Clal Insurance Enterprises Holdings Ltd.
Financial Statements
as of June 30,
2026

Clal Insurance Enterprises Holdings Ltd.

IMPORTANT

This document is an unofficial translation for convenience only of the Hebrew original of the June 30, 2026, financial report of Clal Insurance Enterprises Holdings Ltd. that was submitted to the Tel-Aviv Stock Exchange and the Israeli Securities Authority on August 19, 2026.

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

Clal Insurance Enterprises Holdings LTD.

Quarterly Report
As of June 30, 2026

August 18, 2026

Clal Insurance Enterprises Holdings Ltd.

Report of the Board of Directors

as of June 30, 2026

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Report of the Board of Directors on the State of the Corporation's Affairs for the Period ended June 30, 2026 (hereinafter - the "**Report of the Board of Directors**") reviews the key changes in the activity of Clal Insurance Enterprises Holdings Ltd. (hereinafter - the "**Company**") in the first six months of 2026 (hereinafter - the "**Reporting Period**").

The Report of the Board of Directors was prepared in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970. The Report of the Board of Directors, with respect to the insurance business, was drawn up in accordance with the Supervision of Insurance Business Regulations (Reporting), 1998, and in accordance with the circulars of the Commissioner of the Capital Market, Insurance and Savings (hereinafter - the "**Commissioner**"); the Report of the Board of Directors, with respect to the credit cards business, was drawn up in accordance with the reporting directives of the Banking Supervision Department (hereinafter - the "**Banking Supervision Department**") bearing in mind that the reader also has on hand the full periodic report of the Company for the year ended December 31, 2025 (hereinafter - the "**Periodic Report**" and/or "**Annual Financial Statements**").

Forward-looking information

The following report of the Company may contain, in addition to data relating to the past, also forward-looking information, as defined by the Securities Law, 1968. Forward-looking information, to the extent that it is included, is based, among other things, on estimates and assumptions by the Group's managements and subsidiaries and on forecasts regarding the future in connection with economic and other developments in Israel and across the world, legislative and regulatory provisions, competition in the Group's areas of activity, accounting and taxation changes and technological developments. Although the Company's consolidated companies believe their assumptions to be reasonable as of the report date, by nature they are not certain, and actual results may materially differ from those predicted; therefore, the readers of the report should treat this information with due caution.

1. *The Group's Structure, its Areas of Activity, and Developments Therein*

1.1 The Group's structure

The Company's shareholders

In the Commissioner's letter of December 8, 2019, it was stated that no entity holds, whether directly or indirectly, the means of control in the Company.

For further details regarding shareholdings in the Company and changes during the Reporting Period, see Note 1 to the Consolidated Interim Financial Statements.

1.2 The Group's Areas of Activity and Developments Therein

1.2.1 For a description of the Group's areas of activity and its holding structure, see Section 1.1 in the chapter entitled Description of the Corporation's Business in the 2025 Periodic Report.

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

The Group companies' operations are affected by constant changes in regulations and regulatory reforms. Clal Insurance's operations and results are significantly affected by changes in capital markets, including, among other things, by changes in the interest rate that has implications for Clal Insurance's insurance assets and liabilities and financial assets portfolios, for the financial spread from investments as well. Max's activity is affected by macroeconomic conditions, the cost of living and interest rate in Israel. Macroeconomic conditions impact the level of private and business consumption, which, in turn, affect Max's volume of activity and have direct consequences on its business results.

2.1 *Significant Events during and Subsequent to the Reporting Period:*

A. Share buyback by the Company

On August 18, 2026, the Company's Board of Directors approved a share buyback plan of Company shares, totaling up to NIS 200 million, for a period of one year.

B. Approval of the Company's dividend distribution

According to the Company's policy (see Note 23(c)1 to the Annual Financial Statements), on March 25, 2026, on approval of the Company's financial statements as of December 31, 2025, the Board of Directors approved a dividend distribution, totaling approx. NIS 400 million, which constitutes approx. 61% of the dividends declared and/or distributed in the Company's subsidiaries as of the approval date of the approval date of the financial statements. The dividend was paid on April 23, 2026.

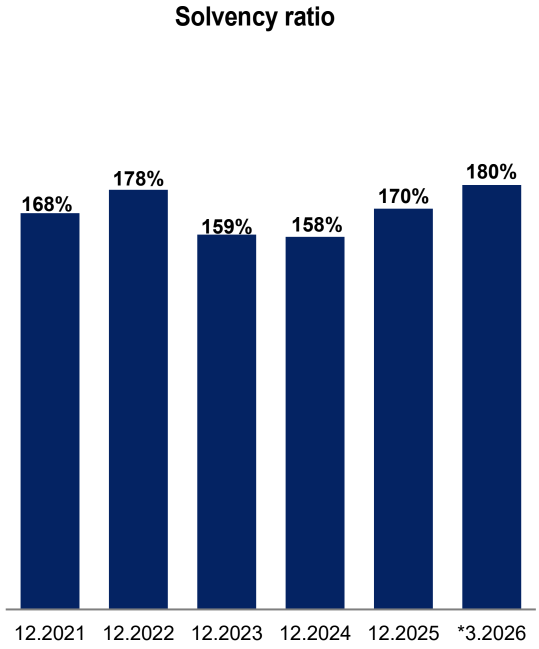
C. Economic solvency ratio and dividend distribution in Clal Insurance

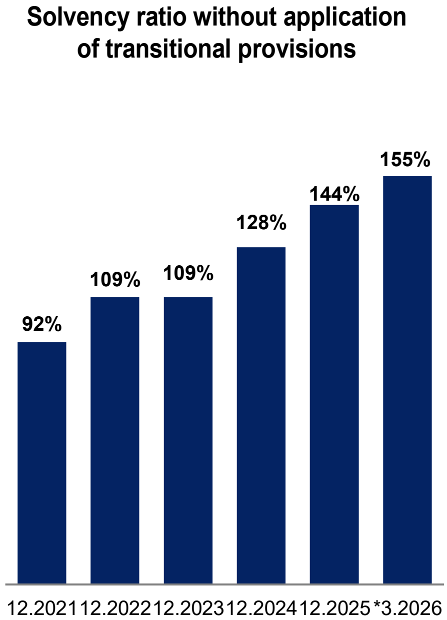
Clal Insurance published an Economic Solvency Ratio Report as of December 31, 2025, whereunder the ratio net of the transitional provisions after the dividend distribution is 144% compared with a ratio of 128% as of December 31, 2024.

Taking into consideration the transitional provisions, the ratio after dividend distribution and revision of the deduction is 170% as of December 31, 2025, compared to 158% as of December 31, 2024, respectively. For further details, see Section 2.4 and Note 6 to the Consolidated Interim Financial Statements. Clal Insurance's estimated solvency ratio (as defined below) as of March 31, 2026 subsequent to dividend distribution and revision of the Deduction Amount is 180%.

According to Clal Insurance's dividend distribution policy (see Note 23(c)2 to the Annual Financial Statements), on March 25, 2026, upon approval of Clal Insurance's financial statements as of December 31, 2025, Clal Insurance's Board approved a dividend distribution of NIS 600 million, which constitutes approx. 30% of Clal Insurance's 2025 comprehensive income in accordance with its Consolidated Annual Financial Statements, after having examined all aspects, including Clal Insurance's compliance with the economic solvency ratio targets detailed above. The dividend was paid on March 29, 2026.

In addition, on August 18, 2026, Clal Insurance's Board approved a dividend distribution totaling NIS 200 million (after assessing all the required aspects, including Clal Insurance's compliance with economic solvency ratio targets), which constitutes approx. 22% of Clal Insurance's comprehensive income for the six-month period ended June 30, 2026.





* Estimated solvency ratio – the economic solvency ratio to be published by Clal Insurance as of March 31 and September 30 of each year, according to Clal Insurance's undertakings under the deed of trust for Notes (Series O), classified as Additional Tier 1 capital (see the immediate report dated October 20, 2025).

The calculation of the estimated solvency ratio is not audited or reviewed by the independent auditor, and the controls conducted by the Company for the purpose of publishing the estimated ratio are less in scope compared to those executed for the purpose of publishing the Solvency Ratio Report, which is in accordance with the Commissioner's directives.

To the extent that in a particular quarter the estimated solvency ratio will fall below 120%, the Company will publish a full quarterly Solvency Ratio Report.

Clal Insurance performs this assessment and publishes this quarterly disclosure in addition to the publication of solvency ratio reports required under the Commissioner's guidelines. The estimated economic solvency ratio accounts for the effect of the expansion of the Notes (Series O) of June 2026 (see E below) and the abovementioned dividend distribution of August 2026. The aforesaid estimate regarding the solvency ratio as of March 30, 2026 does not include changes and effects that occurred from March 30, 2026 through the publication date of this report, including the effect of the Company's business activities, capital market effects, changes in the mix and scope of investments, insurance liabilities, including changes in the risk-free interest rate curve, updates of actuarial estimates, and regulatory changes affecting the business environment, as will be reflected in the solvency ratio as of June 30, 2026, as well as effects subsequent to the reporting date in light of Operation Lion's Roar, as explained below. The assessment is based, among other things, on forecasts and estimates of future events, the materialization of which is uncertain and is not under the Company's control, and which should be considered as "forward-looking information" as the term is defined in Section 32A to the Securities Law, 1968.

D. Capital markets and risk-free interest rate curve during the Reporting Period

The results in the reporting period and in the corresponding period last year were affected by capital market volatility, mainly in stock indices, which last year had a more positive effect on investment income in the nostro portfolio, but were offset by the effect of a decrease in the risk-free interest rate curve on insurance liabilities. The results in the quarter and in the corresponding quarter last year were affected by a decrease in the risk-free interest rate curve as well as positive returns in capital markets, mainly in share indices, which last year had a more positive effect on investment income in the Nostro portfolio.

E. Debt raising by Clal Insurance Capital Raising Ltd. a subsidiary of Clal Insurance

In January and June 2026, Clal Capital Raising issued to the public approx. NIS 591 million p.v. and approx. NIS 546 million p.v. in Notes (Series O), respectively, by way of expansion of an existing series. The proceeds of the offerings amounted to approx. NIS 622 million and approx. NIS 568 million and were recognized as additional Tier 1 capital of Clal Insurance, subject to restrictions on the maximum rate of Tier 1 capital, in accordance with the provisions of the law. For further details, see Note 5 to the Consolidated Interim Financial Statements.

F. The Company's bonds

In April 2026, the Company issued approx. NIS 605 million p.v. in Bonds (Series D) to the public, pursuant to the Company's shelf offering report dated April 14, 2026, published under the Company's shelf prospectus. The issuance expenses amounted to approx. NIS 5 million; the effective interest rate is 4.7%, and net proceeds of the issuance amounted to approx. NIS 600 million. The proceeds of the issuance were first used for full early redemption of the Company's outstanding Bonds (Series A), and the balance will be used for the Company's current needs, as decided by the Board of Directors from time to time. On May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value. For further details, see Note 5 to the Consolidated Interim Financial Statements.

G. Debt raising by Max

On March 27, 2026, Max completed a public offering of Commercial Papers (Series 6), totaling approx. NIS 300 million in par value. The Commercial Papers (Series 6) were issued to the public at an interest rate of 0.06% above the Bank of Israel policy rate, for a period of one year with no renewal option.
On April 23, 2026, Max repaid the full amount of the principal and interest in respect of Commercial Papers (Series 5) totaling approx. NIS 207 million in par value, in accordance with their terms.

On June 3, 2026, Max completed a public offering of Bonds (Series E), totaling approx. NIS 450 million in par value, which were issued by way of expansion of an existing series in consideration for approx. NIS 467 million. For further details, see Note 5 to the Consolidated Interim Financial Statements.

H. Operation Lion's Roar

Further to Note 36(i) to the Financial Statements for 2025, on February 28, 2026, the State of Israel and the United States launched a joint military operation in Iran, Operation Lion's Roar (hereinafter - the "**Operation**"), which included attacks against Iran's missile systems and additional targets of the Iranian regime. In response, Iran began launching missiles and unmanned aerial vehicles toward the State of Israel and toward additional countries in the region. On March 1, 2026 the hostilities were also expanded to Lebanon following fire toward the State of Israel by the Hezbollah organization.

During the operation, the economy operated under various restrictions, including restrictions on educational activities, gatherings, and attendance at workplaces, except for workplaces defined as essential to the economy. The scaling-up of activity started during-March 2026 and full-scale activity was gradually restored by the end of the operation in April 2026.

During April 2026, direct fighting between Israel and Iran ended following the declaration of a ceasefire between the parties, and the economy resumed full activity. Concurrently, tensions eased on the Lebanese front as well. However, as of the report publication date, uncertainty remains as to the regional security and geopolitical conditions, including with respect to potential developments in the Iranian and Lebanese fronts and their effect on economic activity and financial markets.

Israel's credit rating

The consequences of the fighting and security situation were reflected in revisions of the State of Israel's credit rating and rating outlooks by global rating agencies.

In November 2025, the rating agency S&P upgraded Israel's rating outlook from "negative" to "stable" and reiterated its credit rating at A. In January 2026, Moody's revised the State of Israel's rating outlook from negative to stable and reiterated the existing credit rating at Baa1; in March 2026, the rating agency Fitch reiterated the State of Israel's rating at A with a negative outlook (which remained without change). As of the report publication date, there were no further changes in the State of Israel's credit rating.

It is noted that subsequent to the reporting date, Israel's five-year CDS has declined substantially and currently stands at approx. 55 basis points per USD 1 million.

Effect on the financial statements

Clal Insurance – Due to the nature of its activity, Clal Insurance is exposed to changes in financial markets, a domestic economic slowdown, and other risks arising from the security and geopolitical situation. As of the report publication date, security and geopolitical developments in the region - including in the Iranian and Lebanese fronts - remain uncertain, and so are their potential effects on economic activity in Israel and the financial markets.

Therefore, at this stage it is impossible to fully assess the potential effect on Clal Insurance and its results in the medium and long-term. However, the Company believes that as of the report publication date its financial position and operating results are not expected to be materially affected.

Max - The effect of Operation Lion's Roar on Max's financial results for the first half of 2026 was reflected in a decline in issuing and acquiring turnovers during the campaign; this decline occurred both in the domestic market - driven mainly by a slowdown in domestic economic activity due to Home Front Command restrictions - and, more notably, in overseas activity due to airspace closures.. The decline in activity volumes during the operation resulted in a decrease in Max's revenues from interchange, acquiring, and overseas transaction fees.
Upon the entry into effect of the ceasefire in early April 2026 and the resumption of normal activity, Max's domestic issuance and acquiring turnovers improved, and during the second quarter of 2026 they even exceeded their pre-operation levels. Accordingly, Max's total domestic issuance and acquiring turnovers in the first half of 2026 were high compared to the corresponding period last year.
Issuing turnovers abroad in the first half of 2026 are slightly lower than in the corresponding period last year, mainly due to the effect of the airspace closure and the decline in international transactions during the Operation. Despite the ongoing uncertainty during the reporting period, risk levels in Max's credit portfolio did not increase. However, there is still a certain degree of uncertainty regarding the full effects of the security situation on the Israeli economy. Therefore, since the estimated provision for credit losses is based, among other things, on judgments and assessments, and involves uncertainty, there is still a high probability that future credit losses will vary from the current estimate. Max continuously assesses its credit portfolio's inherent risk including due to economic uncertainty and, in accordance with information accumulated and to be accumulated regarding borrowers' activity and financial position, revises its provision for credit losses.

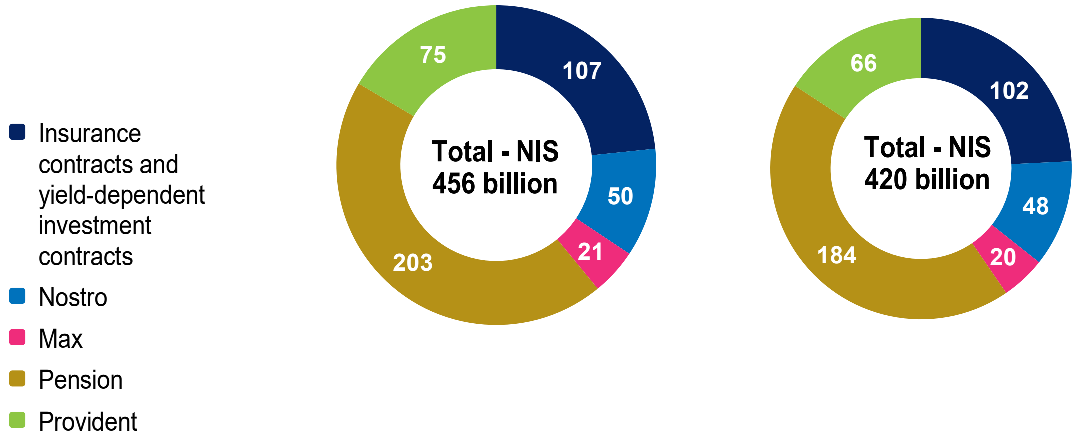
2.2 *Financial information by area of activity (for details regarding the operating segments, see Note 4 to the Consolidated Interim Financial Statements)*

In the Reporting Period, Clal Insurance achieved growth in assets under management and sales of most products.

Summary of data from the Group's consolidated Financial Statements

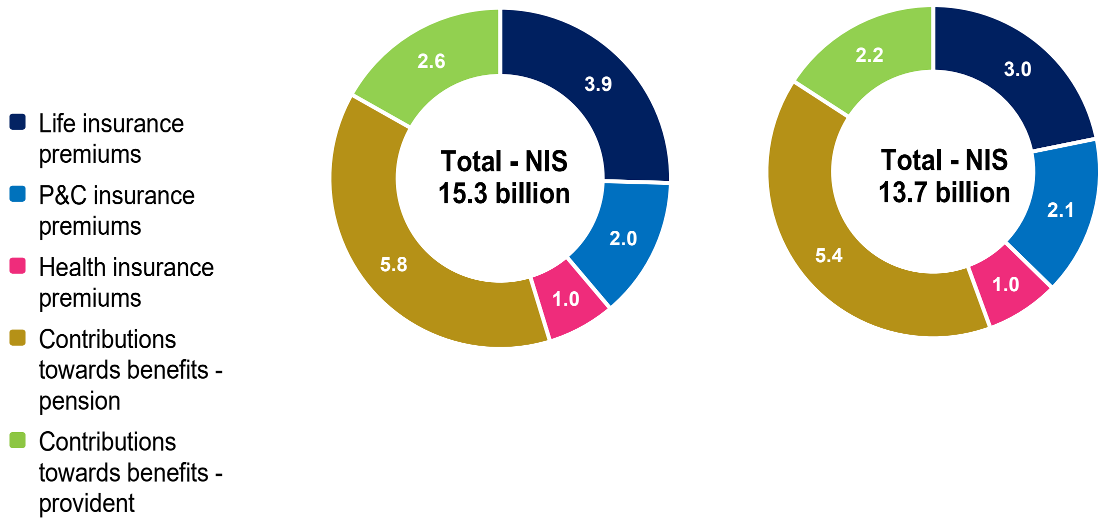
Assets under management as of June 30, 2026

Assets under management as of December 31, 2025



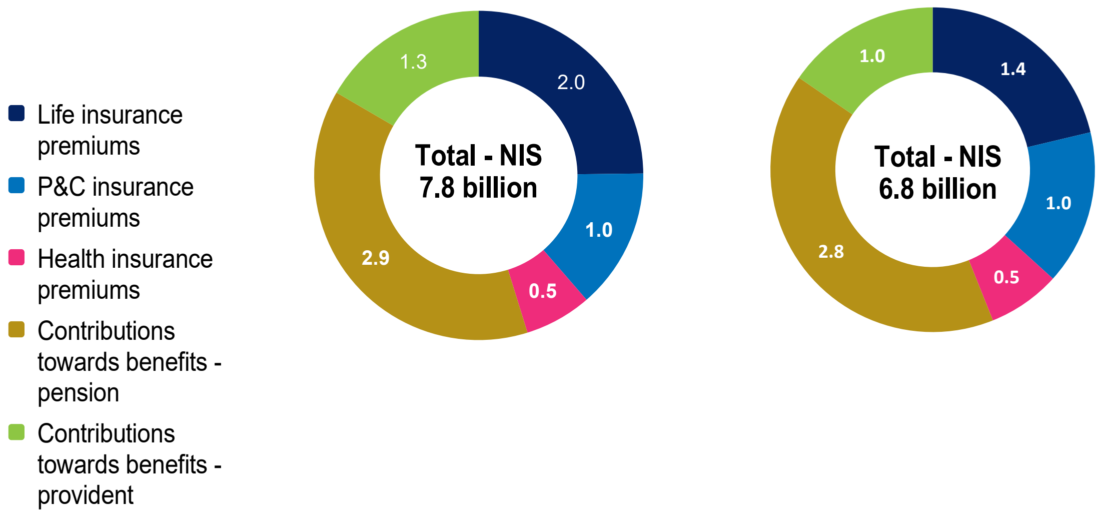
Gross premiums, contributions towards benefits and proceeds for the period of 1-6/2026

Gross premiums, contributions towards benefits and proceeds for the period of 1-6/2025



Gross premiums, contributions towards benefits and proceeds for the period of 4-6/2026

Gross premiums, contributions towards benefits and proceeds for the period of 4-6/2025



Total assets under management and contributions toward benefits of pension funds and provident funds, excluding the guaranteed return provident fund track, are not included in the Company's Consolidated Financial Statements.

Following are the main changes in comprehensive income compared to prior periods:

The following is a breakdown of key comprehensive income components:

In NIS million	1-6 2026	1-6 2025	4-6 2026	4-6 2025	1-12 2025
Life Insurance	**265**	218	**130**	101	488
P&C Insurance	**414**	298	**275**	202	614
Health Insurance	**224**	221	**120**	120	430
Pension	**37**	32	**19**	17	54
Provident	**7**	5	**5**	3	(1)
Total Core income - Insurance and Savings	**945**	774	**548**	443	1,586
Credit Cards	**237**	218	**123**	100	455
Agencies and Other	**31**	27	**17**	13	59
Non-segmented	105	102	43	48	189
Core income	1,318	1,121	732	604	2,289
Excess financial spread	**263**	444	**187**	355	1,225
Adjustments (see Section 2.2.4 below)	**-**	(140)	**-**	(140)	(140)
Minority share	**(7)**	(7)	**(5)**	(5)	(14)
Total other income	**255**	297	**183**	209	1,071
Comprehensive income, before tax	1,573	1,418	914	813	3,360
Taxes	**(524)**	(477)	**(301)**	(282)	(1,094)
Comprehensive income tax attributable to shareholders, post-tax	**1,050**	941	**614**	531	2,266
Return on equity, annualized, in %*	**19.8**	21.5	**22.5**	23.2	26.1
Return on equity, net of adjustments, annualized, in %*	**19.8**	23.8	**22.5**	27.6	27.2

*) The return on equity is calculated based on the net income for the period attributable to the Company's shareholders divided by the equity attributable to the Company's shareholders as of the beginning of the period and taking into account dividends.

Change in the remaining contractual service margin (CSM) in retention (in NIS millions)	1-6		4-6		1-12
	2026	2025	2026	2025	2025
Remaining contractual service margin (CSM) - retention - at the beginning of the period	**10,264**	**10,148**	**10,293**	**10,313**	**10,148**
Release of contractual service margin	*(464)	(418)	(229)	(200)	(902)
New business at inception	349	327	143	144	653
Actual vs. expected financial spread, including modified assumptions	287	2	229	(198)	364
Remaining contractual service margin (CSM) - retention - at the end of the period	**10,436**	**10,059**	**10,436**	**10,059**	**10,264**

*) The rate of the added contractual service margin in respect of sold risk portfolios compared to the release of their contractual service margin is approx. 126%

Core income - includes underwriting income, other operating expenses, income from savings management (investment contracts, pension and provident), credit cards, agencies, the Group's finance expenses, and adjusted financial spread.1

Excess financial spread – includes the financial effects which were not included in the adjusted financial spread, including changes in the risk-free interest rate curve.

Adjustments – Effects outside the Company’s ordinary course of business.

A. The Company's results in the Reporting Period

The post-tax comprehensive income in the Reporting Period amounted to approx. NIS 1,050 million, compared with approx. NIS 941 million in the corresponding period last year.

Core income:

In the Reporting Period, core income increased to approx. NIS 1,318 million, compared to approx. NIS 1,121 million in the corresponding period last year.

Insurance and savings

In the Reporting Period, core income from insurance and savings increased to approx. NIS 945 million, compared to approx. NIS 774 million in the corresponding period last year as detailed below.

In the Reporting Period, there was an increase in contributions towards benefits provided by the Pension and Provident Segment and proceeds from investment contracts, such that the total gross premiums, contributions towards benefits and proceeds from investment contracts amounted to approx. NIS 15.3 billion, compared with approx. NIS 13.7 billion in the corresponding period last year - an increase of approx. 12%.

Credit cards

Total income from credit cards in the Reporting Period increased to approx. NIS 237 million before tax compared to approx. NIS 218 million in the corresponding period last year.

Max's revenues in this period amounted to approx. NIS 1,212 million compared to approx. NIS 1,191 million in the corresponding period last year.

Max’s net interest revenues increased and amounted to approx. NIS 436 million compared to approx. NIS 416 million in the corresponding period last year, mostly due to the increase in Max’s business credit activity, due to the increase in the consumer and business credit portfolio.

1. In the insurance segments - includes an additional annual spread of 2.5% above the risk-free interest rate plus a weighted illiquidity premium with respect to the investment portfolio held against non-yield-dependent insurance liabilities, excluding the Hetz bonds component - according to each segment’s proportional share (return assumption) - and nominal risk-free interest plus an annual spread of 2.5% with respect to the investment portfolio held against the capital and financial liabilities of the Company and Clal Insurance (adjusted financial spread). In 2025, excluding the fourth quarter, the normalized financial spread stood at an annualized rate of 2.25% and did not include an allocation in respect of the equity of Clal Insurance’s subsidiaries. The effect of the update is approx. NIS 25 million for the quarter.

Credit loss expenses amounted to approx. NIS 95 million, compared with an expense of approx. NIS 89 million in the corresponding period last year.

The increase in credit loss expenses is mainly attributable to a significant improvement in the risk indicators in the first quarter of last year, as well as to growth in the credit portfolio

Max's operating expenses totaled approx. NIS 475 million, compared to approx. NIS 488 million in the corresponding period last year.

Investment income and the capital markets:

The results in the reporting period and in the corresponding period last year were affected by capital market volatility, mainly in stock indices, which last year had a more positive effect on investment income in the nostro portfolio, but were offset by the effect of a decrease in the risk-free interest rate curve on insurance liabilities, such that an excess financial spread of approx. NIS 263 million was recorded in the reporting period compared to approx. NIS 444 million in the corresponding period last year.

Return on equity

The return on equity in annualized terms during the Reporting Period was a positive 19.8%, compared with 21.5% in the corresponding period last year, taking into account adjustments with respect to last year's rate of 23.8%.

Premiums, contributions towards benefits and assets under management

During the period, revenues from contributions towards benefits in the Pension and Provident subsegments increased. For further details, see Section 2.2.1.3 and 2.2.1.4 below.

Assets under management by the Group as of June 30, 2026 totaled approx. NIS 456 billion compared with approx. NIS 420 billion on December 31, 2025 - an increase of approx. 9%.

Out of the total said assets, as of June 30, 2026 approx. NIS 203 billion are assets under management for pension compared to approx. NIS 184 billion on December 31, 2025 - an increase of approx. 10%.

B. Company's results in the quarter

The post-tax comprehensive income in the second quarter totaled approx. NIS 614 million, compared to approx. NIS 531 million last year.

Core income:

Core income in the second quarter amounted to approx. NIS 732 million, compared with a total of approx. NIS 604 million last year.

Insurance and savings

In the Reporting Period, core income from insurance and savings increased to approx. NIS 548 million, compared to approx. NIS 443 million in the corresponding period last year as detailed below.

In the second quarter, there was an increase in contributions towards benefits provided by the Pension and Provident Segment and proceeds from investment contracts, such that the total gross premiums, contributions towards benefits and proceeds from investment contracts amounted to approx. NIS 7.8 billion, compared with approx. NIS 6.8 billion in the corresponding period last year - an increase of approx. 15%.

Credit cards

Total income from credit cards in the second quarter amounted to approx. NIS 123 million before tax compared to approx. NIS 100 million last year.

Max's revenues in the second quarter amounted to approx. NIS 621 million compared to approx. NIS 605 million last year.

Max's net interest revenues increased and amounted to approx. NIS 222 million compared to approx. NIS 212 million last year, mostly due to the increase in Max's business credit activity, due to the increase in the consumer and business credit portfolio.

Credit loss expenses amounted to approx. NIS 40 million, compared with expenses of approx. NIS 43 million last year.

Max's operating expenses totaled approx. NIS 247 million, compared to expenses of approx. NIS 255 million last year.

Investment income and the capital markets:

The results in the quarter and in the corresponding quarter last year were affected by a decrease in the risk-free interest rate curve as well as positive returns in capital markets, mainly in share indices, which last year had a more positive effect on investment income in the Nostro portfolio. Accordingly, an excess financial spread of approx. NIS 187 million was recorded, compared to a total of approx. NIS 355 million last year.

2.2.1 Long-Term Savings

2.2.1.1. Life Insurance Subsegment including investment contract

Life Insurance	1-6 2026	1-6 2025	4-6 2026	4-6 2025	For 2025
Income from insurance services and activity	**169**	140	**82**	62	329
Adjusted financial spread	**96**	77	**48**	39	155
Total Core income - Insurance and Savings	**265**	218	**130**	101	484
Effect of the change in the interest rate curve on the liabilities	**(21)**	(84)	**(167)**	(204)	(55)
Remaining financial margin	**260**	294	**248**	321	661
Comprehensive income	**504**	428	**211**	219	1,090
Redemption rate of the life insurance policies out of average reserve in annualized terms:	**1.9%**	2.1%	**1.9%**	1.8%	2.2%

In the Reporting Period, the comprehensive income increased to approx. NIS 504 million, compared with approx. NIS 428 million in the corresponding period last year. In the second quarter of 2026 comprehensive income decreased to approx. NIS 211 million, compared to approx. NIS 219 million in the corresponding quarter last year.

Core income:

The higher income in the Reporting Period and Quarter, compared to the corresponding period last year, arises mainly from higher release of contractual service margin following the revision of actuarial assumptions in 2025, the effect of new business offset by higher-than-expected (retention) cost of claims.

Financial effects:

The effect on insurance liabilities of the decline in risk-free interest during the reporting period totaled a loss of approx. NIS 21 million compared to a loss of approx. NIS 84 million in the corresponding period last year, and a loss of NIS 167 million in the quarter compared to approx. NIS 204 million in the corresponding quarter last year. Furthermore, investment income decreased due to capital market returns compared to last year, which led to a decrease in the balance of the financial spread.

Investment income credited to policyholders in participating policies: following are details regarding the estimated amount of investment income credited to policyholders in life insurance and participating investment contracts calculated based on the return and balances of the insurance reserves in Clal Insurance's business reports (in NIS million):

In NIS million	1-6 2026	1-6 2025	4-6 2026	4-6 2025	For 2025
Investment income credited to policyholders net of management fees	**6,059**	5,278	**5,205**	5,293	11,816

Following is a description of the key results in life insurance by portfolio type in accordance with the details provided in Note 4(d) to the Consolidated Interim Financial Statements:

Life Insurance	1-6 2026	1-6 2025	4-6 2026	4-6 2025	Comment
Policies with a non-yield-dependent savings component					
Gross premiums	**46**	52	**22**	26	
Income from insurance services and activity	**32**	32	**14**	18	The decrease in income in the quarter arises primarily from a decrease in the release of the contractual service margin due to the run-off of the portfolio.
Policies with a yield-dependent savings component					
Gross premiums	**1,370**	1,500	**675**	730	The decrease stems from an increase in outgoing transfers from the executive insurance product to the pension product, alongside a substantial reduction in the number of customers who signed on to life insurance products, mainly due to the executive insurance contribution cap.
Income from insurance services and activity	**88**	78	**37**	25	The higher income arises primarily from an increase in the release of the contractual service margin due to revisions of actuarial assumptions last year, offset by an increase in the cost of claims (retention) beyond the expected increase.
Policies without a savings component					
Gross premiums	**596**	565	**301**	284	
Income from insurance services and activity	**59**	28	**37**	16	The increase arises primarily from an increase in the release of the contractual service margin, the effect of new business and the improvement in underwriting profitability.
Investment contracts					
Gross premiums	**1,877**	739	**1,028**	326	The increase in the period is due to higher sales.
Loss from insurance services and activity	**(10)**	3	**(6)**	4	The higher loss is primarily due to an increase in acquisition expenses following an increase in activity.

2.2.1.2 Additional data regarding life insurance premiums and management fees:

In NIS million	1-6 2026	1-6 2025	4-6 2026	4-6 2025	For 2025
Variable management fees	**409**	261	**314**	261	707
Fixed management fees on accrual	**319**	296	**162**	150	602
Total management fees	**728**	557	**475**	411	1,309
Current premiums	**1,916**	2,042	951	1,009	4,040
One-time premiums	**96**	76*)	47	31*)	137
Total premiums earned, gross	**2,012**	2,118	998	1,040	4,177
Current premiums	**151**	168	**77**	84	325
One-time premiums	**1,725**	571	**951**	242	1,469
Total premiums for investment contracts	**1,877**	739	**1,028**	326	1,794

*) Reclassified.

Details regarding the rates of return on participating policies

	Policies issued in 1992-2003 (Fund J)					Policies issued from 2004 and thereafter (the new Fund J)				
	1-6		4-6		For	1-6		4-6		For
In NIS million	2026	2025	2026	2025	2025	2026	2025	2026	2025	2025
Real return before payment of management fees	**6.29**	5.81	**4.78**	5.87	13.85	**6.19**	5.61	**4.61**	5.91	13.66
Real return after payment of management fees	**5.10**	4.88	**3.95**	5.09	11.44	**5.74**	5.13	**4.38**	5.46	12.65
Nominal return before payment of management fees	**7.53**	7.47	**6.09**	7.22	16.54	**7.42**	7.26	**5.93**	7.26	16.35
Nominal return after payment of management fees	**6.32**	6.52	**5.25**	6.43	14.07	**6.96**	6.78	**5.70**	6.81	15.31

2.2.1.3 Provident Subsegment

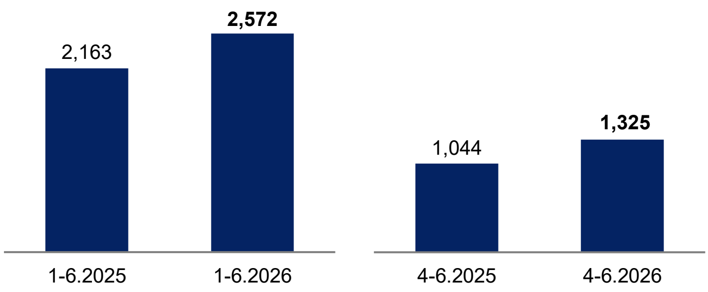
	1-6		4-6	
In NIS million	2026	2025	2026	2025
Comprehensive income, before tax	**6**	7	**5**	4
Contributions towards benefits	**2,572**	2,163	**1,325**	1,044
Net accruals	**4,735**	(1,752)	**3,511**	(789)

Reporting period - an increase in management fees due to the increase in assets under management following the increase in incoming transfers and returns. The decrease in comprehensive income compared to the corresponding period last year arises primarily from higher operating expenses, including agents' commissions.

The increase in contributions towards benefits in the Reporting Period arises mainly from the number of new planholders who signed on to the funds.

Quarter - The higher comprehensive income in the quarter arises from an increase in management fees offset by an increase in operating expenses, including fees and commissions to agents and a decrease in nostro revenues.

Contributions towards benefits - provident



2.2.1.4 Pension Subsegment

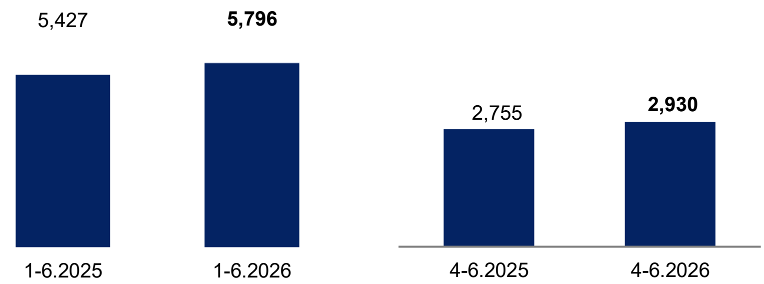
	1-6		4-6	
In NIS million	2026	2025	2026	2025
Comprehensive income, before tax	**38**	38	**21**	22
Contributions towards benefits	**5,796**	5,427	**2,930**	2,755
Net accruals	**6,597**	3,675	**3,720**	1,778

Reporting period – In the reporting period, revenues from management fees increased primarily due to the increase in assets under management compared to the corresponding period last year due to the increase in incoming transfers and returns, which was partially offset by an increase in operating expenses, including fees and commissions to agents.

The increase in contributions towards benefits in the Reporting Period arises mainly from the number of new planholders.

Quarter - The lower comprehensive income in the quarter arises from a decrease in nostro revenues and an increase in operating expenses, including fees and commissions to agents, which is offset by an increase in management fees.

Contributions towards benefits - pension



2.2.2 Property and Casualty Insurance

	1-6		4-6	
In NIS million	**2026**	**2025**	**2026**	**2025**
Gross premiums:				
Motor Property	**575**	660	**263**	297
Compulsory Motor Insurance	**413**	444	**208**	206
Credit Insurance	**74**	79	**36**	42
Remaining portfolios and other	**986**	935	**503**	501
Total premiums, gross	**2,049**	2,118	**1,010**	1,046
Income from insurance services and activity:				
Motor Property	**56**	85	**18**	52
Compulsory Motor Insurance	**36**	(19)	**30**	(24)
Credit Insurance	**22**	19	**11**	11
Other portfolios	**228**	164	**180**	140
Total income from insurance services and activity	**344**	249	**241**	178
Adjusted financial spread	**70**	49	**34**	24
Total core income	**414**	298	**275**	202
Effect of the change in the interest rate curve on the liabilities	**(10)**	6	**(28)**	(9)
Remaining financial margin	**(13)**	(29)	**10**	(14)
Comprehensive income, before tax	**391**	274	**256**	179
CR rate in motor property*	**89%**	87%	**92%**	83%

* Calculated in accordance with the ratio between expenses from insurance services net of reinsurance revenues and revenues from insurance services net of reinsurance expenses.

Gross premiums:

The Reporting Period - The decrease in premiums in the Reporting Period is driven mainly by a decrease in motor property due to a decrease in average premiums and quantities, a decrease in compulsory motor mainly due to timing differences in sizable insurance transactions and decrease in individual ones, as well as a decrease in credit insurance due to a change in the policyholders' mix, which was offset by an increase in the other portfolios.

The Quarter - decrease in premiums in the Reporting Period is driven mainly by a decrease in motor property due to a decrease in average premiums and quantities and by a decrease in credit insurance due to a change in the policyholders' mix.

Comprehensive income:

The comprehensive income in the Reporting Period amounted to approx. NIS 391 million, compared to approx. NIS 274 million in the corresponding period last year.

Core income in the Reporting Period amounted to approx. NIS 413 million, compared to approx. NIS 298 million in the corresponding period last year. The improvement is mainly driven by underwriting improvement across all areas of activity, excluding motor property, as well as from a positive claims development for previous year compared to last year, especially in the Liability subsegments.

The comprehensive income in the current quarter amounted to approx. NIS 256 million, compared to approx. NIS 179 million in the corresponding period last year.

Core income in the current quarter amounted to approx. NIS 274 million, compared with a total of approx. NIS 203 million in the corresponding quarter last year. The improvement is mainly driven by underwriting improvement across all areas of activity, excluding motor property, as well as from a positive claims development for previous year compared to last year, especially in the Liability subsegments.

Motor Property:

The decrease in premiums in the Reporting Period compared to the corresponding period last year is mainly due to lower average premium and quantities.

The decrease in income from insurance services and activity in the Reporting Period arises mainly from a decrease in the average premium and in quantities and at the same time - an increase in the prevalence of claims and in the average cost per claim. Furthermore, the improvement in the cost of claims due to the effects of Operation Rising Lion in the corresponding period last year was more substantial than the improvement in the period due to the effect of Operation Lion's Roar.

The decrease in income from insurance services and activity in the current quarter arises mainly from a decrease in the average premium and in quantities and at the same time - an increase in the prevalence of claims and in the average cost per claim. Furthermore, in the corresponding quarter last year, the cost of claims improved to some extent due to the effects of Operation Rising Lion.

Compulsory Motor Insurance:

The decrease in premiums in the reporting period arises primarily from timing differences in large transactions and from a decrease in the individual insurance business.

The higher income from insurance services and activities in the reporting period and the quarter arose primarily from a positive development in claims in respect of previous years compared to last year.

Credit Insurance:

During the reporting period, the decrease in premiums arose primarily from a decrease in the mix of policyholders' activity in the various sectors, and from a decrease in the USD exchange rate.

The higher income from insurance services and activity in the Reporting Period compared to the corresponding period last year arises mainly from higher underwriting income.

Other portfolios:

The increase in premiums in the Reporting Period compared to the corresponding period is driven mainly by policies in engineering insurance and Sale Law guarantees portfolios. This increase was partially offset by a decrease in the business portfolio.

The higher income from insurance services and activities in the reporting period and the quarter arose primarily from a positive development in claims in the Liability subsegments in respect of previous years compared to last year, underwriting improvement in Other Property subsegments and an increase in the scope of activity in the Sale Law guarantees subsegment.

2.2.3 Health Insurance

	1-6		4-6	
	2026	**2025**	**2026**	**2025**
Gross premiums	**987**	971	**493**	490
Income from insurance services and activity	**189**	188	**102**	103
Adjusted financial spread	**35**	33	**17**	17
Total Core income - Insurance	**224**	221	**120**	120
Effect of the change in the interest rate curve on the liabilities	**(9)**	(52)	**(45)**	(82)
Remaining financial margin	**26**	98	**73**	117
Comprehensive income, before tax	**241**	267	**148**	154

Gross premiums:

The increase in premiums arises mainly from an increase in the individual insurance activity.

Comprehensive income:

The decrease in income compared to the corresponding period last year is mainly due to the balance of the financial spread in view of the capital market returns in the period compared to last year.

Data regarding main portfolio groups in the Health Insurance Segment:

	1-6		4-6	
	2026	**2025**	**2026**	**2025**
Gross premiums:				
Individual long-term care	**131**	138	**63**	69
Collective Long-Term Care	**11**	12	**5**	6
Medical expenses and disabilities - individual	**342**	316	**172**	149
Medical expenses and disabilities - collective	**70**	62	**36**	30
Other	**432**	442	**216**	235
Gross premiums	**987**	971	**493**	490
Income from insurance services and activity:				
Individual long-term care	**6**	35	**9**	21
Collective Long-Term Care	**6**	(5)	**2**	(8)
Medical expenses and disabilities - individual	**65**	57	**33**	33
Medical expenses and disabilities - collective	**5**	(5)	**4**	(0)
Remaining portfolios and other	**107**	106	**55**	56
Income from insurance services and activity	**189**	188	**102**	103
Adjusted financial spread	**35**	33	**17**	17
Total Core income - Insurance	**224**	221	**120**	120
Effect of the change in the interest rate curve on the liabilities	**(9)**	(52)	**(45)**	(82)
Remaining financial margin	**26**	98	**73**	117
Comprehensive income, before tax	**241**	267	**148**	154

Individual long-term care – The lower income from insurance services and activity is driven mainly by higher-than-expected underwriting deterioration in the cost of claims and by lower release of contractual service margin, following changes to estimates in 2025.

Collective long-term care – The loss in the corresponding period last year compared to the income in the period arises mainly from an increase in the provision for class actions.

Individual medical expenses and disability insurance – The higher income from insurance services and activity in the period is mainly due to the effect of new business.

Collective medical expenses and disability insurance – The higher income from insurance services and activity is driven mainly by improvement in underwriting and higher release of the contractual service margin, following changes to estimates in 2025 and the effect of new business.

Remaining portfolios and other – arises mostly from an underwriting improvement in travel and personal accidents insurance.

