaudited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments, excluding designated bonds	**-**	**615**	**3,525**	**4,140**
Designated bonds	**-**	**-**	**34,270**	**34,270**
Liquid debt instruments	**17,883**	**1,961**	**-**	**19,844**
Equity instruments	**281**	**-**	**345**	**626**
Other investments	**3,014**	**790**	**5,380**	**9,184**
Total financial assets	**21,178**	**3,366**	**43,520**	**68,064**
Financial liabilities				
Derivative instruments	**61**	**64**	**-**	**125**
Short sales	**944**	**-**	**-**	**944**
Total financial liabilities	**1,005**	**64**	**-**	**1,069**

	As of June 30, 2025 (unaudited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments, excluding designated bonds	-	2,073	856	2,929
Designated bonds	-	-	34,723	34,723
Liquid debt instruments	15,798	988	-	16,786
Equity instruments	88	-	278	366
Other investments	2,155	999	4,714	7,868
Total financial assets	18,041	4,060	40,571	62,672
Financial liabilities				
Derivative instruments	4	147	-	151
Short sales	240	-	-	240
Total financial liabilities	244	147	-	391

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

1. Fair value of financial instruments by level (cont.)

	As of December 31, 2025 (audited)			
	Level 1	Level 2	Level 3	Total
	NIS million			
Financial assets				
Illiquid debt instruments, excluding designated bonds	-	2,956	925	3,881
Designated bonds	-	-	34,228	34,228
Liquid debt instruments	16,815	1,455	-	18,270
Equity instruments	136	-	302	438
Other investments	2,468	1,282	4,666	8,416
Total financial assets	19,419	5,693	40,121	65,233
Financial liabilities				
Derivative instruments	5	46	-	51
Short sales	657	-	-	657
Total financial liabilities	662	46	-	708

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3

	Financial assets				
	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total financial assets
			Unaudited		
			NIS million		
Balance as of January 1, 2026	925	34,228	302	4,666	40,121
Total income (losses) recognized					
In profit or loss *)	96	745	42	(377)	506
Proceeds from interest and dividend	(87)	(700)	-	(20)	(807)
Investments	936	983	1	620	2,540
Realized	(4)	(33)	-	(75)	(112)
Redemptions	(645)	(953)	-	(67)	(1,665)
Transfers to Level 3	(** 2,304	-	-	(** 633	2,937
Balance as of June 30, 2026	3,525	34,270	345	5,380	43,520

*) Recognized in the ‘Investment income (losses), net’ line item.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2026	96	772	42	(375)	535

**) As stated above, as from January 2026, the revaluation of illiquid debt assets is carried out by a new revaluation vendor. The discount interest rate used to calculate fair value, in particular the bond spread which embodies the credit risk premium and illiquidity premium, constitutes a significant unobservable figure, and therefore the fair value of illiquid debt assets was transferred from Level 2 to Level 3.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets				
	Illiquid debt instruments, excluding designated bonds	**Designated bonds**	**Equity instruments**	**Other investments**	**Total financial assets**
			Unaudited		
			NIS million		
Balance as of January 1, 2025	712	33,679	240	4,633	39,264
Total income (losses) recognized					
In profit or loss *)	11	1,222	(8)	(6)	1,219
Proceeds from interest and dividend	(21)	(638)	-	(161)	(820)
Investments	194	809	46	394	1,443
Realized	-	-	-	(146)	(146)
Redemptions	(40)	(349)	-	-	(389)
Balance as of June 30, 2025	856	34,723	278	4,714	40,571

*) Recognized in the 'Investment income (losses), net' line item.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2025	11	1,222	(8)	(6)	1,219

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets				
	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total financial assets
	Unaudited				
	NIS million				
Balance as of April 1, 2026	3,384	33,431	326	5,451	42,592
Total income (losses) recognized					
In profit or loss *)	90	1,542	34	(382)	1,284
Proceeds from interest and dividend	(34)	(822)	-	90	(766)
Investments	403	983	(15)	317	1,688
Realized	(2)	89	-	(69)	18
Redemptions	(316)	(953)	-	(27)	(1,296)
Balance as of June 30, 2026	3,525	34,270	345	5,380	43,520

*) Recognized in the ‘Investment income (losses), net’ line item.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2026	91	1,569	34	(380)	1,314

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets				
	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total financial assets
	Unaudited				
	NIS million				
Balance as of April 1, 2025	814	34,057	249	4,940	40,060
Total income (losses) recognized					
In profit or loss *)	(12)	1,644	(14)	(228)	1,390
Proceeds from interest and dividend	(10)	(638)	-	(92)	(740)
Investments	80	9	43	148	280
Realized	-	-	-	(54)	(54)
Redemptions	(16)	(349)	-	-	(365)
Balance as of June 30, 2025	856	34,723	278	4,714	40,571

*) Recognized in the ‘Investment income (losses), net’ line item.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of June 30, 2025	(12)	1,644	(14)	(228)	1,390

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

2. Financial instruments measured at fair value - Level 3 (cont.)

	Financial assets				
	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total financial assets
	Audited				
	NIS million				
Balance as of January 1, 2025	712	33,679	240	4,633	39,264
Total income (losses) recognized					
In profit or loss *)	27	1,957	(1)	(100)	1,883
Proceeds from interest and dividend	(47)	(1,260)	-	(332)	(1,639)
Investments	392	1,551	63	818	2,824
Realized	-	-	-	(353)	(353)
Redemptions	(159)	(1,699)	-	-	(1,858)
Balance as of December 31, 2025	925	34,228	302	4,666	40,121

*) Recognized in the ‘Investment income (losses), net’ line item.

