

**Report by Clal Insurance Enterprises Holdings on its Financial Results  
For the 1st Half and the Second Quarter of 2022**

**The results in the reported period are generally influenced by a change in calculation of mortality tables, for which a provision was made to reserves of some NIS 627 million, as well as by drops in capital markets.**

**These influences have been partially offset by the increase in interest, which reduced the reserves.**

**As such, the comprehensive loss after tax in the 1st half of 2022 amounted to NIS 289 million, in the corresponding half last year the Company gained a total of NIS 760 million.**

**After neutralizing the change in calculation of mortality tables, the Company has recorded a profit of NIS 124 million in the 1st half of 2022.**

**The premiums and receipts\* in the 1st half of 2022 amounted to NIS 14.2 billion, compared to a total of NIS 12.1 billion in the corresponding period least year, a 17% increase.**

**The rate of expenses and commissions from premiums and receipts\*\* has decreased to 10.6%, compared to a rate of 11.9% in the corresponding half last year.**

**The scope of the Company's managed assets amounted to a total of NIS 284 billion, compared to NIS 286 billion at the end of 2021, due to the negative influence of the returns on assets mostly offset by an improvement in net accumulation levels in pension and provident.**

**In the period subsequent to the balance sheet date, an increase occurred in the value of managed assets and reached a peak level of NIS 297 billion.**

**The total capital attributed to the Company's shareholders on June 30 2022 amounted to NIS 7.9 billion, compared to NIS 7.7 billion on December 31 2021, a 3% increase.**

**Yoram Naveh, CEO of Clal Insurance and Finance:**

**“About a week ago, as part of a step designed to expand the activity of the holding company, we signed a binding agreement with the MAX Group. This step will constitute a significant catalyst for encouraging competition in the field of non-bank credit, benefitting the Israeli public.”**

\* Premiums earned on a gross basis, contributions and receipts for investment contracts.

\*\* The ratio between administrative and general expenses, commissions, marketing expenses and other purchase expenses to total premiums earned on a gross basis, contributions and receipts for investment contracts.

**Yoram Naveh, CEO of Clal Insurance and Finance:**

**"The quarter's results reflect the ongoing trend of growth at the Clal Insurance and Finance Group.**

**We are continuing to show improvement over time in underwriting, while increasing the areas of activity being focused on, with consistent improvement in expense ratios, exceeding the Company's goals.**

**The results in the reported period are generally influenced by a change in calculation of mortality tables, for which we made a provision to reserves of some NIS 627 million, as well as by drops in capital markets. These influences have been partially offset by the increase in interest, which reduced reserves. Even during this period of market fluctuations, we are still leading in returns to planholders and since the beginning of the year we have shown impressive numbers of positive net accumulation of NIS 9 billion in the fields of pension and provident. As such, the scope of the Company's managed assets at the end of the second quarter of 2022 amounts to NIS 284 billion, and in the period subsequent to the balance sheet date, it reached a peak level of NIS 297 billion.**

**About a week ago, as part of a step designed to expand the activity of the holding company, we signed a binding agreement with the MAX Group. This step will constitute a significant catalyst for encouraging competition in the field of non-bank credit, benefitting the Israeli public".**

**Haim Samet, Chairman of Clal Insurance Enterprises Holdings:**

**"The Company is persisting on implementing its strategic plan for growth in its core areas – insurance and finance.**

**Alongside this, we have signed a binding agreement with the MAX Group. Upon its completion, this transaction will strengthen the holdings company, giving it a complementary arm with a great deal of weight, and constitute the Group's next strategic leap, as an additional layer of profit generation for our stakeholders".**

Today, August 21 2022, Clal Holdings Insurance Business is reporting its financial results for the second quarter of 2022.

The results were primarily influenced by a provision of NIS 627 million before tax due to a change in calculating mortality tables, as well as due to drops in capital markets.

The comprehensive loss after tax in the 1st half of 2022 amounted to NIS 289 million, in the corresponding half last year the Company gained a total of NIS 760 million.

After neutralizing the change in calculation of mortality tables, the Company has recorded a profit of NIS 124 million in the 1st half of 2022

The comprehensive loss after tax in the 2nd quarter of 2022 amounted to NIS 510 million, in the corresponding quarter last year the Company gained a total of NIS 357 million.

After neutralizing the change in calculation of mortality tables, the Company has recorded a loss of NIS 97 million in the 2nd quarter of 2022.

The premiums and receipts\* earned in the 1st half of 2022 amounted to a total of NIS 14.2 billion, compared to a total of NIS 12.1 billion in the corresponding period last year, a 17% increase.

The premiums and receipts\* in the 2nd quarter of 2022 amounted to a total of NIS 7.0 billion, compared to a total of NIS 6.6 billion in the corresponding period last year, a 6% increase.

The rate of expenses and commissions from premiums and receipts\*\* has decreased to 10.6%, compared to a rate of 11.9% in the corresponding half last year.

The rate of expenses and commissions from premiums and receipts\*\* has decreased to 10.9%, compared to a rate of 11.1% in the corresponding quarter last year.

At the end of the second quarter of 2022, the balance of the variable management fees the Company avoided collecting amounted to NIS 550 million. In the period subsequent to the balance sheet date, the balance of the variable management fees the Company will avoid collecting was offset to the sum of NIS 160 million, so that near the approval of the statements, the balance was reduced to NIS 390 million before tax.

The total capital attributed to the Company's shareholders on June 30 2022 amounted to NIS 7.9 billion, compared to NIS 7.7 billion on December 31 2021, a 3% increase.

The scope of the Company's managed assets amounted to a total of NIS 284 billion, compared to NIS 286 billion at the end of 2021, due to the negative influence of the returns on assets mostly offset by an improvement in incoming mobilization levels in pension and provident.

\* Premiums earned on a gross basis, contributions and receipts for investment contracts.

\*\* The ratio between administrative and general expenses, commissions, marketing expenses and other purchase expenses to total premiums earned on a gross basis, contributions and receipts for investment contracts.