Information regarding investment income credited to health insurance policyholders of the participating long-term care type:

	1-6		4-6		1-12
	2026	2025	2026	2025	2025
Investment income credited to policyholders	**114**	99	**93**	96	215

2.2.4. Credit cards

	1-6		4-6	
	2026	2025	2026	2025
Total revenues from credit card transactions	**851**	832	**437**	423
Total comprehensive income, before tax	**237**	(* 218	**123**	(* 100
Credit card transactions (Max) (see also Section 2.2.4.1)				
Revenues				
Revenues from credit card transactions	**774**	764	**399**	390
Interest revenues, net	**436**	416	**222**	212
Other revenue	**2**	11	**-**	3
Total revenue	**1,212**	1,191	**621**	605
Expenses				
Credit loss expenses	**95**	89	**40**	43
Operating expenses	**475**	488	**247**	255
Selling and marketing expenses (see Section 2.2.5 below)	**261**	244	**137**	127
General and administrative expenses (see Section 2.2.5 below)	**39**	43	**21**	23
Payments to banks	**127**	122	**65**	61
Total expenses	**997**	986	**510**	509
Pretax income	**215**	205	**111**	96
Technological activity (Milo)				
Revenues from credit card transactions	**77**	68	**38**	33
Comprehensive income, before tax	**22**	13	**12**	4

*) Max's results in the first half and second quarter of 2025 in the corresponding period last year were affected by a one-off provision of NIS 170 million before tax (approx. NIS 130 million post tax) due to a judgment handed down to the credit card companies on August 6, 2025 in respect of an appeal filed regarding a VAT assessment of card holders overseas activity.

The Company has a right of indemnity from the sellers - in accordance with the acquisition agreement, with respect of the VAT assessment proceeding - totaling up to NIS 30 million, which the Company will exercise.

Accordingly, the effect of the increase in the provision in respect of the VAT assessment proceeding on the Company's business results in the corresponding period last year - net of the receivable indemnity - totals approx. NIS 140 million before tax and approx. NIS 100 million post tax. Pre-tax comprehensive income in the first half and second quarter of 2025, are presented net of this effect.

The results of the first half of 2026 reflect Max's continued growth alongside the effects of Operation Lion's Roar. The effect of Operation Lion’s Roar on Max’s financial results was reflected in a decline in domestic issuing and acquiring turnovers during the Operation - driven by a slowdown in domestic economic activity due to Home Front Command restrictions - and, more notably, in overseas activity due to airspace closures. The decrease in the activity volumes during the operation led to a decrease in the Company's revenues from interchange, acquiring, and overseas transaction fees. Upon the entry into effect of the ceasefire in early April 2026, the revision to the Home Front Command’s directives and the resumption of normal activity, Max's domestic issuance and acquiring turnovers improved, and during the second quarter of 2026 they even exceeded their pre-operation levels. Accordingly, Max's total domestic issuance and acquiring turnovers in the first half of 2026 were high compared to the corresponding period last year. Issuing turnovers abroad in the first half of 2026 are slightly lower than in the corresponding period last year, mainly due to the effect of the airspace closure and the decline in international transactions during the Operation.

Revenue from credit card transactions include issuer fees and commissions, service fees and commissions in respect of the activity of card holders, fees and commissions from transactions carried out abroad, acquiring fees and commissions and other revenues from merchants net of fees and commissions to other issuers. Total revenues from credit card transactions in the first half and the second quarter of 2026 increased compared to the corresponding periods last year following an increase in Max’s total issuance and acquiring turnovers compared to the corresponding period last year.

Net interest revenues of Max increased in the first half and second quarter of 2026 compared to the corresponding period last year, mostly due to an increase in business activity, using responsible and strict management, which is supported by informed risk management, which is required in view of the macroeconomic environment and the lack of clarity with respect to the security situation in the region.

Credit loss expenses in the first half of 2026 totaled approx. NIS 95 million, compared to approx. NIS 89 million in the corresponding period last year. The increase in credit loss expenses is mainly attributable to a significant improvement in the risk indicators in the first quarter of last year, as well as to growth in the credit portfolio

Max's **operating expenses** decreased in the first half of 2026 compared to the corresponding period last year, mainly due to the temporary disruption to economic activity and its effects on the issuance turnovers and the expenses supporting this activity.

2.2.4.1 Data by area of activity - Max

	1-6 2026	1-6 2025	Rate of change
Total credit card transactions			
Total revenues	**1,212**	1,191	18%
Comprehensive income, before tax	**215**	205	5%
Of which - issuance activity			
Revenues from credit card activities	**643**	628	2%
Interest revenues	**326**	299	9%
Other revenue	**4**	11	(64%)
Total revenue	**973**	938	4%
Operating, marketing and general and administrative expenses	**643**	638	1%
Credit loss expenses	**92**	88	5%
Payments to banks	**127**	122	4%
Total expenses	**862**	848	2%
Comprehensive income, before tax	**111**	90	23%
Of which - acquiring activity			
Revenues from credit card activities	**131**	136	(4%)
Interest revenues	**110**	117	(6%)
Other revenue	**(2)**	-	-
Total revenue	**239**	253	(6%)
Operating, marketing and general and administrative expenses	**132**	137	(4%)
Credit loss expenses	**3**	1	200%
Total expenses	**135**	138	(2%)
Comprehensive income, before tax	**104**	115	(10%)

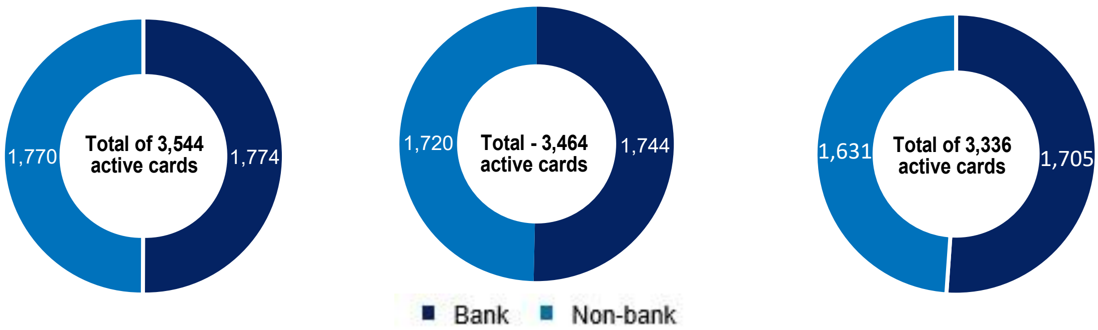
	4-6 2026	4-6 2025	Rate of change
Total credit card transactions			
Total revenues	**621**	605	1%
Comprehensive income, before tax	**111**	98	(5%)
Of which - issuance activity			
Revenues from credit card activities	**332**	323	3%
Interest revenues	**167**	152	10%
Other revenue	**-**	3	-
Total revenue	**500**	478	3%
Operating, marketing and general and administrative expenses	**338**	336	1%
Credit loss expenses	**38**	40	(5%)
Payments to banks	**65**	61	7%
Total expenses	**441**	437	1%
Comprehensive income, before tax	**59**	41	44%
Of which - acquiring activity			
Revenues from credit card activities	**67**	67	0%
Interest revenues	**55**	60	(8%)
Total revenue	**121**	127	(5%)
Operating, marketing and general and administrative expenses	**67**	69	(3%)
Credit loss expenses	**2**	3	(33%)
Total expenses	**69**	72	(4%)
Comprehensive income, before tax	**52**	57	(9%)

2.2.4.2 Quantitative data regarding the credit card transactions

Definitions:

- Valid cards - valid issued cards, excluding blocked cards and prepaid cards.
- Active cards - valid cards with which at least one transaction was carried out during the last quarter.
- Issuance turnover - the turnover from transactions executed with all of the Company's cards, excluding cash withdrawals in Israel and net of cancelled transactions.
- Bank cards - cards issued jointly by the Company and banks to the banks' customers.
- Non-bank cards - cards issued by the Company to customers without cooperation with the banks, sometimes in collaboration with business entities such as organizations and loyalty programs.

Breakdown of active cards as of June 30, 2026 | **Breakdown of active cards as of December 31, 2025** | **Breakdown of active cards as of June 30, 2025**



Turnover of transactions in respect of valid credit cards (active and inactive) (in NIS million):

	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**
bank cards	**42,798**	40,990	**21,953**	20,507	85,562
Non-bank cards	**34,671**	31,939	**18,126**	16,215	68,262
Total	**77,469**	72,929	**40,079**	36,722	153,824

2.2.4.3 Key credit quality indicators

	As of		
Key credit quality indicators (in %)	June 30, 2026	December 31, 2025	June 30, 2025
Rate of balance of the provision for credit losses of outstanding receivables for credit card transactions	**1.84%**	1.95%	2.22%
Rate of non-accruing receivable balance of receivables for credit card transactions	**1.01%**	1.06%	1.19%
Rate of net write-offs of the average balance of receivables for credit card transactions	**1.02%**	1.15%	1.25%

2.2.5 Finance expenses for non-segmented activity

Reporting Period - In the Reporting Period, finance expenses amounted to approx. NIS 179 million, compared with approx. NIS 148 million in the corresponding period last year. The increase arises primarily from the issuance of Notes (Series O) by Clal Insurance and from early redemption of the Company's Bonds (Series A).

The Quarter - In the quarter, finance expenses amounted to approx. NIS 95 million, compared with approx. NIS 80 million in the corresponding quarter last year. The increase arises primarily from the issuance of Notes (Series O) by Clal Insurance and from early redemption of the Company's Bonds (Series A).

	1-6		4-6	
In NIS million	**2026**	**2025**	**2026**	**2025**
Clal Insurance - Tier 2 capital notes	**123**	99	**63**	55
Clal Holdings - Bonds	**47**	40	**27**	20
Other	**9**	9	**5**	5
Total	**179**	148	**95**	80

2.3 *Capital and Capital Requirements*

A. Capital requirements in accordance with the application provisions of the Economic Solvency Regime in Clal Insurance (see Section 1 below)

The insurance companies in the Group are subject to the Provisions of the Solvency II-based Economic Solvency Regime in accordance with the provisions of the Circular Amendment to the Consolidated Circular, Application Provisions for Solvency II-Based Provisions of the Economic Solvency Regime for Insurance Companies, which was published on October 14, 2020.

In accordance with the Consolidated 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 May 28, 2026, Clal Insurance approved and published its Economic Solvency Ratio Report as of December 31, 2025, which was posted on the Group's website at:

https://www.clalbit.co.il/aboutclalinsurance/financialstatementsandpressrelease

It is noted that the calculation of the economic solvency ratio is based on data and models that may differ from those used by Clal Insurance as part of financial reporting, and which are based, among other things, on forecasts and assumptions that rely mainly on past experience. Specifically, and as detailed in the Economic Solvency Regime Circular, the calculation of the economic solvency ratio is based, to a large extent, on the model used to calculate the embedded value. For further details regarding the capital requirements that apply to Group companies, see Note 23(f) to the Annual Financial Statements.

In accordance with the principles for calculating the deduction during the transitional period in accordance with the application provisions of the Economic Solvency Regime, the deduction as of December 31, 2025 was revised and stands at NIS 2,032 million.

For additional information, including a general description of the economic solvency regime, the general underlying principles of the regime, the calculation methodology of the economic balance sheet and of the solvency capital requirement, transitional provisions, general review of the directives of the Commissioner's Directives relating to the Economic Solvency Ratio Report, definitions of key terms, comments and clarifications, please also read Sections 1, 3.1, 4.1 and 5.1 to the Economic Solvency Ratio Report of Clal Insurance as of December 31, 2025.

The solvency ratio as of December 31, 2025 does not include the effect of Clal Insurance's business activity in the period subsequent to December 31, 2025 and through this report's approval date.

For details regarding additional events during and subsequent to the Reporting Period, see Note 2.1 above.

The calculation made by Clal Insurance as of December 31, 2025 was audited by the independent auditors. The audit held in accordance International Standard on Assurance Engagement (ISAE) 3400 – "The Examination of Prospective Financial Information".

Following are data regarding Clal Insurance's solvency ratio and minimum capital requirement (MCR) according to the Solvency II regime.

1. **Economic solvency ratio**

In NIS million	As of December 31, 2025 Audited	As of December 31, 2024 Audited
Own funds for SCR purposes	16,181	14,706
Solvency capital requirement (SCR)	9,893	9,624
Surplus	6,288	5,082
Economic solvency ratio (in %)	164%	153%
Effect of material equity transactions taken in the period between the calculation date and the publication date of the Company's Economic Solvency Ratio Report		
Raising of capital instruments	615	500
Deviation from quantitative limitation	-	-
Own funds for SCR purposes	16,796	15,206
Surplus	6,903	5,582
Economic solvency ratio (in %)	170%	158%

For details regarding the solvency ratio without applying the transitional provisions and regarding the target solvency ratio and restrictions applicable to Clal Insurance in connection with dividend distribution, see Subsection 3 below.

For events during the Reporting Period and subsequent to the report date, and their potential effect on the solvency ratio, see Section 2.1 and 2.2 above.

2. **Minimum capital requirement (MCR)**

In NIS million	As of December 31, 2025 Audited	As of December 31, 2024 Audited
Minimum capital requirement (MCR)	2,650	2,406
Own funds for MCR purposes	12,296	10,975

3. **Solvency ratio without applying the transitional provisions**

According to the letter published by the Authority, in October 2017, (hereinafter - the "**Letter**") an insurance company shall be entitled to distribute a dividend only if, following the distribution, the company has a solvency ratio - according to the Economic Solvency Regime - of at least 100%, calculated without taking into account the transitional provisions and subject to the solvency ratio target set by the insurance company's Board of Directors. The aforesaid ratio shall be calculated without the relief granted in respect of the original difference attributable to the acquisition of the provident funds and management companies. In addition, the letter set out provisions for reporting to the Commissioner.

The following are data on Clal Insurance's economic solvency ratio, calculated without taking into account the transitional provisions.

Solvency ratio without applying the transitional provisions In NIS million	As of December 31, 2025 Audited	As of December 31, 2024 Audited
Own funds for SCR purposes	14,680	13,284
Solvency capital requirement (SCR)	10,599	10,341
Surplus	4,081	2,943
Economic solvency ratio - in %	139%	128%
Effect of material equity transactions taken in the period between the calculation date and the publication date of the Company's Economic Solvency Ratio Report		
Raising of capital instruments	615	500
Deviation from quantitative limitation	-	(500)
Own funds for SCR purposes	15,295	13,284
Surplus	4,696	2,943
Economic solvency ratio - in %	144%	128%
The surplus capital in view of equity transactions made in the period between the calculation date and the publication date of the Economic Solvency Ratio Report, relative to the Board of Directors' target (see Section B below):		
The Board of Directors' economic solvency ratio target (%)	115%	115%
Capital surplus over target	3,106	1,392

4. **Dividend distribution by Clal Insurance**

For details regarding the dividend distribution, see Note 2.1(c) above.

5. **The Company's Own Risk and Solvency Assessment (ORSA)**

In January 2022, a principles paper regarding the implementation of the Own Risk and Solvency Assessment of an Insurance Company (ORSA) as well as an amendment to the Provisions of the Consolidated Circular regarding Reporting to the Commissioner of the Capital Market - Own Risk and Solvency Assessment of an Insurance Company (ORSA) were published.

According to the Letter of Principles, the Company is required to examine, at least once a year, and to file with the Commissioner, each year, a report outlining the interrelationships between the overall strategy and annual work plan and the Company's risk profile, risk management policy, overall exposure level and the adequacy of the buffer under various assumptions and scenarios. In doing so, the risk management policy, capital targets and the range of risk management applied by the Company should be examined and taken into account.

6. **Debt raising by Clal Insurance Capital Raising Ltd. a subsidiary of Clal Insurance**

In January and June 2026, Clal Capital Raising issued to the public approx. NIS 591 million p.v. and approx. NIS 546 million p.v. in Notes (Series O), respectively, by way of expansion of an existing series. The proceeds of the offerings amounted to approx. NIS 622 million and approx. NIS 568 million and were recognized as additional Tier 1 capital of Clal Insurance, subject to restrictions on the maximum rate of Tier 1 capital, in accordance with the provisions of the law. For further details, see 2.1(e) above.

B. Capital requirements and capital adequacy in Max

1. Equity and capital adequacy

Max's reported equity capital amounted to NIS 2,356 million as of June 30, 2026, compared to NIS 2,250 million at the end of 2025 - an increase of approx. 5%, and compared to NIS 2,081 million on June 30, 2025 - an increase of approx. 13%. The equity capital as of the end of the second quarter of 2026 includes NIS 26 million in share capital, NIS 376 million in share premiums, a NIS 83 million capital reserve, NIS 5 million in accumulated other comprehensive loss, and NIS 1,876 million in retained earnings.

At the end of the second quarter of 2026, Common Equity Tier 1 capital amounted to NIS 2,355 million, compared to NIS 2,252 million as of December 31, 2025, and compared to NIS 2,077 million on June 30, 2025.

At the end of the second quarter of 2026, total capital amounted to NIS 2,998 million, compared to NIS 2,882 million as of December 31, 2025, and compared to NIS 2,545 million on June 30, 2025.

The capital adequacy ratios are calculated as the ratio of capital to the risk-weighted assets. The CET1 capital ratio is calculated as the ratio of CET1 capital to the risk-weighted assets. The total capital ratio is calculated as the ratio of total capital to the risk-weighted assets.

As of June 30, 2026, the CET1 capital ratio amounted to 10.5%, compared to 10.2% as of December 31, 2025 compared with 9.9% on June 30, 2025. As of June 30, 2026, total capital to risk-weighted components ratio amounted to 13.3%, compared to 13.0% at the end of 2025, and 12.1% on June 30, 2025.

In accordance with Proper Conduct of Banking Business Directive No. 203, "Measurement and Capital Adequacy - Credit Risk - the Standardized Approach", the weight of the risk of part of Max's exposure to Israeli banks derives from Israel's credit rating. Since Max uses ratings of the international credit rating agency Standard and Poor's (S&P), the downgrading of Israel's rating by this agency in April 2024 from -AA to +A led to an increase in the risk-weighted assets, which were recognized with respect to some of Max's exposures to the Israeli banks, which decreased Max's capital ratios by approx. 0.3%. The further downgrade of Israel's credit rating to A by S&P at the beginning of October 2024 did not affect Max's capital ratios, and even a further one-notch downgrade by S&P to A- is also not expected to affect Max's capital ratios. It is only if S&P will further downgrade Israel's rating by two or more notches to BBB+ or lower that, in Max's opinion, one can expect approx. 0.28% decrease in its CET1 capital ratio, based on data as of June 30, 2026. Max is not aware of an intention to affect such rating downgrade. In November 2025, S&P decided to reiterate the State of Israel's credit rating at A and raised the rating outlook from negative to stable; in May 2026, S&P decided to reiterate the credit rating and the outlook at stable. The credit ratings assigned by other rating agencies do not affect Max's capital ratios.

On January 1, 2026 Proper Conduct of Banking Business Directive No. 206, Capital Measurement and Adequacy - Operational Risk, which adopted the revised directives of the Basel Committee regarding the calculation of capital requirements in respect of operational risk, took effect. The new directive redefines the business indicator components that serve as the basis for calculating the capital requirements in respect of the operational risk, and sets marginal coefficients to be multiplied by the business indicator in accordance with the ranges of the business indicator. Furthermore, the new directive stipulates that the business indicator will be multiplied by an internal loss multiplier, which will be based on the banking corporation's historical operating losses. It was further stipulated that a banking corporation, whose business indicator is lower than NIS 5 billion, is not required to use loss data in its calculation of the capital requirements, and its internal loss multiplier will stand at 1; for all other banking corporations, the internal loss multiplier will stand also at 1 through December 31, 2028. This condition is fulfilled by Max, and therefore its internal loss multiplier stands at 1. The application of the new directive improved Max's capital ratios by approx. 0.3%.

Max's leverage ratio as of June 30, 2026 is 8.7%, compared to 8.8% at the end of 2025 and 8.7% as of June 30, 2025.

For further details regarding the regulatory directives on capital adequacy and leverage ratio, see Note 6 to the Consolidated Interim Financial Statements.

2. Max's capital adequacy targets

Max's capital is designed to support all risks embodied in its activity as well as its multi-year business activity, including supporting its lines of business, expanding the activity and entering into new areas of activity and complement and supplement its operations.

Furthermore, Max analyzes its performance in a stress scenario, and has targets it will wish to meet upon the materialization of a stress scenario.

Max's policy, which was approved by its Board of Directors is to maintain a capital adequacy ratio, which is higher than the minimum threshold set by the Bank of Israel, and which is greater from the capital requirements needed to cover the risks in accordance with the results of Max's Internal Capital Adequacy Assessment Process (ICAAP).

In accordance with Max's risk profile, on March 10, 2026 Max's Board of Directors approved Max's CET1 capital ratio internal target at 9.0% instead of 9.25% as was the case through June 2024. The revised internal target is 100 basis points (1 percentage point) higher than the minimum CET 1 capital ratio set by the Banking Supervision Department. Max intends to hold a safety buffer above the revised internal target. The internal target for total capital ratio has not changed and stands at 12%.

3. Total capital adequacy to risk-weighted components ratio in Max: (**)

Following is a breakdown of the risk-weighted assets and capital requirements in respect thereof:

	As of June 30, 2026		As of June 30, 2025		As of December 31, 2025	
	Unaudited				Audited	
In NIS million	Risk-weighted assets	Capital requirements	Risk-weighted assets	Capital requirements	Risk-weighted assets	Capital requirements
Credit risks - standardized approach						
Of banking corporations	**1,473**	**169**	1,292	149	1,382	159
Of corporations	**1,837**	**211**	1,898	218	2,074	239
Retail to individuals	**13,305**	**1,530**	11,544	1,328	12,304	1,415
Of small businesses	**1,778**	**204**	1,473	169	1,603	184
Other assets	**962**	**111**	1,137	131	938	108
Credit valuation adjustment (CVA)	*	*	1	*	1	*
Total credit risk	**19,355**	**2,225**	17,345	1,995	18,302	2,105
Market risk - standardized approach	**64**	**7**	92	11	80	9
Operational risk - standardized approach	**3,083**	**355**	3,544	408	3,704	426
Total risk-weighted assets and capital requirements	**22,502**	**2,587**	20,981	2,414	22,086	2,540
Capital base	**2,998**		2,545	-	2,532	
Total capital ratio	**13.3%**		12.1%		13.0%	
CET1 capital ratio	**10.5%**		9.9%		10.2%	

* An amount lower than NIS 1 million.

** Calculated in accordance with Proper Conduct of Banking Business Directives Nos. 201-211 entitled Capital Adequacy and Measurement, and Proper Conduct of Banking Business Directive No. 472 "Merchant Acquirers and Acquiring Payment Card Transactions".

4. Dividend distribution by Max

On March 10, 2026, Max's Board of Directors approved the distribution of a dividend in the amount of NIS 56 million, which constitutes approx. 30% of Max's net income for 2025. The dividend was paid on March 19, 2026.

2.4. *Analysis of Cash Flow Development, Sources of Financing and Liquidity*

2.4.1. Cash flow for the Reporting Period

The consolidated cash flows provided by operating activities in the reporting period totaled approx. NIS 391 million due to the Company's income from operating activity net of acquisitions of financial investments in the insurance company and taxes paid. The consolidated cash flows used for investing activities totaled approx. NIS 953 million in the Reporting Period, mainly from a provision of credit to card holders and merchants, investment in financial assets in non-insurer companies and in intangible assets. The consolidated cash flows provided by financing activities totaled approx. NIS 1,518 million in the reporting period, comprising proceeds from issuance of notes in consolidated companies and Company bonds, net of repayments. The Group's cash and cash-equivalent balances increased from a total of approx. NIS 8,329 million at the beginning of the Reporting Period to approx. NIS 9,280 million at the end of the Reporting Period.

2.4.2. Company's financing

2.4.2.1 The Group's sources of financing and liquidity

The Group attaches great importance to maintaining sufficient cash balances, in a manner that will allow it to repay its obligations, and support, where required, the capital needs of Clal Insurance, and liquidity needs in respect of the activity of other Group investees. Other funding sources include, among other things, dividend distributions from investees, and the option of selling stakes in investees, debt raising from the banking system and/or the public, utilization of credit facilities and capital raising.

It is clarified that some of the investees are subject to regulatory provisions regarding dividend distribution beyond the distribution limitations set out in the Companies Law, 1999, which stipulates, among other things, that the Company may make a distribution out of its earnings, provided that there are no reasonable concerns that the distribution will prevent the Company from fulfilling its existing and future undertakings, when they fall due:

A. **Clal Insurance** - the dividends from Clal Insurance depend on the policy set by the Board of Directors of Clal Insurance, see Section 3.2.A above, including compliance with the solvency ratio target set by the Board of Directors, which is higher than the minimum target set by the Banking Supervision Department. The Company considers interest proceeds received from its holding in an Additional Tier 1 capital instrument of Clal Insurance as a source of liquidity, and classifies this holding as a financial investment.

B. **Max** - the dividend distribution in Max is subject to the directives of the Banking Supervision Department, including compliance with capital adequacy restrictions under the Basel directives. Dividend distribution is permitted subject to the provisions of the Companies Law, 1999.

For further details regarding the restrictions on dividend distributions in Clal Insurance and Max, see Note 6 to the Consolidated Interim Financial Statements.

Furthermore, the Company controls the following entities which are not subject to special Regulatory Restrictions pertaining to dividend distribution beyond those of the Companies Law:

A. **Clal Agency Holdings** - the Company presents the net financial assets of Clal Agency Holdings within the net financial assets of Clal Agency Holdings.

B. **Clal Finance** - as detailed in Note 10 to the Consolidated Annual Financial Statements, Clal Finance holds a 24.9% stake in Michlol Finance Ltd. Michlol Finance is a company whose share is listed on the Tel Aviv Stock Exchange; the market value of its shares, based on the share price on the Stock Exchange, is approx. NIS 174 million immediately prior to the report's publication date. This investment is presented under equity-accounted investments in investees, and was not included in the financial investments in this section.

As of the reporting date, the Group has three types of financial liabilities, subordinated notes issued to address Clal Insurance's capital needs, bonds issued to address Max's capital needs and balances used in Max's operating activities and which were issued by the Company.

Following is a table providing a breakdown of the net financial debt (the table includes the following companies: the Company, CIMax Holdings Ltd., and Clal Agency Holdings (1998) Ltd. as stated above, and does not include Clal Insurance and Max, which are subject to Regulatory Restrictions in addition to the distribution restrictions set out in the Companies Law, 1999):

NIS million	As of June 30, 2026	As of December 31, 2025
Financial assets		
Cash and cash equivalents	**324**	67
Other financial investments, mainly money market fund and Israeli T-Bills by the Company	**203**	241
Bonds (Series O) - Clal Capital Raising (market value)	**587**	575
Total assets	**1,114**	883
Less current maturities		
Current financial liabilities	**14**	32
Financial assets less current maturities	**1,100**	851
Non-current financial liabilities		
Non-current financial liabilities: Bonds issued by the Company - liability component	**1,534**	1,537
Total liabilities	**1,534**	1,537
Net financial debt	**434**	686
Unutilized credit facility*)	**100**	250

*) In June 2026, the credit facility was renewed by one year until June 2027, totaling up to NIS 100 million, without material modification in its terms and conditions. For further details, see Note 16(i) in the Annual Financial Statements. As of the report date and its approval date, the abovementioned credit facility has not been utilized.

2.4.2.2 The Company's financing characteristics

A. In its capacity as a holding company, the Company assesses the value of its assets against its liabilities in the context of funding and liquidity; it also assesses whether it has liquid means which are reasonably accessible to allow it to conduct its activities.

B. The Company's activity (investments, general and administrative expenses, debt service and dividends) is normally funded by dividends it receives, from investees, capital raising, loans from banking corporations and proceeds from disposal of assets.

C. For details regarding key financial movements in the Company (on a separate basis), see the data on cash flow attributable to the Company itself (on a separate basis).

D. For details regarding the Company's distributable profits, adjusted to reflect the Company's capital requirements, and regarding capital and capital requirements in the consolidated institutional entities and other Group companies, see Note 23 to the Annual Financial Statements.

2.4.2.3 Dedicated disclosure for the Company's bond holders

A. Data on bonds

Series / issuance date	Bonds (Series B) (convertible bonds)	Bonds (Series C)	Bonds (Series C) (expansion)	Bonds (Series D)
Issuance date	February 2023	December 2023	July 2025	April 2026
Par value on issuance date (in NIS)	150,000,000	500,000,000	350,000,000	604,813,000
Par value as of June 30, 2026 (in NIS)	86,978,386	500,000,000	350,000,000	604,813,000
Carrying amount as of June 30, 2026 (in NIS)	Approx. NIS 84 million **)	Approx. NIS 497 million	Approx. NIS 354 million	Approx. NIS 600 million
Market value as of June 30, 2026*)	Approx. NIS 231 million	Approx. NIS 533 million	Approx. NIS 373 million	Approx. NIS 626 million
Interest type	Fixed, non-linked	Fixed, non-linked		Fixed, non-linked
Nominal interest rate	2.8%	5.25%		4.54%
Interest payable as of June 30, 2026	Approx. NIS 1 million	Approx. NIS 4 million	Approx. NIS 3 million	Approx. NIS 6 million
Effective interest rate on issuance date	4.9%	5.5%	5.0%	4.75%
Listed on the TASE	Yes	Yes		Yes
Principal payment dates	February 28, 2028	The principal shall be repaid in three installments in each of the years 2029-2031		The principal shall be repaid in three installments in each of the years 2032-2034
Interest payment dates	The interest shall be paid in a single annual installment on February 28 of each of the years 2024-2028	The interest will be paid in two semi-annual installments, on November 1 and May 1 of each of the years 2024-2031		The interest will be paid in two semi-annual installments, on October 31 and April 30 of each of the years 2026-2034
Are the notes convertible	Yes	No		No
Linkage base and terms	Notes (principal and interest) are not linked to the CPI and/or to any currency	Notes (principal and interest) are not linked to the CPI and/or to any currency		Notes (principal and interest) are not linked to the CPI and/or to any currency
Pledged assets	None	None		None
Company's right to execute early redemption or forced conversion	The Company may execute full early redemption of its notes starting 30 days from their listing on the stock exchange, and no later than 180 after such a listing. The payment to note holders in respect of early redemption shall be the outstanding par value of the notes (principal and accrued interest) plus One-time early redemption fee of 2% of the outstanding par value. The Company does not have the right to execute a forced conversion of the notes.	The Company may execute full or partial early redemption of its notes no more than once a quarter. Payment to note holders in respect of early redemption shall amount to the higher of: A. Market value; B. Outstanding par value; C. Balance of cash flow (principal and interest) discounted using the return on government bonds plus a 1% interest.		The Company may execute full or partial early redemption of its notes no more than once a quarter. Payment to note holders in respect of early redemption shall amount to the higher of: A. Market value; B. Outstanding par value; C. Balance of cash flow (principal and interest) discounted using the return on government bonds plus a 0.9% interest.
Series' materiality	The series is material as this term is defined in Regulation 10(b)13(a) of the Securities Regulations (Periodic and Immediate Reports), 1970	The series is material as this term is defined in Regulation 10(b)13(a) of the Securities Regulations (Periodic and Immediate Reports), 1970		The series is material as this term is defined in Regulation 10(b)13(a) of the Securities Regulations (Periodic and Immediate Reports), 1970
A cross-default clause is in place ***)	Yes	Yes		Yes

*) The market value includes interest accrued as of June 30, 2026.
**) Of which approx. NIS 8 million represents the equity component presented under equity.
***) For further details, see Section 8.1.14 to the deed of trust of Bonds (Series B), which was attached to the shelf offering report dated February 9, 2023 and Section 8.1.14 to the deed of trust (Series C) attached to the shelf offering report dated December 4, 2023, and Section 8.1.14 to the deed of trust (Series D), attached to the shelf offering report dated April 14, 2026.
****) Subsequent to the reporting date, on May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value. For further details, see Note 5 to the Consolidated Interim Financial Statements.

B. Details regarding the conversion component in Bonds (Series B)

Criterion	Bonds (Series B) (convertible bonds)
Details of the security into which the bonds may be converted	The bonds are convertible into ordinary shares of the Company
Conversion ratio	At the issuance date, the conversion ratio was as follows: Every NIS 85 p.v. of the bonds will be convertible into one ordinary share of the Company Subsequent to the reporting date, in April 2026, after the Company's dividend distribution, the conversion ratio has changed such that every NIS 80.28 p.v. of Bonds will be convertible into one ordinary Company share (instead of the previous conversion rate under which every NIS 81.93 p.v. of Bonds were convertible into one ordinary Company share).
Key terms of conversion, including conditions precedent for the execution of a conversion and any distribution adjustments	The bonds are convertible on each day on which trading takes place on the Stock Exchange through February 18, 2028; If during the conversion right period the Company will distribute bonus shares and/or dividend and/or offer shares by way of offering rights, the number of shares arising from the conversion will be adjusted. For further details, see Section 6.3.3 to the deed of trust attached to the shelf offering report of February 9, 2023.

C. Details regarding rating

	Bonds (Series B) (convertible bonds)	Bonds (Series C)	Bonds (Series D)
Rating agency	Maalot	Maalot	Maalot
Rating on issuance date	ILAA-	ILAA-	ILAA-
Current rating	ILAA-	ILAA-	ILAA-

The trustee for Notes (Series B, Series C and Series D) is Hermetic Trust (1975) Ltd. The names of the individuals in charge of the notes are Adv. Dan Avnon and/or Adv. Meirav Ofer, Tel: 073-2171000, Fax: 03-5271451, email: hermetic@hermetic.co.il, postal address: Champion Tower, 13th Floor, 30 Derech Sheshet HaYamim, Bnei Brak.

D. Contractual restrictions and financial covenants

As part of the trust deed of the Bonds (Series B, Series C and Series D), The Company undertook not to place a floating charge on all of its assets as long as the Bonds (Series B, Series C and Series D) are not repaid in full, unless it has obtained the bond holders' consent in advance or placed a floating charge of the same rank in favor of the bond holders, pari passu. Furthermore, with respect to the expansion of the Bonds (Series B, Series C and Series D), the Company assumed restrictions on dividend distribution; it also undertook to comply with financial covenants whereby its shareholders' equity will not fall below NIS 2.96 billion (as part of Series B) or NIS 3.15 billion (as part of Series C), or NIS 3.65 billion (as part of Series D) and its net financial debt to total assets ratio will not exceed 50%.

In accordance with the Deeds of Trust (Series B) and (Series C), if changes are made to a parameter used to calculate any of the financial covenants detailed in the deeds of trust as a result of changes to generally accepted accounting principles applicable through that date (hereinafter - the "**Old Standards**"), and the effect of the abovementioned changes on the parameter used to calculate the financial covenants is non-negligible (as defined in the deeds of trust) - starting on the initial application date of the accounting principles, the relevant financial covenant will be proportionally adjusted to the change arising from the application of the accounting principles. The abovementioned revised financial covenant will apply as from the initial application date of the accounting principles.

For further details, see Section 6.3.1 to the deed of trust of Bonds (Series B), which was attached to the shelf offering report dated February 9, 2023 and Section 6.3.1 to the deed of trust (Series C) attached to the shelf offering report dated December 4, 2023 and updated by way of an immediate report dated June 25, 2025; see also Section 6.3.1 to the deed of trust (Series D), attached to the shelf offering report dated April 14, 2026.

In addition, an adjustment mechanism was set whereby the interest rate will increase as a result of failure to comply with any of the financial covenants.

For further details, see Section 6.3 to the deed of trust of Bonds (Series B), which was attached to the shelf offering report dated February 9, 2023 and Section 6.3 to the deed of trust (Series C) attached to the shelf offering report dated December 4, 2023, and Section 6.3 to the deed of trust (Series D), attached to the shelf offering report dated April 14, 2026.

An adjustment mechanism was also set whereby the interest rate will increase if the Company's rating will be downgraded. For further details, see Section 6.4 to the deed of trust of Bonds (Series B), which was attached to the shelf offering report dated February 9, 2023 and Section 6.4 to the deed of trust (Series C) attached to the shelf offering report dated December 4, 2023, and Section 6.4 to the deed of trust (Series D), attached to the shelf offering report dated April 14, 2026.

As of the reporting date, the Company complies with the covenants described above. As of June 30, 2026, the net financial debt ratio is approx. 3%, and shareholders' equity amounts to approx. NIS 11.5 billion. In addition, as of the reporting date and the publication date of this report, and during the period starting on the notes' issuance date, the Company has complied and continues to comply with all the conditions and undertakings as per the deeds of trusts, and no circumstances have arisen which establish grounds for immediate repayment of the notes. Furthermore, the Company did not receive notice from the trustee for the notes regarding its failure to comply with the conditions and undertakings as per the deeds of trusts.

The key points of the deed of trust of Bonds (Series B), which were signed between the Company and the trustee, are attached to the shelf offering report of February 9, 2023, and the key points of the trust deed of Bonds (Series C) are attached to the shelf offering report of December 4, 2023, and the key points of the deed of trust for Bonds (Series D) are attached to the shelf offering report dated April 14, 2026, and the full versions of the deeds of trust are available for perusal by appointment at the Company's registered office on any business day during normal working hours.

E. Issuance and early redemption of bonds issued by the Company

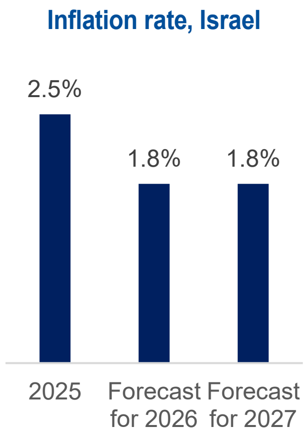
On April 16, 2026, the Company issued approx. NIS 605 million p.v. in Bonds (Series D) to the public, pursuant to the Company's shelf offering report dated April 14, 2026, published under the Company's shelf prospectus. The issuance expenses amounted to approx. NIS 5 million; the effective interest rate is 4.7%, and net proceeds of the issuance amounted to approx. NIS 600 million. The proceeds of the issuance were first used for full early redemption of the Company's outstanding Bonds (Series A), and the balance will be used for the Company's current needs, as decided by the Board of Directors from time to time. On May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value. For further details, see Note 5 to the Consolidated Interim Financial Statements.

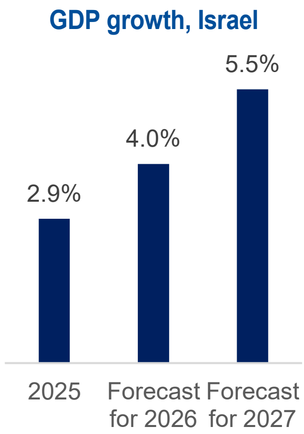
Conversion of Bonds (Series B) into shares

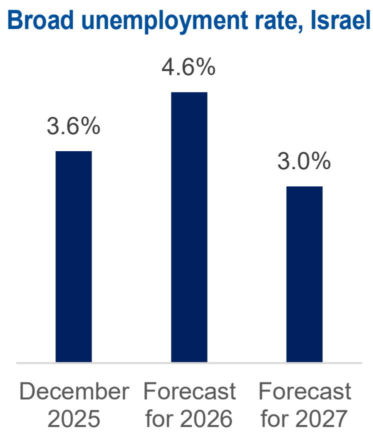
During the Reporting Period, approx. NIS 63 million in p.v. of Bonds (Series B) (convertible bonds) was converted, in exchange for the issuance of approx. NIS 1 million of the Company's share capital. The Company generated a conversion premium totaling approx. NIS 60 million.

3. Developments and Material Changes in the Macroeconomic Environment in the Reporting Period

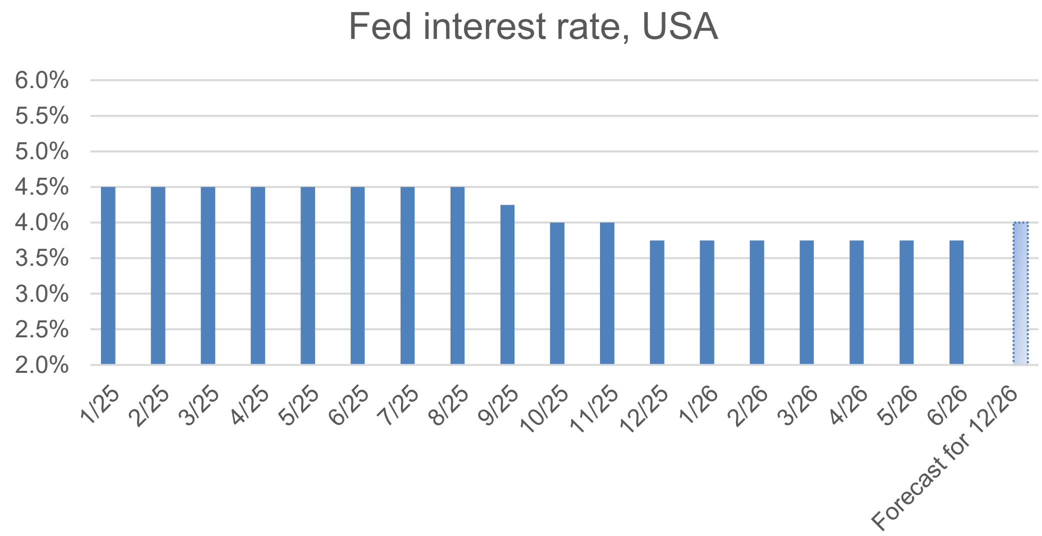
3.1 Key economic data:







*Forecast data in accordance with the Bank of Israel Research Department's forecast, July 2026



* The December 2026 data represents the consensus of forecasts according to Bloomberg, July 21, 2026

3.2 *Following are key trends and material changes in the macroeconomic environment in the Reporting Period and thereafter:*

As from October 7, 2023, Israel has been in a state of war; for further details, see Section 2.1(h) above.

Criterion	Data for the period
Development in the market and employment in Israel	**GDP** - In the first quarter of 2026, GDP contracted by 3.8% (compared to the previous quarter, annualized) due to Operation Lion's Roar and the restrictions on business activities. In accordance with a first estimate published in August by the Central Bureau of Statistics, in the second quarter of 2026, GDP grew by 15.4% (compared to the previous quarter, annualized) due to an increase in consumption and exports following the conclusion of Operation Lion's Roar. According to the macroeconomic forecast of the Bank of Israel's Research Department (July 2026), GDP is expected to grow by 4% in 2026, and by 5.5% in 2027. **Budget deficit** - As of June 2026, it amounted to 3.3% of GDP, compared to 3.75% of GDP in May 2026. In accordance with the Bank of Israel's forecast, the government budget deficit in 2026 and 2027 is expected to amount to 4.9% of GDP and 4.2% of GDP, with the debt to GDP ratio expected to increase to 69% of GDP in 2026, and 69% of GDP in 2027. **Job market** - upon the outbreak of the War, the broad unemployment rate (a data which includes - in addition to those unemployed - also those who are temporarily absent due to economic reasons, such as expense for unpaid leave) increased sharply from 4.2% to 9.7% in October 2023; however since then the broad unemployment rate declined to 4% in June 2026. In accordance with the Bank of Israel's forecast, the broad unemployment rate (annualized average) is expected to stand at approx. 4.6% in 2026 and 3.0% in 2027. According to the Central Bureau of Statistics' estimates for May 2026, the average wage of a salaried employee (all employees) declined by approx. 9% compared to March 2026. The decline follows a jump of approx. 11% in the average wage in March following the effects of Operation Lion's Roar. The average wage for a salaried employee in current PPPs was NIS 14,027. **Housing market** - house prices declined by approx. 2% in the past year. **Rating** - In May 2026, the rating agency S&P reiterated the State of Israel's rating at A with a stable outlook, and the rating agency's economists highlighted the Israeli economy's exceptional resilience during wartime, the high tech sector's strong service exports, and the Bank of Israel's high foreign currency reserves. They predict that by 2027 the Israeli economy will grow by approx. 5.9% and that the inflation rate will stand at around 2.5% - within the target range.
Inflation data	In the second quarter inflation increased by 0.9%; in the past year inflation increased by 1.6%.
Foreign exchange rates	Since the beginning of the year, the NIS has appreciated by approx. 6.6% against the USD.
Development in interest rates and returns	In January 2026, the Monetary Committee decided to cut the interest rate by 0.25% to 4%. During the following months, the committee decided to leave the interest rate unchanged in light of the uncertainty on the back of the security situation. At an interest rate meeting held in May 2026, the Bank of Israel lowered the interest rate by 0.25% to 3.75%, and accompanied the move on a hawkish note with respect to the continuation of the policy in the coming months. During May-June, the Bank of Israel intervened again in the foreign exchange market and acquired approx. USD 1.8 billion. Subsequent to the reporting period, at the beginning of July, the interest rate was cut again by 0.25% to 3.5%.