Total gains (losses) for the period included in profit or loss for assets and liabilities held as of December 31, 2025:	22	1,957	(1)	(100)	1,878

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

B. Other financial instruments not held against yield-dependent contracts (cont.)

3. Substantial non-observable data used in Level 3 fair value measurements

			June 30, 2026			December 31, 2025			
Financial instruments at fair value measured through profit or loss	**Valuation techniques**	**Key significant non-observable inputs**	**Fair value (in NIS million)**	**Range**	**Weighted average (in %)**	**Fair value (in NIS million)**	**Range**	**Weighted average (in %)**	**Sensitivity of fair value to change in inputs**
Designated bonds	Discounted expected cash flows using an indirect approach according to total liabilities	Real annual spot interest	**34,270**	**1.8 - 2.7**	**2.1**	34,228	2.8 - 2.0	2.2	A significant increase in the discount rate will lead to a significant decrease in fair value
Illiquid debt instruments (excluding designated bonds)	Discounted cash flows	Discount rate	(* **3,525**	**9.8 - 1.3**	**4.7**	925	8.1 - 2.2	5.1	A significant increase in the discount rate will lead to a significant decrease in fair value
Equity instruments	Discounted cash flows	Discount rate	**123**	**23.9 - 6.5**	**10.1**	193	23.9 - 6.5	9.4	A significant increase in the discount rate will lead to a significant decrease in fair value
Equity instruments	Comparison with peer companies in the market	Market multipliers	**106**	**8.0 - 3.5**	**7.7**	7	7.4 - 3.5	3.9	A significant increase in market multiples will lead to a significant increase in fair value
Other investments	Discounted cash flows	Discount rate	(* **800**	**8.6 - 3.2**	**5.3**	-	- -	-	A significant increase in the discount rate will lead to a significant decrease in fair value

*) As stated above, as from January 2026, the revaluation of illiquid debt assets is carried out by a new revaluation vendor. The discount interest rate used to calculate fair value, in particular the bond spread which embodies the credit risk premium and illiquidity premium, constitutes a significant unobservable figure, and therefore the fair value of illiquid debt assets was transferred from Level 2 to Level 3.

NOTE 12 - FAIR VALUE OF FINANCIAL INSTRUMENTS (cont.)

C. Financial instruments measured at fair value for disclosure purposes only

The balance of items cash and cash equivalents, trade receivables, receivables and debit balances, and payables and credit balances in the financial statements matches or approximates their fair value.

The following table presents the carrying value and the fair value of the other financial instruments not measured at fair value *).

	As of June 30, 2026		As of June 30, 2025		As of December 31, 2025	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
	Unaudited				Audited	
	In NIS million					
Financial liabilities						
Loans from banking corporations	**27**	**27**	-	-	-	-
Repo liability	**1,234**	**1,209**	1,827	1,775	1,677	1,598
Subordinated notes	**6,969**	**6,570**	5,843	5,920	6,442	6,654
Total financial liabilities	**8,230**	**7,806**	7,670	7,695	8,119	8,252

*) Excluding lease liabilities.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS

1. Contingent liabilities

A. Legal and other proceedings - general

Sections (b) to (f) (inclusive) (included herein by way of reference) 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 submitted during the Reporting Period until the Report publication date, including lawsuits that have been certified as class actions (hereinafter - “**class actions**”); 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 Migdal Insurance and/or its consolidated companies.

In recent years, a substantial increase has been observed in Class Proceedings brought against Migdal Insurance and/or Migdal Insurance’s 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 Migdal Insurance’s and/or the consolidated companies’ potential exposure to losses in the event that a class action against Migdal Insurance 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 it 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 management'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 Migdal Insurance 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 Migdal Insurance 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 Migdal Insurance 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.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

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 Migdal Insurance 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 Migdal Insurance 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 Sections 23 and 31 to the Consolidated Annual Financial Statements for 2025 and are detailed in Sections 2-7 in the table below, whose chances cannot be estimated – no provision is made in the financial statements.

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 Migdal Insurance and/or its consolidated companies or in respect of the amount Migdal Insurance 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

Breakdown of the motions to certify lawsuits as class actions and pending certified class actions against Migdal Insurance and/or its consolidated companies, presented in chronological order according to the day they were brought; see Note 1.31.B.1 to note 1.31.B.34 to the Annual Consolidated Financial Statements for 2025.

Following are details regarding the developments in class proceedings, which were presented in the Consolidated Annual Financial Statements for 2025, and class proceedings filed during the reporting period and through its publication date:

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

No.	Date and court[1]	Parties	Main arguments, causes and remedies[2]	Class[3]	Details	Claimed amount[4]
1	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.	The proceeding is in the stage of the motion to certify being reviewed. In July 2026, a settlement agreement was filed to the court for approval, which includes a cash refund to the relevant policyholders and payment of compensation and legal fees of immaterial amounts.	The total claimed damage amount for the class members was estimated by the movant at more than NIS 2.5 million.
2	4/2026 District Court - Central	An LTC policyholder v. Migdal Insurance	The motion to certify concerns an allegation that Migdal Insurance has incorporated in its website a pixel code of the social media network TikTok, which "tracks" and collects private data regarding all actions and steps taken by the website's users and transmits the information to TikTok Pte Ltd. (hereinafter - "**TikTok**"), allegedly without informing users and without obtaining their informed consent.	Every Israeli resident whose private data was transferred by the Respondent to TikTok.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.

[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 in which they were enacted.
[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 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

No.	Date and court[1]	Parties	Main arguments, causes and remedies[2]	Class[3]	Details	Claimed amount[4]
3	4/2026 Regional Labor Court - Jerusalem	An advanced education fund planholder v. Migdal Makefet	The motion to certify concerns the allegation that Migdal Makefet infringes on the rights of beneficiaries and uncontactable individuals holding dormant accounts (hereinafter - the "**beneficiaries and uncontactable individuals**"), by, among other things, unilaterally increasing the management fees without the beneficiaries and uncontactable individuals being aware of the adverse change to the terms, and by refraining from taking all the necessary actions to locate the dormant accounts holders, and to inform them of the existence of the account.	All planholders, specifically holders of the dormant accounts (all beneficiaries and/or the legal heirs of deceased planholders and all planholders with whom contact has been lost) - who were not duly notified regarding the account and/or assets held by the Respondent and their status - and changes and increases to management fees applied to the account. The above include the holders of dormant accounts, from whom excess management fees were collected in breach of the locating regulations and the management fee cap.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.
4	5/2026 Regional Labor Court - Tel Aviv	Planholder's heir in a pension fund v. Migdal Makefet	The motion to certify concerns the allegation that Migdal Makefet does not fulfill its obligations to take proactive steps to locate planholders with whom contact has been lost and to inform them of their rights; the motion also raises further claims in this regard, including regarding the Respondent's mechanism for informing such planholders and the response to questions raised on the matter.	Migdal Makefet planholders with whom contact has been lost, or their estates or survivors, who are entitled to an annuity from the Respondent, but whom the Respondent failed to take the required steps efforts to locate.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