Developments in capital markets in Israel and across the world (in terms of local currency)

In %	1-6		4-6		For
Share indices in Israel	**2026**	**2025**	**2026**	**2025**	**2025**
TA 35	**12.0**	23.5	**(0.8)**	22.3	51.6
TA 90	**0.3**	25.5	**2.2**	26.3	46.6
TA 125	**9.5**	24.5	**(0.1)**	23.5	51.0
TA Growth	**(2.4)**	20.0	**(2.6)**	20.3	24.0
Bond indices in Israel					
General	**2.6**	3.1	**2.8**	2.7	6.3
Tel Bond-CPI Linked	**2.9**	3.2	**3.0**	2.8	6.6
Tel Bond-Shekel	**2.8**	3.1	**2.9**	2.7	6.5
CPI-Linked Government Bonds	**1.4**	2.0	**2.7**	2.7	4.7
Government - NIS	**3.1**	3.7	**2.6**	2.8	6.9
Share indices across the world					
Dow Jones	**8.9**	3.6	**13.4**	5.6	13.2
NASDAQ	**12.6**	5.2	**21.9**	18.9	20.3
Nikkei Tokyo	**39.2**	1.5	**37.2**	13.7	26.2
CAC Paris	**3.1**	3.9	**7.5**	(1.6)	10.4
FTSE London	**5.7**	7.2	**3.2**	2.1	21.5
DAX Frankfurt	**2.1**	20.1	**10.2**	7.9	23.0
MSCI AC	**7.5**	7.8	**14.6**	10.3	19.9
S&P 500	**8.8**	5.4	**15.4**	11.5	17.1

For details regarding the effects on the financial results, see Section 2 above and Note 5 to the Consolidated Interim Financial Statements.

Global economic developments

The first half of 2026 was marked by uncertainty across financial markets and global economy, driven mainly by geopolitical escalation in the Middle East and the ongoing war between the United States and Israel against Iran. These developments have resulted in sharp volatility in energy prices, and serious concerns around disruptions to supply chains and maritime shipping routes. Due to the surge in energy prices, substantial inflationary pressures were evident against, which resulted in declines in bond markets and in the adoption of a more hawkish tone by central banks, which suspended expectations for interest rate cuts and resumed discussions about interest rate hikes. On the other hand, the equity markets recorded substantial increases, mainly in stocks of companies operating in the fields of artificial intelligence (AI) and chips.

United States - In the first half the new Fed Chair Kevin Warsh took office. Inflation proved sticky and even accelerated sharply due to the surge in energy prices, with the core PCE index rising to an annual rate of 3.4% and the headline index crossing the 4.0% annual threshold. The Fed held the interest rate without change at 3.5%-3.75%, while pointing out that inflation risks are skewed to the upside and hinting at the possibility of a rate hike later in the year. The US economy grew at a solid rate of 2.0% in the first quarter, supported by massive investments in technology. The unemployment rate stabilized around 4.4%-4.3%.

Europe - Contrary to earlier expectations of interest rate cuts, the European Central Bank (ECB) was forced to raise the interest rate in the first half of 2026 to 2.25%, due to the increase in headline inflation to 3.2% and core inflation to 2.5%. The ECB signaled further tightening measures, due to the inflationary effects of the war - the surge in energy prices. The European economy experienced negligible growth during the first quarter of 2026; however, preliminary data for the second quarter indicated an improvement.

China - Activity data which opened 2026 with a certain recovery completely lost momentum as the first half of the year progressed, with retail sales contracting by 0.6% alongside a slowdown in industrial production. Macroeconomic data continue to point to serious internal challenges, most notably a severe crisis in the real estate market, with investments in the sector falling by more than 16%. The growth rate in the first quarter stood at 5.0%, a rate consistent with the government’s targets, but the latest indicators point to persistent weakness. The unemployment rate remained stable around 5.2%.

4. Restrictions on and Supervision of the Corporation's Business

In this chapter, we will review in a condensed form laws, regulations, circulars and very material position papers, or drafts of laws, regulations, circulars and very material position papers, that apply to the activity of the Group's institutional entities, and which are material to the Group's activity, as published by the Knesset, the government or the Commissioner of the Capital Market, Insurance and Savings, as the case may be, subsequent to the publication date of the Annual Financial Statements.

We will also review - in a condensed form - laws, regulations, Proper Conduct of Banking Business Directives (hereinafter - "**PCBB**") and very material position papers, or drafts of laws, regulations, PCBBs and very material position papers, that apply to the activities of issuance, acquiring and processing of payment cards and credit to private individuals and businesses (hereinafter - "**Max's Activity**"), and which are material to the Group's activity, as published by the Knesset, the government or the Banking Supervision Department, as the case may be, subsequent to the publication date of the Annual Financial Statements.

4.1. General

4.1.1. Increasing retail banking competition in the banking system

Further to the publication of the Interim Report of the Taskforce for Assessing the Measures to Increase Retail Banking Competition in the Banking System (hereinafter – the "**Interministerial Taskforce**"), which was appointed to examine steps to remove barriers to the entry of additional players into the banking system, in June 2025 the Banking Supervision Department published a draft roadmap under which it is proposed to adopt the recommendation of the Interministerial Taskforce regarding the expansion of the implementation of the supervisory proportionality approach. Further to the above, in June 2026, a new Proper Conduct of Banking Business Directive entitled Supervisory Framework for Small and New Banks was published, detailing the adjustments to Proper Conduct of Banking Business Directives which will apply to new banking corporations. The directive focuses on the stipulation of an oversight and regulation policy which will be proportional to the banks' scope of the activity; for this purpose 3 oversight levels were defined (up to NIS 15 billion; between NIS 15-50 billion, and over NIS 50 billion). In addition, a preparation period for new banks (up to 3 years) was defined, the purpose of which is to enable a bank to comply with the required regulation in accordance with its size. The proportionality in the regulation will be reflected, among other things, on the following: Capital and leveraging requirements, liquidity requirements and the method of their calculation, restrictions on sectoral concentration, borrower size, corporate governance and risk management, credit and investment, technology and cybersecurity, and the possibility of implementing flexible business models suitable for small banks and digital banks.

Furthermore, and under the abovementioned Supervisor Framework for Small and New Banks, in June 2026 the Banking Supervision Department published an amendment to the Reporting to the Public Directives on small and new banks.

Further to the publication of the final report of the Interministerial Taskforce, in March 2026, the Economic Plan Law for 2026 was enacted (hereinafter - the "**2026 Economic Plan Law**"), which included several legislative amendments aimed at promoting competition in the banking system and implementing the recommendations of the Interministerial Taskforce, the key points of which are:

- Setting three licensing levels2 - a micro bank (with asset value of up to 2.5% of the total asset value of all Israeli banks, unless determined otherwise and no more than 5%), a small bank (with asset value of up to 5% of the total asset value of all Israeli banks, which is not controlled by a large bank) and a large bank (with asset value higher than 5% of the total asset value of all Israeli banks).
- Raising the mandatory threshold for obtaining a holding permit in a small bank from 5% to 10%.
- Holding companies which control institutional entities will be allowed to concurrently control a micro bank; however, a merger between a micro bank (and its controlling shareholder) and the holding company (and an entity it controls) will only be allowed if the Competition Commissioner issues a special approval, except under extraordinary instances listed in the law.
- Providing regulatory expedients to small banks and new banks by exempting them from the requirement to provide certain banking services, such as – expedients/exemption from fair disclosure rules for a limited period and requirements arising from the "Switch at a Click" and "Open Banking" reforms, and non-applicability of the Officer Salary Law for 7 years, providing new banks with the option of offsetting losses

2. Which differ from the supervisory tiers.

accrued in their first years of activity from income in later years.

- Expanding the areas of activity in which banks are permitted to engage and vesting in the Banking Supervision Department the power to expand a small bank’s permitted areas of activity, beyond those set by law.
- Extending and reinforcing the protections and directives applicable to credit card companies which operate the issuance of bank cards as per the Law for Promoting Competition and Minimizing Market Concentration - it is proposed that a bank with a broad scope of activity (a bank whose assets under management do not exceed 20% of total assets under management by all banks in Israel) will not operate more than 40% of the new payment cards it issues through a single operating company (as opposed to the current 52% limit).

The Company believes that the provisions on promoting competition in the banking system as per the 2026 Economic Plan Law may increase competition in the financial and banking system and bring about structural changes in the markets relevant to the Group’s activity.

The Company's assessments regarding these ramifications constitute forward-looking information, which is based on the Company's assessments and assumptions as of this date; actual results may be materially different from those predicted, and depend, among other things, on the final wording of the Banking Supervision Department’s Directives regarding the Supervisor Framework for Small and New Banks, the manner of implementation of the directives on promoting competition in the banking system, and the behavior of market players.

4.1.2. *Increasing competition in the guarantee provision market*

In March 2026, the 2026 Economic Plan Law was published and included, among other things, an amendment to various legal provisions pertaining to the provision of a bank guarantee, such that one will also be able to provide a guarantee issued by non-bank guarantee providers, including insurers, in order to increase competition in the guarantee market. It is also suggested to task the ministers with the assessment and promotion of similar amendments to secondary legislation within their remit and to determine that such assessment will be carried out in any future regulation.

The Company believes that the provisions regarding the promotion of competition in the guarantee provision market as per the 2026 Economic Plan Law may increase competition in the financial system in this area.

The Company's assessments regarding these ramifications constitute forward-looking information, which is based on the Company's assessments and assumptions as of this date; actual results may be materially different from those predicted, and depend, among other things, on the manner of implementation of the directives, and the behavior of market players.

4.1.3. *Credit Data Law*

In July 2026, the Credit Data Law (Amendment No. 6), 2026, was published in the Official Gazette. The amendment is designed to enable the setting up of a dedicated Central Credit Register for corporations, which will operate alongside the existing register for individuals in order to facilitate and improve credit terms for SMEs in Israel.

Under the new register, sources of information as applicable in the original law (including banks, credit card companies, credit providers to whom such obligation applies and public authorities), will transfer to the register detailed data regarding credit undertakings and their repayment by corporations. These data will be used by the credit bureaus to generate credit reports, ratings and assessments, which will be provided to the various credit providers for risk assessment purposes. The amendment stipulates that the register will also include information regarding those who are affiliated with corporations, including, among other things, controlling shareholders, joint borrowers and guarantors, subject to appropriate privacy protection provisions and the requirement of explicit consent of affiliated parties in relevant cases. According to the amendment, in addition to credit providers’ ability to use the register’s data, the Bank of Israel will also be permitted to use identified data regarding corporations and those affiliated therewith to fulfill its functions.

The amendment stipulates several changes regarding the existing register with respect to private individuals; among other things, it puts in place a consumer protection restriction whereunder credit providers are prohibited from asking a customer to provide them with a data concentration report they prepared or a credit report given to them by another credit provider in order to prevent undue pressure on borrowers; the amendment regulates the Bank of Israel's oversight tools over credit providers, vests in the Commissioner the power to use external auditors to conduct audits in the regulated entities, and regulates the Commissioner’s power to issue demands for rectifying deficiencies and preventing adverse effects on customers. Amendments were also made to the methods used to create models based on data and information obtained by the sources of information.

The general provisions of the amendment will enter into effect six months from the publication date, i.e. on January 26, 2027. However, later effective dates were set for some of the clauses. Furthermore, the Bank of Israel was granted a period of 30 months, with a possible extension of 6 additional months to set rules for the regulation of the corporations register.

The Company believes that the amendment to the Credit Data Law is expected to affect credit extension processes of Group companies and will require operational preparations.

4.1.4. The Contracts Law (General Part) (Amendment No. 3), 2025

In January 2026, an amendment to the Contracts Law (General Part) was published, the principal provision of which is that a business contract will be interpreted according to its wording, as opposed to the interpretation rule previously set forth in the law, which provides that a contract will be interpreted both according to its wording and according to the circumstances of the matter. According to the amendment, business contracts are entered into between parties whose annual turnover exceeds NIS 4 million, or contracts in transactions with a value exceeding NIS 15 million. Another condition to the contract’s being a business contract is that both parties relied on legal advice when they prepared the contract. Exceptions to the definition of a “business contract” are ones constituting a standard contract and contracts to which the state is a party.

In addition to the above, it is proposed to determine that the rule regarding interpretation will not apply if interpretation according to the wording of the contract would lead to a result which is unacceptable under the circumstances of the matter, or if there are conflicting provisions in the contract and therefore it is impossible to interpret it according to its wording.

It was also prescribed that the parties will be able add a notwithstanding clause in connection with this rule regarding interpretation, and add an expressed provision in the contract, both with the regard to another interpretation rule that they wish to apply to the contract, and with regard to specifying the evidence that will be acceptable for the purpose of interpreting the contract.

4.1.5. Consumer Protection Law (Amendment No. 74), 2026

In July 2026, an amendment to the Consumer Protection Law was published, which requires businesses to document and record every voice call with a customer in which goods valued at NIS 750 or more are sold to the customer, and in sale transactions whose amount is not known in advance. The amendment sets a period during which businesses are required to retain the recordings, conditions for delivering the documentation to the customer, the types of transactions to which the amendment applies, and provisions which will apply to businesses which will fail to comply with the abovementioned requirements. The law includes indirect amendments which apply similar requirements to various financial entities (including insurers, insurance agents, management companies and credit card companies), including a requirement to record, retain and deliver marketing and sales calls to individual customers The amendment also stipulates administrative sanctions and evidentiary consequences in the event of non-compliance with these requirements. The amendment to the law is expected enter into effect within 8 months from its publication date.

The Company believes that the amendment to the Consumer Protection Law is expected to require Group companies to make operational preparations.

4.1.6. The final report of the Committee for Review of the Disclosure Requirements in Periodic and Immediate Reports - the Hamdani Committee

In June 2026, Israel Securities Authority published the final report of the Committee for Review of the Disclosure Requirements in Periodic and Immediate Reports headed by Prof. Assaf Hamdani (hereinafter - the “**Hamdani Committee**”). The committee was appointed in February 2025 to assess the need for changes in disclosure requirements in periodic and immediate reports. In accordance with the committee's report, the committee’s recommendations are designed to focus the reporting requirements on material information, which will be presented to investors in an orderly and structured format in a manner which will improve the quality of the analysis of business results by the corporation's management. Concurrently with the publication of the report, the Israel Securities Authority published a draft for public comment of amendments to regulations, based on the committee's recommendations. The Chairman of the Israel Securities Authority announced that the implementation of the reform is expected to take place by the end of 2026.

Following are the key recommendations:

- The Description of the Corporation's Business chapter will focus on the incorporation of the materiality principle into the disclosure requirements, eliminating redundancies between disclosure requirements under international accounting standards and the abovementioned chapter and omitting general information which is not specific to the corporation.
- The corporate governance chapter is a new chapter which incorporates all disclosure requirements regarding corporate governance including disclosures from a corporate governance questionnaire, amendments to the scope of the disclosure regarding compensation to senior officers and a disclosure requirement regarding activity demarcation arrangements.
- Management report – It is recommended that the Report of the Board of Directors, in its present format, be replaced by a management report. This is an expanded-format report, reflecting an analytical business review from the management's perspective. The report will include a new chapter on financing and accounting issues. It was also recommended to limit the inclusion of highly material valuations, change the requirement to attach separate financial statements and the structure of such financial statements, make amendments to pro forma financial statements and to the inclusion of financial statements of associates.
- Immediate reports – The report recommended extending the period for filing immediate reports, cancelling the requirement to report at the negotiation stage, adopting the "no response" model for media publications, reporting financial data upon the acquisition of assets in a conditional transaction, and limiting the requirement to publish an updated immediate report to material instances.

4.2. Long-term savings

4.2.1. Digital pension advice by a banking corporation

In March 2026, on the back of another campaign against Iran - Operation Lion’s Roar, Non-Enforcement Position - Pension Advice by a Banking Corporation Outside the Bank Branches to Existing Customers in the Pension Advice Field was published, pursuant to which the Authority will not take enforcement measures against banking corporations that provide pension advice via digital means or by telephone to existing clients, who meet the conditions set forth in the position, in the pension advice field, for as long as a special home front situation is in effect or until April 15, 2026, whichever is earlier.

4.2.2. Final report - the taskforce for assessing regulatory and tax gaps in short- and medium-term savings and investment instruments

In July 2026, the final report was published of a taskforce set up by the Ministry of Finance to assess the various investment instruments in medium and short-term savings, map the gaps and formulate recommendations regarding an adequate regulatory outline for the abovementioned investment instruments, such that the arbitrage in this market will be reduced.

The report notes that there is a regulatory and tax arbitrage in short- and medium-term savings instruments, and recommends to create a new instrument - an investment account - which will include securities, mutual funds, investment provident funds, savings policies and other financial products to be determined in the future. All products will be subject to tax deferral on every transaction within the account - including switching between instruments and tracks - until the drawdown date (a deferral which is currently only available in investment provident funds and savings policies). Furthermore, it is suggested to apply an exemption from capital gains tax on annuity drawdown from the age of 60 (which is currently available only in investment provident funds). However, the cap on annual contributions to investment provident funds eligible for tax benefits will be cancelled and will be replaced with an aggregate contribution cap of NIS 200,000 for all products. In this context, it was recommended to set up a central IT system which will enable the concentration of information regarding the utilization of the caps.

It was also recommended to continue allowing investments in investment provident funds and savings policies outside the investment account, while maintaining the same tax benefits up to the overall cap. However, regarding amounts deposited in excess of the abovementioned tax benefit cap, existing tax benefits currently available in investment provident funds and savings policies will be cancelled, such that switching between investment tracks or transferring between management entities will constitute a taxable event. Furthermore, the report's recommendations in their current wording may retain a certain tax advantage for the mutual funds regarding the option of offsetting losses in this product against future capital gains.

The investment account will be operated by TASE members, except for large banks in the first three years. Providing advice/marketing under the investment account will require entities/persons to hold two licenses – an investment advisor license and a pension/insurance agent license.

The taskforce also recommended allowing existing assets to be absorbed into the new account without a taxable event, and setting up a mechanism for transferring rights acquired in investment provident funds and savings policies prior to the implementation of the recommendations.

At this stage, the Company is unable to assess the final report's effects, prior to the publication of primary and secondary legislation regarding its implementation.

4.3. P&C Insurance

4.3.1. Draft decision - Payment of Reduced Insurance Benefits to Third Parties Due to Differences in Spare Part Prices

In May 2026, a draft decision entitled Payment of Reduced Insurance Benefits to Third Parties Due to Differences in Spare Part Prices was published.

The draft prohibits insurance companies from deducting amounts specified in the vehicle appraisal from the insurance benefits paid for any duly proven damage under motor property insurance, unless such deduction is based on a counter-appraisal, with an emphasis on spare parts prices.

Furthermore, the draft stipulates that an insurance company which previously made a deduction contrary to the draft decision should reimburse the third party for the difference from the actual cost of the damage. In addition, provisions for reporting to the Commissioner were set regarding cases in which reductions were made.

The above in the draft decision will not apply to third-party claimants which are leasing companies, car rental companies or corporations with which the insurance company has a damage reduction agreement.

The Company believes that insofar as the Commissioner's decision is accepted and becomes binding, it is not expected to affect the Company's business results.

The information regarding the draft decision constitutes forward-looking information, based on information in the Company's possession on the report date. Actual results may vary from the estimated results and depend, among other things, on the wording of the final decision, insofar as it is published.

4.4. Max's Activity

4.4.1. Proper Conduct of Banking Business Directives, provisions regarding reporting to the Banking Supervision Department and to the public, and Banking Supervision Department's letters and circulars

In June 2026, the Bank of Israel published a reform regarding fees collected with respect to account management (including current account) and debit card services, which will enter into effect gradually in October 2026 and July 2027. The reform includes a revision of the billing method for current payment transactions and therefore a new payment account management service was prescribed at a maximum controlled price (as a rule, up to NIS 10 for account management for the first 100 transactions and payment of up to NIS 1 for each additional transaction). In addition, a maximum controlled price was set for monthly debit card fee and banking corporations were given the option to offer the public flexible service packages tailored to customers' needs and offering added value thereto.

Max is still studying the directive.

4.4.2. Prohibition on Money Laundering Law, 2000, and Prohibition of Financing of Terrorism Law, 2005

In April 2026, the Banking Supervision Department published a revision to Proper Conduct of Banking Business Directive 411 - Management of Prohibition on Money Laundering and Prohibition on Financing of Terrorism Risks. The revision includes several adjustments to the Regulation of Engagement in Payment Services and Payment Initiation Law, 2024 and the international standards. Those adjustments expand the reporting and authentication requirements and set certain expedients – including the use of an identifier instead of an account number, the expansion of payment services activities, reliefs for payment companies and specific populations, and the regulation of opening accounts for specific types of entities.

Max is studying the revision and works to implement it.

4.4.3. Payment Services Law and regulations promulgated thereunder

In March 2026, a revised version of the Payment Services Regulations (Exemption from the Provisions of the Law) (Amendment No. 2) (Amendment), 2026, was published. As described in the Company's Annual Report for 2025, the amendment retain the existing exclusion of gift vouchers/cards, which are not designated for a particular payer (unidentified), including digital cards, from certain provisions of the Payment Services Law, 2019, and set new consumer provisions to such means of payment and their operation, including requirements pertaining to the validity of certain means of payment, reminders to be sent and provisions pertaining to the cancellation of a transaction.

Max believes that the abovementioned revision has no material effect on its activity.

In addition, in May 2026, the Payment Services Law (Amendment) Draft Bill, 2026, was published, which is designed to add new provisions to the Payment Services Law regarding the transfer of information pertaining to misuse of means of payment, to the effect that the Minister will be allowed to promulgate regulations regarding the setting up and management of a database to be used to identify, monitor, prevent, and address cases of deception, fraud, or misuse of means of payment, and the transfer of information to the database and among various payment service providers for such purposes.

Max believes that the passing of the amendment into law may assist the financial system in preventing fraud.

4.4.4. Designation of a Concentration Group

In May 2026, the Competition Commissioner stipulated, pursuant to her power under the Economic Competition Law, 1988, that the five largest banking groups jointly constitute a concentration group in the retail banking services sector, and imposed on the members of the group directives regarding deposits. A review conducted by the Israel Competition Authority concluded that conditions in the retail banking services sector are conducive to very little competition and that effectively competition is very limited. The key directives of the Commissioner are:

1. Prohibition of discrimination with regard to deposit interest rates and a transparency requirement for banks.
2. A requirement that banks will proactively contact customers on the deposit renewal or repayment date, provide them with quotes as to interest rates on deposits and money market funds, and allow them to acquire such deposits and money market funds on the repayment or renewal date through a simple and convenient process.
3. A prohibition on a bank with a broad scope of activity from unreasonably refusing to enter into an engagement with deposit aggregators, and a prohibition on discriminating against them compared to similar customers.
4. Obliging both the transferor and the transferee banking corporations to take all necessary measures to enable the customer to transfer the deposit to the transferee bank or to another regulated financial entity using an online channel, in a convenient, reliable, and secure manner, and free of charge - alongside a prohibition on hindering the transferee bank from transferring the deposit or money market fund for the customer.

In order to allow time to file appeals and to prepare for the implementation of the directives, they will enter into effect on May 6, 2027.

At that date, the Bank of Israel published its position regarding the abovementioned announcement by the Competition Commissioner, according to which the Bank of Israel attaches great importance to promoting competition and fairness in the financial system and has, over the years, advanced significant reforms in this area. The Bank of Israel's position is that, under the circumstances, declaring the banks a concentration group is an extreme and disproportionate step, which may deter investors from operating in Israel and is not expected to contribute in any meaningful way to improving the welfare of bank customers.

Max is studying the resolution and at this stage is unable to assess its effect.

5. Exposure to Market Risks and Management Thereof

In accordance with the Securities Regulations (Periodic and Immediate Reports), 1970, Disclosure on exposure to, and management of, market risks relates to exposures of the Company and its consolidated companies, except for Mivtachim in Israel.

There were no material changes in the Company's exposure to market risks and their management during the Reporting Period compared to the Annual Financial Statements. Regarding exchange of capital, see Section 2.1(f) above. The replacement did not have an effect on the exposure to market risks.

Linkage bases report as of June 30, 2026	NIS		Foreign currency				Other non-monetary items	Credit card company in Israel	Israeli insurance company	Total
In NIS million	Non-linked	CPI-linked	USD	EUR	GBP	Other				
Cash and cash equivalents in respect of yield-dependent contracts	-	-	-	-	-	-	-	-	5,014	5,014
Other cash and cash equivalents	449	-	11	-	-	-	-	953	2,852	4,266
Financial investments for yield-dependent contracts	-	-	-	-	-	-	-	-	100,795	100,795
Other financial investments measured at fair value	132	-	30	-	-	-	78	1	46,158	46,399
Other financial investments measured at depreciated cost	-	-	-	-	-	-	-	-	2,323	2,323
Receivables for credit card transactions, net	-	-	-	-	-	-	-	20,476	-	20,476
Receivables and debit balances	100	5	-	-	-	-	5	66	567	743
Current tax assets	-	3	-	-	-	-	-	47	3	53
Insurance contract assets	-	-	-	-	-	-	-	-	3,478	3,478
Reinsurance contract assets	-	-	-	-	-	-	-	-	2,511	2,511
Investments in investees accounted for by the equity method	-	-	-	-	-	-	162	1	43	205
Investment property in respect of yield-dependent contracts	-	-	-	-	-	-	-	-	3,952	3,952
Investment property - other	-	-	-	-	-	-	-	-	1,508	1,508
Property, plant and equipment	-	-	-	-	-	-	16	125	164	305
Intangible assets and goodwill	-	-	-	-	-	-	866	250	1,084	2,200
Costs of obtaining investment management service contracts	-	-	-	-	-	-	8	-	894	901
Deferred tax assets	-	-	-	-	-	-	14	104	6	124
Right-of-use asset	-	-	-	-	-	-	79	184	353	616
Total assets	681	7	41	-	-	-	1,227	22,207	171,705	195,869

Linkage bases report as of June 30 2026 (cont.)

In NIS million	NIS		Foreign currency				Other non-monetary items	Credit card company in Israel	Israeli insurance company	Total
	Non-linked	CPI-linked	USD	EUR	GBP	Other				
Liabilities										
Loans and credit	1,535	-	-	-	-	-	-	8,921	8,407	18,863
Liabilities for derivative instruments	-	-	-	-	-	-	-	-	504	504
Payables and credit balances	133	-	-	-	-	-	5	516	2,847	3,501
Payables for credit card transactions	-	-	-	-	-	-	-	10,242	-	10,242
Current tax liabilities	3	3	-	-	-	-	-	9	13	28
Liabilities for of yield-dependent investment contracts	-	-	-	-	-	-	-	-	15,405	15,405
Liabilities for non-yield-dependent investment contracts	-	-	-	-	-	-	-	-	2,472	2,472
Total liabilities for insurance contracts	-	-	-	-	-	-	-	-	131,591	131,591
Liabilities for reinsurance contracts	-	-	-	-	-	-	-	-	60	60
Liabilities for employee benefits, net	19	-	-	-	-	-	-	26	54	99
Deferred tax liability	-	-	-	-	-	-	8	-	746	754
Lease liabilities	-	93	-	-	-	-	-	184	439	717
Total liabilities	1,691	96	-	-	-	-	13	19,898	162,539	184,236
Total exposure	(1,010)	(89)	41	-	-	-	1,215	2,310	9,166	11,633

6. *Risk Review for Max*

For an extensive description of Max’s risks and their management, see the 2025 Annual Financial Statements.

General description of the risks and their management

Max is engaged in a wide range of financial activities that involve the taking of risks, including: credit risk, market risk and liquidity risk. These risks are associated with other risks, such as operational risks, including information security and cybersecurity risk, strategic risk, regulatory risk, compliance and money laundering risks, legal risk, reputational risk, model risks and macroeconomic risk inherent in the business activities. Intelligent and in-depth risk management encompassing all areas of Max's activity is part of Max's strategy and a necessary condition for the fulfillment of its long-term goals. Leading principles in risk management are: Corporate governance based on three lines of defense, formulating a risk appetite and risk management policy papers and revising them from time to time, preparing to address stress scenarios, mapping risks in new products, implementing a risk management culture, monitoring and control processes, putting in place orderly reporting processes, investigating default events, alongside the Code of Ethics.

For additional information regarding the risks, see Pillar 3 - Disclosure of Additional Information regarding Risks, which was posted on Max’s website.

Credit risk

In accordance with Proper Conduct of Banking Business Directive 311 (hereinafter - “**Directive 311**”) regarding the management of credit risks, the risk is defined as a risk that a borrower or a counterparty of Max will fail to meet its obligations to Max, as they were agreed upon.

Max operates according to a credit policy, which is approved by the Board of Directors once a year, and which constitutes one of the main pillars through which Max’s credit strategy and risk appetite are reflected. The credit policy stipulates, among other things, the principles for provision of credit, including guidelines for the marketing of credit, the methods of control and the management of the credit risks - including restrictions on credit provision, in order to manage and mitigate the portfolio’s credit risk in accordance with the risk appetite.

As a leading company in its area of activity, Max developed a professional function that implements an informed and efficient risk management processes in its business activities in the field of credit, in accordance with the customers’ needs.

In accordance with its strategy, Max operates to expand its private credit portfolio, while maintaining a high level of diversification. Among other things, Max defines the mix of credit products, the growth rate and the offers made to customers in accordance with internal economic parameters, and developments in macroeconomic indicators.

Economic activity in Israel declined due to Operation Lion’s Roar. The partial opening of the economy at a relatively early stage of the operation has led to a recovery in transaction turnovers, and upon the entering into effect of the ceasefire, normal activity resumed in most sectors. High levels of uncertainty remain as to the regional security and geopolitical conditions.

Therefore, Max continues to monitor developments on an ongoing basis and to assess their potential impact on the Israeli economy, on its business operations, and on its customers. Max continues to carefully manage and monitor credit risk, from which it emerges that despite the ongoing uncertainty in the geopolitical environment, no material deterioration in credit risk is evident.

The assessments presented in this chapter constitute forward-looking information which is based on Max's assessments in accordance with the information available to it on the report publication date. These assessments are uncertain and actual results may vary materially from those assessed, including, among other things, in view of developments which vary materially from those assessed and macroeconomic and geopolitical uncertainty.

Credit risk in respect of credit to private individuals

Credit risk to private customers arises mainly from exposure related to credit products that Max offers to retail customers: non-interest-bearing credit (credit card transactions) and interest-bearing credit, which consists of several different products, primarily: unsecured loans (“all-purpose loans”), auto financing loans (“car loans”), and revolving credit. The credit is provided mostly at variable interest rates, and fixed-rate credit is also provided, primarily CPI-linked credit for car finance

Underwriting of credit to private individuals

The underwriting process for private customers is documented and is carried out mainly through a modeled process based on statistical credit scoring models, combined with business rules, alongside manual underwriting.

Max has in place control and monitoring processes that routinely monitor the development of the scores assigned to customers in the models, and monitors the portfolio's risk profile on an ongoing basis.

Among other things, the credit is managed based on constraints derived from Max's risk appetite and credit policy.

The three main products in the credit portfolio for private customers are:

Solo Loans ("all-purpose loan")

Solo loans are advanced to private customers based on a structured underwriting process in accordance with the customer's level of risk and the restrictions set by Max. These loans are not secured by any collateral of any kind. Review of the existing solo loan portfolio and the flow of new loan applications is carried out on an ongoing basis and monitored using predefined risk indicators, which are adapted periodically to changes in the borrowers' characteristic and macroeconomic developments.

Car loans

Car loans to private individuals are advanced based on a structured underwriting process and in accordance with the restrictions placed by Max. Financed vehicles are pledged in favor of Max and a review of data regarding the development of the portfolio and monitoring of the risk indicators are conducted on an ongoing basis. Alongside the risk arising from the repayment capacity of each customer, the car loan activity also entails risks associated with the collateral - operational risks such as inappropriate lien execution, failure to receive an insurance policy with a lien clause in favor of Max, etc., and the risk inherent in the decrease in the value of the collateral (and an increase in exposure).

Revolving credit

Short-term credit which allows private individuals to set up monthly billing, with any amount that exceeds the set billing amount, "revolves" to the next month and bears interest. This product has a risk level that depends, among other things, on the monthly repayment rate out of the outstanding credit balance.

Marketing of credit to private individuals

Max defined a policy and work processes suitable for marketing of credit to customers, while modifying the offer in accordance with the customer's needs and characteristics. The process of marketing the credit and its approval is implemented in accordance with the principles set out in Max's Code of Ethics, which reflects the core principles adopted by Max: partnership, fairness, customer experience, initiative and excellence.

The marketing process also includes a strict assessment of the conduct risk while ensuring that the credit matches the customer's needs and maintaining transparency and fairness. This activity is backed by supportive work processes, emphasizing, among other things, provision of full disclosure regarding all credit products at the time of sale.

Commercial credit

Credit risk to merchants arises mainly from exposure related to credit products that Max offers to its customers according to their needs. Max offers a range of credit products to business customers, mainly loans with various periods, and facilities for business credit card purchases, alongside autonomous guarantees to merchants aimed at securing payments for merchants in the form of working capital, investment in their businesses and other needs.

<u>Underwriting commercial credit</u>

This credit is advanced to small and micro merchants and limited liability companies, mostly small- to mid-sized. Max operates based on a tight credit policy that integrates internal restrictions on underwriting and on the management of the credit activity. To date, most of the credit to merchants is advanced to merchants, which use Max as their acquirer. In those cases, funds from acquiring may be used to settle the debt, and this mitigates the credit risk and reduces the rate of losses from such credit. The rate of credit loss provisions in respect of this credit, which is based on historical loss rates. Alongside its activity with acquirer customers, Max also operates with non-acquirer customers, offering credit products used in activity with acquirer customers, with an emphasis on products such as short-term credit for financing supplier purchases backed by a policy from an external insurance company, secured credit, and credit provided as part of the state-guaranteed fund.

Troubled credit

Max has set procedures for identifying troubled credit and for classifying debts as troubled. In accordance with these procedures, Max classifies all of its troubled debts and off-balance sheet credit items as: Troubled accruing credit and troubled non-accruing credit.

In recent years, regulation is characterized with pro-consumer regulations, that affect Max's ability to receive repayments from its customers; in recent years, there has also been a deterioration in private borrowers' repayment capacity. Those changes are reflected in the number of bankruptcy applications, receivership orders applications, receivership orders issued, bankruptcy orders, and discharge orders. Max takes action to achieve optimal and efficient collection of debts in order to reduce the amounts of debts written-off.

Analysis of credit quality, troubled credit risk and non-performing assets:

	June 30, 2026				June 30, 2025				December 31, 2025			
	Commercial	Private individuals	Others	Total	Commercial	Private individuals	Others	Total	Commercial	Private individuals	Others	Total
In NIS million	Unaudited								Audited			
Credit risk with credit performance rating (1)												
On-balance-sheet credit risk*	**1,553**	**16,238**	**2,870**	**20,661**	1,364	13,658	2,295	17,317	1,488	15,054	2,694	19,236
Off-balance-sheet credit risk	**839**	**25,879**	**15,957**	**42,675**	753	28,168	15,101	44,022	781	25,204	15,113	41,098
Total credit risk in credit performance rating	**2,392**	**42,117**	**18,827**	**63,336**	2,117	41,826	17,396	61,339	2,269	40,258	17,807	60,334
Credit risk not in credit performance rating (2)												
Non-troubled	**24**	**505**	**-**	**529**	11	475	-	486	13	521	-	534
Troubled accruing*	**19**	**358**	**-**	**377**	34	298	-	332	25	356	-	381
Troubled non-accruing	**26**	**164**	**-**	**190**	29	161	-	190	28	159	-	187
Total on-balance sheet credit risk	**69**	**1,027**	**-**	**1,096**	74	934	-	1,008	66	1,036	-	1,102
Off-balance-sheet credit risk	**2**	**25**	**-**	**27**	2	33	-	35	2	36	-	38
Total credit risk not in credit performance rating	**71**	**1,052**	**-**	**1,123**	76	967	-	1,043	68	1,072	-	1,140
Overall credit risk incl. of the public	**2,463**	**43,169**	**18,827**	**64,459**	2,193	42,793	17,396	62,382	2,337	41,330	17,807	61,474
Additional information on total non-performing assets:												
Non-accruing debts	**26**	**169**	**-**	**190**	29	161	-	190	28	159	-	187
Total non-performing assets	**26**	**169**	**-**	**190**	29	161	-	190	28	159	-	187

* Reclassified

(1) Credit risk whose credit rating at the report date matches the credit ratings for granting new credit in accordance with Max's policy.

(2) Credit which is not rated "performance" is credit for Max's customers whom, as of the Report Date, Max had decided not to provide with additional credit.

Comment: Credit risk is stated before the effect of credit loss provision and the effect of collateral which is deductible for the purpose of indebtedness of a borrower or group of borrowers.

Changes in non-accruing debts for receivables for credit card transactions

In NIS million	For the six-month period ended June 30						For the year ended December 31		
	2026			2025			2025		
	Commercial	Private individuals	Total	Commercial	Private individuals	Total	Commercial	Private individuals	Total
	Unaudited						Audited		
Outstanding balance of non-accruing debts as of the beginning of period	**28**	**159**	**187**	28	158	186	28	158	186
Loans classified as non-accruing during the period	**12**	**209**	**221**	15	181	196	28	380	408
Non-accruing debts written-off from the books of accounts	**(11)**	**(114)**	**(125)**	(11)	(114)	(125)	(22)	(217)	(239)
Repaid non-accruing debts	**(3)**	**(90)**	**(93)**	(3)	(64)	(67)	(6)	(162)	(168)
Outstanding balance of non-accruing debts at the end of the period	**26**	**164**	**190**	29	161	190	28	159	187

In NIS million	For the three-month period ended June 30					
	2026			2025		
	Commercial	Private individuals	Total	Commercial	Private individuals	Total
	Unaudited					
Outstanding balance of non-accruing debts as of the beginning of period	**27**	**169**	**196**	29	151	180
Loans classified as non-accruing during the period	**6**	**102**	**108**	8	94	102
Non-accruing debts written-off from the books of accounts	**(5)**	**(59)**	**(64)**	(6)	(54)	(60)
Repaid non-accruing debts	**(2)**	**(48)**	**(50)**	(2)	(30)	(32)
Outstanding balance of non-accruing debts at the end of the period	**26**	**164**	**190**	29	161	190

Indicators of analysis of credit quality, expenses and credit loss provisions:

	As of June 30, 2026		
	Commercial	Private individuals	Total *
		%	
Credit quality analysis			
Rate of non-accruing receivable balance of receivables for credit card transactions	**1.60**	**0.95**	**1.01**
Rate of non-accruing or 90 days or more in arrears receivable balance of receivables for credit card transactions	**1.60**	**0.95**	**1.01**
Rate of troubled credit out of receivables for credit card transactions	**2.77**	**3.02**	**3.00**
Rate of credit not in credit performance rating of the balance of receivables for credit card transactions	**4.25**	**5.95**	**5.80**
Analysis of credit loss expenses for the Reporting Period			
Rate of expenses in respect of credit losses out of the average balance of receivables for credit card transactions	**1.24**	**1.03**	**1.05**
Rate of net write-offs of the average balance of receivables for credit card transactions	**1.12**	**1.02**	**1.02**
Analysis of credit loss provision			
Rate of balance of credit loss provision of the balance of receivables for credit card transactions	**3.14**	**1.72**	**1.84**
Rate of balance of provision for credit losses of the balance of non-accruing receivables for credit card transactions	**196.15**	**181.10**	**183.16**
Rate of the balance of provision for credit losses of outstanding receivables which are non-accruing or in arrears of 90 days or more for credit card transactions	**196.15**	**181.10**	**183.16**
Rate of net write-offs of the balance of provision for credit losses for receivables for credit card transactions	**35.29**	**56.57**	**53.45**

* The balance of receivables for credit card transactions does not include other accounts receivable.

	As of June 30, 2025		
	Commercial	Private individuals	Total *
	%		
Credit quality analysis			
Rate of non-accruing receivable balance of receivables for credit card transactions	2.02	1.10	1.19
Rate of non-accruing or 90 days or more in arrears receivable balance of receivables for credit card transactions	2.02	1.10	1.19
Rate of troubled credit out of receivables for credit card transactions	4.38	3.15	3.26
Rate of credit not in credit performance rating of the balance of receivables for credit card transactions	5.15	6.40	6.29
Analysis of credit loss expenses for the Reporting Period			
Rate of expenses in respect of credit losses out of the average balance of receivables for credit card transactions	0.69	1.13	1.09
Rate of net write-offs of the average balance of receivables for credit card transactions	1.25	1.25	1.25
Analysis of credit loss provision			
Rate of balance of credit loss provision of the balance of receivables for credit card transactions	4.03	2.04	2.22
Rate of balance of provision for credit losses of the balance of non-accruing receivables for credit card transactions	200.00	185.09	187.37
Rate of the balance of provision for credit losses of outstanding receivables which are non-accruing or in arrears of 90 days or more for credit card transactions	200.00	185.09	187.37
Rate of net write-offs of the balance of provision for credit losses for receivables for credit card transactions	31.03	62.42	57.30

* The balance of receivables for credit card transactions does not include other accounts receivable.

	As of December 31, 2025		
	Commercial	Private individuals	Total *
	%		
Credit quality analysis			
Rate of non-accruing receivable balance of receivables for credit card transactions	1.80	0.99	1.06
Rate of non-accruing or 90 days or more in arrears receivable balance of receivables for credit card transactions	1.80	0.99	1.06
Rate of troubled credit out of receivables for credit card transactions **	3.41	3.20	3.22
Rate of credit not in credit performance rating of the balance of receivables for credit card transactions **	4.24	6.44	6.25
Analysis of credit loss expenses for the Reporting Period			
Rate of expenses in respect of credit losses out of the average balance of receivables for credit card transactions	0.54	1.05	1.01
Rate of net write-offs of the average balance of receivables for credit card transactions	1.21	1.15	1.15
Analysis of credit loss provision			
Rate of balance of credit loss provision of the balance of receivables for credit card transactions	3.28	1.82	1.95
Rate of balance of provision for credit losses of the balance of non-accruing receivables for credit card transactions	182.14	184.28	183.96
Rate of the balance of provision for credit losses of outstanding receivables which are non-accruing or in arrears of 90 days or more for credit card transactions	182.14	184.28	183.96
Rate of net write-offs of the balance of provision for credit losses for receivables for credit card transactions	35.29	59.73	56.10

* The balance of receivables for credit card transactions does not include other accounts receivable.

** Reclassified.

Credit Exposure to Foreign Financial Institutions

Max has an immaterial exposure involving global organizations Visa and Mastercard in respect of the balance of transactions executed by tourists in Israel, net of the balance of transactions executed by Israelis abroad, in respect of which Max has not yet been credited by the global organizations. In the first quarter of 2026, there was no material change in Max's exposure to foreign financial institutions.

For further details regarding credit risk, see Pillar 3 - Disclosure of Additional Information about Risks, which was posted on Max's website.

Market risks

Proper Conduct of Banking Business Directive 339, Management or Market Risks, defines market risk as the risk of loss in on-balance sheet and off-balance sheet positions as a result of a change in the fair value of a financial instrument due to change in market conditions (changes in price levels in various markets, interest rates and foreign exchange rates, inflation rates, prices of shares and commodities).

Max has a policy for the management of market risks, which is approved by Max's management and Board of Directors. The policy paper includes a reference to the risk appetite limits, and the hedging processes in respect of the different exposures and is validated from time to time. Max also monitors and tracks all financial risks; the exposure amounts and the results of these sensitivity analyses are discussed by the Financial Risks Management Forum headed by Max's CEO.

Exposure to interest rate risk

Proper Conduct of Banking Business Directive No. 333 regarding management of interest rate risk defines the interest rate risk as the risk to earnings or capital arising from fluctuating interest rates. Changes in interest rates affect Max's income by changing its net interest revenue (including changes in non-interest revenues/expenses). Changes in interest rates also affect the value of Max's assets, liabilities and off-balance sheet instruments, since the present value of future cash flows (and in some cases, the cash flows themselves) changes when interest rates change.

Max's exposure to changes in interest rates arises from a number of sources:

- Gap risk - arises from a discrepancies in the timing of maturity of portfolio instruments and describes the risk arising from the timing of interest rate shifts in the instruments. The degree of the gap risk depends on whether the shifts in interest rates occur consistently along the yield curve (parallel risk) or vary by timing of maturity (non-parallel risk).
- Basis risk - refers to the effect of relative interest rate changes for financial instruments with similar maturities, which are priced based on different interest rate benchmarks.
- Option risk - arises from positions derived from options or from optional components embedded in assets, liabilities or off-balance sheet items, where Max can change the level and timing of its cash flows. Option risk can also be categorized as a risk arising from an automatic option or a behavioral option.

Derivative financial instruments

Generally, it is Max's policy to use derivative financial instruments for economic hedges only.

Following are the fair value data of financial instruments and the effect of changes in interest rates on the fair value:

1. Net book balance, net and fair value of the financial instruments of Max and its consolidated companies, except for non-monetary items:

	As of June 30, 2026				
	NIS		Foreign currency *		
In NIS million	Non-linked	CPI-linked	USD	Other	Total
Net book balance	**1,502**	**225**	**(2)**	**64**	**1,789**
Financial assets	**17,292**	**3,711**	**129**	**105**	**21,237**
Financial liabilities	**15,830**	**3,479**	**131**	**41**	**19,481**
Net fair value of financial instruments	**1,462**	**232**	**(2)**	**64**	**1,756**

	As of June 30, 2025				
	NIS		Foreign currency *		
In NIS million	Non-linked	CPI-linked	USD	Other	Total
Net book balance	1,172	499	43	49	1,763
Financial assets	15,267	2,322	126	66	17,781
Financial liabilities	14,130	1,821	83	17	16,051
Net fair value of financial instruments	1,137	501	43	49	1,730

	As of December 31, 2025				
	NIS		Foreign currency *		
In NIS million	Non-linked	CPI-linked	USD	Other	Total
Net book balance	1,487	57	28	52	1,624
Financial assets	16,585	3,016	113	75	19,789
Financial liabilities	15,136	2,973	85	23	18,217
Net fair value of financial instruments	1,449	43	28	52	1,572

* Including foreign-currency linked NIS.

2. Effect of hypothetical changes in interest rates on the net fair value of Max's financial instruments, excluding non-monetary items:

In NIS million	As of June 30, 2026				
	NIS		Foreign currency **		
	Non-linked	CPI-linked	USD	Other	Total
Simultaneous changes					
Simultaneous increase of 1%	**3**	**(8)**	*	*	**(5)**
Simultaneous decrease of 1%	**(3)**	**8**	*	*	**5**
Non-simultaneous changes					
Steepening	*	**(6)**	*	*	**(6)**
Flattening	**1**	*	*		**1**
Short-term interest rate increase	**2**	**(13)**	*	*	**(11)**
Short-term interest rate decrease	**(2)**	**13**	*	*	**11**

In NIS million	As of June 30, 2025				
	NIS		Foreign currency **		
	Non-linked	CPI-linked	USD	Other	Total
Simultaneous changes					
Simultaneous increase of 1%	6	(19)	*	*	(13)
Simultaneous decrease of 1%	(6)	19	*	*	13
Non-simultaneous changes					
Steepening	4	(5)	*	*	(1)
Flattening	(4)	*	*		(4)
Short-term interest rate increase	(4)	(10)	*	*	(14)
Short-term interest rate decrease	4	10	*	*	14

In NIS million	As of December 31, 2025				
	NIS		Foreign currency **		
	Non-linked	CPI-linked	USD	Other	Total
Simultaneous changes					
Simultaneous increase of 1%	5	(3)	*	*	2
Simultaneous decrease of 1%	(5)	3	*	*	(2)
Non-simultaneous changes					
Steepening	*	(5)	*	*	(5)
Flattening	1	3	*	*	4
Short-term interest rate increase	3	(1)	*	*	2
Short-term interest rate decrease	(3)	3	*	*	-

* An amount lower than NIS 1 million.

** Including foreign-currency linked NIS.

3. Effect of scenarios of interest rate changes on net interest revenues and noninterest finance income:

In NIS million	As of June 30, 2026 Interest revenues	Total
Simultaneous changes		
Simultaneous increase of 1%	**47**	**47**
Simultaneous decrease of 1%	**(47)**	**(47)**

In NIS million	As of June 30, 2025 Interest revenues	Total
Simultaneous changes		
Simultaneous increase of 1%	38	38
Simultaneous decrease of 1%	(38)	(38)

In NIS million	As of December 31, 2025 Interest revenues	Total
Simultaneous changes		
Simultaneous increase of 1%	44	44
Simultaneous decrease of 1%	(44)	(44)

4. Total exposure of Max and its consolidated companies to changes in interest rates:

In NIS million	As of June 30, 2026 On demand and up to one month	More than one month and up to 3 months	More than 3 months and up to one year	Over one year to 3 years	Over 3 years and up to 5 years	Over 5 years	No repayment term
Financial assets	**14,673**	**1,534**	**1,739**	**1,514**	**1,487**	**218**	**72**
Financial liabilities	**12,652**	**1,549**	**1,684**	**1,971**	**1,339**	**286**	**-**
Exposure to interest rate changes	**2,021**	**(15)**	**55**	**(457)**	**148**	**(68)**	**72**
Further details on exposure to interest rate changes by linkage basis:							
Non-linked NIS	**2,001**	**(35)**	**(72)**	**(347)**	**(24)**	**(133)**	**72**
CPI-linked NIS	**10**	**20**	**69**	**(107)**	**175**	**65**	**-**
Foreign currency (including linked to foreign currency)	**10**	**-**	**58**	**(3)**	**(3)**	**-**	*****

	As of June 30, 2026			As of December 31, 2025		
	Total fair value	Internal rate of return	Effective average duration	Total fair value	Internal rate of return	Effective average duration
	In NIS million	In %	Years	In NIS million	In %	Years
Financial assets	**21,237**	**7.38**	**0.47**	19,789	8.05	0.44
Financial liabilities	**19,481**	**2.96**	**0.53**	18,217	3.32	0.44
Exposure to interest rate changes	**1,756**	**4.42**	**(0.06)**	1,572	4.73	-
Further details on exposure to interest rate changes by linkage basis:						
Non-linked NIS	**1,462**	**5.12**	**(0.16)**	1,449	5.41	(0.18)
CPI-linked NIS	**232**	**1.55**	**0.41**	43	1.36	0.93
Foreign currency (including linked to foreign currency)	**62**	**(0.60)**	**-**	80	(1.14)	(0.05)

* An amount lower than NIS 1 million.

Foreign exchange rate risk

The exposure to the foreign exchange rate risk is reflected in a loss as a result of changes in exchange rates as part of Max's routine business activities. Max's exposure to the foreign exchange rate risk arises from currency exposure as a result of the effect of changes in exchange rate on foreign-currency denominated assets and liabilities in Max's balance sheets, mainly the USD and the EUR. The currency exposure is a by-product of Max's routine business activities; it does not involve a deliberate exposure by Max in order to increase income.

Most of Max's exposure to changes in exchange rates arises from its activities, i.e., acquiring and issuance, in which a global organization is involved (Visa or Mastercard).

CPI risk

The exposure to the CPI risk is reflected in a loss it may be incurred as a result of changes in the consumer price index.

Max has an exposure arising from CPI-linked activities, mainly due to interest-bearing credit linked to the Consumer Price Index.

Liquidity and financial risk

In accordance with Proper Conduct of Banking Business Directive 342 regarding liquidity risk management, the liquidity risk is defined as a risk to Max's income and stability stemming from its inability to meet its liquidity needs.

Max has a number of activities that affect its liquidity:

- Cash flows from core activities, i.e. - issuance, acquiring and credit activities.
- Cash flow in respect of sources, including: Raising and repayment of bank loans and debt instruments from the capital market.
- Timing differences between the inflows arising from payments from customers, and the outflows from amounts credited to merchants in respect of the acquiring activities.
- Changes in Max's cash flows arising from the behavior of Max's customers or from a significant change in other players in the financial and non-financial system.

Financing

Max uses diverse funding sources, in order to diversify the risk.

Max's sources of financing include: Equity, banking sources, including long-term loans and holding secured credit facilities with several banks, which are utilized in accordance with Max's needs, which change from time to time, and raising liquid and illiquid securities through various financial instruments for various periods.

In November 2025, Midroog Ltd. rating agency (hereinafter - **"Midroog"**) reiterated Max's issuer rating at Aa3.il (rating outlook: stable), the rating of Bonds (Series E) issued by Max at Aa3.il (rating outlook: stable), and the rating of Max's Subordinated Notes (Series D and F) at A1.il (hyb) (rating outlook: stable). In addition, Midroog reiterated the rating of the Commercial Papers issued by Max (Series 1, 2 and 5) at P-1.il.

In March 2026, Midroog assigned a P-1.il rating to Commercial Papers (Series 6), and on March 27, 2026, Max completed an issuance of Commercial Papers (Series 6) to the public.

In May 2026, Midroog set a rating of Aa3.il (rating outlook: stable) for bonds to be issued through the expansion of Series E, and on June 3, 2026, Max completed the issuance to the public of Bonds (Series E) by way of a series expansion.

In the Reporting Period, Max fulfilled its obligations and met all the conditions in connection with the financing agreements to which it is a party.

Max also monitors the effect of the macroeconomic and geopolitical conditions, and if the State of Israel's credit rating is downgraded again, the supply of sources of financing in the economy may be smaller and Max's exposure to the liquidity risk will increase. Max believes that such deterioration scenarios may affect the cost of the sources available to Max, but it expects that it will still have sufficient sources of financing to maintain its business activities.

These assessments constitute forward-looking information based on Max's assessments and the information available to it on the report publication date. Actual effects may substantively vary from those assessed, due to, among other things, the macroeconomic and geopolitical situation and actual market conditions.

Operational risk

Proper Conduct of Banking Business Directive No. 350 regarding operational risks defines an operational risk as "the risk of a loss as a result of the inadequacy or failure of internal processes, personnel, and systems, or as a result of external events. This definition includes legal risk, but does not include strategic risk and reputational risk". There are situations where other risks materialize, such as: credit risk, compliance risk, and reputational risk are caused as a result of an operational failure.

Max is exposed to operational risks as part of its activities.

Issuing activity:

- Solutions for financial institutions - includes joint credit card issuing and processing with banks, for their customers.
- Private customers – the activity includes the sale and marketing of non-bank credit cards, consumer credit, and other products.

Acquiring activity:

- The acquiring activity includes acquiring services (ensuring payment against vouchers of transactions carried out with credit cards in consideration of a fee collected from merchants), ancillary services and complementary products, as well as loans, voucher factoring, advancement of payments and guarantees for which interest and fees are collected from merchants.

Max is exposed to fraud risk, both in Israel and abroad, involving the credit cards it issues. Exposure to risks on the issuing side arises, among other things, from the loss or theft of a credit card, misuse of a card by a party other than the card holder, including in online transactions, and risks arising from fraudulent activity involving social engineering, such as identity theft and various types of phishing schemes. On the acquiring side, risk exposure lies in the risk that a merchant will fail to deliver the goods it committed to provide, which may lead customers to file complaints of "failure to deliver," alongside additional risks such as unauthorized use of credit card details, disguised activity by prohibited industries, etc.

In recent years, digital transformation processes have accelerated and the adoption of new technologies has become rapid and widespread. On the one hand, these processes enable to develop and improve accessibility of products and services for Max's customers, as well as the advancement and implementation of advanced control measures; on the other hand, they expand the scope of potential risks and increase the inherent risk in this activity.

In addition, operational risks are naturally present in all of Max's processes, and arise, among other things, from actions carried out by Max's employees across the various units, from the use of various technologies and from various IT systems.

Information technology risk

Information technology risk is the risk of impairment to Max's proper operations, to customer service, and of losses arising from malfunctions or mechanical failures in Max's systems and infrastructure, resulting from inadequate maintenance of Max's systems or those of service providers, as well as from incomplete processes for promoting and implementing technological innovation, innovative products, and projects. For further details regarding IT risk, see the Risk Review chapter in the Report of the Board of Directors and Management for 2025 and Pillar 3 - Report on Additional Information on Risks published on Max's website.

In May 2026, Proper Conduct of Banking Business Directive 364 (Management of Information Technology (IT), Information Security, and Cyber Protection Risks) came into effect. Max was prepared for the full implementation of this directive.

Cloud computing risks - Max operates in accordance with Proper Conduct of Banking Business Directive 362. With the aim of enabling the realization of the business benefits of using cloud computing services, Max conducts ongoing assessments of operational risks and regulatory guidelines and operates in accordance with its established cloud policy paper.

Information security and cyber risk

Cybersecurity risk is defined as the potential for damage resulting from an occurrence of a cyber event, taking into account its probability and its severity of its impact. A cyber incident is an event during which the Company's IT and/or computer-embedded systems and infrastructures are attacked by, or on behalf of, opponents (whether external or internal to Max), and such attack may result in the materialization of the cyber risk.

The cybersecurity threat landscape is intensifying and is characterized by increasingly sophisticated attacks of various types and by the growing severity of their potential impact. In addition, the cyber threat landscape continues to expand due to technological advancements, the widening of the attack surface resulting from the growing use of and transition to cloud services, the use of artificial intelligence (AI) capabilities, and the growth of digital banking ("bank in your pocket"). This development enables reliance on and technological support from third-party providers as an integral part of the supply chain, but at the same time introduces inherent risks, including fraud, data leakage, injection of malicious code, and impairment of business continuity. These changes and the development of advanced, AI-based attack tools, have caused a significant increase in the cyber threats domain, such as phishing attacks, DDoS attacks, ransomware attacks, VPN attacks (VPNs), AI-based attacks, supply chain attacks, data tampering, information leakage, etc., aimed at political gains (by state actors) or financial gain (by criminal elements) for the attackers.

In its capacity as a financial organization, Max is an attractive target for various attackers according to the corresponding threat map. The IT systems, communication networks, and external suppliers, as well as the IT systems which serve Max's customers and employees are a target for cyber-attacks aimed at inflicting damage to Max's services, steal information or impair its database.

Max's business activities rely - to a large extent - on technology-based systems. Therefore, the availability of the systems, the reliability of the data, and maintaining the confidentiality of the data are essential for an orderly business activity. Furthermore, Max views business and customer information stored on its systems and on its suppliers' systems as a key asset, and invests substantial efforts and resources in implementing advanced control and defense mechanisms and processes, working regularly to adapt existing defense and control measures and implement additional control and mitigation mechanisms, in order to reduce exposure to cyber threats and enable secure use of these technologies and services.

During Operation Lion's Roar there has been an escalation in cyberattacks against Israel by many attackers (mainly Iranian). The attacks were primarily influence operations with no material effect.

Strategic risk

Strategic risk is the risk of adversely affecting Max's income, capital, reputation or position as a result of erroneous business decisions, inappropriate implementation of decisions or lack of response to industry-specific, economic, regulatory and technological changes.

The strategic risks are affected by three main environments:

- External environment - risks arising from changes in the political, economic and social environment.
- Competition environment - risks arising from changes in the competition environment in which Max operates.
- Internal environment - risks arising from decisions, processes or actions Max has taken or avoided taking.

As part of the assessment of strategic risks, the effects of various market trends and the competitive environment on Max's activity are examined. In recent years, and in light of several regulatory developments, the operating environment has become more competitive, richer, and more diverse. Max monitors these developments on an ongoing basis. For further details regarding strategic risk, see the Risk Review chapter in the Report of the Board of Directors and Management for 2025 and Pillar 3 - Report on Additional Information on Risks published on Max's website.

Regulatory risk

Regulatory risk is the risk of loss or risk of a material strategic change in Max's activity due to the effect of future expected regulation, including legislation and/or directives issued by various regulators. Max is exposed to a regulatory risk with respect to all of its areas of activity.

In the Financial Services Segment, and in payments in particular, multiple significant regulators operate, and reforms and regulatory changes are being implemented that may reshape the industry and affect Max's business. These regulatory changes were designed, among other things, to encourage competition in the field by reducing entry barriers and cutting costs to for customers, while advancing transparency and consumer fairness.

These changes create new business opportunities and promote innovation, while concurrently expanding regulatory gaps between different market participants and leading to a lack of uniformity in market regulation.

Regulatory changes may increase competition in the financial and banking system and bring about structural changes in the markets relevant to Max's Activity.

Compliance risk

Compliance risk is the risk of a legal or regulatory sanction being imposed, and/or a material financial loss and/or a reputational damage incurred by Max as a result of failing to comply with the laws or regulations. According to Proper Conduct of Banking Business Directive No. 308 on compliance, Max is required to mitigate all compliance risks arising from all the laws, regulations, guidance and circulars applicable to its activities.

Money laundering and financing of terrorism risk

The money laundering and/or financing of terrorism risk is the risk that the organization and its employees' fail to comply with the provisions of the law and regulation and the work processes for the implementation of the provisions at Max and consequently the imposition of a sanction and/or financial sanction and criminal liability on Max and its officers and adverse effect on Max's reputation.

Legal risk

The risk arising from an activity of Max regarding which there is a concern that it is not in line with legal provisions (whether primary or secondary legislation), directives and guidance issued by competent authorities, regulation, or case law, a risk arising from legal proceedings conducted against Max, and the risk arising from a concern that Max will breach regulatory or other contractual obligations. Legal risk is also defined as a deficient legal opinion, including drawing up agreements that do not adequately protect Max’s compliance with its regulatory obligations, or failure to give appropriate guidance due to changes in legislation, regulatory directives, case law, or Max’s contractual obligations.

In 2025, Max became a reporting corporation and, as a result, is subject to the direct oversight of the Israel Securities Authority with respect to all obligations arising therefrom, including, among other things, public reporting requirements.

Privacy Protection Risk - Max’s operations involve the collection and processing of personal information, including information of a sensitive nature, as defined in the Privacy Protection Law, 1981 (hereinafter – the **“Privacy Protection Law**”), regarding Max’s customers, employees, and suppliers. This activity is subject to stringent and evolving regulation, in Israel and globally, including Amendment 13 to the Privacy Protection Law, which entered into effect in August 2025, the guidelines of the Privacy Protection Authority, and regulatory provisions applicable to financial entities in this context. Non-compliance with regulatory requirements in this area, or operational or organizational failures relating to personal information, may expose Max to administrative enforcement proceedings, substantial financial sanctions, civil claims, and harm to customer trust. Max is working to mitigate this risk.

Reputational risk

Reputational risk is the potential that negative publicity (whether accurate or not), adverse public perception, heightened discourse in the media and on social networks regarding Max’s activities, market rumors, or social protest relating to the conduct of Max and its employees, will cause reputational damage to Max and/or Max Group. Such harm may result in material damage, including loss of customers, a decline in revenues, exposure to legal claims, and difficulties in recruiting and retaining employees. Reputational risk is an inherent and cross-cutting risk embedded across all areas of Max’s operations, including its products, services, internal processes, and business partnerships. The risk may materialize as a result of intentional actions or inadvertent errors.

Max views its reputation as a substantive asset of high importance, focuses on the proactive identification of potential reputational exposures, and avoids activities that may pose a risk of reputational damage.

Model risk

Model risk is the potential for negative effects as a result of decisions or actions (including reporting) based on incorrect or misused model outputs. Materialization of this risk may lead to financial loss, flawed business and strategic decision-making, or reputational damage with broad implications, which may arise, among other things, from a mismatch between the model and the business reality, use not in accordance with its intended purpose, as well as errors in the model’s calculations and data in its implementation.

The use of models in decision-making processes has been growing in recent years, and accordingly the model risk management system at Max is compatible with this direction as appropriate and required.

Max implements Proper Conduct of Banking Business Directive 369 – “Model Risk Management,” as of its effective date in August 2025.

Environmental risks

Environmental risks are financial risks arising from exposure to activities that have the potential to cause environmental harm or to be affected by such harm ("environmental harm" – events or processes such as air pollution, soil contamination, water scarcity, desertification, loss of biodiversity, deforestation, and earthquakes).

The climate risk is an evolving risk arising, among other things, from the impact of the materialization of environmental risks and from regulatory developments, developments in the business environment, and technological developments relating to the adaptation to climate change.

Environmental and climate risks may directly and indirectly affect Max's financial stability, business activity, and customers.

In June 2026, Proper Conduct of Banking Business Directive 345 - Principles for the Effective Management of Climate-Related Financial Risks - will enter into effect; Max has made preparation for full application of this directive.

Macroeconomic risk

Macroeconomic risk is the risk that the income and capital of Max may be adversely affected by a deterioration in the macroeconomic environment in Israel and across the world. Max's business strategy and capital planning include assumptions, that are derived, among other things, from the macroeconomic environment, and Max assesses and evaluates the effect of the changes in the macroeconomic environment on its business results, including the effect on credit risk, market risk and liquidity risk, as well as capital planning.

Regarding the effects of the security and geopolitical uncertainty in the region, the War of Revival, the ceasefire agreement signed, and Operation Lion's Roar see the chapter War of Revival, Operation Rising Lion and Operation Lion's Roar in the Report of the Board of Directors and Management for 2025. For more information regarding Operation Lion's Roar see Section 2F Explanation and Analysis of Max's Results and Business Position in the Report of the Board of Directors for this quarter.

7. Disclosure regarding Financial Reporting of the Corporation

7.1. Reporting Critical Accounting Estimates

For details on the use of estimates and judgments in the preparation of financial statements, see Note 2(b) to the Consolidated Interim Financial Statements.

7.2. Contingent liabilities

The independent auditors' report to the shareholders' of the Company includes an emphasis of matter paragraph regarding that which is stated in Note 9 to the Consolidated Interim Financial Statements regarding exposure to contingent liabilities.

7.3. Internal Control over Financial Reporting and Disclosure

7.3.1. Securities Regulations

In December 2009, **the Securities Regulations (Periodic and Immediate Reports (Amendment No. 3), 2009** were published, which concern the corporation's internal control over financial reporting and disclosure function; their aim is to improve the quality of financial reporting and disclosure in reporting corporations.

An amendment of July 7, 2011 prescribes that a corporation that consolidates a banking corporation or an institutional entity or carries out proportionate consolidation of a banking corporation or an institutional entity, may opt to implement - only with regard to the internal control in that banking corporation or institutional entity - the format of assessing the effectiveness of internal control prescribed in the other laws applicable thereto in that respect, if such a format is in place regarding the quarterly report.

Accordingly, in addition to the officers' statements and the report on the effectiveness of internal control provided in the quarterly report, disclosure and officers' statements are attached in connection with the internal control in the consolidated institutional entities to which the Commissioner's Directives apply.

In addition to officers' statements regarding internal control in the consolidated credit card company, which is subject to the directives of the Banking Supervision Department regarding the assessment of the effectiveness of internal control over financial reporting.

7.3.2. Commissioner's Directives regarding Internal Control over Financial Reporting and Disclosure

In recent years, the Commissioner published a number of circulars (hereinafter - the "**Commissioner's Circulars**"), which are designed to implement the requirements of Section 302 and Section 404 of the SOX Act in insurance companies, in management companies of pension and provident funds, and in pension and provident funds (hereinafter - the "**Institutional Entities**").

Accordingly, Clal Insurance and the consolidated institutional entities included the information in accordance with the provisions of the law and the reporting provisions on the dates as set in those directives.

7.3.3. Section 302 and 404 of the SOX Act - Management's Responsibility for Internal Control over Financial Reporting and Disclosure

According to the Commissioner's circulars, which are based on Section 302 and Section 404 of the SOX Act, and as detailed in previous Reports of the Board of Directors of Clal Insurance, Clal Insurance has worked continuously to implement the required procedure in accordance with the said provisions, which includes an assessment of the work processes and the internal controls being implemented, in accordance with the stages and the dates set in the circulars. As part of this process, Clal Insurance adopted the internal control model of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) - the Committee of Sponsoring Organization of the Treadway Commission - which is a generally accepted framework for assessment of internal controls.

The management of Clal Insurance (the institutional entity), in collaboration with its CEO, Deputy CEO and Head of the Finance Division, have evaluated the effectiveness of Clal Insurance's disclosure controls and procedures as of the end of the Reporting Period. Based on this assessment, the CEO, Deputy CEO and Head of the Finance Division of Clal Insurance concluded that, as of the end of this period, the controls and procedures as to Clal Insurance's disclosure are sufficiently effective for recording, processing, summarizing, and reporting the information that Clal Insurance is required to disclose in its quarterly report in accordance with the provisions of the law and the reporting provisions set by the Commissioner, and on the date set out in these provisions.

During the quarter ending June 30 2026, no changes took place in the internal control over financial reporting of the Group's institutional entity that had a material effect, or is expected to have a material effect, on the institutional entity's internal control over financial reporting.

7.3.4. Management's Responsibility for Internal Control over Financial Reporting (SOX Act 404)

The Banking Supervision Department's directives impose the requirements of Sections 302 and 404 of the SOX Act on credit card companies.

These sections, set by the SEC and Public Company Accounting Oversight Board, have established provisions with regard to the abovementioned sections, on management's responsibility for instating and maintaining disclosure controls and procedures and for exercising internal control over financial reporting and the opinion of the independent auditors on the audit of internal control over financial reporting.

Among other things, the Banking Supervision Department's directives prescribe that banking corporations shall apply the provisions of Sections 302 and 404 and the SEC directives issued thereunder. In addition, adequate internal control requires an auditing function that follows a predefined, recognized framework, and the model of COSO (Committee of Sponsoring Organizations of the Treadway Commission) meets these requirements and can be used to evaluate the internal controls.

Max It Finance Ltd. (hereinafter - "**Max**") implements the provision in accordance with the Banking Supervision Department's directives as stated above.

7.3.5. Evaluation of disclosure controls and procedures

Max's management, with the cooperation of its CEO and Chief Accountant, have evaluated the effectiveness of Max's disclosure controls and procedures as of the end of the Reporting Period. Based on this evaluation, the CEO and the Chief Accountant have concluded that, as of the end of the Reporting Period, Max's disclosure controls and procedures are effective for the purpose of recording, processing, summarizing and reporting the information that the Company is required to disclose in its quarterly financial statements pursuant to the Banking Supervision Department's Reporting to the Public Directives and as of the date prescribed by the Directives.

Internal controls over financial reporting:

During the second quarter ended June 30, 2026, no changes took place in Max's internal control over financial reporting that had a material effect, or is expected to have a material effect, on the Company's internal control over financial reporting.

Officers' Statements on the Effectiveness of Internal Control over Financial Reporting and Disclosure, with respect to the relevant processes, in accordance with the Commissioner's Circulars are attached to the report.

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

Haim Samet	**Yoram Naveh**
Chairman of the Board	CEO

Tel Aviv, August 18, 2026

Clal Insurance Enterprises Holdings Ltd.

Condensed Consolidated Interim Financial Statements

as of June 30, 2026

(Unaudited)

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with confidence

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Review Report of the Independent Auditors for the Shareholders of Clal Insurance Enterprises Holdings Ltd.

Introduction

We have reviewed the accompanying financial information of Clal Insurance Enterprises 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 the Israel Securities Regulations (Periodic and Immediate Reports), 1970, which pertain to holding companies of insurers and credit card companies, as described in Note 2(a) to the financial information. Our responsibility is to express a conclusion regarding the financial information for this interim period based on our review.

We did not review the condensed interim financial information of equity-accounted investees, the investment in which totaled approx. NIS 129 million as of June 30, 2026, and the Group's share in the profits of which is approx. NIS 8 and 4 million for the six- and three-month periods then ended, respectively. The condensed interim financial information of the company was audited by other independent auditors, whose review report was furnished to us, and our conclusion, insofar as it relates to financial information in respect of the company, is based on the review report of the other independent auditors.

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 matters, 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 and the review report of other independent auditors, nothing has come to our attention that causes us to believe that the abovementioned financial information does not comply, in all material respects, with the Israel Securities Regulations (Periodic and Immediate Reports), 1970, which pertain to holding companies of insurers and credit card companies, as described in Note 2(a) to the financial information.

Emphasis of matter

Without qualifying the above conclusion, we draw attention to that which is stated in Note 9 to the consolidated interim financial statements regarding exposure to contingent liabilities.

Tel Aviv,
August 18, 2026

Kost Forer Gabbay & Kasierer
Certified Public Accountants

Somekh Chaikin
Certified Public Accountants

Joint Independent Auditors

Consolidated Interim Statements of Financial Position

		As of June 30		As of December 31, 2025
		2026	2025	
In NIS million	Note	Unaudited		Audited
Assets				
Cash and cash equivalents in respect of yield-dependent contracts		**5,014**	4,602	4,269
Other cash and cash equivalents		**4,266**	2,462	4,060
Financial investments in respect of yield-dependent contracts measured at fair value	5	**100,795**	92,949	97,717
Other financial investments measured at fair value	5	**46,399**	42,870	44,396
Other financial investments measured at depreciated cost	5	**2,323**	2,306	2,285
Receivables for credit card transactions, net	10	**20,476**	17,321	19,252
Receivables and debit balances		**743**	1,018	624
Current tax assets		**53**	65	147
Insurance contract assets		**3,478**	3,002	3,276
Reinsurance contract assets		**2,511**	2,586	2,603
Investments in equity-accounted investees		**205**	200	211
Investment property in respect of yield-dependent contracts		**3,952**	3,936	3,956
Investment property - other		**1,508**	1,519	1,515
Property, plant and equipment		**305**	300	303
Intangible assets and goodwill		**2,200**	2,209	2,195
Costs of obtaining investment management service contracts		**901**	767	793
Deferred tax assets		**124**	199	114
Right-of-use assets		**616**	660	641
Total assets		**195,869**	178,973	188,358
Total assets for yield-dependent contracts		**109,860**	101,936	106,032

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

Consolidated Interim Statements of Financial Position (cont.)

In NIS million	Note	As of June 30 2026	As of June 30 2025	As of December 31, 2025
		Unaudited		Audited
Liabilities				
Loans and credit	5	**18,863**	14,958	16,567
Liabilities for derivative instruments	5	**504**	564	879
Payables and credit balances		**3,501**	3,302	3,429
Payables for credit card transactions	11	**10,242**	8,714	9,947
Current tax liability		**28**	181	19
Liabilities for of yield-dependent investment contracts		**15,405**	12,670	13,575
Liabilities for non-yield-dependent investment contracts		**2,472**	2,476	2,459
Total liabilities for insurance contracts		**131,591**	125,129	128,933
Liabilities for reinsurance contracts		**60**	63	61
Liability for employee benefits, net		**99**	91	94
Deferred tax liabilities		**754**	490	738
Lease liabilities		**717**	764	744
Total liabilities		**184,236**	169,402	177,445
Equity				
Share capital		**169**	167	168
Share premium		**2,515**	2,432	2,434
Capital reserves		**119**	134	124
Surplus		**8,739**	6,758	8,102
Total equity attributable to the Company's shareholders		**11,542**	9,490	10,827
Non-controlling interests		**91**	81	86
Total equity		**11,633**	9,571	10,913
Total liabilities and equity		**195,869**	178,973	188,358

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

August 18, 2026			
Approval date of the financial statements	**Haim Samet** Chairman of the Board of Directors	**Yoram Naveh** CEO	**Eran Czerninski** Executive VP Finance Division Director

Consolidated Interim Statements of Profit and Loss

In NIS million	Note	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025	For the year ended December 31 2025
		Unaudited				Audited
Revenues from insurance services		**4,475**	4,367	**2,242**	2,190	8,837
Expenses from insurance services		**(3,218)**	(3,434)	**(1,465)**	(1,617)	(6,852)
Income from insurance services before reinsurance contracts held		**1,257**	933	**777**	572	1,985
Reinsurance expenses		**(636)**	(673)	**(312)**	(323)	(1,314)
Reinsurance revenues		**162**	319	**2**	94	627
Revenues (expenses), net from reinsurance contracts held		**(474)**	(353)	**(311)**	(229)	(687)
Income from insurance services	7	**782**	579	**466**	343	1,298
Investment income, net from assets held against insurance contracts and yield-dependent investment contracts		**7,119**	6,317	**5,925**	6,166	14,167
Other investment income (losses), net:						
Interest revenues calculated using the effective interest method		**92**	103	**61**	63	186
Other investment income (losses), net		**1,562**	1,809	**1,654**	1,713	3,420
Share in earnings (losses) of equity-accounted investees closely related to the investing activity		**1**	1	**1**	2	4
Total income from other investments, net		**1,654**	1,912	**1,716**	1,777	3,609
Total investment income, net		**8,773**	8,229	**7,641**	7,944	17,776
Finance expenses (income), net arising from insurance contracts		**6,977**	6,613	**6,377**	6,665	13,916
Finance income (expenses), net arising from reinsurance contracts		**84**	73	**75**	72	156
Decrease (increase) in liabilities for investment contracts due to the yield component		**(1,041)**	(803)	**(887)**	(767)	(1,879)
Net investment and finance income	8	**839**	886	**452**	584	2,137
Income (loss), net from insurance and investment		**1,621**	1,465	**918**	927	3,435
Investment income, net and finance income which are not from a consolidated insurance company		**725**	733	**415**	377	1,494
Revenues from credit card transactions	12	**851**	832	**437**	423	1,740
Revenues from management fees		**465**	413	**238**	208	850
Revenues from fees and commissions of insurance agencies		**81**	94	**37**	45	190
Credit loss expenses		**(95)**	(89)	**(40)**	(43)	(169)
Credit card processing		**(517)**	(701)	**(266)**	(446)	(1,271)
Payments to banks		**(127)**	(122)	**(65)**	(61)	(251)
Other operating expenses		**(944)**	(786)	**(488)**	(397)	(1,766)
Other revenues (expenses), net		**(21)**	7	**(10)**	18	(17)
Other finance expenses		**(462)**	(420)	**(256)**	(226)	(863)
Share in profits of equity-accounted investees which are not closely related to the investing activity		**10**	8	**5**	3	17
Profit before income tax		**1,587**	1,433	**925**	828	3,389
Income tax		**529**	483	**305**	286	1,104
Income for the period		**1,059**	951	**620**	543	2,285
Attributable to:						
Company's shareholders		**1,054**	946	**617**	539	2,278
Non-controlling interests		**5**	5	**3**	4	7
Income for the period		**1,059**	951	**620**	543	2,285
Earnings per share attributable to the Company's shareholders:						
Basic earnings per share (in NIS)		**13.08**	11.90	**7.63**	6.77	28.56
Diluted earnings per share (in NIS)		**12.67**	11.50	**7.42**	6.54	27.47
No. of shares used to calculate earnings per share (in thousand):						
Basic		**80,550**	79,528	**80,862**	79,562	79,747
Diluted		**83,156**	82,318	**83,167**	82,440	82,899

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

Consolidated Interim Statements of Comprehensive Income

In NIS million	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
Income for the period	**1,059**	951	**620**	543	2,285
Other comprehensive income (loss):					
Other comprehensive income items that, subsequent to initial recognition in comprehensive income, were or will be carried to profit and loss:					
Foreign currency translation differences in respect of foreign operations carried to capital reserve	**(5)**	(6)	**(5)**	(9)	(12)
Tax (tax benefit) for items of other comprehensive income carried or to be carried to profit and loss	**(1)**	(1)	**(1)**	(2)	(3)
Other comprehensive loss items that, subsequent to initial recognition in comprehensive income, were or will be carried to profit and loss, net of tax	**(4)**	(4)	**(4)**	(7)	(9)
Items of other comprehensive income not transferred to profit and loss:					
Actuarial losses from a defined benefit plan	**-**	(2)	**-**	(1)	(3)
Tax (tax benefit) for items of other comprehensive income not transferred to profit and loss	**-**	(1)	**-**	-	(1)
Other comprehensive loss not transferred to profit and loss, net of tax	**-**	(1)	**-**	(1)	(2)
Other comprehensive loss for the period	**(4)**	(5)	**(3)**	(8)	(11)
Total comprehensive income for the period	**1,055**	946	**617**	535	2,273
Attributable to:					
Company's shareholders	**1,050**	941	**614**	531	2,266
Non-controlling interests	**5**	5	**3**	4	7
Total comprehensive income for the period	**1,055**	946	**617**	535	2,273

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

Consolidated Interim Statements of Changes in Equity

In NIS million	Share capital	Share premium	Translation reserve	Other capital reserves	Capital reserve from transactions with non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to Company's shareholders								
For the six-month period ended June 30, 2026 (unaudited)									
Balance as of January 1, 2026	168	2,434	(12)	180	(45)	8,102	10,827	86	10,913
Income for the period	-	-	-	-	-	1,054	1,054	5	1,059
Other comprehensive income (loss) items:									
Foreign currency translation differences in respect of foreign operations carried to capital reserve	-	-	(5)	-	-	-	(5)	-	(5)
Actuarial gains from a defined benefit plan	-	-	-	-	-	-	-	-	-
Tax benefit (tax) for comprehensive income (loss) items	-	-	1	-	-	-	1	-	1
Other comprehensive loss for the period, net of tax	-	-	(4)	-	-	-	(4)	-	(4)
Total comprehensive income (loss) for the period	-	-	(4)	-	-	1,054	1,050	5	1,055
Transactions with shareholders carried directly to equity:									
Exercise and expiry of options for senior employees	-	22	-	-	-	(22)	-	-	-
Share-based payments	-	-	-	-	-	5	5	-	5
Bonds converted into shares	1	60	-	-	-	-	61	-	61
Dividends to Company shareholders	-	-	-	-	-	(400)	(400)	-	(400)
Balance as of June 30, 2026	169	2,515	(16)	180	(45)	8,739	11,542	91	11,633

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

In NIS million	Share capital	Share premium	Translation reserve	Other capital reserves	Capital reserve from transactions with non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to Company's shareholders								
For the six-month period ended June 30, 2025 (unaudited)									
Balance as of January 1, 2025	167	2,423	(2)	180	(40)	6,014	8,742	76	8,818
Income for the period	-	-	-	-	-	946	946	5	951
Other comprehensive income (loss) items:									
Foreign currency translation differences in respect of foreign operations carried to capital reserve	-	-	(6)	-	-	-	(6)	-	(6)
Actuarial losses from a defined benefit plan	-	-	-	-	-	(2)	(2)	-	(2)
Tax benefit (tax) for comprehensive income (loss) items	-	-	1	-	-	1	2	-	2
Other comprehensive loss for the period, net of tax	-	-	(4)	-	-	(1)	(5)	-	(5)
Total comprehensive income (loss) for the period	-	-	(4)	-	-	945	941	5	946
Transactions with shareholders carried directly to equity:									
Exercise and expiry of options for senior employees	-	9	-	-	-	(9)	-	-	-
Share-based payments	-	-	-	-	-	7	7	-	7
Dividends to Company shareholders	-	-	-	-	-	(200)	(200)	-	(200)
Balance as of June 30, 2025	167	2,432	(7)	180	(40)	6,758	9,490	81	9,571

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

In NIS million	Share capital	Share premium	Translation reserve	Other capital reserves	Capital reserve from transactions with non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to Company's shareholders								
For the three-month period ended June 30, 2026 (unaudited)									
Balance as of April 1, 2026	169	2,490	(12)	180	(45)	8,140	10,922	87	11,009
Income for the period	-	-	-	-	-	617	617	3	620
Other comprehensive income (loss) items:							-		-
Foreign currency translation differences in respect of foreign operations carried to capital reserve	-	-	(5)	-	-	-	(5)	-	(5)
Actuarial gains (losses) from a defined benefit plan	-	-	-	-	-	-	-	-	-
Tax benefit (tax) for comprehensive income (loss) items	-	-	1	-	-	-	1	-	1
Other comprehensive loss for the period, net of tax	-	-	(4)	-	-	-	(3)	-	(3)
Total comprehensive income (loss) for the period	-	-	(4)	-	-	617	614	3	617
Transactions with shareholders carried directly to equity:									
Exercise and expiry of options for senior employees	-	22	-	-	-	(22)	-	-	-
Share-based payments	-	-	-	-	-	3	3	-	3
Bonds converted into shares	-	4	-	-	-	-	4	-	4
Balance as of June 30, 2026	169	2,515	(16)	180	(45)	8,739	11,542	91	11,633

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

In NIS million	Share capital	Share premium	Translation reserve	Other capital reserves	Capital reserve from transactions with non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to Company's shareholders								
For the three-month period ended June 30, 2025 (unaudited)									
Balance as of April 1, 2025	167	2,426	-	180	(40)	6,421	9,154	77	9,231
Income for the period	-	-	-	-	-	539	539	4	543
Other comprehensive income (loss) items:									
Foreign currency translation differences in respect of foreign operations carried to capital reserve	-	-	(9)	-	-	-	(9)	-	(9)
Actuarial losses from a defined benefit plan	-	-	-	-	-	(1)	(1)	-	(1)
Tax benefit (tax) for comprehensive income (loss) items	-	-	2	-	-	-	3	-	3
Other comprehensive loss for the period, net of tax	-	-	(7)	-	-	(1)	(8)	-	(8)
Total comprehensive income (loss) for the period	-	-	(7)	-	-	538	531	4	535
Transactions with shareholders carried directly to equity:									
Exercise and expiry of options for senior employees	-	6	-	-	-	(6)	-	-	-
Share-based payments	-	-	-	-	-	4	4	-	4
Dividends to Company shareholders	-	-	-	-	-	(200)	(200)	-	(200)
Balance as of June 30, 2025	167	2,432	(7)	180	(40)	6,758	9,490	81	9,571

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

In NIS million	Share capital	Share premium	Translation reserve	Other capital reserves	Capital reserve from transactions with non-controlling interests	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to Company's shareholders								
For the year ended December 31, 2025 (audited)									
Balance as of January 1, 2025	167	2,423	(2)	180	(40)	6,014	8,742	76	8,818
Income for the period	-	-	-	-	-	2,278	2,278	7	2,285
Other comprehensive income (loss) items:									
Foreign currency translation differences in respect of foreign operations carried to capital reserve	-	-	(12)	-	-	-	(12)	-	(12)
Actuarial losses from a defined benefit plan	-	-	-	-	-	(3)	(3)	-	(3)
Tax benefit (tax) for comprehensive income (loss) items	-	-	3	-	-	1	3	-	3
Other comprehensive loss for the period, net of tax	-	-	(9)	-	-	(2)	(11)	-	(11)
Total comprehensive income (loss) for the period	-	-	(9)	-	-	2,275	2,266	7	2,273
Transactions with shareholders carried directly to equity:									
Exercise and expiry of options for senior employees	1	11	-	-	-	(11)	-	-	-
Share-based payments	-	-	-	-	-	23	23	-	23
Dividends to Company shareholders	-	-	-	-	-	(200)	(200)	-	(200)
Dividend to non-controlling interests	-	-	-	-	-	-	-	(3)	(3)
Acquisition of non-controlling interests	-	-	-	-	(5)	-	(5)	5	-
Balance as of December 31, 2025	168	2,434	(12)	180	(45)	8,102	10,827	86	10,913

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

Consolidated Interim Statements of Cash Flow

In NIS million	Appendix	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025	For the year ended December 31 2025
		Unaudited				Audited
Cash flows from operating activities						
Before income tax	(a)	**809**	1,053	**1,394**	261	3,272
Paid income tax		**(418)**	(230)	**(251)**	(125)	(759)
Net cash provided by operating activities		**391**	823	**1,143**	136	2,513
Cash flows provided by investing activities						
Consideration on disposal of investments in other investees		**23**	-	**-**	-	-
Credit provided to card holders and merchants, net		**(779)**	(850)	**(490)**	(395)	(1,910)
Proceeds from the disposal of an investment in financial assets by companies other than insurance and finance companies		**195**	55	**54**	9	56
Investment in financial assets by companies other than insurance and finance companies		**(170)**	(82)	**(36)**	(80)	(90)
Dividend received from equity-accounted investees		**-**	1	**-**	-	1
Investments in shares and loans in investees		**(7)**	(1)	**8**	-	(1)
Investment in property, plant, and equipment		**(34)**	(18)	**(21)**	(13)	(63)
Investment in intangible assets		**(183)**	(173)	**(91)**	(100)	(340)
Net cash used for investing activities		**(953)**	(1,067)	**(576)**	(580)	(2,347)
Cash flows provided by financing activities						
Credit from banking corporations, net		**381**	(114)	**405**	335	384
Proceeds from the issue of subordinated notes and bonds (see Note 5)		**2,562**	861	**1,640**	707	2,264
Costs of issuing and exchanging subordinated notes and bonds		**(20)**	(6)	**(12)**	(6)	(14)
Repayment of subordinated notes and bonds		**(756)**	-	**(756)**	-	(854)
Repayment of lease liability		**(47)**	(46)	**(23)**	(24)	(105)
Interest paid on bonds, subordinated notes, and credit from banking corporations		**(202)**	(149)	**(68)**	(13)	(270)
Dividend paid		**(400)**	(200)	**(400)**	(200)	(203)
Net cash provided by financing activities		**1,518**	346	**786**	799	1,202
Effect of exchange rate fluctuations on balance of cash and cash equivalents		**(5)**	(106)	**(14)**	(123)	(107)
Net increase (decrease) in cash and cash equivalents		**950**	(4)	**1,339**	232	1,261
Cash and cash equivalents as of the beginning of the period	(b)	**8,329**	7,069	**7,940**	6,833	7,069
Cash and cash equivalents at the end of the period	(c)	**9,280**	7,065	**9,280**	7,065	8,329

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

Consolidated Interim Statements of Cash Flow (cont.)