No.	Date and court[1]	Parties	Main arguments, causes and remedies[2]	Class[3]	Details	Claimed amount[4]
5	6/2026 Labor Court - Haifa	Planholder in a pension fund v. Migdal Insurance	The motion to certify concerns the allegation that the Respondent misleads its planholders with regard to the rate of the cost of insurance premiums (hereinafter - the "**insurance premium rate**"), by presenting the insurance premium rate as a percentage of the employer's total contributions (which also include the severance pay component) rather than out of the amount of the contributions for retirement benefits only. It was further claimed that due to the above calculation method, in certain cases the Respondent charges its planholders insurance premiums at a rate exceeding 35% of the employer's contributions towards the retirement benefits component, allegedly in contravention of statutory provisions.	Every planholder of the Respondent in provident funds or insurance funds as defined in the Financial Services Supervision Law (Provident Funds), 2005 (hereinafter - the "**Supervision Law**"), whom the Respondent misled by presenting the insurance premium rate as a percentage of the total policy contributions rather than as a percentage of the contributions towards retirement benefits only, and every planholder from whom the Respondent collected insurance premium exceeding 35% of the contributions towards retirement benefits.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was estimated at NIS 2,500,001.
6	7/2026 Nazareth District Court	A life insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that the Respondent does not add to the insurance benefits paid to policyholders and the injured parties linkage differences and fully linked interest, as required under Section 28 to the Insurance Contract Law.	Anyone who received compensation from the Respondent over the past seven years, without an addition to the compensation principal of interest and linkage on the interest in accordance with the provisions of Section 28(A) to the Insurance Contract Law.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was not estimated by the movant.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

No.	Date and court[1]	Parties	Main arguments, causes and remedies[2]	Class[3]	Details	Claimed amount[4]
7	7/2026 Labor Court - Haifa	A life insurance policyholder v. Migdal Insurance	The motion to certify concerns the allegation that in cases where the employer transfers to the Respondent a separate payment for permanent health insurance, the Respondent misrepresents to its policyholders that the insurance premium rate out of the retirement benefits component is lower than that actually charged. It was further claimed that in those cases the Respondent collects from its policyholders insurance premiums at a rate exceeding 35% of the contributions towards retirement benefits.	Anyone who was insured by the Respondent in provident funds or insurance funds as defined in the Financial Services Supervision Law (Provident Funds), 2005 (hereinafter - the "**Supervision Law**"), whom the Respondent misled by presenting a misrepresentation whereby the insurance premium rate as a percentage of the total policy contributions collected therefrom is lower than the actual rate, and anyone from whom the Respondent collected insurance premium exceeding 35% of the contributions towards retirement benefits.	The proceeding is in the stage of the motion to certify being reviewed.	The total claimed damage amount for the class members was estimated at NIS 2,500,001.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

Following are details regarding class actions concluded during the reporting period:

No.	Date and court	Parties	Main points of claim	Amount	Details
1	6/2024 District Court - Tel Aviv	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 total damage amount for the class members was assessed at more than NIS 2.5 million.	In January 2026, a motion to strike out the lawsuit was filed. In February 2026, a judgment was rendered in which the court ordered to strike out the claim without an order for expenses.
2	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 total damage amount for the class members was estimated at approx. NIS 24 million.	A settlement agreement was submitted to the Tel Aviv District Court for approval in April 2023. Following the Attorney General’s positions on the settlement agreement, in March 2026, the parties submitted an amended settlement agreement that stipulated, among other things, a cash refund to the relevant policyholders, as well as an immaterial award compensation~ and legal fees payment. In May 2026, a judgment was rendered confirming the settlement agreement.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

Following are details regarding class actions concluded during the reporting period: (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
3	4/2011 District Court - Central	A life insurance policyholder v. Migdal Insurance and additional insurance companies	Collecting funds in respect of a "policy factor," without contractual consent and 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 2,300 million. Attributable to Migdal Insurance - approx. NIS 827 Million.	In November 2016, the motion to certify a class action regarding the charged policy factor was partially granted, starting seven years before the lawsuit filing date, 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. 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 further agreed that future policy factor charges would be reduced by 50%. In July 2023, Migdal Insurance and the class representative contacted a legal expert (hereinafter - the "**Deciding Entity**"), regarding two specific policies of Migdal Insurance. In August 2023, the Deciding Entity made a decision, the consequences of which were as follows: (1) In one type of policy restitution of 23.1% will be carried out and future collection will be reduced by 27.5%; (2) in a second type of policy restitution of 36.4% will be carried out and future collection will be reduced by 43.3%. In August 2023, a settlement agreement was submitted to the District Court for approval. In August 2024, the settlement agreement was given the force of a judgment. In May 2026, the Central District Court in Lod handed down a ruling regarding the manner and date of implementation of the settlement agreement. The Company is working on implementing the settlement agreement.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

Following are details regarding class actions concluded during the reporting period: (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
4	9/2024 District Court - Central	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.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.	In June 2026, a judgment was rendered, denying the motion to certify. Legal costs of immaterial amount were awarded to Migdal Insurance.
5	5/2024 District Court - Tel Aviv	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 *Behatsda'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.	The total claimed damage amount for the class members was assessed at more than NIS 2.5 million.	In October 2025, a settlement agreement was submitted to the court for approval, which includes the payment of an immaterial amount to the Class Action Management Fund, and payment of immaterial amounts in compensation and legal fees. In June 2026, a judgment was rendered confirming the settlement agreement.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

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

Following are details regarding class actions concluded during the reporting period: (cont.)

No.	Date and court	Parties	Main points of claim	Amount	Details
6	7/2024 District Court - Tel Aviv	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.	The total claimed damage amount for the class members was assessed at more than NIS 50 million.	In June 2026, a judgment was rendered, denying the motion to certify, and legal costs of immaterial amount were awarded to Migdal Insurance.
7	11/2024 District Court - Tel Aviv	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**").	The total claimed damage amount for the class members was assessed NIS 5 million.	In July 2026, a consensual motion for withdrawal of the motion was filed to the Tel Aviv District Court, which includes future regulation and payment of compensation and legal fees of immaterial amounts. In July 2026, the court handed down a judgment confirming the withdrawal motion.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (cont.)

D. Legal and other proceedings

During the reporting period, no material legal proceedings or lawsuits were instigated or filed (as applicable) against the Company and/or its consolidated companies.

Regarding the proceeding referred to in Section 31.1.D. to the Consolidated Annual Financial Statements for 2025 - Further to the provisions of that section, in July 2026, the Supreme Court rendered a judgment in an appeal filed against the judgment handed down by the District Court, according to which all the proceedings associated with this claim were concluded, without either party being charged with payment of any amounts to the other party.