In NIS million	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025	For the year ended December 31 2025
	Unaudited				Audited
(a) Cash flows from operating activities before income tax [1] [2]					
Income for the period	**1,059**	951	**620**	543	2,285
Items not involving cash flows					
The Company's share in losses (profits) of equity-accounted investees	**(11)**	(9)	**(6)**	(5)	(21)
Change in liabilities for non-yield-dependent investment contracts	**13**	(46)	**26**	(43)	(63)
Change in liabilities for yield-dependent investment contracts	**1,830**	133	**1,377**	420	1,038
Change in costs of obtaining investment management service contracts	**(109)**	(3)	**(61)**	27	(51)
Depreciation of property, plant, and equipment and right-of-use asset	**68**	61	**34**	32	154
Amortization of intangible assets	**180**	175	**87**	90	361
Credit loss expenses	**95**	89	**40**	43	169
Amortization of excess cost for credit card receivables	**(8)**	(16)	**(4)**	(9)	(27)
Interest and linkage differences accrued for subordinated notes and a lease liability	**200**	173	**93**	94	348
Accrued interest and revaluation of liabilities to banking and other corporations	**256**	340	**134**	225	614
Interest paid in Max	**(251)**	(232)	**(120)**	(100)	(506)
Change in fair value of investment property in respect of yield-dependent contracts	**22**	24	**18**	29	1
Changes in fair value of other investment property	**4**	3	**3**	7	(6)
Share-based payment transactions	**5**	7	**3**	4	23
Losses (gains), net on financial investments and derivatives for yield-dependent contracts measured at fair value	**(6,188)**	(5,479)	**(5,442)**	(5,551)	(12,366)
Losses (gains), net on other financial investments and derivatives measured at fair value	**(719)**	(1,053)	**(1,002)**	(1,176)	(2,309)
Losses (gains), net on other financial investments measured at amortized cost	**(1)**	(2)	**(56)**	(47)	(45)
Income tax	**529**	483	**305**	286	1,104
Financial investments, derivatives and investment property in respect of insurance contracts and yield-dependent investment contracts:					
Acquisition of investment property	**(43)**	(40)	**(21)**	(26)	(64)
Proceeds from sale of investment property	**25**	5	**25**	5	32
Proceeds from sales (acquisitions), net of financial investments and derivatives	**2,783**	1,428	**276**	(1,236)	4,269
Financial investments, derivatives and other investment property:					
Acquisition of investment property	**(21)**	(16)	**(9)**	(11)	(27)
Proceeds from sale of investment property	**17**	3	**17**	3	19
Proceeds from sales (acquisitions), net of financial investments and derivatives	**(1,175)**	(544)	**28**	(29)	(562)

1) Cash flows from operating activities include cash flows in respect of acquisition and sale of financial investments and investment property arising from insurance contracts and investment contracts activities.
2) Cash flows from operating activities include cash flows in respect of dividend and interest received, as described in Appendix D.

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

Consolidated Interim Statements of Cash Flow (cont.)

In NIS million	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
(a) Cash flows from operating activities before income tax (cont.)					
Changes in other items in the statement of financial position, net					
Securities held for trading by non-insurer consolidated companies	**(14)**	(30)	**(44)**	(9)	(67)
Receivables for credit card transactions, net	**(532)**	1,311	**(691)**	892	370
Receivables and debit balances	**(119)**	(377)	**195**	536	44
Reinsurance contract assets, net	**91**	79	**28**	24	61
Payables and credit balances	**67**	1,564	**894**	1,581	1,663
Payables for credit card transactions	**295**	(993)	**495**	(1,219)	240
Liabilities for insurance contracts, net	**2,456**	3,062	**4,146**	4,881	6,592
Liabilities for employee benefits, net	**5**	1	**4**	-	2
Total cash Flows from operating activities before income tax	**809**	1,053	**1,394**	261	3,272
(b) Cash and cash equivalents at the beginning of the period:					
Cash and cash equivalents in respect of yield-dependent contracts	**4,269**	4,451	**4,264**	4,985	4,451
Other cash and cash equivalents	**4,060**	2,617	**3,676**	1,848	2,617
Balance of cash and cash equivalents at the beginning of the period	**8,329**	7,069	**7,940**	6,833	7,069
(c) Cash and cash equivalents at end of the period:					
Cash and cash equivalents in respect of yield-dependent contracts	**5,014**	4,602	**5,014**	4,602	4,269
Other cash and cash equivalents	**4,266**	2,462	**4,266**	2,462	4,060
Balance of cash and cash equivalents as of the end of the period	**9,280**	7,065	**9,280**	7,065	8,329
(d) Cash flows for interest and dividend received, included in operating activity:					
Interest received	**1,317**	1,228	**803**	986	1,936
Dividend received	**401**	338	**291**	208	767
Included in investing activity by Max:					
Interest received	**696**	659	**351**	335	1,359
(e) Transactions not involving cash flows:					
Payables - purchase of insurance portfolios	-	-	-	-	4
Conversion of bonds into shares	**(61)**	-	**(4)**	-	-
Equipment purchase on credit	**2**	-	**2**	-	-

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

Notes to financial statements

NOTE 1 - GENERAL

A. The reporting entity

Clal Insurance Enterprises Holdings Ltd. (hereinafter - the “**Company**”) is an Israeli resident company incorporated in Israel, whose official address is 36 Raoul Wallenberg Street, Tel Aviv. The securities of the Company are listed for trading on the Tel Aviv Stock Exchange Ltd.

The Company is a holding company. Its main holdings are mainly in the insurance, pension, provident and finance domains, as well as in the credit card domain.

The consolidated interim financial statements as of June 30, 2026 (hereinafter - the “**Financial Statements**”) include those of the Company and its subsidiaries (hereinafter, jointly - the “**Group**"), as well as the Group's interests in joint ventures and associates.

The Group operates mainly in the insurance and finance industries, including pension, provident and holding insurance agencies, as well as credit card transactions, which include issuance, acquiring and processing of payment cards, providing payments solutions and financial products, including credit to private and business customers.

B. Below is a description of developments in the reporting period for the control of and holdings in the Company and in Clal Insurance

As of the report publication date, the Company does not have a controlling interest. For further details, see Note 1 to the Consolidated Financial Statements for 2025.

C. Implications

As of the reporting date, the Company is unable to assess the full effect of the events detailed in Note 1 to the Consolidated Financial Statements for 2025, among other things, due to the fact that the Company is the controlling shareholder of Clal Insurance and in view of the restrictions imposed under the Outline for Exercising Means Of Control in Clal Insurance, which significantly limit the extent of the Company's influence over the conduct of Clal Insurance and the appointment of officers in Clal, and the Company is still evaluating its implications and applicability over time. This uncertainty also applies in view of additional changes that are taking place in the Company and that may occur in the future, due to its holdings structure, the fact that it is a company without a control core with a substantial shareholder, and due to the fact that the provisions of the Supervision Law for insurers without a controlling shareholder do not apply to it, and due to the different corporate structure of the large insurance companies in Israel compared with the standard structure in banks, according to which the insurance companies, including Clal Insurance, are private companies which are controlled by a holding company, including the Company, which is a publicly-traded company without a controlling interest, and due to the effective impact of the holders of non-controlling interests on the conduct of the Company under the above circumstances.

Furthermore, the set of changes and events described in Note 1 to the Consolidated Financial Statements for 2025, if they continue, may and will affect, among other things, the reputation of the Company and the Group companies. It is noted that a future transfer of control of the Company to a third party may affect clauses in certain agreements of Group companies with third parties (including reinsurers) and may require, once circumstances involving such change of control exist, negotiations with such third parties for the agreements to remain in effect.

D. Definitions - In these financial statements:

The Group	- The Company and its consolidated companies.
Consolidated companies/ subsidiaries	- Companies, including a partnership, whose financial statements are fully consolidated, directly or indirectly, with the financial statements of the Company.
Investees	- Consolidated companies and companies, including a partnership or joint venture, the Company's investment in which is included, directly or indirectly, in the financial statements based on the equity method.
Joint arrangements	- Arrangements in which the Group has joint control which was achieved by a contractual agreement, which requires unanimous consent with regard to the activities that have a significant effect on the arrangement's returns. Investment in joint arrangements is classified as joint operations or joint ventures, based on the rights and obligations of the parties to the arrangement. Joint ventures are all joint arrangements, which are incorporated as a separate entity, where the Group has rights to the net assets of the joint arrangement.
Associates	- Associates are entities in which the Group has significant influence over the financial and operating policies, but is not a controlling shareholder therein, and the Company's investment in which is presented in the Company's consolidated financial statements based on the equity method.
Interested parties	- As defined in Section (1) of the definition of an "interested party" in a company in Section 1 of the Securities Law, 1968.
Related party	- As defined in IAS 24 (2009), Related Party Disclosures.
The Commissioner	- The Commissioner of the Capital Market, Insurance and Savings.
The Supervision Law	- Financial Services Supervision Law (Insurance), 1981 and amendments thereto.
Investment Rules Regulations	- Supervision of Financial Services Regulations (Provident Funds) (Investment Rules Applicable to Institutional Entities), 2012, and the Commissioner's guidance thereunder.
Economic Solvency Regime	- As defined in Insurance Circular 2020-1-15 and its amendments.
Yield-dependent contracts	- Insurance contracts and investment contracts in life and long-term care health insurance, in which the insurer's liabilities for the savings or risk component are mostly linked to the yields on the investment portfolio (participating policies), in assets for yield-dependent contracts.
Assets for yield-dependent contracts	- Assets held against liabilities arising from yield-dependent contracts.
Designated/Hetz bonds	- CPI-linked government bonds, which the government issued to the insurance companies, and which back guaranteed return policies.
Gross premiums	- Premiums including fees and credit fees.

NOTE 2 - BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

A. Financial reporting framework

The Condensed Consolidated Interim Financial Statements of the Group were prepared in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970, (hereinafter - the "**Regulations**"), which refer to holding companies of insurers and credit-card companies. According to these directives, the Group's data in the Condensed Consolidated Interim Financial Statements, excluding Max, are prepared in accordance with IAS 34 - Interim Financial Reporting (hereinafter - "**IAS 34**"), 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 with respect to Clal Insurance. Max's data in the Condensed Consolidated Interim Financial Statements are prepared in accordance with the Banking Supervision Department's directives and guidance. These directives basically adopt US GAAP.

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 for publication by the Company's Board of Directors on August 18, 2026.

B. Use of estimates and judgments

The preparation of the Group's Condensed Consolidated Interim Financial Statements requires that the Group's management use judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, revenues and expenses. It is clarified that the actual results may differ from those estimates.

Except for that which is detailed below and stated in Note 3A below, the judgment of management, when applying the Group's accounting policies and the principal assumptions used in assessments that involve uncertainty, are consistent with those used in the annual financial statements.

For more information regarding significant judgements and estimates in insurance and reinsurance contracts applied by the Group, see Note 20.F to the Consolidated Financial Statements for 2025.

For the effects of changes in the models and main assumptions on the contractual service margin (CSM) see Note 13(n) below, regarding changes in the assumptions and estimates of insurance contracts and reinsurance contracts.

For qualitative and quantitative information regarding substantial non-observable data used in the fair value measurement of financial instruments see Note 5(e) below.

Interest rates

Following are the interest rates, including the illiquidity premium with the appropriate weights, divided into main time bands, used by the Group 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							
	Unaudited							
	1 year	3 years	5 years	10 years	15 years	25 years	40 years	60 years
	(%)							
Policies with a non-yield-dependent savings component and annuity policies (weighted at 100%)	**1.91**	**1.86**	**1.90**	**2.10**	**2.27**	**2.48**	**2.62**	**2.68**
Policies that include a yield-dependent savings component which include variable management fees, individual long-term care and compulsory motor (weighted at 80%)	**1.87**	**1.82**	**1.87**	**2.07**	**2.23**	**2.45**	**2.58**	**2.65**
Policies that include a yield-dependent savings component which only include fixed management fees (weighted at 60%)	**1.83**	**1.78**	**1.83**	**2.03**	**2.19**	**2.41**	**2.54**	**2.61**
Remaining insurance portfolios (weighted at 50%)	**1.82**	**1.76**	**1.81**	**2.01**	**2.17**	**2.39**	**2.53**	**2.59**

	As of June 30, 2025							
	Unaudited							
	1 year	3 years	5 years	10 years	15 years	25 years	40 years	60 years
	(%)							
Policies with a non-yield-dependent savings component and annuity policies (weighted at 100%)	2.46	2.34	2.29	2.24	2.23	2.39	2.53	2.64
Policies that include a yield-dependent savings component which include variable management fees, individual long-term care and compulsory motor (weighted at 80%)	2.40	2.28	2.23	2.18	2.17	2.33	2.47	2.58
Policies that include a yield-dependent savings component which only include fixed management fees (weighted at 60%)	2.34	2.22	2.17	2.13	2.11	2.27	2.41	2.52
Remaining insurance portfolios (weighted at 50%)	2.32	2.19	2.15	2.10	2.09	2.24	2.38	2.49

	As of December 31, 2025							
	Audited							
	1 year	3 years	5 years	10 years	15 years	25 years	40 years	60 years
	(%)							
Policies with a non-yield-dependent savings component and annuity policies (weighted at 100%)	2.43	2.09	2.08	2.16	2.25	2.43	2.60	2.71
Policies that include a yield-dependent savings component which include variable management fees, individual long-term care, compulsory motor and liability (weighted at 80%)	2.36	2.02	2.01	2.09	2.18	2.37	2.53	2.64
Policies that include a yield-dependent savings component which only include fixed management fees (weighted at 60%)	2.29	1.95	1.94	2.03	2.12	2.30	2.47	2.57
Remaining insurance portfolios (weighted at 50%)	2.26	1.92	1.91	1.99	2.08	2.26	2.43	2.54

	June 30, 2026	June 30, 2025	December 31, 2025
In %	Unaudited		Audited
Illiquidity premium rate	**0.19**	0.29	0.43

C. Details of rates of change in the consumer price index and in the representative exchange rates of the EUR, USD, and GBP:

	In lieu CPI	Known CPI	EUR representative exchange rate	USD representative exchange rate	GBP representative exchange rate
			%		
For the six-month period ended					
June 30, 2026	**1.2**	**1.2**	**(9.4)**	**(6.6)**	**(8.2)**
June 30, 2025	2.1	1.6	4.2	(7.5)	1.1
For the three-month period ended					
June 30, 2026	**0.9**	**1.3**	**(6.6)**	**(5.9)**	**(5.9)**
June 30, 2025	1.1	1.3	(1.7)	(9.3)	(3.9)
For the year ended December 31, 2025	2.6	2.4	(1.3)	(12.5)	(6.2)

	EUR representative exchange rate	USD representative exchange rate	GBP representative exchange rate
As of June 30, 2026	**3.395**	**2.978**	**3.939**
As of June 30, 2025	3.955	3.372	4.624
As of December 31, 2025	3.746	3.190	4.290

NOTE 3 - SIGNIFICANT ACCOUNTING POLICIES

Except as specified in Section A 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. Following is a description of the main changes to the accounting policy in these Condensed Consolidated Interim Financial Statements and their effect:

A. Initial application of amendments to existing accounting standards by Group companies implementing IFRSs

(1) 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:

- Clarify the timing of recognition and derecognition of financial instruments and add an exception regarding the timing of derecognition of financial liabilities settled through an electronic cash transfer system;
- Classification of financial assets –
  - Revision to the application guidance on how an entity can assess whether contractual cash flows of a financial asset are solely payments of principal and interest (SPPI) when the contractual terms of the asset include contingent features (for example, linkage to ESG indicators), and relevant examples;
  - Clarification as to when financial instruments are contractually linked and when they constitute non-recourse financial assets, for the purpose of determining whether they include solely payments of principal and interest (SPPI);
- Revision to the disclosure requirements for financial instruments with contingent features, which are not directly related to changes in the instrument's basic risks/costs; and revision to the disclosure requirements for investments in equity instruments measured at fair value through other comprehensive income (FVOCI).

The Group adopted the amendments as of January 1, 2026. The amendment to IFRS 9 has been applied retrospectively without restatement of comparative figures. When applying the Amendment to IFRS 7, the Group did not provide disclosures for periods prior to the amendment's initial application date. The application of the amendments did not have a material effect on the these Condensed Consolidated Interim Financial Statements.

B. Initial application of new accounting standards, revised accounting standards and Banking Supervision Department's Directives in the credit card company – Max

During the reporting period, no new accounting standards or Banking Supervision Department directives were applied except for a revision to Directive 206 of the Banking Supervision Department, which applies as from January 1, 2026 - Capital Measurement and Adequacy - Operational Risk - for which a disclosure was included under Note 6 below - Capital Management and Requirements - pursuant to the Banking Supervision Department Directives.

C. New accounting standards and new directives of the Banking Supervision Department in the period prior to their application in the credit card company – Max

ASU	Publication requirement	Effective date and transitional provisions	Implications
ASU 2025-11 - Interim Reporting (Topic 27): Narrow-Scope Improvements	In December 2025, the Financial Accounting Standards Board (hereinafter - "**FASB**") published ASU 2025-11 regarding the improvement and clarification of interim reporting guidance under Topic 270 (hereinafter - the "**ASU**"). The ASU clarifies the scope of the interim reporting guidance, and refines the disclosure requirements applicable to interim reporting periods. The ASU does not make material changes to the interim reporting requirements; rather, it is mainly designed to clarify and organize the existing guidance. The ASU's highlights include, among other things: • Setting alternatives and requirements regarding the format and content of interim financial statements and the notes thereto; • Adding a comprehensive list of the interim disclosure requirements, which are derived from other ASC topics; and • Adopting a principle requiring entities to disclose events and changes which occurred subsequent to the most recent annual reporting period and have a material effect on the entity.	The ASU's provisions will apply to publicly-traded entities effective for interim reporting periods in fiscal years commencing subsequent to December 15, 2027. Early adoption is permitted. Upon initial application, the ASU may be applied early and at adoption date, shall be applied prospectively or retrospectively to all or some of the comparative periods presented.	Max is examining the effect of the new provisions on its financial statements.

(1) Update to the Public Reporting by Acquirers – Max

In July 2026, the Banking Supervision Department published a circular regarding the Update to the Public Reporting by Acquirers, updating the Reporting to the Public Directives of acquirers. Most of the revisions in the Circular include an expansion and clarification of the disclosure requirements in the Report of the Board of Directors and Management and in the financial statements.

The highlights of the Circular's revisions include expansions and clarifications of the disclosure requirements in the Report of the Board of Directors and Management regarding acquiring cycles, the activity and profitability of the operating segments, the development of interest-bearing credit balances, and credit quality indices. In addition, the Circular updates disclosure requirements in the financial statements regarding, among other things, selling and marketing expenses, for operating segments and for credit purchase and sale.

The Circular's directives shall apply to quarterly and annual public reports as of July 1, 2026 onwards, excluding the requirement regarding the display of credit balance developments in the Report of the Board of Directors and Management, which will apply starting from the annual public report for 2026. For new information required to be disclosed for the first time, comparative figures for prior periods shall be included, unless impracticable. Max is preparing for the application of the Circular's directives.

(2) Revision of Disclosure in the Income Statement and Other Topics in the Public Reports - Max

In June 2026, the Banking Supervision Department published a circular that revised the display of the income statement and revised additional disclosures in the financial statements alongside the revision of disclosures in the Risk Management Report and in the Report of the Board of Directors and Management at Max. These directives have been revised to adapt the display of the income statement and the disclosure in the notes to Max's financial statements to the display and disclosures provided by the leading banks in the United States and to improve the disclosure provided in the notes to Max's financial statements. Max's financial statements as of June 30, 2026 were not affected by this Circular.

For the changes that will apply as of December 31, 2026, Max is required to reclassify the comparative figures to match the manner of display required by the Circular.

D. New accounting standards in the period prior to their application in Group companies applying IFRS

(1) Amendments to IAS 28, Investments in Associates and Joint Ventures – clarifications regarding the fair value option

In June 2026, the International Accounting Standards Board (IASB) published Amendments to IAS 28, Investments in Associates and Joint Ventures (hereinafter - the "**IAS 28 Amendments**"). The Amendments are 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 amendments include 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 Amendments clarify 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 amendments do 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 its financial statements.

NOTE 4 - SEGMENT REPORTING

A. General

The Group has following operating segments:

1. Life Insurance and Long-Term Savings

The Long-Term Savings Segment comprises life insurance, related coverages (riders), investment contracts, and management of pension funds and provident funds. The segment comprises long-term savings (under various types of insurance policies, pension funds and provident funds, including advanced education funds), and insurance coverages for various risks, such as: death, disability, permanent health, and health insurance sold as riders to life insurance policies, etc. According to the Commissioner's Directives, the Long-Term Savings Segment is described in accordance with the following subsegments: Provident, Pension and Life Insurance and Insurance Contracts.

2. Health Insurance

The Health Insurance Segment comprises the Group's activity in the Health Insurance Subsegments. The segment comprises insurance for long-term care, insurance for medical expenses, medications, surgery, transplants, personal accidents (Long-Term Health Subsegment), travel, etc.

3. Property and Casualty Insurance

The P&C Insurance Segment comprises the Liability and Property Subsegments, Credit Insurance, Personal Accidents Insurance and Other.

4. Credit Cards Segment

Includes the credit card company's operating results, divided into two main subsegments: Issuing and Acquiring.

Issuing Subsegment

The Issuing Subsegment focuses on 2 main activities:

1. Solutions for financial institutions - joint credit card issuing and processing with banks, for their customers (B2B2C) (hereinafter - "**bank payment cards**").
2. Private customers - sale and marketing of non-bank credit cards, consumer credit and other products directly to private customers, i.e., consumers (B2C), including through joint loyalty programs.

As part of the Issuing Subsegment, Max issues payment cards to its customers, which are used as a means of payment for transactions and cash withdrawal by merchants in Israel and worldwide that accept the brands issued by the Company. Max's revenues from card holders is from fees and commissions collected from the card holders and issuer fees collected from the credit card companies (as acquiring companies) as well as from global organizations (acquirers outside Israel). In addition, interest is collected from Max customers for transactions and credit products provided by Max.

Acquiring Subsegment

This subsegment includes mainly the following activities:

1. Acquiring services - Payment guarantees against vouchers of transactions carried out using credit cards in exchange for a fee collected from the merchant.
2. Related services and complementary products to the acquiring services.
3. Financial solutions - Products and services offered to merchants, such as loans, voucher factoring, early payments and guarantees, in respect of which interest, fees and commissions are collected from the merchants.

In addition, the Credit Card Segment will include the operating results of Hyp Payment Solutions Ltd. (hereinafter - "**Hyp**"), which provides payment solutions to e-commerce websites and merchants, used for payment by credit cards and other means of payment, and provides credit card reconciliation services through a system that enables monitoring merchants' business activity with credit card companies and factoring companies. Hyp also provides a bookkeeping management and digital invoice generation system;

5. Other

Includes operating segments which do not meet the quantitative thresholds for reporting, mainly in respect of the insurance agencies.

6. Non-segmented activity

This activity includes the Group's headquarters, which is mainly the capital, the liabilities not in the insurance business and the assets held against them by Clal Insurance rather than by the credit card company's business, as well as the Company's separate balances and results.

B. Seasonality

1. Life Insurance and Long-Term Savings Segment

As a rule, revenues from life insurance premiums and revenues from management fees from an investment contract, pension funds and provident funds are not characterized by seasonality; therefore, claims are not subject to seasonality either.

However, since the tax year ends in December, there is a certain effect of seasonality in that month in terms of payment of premiums/contributions towards benefits for pension saving products, since significant amounts are deposited in this month by salaried employees and self-employed persons, who make contributions independently outside their payroll in order to fully utilize the tax benefits, and also by employers that pay outstanding debts in respect of the relevant tax year or make one-off contributions, normally in respect of severance pay-related debts. Furthermore, the amounts of premiums/contributions towards benefits may be higher in certain months, which vary from one year to another, mainly due to one-off payments made by employers to employees, and in respect of which contributions towards benefits are made.

2. Property and Casualty Insurance Segment

As a general rule, revenues earned from insurance services in the Property and Casualty Insurance Segment are not affected by significant seasonality. However, the premium income in the first quarter of the year are higher than premium income in the other quarters, mainly due to renewal of insurance agreements of business policyholders and large car fleets at the beginning of the calendar year, which reflects a certain degree of seasonality. The effect of this seasonality on the reported income is adjusted through the liability for remaining coverage.

There is no significant seasonality in other components of expenses, such as claims and in other revenue components, such as investment revenues. 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.

C. Operating segment reporting

	Life Insurance and Long-Term Savings														
	Provident			Pension			Investment contracts			Life Insurance			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
In NIS million	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Revenues from insurance services	-	-	-	-	-	-	-	-	-	**1,551**	1,400	2,927	**1,551**	1,400	2,927
Expenses from insurance services	-	-	-	-	-	-	-	-	-	**(1,340)**	(1,251)	(2,544)	**(1,340)**	(1,251)	(2,544)
Income from insurance services before reinsurance contracts held	-	-	-	-	-	-	-	-	-	**211**	149	384	**211**	149	384
Reinsurance expenses	-	-	-	-	-	-	-	-	-	**(85)**	(90)	(178)	**(85)**	(90)	(178)
Reinsurance revenues	-	-	-	-	-	-	-	-	-	**83**	78	170	**83**	78	170
Revenues/expenses, net from reinsurance contracts held	-	-	-	-	-	-	-	-	-	**(2)**	(11)	(8)	**(2)**	(11)	(8)
Income (loss) from insurance services	-	-	-	-	-	-	-	-	-	**210**	138	375	**210**	138	375
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	-	-	-	-	**948**	698	1,689	**6,057**	5,520	12,263	**7,005**	6,218	13,952
Income (losses) from other investments, net:															
Interest revenues calculated using the effective interest method	**92**	103	186	-	-	-	-	-	-	-	-	-	**92**	103	186
Other investment income (losses), net	**6**	7	16	**5**	6	12	-	-	-	**910**	1,051	1,811	**920**	1,064	1,840
Share in earnings (losses) of equity-accounted investees closely related to the investing activity	-	-	-	**1**	1	3	-	-	-	-	(1)	(1)	**1**	-	1
Total income (losses) from other investments, net	**97**	110	202	**6**	7	15	-	-	-	**910**	1,050	1,810	**1,013**	1,167	2,027
Total investment income (losses), net	**97**	110	202	**6**	7	15	**948**	698	1,689	**6,967**	6,569	14,073	**8,018**	7,384	15,979
Finance expenses (income), net arising from insurance contracts	-	-	-	-	-	-	-	-	-	**6,630**	6,275	13,311	**6,630**	6,275	13,311
Finance income (expenses), net arising from reinsurance contracts	-	-	-	-	-	-	-	-	-	**1**	(3)	6	**1**	(3)	6
Decrease (increase) in liabilities for investment contracts due to the yield component	**(94)**	(105)	(191)	-	-	-	**(948)**	(698)	(1,689)	-	-	-	**(1,041)**	(803)	(1,879)
Income (loss) from investments and financing, net	**4**	4	12	**6**	7	15	-	-	-	**338**	292	768	**348**	304	795
Income (loss), net from insurance and investment, net	**4**	4	12	**6**	7	15	-	-	-	**548**	430	1,144	**558**	442	1,170
Revenues from credit card transactions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revenues from management fees	**172**	150	308	**236**	213	440	**56**	49	101	-	-	-	**464**	412	848
Revenues from fees and commissions of insurance agencies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit loss expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Credit card processing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments to banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other operating expenses	**(169)**	(145)	(310)	**(202)**	(180)	(385)	**(66)**	(47)	(108)	**(30)**	-	(40)	**(467)**	(371)	(843)
Other revenues (expenses), net	**(2)**	(3)	(5)	**(2)**	(2)	(5)	-	-	-	-	-	-	**(4)**	(5)	(10)
Other finance expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share in earnings (losses) of equity-accounted investees not closely related to the investing activity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Income (loss) before tax	**6**	7	4	**38**	38	65	**(10)**	3	(7)	**518**	430	1,104	**551**	477	1,166
Other comprehensive income (loss)	-	-	-	-	-	-	-	-	-	**(4)**	(5)	(8)	**(3)**	(5)	(8)
Comprehensive income (loss) before taxes	**6**	7	4	**38**	38	65	**(10)**	3	(7)	**514**	425	1,096	**548**	473	1,158
Total segment assets	-	-	-	-	-	-	-	-	-	-	-	-	**141,766**	133,322	137,965
Total segment assets for yield-dependent contracts	-	-	-	-	-	-	-	-	-	-	-	-	**108,234**	100,473	104,519
Total segment liabilities	-	-	-	-	-	-	-	-	-	-	-	-	**139,897**	130,246	135,776

In NIS million	Health Insurance			P&C Insurance			Credit cards			Other Operating Segments		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Revenues from insurance services	**1,060**	1,034	2,052	**1,863**	1,933	3,858	**-**	-	-	**-**	-	-
Expenses from insurance services	**(844)**	(815)	(1,640)	**(1,035)**	(1,368)	(2,668)	**-**	-	-	**-**	-	-
Income from insurance services before reinsurance contracts held	**217**	219	411	**828**	564	1,190	**-**	-	-	**-**	-	-
Reinsurance expenses	**(42)**	(39)	(65)	**(509)**	(544)	(1,071)	**-**	-	-	**-**	-	-
Reinsurance revenues	**29**	8	34	**50**	233	423	**-**	-	-	**-**	-	-
Revenues/expenses, net from reinsurance contracts held	**(13)**	(31)	(31)	**(459)**	(311)	(648)	**-**	-	-	**-**	-	-
Income (loss) from insurance services	**204**	188	380	**369**	253	542	**-**	-	-	**-**	-	-
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	**114**	99	215	**-**	-	-	**-**	-	-	**-**	-	-
Income (losses) from other investments, net:												
Interest revenues calculated using the effective interest method	**-**	-	-	**-**	-	-	**-**	-	-	**-**	-	-
Other investment income (losses), net	**110**	160	290	**141**	109	267	**-**	-	-	**-**	-	-
Share in earnings (losses) of equity-accounted investees closely related to the investing activity	**-**	-	-	**-**	(1)	(1)	**-**	-	-	**-**	-	-
Total income (losses) from other investments, net	**110**	160	290	**140**	108	266	**-**	-	-	**-**	-	-
Total investment income (losses), net	**223**	260	505	**140**	108	266	**-**	-	-	**-**	-	-
Finance expenses (income), net arising from insurance contracts	**195**	200	332	**153**	139	274	**-**	-	-	**-**	-	-
Finance income (expenses), net arising from reinsurance contracts	**24**	20	40	**59**	56	110	**-**	-	-	**-**	-	-
Decrease (increase) in liabilities for investment contracts due to the yield component	**-**	-	-	**-**	-	-	**-**	-	-	**-**	-	-
Income (loss) from investments and financing, net	**52**	79	212	**46**	26	102	**-**	-	-	**-**	-	-
Income (loss), net from insurance and investment	**256**	267	593	**415**	279	644	**-**	-	-	**-**	-	-
Investment income, net and finance income which are not from a consolidated insurance company	**-**	-	-	**-**	-	-	**720**	686	1,397	**2**	1	1
Revenues from credit card transactions				**-**			**851**	832	1,740	**-**	-	-
Revenues from management fees	**-**	-	-	**-**	-	-	**-**	-	-	**-**	-	-
Revenues from fees and commissions of insurance agencies	**-**	-	-	**-**	-	-	**5**	13	27	**118**	120	243
Credit loss expenses	**-**	-	-	**-**	-	-	**(95)**	(89)	(169)	**-**	-	-
Credit card processing	**-**	-	-	**-**	-	-	**(517)**	(701)	(1,271)	**-**	-	-
Payments to banks	**-**	-	-	**-**	-	-	**(127)**	(122)	(251)	**-**	-	-
Other operating expenses	**(15)**	-	(19)	**(26)**	(5)	(40)	**(315)**	(299)	(631)	**(93)**	(95)	(189)
Other revenues (expenses), net	**-**	-	-	**-**	-	-	**-**	30	30	**(3)**	(5)	(10)
Other finance expenses	**-**	-	-	**3**	2	(1)	**(287)**	(273)	(557)	**(1)**	(1)	(1)
Share in earnings (losses) of equity-accounted investees not closely related to the investing activity	**-**	-	-	**-**	-	-	**2**	1	1	**8**	7	16
Income (loss) before tax	**242**	267	574	**392**	276	603	**237**	78	316	**31**	27	60
Other comprehensive income (loss)	**-**	-	(1)	**(2)**	(2)	(4)	**-**	-	(1)	**-**	-	-
Comprehensive income (loss) before taxes	**241**	267	573	**391**	274	600	**237**	78	315	**31**	27	60
Total segment assets	**7,570**	7,234	7,185	**7,444**	7,161	8,334	**22,360**	18,934	20,953	**518**	444	457
Total segment assets for yield-dependent contracts	**1,626**	1,463	1,513	**-**	-	-	**-**	-	-	**-**	-	-
Total segment liabilities	**7,242**	6,829	7,059	**6,881**	7,081	7,169	**19,923**	17,173	18,638	**223**	194	191

In NIS million	Non-segmented			Adjustments and offsets			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2,025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Revenues from insurance services	-	-	-	-	-	-	4,475	4,367	8,837
Expenses from insurance services	-	-	-	-	-	-	(3,218)	(3,434)	(6,852)
Income from insurance services before reinsurance contracts held	-	-	-	-	-	-	1,257	933	1,985
Reinsurance expenses	-	-	-	-	-	-	(636)	(673)	(1,314)
Reinsurance revenues	-	-	-	-	-	-	162	319	627
Revenues/expenses, net from reinsurance contracts held	-	-	-	-	-	-	(474)	(353)	(687)
Income (loss) from insurance services	-	-	-	-	-	-	782	579	1,298
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	-	-	-	-	-	-	7,119	6,317	14,167
Income (losses) from other investments, net:									
Interest revenues calculated using the effective interest method	-	-	-	-	-	-	92	103	186
Other investment income (losses), net	391	475	1,023	-	-	-	1,562	1,809	3,420
Share in earnings (losses) of equity-accounted investees closely related to the investing activity	-	2	3	-	-	-	1	1	4
Total income (losses) from other investments, net	391	476	1,026	-	-	-	1,654	1,912	3,609
Total investment income (losses), net	391	476	1,026	-	-	-	8,773	8,229	17,776
Finance expenses (income), net arising from insurance contracts	-	-	-	(1)	-	(2)	6,977	6,613	13,916
Finance income (expenses), net arising from reinsurance contracts	-	-	-	-	-	-	84	73	156
Decrease (increase) in liabilities for investment contracts due to the yield component	-	-	-	-	-	-	(1,041)	(803)	(1,879)
Income (loss) from investments and financing, net	391	476	1,026	2	1	2	839	886	2,137
Income (loss), net from insurance and investment	391	476	1,026	2	1	2	1,621	1,465	3,435
Investment income, net and finance income which are not from a consolidated insurance company	(4)	30	67	8	17	28	725	733	1,494
Revenues from credit card transactions							851	832	1,740
Revenues from management fees	-	-	-	1	1	1	465	413	850
Revenues from fees and commissions of insurance agencies	-	-	-	(42)	(40)	(80)	81	94	190
Credit loss expenses	-	-	-	-	-	-	(95)	(89)	(169)
Credit card processing	-	-	-	-	-	-	(517)	(701)	(1,271)
Payments to banks	-	-	-	-	-	-	(127)	(122)	(251)
Other operating expenses	(68)	(51)	(120)	40	38	76	(944)	(786)	(1,766)
Other revenues (expenses), net	(1)	-	-	(14)	(13)	(27)	(21)	7	(17)
Other finance expenses	(179)	(148)	(304)	1	-	-	(462)	(420)	(863)
Share in earnings (losses) of equity-accounted investees not closely related to the investing activity	-	-	-	-	-	-	10	8	17
Income (loss) before tax	139	307	670	(5)	3	-	1,587	1,433	3,389
Other comprehensive income (loss)	-	(1)	(2)	-	-	-	(5)	(7)	(15)
Comprehensive income (loss) before taxes	139	306	667	(5)	3	-	1,582	1,426	3,374
Total segment assets	15,746	11,846	12,970	468	32	493	195,869	178,973	188,358
Total segment assets for yield-dependent contracts	-	-	-	-	-	-	109,860	101,936	106,032
Total segment liabilities	10,344	8,478	8,862	(274)	(600)	(250)	184,236	169,402	177,445

	Long-Term Savings									
	Provident		Pension		Investment contracts		Life Insurance		Total	
	For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
In NIS million	Unaudited									
Revenues from insurance services	**-**	-	**-**	-	**-**	-	**775**	694	**775**	694
Expenses from insurance services	**-**	-	**-**	-	**-**	-	**(680)**	(624)	**(680)**	(624)
Income from insurance services before reinsurance contracts held	**-**	-	**-**	-	**-**	-	**95**	70	**95**	70
Reinsurance expenses	**-**	-	**-**	-	**-**	-	**(41)**	(43)	**(41)**	(43)
Reinsurance revenues	**-**	-	**-**	-	**-**	-	**49**	31	**49**	31
Revenues/expenses, net from reinsurance contracts held	**-**	-	**-**	-	**-**	-	**8**	(11)	**8**	(11)
Income (loss) from insurance services	**-**	-	**-**	-	**-**	-	**103**	59	**103**	59
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	**-**	-	**-**	-	**824**	703	**5,009**	5,367	**5,832**	6,070
Income (losses) from other investments, net:									**-**	-
Interest revenues calculated using the effective interest method	**61**	63	**-**	-	**-**	-	**-**	-	**61**	63
Other investment income (losses), net	**4**	5	**4**	6	**-**	-	**1,184**	1,145	**1,192**	1,156
Share in earnings (losses) of equity-accounted investees closely related to the investing activity	**-**	-	**1**	1	**-**	-	**-**	-	**1**	1
Total income (losses) from other investments, net	**65**	67	**5**	7	**-**	-	**1,183**	1,145	**1,254**	1,219
Total investment income (losses), net	**65**	67	**5**	7	**824**	703	**6,192**	6,513	**7,086**	7,289
Finance expenses (income), net arising from insurance contracts	**-**	-	**-**	-	**-**	-	**6,064**	6,354	**6,064**	6,354
Finance income (expenses), net arising from reinsurance contracts	**-**	-	**-**	-	**-**	-	**4**	3	**4**	3
Decrease (increase) in liabilities for investment contracts due to the yield component	**(63)**	(65)	**-**	-	**(824)**	(703)	**-**	-	**(887)**	(767)
Income (loss) from investments and financing, net	**2**	3	**5**	7	-	-	**132**	162	**139**	171
Income (loss), net from insurance and investment	**2**	3	**5**	7	-	-	**235**	221	**242**	230
Investment income, net and finance income which are not from a consolidated insurance company										
Revenues from credit card transactions	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Revenues from management fees	**90**	75	**120**	108	**29**	25	**-**	-	**238**	208
Revenues from fees and commissions of insurance agencies	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Credit loss expenses	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Credit card processing	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Payments to banks	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Other operating expenses	**(86)**	(72)	**(103)**	(91)	**(35)**	(21)	**(15)**	-	**(238)**	(184)
Other revenues (expenses), net	**(1)**	(1)	**(1)**	(1)	**-**	-	**-**	-	**(2)**	(3)
Share in earnings (losses) of equity-accounted investees not closely related to the investing activity	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Income (loss) before tax	**5**	4	**21**	22	**(6)**	4	**220**	221	**240**	251
Other comprehensive income (loss)	**-**	-	**-**	-	**-**	-	**(3)**	(6)	**(3)**	(6)
Comprehensive income (loss) before taxes	**5**	4	**21**	22	**(6)**	4	**217**	215	**237**	245

	Health Insurance		P&C Insurance		Credit cards		Other Operating Segments		Non-segmented		Adjustments and offsets		Total	
	For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
In NIS million							Unaudited							
Revenues from insurance services	524	518	943	976	-	-	-	-	-	-	-	1	2,242	2,190
Expenses from insurance services	(409)	(403)	(376)	(590)	-	-	-	-	-	-	-	-	(1,465)	(1,617)
Income from insurance services before reinsurance contracts held	115	116	567	386	-	-	-	-	-	-	-	1	777	572
Reinsurance expenses	(20)	(25)	(251)	(255)	-	-	-	-	-	-	-	-	(312)	(323)
Reinsurance revenues	15	13	(62)	50	-	-	-	-	-	-	-	-	2	94
Revenues/expenses, net from reinsurance contracts held	(5)	(13)	(314)	(205)	-	-	-	-	-	-	-	-	(311)	(229)
Income (loss) from insurance services	110	103	253	181	-	-	-	-	-	-	-	1	466	343
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	93	96	-	-	-	-	-	-	-	-	-	-	5,925	6,166
Income (losses) from other investments, net:														
Interest revenues calculated using the effective interest method	-	-	-	-	-	-	-	-	-	-	-	-	61	63
Other investment income (losses), net	104	124	108	73	-	-	-	-	251	360	-	-	1,654	1,713
Share in earnings (losses) of equity-accounted investees closely related to the investing activity	-	-	-	-	-	-	-	-	-	1	-	-	1	2
Total income (losses) from other investments, net	104	124	108	73	-	-	-	-	251	361	-	-	1,716	1,777
Total investment income (losses), net	196	220	108	73	-	-	-	-	251	361	-	-	7,641	7,944
Finance expenses (income), net arising from insurance contracts	163	189	151	122	-	-	-	-	-	-	(1)	-	6,377	6,665
Finance income (expenses), net arising from reinsurance contracts	13	20	58	49	-	-	-	-	-	-	-	-	75	72
Decrease (increase) in liabilities for investment contracts due to the yield component	-	-	-	-	-	-	-	-	-	-	-	-	(887)	(767)
Income (loss) from investments and financing, net	46	50	15	1	-	-	-	-	251	361	1	1	452	584
Income (loss), net from insurance and investment	156	153	268	182	-	-	-	-	251	361	1	1	918	927
Investment income, net and finance income which are not from a consolidated insurance company	-	-	-	-	388	358	2	-	22	9	3	9	415	377
Revenues from credit card transactions	-	-	-	-	437	423	-	-	-	-	-	-	437	423
Revenues from management fees	-	-	-	-	-	-	-	-	-	-	-	-	238	208
Revenues from fees and commissions of insurance agencies	-	-	-	-	(1)	4	59	60	-	-	(21)	(19)	37	45
Credit loss expenses	-	-	-	-	(40)	(43)	-	-	-	-	-	-	(40)	(43)
Credit card processing	-	-	-	-	(266)	(446)	-	-	-	-	-	-	(266)	(446)
Payments to banks	-	-	-	-	(65)	(61)	-	-	-	-	-	-	(65)	(61)
Other operating expenses	(8)	-	(13)	(3)	(166)	(157)	(47)	(48)	(37)	(23)	20	17	(488)	(397)
Other revenues (expenses), net	-	-	-	-	-	30	-	(2)	-	-	(7)	(7)	(10)	18
Other finance expenses	-	-	3	3	(165)	(148)	-	-	(95)	(80)	1	-	(256)	(226)
Share in earnings (losses) of equity-accounted investees not closely related to the investing activity	-	-	-	-	1	-	4	3	-	-	-	-	5	3
Income (loss) before tax	149	153	257	182	123	(40)	17	13	141	267	(2)	2	925	828
Other comprehensive income (loss)	-	-	(1)	(3)	-	-	-	-	1	(2)	-	-	(4)	(10)
Comprehensive income (loss) before taxes	148	153	256	179	123	(40)	17	13	141	265	(2)	2	920	818

D. Additional information regarding investment contracts and insurance contracts included in the Life Insurance Subsegment

Additional information regarding investment contracts

In NIS million	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the year ended December 31 2025
	Unaudited		Audited
Proceeds from investment contracts*	**1,877**	739	1,794
Annualized proceeds for investment contracts - new business	**33**	15	34
*Of which: One-off proceeds for investment contracts	**1,725**	571	1,469

In NIS million	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025
	Unaudited	
Proceeds from investment contracts*	**1,028**	326
Annualized proceeds for investment contracts - new business	**21**	6
*Of which: One-off proceeds for investment contracts	**951**	242

Additional information regarding insurance contracts

Details of the results by main portfolio groups

In NIS million	Policies with a non-yield-dependent savings component			Policies with a yield-dependent savings component			Policies without a savings component			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Revenues from insurance services	**295**	270	550	**560**	499	1,069	**697**	631	1,309	**1,551**	1,400	2,927
Expenses from insurance services [1]	**(262)**	(237)	(467)	**(460)**	(420)	(876)	**(618)**	(594)	(1,200)	**(1,340)**	(1,251)	(2,544)
Income from insurance services before reinsurance contracts held	**33**	33	83	**100**	79	192	**78**	37	109	**211**	149	384
Reinsurance expenses	**(1)**	(1)	(2)	**(28)**	(35)	(79)	**(56)**	(53)	(96)	**(85)**	(90)	(178)
Reinsurance revenues	**1**	-	2	**30**	34	89	**52**	44	79	**83**	78	170
Revenues (expenses), net from reinsurance contracts held	**-**	(1)	(1)	**2**	(1)	10	**(4)**	(10)	(17)	**(2)**	(11)	(8)
Income (loss) from insurance services	**33**	32	82	**102**	78	202	**74**	28	92	**210**	138	375
Total investment income (losses), net	**769**	967	1,615	**6,143**	5,554	12,340	**55**	49	118	**6,967**	6,569	14,073
Finance expenses (income), net arising from insurance contracts	**673**	1,011	1,593	**5,927**	5,295	11,714	**29**	(31)	3	**6,630**	6,275	13,311
Finance income (expenses), net arising from reinsurance contracts	**-**	-	-	**1**	(2)	5	**-**	(1)	1	**1**	(3)	6
Income (loss) from investments and financing, net	**96**	(44)	22	**217**	258	631	**25**	78	116	**338**	292	768
Income (loss), net from insurance and investment	**129**	(11)	104	**319**	336	832	**99**	105	208	**548**	430	1,144
Other operating expenses	**(1)**	-	(2)	**(14)**	-	(20)	**(15)**	-	(17)	**(30)**	-	(40)
Income (loss) before tax	**128**	(11)	101	**306**	336	812	**84**	105	190	**518**	430	1,104
Other comprehensive income (loss)	**-**	(1)	(2)	**(3)**	(4)	(4)	**-**	-	(2)	**(4)**	(5)	(8)
Total comprehensive income before income tax	**127**	(12)	100	**303**	332	808	**84**	105	189	**514**	425	1,096
[1] Of which:												
Claims and expenses of other insurance service incurred	**261**	234	482	**426**	389	*822	**536**	528	*1,026	**1,223**	1,151	*2,329
Changes relating to past service - adjustment for liabilities for incurred claims	**1**	3	(15)	**28**	28	*45	**14**	(1)	*45	**42**	30	*75

* Reclassified.

Details of assets and liabilities by main portfolio groups

In NIS million	Policies with a non-yield-dependent savings component			Policies with a yield-dependent savings component			Policies without a savings component			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Liabilities, net for insurance contracts according the remaining coverage and incurred claims:												
Liabilities, net for remaining coverage, excluding loss component	**26,620**	26,674	26,623	**88,718**	82,465	86,029	**(1,734)**	(1,411)	(1,580)	**113,604**	107,728	111,072
Loss component (LC)	**-**	-	-	**15**	10	12	**15**	12	11	**30**	22	23
Liabilities, net for incurred claims (LIC)	**18**	24	20	**1,457**	1,411	1,454	**1,458**	1,299	1,387	**2,933**	2,734	2,860
Total[2)]	**26,638**	26,698	26,643	**90,190**	83,886	87,494	**(261)**	(101)	(182)	**116,567**	110,484	113,956
Balances of accounts receivable and payable, net[1)]										**248**	255	221
Total liabilities, net for insurance contracts										**116,815**	110,738	114,177
Liabilities, net for insurance contracts, by measurement components:												
Best estimates (BE) of the present value of the future cash flows.	**25,866**	25,799	25,790	**85,276**	79,522	82,834	**(1,652)**	(1,167)	(1,563)	**109,490**	104,154	107,061
Risk adjustment (RA) for non-financial risk	**182**	172	181	**661**	632	646	**187**	155	186	**1,030**	959	1,013
Contractual service margin (CSM)	**591**	728	672	**4,253**	3,732	4,015	**1,204**	912	1,195	**6,048**	5,371	5,882
Total[2)]	**26,638**	26,698	26,643	**90,190**	83,886	87,494	**(261)**	(101)	(182)	**116,567**	110,484	113,956
Balances of accounts receivable and payable, net[1)]										**248**	255	221
Total liabilities, net for insurance contracts										**116,815**	110,738	114,177
[2)]Of which: Total insurance contract assets	**-**	-		**-**	-	-	**(1,120)**	(919)	(1,025)	**(1,120)**	(919)	(1,025)
Composition of balances of accounts receivable and payable, net: [1)]												
Premiums collectible										**(81)**	(104)	(88)
Prepaid premium										**3**	5	5
Payables for claims, policyholders and insurance service expenses										**326**	356	306
Other										**(1)**	(3)	(3)
Total balances of accounts receivable and payable, net										**248**	255	221
Assets, net for reinsurance contracts	**4**	4	5	**401**	316	349	**301**	239	301	**707**	559	655
Balances of accounts receivable and payable - reinsurance										**(631)**	(554)	(635)
Total net balances for reinsurance										**76**	6	20

Additional information

In NIS million	Policies with a non-yield-dependent savings component			Policies with a yield-dependent savings component			Policies without a savings component			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Gross premiums for insurance contracts net of reimbursement of premiums [1]	**46**	*52	103	**1,370**	*1,500	2,919	**596**	565	1,154	**2,012**	2,118	4,177
Of which: Savings component	**40**	*45	69	**1,232**	*1,348	2,702	**-**	-	-	**1,273**	1,394	2,771
Variable management fees	**-**	-	-	**409**	261	707	**-**	-	-	**409**	261	707
Fixed management fees on accrual	**-**	-	-	**265**	249	506	**-**	-	-	**265**	249	506
Annualized premium for insurance contracts - new business	**-**	-	-	**3**	5	7	**65**	73	145	**68**	78	152
One-off premium for insurance contracts	**-**	-	-	**96**	76	137	**-**	-	-	**96**	75	137
Acquisition expenses for insurance contracts	**-**	-	-	**4**	-	1	**85**	104	219	**90**	104	220

* Reclassified.

1) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

Additional information regarding insurance contracts

Details of the results by main portfolio groups

In NIS million	Policies with a non-yield-dependent savings component For the three-month period ended		Policies with a yield-dependent savings component For the three-month period ended		Policies without a savings component For the three-month period ended		Total For the three-month period ended	
	2026	2025	2026	2025	2026	2025	2026	2025
	Unaudited		Unaudited		Unaudited		Unaudited	
Revenues from insurance services	**147**	137	**281**	246	**347**	311	**775**	694
Expenses from insurance services [1]	**(132)**	(119)	**(242)**	(217)	**(306)**	(288)	**(680)**	(624)
Income from insurance services before reinsurance contracts held	**15**	18	**39**	29	**41**	23	**95**	70
Reinsurance expenses	**(1)**	-	**(14)**	(16)	**(27)**	(25)	**(41)**	(43)
Reinsurance revenues	**1**	-	**18**	12	**30**	19	**49**	31
Revenues (expenses), net from reinsurance contracts held	**-**	-	**4**	(5)	**4**	(5)	**8**	(11)
Income (loss) from insurance services	**15**	18	**44**	24	**44**	18	**103**	59
Total investment income (losses), net	**1,037**	1,077	**5,107**	5,390	**48**	45	**6,192**	6,512
Finance expenses (income), net arising from insurance contracts	**1,184**	1,262	**4,931**	5,157	**(51)**	(65)	**6,064**	6,354
Finance income (expenses), net arising from reinsurance contracts	**-**	-	**3**	2	**1**	1	**4**	3
Income (loss) from investments and financing, net	**(147)**	(185)	**179**	235	**100**	112	**132**	162
Income (loss), net from insurance and investment	**(132)**	(166)	**223**	259	**144**	129	**235**	220
Other operating expenses	**(1)**	-	**(7)**	-	**(7)**	-	**(15)**	-
Income (loss) before tax	**(133)**	(166)	**216**	259	**137**	129	**220**	220
Other comprehensive income (loss)	**-**	(1)	**(3)**	(4)	**-**	-	**(3)**	(6)
Total comprehensive income before income tax	**(133)**	(168)	**213**	255	**137**	128	**217**	215
[1] Of which:								
Claims and expenses of other insurance service incurred	**131**	118	**215**	204	**267**	264	**613**	587
Changes relating to past service - adjustment for liabilities for incurred claims	**1**	1	**23**	12	**5**	(12)	**30**	1

Additional information

In NIS million	Policies with a non-yield-dependent savings component		Policies with a yield-dependent savings component		Policies without a savings component		Total	
	For the three-month period ended		For the three-month period ended		For the three-month period ended		For the three-month period ended	
	2026	2025	2026	2025	2026	2025	2026	2025
	Unaudited		Unaudited		Unaudited		Unaudited	
Gross premiums for insurance contracts net of reimbursement of premiums [1)]	**22**	*26	**675**	*730	**301**	284	**998**	1,040
Of which: Savings component	**20**	*20	**607**	*642	**-**	-	**628**	663
Variable management fees	**-**	-	**314**	261	**-**	-	**314**	261
Fixed management fees on accrual	**-**	-	**134**	126	**-**	-	**134**	126
Annualized premium for insurance contracts - new business	**-**	-	**1**	2	**31**	39	**31**	42
One-off premium for insurance contracts	**-**	-	**47**	31	**-**	-	**47**	31
Acquisition expenses for insurance contracts	**-**	-	**2**	(2)	**38**	49	**41**	47

* Reclassified.

1) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

E. Additional information regarding insurance contracts included in the Health Insurance Segment

Details of the results by main portfolio groups

	Long-term care						Health Insurance - other									Total		
	Private individuals			Collective			Medical expenses and disabilities - individual			Medical expenses and disabilities - collective			Other (a)					
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
In NIS million	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Revenues from insurance services	158	157	296	19	25	43	344	315	643	81	63	129	458	474	940	1,060	1,034	2,052
Expenses from insurance services [1]	(147)	(108)	(251)	(13)	(30)	(36)	(273)	(252)	(492)	(74)	(68)	(140)	(337)	(357)	(720)	(844)	(815)	(1,640)
Income from insurance services before reinsurance contracts held	11	48	44	6	(5)	7	71	64	151	7	(5)	(10)	122	117	220	217	219	411
Reinsurance expenses	(21)	(18)	(35)	-	-	-	(4)	(10)	(16)	-	-	-	(17)	(11)	(14)	(42)	(39)	(65)
Reinsurance revenues	17	5	23	-	-	-	3	3	9	-	-	-	8	-	2	29	8	34
Revenues (expenses), net from reinsurance contracts held	(3)	(13)	(13)	-	-	-	(1)	(7)	(7)	-	-	-	(9)	(11)	(12)	(13)	(31)	(31)
Income (loss) from insurance services	8	35	32	6	(5)	7	70	57	144	7	(5)	(10)	113	106	209	204	188	380
Total investment income (losses), net	220	250	479	2	6	16	-	-	-	-	1	4	1	2	6	223	260	505
Finance expenses (income), net arising from insurance contracts	203	305	502	2	7	9	3	(31)	(45)	1	1	2	(15)	(81)	(135)	195	200	332
Finance income (expenses), net arising from reinsurance contracts	21	22	43	3	-	1	-	(1)	(2)	-	-	-	-	(1)	(2)	24	20	40
Income (loss) from investments and financing, net	38	(32)	20	3	(1)	8	(4)	30	43	(1)	-	2	16	82	139	52	79	212
Income (loss), net from insurance and investment	45	3	51	9	(6)	15	67	86	187	6	(5)	(8)	129	188	348	256	267	593
Other operating expenses	(2)	-	(2)	-	-	(1)	(5)	-	(6)	(1)	-	(3)	(6)	-	(7)	(15)	-	(19)
Income (loss) before tax	43	3	49	9	(6)	9	62	86	62	4	(5)	4	123	188	123	242	267	574
Other comprehensive income (loss)	-	-	(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)
Total comprehensive income before income tax	43	3	49	9	(6)	9	62	86	62	4	(5)	4	123	188	123	241	267	573
1) Of which																		
Claims and expenses of other insurance service incurred	134	109	217	16	17	31	241	232	453	64	61	123	271	288	*572	726	706	*1,396
Changes relating to past service - adjustment for liabilities for incurred claims	12	-	35	(4)	13	-	20	12	22	7	9	18	-	3	*11	35	37	*86

Details of assets and liabilities by main portfolio groups

In NIS million	Long-term care						Health Insurance - other									Total		
	Private individuals			Collective			Medical expenses and disabilities - individual			Medical expenses and disabilities - collective			Other (a)			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
Liabilities, net for insurance contracts according the remaining coverage and incurred claims:																		
Liabilities, net for remaining coverage, excluding loss component and contractual service margin	6,106	5,786	5,955	(10)	8	-	(775)	(679)	(739)	(25)	(1)	(9)	(2,011)	(1,799)	(1,921)	3,284	3,315	3,285
Loss component (LC)	-	-	-	6	-	5	1	-	1	-	11	-	12	6	10	18	17	16
Liabilities, net for incurred claims (LIC)	656	540	597	123	159	135	166	158	154	48	33	45	295	291	303	1,288	1,182	1,235
Liabilities, net for insurance contracts [1]	6,762	6,326	6,551	118	168	140	(608)	(520)	(584)	22	43	36	(1,704)	(1,502)	(1,608)	4,590	4,514	4,535
Balances of accounts receivable and payable, net [2]																99	82	93
Total liabilities, net for insurance contracts																4,689	4,596	4,628
Liabilities, net for insurance contracts, by measurement components:																		
Contracts not measured according to the PAA model:																		
Best estimates (BE) of the present value of the future cash flows.	4,593	3,772	4,379	117	158	138	(2,494)	(2,231)	(2,436)	(30)	37	(10)	(3,883)	(3,769)	(3,805)	(1,696)	(2,032)	(1,734)
Risk adjustment (RA) for non-financial risk	816	902	803	1	2	1	316	261	309	6	1	5	358	327	349	1,497	1,492	1,467
Contractual service margin (CSM)	1,352	1,652	1,369	-	7	-	1,569	1,450	1,543	46	5	41	1,776	1,883	1,788	4,743	4,997	4,742
Contracts not measured according to the PAA model	6,762	6,326	6,551	118	168	140	(608)	(521)	(584)	22	43	36	(1,749)	(1,560)	(1,667)	4,544	4,457	4,476
Balances of accounts receivable and payable, net 1)																102	82	102
Total contracts not measured according to the PAA model																4,646	4,539	4,578
Contracts measured according to the PAA model													45	58	59	45	58	59
Balances of accounts receivable and payable, net [2]																(3)	-	(9)
Total liabilities, net for insurance contracts																4,689	4,596	4,628
1) Of which: Insurance contract assets	-	-	-	-	-	-	(608)	(521)	(584)	-	-	-	(1,749)	(1,560)	(1,667)	(2,357)	(2,081)	(2,251)
2) Balances of accounts receivable and payable, net																		
Premiums collectible																(81)	(85)	(85)
Prepaid premium																4	6	3
Payables for claims, policyholders and insurance service expenses																156	148	158
Other																21	12	17
Total balances of accounts receivable and payable, net																99	82	93
Assets, net for reinsurance contracts	459	425	442	2	3	-	(36)	(40)	(37)	-	-	-	(8)	(11)	(10)	416	377	395
Balances of accounts receivable and payable, net																(102)	(109)	(108)
Total net balances for reinsurance																314	268	287

Additional information

	Long-term care						Health Insurance - other									Total		
	Private individuals			Collective			Medical expenses and disabilities - individual			Medical expenses and disabilities - collective			Other (a)					
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
In NIS million	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
Gross premiums for insurance contracts net of reimbursement of premiums (b)	**131**	138	276	**11**	12	24	**342**	316	646	**70**	62	128	**432**	442	899	**987**	971	1,973
Annualized premium for insurance contracts - new business	**-**	-	-	**-**	-	-	**26**	27	51	**-**	-	-	**55**	59	108	**81**	85	158
Acquisition expenses for insurance contracts	**-**	-	-	**-**	-	-	**45**	42	92	**8**	3	9	**104**	102	217	**157**	148	319

(a) Other health including critical illness, travel, and personal accidents.

(b) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

Details of the results by main portfolio groups

In NIS million	Long-term care				Health Insurance - other							
	Private individuals		Collective		Medical expenses and disabilities - individual		Medical expenses and disabilities - collective		Other (a)		Total	
	For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Unaudited											
Revenues from insurance services	**78**	77	**9**	13	**171**	159	**41**	32	**225**	237	**524**	518
Expenses from insurance services [1)]	**(67)**	(49)	**(8)**	(20)	**(137)**	(127)	**(36)**	(33)	**(161)**	(175)	**(409)**	(403)
Income from insurance services before reinsurance contracts held	**11**	29	**2**	(7)	**35**	32	**5**	-	**64**	62	**115**	116
Reinsurance expenses	**(9)**	(10)	**-**	-	**(1)**	(6)	**-**	-	**(9)**	(10)	**(20)**	(25)
Reinsurance revenues	**9**	3	**-**	-	**2**	6	**-**	-	**4**	4	**15**	13
Revenues (expenses), net from reinsurance contracts held	**(1)**	(7)	**-**	-	**1**	1	**-**	-	**(5)**	(6)	**(5)**	(13)
Income (loss) from insurance services	**10**	21	**2**	(7)	**36**	33	**5**	-	**58**	56	**110**	103
Total investment income (losses), net	**193**	213	**2**	4	**-**	-	**-**	1	**1**	2	**196**	220
Finance expenses (income), net arising from insurance contracts	**361**	400	**7**	10	**(72)**	(72)	**(1)**	1	**(132)**	(149)	**163**	189
Finance income (expenses), net arising from reinsurance contracts	**15**	25	**3**	-	**(2)**	(2)	**-**	-	**(2)**	(3)	**13**	20
Income (loss) from investments and financing, net	**(153)**	(162)	**(2)**	(5)	**70**	70	**2**	-	**130**	147	**46**	50
Income (loss), net from insurance and investment	**(143)**	(141)	**(1)**	(12)	**106**	103	**6**	-	**188**	203	**156**	153
Other operating expenses	**(1)**	-	**-**	-	**(3)**	-	**(1)**	-	**(3)**	-	**(8)**	-
Income (loss) before tax	**(145)**	(141)	**(1)**	(12)	**103**	103	**6**	-	**185**	203	**149**	153
Other comprehensive income (loss)	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-	**-**	-
Total comprehensive income before income tax	**(145)**	(141)	**(1)**	(12)	**103**	103	**6**	-	**185**	203	**148**	153
1) Of which												
Claims and expenses of other insurance service incurred	**61**	46	**8**	8	**122**	116	**31**	26	**134**	145	**356**	341
Changes relating to past service - adjustment for liabilities for incurred claims	**6**	2	**(2)**	11	**9**	7	**4**	6	**(6)**	(3)	**11**	23

Additional information

In NIS million	Long-term care				Health Insurance - other						Total	
	Private individuals		Collective		Medical expenses and disabilities - individual		Medical expenses and disabilities - collective		Other (a)			
	For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	Unaudited											
Gross premiums for insurance contracts net of reimbursement of premiums (b)	**63**	69	5	6	**172**	149	**36**	30	**216**	235	**493**	490
Annualized premium for insurance contracts - new business	**-**	-	-	-	**11**	12	**-**	-	**26**	27	**37**	39
Acquisition expenses for insurance contracts	**-**	-	**-**	-	**22**	19	**3**	2	**53**	48	**78**	69

(a) Other health including critical illness, travel, and personal accidents.

(b) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

F. Additional information regarding insurance contracts included in the Property and Casualty Subsegment

Details of the results by main portfolio groups

	Compulsory motor			Motor property			Other(*)			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited	Unaudited		Audited
In NIS million	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
Revenues from insurance services	381	394	789	584	639	1,266	898	900	1,803	1,863	1,933	3,858
Expenses from insurance services [1]	(341)	(434)	(815)	(515)	(548)	(1,105)	(178)	(387)	(748)	(1,035)	(1,368)	(2,668)
Income from insurance services before reinsurance contracts held	40	(39)	(26)	68	91	161	720	513	1,055	828	564	1,190
Reinsurance expenses	(21)	(48)	(75)	(7)	(6)	(10)	(481)	(490)	(986)	(509)	(544)	(1,071)
Reinsurance revenues	23	68	91	3	-	-	24	165	331	50	233	423
Revenues/expenses, net from reinsurance contracts held	2	20	16	(5)	(5)	(9)	(457)	(326)	(655)	(459)	(311)	(648)
Income (loss) from insurance services	42	(19)	(10)	64	85	152	263	187	401	369	253	542
Total investment income (losses), net	51	37	94	13	10	25	77	61	147	140	108	266
Finance expenses (income), net arising from insurance contracts	73	62	127	8	8	14	72	68	133	153	139	274
Finance income (expenses), net arising from reinsurance contracts	19	20	39	-	-	1	40	36	71	59	56	110
Income (loss) from investments and financing, net	(3)	(6)	6	5	3	11	45	29	85	46	26	102
Income (loss), net from insurance and investment	39	(25)	(4)	68	88	163	308	216	485	415	279	644
Other operating expenses	(6)	(1)	(10)	(7)	(1)	(9)	(12)	(3)	(21)	(26)	(5)	(40)
Other revenues (expenses), net	-	-	-	-	-	-	-	-	-	-	-	-
Other finance expenses	1	-	-	-	-	-	1	2	(1)	3	2	(1)
Income (loss) before tax	34	(26)	(14)	61	87	153	297	215	464	392	276	603
Other comprehensive income (loss)	(1)	(1)	(1)	-	-	-	(1)	(1)	(2)	(2)	(2)	(4)
Total comprehensive income before income tax	33	(26)	(15)	61	86	153	296	214	462	391	274	600
Of which 1)												
Claims and expenses of other insurance service incurred	352	431	803	387	419	829	366	379	737	1,104	1,229	2,369
Changes relating to past service - adjustment for liabilities for incurred claims	(72)	(52)	(97)	(3)	(12)	(16)	(333)	(133)	(286)	(408)	(197)	(399)

Details of assets and liabilities by main portfolio groups

In NIS million	Compulsory motor: For the six-month period ended June 30 2026	Compulsory motor: For the six-month period ended June 30 2025	Compulsory motor: For the year ended December 31 2025	Motor property: For the six-month period ended June 30 2026	Motor property: For the six-month period ended June 30 2025	Motor property: For the year ended December 31 2025	Other(*): For the six-month period ended June 30 2026	Other(*): For the six-month period ended June 30 2025	Other(*): For the year ended December 31 2025	Total: For the six-month period ended June 30 2026	Total: For the six-month period ended June 30 2025	Total: For the year ended December 31 2025
Liabilities, net for insurance contracts:												
Liabilities, net for remaining coverage (LRC):												
Liabilities, net for remaining coverage, excluding loss component	**308**	318	275	**394**	450	404	**1,115**	957	963	**1,817**	1,726	1,642
Loss component (LC)	**30**	14	19	**-**	-	-	**-**	-	-	**30**	14	19
Total liabilities, net for remaining coverage	**338**	333	295	**394**	450	404	**1,115**	957	963	**1,847**	1,740	1,661
Liabilities, net for incurred claims (LIC):												
Best estimates (BE) of the present value of future cash flows for contracts according to the PAA model	**2,612**	2,567	2,609	**334**	317	331	**2,356**	2,607	2,601	**5,302**	5,491	5,541
Risk adjustment (RA) for non-financial risk for contracts according to the PAA model	**86**	86	86	**11**	10	11	**100**	110	117	**196**	206	214
Total liabilities, net for incurred claims	**2,698**	2,653	2,695	**345**	327	341	**2,455**	2,717	2,718	**5,498**	5,697	5,755
Balances of accounts receivable and payable, net 1)										**(736)**	(646)	(564)
Total liabilities, net for insurance contracts	**3,036**	2,985	2,990	**739**	778	745	**3,570**	3,674	3,681	**6,609**	6,792	6,852
Composition of balances of accounts receivable and payable, net [1]												
Premiums collectible										**(891)**	(775)	(682)
Payables for claims and insurance service expenses										**13**	1	16
Prepaid premium										**83**	69	91
Other										**60**	59	12
Total balances of accounts receivable and payable, net	**-**	-	-	**-**	-	-	**-**	-	-	**(736)**	(646)	(564)
Assets, net for reinsurance contracts	**735**	904	808	**10**	16	11	**2,198**	2,161	2,206	**2,943**	3,081	3,025
Balances of accounts receivable and payable, net	**-**	-	-	**-**	-	-	**-**	-	-	**(882)**	(832)	(790)
Total net balances for reinsurance	**735**	904	808	**10**	16	11	**2,198**	2,161	2,206	**2,061**	2,249	2,235

Additional information

In NIS million	Compulsory motor			Motor property			Other(*)			Total		
	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31	For the six-month period ended June 30		For the year ended December 31
	2026	2025	2025	2026	2025	2025	2026	2025	2025	2026	2025	2025
Gross premiums net of reimbursement of premiums (a)	**413**	444	794	**575**	660	1,230	**1,060**	1,014	1,923	**2,049**	2,118	3,948
Acquisition expenses for insurance contracts	**50**	51	99	**134**	143	283	**155**	155	311	**339**	349	693

(*) Other property and casualty insurance includes the other P&C insurance subsegments, which are not compulsory motor and motor property insurance, and it consists mainly of the results of insurance groups of businesses, contractors, apartments, guarantees and credit insurance, for which the activity constitutes 94% of the total revenues from insurance services in these subsegments - last year - 92% and annually - 93%.

(a) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

Details of the results by main portfolio groups

In NIS million	Compulsory motor		Motor property		Other(*)		Total	
	For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30		For the three-month period ended June 30	
	Unaudited		Unaudited		Unaudited		Unaudited	
	2026	2025	2026	2025	2026	2025	2026	2025
Revenues from insurance services	**191**	202	**291**	319	**461**	456	**943**	976
Expenses from insurance services [1)]	**(159)**	(250)	**(267)**	(266)	**50**	(75)	**(376)**	(590)
Income from insurance services before reinsurance contracts held	**32**	(48)	**24**	53	**510**	381	**567**	386
Reinsurance expenses	**(10)**	(22)	**(3)**	(3)	**(238)**	(231)	**(251)**	(255)
Reinsurance revenues	**11**	46	**1**	2	**(75)**	2	**(62)**	50
Revenues/expenses, net from reinsurance contracts held	**2**	24	**(2)**	(1)	**(313)**	(228)	**(314)**	(205)
Income (loss) from insurance services	**34**	(24)	**22**	52	**197**	153	**253**	181
Total investment income (losses), net	**39**	24	**10**	7	**60**	42	**108**	73
Finance expenses (income), net arising from insurance contracts	**73**	55	**6**	6	**71**	60	**151**	122
Finance income (expenses), net arising from reinsurance contracts	**19**	18	**-**	-	**39**	31	**58**	49
Income (loss) from investments and financing, net	**(16)**	(13)	**3**	1	**27**	13	**15**	1
Income (loss), net from insurance and investment	**18**	(37)	**25**	53	**224**	166	**268**	182
Other operating expenses	**(3)**	(1)	**(4)**	(1)	**(6)**	(2)	**(13)**	(3)
Other revenues (expenses), net	**-**	-	**-**	-	**-**	-	**-**	-
Other finance expenses	**1**	-	**-**	-	**1**	2	**3**	3
Income (loss) before tax	**16**	(38)	**22**	52	**219**	167	**257**	182
Other comprehensive income (loss)	**(1)**	(1)	**-**	-	**(1)**	(1)	**(1)**	(3)
Total comprehensive income before income tax	**15**	(39)	**22**	52	**219**	166	**256**	179
Of which 1)								
Claims and expenses of other insurance service incurred	**173**	255	**200**	198	**171**	90	**545**	542
Changes relating to past service - adjustment for liabilities for incurred claims	**(56)**	(37)	**-**	(4)	**(295)**	(91)	**(351)**	(132)

Additional information

In NIS million	Compulsory motor For the three-month period ended June 30		Motor property For the three-month period ended June 30		Other(*) For the three-month period ended June 30		Total For the three-month period ended June 30	
	2026	2025	2026	2025	2026	2025	2026	2025
Gross premiums net of reimbursement of premiums (a)	**208**	206	**263**	297	**539**	543	**1,010**	1,046
Acquisition expenses for insurance contracts	**26**	27	**64**	68	**74**	75	**164**	169

(*) Other property and casualty insurance includes the other P&C insurance subsegments, which are not compulsory motor and motor property insurance, and it consists mainly of the results of insurance groups of businesses, contractors, apartments, guarantees and credit insurance, for which the activity constitutes 94% of the total revenues from insurance services in these subsegments - last year - 92% and annually - 93%.

(a) Gross premiums net of premium reimbursements are calculated on a billing-date basis.

The Company holds reinsurance contracts and investments whose results are attributed to more than one column in the tables above according to the Company's internal allocation models. Investment revenues is allocated according to liability ratios, and reinsurance contract results are allocated according to the attribution of secondary coverage to the covered gross portfolios.

NOTE 5 - FINANCIAL INVESTMENTS AND DERIVATIVE INSTRUMENTS

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

	As of June 30, 2026	As of June 30, 2025	As of December 31, 2025
In NIS million	**Unaudited**		**Audited**
Debt instruments:			
Illiquid debt instruments:			
Deposits with banks and financial institutions	**1,058**	-	548
Illiquid corporate bonds	**765**	1,148	633
Loans (including investees)	**6,291**	6,510	6,506
Total illiquid debt instruments	**8,114**	7,658	7,687
Liquid debt instruments:			
Government bonds	**13,657**	12,500	12,516
Liquid corporate bonds	**14,449**	14,807	14,442
Total liquid debt instruments	**28,106**	27,307	26,958
Total debt instruments	**36,220**	34,965	34,645
Equity instruments:			
Illiquid equity instruments:			
Illiquid shares	**2,538**	2,446	2,460
Liquid equity instruments:			
Liquid shares	**22,756**	19,324	22,291
Total equity instruments	**25,294**	21,770	24,751
Other investments:			
Other investments (1)	**36,353**	33,622	35,136
Derivative instruments (2)	**2,928**	2,592	3,185
Total other financial investments	**39,281**	36,214	38,321
Total financial investments	**100,795**	92,949	97,717
Financial liabilities presented at fair value through profit or loss:	**1,463**	1,089	1,419
Liabilities for derivative instruments (2)	**488**	468	860

1) Other investments mainly include investments in ETNs, participation certificates in mutual funds, investment funds, and structured products.
2) Derivative instruments mainly comprise futures and options.

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

B.1 Breakdown of financial investments by asset type

	As of June 30, 2026		
	Financial investments measured at fair value through profit or loss	Other financial investments measured at depreciated cost	Total
In NIS million	Unaudited		
Debt instruments:			
Illiquid debt instruments:			
Deposits with banks and financial institutions	739	23	762
Treasury deposits	-	2,219	2,219
Designated bonds	19,648	-	19,648
Illiquid corporate bonds	227	9	236
Loans (including investees)	9,824	72	9,896
Total illiquid debt instruments	30,438	2,323	32,761
Liquid debt instruments:			
Government bonds	4,844	-	4,844
Liquid corporate bonds	2,575	-	2,575
Total liquid debt instruments	7,419	-	7,419
Total debt instruments	37,857	2,323	40,180
Equity instruments:			
Illiquid equity instruments:			
Illiquid shares	774	-	774
Liquid equity instruments:			
Liquid shares	1,405	-	1,405
Total equity instruments	2,179	-	2,179
Other investments:			
Other investments (1)	5,951	-	5,951
Derivative instruments (2)	412	-	412
Total other financial investments	6,363	-	6,363
Total financial investments	46,399	2,323	48,722
Financial liabilities presented at fair value through profit or loss:	586	-	586
Liabilities for derivative instruments (2)	16	-	16

1. Other investments mainly include investments in ETNs, participation certificates in mutual funds, investment funds, and structured products.
2. Derivative instruments mainly comprise futures and options.

In NIS million	As of June 30, 2025 Financial investments measured at fair value through profit or loss	Other financial investments measured at depreciated cost	Total
	Unaudited		
Debt instruments:			
Illiquid debt instruments:			
Deposits with banks and financial institutions	376	14	390
Treasury deposits	-	2,200	2,200
Designated bonds	20,120	-	20,120
Illiquid corporate bonds	238	23	261
Loans (including investees)	8,449	69	8,518
Total illiquid debt instruments	29,183	2,306	31,489
Liquid debt instruments:			
Government bonds	3,252	-	3,252
Liquid corporate bonds	2,478	-	2,478
Total liquid debt instruments	5,730	-	5,730
Total debt instruments	34,913	2,306	37,219
Equity instruments:			
Illiquid equity instruments:			
Illiquid shares	814	-	814
Liquid equity instruments:			
Liquid shares	1,109	-	1,109
Total equity instruments	1,923	-	1,923
Other investments:			
Other investments (1)	5,659	-	5,659
Derivative instruments (2)	375	-	375
Total other financial investments	6,034	-	6,034
Total financial investments	42,870	2,306	45,176
Financial liabilities presented at fair value through profit or loss:	206	-	206
Liabilities for derivative instruments (2)	96	-	96

1. Other investments mainly include investments in ETNs, participation certificates in mutual funds, investment funds, and structured products.
2. Derivative instruments mainly comprise futures and options.

In NIS million	Financial investments measured at fair value through profit or loss	Other financial investments measured at depreciated cost	Total
	As of December 31, 2025		
	Audited		
Debt instruments:			
Illiquid debt instruments:			
Deposits with banks and financial institutions	568	20	588
Treasury deposits	-	2,169	2,169
Designated bonds	19,755	-	19,755
Illiquid corporate bonds	231	22	253
Loans (including investees)	9,359	73	9,432
Total illiquid debt instruments	29,913	2,285	32,198
Liquid debt instruments:			
Government bonds	3,662	-	3,662
Liquid corporate bonds	2,484	-	2,484
Total liquid debt instruments	6,146		6,146
Total debt instruments	36,059	2,285	38,344
Equity instruments:			
Illiquid equity instruments:			
Illiquid shares	781	-	781
Liquid equity instruments:			
Liquid shares	1,306	-	1,306
Total equity instruments	2,087	-	2,087
Other investments:			
Other investments (1)	5,908	-	5,908
Derivative instruments (2)	342	-	342
Total other financial investments	6,250	-	6,250
Total financial investments	44,396	2,285	46,681
Financial liabilities presented at fair value through profit or loss:	427	-	427
Liabilities for derivative instruments (2)	18	-	18

1. Other investments mainly include investments in ETFs, participation certificates in mutual funds, investment funds, and structured products.
2. Derivative instruments mainly comprise futures and options.

C. Financial instruments held against yield-dependent contracts

C.1. Fair value of financial instruments by level

In NIS million	As of June 30, 2026			
	Level 1	Level 2	Level 3	Total
	Unaudited			
Financial investments:				
Illiquid debt instruments	**-**	**-**	**8,114**	**8,114**
Liquid debt instruments	**24,938**	**3,168**	**-**	**28,106**
Capital instruments	**22,280**	**476**	**2,538**	**25,294**
Other financial investments	**20,432**	**3,727**	**15,122**	**39,281**
Total financial assets	**67,650**	**7,371**	**25,774**	**100,795**
Of which for investments in derivatives	**134**	**2,777**	**17**	**2,928**

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

In NIS million	As of June 30, 2025			
	Level 1	Level 2	Level 3	Total
	Unaudited			
Financial investments:				
Illiquid debt instruments	-	7,641	17	7,658
Liquid debt instruments	23,787	3,520	-	27,307
Capital instruments	18,810	514	2,446	21,770
Other financial investments	17,385	4,672	14,157	36,214
Total financial assets	59,982	16,347	16,620	92,949
Of which for investments in derivatives	77	2,504	11	2,592

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

In NIS million	As of December 31, 2025			
	Level 1	Level 2	Level 3	Total
	Audited			
Financial investments:				
Illiquid debt instruments	-	7,665	22	7,687
Liquid debt instruments	23,499	3,459	-	26,958
Capital instruments	22,000	291	2,460	24,751
Other financial investments	18,905	4,973	14,443	38,321
Total financial assets	64,404	16,388	16,925	97,717
Of which for investments in derivatives	130	3,041	13	3,184

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

C.2. Level 3 financial instruments measured at fair value held against yield-dependent contracts

In NIS million	As of June 30, 2026			
	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
Balance as of January 1, 2026	**22**	**2,460**	**14,443**	**16,925**
Total realized gains (losses):				
In profit and loss (1)	**179**	**(61)**	**(417)**	**(299)**
Purchases	**1,230**	**188**	**1,402**	**2,820**
Sales	**-**	**(37)**	**(1,179)**	**(1,216)**
Redemptions	**(833)**	**-**	**-**	**(833)**
Interest and dividend received	**(136)**	**(12)**	**(31)**	**(179)**
Transfers to Level 3 (2)	**7,652**	**-**	**904**	**8,556**
Balance as of June 30, 2026	**8,114**	**2,538**	**15,122**	**25,774**
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2026	**178**	**(57)**	**(423)**	**(302)**

1. Recognized under investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts
2. The fair value of illiquid debt assets was transferred from Level 2 to Level 3, see Note 5(e).

In NIS million	As of June 30, 2025			
	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
Balance as of January 1, 2025	18	2,288	14,483	16,789
Total realized gains (losses):				
In profit and loss (1)	(1)	(2)	(462)	(465)
Purchases	-	170	1,018	1,188
Sales	-	(3)	(861)	(864)
Interest and dividend received	-	(7)	(21)	(28)
Balance as of June 30, 2025	17	2,446	14,157	16,620
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2025	(1)	1	(462)	(462)

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

In NIS million	As of June 30, 2026			
	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
Balance as of April 1, 2026	**7,990**	**2,464**	**15,609**	**26,063**
Total realized gains (losses):				
In profit and loss (1)	**184**	**(40)**	**(593)**	**(449)**
Purchases	**421**	**146**	**781**	**1,348**
Sales	**-**	**(25)**	**(664)**	**(689)**
Redemptions	**(417)**	**-**	**-**	**(417)**
Interest and dividend received	**(64)**	**(7)**	**(11)**	**(82)**
Balance as of June 30, 2026	**8,114**	**2,538**	**15,122**	**25,774**
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2026	**182**	**(47)**	**(605)**	**(470)**

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

In NIS million	As of June 30, 2025			
	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Unaudited			
As of April 1, 2025	19	2,441	14,913	17,373
Total realized gains (losses):				
In profit and loss (1)	(2)	(66)	(965)	(1,033)
Purchases	-	76	481	557
Sales	-	(2)	(263)	(265)
Interest and dividend received	-	(3)	(9)	(12)
Balance as of June 30, 2025	17	2,446	14,157	16,620
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2025	(2)	(64)	(969)	(1,035)

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

In NIS million	As of December 31, 2025			
	Financial assets			
	Illiquid debt instruments	Equity instruments	Other investments	Total financial assets
	Audited			
Balance as of January 1, 2025	18	2,288	14,483	16,789
Total realized gains (losses):				
In profit and loss (1)	2	(20)	(388)	(406)
Purchases	2	297	2,428	2,727
Sales	-	(47)	(2,055)	(2,102)
Interest and dividend received	-	(58)	(25)	(83)
Balance as of December 31, 2025	22	2,460	14,443	16,925
Total income (losses) for the period included in profit and loss in respect of financial assets held as of December 31, 2025	2	(16)	(387)	(401)

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

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

D.1. Fair value of financial instruments by level

	As of June 30, 2026			
	Level 1	Level 2	Level 3	Total
In NIS million	Unaudited			
Financial assets:				
Illiquid debt instruments, excluding designated bonds	**-**	**-**	**10,790**	**10,790**
Designated bonds	**-**	**-**	**19,648**	**19,648**
Liquid debt instruments	**7,370**	**49**	**-**	**7,419**
Capital instruments	**1,382**	**23**	**774**	**2,179**
Other investments	**1,363**	**402**	**4,598**	**6,363**
Total financial assets	**10,115**	**474**	**35,810**	**46,399**
Of which for investments in derivatives	**2**	**403**	**7**	**412**

During the period there were no material transfers between Level 1 and Level 2

	As of June 30, 2025			
	Level 1	Level 2	Level 3	Total
In NIS million	Unaudited			
Financial assets:				
Illiquid debt instruments, excluding designated bonds	-	5,355	3,708	9,063
Designated bonds	-	-	20,120	20,120
Liquid debt instruments	5,666	64	-	5,730
Capital instruments	1,071	38	814	1,923
Other investments	814	379	4,841	6,034
Total financial assets	7,551	5,836	29,483	42,870
Of which for investments in derivatives	8	362	5	375

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

	As of December 31, 2025			
	Level 1	Level 2	Level 3	Total
In NIS million	Audited			
Financial assets:				
Illiquid debt instruments, excluding designated bonds	-	5,835	4,323	10,158
Designated bonds	-	-	19,755	19,755
Liquid debt instruments	6,122	24	-	6,146
Capital instruments	1,276	30	781	2,087
Other investments	1,137	358	4,755	6,250
Total financial assets	8,535	6,247	29,614	44,396
Of which for investments in derivatives	4	330	5	339

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

D.2 Level 3 financial instruments measured at fair value held against non-yield-dependent contracts

In NIS million	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total
	As of June 30, 2026				
	Unaudited				
Balance as of January 1, 2026	**4,323**	**19,755**	**781**	**4,755**	**29,614**
Total income (losses) recognized:					
In profit and loss (1)	**357**	**550**	**(39)**	**(216)**	**652**
Purchases	**1,959**	**50**	**53**	**379**	**2,441**
Sales	**-**	**-**	**(16)**	**(341)**	**(357)**
Redemptions	**(1,496)**	**(259)**	**-**	**-**	**(1,755)**
Interest and dividend received	**(192)**	**(448)**	**(5)**	**(1)**	**(646)**
Transfers to Level 3 (2)	**5,839**	**-**	**-**	**22**	**5,861**
Balance as of June 30, 2026	**10,790**	**19,648**	**774**	**4,598**	**35,810**
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2026	**345**	**530**	**(42)**	**(222)**	**611**

1. Recognized under investment income (losses), net.
2. The fair value of illiquid debt assets was transferred from Level 2 to Level 3, see Note 5(e).

In NIS million	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total
	As of June 30, 2025				
	Unaudited				
Balance as of January 1, 2025	3,163	18,680	801	5,004	27,648
Total income (losses) recognized:					
In profit and loss (1)	197	747	(10)	(120)	814
Purchases	526	1,142	29	296	1,993
Sales	-	-	(1)	(334)	(335)
Redemptions	(131)	(68)	-	-	(199)
Interest and dividend received	(47)	(381)	(5)	(5)	(438)
Balance as of June 30, 2025	3,708	20,120	814	4,841	29,483
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2025	197	747	(10)	(126)	808

1. Recognized under investment income (losses), net.

In NIS million	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total
	As of June 30, 2026				
	Unaudited				
As of April 1, 2026	**10,392**	**19,471**	**779**	**4,766**	**35,408**
Total income (losses) recognized:					
In profit and loss (1)	**302**	**834**	**(23)**	**(228)**	**885**
Purchases	**830**	**27**	**33**	**247**	**1,137**
Sales	**-**	**-**	**(12)**	**(187)**	**(199)**
Redemptions	**(627)**	**(236)**	**-**	**-**	**(863)**
Interest and dividend received	**(107)**	**(448)**	**(3)**	**-**	**(558)**
Balance as of June 30, 2026	**10,790**	**19,648**	**774**	**4,598**	**35,810**
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2026	**292**	**814**	**(26)**	**(230)**	**850**

1. Recognized under investment income (losses), net.

In NIS million	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total
	As of June 30, 2025				
	Unaudited				
Balance as of April 1, 2025	3,411	19,384	842	5,105	28,742
Total income (losses) recognized:					
In profit and loss (1)	155	892	(35)	(299)	713
Purchases	243	235	9	149	636
Sales	-	-	-	(110)	(110)
Redemptions	(74)	(10)	-		(84)
Interest and dividend received	(27)	(381)	(2)	(4)	(414)
Balance as of June 30, 2025	3,708	20,120	814	4,841	29,483
Total income (losses) for the period included in profit and loss in respect of financial assets held as of June 30, 2025	155	892	(35)	(303)	709

1. Recognized under investment income (losses), net.

In NIS million	Illiquid debt instruments, excluding designated bonds	Designated bonds	Equity instruments	Other investments	Total
	As of December 31, 2025				
	Audited				
Balance as of January 1, 2025	3,163	18,680	801	5,004	27,648
Total income (losses) recognized:					
In profit and loss (1)	454	1,179	(7)	(123)	1,503
Purchases	1,102	1,867	48	566	3,583
Sales	-	-	(18)	(686)	(704)
Redemptions	(297)	(1,217)	-	-	(1,514)
Interest and dividend received	(99)	(754)	(43)	(6)	(902)
Balance as of December 31, 2025	4,323	19,755	781	4,755	29,614
Total income (losses) for the period included in profit and loss in respect of financial assets held as of December 31, 2025	454	1,130	(5)	(137)	1,442

1. Recognized under investment income (losses), net

D.3. Financial instruments measured at fair value for disclosure purposes only

In NIS million	As of June 30, 2026 Carrying value	As of June 30, 2026 Fair value (Level 3)
	Unaudited	
Financial assets:		
Other financial investments measured at depreciated cost:		
Illiquid debt instruments:		
Deposits with banks and financial institutions	**23**	**23**
Treasury deposits	**2,219**	**2,741**
Illiquid corporate bonds	**9**	**9**
Loans (including investees)	**72**	**71**
Total illiquid debt instruments	**2,323**	**2,844**
Total financial assets	**2,323**	**2,844**

In NIS million	As of June 30, 2025 Carrying value	As of June 30, 2025 Fair value (Level 2)
	Unaudited	
Financial assets:		
Other financial investments measured at depreciated cost:		
Illiquid debt instruments:		
Deposits with banks and financial institutions	14	14
Treasury deposits	2,200	2,685
Illiquid corporate bonds	23	23
Loans (including investees)	69	68
Total illiquid debt instruments	2,306	2,790
Total financial assets	2,306	2,790

In NIS million	As of December 31, 2025 Carrying value	As of December 31, 2025 Fair value (Level 2)
	Audited	
Financial assets:		
Other financial investments measured at depreciated cost:		
Illiquid debt instruments:		
Deposits with banks and financial institutions	20	20
Treasury deposits	2,169	2,665
Illiquid corporate bonds	22	23
Loans (including investees)	73	72
Total illiquid debt instruments	2,285	2,780
Total financial assets	2,285	2,780

E. *Additional information regarding the 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, 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.