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, as of the report publication date. It is hereby clarified that the claimed amount 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.

   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.

Type	No. of lawsuits	Amount claimed in NIS million [1]
	Unaudited	
Certified class actions	**6**	**995**
Stated amount attributed to the Group	**3**	**995**
No claim amount was specified.	**3**	**-**
Pending motions to certify claims as class actions	**28**	**2,732**
A specific amount was attributed to the Company	**8**	**2,643**
The claim pertains to several companies and no specific amount was attributed to the Group	**2**	**89**
No claim amount was specified.	**18**	**-**

[1] All amounts are stated in NIS million and as approximations, as of the motions' or the lawsuits' filing date, as applicable.

2) The total provision amount in respect of class actions, legal proceedings and others filed against the consolidated companies as detailed above as of June 30, 2026 and December 31, 2025, amounted to approx. NIS 657 million and approx. NIS 592 million, respectively. (Including provision for closed lawsuits).

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (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

Following are additional legal proceedings and other proceedings which are and/or were pending against the Company and/or its consolidated companies are described below:

1) For details regarding additional legal proceedings and other proceedings conducted against the Company and/or its consolidated companies, see Note 1.31.F.1, 1.31.F.2, 1.31.F.8, 1.31.F.9 and 1.31.F.10 to the Consolidated Annual Financial Statements for 2025.

2) For details regarding proceedings conducted pursuant to Sections 198 and 198A to the Companies Law, 1999, due to the conduct of the Company's controlling shareholder, and the controlling shareholder's request to make an interim payment for his legal defense expenses with respect to the Second Motion to Certify (as defined in Note 1.31.F.5 to the Consolidated Annual Financial Statements for 2025, see Notes 1.31.F.4 and 1.31.F.5 to the aforementioned financial statements. In addition, further to Note 1.31.F.4 to the Consolidated Annual Financial Statements for 2025, on June 21, 2026, the Company was served a notice regarding the postponement of the appeal hearing to December 13, 2027.

3) For details regarding developments during the reporting period following to that which is stated in Note 1.31.F.3 to the Annual Financial Statements as of December 31, 2025, see Note 14(3) to 14(7) below; furthermore, for details regarding developments subsequent to the report date, see Note 14(6), 14(7) and 14(17) below.

4) Further to Note 1.31.F.7 to the Consolidated Annual Financial Statements for 2025 (hereinafter - the "**Previous Note**"), on April 12, 2026, a hearing was held before the Authority, in which Migdal Insurance presented its arguments and objections regarding findings raised in the demands for information as to the collection due to insurance coverages in accordance with the limitations under Regulation 45 of the Income Tax Regulations (Rules for Approval and Management of Provident Funds), 1964 (as stated in the Previous Note, the demand for information included, among other things, orders to carry out restitution (if it is concluded that Migdal Insurance has acted in contravention of the rules set in this demand). As of the report publication date, the Authority's decision is yet to be received. Subsequently, on May 28, 2026, Migdal Insurance received an additional information demand from the Authority.

5) 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 15 million as of June 30, 2026 is with respect to claims filed (as of December 31, 2025 - approx. NIS 16 million), beyond the general exposures described in this note, including in Sections F.6 and F.7 to this note.

6) 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.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (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.)

6) (cont.)

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 policyholders and planholders. In accordance with the audits' findings, the transferred data or following other specific cases, notices are sometimes issued regarding the Commissioner's intention to impose financial sanctions, and in some cases the Commissioner imposes financial sanctions by virtue of the powers vested in him by law.

7) 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, 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 during which changes occur in policies, regulation, as well as to shifting trends in 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. Receipt of a new interpretation to insurance policies and long-term pension products may, at times, affect the Group's future profitability with respect to the existing portfolio, in addition to the exposure implicit in the requirements to compensate customers for past activities. 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.

NOTE 13 - CONTINGENT LIABILITIES AND COMMITMENTS (cont.)

1. Contingent liabilities (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.)

7) (cont.)

Furthermore, the insurance domain 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 acquiring 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 29.A to the Consolidated Financial Statements as of December 31, 2025.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD

1. On January 1, 2026, a reinsurance transaction between Migdal Insurance and a Special Purpose Vehicle (hereinafter - "**SPV**") named Turris Re entered into effect. It is noted that the SPV issued USD 100 million in loss-absorbable notes in order to finance its undertaking under the reinsurance agreement (catastrophe bonds). The transaction is for a three-year period, covers part of Migdal Insurance's earthquake exposure and constitutes a tier in an excess-of-loss reinsurance plan.

2. Further to Note 30 to the Company's Consolidated Financial Statements as of December 31, 2025, regarding the key revisions made to the Revised Compensation Policy of the institutional entities for 2026 through 2028, including the adoption of a multi-year bonus arrangement for a key officer, on January 1, 2026 (hereinafter - the "**Effective Date**") the multi-year bonus plan (hereinafter in this note - the "**Plan**") entered into effect, the highlights of are as follows:

   The Plan's objective is to provide employees with an incentive to drive the Group's ongoing business growth and development and their long-term retention as Group employees, in accordance with the compensation policy of the institutional entities.

   In accordance with the Plan, certain key non-executive Company employees will be entitled - in addition to the annual bonus - to a multi-year cash bonus based on the rate of increase in the price of the Company's share compared to the base share price to be set on the Effective Date, which is based on the Company's share price during the 30 trading days preceding the Effective Date.

   The entitlement to three bonus installments is assessed on three dates, after two, three and four years from the Effective Date, and subject to compliance with threshold conditions set in the Plan, including compliance with the requirements regarding the solvency ratio and minimum rates of return.

   The bonus amount is calculated in accordance with a return multiple mechanism set in the Plan, such that for each installment the bonus is capped at a multiple of 4.4 of the basic amount set for each installment.

   The plan includes additional provisions regarding postponement of measurement dates, bringing forward of measurement dates, adjustment of measurement dates for new employees, termination of employment, change of control or restructuring, etc.

3. On January 9, 2026, Prof. Gamzu, the Company's Chairman of the Board, sent to the Commissioner a letter in which he announced that he wishes not to be appointed as a director in Migdal Insurance.

4. On January 19, 2026, the Commissioner sent a letter to the Company's Board of Directors, following the General Meeting's resolution of September 16, 2025, as detailed in Note 31.1.F.2 to the Company's Consolidated Financial Statements dated December 31, 2025, and Prof. Gamzu's notice in which he requests not to be appointed as a director in Migdal Insurance. In his letter, the Commissioner notes, among other things, that Migdal Insurance is in a position where two of its directors serve as temporary appointees until the required appointment procedures are completed; and that Migdal Insurance has been operating for approximately a year under uncertainty regarding the composition of its Board and the identity of its Chairperson, in a way that adversely affects its stability and proper management. In addition, the Commissioner reiterated his request to immediately address the issue of appointing members to Migdal Insurance's Board, including for the position of Chairperson of the Board, to ensure that Migdal Insurance's Board will comply with statutory provisions and will be able to properly discharge its duties.

   Further to the Commissioner's Letter, as detailed in Note 32(2) to the Company's Consolidated Financial Statements as of December 31, 2025, on February 11, 2026, the Company's Board decided how it will vote at an extraordinary general meeting of Migdal Insurance; the Board decided to vote in favor of the appointment of Mr. Raviv Zoller, Prof. Efraim Sadka, Ms. Anat Guetta and Mr. Barry Ben Zeev (hereinafter jointly – the "**Candidates**") as directors in Migdal Insurance, subject to the Commissioner's non-objection and the fulfillment of additional conditions and relevant statutory provisions, upon the fulfillment of which Migdal Insurance's Board will appoint 12 Board members.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

4. (cont.)

On February 22, 2026, the Company's Board of Directors decided to revise its resolution on its vote of February 11, 2026, and accordingly voted in favor of the appointment of two of the four candidates to serve as directors in Migdal Insurance's Board - Mr. Raviv Zoller and Ms. Anat Guetta (hereinafter jointly – the "**Two Candidates**") - subject to the Commissioner's non-objection. Accordingly, it was decided that promoting the appointment of the two additional candidates (out of the four candidates) will be promoted at a later stage - after the Chairperson of Migdal Insurance's Board assumes office (instead of Prof. Amir Barnea). Subject to the Commissioner's non-objection, the Two Candidates will replace Mr. Avraham Dotan and Prof. Amir Barnea in Migdal Insurance's Board, such that Migdal Insurance's Board will still be composed of nine directors. Furthermore, pursuant to the Commissioner's demand in his letters to the Company's Board (including the Commissioner's Letter dated January 19, 2026e), the Company's Board recommended that Mr. Zoller be nominated to serve as the Chairman of the Board of Migdal Insurance (instead of Prof. Barnea), subject to the judgment of Migdal Insurance's Board and its decision as to the identity of the Chairman of the Board of Directors, and subject to the Commissioner's non-objection.

5. On March 3, 2026, a letter was received from the Commissioner - addressed to the Company's Board (hereinafter – the "**Letter**"). In his Letter, the Commissioner outlines his position to the effect that the procedure of non-renewal of Mr. Avraham Dotan's tenure as a director in Migdal Insurance is invalid; the Commissioner further adds that the promotion of the termination of his tenure may undermine the proper management of Migdal Insurance.

The Commissioner notes in his Letter that the conduct of the Company's Board, in its capacity as Migdal Insurance's General Meeting, impairs the process of determining the desired composition of Migdal Insurance's Board, including the number of its members, which is inconsistent with Migdal Insurance's decision regarding a desired Board composition of 9 directors.

In addition, the Commissioner notes in his Letter that this is a consistent pattern of conduct, which was most recently demonstrated in the promotion of Mr. Dotan's termination in order to facilitate the appointment of Prof. Ronni Gamzu as a director in Migdal Insurance, and that the termination of Mr. Dotan's tenure as a director in Migdal Insurance was carried out in a process, which is not supported by law or by Migdal Insurance's Articles of Association, and is detrimental to Migdal Insurance's proper management and independence.

The Commissioner further requests in his Letter to point out the Company's recurring and unusual pattern of conduct, whereby it operates with a lack of transparency vis-à-vis the Capital Market, Insurance and Savings Authority, in particular with respect to the composition of Migdal Insurance's Board, which it advances. The Letter was discussed in a meeting of the Company's Board held on April 23, 2026, and after formulating the Company's position, bearing in mind, among other things, its previous resolutions of February 11 and 22, 2026 regarding the appointment of directors to Migdal Insurance's Board, a response letter was forwarded on April 27, 2026 on behalf of the Company to the Commissioner, in which the Company detailed, among other things, that in its meeting of April 23, 2026 the Company's Board approved again its resolution of February 22, 2026.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

5. (cont.)
   On April 29, 2026, the Company received another letter from the Commissioner addressed to the Company's Board (hereinafter - the "**Additional Letter**"). In the Additional Letter, the Commissioner notes, among other things, that the Company's response of April 27, 2026 did not include a reference to the statement of facts included in its previous letter (of March 3, 2026) regarding the inappropriate involvement by the Company's CEO and Board in determining the composition of Migdal Insurance's Board; procedural flaws in the dismissal of Mr. Avraham Dotan; the impact of such involvement and flaws on the ability of Migdal Insurance's Board to discharge its duties faithfully, in accordance with statutory provisions, and consequently on the proper management of Migdal Insurance; the Commissioner also notes that the Company's response did not include a reference to the Commissioner's determination that the flaws in Mr. Avraham Dotan's dismissal process go to the core of the matter, rendering the proceedings in his case null and void. The Company disputes the Commissioner's position, and in accordance with the Additional Letter - which stated that the Company is expected to provide its response - the Commissioner was informed of the Company's intention to draw up and submit its response accordingly.
   On May 13, 2026, the Company forwarded its response to the Additional Letter (hereinafter - the "**Response Letter**"). The Response Letter details the legal justifications underlying the Company's vote at Migdal Insurance's annual general meeting of shareholders of September 16, 2025, regarding Mr. Avraham Dotan, and those underlying its conduct regarding the composition of Migdal Insurance's Board. Furthermore, the Company presented in the Response Letter its clarifications and the accurate sequence of events with respect to the Commissioner's positions as presented in the Additional Letter.
6. On March 4, 2026, Migdal Insurance's Board convened and resolved, among other things, to submit a notice to the Capital Market, Insurance and Savings Authority regarding the appointment of Mr. Raviv Zoller as a director in Migdal Insurance's Board; according to the above resolution, Mr. Zoller's tenure will enter into effect at the later of the following: April 1, 2026, or the date of receipt of the Commissioner's non-objection to the appointment. Accordingly, and as announced by Prof. Barnea at the Board meeting, his tenure in Migdal Insurance's Board will terminate on the abovementioned date. On May 1, 2026, the tenure of Prof. Amir Barnea as Chairman of the Board and a director in Migdal Insurance ended, following the receipt of the Commissioner's notice of non-objection on the above date, regarding the appointment of Mr. Raviv Zoller as a director in Migdal Insurance. On May 10, 2026, Migdal Insurance's Board of Directors resolved to appoint Mr. Raviv Zoller as the Chairman of the Board of Migdal Insurance for a period of 3 years. On May 28, 2026, the Commissioner's notice of non-objection regarding the appointment of Mr. Raviv Zoller as the Chairman of Migdal Insurance's Board was received, which stated that it is subject to the terms set to Migdal Insurance in the Commissioner's Letter dated July 28, 2023, and specifically that the term of office of the Chairman of Migdal Insurance's Board will be set for a period of at least three years. Accordingly, as from the date of receipt of the abovementioned notice of non-objection, Mr. Zoller's tenure as the Chairman of the Board of Migdal Insurance has started. During June and July 2026, Mr. Zoller's tenure and employment terms were approved by Migdal Insurance's competent organs.
7. Further to Section 14(4) above, on June 29, 2026, Migdal Insurance's Board, having assessed Ms. Anat Guetta's compliance with the relevant statutory competency requirements, approved the filing of a notification to the Capital Markets, Insurance and Savings Authority to obtain the Commissioner's non-objection to her appointment as a director in Migdal Insurance. On August 2, 2026, following receipt of the Commissioner's non-objection, Ms. Guetta's tenure on Migdal Insurance's Board has started. Accordingly, as from the date of such non-objection, Mr. Avraham Dotan ceased to serve as a director in Migdal Insurance.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