Valuation techniques

The fair value of investments traded actively in regulated financial markets is determined based on market prices as of the reporting date.

With respect to investments for which 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 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 published a press release in which it announced that it selected Ness Fair Value Ltd. as a supplier for the revaluation of illiquid debt assets of the institutional entities.

Ness Fair Value Ltd. (hereinafter - "**Ness**") replaced Fair Spread Ltd., which has carried out the revaluation from 2011 covering non-complex illiquid debt assets, which are issued only in Israel. Under the new tender, the winning bidder will revalue all illiquid debt assets - issued both in and outside Israel - including complex debt assets. Furthermore, and in order to encourage trading through the trading platform for institutional entities (TASE-UP platform) Ness Fair Value Ltd. is responsible for providing specific prices for investment instruments traded in this system, provided that these investment instruments are held by institutional entities. Ness Fair Value Ltd.'s preparations were completed at the beginning of January 2026.

As of January 6, 2026, the revaluation of illiquid debt assets is made by Ness.

The fair value of illiquid debt assets, which are measured at fair value through profit and loss, and the fair value of illiquid financial debt assets, for which fair value information is provided solely for disclosure purposes, is determined by discounting the estimated expected cash flows from those assets. Discount rates are determined based on the risk-free interest rate plus a credit risk premium and an illiquidity premium.

The risk-free interest rate curve is based primarily on government bond yields; the spread (for credit risk and illiquidity) is estimated using economic models based on data regarding the issuer, such as the debt instrument issuer's share price, the spreads on the issuer's liquid bonds, the issuer's balance sheet details, or the issued instrument's credit rating.

The above spread is a significant unobservable input, and therefore the Company has transferred the illiquid debt assets quoted by Ness from Level 2 to Level 3 in the fair value hierarchy.

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. 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 cancellation rate, annuity takeup rate, retirement age, etc.

Investment in illiquid shares

The fair value of shares for which there is no quoted market price, is determined by the discounted cash flow model. The valuation requires the Company to make certain assumptions regarding non-observable inputs included in the model.

Other investments

Composed mainly of investments in ETNs, participation certificates in mutual funds, investment funds and structured products, whose fair value is based on NAV (net asset value), which is mostly provided by independent third parties (mainly investment managers).

The following tables provide qualitative and quantitative information regarding significant non-observable data used in level 3 fair value measurements:

Financial instruments held against yield-dependent contracts

			June 30, 2026		December 31, 2025			
Financial instrument	Valuation technique	Significant non-observable inputs	Fair value (in NIS million)	Range (weighted average)	Fair value (in NIS million)	Range (weighted average)	Sensitivity of fair value to change in inputs	Interactions between significant non-observable inputs and fair other non-observable inputs
Capital instruments	Discounted cash flows	Growth rate	2,538		2,460		A significant increase in the growth rate will lead to a significant increase in fair value	There were no significant interactions between the non-observable inputs
		Discount rate					A significant increase in the discount rate will lead to a significant decrease in fair value	
Other investments	Discounted cash flows	Net asset value (NAV) reports	13,995		14,267		N/A	N/A

Financial instruments held against non-yield-dependent liabilities

Financial instrument	Valuation technique	Significant non-observable inputs	June 30, 2026 Fair value (in NIS million)	June 30, 2026 Range (weighted average)	December 31, 2025 Fair value (in NIS million)	December 31, 2025 Range (weighted average)	Sensitivity of fair value to change in inputs	Interactions between significant non-observable inputs and fair other non-observable inputs
Hetz bonds	Discounted cash flows	Discount rate	19,648	1.67%-2.48%	19,755	2.06%-2.67%		There were no significant interactions between the non-observable inputs
		Actuarial assumptions		Based on an actuarial model		Based on an actuarial model		
Reverse mortgage	Discounted cash flows	Discount rate	4,834	3.06%-5.37%	4,323	3.23%-5.64%	A significant increase in the discount rate will lead to a significant decrease in fair value	There were no significant interactions between the non-observable inputs
		Early redemptions					A significant increase in redemptions will lead to a significant decrease in fair value	
Capital instruments	Discounted cash flows	Growth rate	768		775		A significant increase in the growth rate will lead to a significant increase in fair value	There were no significant interactions between the non-observable inputs
		Discount rate					A significant increase in the discount rate will lead to a significant decrease in fair value	
Other investments	Discounted cash flows	Net asset value (NAV) reports	4,479		4,675		N/A	N/A

F. Receivables for credit card transactions - for Max

	June 30, 2026				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Unaudited				
Receivables for credit card transactions	20,336	-	-	20,274	20,274

	June 30, 2025				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Unaudited				
Receivables for credit card transactions	17,196	-	-	17,126	17,126

	December 31, 2025				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Audited				
Receivables for credit card transactions	19,115	-	-	19,028	19,028

G. *Loans and credit*

1. Composition of fair value

In NIS million	Comment	As of June 30, 2026 Carrying value	As of June 30, 2026 Fair value	As of June 30, 2025 Carrying value	As of June 30, 2025 Fair value	As of December 31, 2025 Carrying value	As of December 31, 2025 Fair value
		Unaudited				Audited	
Financial liabilities presented at fair value through profit and loss:							
Liability for derivative financial instruments *)		**504**	**504**	564	564	879	879
Repo liability *)		**2,049**	**2,049**	1,295	1,295	1,846	1,846
Total financial liabilities presented at fair value through profit and loss		**2,553**	**2,553**	1,859	1,859	2,724	2,724
Financial liabilities presented at amortized cost:							
The Company:							
Bonds (Series A) - Liquid bonds	A	**-**	**-**	901	918	564	577
Bonds (Series B) - Liquid convertible bonds - Par value component	A	**85**	**231**	144	250	147	343
Bonds (Series C) - Liquid bonds	A	**858**	**906**	501	519	858	894
Bonds (Series D) - Liquid bonds	A	**605**	**626**	-	-	-	-
Subsidiaries:							
Loans in CIMax and its subsidiaries, excluding Max		**-**	**-**	10	10	6	6
Liquid subordinated notes in Clal Insurance **)	B	**6,457**	**6,622**	5,176	5,045	5,276	5,302
Credit from banking corporations in Max		**6,770**	**6,768**	5,882	5,882	6,383	6,389
Bonds and subordinated notes at Max	D	**2,175**	**2,195**	1,163	1,177	1,619	1,633
Total financial liabilities presented at amortized cost		**16,950**	**17,348**	13,777	13,801	14,854	15,144
Less interest payable in respect of bonds and subordinated notes presented in payables and credit balances line item		**136**	**136**	113	113	132	132
Total financial liabilities		**19,367**	**19,765**	15,522	15,547	17,445	17,736
*) Of which in respect of yield-dependent financial liabilities.		**1,951**	**1,951**	1,556	1,556	2,278	2,278
**) Of which Tier 2 capital in Clal Insurance		**4,690**	**4,794**	5,176	5,045	4,683	4,687

A. Bonds issued by the Company

Issuance of Bonds (Series D) and full early redemption of Bonds (Series A)

On April 16, 2026, the Company issued approx. NIS 605 million p.v. in Bonds (Series D) to the public, pursuant to the Company's shelf offering report dated April 14, 2026, published under the Company's shelf prospectus. The issuance expenses amounted to approx. NIS 5 million; the effective interest rate is 4.7%, and net proceeds of the issuance amounted to approx. NIS 600 million. The proceeds of the issuance were first used for full early redemption of the Company's outstanding Bonds (Series A), and the balance will be used for the Company's current needs, as decided by the Board of Directors from time to time. On May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value.

Issuance rating

In April 2026, the rating agency S&P Maalot announced the assignment of an ilAA- rating with a stable outlook to Bonds (Series D) totaling up to NIS 605 million p.v. issued by the Company.

Conversion of Bonds (Series B) into shares

During the Reporting Period, approx. NIS 63 million in p.v. of Bonds (Series B) (convertible bonds) was converted, in exchange for the issuance of approx. NIS 1 million of the Company's share capital. The Company generated a conversion premium totaling approx. NIS 60 million.

B. Debt raising by Clal Insurance Capital Raising Ltd. a subsidiary of Clal Insurance (hereinafter - "Clal Capital Raising")

Notes (Series O)

On January 22, 2026, Clal Capital Raising issued to the public approx. NIS 591 million p.v. in Notes (Series O), by way of expansion of an existing series. The proceeds of the offering amounted to approx. NIS 622 million and were recognized as additional Tier 1 capital of Clal Insurance, subject to restrictions on the maximum rate of Tier 1 capital, in accordance with the provisions of the law.

In addition, on June 3, 2026, Clal Capital Raising issued to the public additional Notes (Series O) totaling NIS 546 million p.v. by way of expansion of an existing series. The proceeds of the offering amounted to approx. NIS 568 million and were recognized as additional Tier 1 capital of Clal Insurance, subject to restrictions on the maximum rate of Tier 1 capital, in accordance with the provisions of the law.

The proceeds from the abovementioned issuance of notes was deposited by Clal Insurance with deferred deposits under repayment and interest terms identical to those of the notes. Pursuant to the agreement with Clal Capital Raising, Clal Insurance bore all issuance expenses.

Issuance rating

In January and June 2026, rating S&P Maalot and Midroog announced the assignment of an A+ and A1 rating with a stable outlook (respectively), to notes - Additional Tier 1 capital (Series O) - issued by Clal Capital Raising in January and June 2026.

C. Rating

Subsequent to the reporting date, on July 19, 2026, S&P Maalot reiterated Clal Insurance's ilAA+ rating with a stable outlook, and also reiterated the ilAA- rating of the Company and Bonds (Series B, C and D) issued by the Company, with a stable rating outlook for each of the series.

In addition, it reiterated the ilAA- rating for the Notes (Series K, L, M and N) and the ilA+ rating for the Notes (Series O) issued by Clal Capital Raising, with a stable rating outlook for each of the series.

D. Debt raising - by Max

On March 27, 2026, Max completed a public offering of Commercial Papers (Series 6), totaling approx. NIS 300 million in par value. The Commercial Papers (Series 6) were issued to the public at an interest rate of 0.06% above the Bank of Israel Interest, for a period of one year with no renewal option.

On April 23, 2026, Max repaid the full amount of the principal and interest in respect of Commercial Papers (Series 5) totaling approx. NIS 207 million in par value, in accordance with their terms.

On June 3, 2026, Max completed a public offering of Bonds (Series E), totaling approx. NIS 450 million in par value, which were issued by way of expansion of an existing series in consideration for approx. NIS 467 million. The Bonds (Series E) are linked to the Consumer Price Index and bear a fixed interest rate of 2.7%.

Rating

In March 2026, Midroog assigned a P-1.il rating to Commercial Papers (Series 6), which Max issued to the public on March 27, 2026.

In June 2026, Midroog issued an Aa3.il rating with a stable outlook for Bonds (Series E), which Max issued to the public on June 3, 2026.

E. Committed credit facilities

1. **Credit facility for the Company**

Further to Note 16(i)(1) to the Consolidated Financial Statements as of 2025, in June 2025, an Israeli banking corporation approved a credit facility to the Company totaling up to NIS 250 million for the purpose of providing it with another liquidity buffer, for one further year through June 2026. In June 2026, the credit facility was renewed by one year until June 2027, totaling up to NIS 100 million, without material modification in its terms and conditions. At the date of the report and at the date of the approval thereof, the Company has not utilized the aforesaid credit facility.

2. **Credit facility for Max**

Further to the information regarding a credit facility to Max, as detailed in Note 16(i)(2) to the 2025 Consolidated Financial Statements. During the reporting period and until the reporting period and the report's approval date, Max extended the secured credit facilities with no material modification of terms - compared to the existing facilities - with the various banks.

2. Fair value of financial liabilities, by level

The following table presents an analysis of financial liabilities measured at fair value from time to time, using a valuation method according to the different hierarchy levels. For details regarding the hierarchy levels, see Section E above.

	As of June 30, 2026		
	Level 1	Level 2	Total
In NIS million	Unaudited		
Derivatives	**39**	**465**	**504**
Repo liability	**-**	**2,049**	**2,049**
Total financial liabilities	**39**	**2,514**	**2,553**

	As of June 30, 2025		
	Level 1	Level 2	Total
In NIS million	Unaudited		
Derivatives	17	547	564
Repo liability	-	1,295	1,295
Total financial liabilities	17	1,842	1,859

	As of December 31, 2025		
	Level 1	Level 2	Total
In NIS million	Audited		
Derivatives	8	870	879
Repo liability	-	1,846	1,846
Total financial liabilities	8	2,716	2,724

H. *Financial liabilities in Max by level*

	June 30, 2026				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Unaudited				
Financial liabilities					
Credit from banking corporations	**6,770**	**-**	**6,768**	**-**	**6,768**
Payables for credit card transactions	**10,196**	**-**	**-**	**10,150**	**10,150**
Bonds and subordinated notes	**2,175**	**1,074**	**1,119**	**-**	**2,193**
Other financial liabilities	**341**	**-**	**1**	**340**	**341**
Total financial liabilities	**19,482**	**1,074**	**7,888**	**10,490**	**19,452**

	June 30, 2025				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Unaudited				
Financial liabilities					
Credit from banking corporations	5,882	-	5,882	-	5,882
Payables for credit card transactions	8,683	-	-	8,632	8,632
Bonds and subordinated notes	1,163	-	1,177	-	1,177
Other financial liabilities	332	-	2	330	332
Total financial liabilities	16,060	-	7,061	8,962	16,023

	December 31, 2025				
	On-balance sheet balances	Fair value			
		Level 1	Level 2	Level 3	Total
In NIS million	Audited				
Financial liabilities					
Credit from banking corporations	6,383	-	6,389	-	6,389
Payables for credit card transactions	9,911	-	-	9,856	9,856
Bonds and subordinated notes	1,619	518	1,115	-	1,633
Other financial liabilities	311	-	1	310	311
Total financial liabilities	18,224	518	7,505	10,166	18,189

NOTE 6 - CAPITAL MANAGEMENT AND REQUIREMENTS

A. Share capital

	Ordinary shares *)		
	June 30, 2026	June 30, 2025	December 31, 2025
	In thousands of shares of NIS 1 p.v.		
Issued and paid-up share capital as of January 1	**80,047**	79,437	79,437
Issuance of shares **)	**2**	-	1
Conversion of bonds into shares ***)	**770**	-	-
Exercise of options for senior employees	**480**	227	609
Issued and paid-up share capital as of	**81,299**	79,664	80,047
Registered capital	**100,000**	100,000	100,000

*) The shares are listed on the Tel Aviv Stock Exchange (TASE). The holders of ordinary shares have the right to receive dividends as declared from time to time, voting rights at general meetings of the Company according to one vote per share, rights in the event of liquidation of the Company and the right to appoint directors for the Company.

**) For details regarding the exercise of restricted shares allocated to the Company's CEO, see Note 31.A.2 to the Annual Financial Statements.

***) Conversion of Bonds (Series B) into shares, see Note 5(g) above.

B. Share buyback by the Company

On August 18, 2026, the Company's Board of Directors approved a share buyback plan of Company shares, totaling up to NIS 200 million, for a period of one year.

C. Approval of the dividend distribution by the Company

Further to Note 23(c) to the Annual Financial Statements, in September 2024, the Company's Board of Directors approved a dividend distribution policy. This policy was approved, among other things, further to the approval of a dividend distribution policy in the Company's key subsidiaries - Clal Insurance and Max (see Section c below).

In accordance with the approved policy, the Company will distribute an annual dividend at a rate, which will not fall below 50% of the dividend received in that year from the Company's subsidiaries.

This policy should not be viewed as an undertaking by the Company to distribute dividends, and that any actual distribution shall be individually subject to the Board of Directors' approval, at its sole discretion; the Board of Directors may decide on actual distribution at different rates, or not to distribute any dividend. Furthermore, the execution of any actual distribution shall be subject to compliance with the provisions of laws applicable to any dividend distribution and to compliance with the financial covenants the Company has undertaken and/or will undertake in the future as to the condition that the distribution shall not adversely affect the Company's cash flows and the Company's need for cash to finance its activities, including future investments, as shall be from time to time, and/or its expected and/or planned future activities.

The Company's Board of Director may review the dividend distribution policy from time to time and decide, at any given time, taking into account business considerations and the legal and regulatory provisions applicable to the Company, to change the dividend distribution policy, including the rate of dividend to be distributed.

Further to the above, on March 25, 2026, on approval of the Company's financial statements as of December 31, 2025, the Board of Directors approved a dividend distribution, totaling approx. NIS 400 million, which constitutes approx. 61% of the dividends declared and/or distributed in the Company's subsidiaries as of the approval date of the approval date of the Annual Financial Statements. The dividend was paid on April 23, 2026.

D. Dividends and capital management and requirements in the Group companies

Further to Note 23(c), (e) and (f) of the Annual Financial Statements, the possibility of distributing dividends by the Company is affected by the ability of investees to distribute dividends, subject to their capital requirements and liquidity needs. Below is a description of the capital requirements of Clal Insurance and Max and details of the distribution of dividends by them.

1. Dividends and management of requirements in consolidated insurance companies

A. Solvency II-based economic solvency regime applicable to the Group's insurance companies

The Group's insurance companies are subject to the Solvency II-based Economic Solvency Regime in accordance with the implementation provisions of the Economic Solvency Regime.

In accordance with the Consolidated 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 May 28, 2026, Clal Insurance approved its Economic Solvency Ratio Report as of December 31, 2025.

The calculation made by Clal Insurance as of December 31, 2025 was audited by Clal Insurance's independent auditors. The audit held in accordance International Standard on Assurance Engagement (ISAE) 3400 – The Examination of Prospective Financial Information.

In accordance with the Solvency Ratio Report as of December 31, 2025, Clal Insurance has excess capital, both when calculation is made having no regard to the transitional provisions and when it is made taking into account the transitional provisions.

The calculation is sometimes based on assumptions regarding future events and steps taken by management, that will not necessarily materialize or will materialize in a manner different than the assumptions used in the calculation. Furthermore, actual results may substantively 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.

For further details, see Section 2.3 to the Report of the Board of Directors, and the Economic Solvency Ratio Report as of December 31, 2025 attached to the Company's periodic report of March 31, 2026.

B. Capital target and dividend distribution policy of Clal Insurance

Further to Note 23(c)2 to the Consolidated Financial Statements for 2025, in June 2023, the Board of Directors of Clal Insurance approved a policy for the distribution of a dividend at a rate of 30%-50% of Clal Insurance's comprehensive income. The distribution is subject to Clal Insurance's compliance with a minimum capital target pursuant to the economic solvency ratio regime, post-distribution, at a rate of 110%, without taking into account the transitional provisions, and at a rate of 135%, taking into consideration the provisions for the transitional period.

On May 28, 2025, Clal Insurance revised the minimum capital target, such that subsequent to the dividend distribution, the solvency ratio will be at least 115% compared to 110%, without taking into account the transitional provisions.

This revision was made further to the Capital Management Policy approved in June 2021, according to which the target range for the economic solvency ratio of Clal Insurance will be 150%-170%. In addition, the minimum economic solvency ratio target for prudential purposes is set at 135%. These targets relate to a solvency ratio taking into account the Deduction during the Transitional Period until the end of 2032 and thereafter.

It is noted that in February 2025, the Commissioner issued a letter regarding capital targets, which clarifies the appropriate practices for setting the capital targets.

This policy should not be viewed as an undertaking by Clal Insurance to distribute dividends, and that any actual distribution shall be individually subject to the Board of Directors' approval, at its sole discretion; the Board of Directors may decide on actual distribution at different rates, or not to distribute any dividend. Furthermore, the execution of any actual distribution shall be subject to compliance with the provisions of laws applicable to any dividend distribution and to compliance with the financial covenants Clal Insurance has undertaken and/or will undertake in the future as to the condition that the distribution shall not adversely affect Clal Insurance's cash flows and Clal Insurance's need for cash to finance its activities, as shall be from time to time, including future investments.

The Board of Directors of Clal Insurance may review the dividend distribution policy from time to time and decide, at any given time, taking into account business considerations and the legal and regulatory provisions applicable to Clal Insurance, to change the dividend distribution policy, including the rate of dividend to be distributed.

Further to the above, on March 25, 2026, upon the approval of Clal Insurance's financial statements as of December 31, 2025, Clal Insurance's Board approved a dividend distribution of approx. NIS 600 million, which constitutes approx. 30% of Clal Insurance's 2025 comprehensive income in accordance with the Annual Financial Statements having examined all aspects, including Clal Insurance's compliance with the economic solvency ratio targets detailed above. The dividend was paid on March 29, 2026.

In addition, on August 18, 2026, Clal Insurance's Board approved a dividend distribution totaling NIS 200 million (after assessing all the required aspects, including Clal Insurance's compliance with economic solvency ratio targets), which constitutes approx. 22% of Clal Insurance's comprehensive income for the six-month period ended June 30, 2026.

2. Dividends and management of capital requirements in Max

A. Dividend distribution policy and dividend distribution in Max

The dividend distribution by Max is subject to the directives of the Banking Supervision Department, including compliance with capital adequacy restrictions under the Basel directives. A dividend distribution is permitted subject to the provisions of the Companies Law, 1999, which stipulates, among other things, that Max may make a distribution out of its earnings, provided that there are no reasonable concerns that the distribution will prevent Max from fulfilling its existing and future undertakings, when they fall due.

Dividend distribution by Max is subject to the restrictions of the Companies Law as well as the Banking Supervision Department's directives, according to which no dividend shall be distributed in the following cases:

1. When cumulative retained earnings less negative differences included in accumulated other comprehensive income is not positive or when the proposed distribution amount will lead to negative retained earnings.
2. One of more of the last calendar years ended in a loss or comprehensive loss or when the cumulative result in the three quarters ended at the end of the interim period regarding which the last financial report was published shows a loss or comprehensive loss.
3. Max may not comply with the capital target requirements.

Notwithstanding the above, in certain cases Max may distribute dividends also under the above circumstances, if it receives prior written consent from the Banking Supervision Department for the distribution, and up to the maximum amount approved, as aforesaid.

According to the dividend distribution policy approved by Max's Board of Directors, as from 2024 Max will be able to distribute every year dividends at a total amount of up to 30% of Max's net income for the year, which preceded the distribution year, in accordance with its consolidated financial statements. It is clarified that by setting the policy Max does not undertake to distribute a dividend on a certain date or rate, any distribution shall be subject to the full discretion of Max's Board of Directors and require the individual approval of the Board of Directors of Max, subject, among other things, to compliance with all the restrictions applicable to Max under the law and under directives of the Banking Supervision Department.

Under the issuance of Bonds (Series E) in July 2025, Max undertook, as is generally acceptable, not to distribute dividends under certain circumstances, such as non-compliance with the financial covenants it undertook to comply with, the establishment of grounds for immediate repayment, or breach of any of its material undertakings, all as detailed in the deed of trust.

On March 10, 2026, Max's Board of Directors approved the distribution of a dividend in the amount of NIS 56 million, which constitutes approx. 30% of Max's net income for 2025. The dividend was paid on March 19, 2026.

B. Capital adequacy and leverage pursuant to the Banking Supervision Department directives applicable to credit card companies

1. Capital adequacy, as per the Banking Supervision Department's directives (*)

In NIS million	As of June 30 2026	As of June 30 2025	As of December 31 2025
	Unaudited		Audited
1. Capital for capital ratio calculation purposes:			
CET1 capital, after regulatory capital adjustments and deductions	**2,355**	2,077	2,252
Tier 2 capital	**643**	468	630
Total overall capital	**2,998**	2,545	2,882
2. Balance of risk-weighted assets:			
Credit risk - standardized approach	**19,355**	17,345	18,302
Market risks - standardized approach	**64**	92	80
Operational risk - standardized approach **	**3,083**	3,544	3,704
Total balance of risk-weighted assets	**22,502**	20,981	22,086
		In %	
3. Ratio of capital to risk-weighted components:			
Ratio of CET1 capital to risk-weighted components	**10.5**	9.9	10.2
Ratio of total capital to risk-weighted components	**13.3**	12.1	13.0
Minimum CET 1 capital requirement by the Banking Supervision Department	**8.0**	8.0	8.0
Minimum total capital ratio set by the Banking Supervision Department	**11.5**	11.5	11.5

* Calculated in accordance with Proper Conduct of Banking Business Directives Nos. 201-211 entitled Capital Adequacy and Measurement, and Proper Conduct of Banking Business Directive No. 472 entitled Merchant Acquirers and Acquiring Payment Card Transactions.

** On January 1, 2026 Proper Conduct of Banking Business Directive No. 206, Capital Measurement and Adequacy - Operational Risk, which adopted the revised directives of the Basel Committee regarding the calculation of capital requirements in respect of operational risk, took effect. The new directive redefines the business indicator components that serve as the basis for calculating the capital requirements in respect of the operational risk, and sets marginal coefficients to be multiplied by the business indicator in accordance with the ranges of the business indicator. Furthermore, the new directive stipulates that the business indicator will be multiplied by an internal loss multiplier, which will be based on the banking corporation's historical operating losses. It was further stipulated that a banking corporation, whose business indicator is lower than NIS 5 billion, is not required to use loss data in its calculation of the capital requirements, and its internal loss multiplier will stand at 1; this condition is also met with respect to Max; therefore, its internal loss multiplier is 1. The application of the new directive improved Max's capital ratios by approx. 0.3%.

2. Capital adequacy target in Max

As part of the process of adopting the provision of Basel III in Israel, on March 28, 2012, the Banking Supervision Department published a letter of instruction on the minimum core capital ratio in accordance with the Basel III framework, requiring banks and credit card companies to comply with a Common Equity Tier 1 capital ratio of 9% and a total capital ratio of 12.5% until January 1, 2015.

On May 2, 2016, the Banking Supervision Department issued Proper Conduct of Banking Business Directive No. 472, Merchant Acquirers and Acquiring Payment Card Transactions. The directive includes expedients to acquirers with an accounts receivable balance higher than NIS 2 billion in respect of the capital requirements under Proper Conduct of Banking Business Directives 201-211. Despite that which is stated in Section 40 to Proper Conduct of Banking Business Directive No. 201, the Common Equity Tier 1 capital ratio shall not fall below 8%, and the total capital ratio shall not fall below 11.5%. The Directive came into effect on June 1, 2016 and applies to Max as an “acquirer” (“prudential payments service provider”).

In accordance with Max’s risk profile, on March 10, 2026 Max’s Board of Directors approved Max’s CET1 capital ratio internal target at 9% instead of 9.25% as was the case through June 2024. The revised internal target is 100 basis points (1 percentage point) higher than the minimum CET 1 capital ratio set by the Banking Supervision Department. Max intends to hold a safety buffer above the revised internal target. The internal target for total capital ratio has not changed and stands at 12%.

3. Capital components for the calculation of capital ratio in Max

	As of June 30, 2026	As of June 30, 2025	As of December 31, 2025
In NIS million	Unaudited		Audited
1. CET1 capital			
Equity	**2,356**	2,081	2,250
Net of goodwill	*	*	*
Net of deferred taxes receivable	**-**	(7)	-
Total CET1 capital	**2,355**	2,074	2,249
Regulatory adjustments:			
Adjustments for current expected credit losses - CET1 capital	**-**	3	3
Total CET1 capital, after regulatory capital deductions	**2,355**	2,077	2,252
2. Tier 2 capital			
Tier 2 capital: Instruments	**400**	250	400
Tier 2 capital: Provisions	**243**	218	230
Total Tier 2 capital	**643**	468	630
Total overall capital	**2,998**	2,545	2,882

* An amount lower than NIS 1 million.

4. Effect of adjustments for current expected credit losses on the CET1 capital ratio in Max

	As of March 31, 2026	As of March 31, 2025	As of December 31, 2025
In %	Unaudited		Audited
Ratio of capital to risk-weighted components			
Ratio of CET1 capital to risk-weighted components, before the effect of adjustments for current expected credit losses	**10.5**	9.9	10.2
Effect of adjustments for current expected credit losses	**-**	0.01	0.01
Ratio of CET1 capital to risk-weighted components	**10.5**	9.9	10.2

5. **Leverage ratio in Max pursuant to the Banking Supervision Department directives**

As from April 1, 2015, Max has been implementing Proper Conduct of Banking Business Directive No. 218 on leverage ratio (hereinafter - the "**Directive**"). The directive sets a simple, transparent and non-risk based leverage ratio to serve as a supplementary and reliable measure for risk-based capital requirements with the purpose of limiting excess leverage in banking corporations. The leverage ratio is expressed as a percentage, and is defined as the ratio between capital measurement and exposure measurement. The capital for the purpose of measuring the leverage ratio is Tier 1 capital as defined in Proper Conduct of Banking Business Directive No. 202. Max's total exposure is the sum of the on-balance sheet exposures and off-balance-sheet items. As a rule, the measurement is consistent with the accounting values, and no risk-weighting is applied. In addition, unless specifically permitted to do so under the Directive, Max may not use physical or financial collateral, guarantees or other credit risk mitigation techniques to reduce the exposure measurement. On-balance sheet assets deducted from Tier 1 capital (in accordance with Directive No. 202) are deducted from the exposure measurement. Pursuant to the Directive, Max calculates the exposures for off-balance-sheet items by converting the sum of the items by credit conversion coefficients, as stipulated in Proper Conduct of Banking Business Directive No. 203.

Pursuant to the Directive, acquirers shall have a consolidated leverage ratio of no less than 5%.
In the circulars published in recent years by the Banking Supervision Department amending the directive, it extended the term of an expedient set as a Temporary Order in November 2020, as part of adjustments to Proper Conduct of Banking Business Directives addressing the Covid-19 crisis, according to which the leverage ratio shall not fall below 4.5% on a consolidated basis. According to the last circular, dated September 14, 2025, against the background of a review conducted by the Banking Supervision Department to amend the directive and a review of the leverage ratio and its mix, the above relief was extended as a temporary order until June 30, 2027, provided that the leverage ratio does not fall below that as of December 31, 2026 or the minimum leverage ratio applicable to the banking corporation prior to the temporary order, whichever is lower.

Following is the leverage ratio calculated in accordance with Proper Conduct of Banking Business Directive No. 218:

	As of June 30, 2026	As of June 30, 2025	As of December 31, 2025
In NIS million	Unaudited		Audited
Consolidated data:			
Tier 1 capital	**2,355**	2,077	2,252
Total exposures	**27,031**	23,777	25,486
	In %		
Leverage ratio	**8.7**	8.7	8.8
Minimum total leverage ratio set by the Banking Supervision Department *	**4.5**	4.5	4.5

* In accordance with the Temporary Order as stated above.

NOTE 7 - INCOME (LOSS) FROM INSURANCE SERVICES AND REINSURANCE

In NIS million	For the six-month period ended June 30, 2026			
	Life Insurance	Health Insurance	P&C Insurance	Total
	(Unaudited)			
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	257	229	-	486
Change in risk adjustment (RA) for non-financial risk resulting from past risks	28	26	-	54
Claims and other expected insurance service expenses incurred	1,211	713	-	1,924
Experience adjustments arising from premiums received	(10)	(5)	-	(15)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	66	65	-	130
Total contracts to which the Premium Allocation Approach (PAA) was not applied	1,551	1,028	-	2,579
Contracts to which the Premium Allocation Approach (PAA) was applied	-	33	1,863	1,896
Total revenues from insurance services	1,551	1,060	1,863	4,475
Expenses from insurance services				
Claims and expenses of other insurance service incurred	1,223	726	1,104	3,054
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)	42	35	(408)	(330)
Losses (reversal of losses) for groups of onerous insurance contracts	9	4	10	23
Amortization of insurance acquisition cash flows	66	78	328	472
Total expenses from insurance services	1,340	844	1,035	3,218
Income from insurance services before reinsurance contracts held	211	217	828	1,257
Revenues (expenses), net for reinsurance contracts held				
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	12	10	-	22
Change in risk adjustment (RA) for non-financial risk resulting from past risks	4	2	-	6
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	75	26	-	101
Experience adjustments arising from premiums paid	(8)	3	-	(5)
Total contracts to which the Premium Allocation Approach (PAA) was not applied	84	41	-	125
Contracts to which the Premium Allocation Approach (PAA) was applied	1	1	509	511
Total reinsurance expenses	85	42	509	636
Reinsurance revenues:				
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred	99	28	286	414
Changes relating to past service - adjustment for assets for incurred claims	(16)	-	(246)	(262)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts	-	-	9	10
Total reinsurance revenues	83	29	50	162
Total revenues (expenses), net for reinsurance contracts held	(2)	(13)	(459)	(474)
Income (loss) from insurance services	210	204	369	782

In NIS million	For the six-month period ended June 30, 2025			
	Life Insurance	Health Insurance	P&C Insurance	Total
	(Unaudited)			
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	200	234	-	434
Change in risk adjustment (RA) for non-financial risk resulting from past risks	23	23	-	46
Claims and other expected insurance service expenses incurred	1,133	663	-	1,796
Experience adjustments arising from premiums received	(13)	(2)	-	(16)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	57	52	-	109
Total contracts to which the Premium Allocation Approach (PAA) was not applied	1,400	971	-	2,371
Contracts to which the Premium Allocation Approach (PAA) was applied	-	63	1,933	1,996
Total revenues from insurance services	1,400	1,034	1,933	4,367
Expenses from insurance services				
Claims and expenses of other insurance service incurred	*1,151	706	*1,229	3,086
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)	*30	37	*(197)	(130)
Losses (reversal of losses) for groups of onerous insurance contracts	13	(1)	5	17
Amortization of insurance acquisition cash flows	57	72	332	461
Total expenses from insurance services	1,251	815	1,368	3,434
Income from insurance services before reinsurance contracts held	149	219	564	933
Revenues (expenses), net for reinsurance contracts held				
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	8	9	-	17
Change in risk adjustment (RA) for non-financial risk resulting from past risks	2	2	-	3
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	83	23	-	105
Experience adjustments arising from premiums paid	(4)	6	-	2
Total contracts to which the Premium Allocation Approach (PAA) was not applied	88	39	-	127
Contracts to which the Premium Allocation Approach (PAA) was applied	1	1	544	546
Total reinsurance expenses	90	39	544	673
Reinsurance revenues:				
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred	77	20	267	363
Changes relating to past service - adjustment for assets for incurred claims	-	(12)	(34)	(45)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts	1	-	-	1
Total reinsurance revenues	78	8	233	319
Total revenues (expenses), net for reinsurance contracts held	(11)	(31)	(311)	(353)
Income (loss) from insurance services	138	188	253	579

* Reclassified.

In NIS million	For the three-month period ended June 30, 2026			
	Life Insurance	Health Insurance	P&C Insurance	Total
	(Unaudited)			
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	128	111	-	239
Change in risk adjustment (RA) for non-financial risk resulting from past risks	14	13	-	27
Claims and other expected insurance service expenses incurred	607	356	-	963
Experience adjustments arising from premiums received	(6)	(4)	-	(10)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	32	32	-	64
Total contracts to which the Premium Allocation Approach (PAA) was not applied	775	508	-	1,283
Contracts to which the Premium Allocation Approach (PAA) was applied	-	17	943	959
Total revenues from insurance services	775	524	943	2,242
Expenses from insurance services				
Claims and expenses of other insurance service incurred	613	356	545	1,514
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)	30	11	(351)	(311)
Losses (reversal of losses) for groups of onerous insurance contracts	5	3	16	24
Amortization of insurance acquisition cash flows	32	39	167	238
Total expenses from insurance services	680	409	376	1,465
Income from insurance services before reinsurance contracts held	95	115	567	777
Revenues (expenses), net for reinsurance contracts held				
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	6	4	-	10
Change in risk adjustment (RA) for non-financial risk resulting from past risks	2	1	-	3
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	36	13	-	49
Experience adjustments arising from premiums paid	(4)	2	-	(2)
Total contracts to which the Premium Allocation Approach (PAA) was not applied	40	20	-	60
Contracts to which the Premium Allocation Approach (PAA) was applied	1	-	251	252
Total reinsurance expenses	41	20	251	312
Reinsurance revenues:				
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred	50	14	150	214
Changes relating to past service - adjustment for assets for incurred claims	(1)	1	(221)	(221)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts	-	-	9	9
Total reinsurance revenues	49	15	(62)	2
Total revenues (expenses), net for reinsurance contracts held	8	(5)	(314)	(311)
Income (loss) from insurance services	103	110	253	466

In NIS million	For the three-month period ended June 30, 2025 Life Insurance	Health Insurance	P&C Insurance	Total
	(Unaudited)			
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	95	114	-	209
Change in risk adjustment (RA) for non-financial risk resulting from past risks	11	12	-	23
Claims and other expected insurance service expenses incurred	571	331	-	902
Experience adjustments arising from premiums received	(10)	1	-	(9)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	28	25	-	54
Total contracts to which the Premium Allocation Approach (PAA) was not applied	694	484	-	1,179
Contracts to which the Premium Allocation Approach (PAA) was applied	-	34	976	1,010
Total revenues from insurance services	694	518	976	2,190
Expenses from insurance services				
Claims and expenses of other insurance service incurred	*587	341	*542	1,470
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)	*1	23	*(132)	(108)
Losses (reversal of losses) for groups of onerous insurance contracts	9	2	7	19
Amortization of insurance acquisition cash flows	28	36	174	238
Total expenses from insurance services	624	403	590	1,617
Income from insurance services before reinsurance contracts held	70	116	386	572
Revenues (expenses), net for reinsurance contracts held				
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	4	5	-	8
Change in risk adjustment (RA) for non-financial risk resulting from past risks	2	1	-	3
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	40	15	-	55
Experience adjustments arising from premiums paid	(4)	5	-	1
Total contracts to which the Premium Allocation Approach (PAA) was not applied	42	25	-	67
Contracts to which the Premium Allocation Approach (PAA) was applied	1	1	255	256
Total reinsurance expenses	43	25	255	323
Reinsurance revenues:				
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred	26	13	*69	108
Changes relating to past service - adjustment for assets for incurred claims	4	-	*(20)	(16)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts	1	-	1	2
Total reinsurance revenues	31	13	50	94
Total revenues (expenses), net for reinsurance contracts held	(11)	(13)	(205)	(229)
Income (loss) from insurance services	59	103	181	343

* Reclassified.

In NIS million	For the year ended December 31, 2025 Life Insurance	Health Insurance	P&C Insurance	Total
	(Audited)			
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	499	443	-	941
Change in risk adjustment (RA) for non-financial risk resulting from past risks	50	48	-	99
Claims and other expected insurance service expenses incurred	2,275	1,330	-	3,606
Experience adjustments arising from premiums received	(19)	(6)	-	(25)
Allocation of the portion of the premiums that relate to the recovery of insurance acquisition cash flows	122	110	-	232
Total contracts to which the Premium Allocation Approach (PAA) was not applied	2,927	1,926		4,853
Contracts to which the Premium Allocation Approach (PAA) was applied	-	126	3,858	3,984
Total revenues from insurance services	2,927	2,052	3,858	8,837
Expenses from insurance services				
Claims and expenses of other insurance service incurred	*2,329	1,396	2,369	6,094
Changes relating to past service - adjustment for liabilities for incurred claims (LIC)	*75	86	(399)	(238)
Losses (reversal of losses) for groups of onerous insurance contracts	17	9	10	36
Amortization of insurance acquisition cash flows	122	149	689	960
Total expenses from insurance services	2,544	1,640	2,668	6,852
Income from insurance services before reinsurance contracts held	384	411	1,190	1,985
Revenues (expenses), net for reinsurance contracts held				
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	24	16	-	40
Change in risk adjustment (RA) for non-financial risk resulting from past risks	5	4	-	9
Recoveries of claims for underlying insurance contracts and other expected insurance services expenses incurred	158	50	-	208
Experience adjustments arising from premiums paid	(13)	(6)	-	(18)
Total contracts to which the Premium Allocation Approach (PAA) was not applied	174	64		238
Contracts to which the Premium Allocation Approach (PAA) was applied	4	1	1,071	1,076
Total reinsurance expenses	178	65	1,071	1,314
Reinsurance revenues:				
Recoveries of claims for underlying insurance contracts and other insurance services expenses incurred	167	49	514	730
Changes relating to past service - adjustment for assets for incurred claims	2	(16)	(91)	(105)
Recoveries of losses (reversal of losses) for groups of onerous underlying insurance contracts	1	1	(1)	1
Total reinsurance revenues	170	34	423	627
Total revenues (expenses), net for reinsurance contracts held	(8)	(31)	(648)	(687)
Income (loss) from insurance services	375	380	542	1,298

* Reclassified.