8. On February 17, 2026, two market makers were appointed to the Company - Meitav Market Making Ltd. and Idan Financial Instruments Ltd. (hereinafter – the “**Market Makers**”) - which have been engaged in activity involving the Company’s shares since the beginning of March 2026. This activity has been conducted further to the Company’s engagement in an agreement with Tel Aviv Stock Exchange Ltd. (hereinafter – the “**TASE**”; in this Section, the TASE together with the Company - the “**Parties**”). Under the plan, the TASE will be responsible for monitoring the Market Makers’ compliance with the TASE Rules and Regulations in accordance with the resolutions of TASE’s Board, as they may be from time to time. Payment for market-making services comprises a fixed component and a variable component based on the Market Makers’ performance. As from the commencement date of the Market Makers’ activity and for six months from that date, the Parties will not be entitled to announce the termination of the plan, except under the circumstances listed in the agreement. After the abovementioned period, each party may terminate the engagement by giving a 60 days’ written advance notice. For details regarding the approval by Migdal Insurance's Audit Committee to the effect that the Company will bear most of the costs associated with the Market Making Agreement, see Note 30.F.7 to the Company's Consolidated Financial Statements as of December 31, 2025.

9. On March 18, 2026, the Company’s General Meeting approved the Company’s Revised Compensation Policy for 2026 through 2028, following the approval of the Board of Directors and the recommendation of the Compensation Committee. The key revisions made in the Revised Compensation Policy, compared to the compensation policy for 2023 to 2025, are as follows: (a) Setting a date for paying a deferred payment; (b) Adoption of provisions regarding the payment of a deferred payment which did not comply with the aggregate profit condition.

10. On March 23, 2026 - the Group’s Institutional Entities approved a revision to their Compensation Policy, such that the range of equity compensation instruments was expanded to include cash-settled instruments based on the increase in the value of the Company’s shares or the shares of other Group companies. Following the abovementioned revision to the Institutional Entities’ policy and the adoption of a plan for the award of phantom options (hereinafter in this Section – the “**Plan**”), the Group’s competent organs approved the award of a cash-settled equity compensation to non-executive officers of Group companies, derived from the fair value of Migdal Holdings and Management of Insurance Agencies Ltd. (hereinafter – “**Migdal Agencies**”). In accordance with the Plan, each beneficiary will receive three equal tranches of phantom options, which will vest on the dates set in the Plan over a 4-year period starting on January 1, 2026. Each phantom option will confer upon a beneficiary, subject to the terms set in the Plan, a consideration reflecting the difference between the market value of Migdal Agencies’ share on the exercise date, and the base price (as defined in the Plan). The exercise proceeds will be paid by the Group company which employs the relevant employee after duly withholding tax.

11. On March 24, 2026, the Company’s Board decided to convene an extraordinary general meeting of the Company’s shareholders, the agenda of which included the approval of the extension of Ms. Orna Hozman-Bechor’s tenure as an external director in the Company for a second three-year tenure, as from May 28, 2026. On April 29, 2026, the general meeting of the Company’s shareholders approved the extension of Ms. Orna Hozman-Bechor’s tenure as an external director in the Company for an additional tenure as stated above.

12. On March 24, 2026, after approval of the Group’s relevant competent organs, the Company’s Board approved the allocation of 243,903 unlisted options to a Company officer (who is also an officer in Migdal Insurance), and to an officer of Migdal Insurance. The options are exercisable into up to 243,903 ordinary shares of the Company of NIS 0.01 p.v. each (hereinafter – the “**Offerees**” and the “**Awarded Options**,” respectively).

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

12. (cont.)

This allocation was made in accordance with the provisions of the Equity Compensation Plan and in accordance with the provisions of the Compensation Policy applicable to the Offerees. The shares which will arise from the exercise of the Awarded Options constituted, as of the award date, approx. 0.02% of the Company's issued and paid up share capital and voting rights therein. 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 monetary benefit implicit in the options alone. The allocation of options to the Offerees is carried out in accordance with the provisions of the Capital Gains Track. It is noted that the option package is awarded against the offerees’ waiver of part of the compensation package to which they are entitled (instead of eligibility for the entire bonus or part thereof). In addition to the expiration the vesting dates as detailed below, the options’ vesting is also subject to cumulative compliance with the following two cumulative performance conditions: (1) The latest solvency ratio published by Migdal Insurance (including and taking into account equity transactions carried out subsequent to the solvency ratio’s publication date) shall not fall below the statutory minimum solvency ratio, except if the institutional entities will believe that failure to comply with this requirement is due to exogenous and substantial event, which affected the entire Israeli insurance sector; and (2) no occurrence of suspending circumstances with regard to the notes, as defined in the Consolidated Circular, Chapter 1, Appendix B, Part B, Directives regarding the Equity of an Insurance Company, Section B - Tier 2 capital instruments (hereinafter - the “**Performance Conditions**").

The options allocated to the Offerees shall vest in three equal tranches; the first tranche will vest within one year from the options’ allocation date (hereinafter - the “**Vesting Commencement Date**”); the second - within two years from the Vesting Commencement Date, and the third - within three years from the Vesting Commencement Date (hereinafter – the “**First Option Tranche”**, the “**Second Option Tranche**” and the “**Third Option Tranche**”, respectively). The options’ term is three years from each tranche’s vesting date, except in the event of termination of employment relations between the Offerees and Group companies or termination of tenure in accordance with the terms of the Equity Compensation Plan. The exercise price payable in respect of the exercise of each option into an ordinary Company share will be equal to the average closing price of the Company’s share on the TASE in the thirty trading days preceding the date of the Board’s decision to award the Awarded Options (which is NIS 18.07) at an exercise premium of 5% for the First Option Tranche, 10% for the Second Option Tranche and 15% for the Third Option Tranche.

Subject to the vesting of the Awarded Options, the fulfilment of the performance conditions, and prior to the expiry of the Awarded Options, the options of the relevant tranche shall be exercised into ordinary shares of the Company under a forced exercise if the stock exchange closing price of an ordinary share shall be equal to or greater than NIS 39.53 for the First Tranche for the Offerees; and equal to or greater than NIS 40.43 for the second tranche for the Offerees; as well as equal to or greater than NIS 41.38 for the Third Tranche for the Offerees (hereinafter, jointly - the “**Limit Price for Forced Exercise**”). It is also noted that the options awarded to the Offerees, including the Limit Price for Forced Exercise, are subject to generally accepted adjustments.

13. For details regarding the bonds issued during the reporting period, and the rating assigned thereto, see Note 7.F above.

14. On July 15, 2026, Mr. Yossi Ben Baruch's tenure as the Company’s CEO ended, following his notice of April 23, 2026 regarding his departure by mutual agreement. Mr. Ben Baruch continues to serve as a director, a member of the Audit Committee and Deputy Chairman of the Board of Migdal Capital Markets, a Company subsidiary.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

15. On May 14 and 19, 2026, the Audit Committee (sitting as the Compensation Committee) and Migdal Insurance's Board (respectively) approved the award - to Migdal Insurance's CEO and 9 other officers thereof (some of whom are also joint officers in the Company) - unlisted options exercisable into ordinary shares of the Company of NIS 0.01 p.v. each (hereinafter - the "**Options**"); on May 18, 2026, the Company's Compensation Committee approved the award of Options to the joint officers serving in the Company and in Migdal Insurance (hereinafter - the "**Joint Officers**"); subsequent to the reporting period, on July 2, 2026, the Company's Board approved the award of the Options to the Joint Officers, and the award of 3,247,285 Options to 13 offerees (including the Joint Officers), which are exercisable into up to 3,247,285 ordinary shares of the Company of NIS 0.01 p.v. (hereinafter - the "**Additional Offerees**"). This allocation was made in accordance with the provisions of the Equity Compensation Plan and in accordance with the provisions of the Compensation Policy applicable to the Additional Offerees. The shares which will arise from the exercise of the Awarded Options constituted, as of the award date, approx. 0.31% of the Company's issued and paid up share capital and voting rights therein. 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 monetary benefit implicit in the options alone. The allocation of options to the Additional Offerees is carried out in accordance with the provisions of the Capital Gains Track. It is noted that the option package is awarded against the Additional Offerees' waiver of part of the compensation package to which they are entitled (instead of eligibility for the entire bonus or part thereof). In addition to the expiration the vesting dates as detailed below, the options' vesting is also subject to cumulative compliance with the following two cumulative performance conditions: (1) The latest solvency ratio published by Migdal Insurance (including and taking into account equity transactions carried out subsequent to the solvency ratio's publication date) shall not fall below the statutory minimum solvency ratio, except if the institutional entities will believe that failure to comply with this requirement is due to exogenous and substantial event, which affected the entire Israeli insurance sector; and (2) no occurrence of suspending circumstances with regard to the notes, as defined in the Consolidated Circular, Chapter 1, Appendix B, Part B, Directives regarding the Equity of an Insurance Company, Section B - Tier 2 capital instruments (hereinafter - the "**Performance Conditions**").

    The Options awarded to some of the Additional Offerees will vest in four tranches under a schedule no more accelerated than the straight-line basis used to calculate the minimum vesting period specified in the compensation policy, such that the first tranche will vest after one year from the Options' allocation date, the second tranche will vest after two years from the Options' allocation date, the third tranche will vest after three years from the Options' allocation date and the fourth tranche will vest after three and a half years from the Options' allocation date (hereinafter - "**First Tranche**", "**Second Tranche**", "**Third Tranche**", and "**Fourth Tranche**", respectively). It is noted that the Fourth Tranche reflects a reduced benefit amount compared to the first three tranches. The Options awarded to two of the Additional Offerees (who are also Company officers), will vest in one tranche at the end of 3.5 years from the date of the Board's resolution regarding the allocation (hereinafter - "**Two of the Offerees**" and "**Allocation in One Tranche to the Two Officers**", respectively). The options' term is two years from each tranche's vesting date, except in the event of termination of employment relations between the Additional Offerees and Group companies or termination of tenure in accordance with the terms of the Equity Compensation Plan. The exercise price payable in respect of the exercise of each option into an ordinary Company share will be equal to the average closing price of the Company's share on the TASE in the thirty trading days preceding the date of the Board's decision to award the Awarded Options (which is NIS 17.815) at an exercise premium of 5% for the First Tranche, 10% for the Second Tranche and 15% for the Third Tranche and Fourth Tranche. Regarding Two of the Offerees, the exercise price is based on the average share price as stated above, at an exercise premium of 15%.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

15. (cont.)

    Regarding Migdal Insurance’s CEO, the exercise price is based on the average share price as stated above, at an exercise premium of 10%. The options to Migdal Insurance’s CEO are allocated in one tranche at a fair value of approx. NIS 3,570 thousand, which will vest within 3 years. In this context, it is noted that, as a rule, (a) in the event of Migdal Insurance's decision to terminate the engagement, or in the event that the Group and the CEO of Migdal Insurance reach mutual agreement on the termination of engagement; or (b) termination of the engagement following a change in control (as the term "Control" is defined by the Securities Law, 1968); in both cases, the following shall apply: On the employment termination date, the relative share of the options calculated according to the period which had elapsed from the Vesting Commencement Date in relation to the entire vesting period shall be regarded as having vested and exercisable as of the termination date, and this relative share will not expire on termination date.

    Subject to the vesting of the Options, the fulfillment of the Performance Conditions, and prior to the Options’ expiry, the Options of the relevant tranche will be exercised under forced exercise into Company’s shares with respect to some of the offerees if the TASE closing price will be equal to or greater than NIS 18.706 for the First Tranche; equal to or greater than NIS 19.597 for the Second Tranche; equal to or greater than NIS 20.487 for the Third and Fourth Tranche; for the Allocation in One Tranche to the Two Officers - equal to or greater than NIS 20.487; and, for the allocation in one tranche to Migdal Insurance’s CEO - equal to or greater than NIS 19.597 (hereinafter jointly - the "**Limit Price**"). It is noted that the Options awarded to the Additional Offerees, including the Limit Price, are subject to generally accepted adjustments.

16. On May 28, 2026, Ms. Linda Ben Shushan's tenure as an external director in the Company ended.

17. On June 1, 2026, Migdal Insurance received a corporate governance audit report, alongside a notice from the Commissioner of the intention to impose a financial sanction of approx. NIS 6.5 million (hereinafter - the “**Audit Report**” and “**Notice**”, respectively). In accordance with that which is stated in the Notice, the intention to impose a financial sanction pertains to certain issues raised in the Audit Report regarding various provisions listed in Chapter 2 to Part 1 to Section 5 to the Consolidated Circular - Board of Directors of an Institutional Entity - with respect to the appointment of a permanent Chairman of the Board; strategy; and determining the optimal composition of the Board in some of the years relevant to the period referred to in the report.

    Under the Audit Report, the Commissioner refers to events which took place during the reporting period (January 2021 to June 2024), most of which were previously raised, have already been assessed by Migdal Insurance, the Capital Market, Insurance and Savings Authority and other external parties on behalf of the Group, and directives have been issued in respect thereof which have been fulfilled and implemented by Migdal Insurance.

    On July 14, 2026, Migdal Insurance provided the Authority its response to the notice regarding the intention to impose a financial sanction, and on July 19, 2026, a hearing on this matter was held before the Authority. As of the report publication date, Migdal Insurance's claims are being assessed by the Authority and its decision has not yet been made.

18. On June 22, 2026, Migdal Insurance and Migdal Capital Raising received a rating report from S&P Global Ratings Maalot Ltd. (for purposes of this note, Migdal Insurance and Migdal Capital Raising - the “Companies"). According to the report, a long-term issuer rating of ilAA+ was assigned to the Companies with a stable outlook. In addition, Migdal Capital Raising’s Subordinated Notes (Series G to R) were rated ilAA-, and the Subordinated Notes (Series S) were rated ilA+.

NOTE 14 - SIGNIFICANT EVENTS IN AND SUBSEQUENT TO THE REPORTING PERIOD (cont.)

19. On July 6, 2026, the Company exercised - under a forced exercise - for senior officers and other Group companies' officers, 6,453,710 unlisted options into 1,827,491 ordinary shares of the Company of NIS 0.01 p.v. each; the shares were sold in an off-market transaction.

20. On August 13, 2026 and subsequent to the reporting date, Migdal Insurance and Migdal Capital Raising received a rating report from Midroog (hereinafter - for purposes of this note, Migdal Insurance and Migdal Capital Raising - the "**Companies**"). According to the report, Midroog raised the Insurer Financial Strength (IFS) rating from Aa2.il to Aa1.il and upgraded the rating of the subordinated notes (Tier 2 capital) and the rating of the subordinated notes (Additional Tier 1 capital) from A1.il(hyb) to Aa3.il (hyb) and from to A2.il(hyb) to A1.il(hyb), respectively, which were issued by Migdal Capital Raising, a subsidiary of Migdal Insurance.

    The rating upgrade stems from an improvement in the underwriting income and profitability measure alongside an improvement in Migdal Insurance's economic solvency ratio, which is reflected, inter alia, in an improvement in its financial flexibility. At the same time, the rating outlook was modified from positive to stable.

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August 16, 2026

Attn.
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 Offering under the Shelf Prospectus in the subject line:

Review Report of the Independent Auditors dated August 16, 2026 on the Condensed Consolidated Financial Information of the Company as of June 30, 2026 and for the six- and three-month periods then ended.

Somekh Chaikin
CPAs

Kost Forer Gabbay & Kasierer
CPAs

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. Itai Yanai, CFO;
2. David Gilad, Chief Risk Officer;
3. Tamir Solomon, Internal Auditor;
4. 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 Disclosure attached to the quarterly report for the period ended March 31, 2026 (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 presented in the Most Recent Quarterly Report Over Internal Control;

As of the Report date, based on the effectiveness assessment in the Most Recent Quarterly Report of Internal Control and based on information brought to the attention of management and the Board of Directors as stated above, the internal control is effective.

Certification by Officers
Certification by the CEO

I, Carmi Gillon, hereby certify that:

(1) I have reviewed the quarterly report of Migdal Insurance and Financial Holdings Ltd. (hereinafter - the "**Corporation**") for the second quarter of 2026 (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: August 16, 2026

____
Carmi Gillon, Director [*)]

[*)] On August 16, 2026, the Company's Board of Directors authorized Mr. Carmi Gillon, who serves as a director of the Company, to sign the CEO's certification in connection with the effectiveness of internal control under Regulation 38C(d) (1) of the Securities Regulations (Periodic and Immediate Reports), 1970.

Certification by Officers
Certification by the Most Senior Financial Officer

I, Itai Yanai, hereby certify 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 second quarter of 2026 (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: August 16, 2026

____

Itai Yanai, 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 June 30, 2026 (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 of 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 generally accepted accounting principles (GAAP) and the directives of the Commissioner of the Capital Market, Insurance and Savings;
   (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.

August 16, 2026

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, Itai Yanai, hereby certify that that:

1. I have reviewed the quarterly report of Migdal Insurance Company Ltd. (hereinafter - the "**Insurance Company**") for the quarter ended June 30, 2026 (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 of 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 generally accepted accounting principles (GAAP) and the directives of the Commissioner of the Capital Market, Insurance and Savings;

(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.

August 16, 2026

Itai Yanai, 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".