NOTE 8 - INCOME (LOSS) FROM INVESTMENTS AND FINANCE, NET

A. Income (loss) from investments and financing, net, by operating segments

In NIS million	Life Insurance and Long-Term Savings	Health Insurance	P&C Insurance	Other	Total
	For the six-month period ended June 30, 2026				
			(Unaudited)		
Investment income (losses), net:					
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	7,005	114	-	-	7,119
Income (losses) from other investments, net:					
Interest revenues calculated using the effective interest method	92	-	-	-	92
Net losses from impairment of financial assets	-	-	-	-	-
Other investment income (losses), net	920	110	141	391	1,562
Share in income (losses) of equity-accounted investees closely related to the investing activity	1	-	-	-	1
Total income (losses) from other investments, net	1,013	110	140	391	1,654
Total investment income (losses), net recognized in the statement of income	8,018	223	140	391	8,773
Investment income(losses), net recognized in other comprehensive income	(3)	-	(2)	-	(5)
Total investment income (losses), net	8,015	223	139	392	8,768
Finance expenses, net arising from insurance contracts:					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts	5,819	-	-	(1)	5,818
Effects of the risk mitigation option for VFA contracts	46	-	-	-	46
Interest accrued	257	98	71	-	425
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	503	98	83	-	683
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	5	(1)		-	4
Total finance expenses, net arising from insurance contracts recognized in the statement of income	6,630	195	153	(1)	6,977
Finance income, net arising from reinsurance contracts:					
Interest accrued	-	4	27	-	31
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1	20	32	-	53
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	-	-	-	-	-
Effect of changes in risk of non-performance by reinsurers	-	-	-	-	-
Total finance income, net arising from reinsurance contracts recognized in the statement of income	1	24	59	-	84
Decrease (increase) in liabilities for investment contracts due to the yield component	(1,041)				(1,041)
Total income (loss) from investments and financing, net*	345	52	45	393	834
* Represented by:	-				
Amounts recognized in profit or loss	348	52	46	392	839
Amounts recognized in other comprehensive income	(3)	-	(2)	-	(5)

In NIS million	For the six-month period ended June 30, 2025				
	Life Insurance and Long-Term Savings	Health Insurance	P&C Insurance	Other	Total
			(Unaudited)		
Investment income (losses), net:					
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	6,218	99	-	-	6,317
Income (losses) from other investments, net:					
Interest revenues calculated using the effective interest method	103	-	-	-	103
Net losses from impairment of financial assets	-	-	-	-	-
Other investment income (losses), net	1,064	160	109	475	1,809
Share in income (losses) of equity-accounted investees closely related to the investing activity	-	-	(1)	2	1
Total income (losses) from other investments, net	1,167	160	108	476	1,912
Total investment income (losses), net recognized in the statement of income	7,384	260	108	476	8,229
Investment income(losses), net recognized in other comprehensive income	(5)	-	(2)	(1)	(7)
Total investment income (losses), net	7,379	260	107	476	8,221
Finance expenses, net arising from insurance contracts:					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts	5,202	-	-	-	5,202
Effects of the risk mitigation option for VFA contracts	28	-	-	-	28
Interest accrued	296	100	62		458
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	754	101	77	-	931
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	(5)	(1)	-	-	(6)
Total finance expenses, net arising from insurance contracts recognized in the statement of income	6,275	200	139	-	6,613
Finance income, net arising from reinsurance contracts:					
Interest accrued	(12)	3	24	-	15
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	10	16	32	-	58
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	-	-	-	-	-
Effect of changes in risk of non-performance by reinsurers	-	-	-	-	-
Total finance income, net arising from reinsurance contracts recognized in the statement of income	(3)	20	56	-	73
Decrease (increase) in liabilities for investment contracts due to the yield component	(803)				(803)
Total income (loss) from investments and financing, net*	299	79	24	476	879
* Represented by:					
Amounts recognized in profit or loss	304	79	26	476	886
Amounts recognized in other comprehensive income	(5)	-	(2)	(1)	(7)

In NIS million	Life Insurance and Long-Term Savings	Health Insurance	P&C Insurance	Other	Total
	For the three-month period ended June 30, 2026				
			(Unaudited)		
Investment income (losses), net:					
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	5,832	93	-	-	5,925
Income (losses) from other investments, net:	-	-	-	-	-
Interest revenues calculated using the effective interest method	61	-	-	-	61
Net losses from impairment of financial assets	-	-	-	-	-
Other investment income (losses), net	1,192	104	108	251	1,654
Share in income (losses) of equity-accounted investees closely related to the investing activity	1	-	-	-	1
Total income (losses) from other investments, net	1,254	104	108	251	1,716
Total investment income (losses), net recognized in the statement of income	7,086	196	108	251	7,641
Investment income(losses), net recognized in other comprehensive income	(3)	-	(1)	1	(4)
Total investment income (losses), net	7,083	196	106	252	7,638
Finance expenses, net arising from insurance contracts:					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts	4,830	-	-	(1)	4,829
Effects of the risk mitigation option for VFA contracts	42	-	-	-	42
Interest accrued	127	49	34	-	210
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,056	112	118	-	1,285
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	9	2	-	-	11
Total finance expenses, net arising from insurance contracts recognized in the statement of income	6,064	163	151	(1)	6,377
Finance income, net arising from reinsurance contracts:					
Interest accrued	-	2	12	-	14
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	4	11	46	-	61
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	-	-	-	-	-
Effect of changes in risk of non-performance by reinsurers	-	-	-	-	-
Total finance income, net arising from reinsurance contracts recognized in the statement of income	4	13	58	-	75
Decrease (increase) in liabilities for investment contracts due to the yield component	(887)	-	-	-	(887)
Total income (loss) from investments and financing, net*	136	46	13	253	448
* Represented by:	-				
Amounts recognized in profit or loss	139	46	15	252	452
Amounts recognized in other comprehensive income	(3)	-	(1)	1	(4)

In NIS million	For the three-month period ended June 30, 2025				
	Life Insurance and Long-Term Savings	Health Insurance	P&C Insurance	Other	Total
			(Unaudited)		
Investment income (losses), net:					
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	6,070	96	-	-	6,166
Income (losses) from other investments, net:	-	-	-	-	-
Interest revenues calculated using the effective interest method	63	-	-	-	63
Net losses from impairment of financial assets	-	-	-	-	-
Other investment income (losses), net	1,156	124	73	360	1,713
Share in income (losses) of equity-accounted investees closely related to the investing activity	1	-	-	1	2
Total income (losses) from other investments, net	1,219	124	73	361	1,777
Total investment income (losses), net recognized in the statement of income	7,289	220	73	361	7,944
Investment income(losses), net recognized in other comprehensive income	(6)	-	(3)	(2)	(10)
Total investment income (losses), net	7,283	220	71	359	7,933
Finance expenses, net arising from insurance contracts:					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts	5,072	-	-	-	5,072
Effects of the risk mitigation option for VFA contracts	26	-	-	-	26
Interest accrued	148	50	35	-	233
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,111	146	86	-	1,343
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	(3)	(7)	-	-	(10)
Total finance expenses, net arising from insurance contracts recognized in the statement of income	6,354	189	122	-	6,665
Finance income, net arising from reinsurance contracts:					
Interest accrued	(10)	1	13	-	4
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	14	18	37	-	69
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	-	-	-	-	-
Effect of changes in risk of non-performance by reinsurers	-	-	-	-	-
Total finance income, net arising from reinsurance contracts recognized in the statement of income	3	20	49	-	72
Decrease (increase) in liabilities for investment contracts due to the yield component	(767)	-	-	-	(767)
Total income (loss) from investments and financing, net*	166	50	(2)	359	574
* Represented by:	-				
Amounts recognized in profit or loss	171	50	1	361	584
Amounts recognized in other comprehensive income	(6)	-	(3)	(2)	(10)

In NIS million	For the year ended December 31, 2025 Life Insurance and Long-Term Savings	Health Insurance	P&C Insurance (Audited)	Other	Total
Investment income (losses), net:					
Investment income (losses), net from assets held against insurance contracts and yield-dependent investment contracts	13,952	215	-	-	14,167
Income (losses) from other investments, net:					
Interest revenues calculated using the effective interest method	186	-	-	-	186
Net losses from impairment of financial assets	-	-	-	-	-
Other investment income (losses), net	1,840	290	267	1,023	3,420
Share in income (losses) of equity-accounted investees closely related to the investing activity	1	-	(1)	3	4
Total income (losses) from other investments, net	2,027	290	266	1,026	3,609
Total investment income (losses), net recognized in the statement of income	15,979	505	266	1,026	17,776
Investment income(losses), net recognized in other comprehensive income	(8)	(1)	(4)	(2)	(14)
Total investment income (losses), net	15,971	504	263	1,024	17,762
Finance expenses, net arising from insurance contracts:					
Change in liabilities for insurance contracts arising from changes in the fair value of underlying items of VFA contacts	11,475	-	-	(2)	11,473
Effects of the risk mitigation option for VFA contracts	71	-	-	-	71
Interest accrued	589	204	131	-	924
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	1,183	125	143	-	1,451
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	(6)	4	-	-	(2)
Total finance expenses, net arising from insurance contracts recognized in the statement of income	13,311	332	274	(2)	13,916
Finance income, net arising from reinsurance contracts:					
Interest accrued	(22)	7	51	-	37
Effects of changes in interest rates and other financial assumptions (including inflation assumptions)	25	33	59	-	117
Effect of the difference between discounting with the current rate and discounting with the original rate of the changes in FCF charged to CSM	3	-	-	-	2
Effect of changes in risk of non-performance by reinsurers	-	-	-	-	-
Total finance income, net arising from reinsurance contracts recognized in the statement of income	6	40	110	-	156
Decrease (increase) in liabilities for investment contracts due to the yield component	(1,879)				(1,879)
Total income (loss) from investments and financing, net*	787	212	99	1,026	2,123
* Represented by:					
Amounts recognized in profit or loss	795	212	102	1,028	2,137
Amounts recognized in other comprehensive income	(8)	(1)	(4)	(2)	(14)

NOTE 9 - CONTINGENT LIABILITIES AND CLAIMS

1. Preamble - Claims not in the Ordinary Course of Business

Following are details regarding legal actions not in the ordinary course of business, as follows: material claims[1] which may be derivative actions, actions whose filing as class actions has been certified; pending motions for certification of material claims as class actions; material and immaterial class actions which were concluded during the reporting period and until its signing and other material claims against the Group companies (hereinafter - "**Claims not in the Ordinary Course of Business**" or "**Claims**").

The following claimed amounts are presented in amounts that are correct as of the date of their filing, and as detailed by the plaintiffs, unless noted otherwise.

It is noted, as a general rule, that the exposure to financial demands, either specific or general, is subject to the laws of prescription. The prescription periods in respect of Claims for insurance benefits in the insurance products vary according to the type of product and the event in respect of which the claim of prescription has been raised. The exposure due to prescription is especially intense in those insurance sectors with "long-tail claims" and long-term insurance policies, in Life Insurance and Health Insurance, in which Clal Insurance operates. In legal actions not pertaining to insurance benefits, the prescription period is pursuant to what is prescribed in the Prescription Law, 1985. In February 2024, in view of the War of Revival (formerly, the Iron Swords War), an amendment to the prescription period was approved, primarily stating that the period from October 7, 2023 to April 6, 2024 will not be taken into account in the calculation of the prescription period required by law, subject to the established exceptions. The period of time required to investigate the claim, which on occasions may be long, particularly in class actions, extends the period in respect of which refund or compensation need to be effected, as part of the prescription period.

1.1 General details regarding class actions

As part of a general trend in those markets in which the Group operates, a significant number of class action certification motions have been filed in past years against the Group companies, and as a result, there has been an increase in the number of actions filed against the Group companies that have been recognized as class actions by the courts. This trend, which is the result, among others, of the enactment of the Class Actions Law, 2006 (hereinafter - the "**Law**"), the growing number of legal actions and the approach of the courts, substantially increases the Company's potential of exposure to losses due to rulings against the Group's members in class actions filed against them. However, there was a decline in the total number of class certification motions filed against Group companies in the reporting year. The Group cannot assess whether this trend will continue in the coming years.

A class action lawsuit, as it is defined in the Law, is a lawsuit managed on behalf of an anonymous class of persons, who have not granted power of attorney in advance to the lead plaintiff for that purpose, and which raises material questions of fact or law that are common to all the class members, under which a motion to certify is first heard. Only if the class action certification motion is granted will the claim be defined as a "class action", and the plaintiff will then become a "class plaintiff".

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1. It is noted that, in general, in this note, a claim is considered material and described according to a qualitative or quantitative assessment that the Company makes when receiving the claim. With respect to the quantitative assessment, insofar as the actual exposure amount, net of tax, crosses the Group's materiality threshold for the purpose of profit – assuming the claim is deemed justified and without taking into account the claim's odds or the amount specified therein on their merits. The Group's said materiality threshold is calculated based on the projected comprehensive loss from the claim, divided by the average annual comprehensive income or comprehensive loss in the last three years, calculated using the last 12 quarters for which reviewed or audited financial statements were published; it is clarified that the profit/loss attributable to the event and the profit/loss in each quarter are calculated according to their absolute value. The above classification is made as of the date of filing the lawsuit. However, as legal proceedings can extend and unfold, sometimes over years, a claim which was not considered material at the time of filing may subsequently become material, in which case disclosure will be made with respect to it at a later date. In addition, a claim may be considered material for the purpose of such a disclosure if the Company is unable to assess the total exposure. Notwithstanding the foregoing, it is noted that, due to the absence of comprehensive income or comprehensive loss data for 12 quarters calculated in accordance with the reporting standards, during 2026 - the materiality thresholds will be calculated based on quarterly data for which reports have been published in accordance with IFRSs. From the date on which the Company publishes results in accordance with the reporting standards - for 12 consecutive quarters - the calculation will again be performed based on the most recent 12 quarters, as stated above.

It is noted that the scope and content of the hearing regarding a class action on its merits, is affected by the ruling approving a motion to certify. A certification ruling usually relates to both the causes of action that have been approved and those that have not; the reliefs that have been approved and those that have not; etc.

The motions to certify claims as class actions detailed below, are currently in the various stages of procedural adjudication, some have been approved and some are undergoing appeal proceedings.

1.2 Additional exposures

It is noted that in addition to the legal proceedings, from time to time there are potential exposures which cannot currently be evaluated or quantified, in respect of commercial disputes or warnings pertaining to the intention to file suits, including class actions and derivative actions on certain matters, or legal proceedings and specific inquiries that may develop into claims in the future, including class actions or third party notices against the Group's member companies, as well as exposure resulting from the complexity of the regulation applying to the activity of the Group's member companies.

The Group's member companies are unable to predict in advance whether a customer's claim which has been brought to the companies' attention will eventually lead to the filing of a class action lawsuit, or will lead to a sector-wide ruling or will have sector-wide implications, even in those cases in which the customer threatens to do so, and furthermore the Group's member companies cannot estimate the potential exposure that may be created in respect of the aforementioned claims, insofar as these may be adjudicated and found to be justified by a competent authority. For details, see Section 2.2.2 below.

The following are details of lawsuits outside the ordinary course of business, as detailed below, that had been brought against the Company and its consolidated companies, divided into Max and the consolidated companies in Max's statements (hereinafter - the "**Max Group Companies**") and the other Group companies.

2. Exposures against the Company and the consolidated companies, not including the Max Group Companies

Following are details regarding material lawsuits that have been certified as class action lawsuits (Section 2.1.1), pending motions to certify material lawsuits as class actions (Section 2.1.2), and material class actions, material claims and motions to certify material claims as class actions that had concluded during the reporting period and until the report was signed (Section 2.1.3), exposures due to immaterial class actions or class actions that have not yet been filed, and exposure due to regulatory provisions (Section 2.2), additional exposures (including claims) (Section 2.3) which were all brought against the Company and/or the consolidated companies, except the Max Group Companies.

2.1. Class actions against the Company and the consolidated companies, with the exception of the Max Group Companies

2.1.1 Material claims whose filing as class actions was certified, against the Company and the consolidated companies, with the exception of the Max Group Companies

Following are details of material claims which were certified as class actions and are at various stages of litigating the respective proceeding on its merits, including inquiry into the substantive claim before the court of first instance or the appellate court after the ruling to certify the claim or dismiss it has been rendered, or after a judgment that granted or dismissed the lawsuit has been rendered.

1.	*Date and court*	5/2013 - District Court - Tel Aviv
	Defendants	Clal Insurance and additional insurance companies
	Key claims and causes of action	According to the plaintiff, the defendants are in breach of their duty to add linked interest as well as the lawful linkage differences in respect of the insurance benefits they pay. According to the plaintiffs, the date from which interest and linkage differences should be calculated is the insured event's occurrence date, until the actual payment date. Alternatively, linkage differences must be paid from the insured event's occurrence date and until the actual payment date, and interest must be paid starting 30 days from the date of submitting the insurance claim until the actual payment of insurance benefits.
	Key remedies	Charge the defendants to pay the class members linkage differences and interest due to the underpayment. In addition and/or alternatively, the court is asked to order damages to the public, as it deems suitable.
	Represented class	According to the ruling - all Entitled Parties who, during the period commencing three years prior to bringing the lawsuits (filed against Clal Insurance in May 2013) and ending on the day of rendering the Judgment, were paid insurance benefits from the defendants, not in accordance with a judgment in their case, without the lawful interest added to them.
	Status / further details	In August 2015, the District Court rendered its ruling to dismiss the motion to certify against the defendants with respect to the claim of non-payment of linkage differences, but accept the motion to certify against the defendants with respect to the claim of underpaying interest on insurance benefits. In February 2021, a partial judgment was rendered, in which the court determined that the class action was granted, and charged the defendants recovery of interest differentials to the class members, as detailed in the judgment (hereinafter - the "**Judgment**"). In accordance with the Judgment, it was found that the "day of filing an insurance claim," on which the 30-day race begins and after which linked interest must be added to the insurance benefits in accordance with the provisions of Section 28(a) of the Insurance Contract Law, 1981 (hereinafter - the "**Insurance Contract Law**"), is the date the insurance company or the insurance agent, whichever is earlier, first receive an inquiry indicating that the policyholder, a third party, or the beneficiary, wish to be paid the insurance benefits, without needing to attach any document. It was further determined that when the insurance benefits are calculated at their value on a date after the insured event's occurrence, interest will be added to them only from that date, and with respect to recovery of funds paid to service providers in a deferred payment – the interest differentials would be calculated starting from the actual payment date. It was also determined that for the purpose of implementing the Judgment and calculating the total damages to the class members in accordance with the principles set forth in the partial judgment, an expert must be appointed, and that the reward payable to the representative plaintiffs and their counsels' legal fees would be determined in the final judgment. In May 2021, the defendants filed an appeal, or, alternatively, a motion for leave to appeal the Judgment to the Supreme Court. In November 2022, the Supreme Court dismissed the motion for leave to appeal. The proceeding is currently being litigated before the District Court. The parties are conducting a mediation proceeding regarding this lawsuit. In September 2025, the parties informed the court that they were in the midst of drafting a settlement agreement. The court instructed the parties to submit the settlement agreement by September 2026.
	Claimed amount	The plaintiff estimates the cumulative amount due to the First Class at NIS 518 million (if it is decided that the interest must be calculated from the insured event's occurrence date), or at NIS 210 million (if it is decided that the interest must be calculated starting 30 days from the date of filing the insurance claim to the insurance company). The plaintiff estimates the cumulative amount due to the Second Class (for which the motion to certify was denied) at an additional amount of NIS 490 million, due to linkage differences.

2.	***Date and court***	1/2008 - District Court - Tel Aviv
	Defendants	Clal Insurance and additional insurance companies
	Key claims and causes of action	According to the plaintiff, the defendants charge sub-annuals, a payment which is collected in life insurance policies in which the insurance rate is determined as an annual amount but the payment is made in several installments (hereinafter - "**Sub-Annuals**"), at an amount that exceeds the permitted amount, and they do so, allegedly, in several methods: collecting Sub-Annuals with respect to the "policy factor" component, collecting Sub-Annuals at a rate that exceeds the permitted rate in accordance with the Insurance Supervision circulars, collecting Sub-Annuals with respect to the savings component in life insurance policies, and collecting Sub-Annuals with respect to non-life insurance policies.
	Key remedies	Refund of all the amounts the defendants had collected unlawfully, as well as a mandatory injunction ordering the defendants to change their modus operandi with respect to the matters specified in the lawsuit.
	Represented class	According to the court's decision - anyone who entered into an insurance contract with the defendants or any of them and was charged Sub-Annuals with respect to the following components: with respect to the "mixed" life insurance savings component sold by Clal Insurance in the past, with respect to the "policy factor" (which is a fixed monthly amount which is added to the premium whose aim is to cover expenses), and with respect to health policies, permanent health policies, critical illness policies, permanent health policies, and long-term care policies.
	Status / further details	In July 2016, the court certified the lawsuit as a class action. The court rendered the ruling notwithstanding the Commissioner's position, which had been issued at the court's request, in which the Commissioner concurred with the insurance companies' position. In December 2016, the defendants filed a motion for leave to appeal against the ruling to certify the claim as a class action to the Supreme Court (hereinafter - "**MLA**"), and in May 2018, the Supreme Court accepted the MLA, heard it as an appeal, and rendered a judgment granting the appeal and dismissing the lawsuit accordingly. In June 2018, the plaintiffs moved to hold a further hearing of the judgment, with respect to some of the findings therein. In February 2020, a position was submitted to the Supreme Court on behalf of the Attorney General within the further hearing, according to which, the Attorney General believed that there was no justification to intervene with the ruling rendered in the judgment on the appeal, which was based on adopting the Capital Market Authority's interpretive position. In July 2021, a judgment was rendered in the petition for a further hearing, stating that the ruling that certified the lawsuit as a class action would be reinstated, such that the motion to certify would be granted and the case would be returned to the District Court to hear the class action lawsuit on its merits. The proceeding is currently being litigated before the District Court. The parties are conducting a mediation procedure.
	Claimed amount	The amount claimed from Clal Insurance was revised and set at approx. NIS 398.2 million.

3.	*Date and court*	7/2014 - District Court - Central
	Defendants	Clal Pension and Provident Funds Ltd. as well as against four other pension fund management companies.
	Key claims and causes of action	According to the plaintiffs, the defendants raised the management fees it charged from pensioners in the pension funds they manage at the stage of paying the pension, to the maximum lawful management fees ceiling (0.5% of the accumulated balance), while taking advantage of the pensioners' position as a "captive audience," while active planholders paid significantly lower management fees, on average. It was further claimed that the defendants do not disclose to their planholders that when they become pensioners, the management fees they pay the defendants would immediately be raised to the maximum management fees.
	Key remedies	To require the defendants to return the excess management fees unlawfully charged from the class members with interest and linkage; to require the defendants to lower the management fees charged to the pensioners, such that they do not exceed the management fees it charged before each one of them retired; to prohibit the defendants from raising the planholders' management fees immediately before they retire.
	Represented class	According to the court's decision - anyone who is a planholder in a new comprehensive pension fund managed by one of the respondents and is entitled to be paid an old-age pension after they retire in the seven years prior to submitting the motion to certify and/or will be entitled to be paid an old-age pension in the future. It is noted that pension beneficiaries who retired in the latter half of 2018 will be given notice in accordance with the standard-conforming bylaws the regulator had published, that came into force starting in that year.
	Status / further details	In March 2022, the District Court decided to grant the motion to certify against the defendants, with respect to whether the defendants had had to notify the planholders of the management fees they would be charged in the pension period in advance, and if so, what damage had been caused by the failure to provide such a notice. In January 2026, the parties submitted to the court a settlement agreement approval motion. As part of the settlement agreement, a mechanism was established for the payment of compensation to the class members, with differentiation based on the date on which they began receiving a retirement pension. Furthermore, under the settlement agreement, it was agreed to pay a compensation to the representative plaintiff and legal fees to his attorneys. The Court requested the State's position regarding the motion to approve the settlement agreement.
	Claimed amount	At the motion filing date, the plaintiffs estimated the management fees the defendants collected unlawfully from current pensioners at NIS 48 million; the management fees to be unlawfully collected from current pensioners in the future by the defendants were estimated at NIS 152 million; and the management fees to be collected unlawfully from future pensioners in the future were estimated by the defendants at NIS 2,800 million. The said amounts are claimed with respect to all the defendants.

4.	*Date and court*	9/2015 - District Court - Central
	Defendants	Clal Insurance and three other insurance companies
	Key claims and causes of action	According to the plaintiffs, when the defendants give a score for the "incontinence" function within examinations of claims for insurance benefits under long-term care policies, they apply an interpretation according to which, in order for a policyholder's claim due to "incontinence" to be recognized, it must be the result of a urological or gastroenterological illness or defect, rather than assigning the function a score even when the source of the policyholder's poor medical and functional condition due to which he or she suffers from "incontinence" may be an illness, accident, or health defect outside the domain of urology or gastroenterology.
	Key remedies	To compel the defendants to compensate the class members in full for the damage caused to the latter due to the defendants' alleged breaches of the agreement, and to comply with the agreement from here on out, and alternatively, to award any other remedy as the court deems suitable under the circumstances.
	Represented class	According to the court's decision, any policyholder of long-term care insurance who suffered a loss of bowel or bladder control, due to a combination of incontinence that does not amount to an organic loss of control with a poor functional condition, and regardless of the aforesaid did not receive from the insurance companies points for incontinence when examining their claim to receive long-term care insurance benefits, such that their rights to insurance benefits were jeopardized between September 8, 2012 and the motion certification date.
	Status / further details	In April 2020, the court partially certified the lawsuit as a class action lawsuit against Clal Insurance and three other insurance companies. The causes of action for which the class action was certified were a breach of the long-term care insurance contract that resulted in non-payment of long-term care insurance benefits or underpayment of long-term care insurance benefits, due to the policyholders not being recognized as qualifying for a score on their incontinence. The proceeding is currently being litigated. In January 2026, the parties submitted a settlement agreement approval motion, the principal terms of which include partial compensation to potential class members in accordance with a mechanism detailed in the settlement agreement, and payment of a reward to the lead plaintiff and legal fees to his counsel.
	Claimed amount	According to the plaintiffs, the damage cannot be estimated, but estimated it in the tens and even hundreds of millions of shekels.

5.	***Date and court***	10/2016 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	According to the plaintiff, within an engagement with a collective policy master policyholder (a health maintenance organization) for the sale of a collective long-term care insurance policy, Clal Insurance had committed to give the collective policyholders who enroll in the private policy a 20% discount on the premium, and did not do so (hereinafter - the "**Collective Policy**").
	Key remedies	Refund of the amounts by which the class members were overcharged.
	Represented class	In accordance with the court's ruling – anyone who bought an individual long-term care insurance policy from Clal Insurance in which the eligibility period is lifetime compensation, between October 30, 2009, and December 31, 2018, while they were insured under the Collective Policy, and Clal Insurance did not give them a discount of at least 20% according to Clal Insurance's lowest prevailing rate at the time of purchase in respect of individual policies that are equivalent to the plan the policyholder had chosen, for a policyholder of comparable age and health condition, provided that it does not exceed the regulator-approved rate.
	Status / further details	In January 2021, the court partially certified the motion to approve the class action. The lead plaintiff's motion to certify the lawsuit as a class action, including with respect to any group of policyholders who hold a private long-term care policy in which the period of eligibility for compensation is not for the policyholder's entire life, was denied. The causes of action for which the claim was certified as a class action lawsuit are a breach of the provisions of the Collective Policy and unjust enrichment, and the claimed remedy is restitution of the amounts by which the class members were overcharged. The proceeding is currently being litigated on the merits. In May 2025, the parties submitted a settlement agreement approval motion, in which mechanisms were set for granting or completing a discount to the relevant past and present policyholders, at rates agreed between the parties. Furthermore, under the settlement agreement, it was agreed to pay a compensation to the representative plaintiff and legal fees to his attorneys. Following the State's objection to the settlement agreement and a hearing that was held before the court, in July 2026, a clarification notice and an amended motion to approve the settlement agreement was filed by the parties.
	Claimed amount	In the claim, the plaintiff estimated the alleged damage to all class members at NIS 52 million for alleged damage caused until the date of filing the motion, and NIS 126 million for the damage expected to be caused to the class members in the next 10 years.

6.	***Date and court***	11/2019 - Regional Labor Court - Tel Aviv
	Defendants	Clal Insurance
	Key claims and causes of action	According to the plaintiff, Clal Insurance charged management fees in life insurance policies with an integrated profit-sharing savings component issued before January 12, 2004 (hereinafter - the "**Relevant Policies**"), at rates that deviate from the permissible limits, without a legal and/or contractual basis.
	Key remedies	Remedy in the form of restitution of the management fees the class members were unlawfully charged, as well as a mandatory injunction ordering Clal Insurance to change its modus operandi with respect to the collection of management fees in the Relevant Policies from here on out.
	Represented class	According to the Court's decision - anyone who was or is a policyholder of the respondent under a Relevant Policy in the period beginning seven years prior to the date of filing the lawsuit and ending on the day the lawsuit was certified as a class action lawsuit, and whom Clal Insurance charged Management Fees from premiums exceeding the permitted ceiling under the relevant regulations and/or in accordance with the provisions of the policy's provisions.
	Status / further details	In June 2023, the Regional Labor Court decided to reject the claims that Clal Insurance charged management fees out of the accrued savings in violation of the law or contrary to the provisions of the policy, as well as the alternative claim that Clal Insurance charged management fees out of the accrued savings at a rate that exceeded the rate permitted by law; however, the Court decided to partially certify the lawsuit as a class action claiming that Clal Insurance collected management fees from policyholders insured under the relevant policies management fees out of premium contrary to the provisions of the policy. It is noted that these policies have been marketed since 1999 and up to 2023. The causes of action for which the lawsuit was certified as a class action lawsuit are: a breach of agreement, unjust enrichment, and a breach of statutory duty, including a breach of Clal Insurance's duties of trust and duties of care, and deception. In May 2025, the parties submitted a settlement agreement approval motion; the agreement focuses mainly on setting a mechanism for partial restitution of amounts in respect of some of the allegations included in the lawsuit regarding the management fees from the premium collected in the relevant policies during the period beginning 7 years prior to the lawsuit's filing date, and provisions regarding a future discount in the management fees to be collected from the relevant policies, which are still active. Furthermore, the settlement agreement stipulated provisions concerning the issuance of a notice to class members regarding the settlement agreement and payment of compensation and the plaintiff attorneys' legal fees. In May 2026, the Attorney General filed an objection to the settlement agreement. Following the above, the hearing conducted before the court, and further submissions filed by the parties and the Attorney General, the proceeding is awaiting the court's ruling on the pending motion to approve the settlement agreement.
	Claimed amount	In accordance with the statement of claim - NIS 120 million.

7.	***Date and court***	5/2019 - Regional Labor Court - Tel Aviv
	Defendants	Clal Insurance
	Key claims and causes of action	According to the plaintiff, the defendant systematically reduces the permanent health insurance benefits it pays its policyholders under its participating permanent health insurance policies, by unlawfully deducting management fees and calculative interest.
	Key remedies	Restitution in kind of the funds the class members were unlawfully denied, according to the plaintiff, and with respect to the premium release funds – crediting the policies' savings. The plaintiff also petitions to declare that certain provisions of the policies, in relation to the interest and management fees deduction from the yield to which the policyholders are entitled, are void.
	Represented class	In accordance with the Regional Labor Court ruling – all current or former policyholders (holding participating Clal Insurance life insurance policies stipulating a mechanism for linking permanent health insurance benefits to the return on the investment portfolio, starting from the 25th payment) to whom the respondent paid and/or pays permanent health insurance benefits for a period exceeding 24 months, and for whom the respondent deducted and/or deducts the calculative interest from the return, starting from the payment for the 25th month.
	Status / further details	In November 2024, the Regional Labor Court partially certified the lawsuit as class action, while allowing the claim regarding the unlawful deduction of the calculative interest rate as from May 28, 2016; the court dismissed the claim regarding unlawful deduction of management fees from the insurance benefits. The causes of action in respect of which the lawsuit was certified as a class action are alleged breach of Section 3 to the Insurance Contract Law, alleged breach of the duty to draft the insurance contract in a clear manner and include therein all relevant provisions, and alleged breach of the duty to act in good faith and unjust enrichment. In January 2025, Clal Insurance brought a motion for leave to appeal before the National Labor Court, and the movant filed an appeal solely on obsolescence. In May 2026, the Commissioner's position was submitted, which generally supports the Company's position in the lawsuit.
	Claimed amount	The plaintiff estimated the total alleged damage to all class members at NIS 2.4 billion.

2.1.2 *Pending motions to certify material claims as class actions against the Company and the consolidated companies, with the exception of the Max Group Companies*[2]

1.	***Date and court***	2/2020 District Court - Central
	Defendants	Clal Insurance and another insurance company
	Key claims and causes of action	According to the plaintiffs, due to “lack of knowledge” following the failure to present the personal accidents insurance policy (hereinafter - the “**Policy**”) to the students, to the policyholders, and to their relatives, and the Policy’s non-publication, the policyholders have not been exercising their right to benefits under the Policy, and they are incurring damages.
	Key remedies	Issue orders against the defendants and the Insurance Commissioner for the discovery of documents and data; order the extension of the prescription period; order the appointment of a committee that will include independent members and will be authorized to discuss and decide all personal claims under the Policy for three years, in respect of all cases before October 25, 2016 (hereinafter - the “**Committee**”), and will also be authorized to discuss the issue of the Policy’s delivery; order a procedure for transferring the burden of evidence; issue a mandatory injunction ordering the defendants to compensate the plaintiffs in accordance with the Committee’s ruling; award special damages to the plaintiffs and the counsels’ legal fees.
	Represented class	The motion classifies the plaintiffs into several subcategories, mainly including: Any student in a school or kindergarten in the State of Israel who had been insured under a personal accidents insurance policy by the defendants and did not receive a copy of the personal accidents insurance policy at their home, starting from the school year that started in September 2006, and/or any student whose cause of action against the insurance company has become invalid under the statute of limitations; In addition, the motion defines additional subcategories, comprising students who were born after October 25, 1995, and who, between the ages of 3 and 19 (while in the Israeli education system, from kindergarten and until their graduation from the 12th or 13th grade), suffered an accident that resulted in physical harm, and who were not paid insurance benefits in accordance with the Policy, divided into sub-categories according to the type of harm, as detailed in the motion; In addition, a subcategory comprising of people born in 1974 to 1995, whose members are people and/or their parents and/or heirs who were born and/or studied in Israel between 1974 and 1995 and who were injured or killed after 1992, and did not file insurance claims because they did not know about the Policy and its scope; and the subcategory of all policyholders – all students and all their parents, from September 1992 to September 18, 2016, divided into sub-categories according to the causes of harm, as detailed in the lawsuit.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In March 2025, a settlement agreement approval motion was submitted, which focused mainly on the publication of ads regarding the scope of the policy’s coverage.
	Claimed amount	The plaintiffs estimated the alleged damage against Clal Insurance at approx. NIS 1.4 billion, plus approx. NIS 1.5 billion in damage attributable to the two defendants due to breach of autonomy.

2.	***Date and court***	4/2020 - District Court - Haifa
	Defendants	Clal Insurance and 12 additional insurance companies
	Key claims and causes of action	According to the plaintiffs, the respondents must be compelled to compensate the class members and fully remedy the harm they incurred due to the excess premiums they have been paying for motor insurance, due to the dramatically reduced use of vehicles during the Covid-19 pandemic and the significantly reduced risk level.
	Key remedies	Compensate the class members, repair all the harm they suffered, issue a mandatory injunction ordering the adjustment of the collected amounts to the risk the respondents are actually exposed to during the effective period, and/or render a declaratory judgment stating that a material reduction in the use of vehicles, as had occurred, for example, during the effective period, calls for an adjustment (reduction) to the premium.
	Represented class	Any policyholder of one or more of the respondents, under a compulsory motor insurance and/or comprehensive motor insurance and/or third party motor insurance policy, during the period commencing on March 8, 2020, and ending on the date of full and final removal of movement restrictions imposed on residents of Israel due to the coronavirus, or part of it.
	Status / further details	In August 2025, the District Court’s rendered its judgment, in which the motion to certify was denied. In November 2025, an appeal against the ruling was filed with the Supreme Court.
	Claimed amount	The plaintiffs estimated the alleged damage against Clal Insurance in respect of the period from March 8, 2020, until April 30, 2020, at NIS 103 million, and jointly for all the respondents (except one), at approx. NIS 1.2 billion. Alternatively, for 8 of the defendant companies (that do not include Clal Insurance), it was claimed that the damage is approx. NIS 720,000 thousand. The movants note that the damage accrued further as the collection did not cease.

2. Including such motions which were denied and the ruling to deny them was appealed.

3.	*Date and court*	7/2020 - District Court - Central
	Defendants	Clal Insurance and 4 additional insurance companies
	Key claims and causes of action	According to the plaintiffs, the defendants allegedly do not reduce the insurance premiums for policyholders for whom pre-existing condition exclusions were stipulated, even though the exclusions are claimed to lower the insurance risk, relative to the risk in insurance policies held by policyholders for whom no such exclusions were stipulated.
	Key remedies	Compensation/refund of all the amounts the policyholders in the class were overcharged by, with linkage differences and interest as per the law, as well as a mandatory injunction ordering the defendants to change their modus operandi.
	Represented class	Anyone who was a policyholder during the period beginning 7 years before the day of filing the claim and ending on the day of its certification as a class action, by one or more of the defendants, under an insurance policy for disability, long-term care, life, permanent health, personal accidents, health (including critical illness, surgeries in Israel or abroad, transplants in Israel or abroad, medications, ambulatory procedures or any other medical coverage) that contains an exclusion. For this purpose, an "**exclusion**" – a policy clause which stipulates that any event / injury / disease, or any risk that materializes and that stems from and/or is related to a pre-existing condition the policyholder had on the day the policy was obtained, are not covered under the policy.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiffs estimated that the total damage to all class members with respect to all the defendants totals NIS 1.9 billion, and they note that each defendants' share is in accordance with its market share of the Health and Life Insurance Subsegment, according to the Capital Market Commissioner's publications.

4.	*Date and court*	4/2021 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance and 14 additional companies
	Key claims and causes of action	The lawsuit concerns the claim that the defendants are violating the provisions of the law by transferring their customers' personal and confidential information, without the customers' consent, to third parties (in particular, to Google and its advertising service), thus infringing on the customers' right to privacy and violating their lawful obligations.
	Key remedies	The main remedies the plaintiffs are petitioning for are: to instruct the defendants to cease transferring information about their customers to third parties, to act in accordance with the law and guard and protect the customers' privacy, to disclose all the documents in their possession and that may aid in the investigation into the truthful, and to compensate the plaintiffs for the pecuniary and non-pecuniary damages they incurred.
	Represented class	All the defendants' customers who used the digital services on the websites and apps operated by the defendants in the seven years before the lawsuit was filed, and about whom private and/or personal and/or confidential information was transferred to a third party.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiffs estimated the damage to all class members in millions of shekels, in the aggregate.

5.	***Date and court***	7/2021 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance and 6 additional companies
	Key claims and causes of action	The lawsuit concerns the allegation that when receiving an annuity from a profit-participating policy issued between 1991 and 2004, the defendants deduct annual interest at a rate of 2.5% (or any other rate) out of the monthly return accrued due to the lower cash surrender value, unlawfully and without any contractual basis under the terms of the policy.
	Key remedies	The main remedies claimed in the lawsuit are a declaratory order according to which the interest deduction from the monthly return is a breach of the policies, and alternatively – a declaratory relief according to which this is a depriving condition in a standard contract and a motion to order its nullity, and to order a refund of the amounts deducted from the class members' monthly annuity, plus linkage differences and interest, starting seven years prior to the date of filing the lawsuit and until the final ruling on it is rendered, and to order the defendants to cease deducting interest out of the monthly return.
	Represented class	The defendants' policyholders who purchased from them a life insurance policy that includes accrued savings and investment income participation, issued between 1991 and 2004, and from which interest was and/or will be deducted at a rate not specified in the policy, based on the provision in the policy, according to which the amount of the monthly pension will change "each month according to the results of the investments net of the interest according to which the amount of the monthly pension was calculated, and the appropriate provisions for this matter in the insurance plan" and/or any other similar provision.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. The parties are conducting a mediation procedure to conclude the proceeding.
	Claimed amount	The plaintiffs estimated the aggregate damage to all class members in an amount greatly exceeding NIS 2.5 million.

6.	***Date and court***	10/2021 - District Court - Lod
	Defendants	Clal Insurance and additional company
	Key claims and causes of action	The lawsuit concerns the allegation that the defendants unlawfully deny insurance claims by children with special needs in the framework of a long-term care insurance policy, even though, according to the plaintiffs, they meet the definition of an insured event by virtue of "mental frailty" according to the terms of the policy, without checking whether their condition falls under this definition.
	Key remedies	The main remedies claimed in the lawsuit are full compensation to the class for all the harms they were caused and compelling the defendants to comply with the insurance agreements.
	Represented class	All of the defendants' policyholders aged 21 and under (or their heirs), who have special needs and who are insured under a long-term care insurance policy sold by any of the defendants and who suffer from "mental frailty," who were not recognized by the defendants as being "mentally frail" and whose rights under the policy were denied, with respect to the past period and the future.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiffs estimated the total alleged damage to the class members against the two defendants, jointly, at approx. NIS 2.97 billion.

7.	***Date and court***	07/2022 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance denies policyholders' insurance claims in private health insurance policies it had marketed until February 2016, which include a basic insurance tier, on the grounds of the claim being filed due to "preventive surgery" that does not meet the definition of the term "surgery" in the policy (hereinafter - the "**Basic Tier Policies**"); as well as the allegation that Clal Insurance had marketed (for increased premiums) policies that allegedly offer wider coverage than the Basic Tier Policies and that include coverage for preventive surgeries, while this component is already covered by the Basic Tier Policies.
	Key remedies	The main claimed remedies are a declaration that in Clal Insurance's health insurance policies that define a "surgery" as an "insured event," any medically necessary surgery is included, including a preventive surgery that is intended to prevent a disease, defect, or deformity in the policyholder and/or the harmful effect of the above; a declaration that denying policyholders' insurance claims for coverage in respect of a preventive surgery under a Basic Tier Health Insurance Policy violates the insurance contract; and an order that requires Clal Insurance to contact the policyholders under all Basic Tier Policies, and inform them that preventive surgeries are covered under the insurance coverage in the policy.
	Represented class	The First Class the movant seeks to represent is any person who entered into a health insurance contract with Clal, which includes insurance coverage for "surgery," and whose claim due to a surgery was denied and/or will be denied on the grounds that it is a "preventive surgery" that is not covered by the policy, until a final and irreversible ruling is made in the class action lawsuit. The Second Class the movant wishes to represent is all former or current Clal policyholders who purchased private health insurance policies that expand the insurance coverage to include preventive surgery from Clal Insurance and/or from anyone on its behalf until February 1, 2016, and for which they paid excessive premiums from the date the extended policies were marketed and until the collection stops and/or until a final and irreversible ruling is made on the class action lawsuit.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. The parties are conducting a mediation procedure to conclude the proceeding.
	Claimed amount	The plaintiff estimated that the aggregate damage caused to the class members is over NIS 2.5 million.

8.	***Date and court***	10/2022 - District Court - Lod
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance's modus operandi is automatic renewal of home insurance policies while raising the insurance premiums from year to year, without obtaining the policyholder's consent.
	Key remedies	The main remedies sought in the lawsuit are, inter alia, to issue a declaratory order according to which Clal Insurance acted unlawfully, to order Clal to refrain from automatic policy renewals and/or policy renewals at less favorable conditions, and to compensate the class members for the damage they incurred, with interest and linkage.
	Represented class	The class the plaintiffs seek to represent is all of the respondent's customers, whose home insurance policy the respondent had extended without their consent, and/or all of the respondent's customers who were charged insurance premiums for a home insurance policy without their consent (including Clal Insurance's customers whose insurance premiums were raised without their consent when the policy was renewed), in the period starting 7 years before the claim was filed and to date.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiffs estimated that the aggregate damage caused to the class members exceeds NIS 3 million.

9.	***Date and court***	11/2022 - Tel Aviv Regional Labor Court
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The lawsuit mainly concerns the allegation that Clal Pension and Provident Funds unlawfully charges insurance premiums due to insurance grace periods (a payment for insurance coverage when regular contributions to the pension fund are suspended) by making deductions out of the accrual, thereby reducing the accrual, without informing the planholders in advance and allowing them to exercise their right to waive the coverage, as well as that it refuses to return the insurance premiums when it learns that the planholder was insured by another pension fund.
	Key remedies	The main remedies sought within the lawsuit are a refund of the insurance premiums paid by the class members during the insurance grace periods, and compelling Clal Pension and Provident Funds to notify planholders of the insurance grace period's commencement, the insurance premium rates, and the options available to them, in advance.
	Represented class	The represented class is all planholders (past and present) whose pension fund, which is managed by Clal Pension and Provident Funds, became subject to an insurance grace period arrangement without them being notified in advance, and thereby denying their right to choose not to allow the said arrangement to take effect. With respect to monetary remedies, the represented class is all planholders who did not continue to make contributions to their pension funds after the insurance grace period had ended and did not seek to extend the insurance arrangement, as well as all the planholders who opened an additional pension fund and paid double insurance premiums, in the seven years prior to submitting the motion to certify and until a judgment is rendered in the lawsuit.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In February 2024, the Commissioner's position was submitted, which states, inter alia, that the extension of the insurance is activated automatically upon the cessation of contributions to the fund and that the management company must notify the planholder of the cessation of the planholder's deposits.
	Claimed amount	As a conservative estimate, the class action claimed amount was estimated by the plaintiff at no less than NIS 2.5 million per year and at approx. NIS 17.5 million in total for the seven years preceding the date of filing the motion to certify.

10.	***Date and court***	03/2023 - District Court - Tel Aviv
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance has an improper and illegal practice whereby it partially repays the appraiser's fees to the injured parties, without justification, and without explaining why the fees were reduced.
	Key remedies	The main remedies sought in the lawsuit are a monetary remedy according to the gap between the fees the class members paid the appraisers and the payment made to the class members as insurance benefits for this component (hereinafter - the "**Pecuniary Damage**"), as well as damages for non-pecuniary damage in the amount of 20% of the pecuniary damage to all class members.
	Represented class	The represented class is any injured party, policyholder, or third party, who is entitled to be reimbursed by Clal Insurance for appraiser's fees the injured party paid to an appraiser in order to assess the damage to the injured party's vehicle, if Clal Insurance did not transfer the full amount the injured party paid for the appraiser's fees to the injured party.
	Status / further details	In January 2026, a joint motion to withdraw was submitted to the court by the parties, including a notice that Clal Insurance will provide regarding the fee to be paid upon the appointment of a private appraiser. The withdrawal is subject to the court's approval.
	Claimed amount	The plaintiff estimated that the aggregate damage the class members incurred exceeds NIS 2.5 million.

11.	*Date and court*	03/2023 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that the defendants refuse to finance the policyholders' medical cannabis purchase expenses, which, according to the plaintiffs, is contrary to the provisions of policies that offer coverage for pharmaceuticals that are not included in the Healthcare Services Basket, and the fact that medical cannabis has recognized medical uses in Western countries.
	Key remedies	The main remedies sought in the lawsuit are, inter alia, a declaratory remedy stating that Clal Insurance must reimburse the policyholders for their medical cannabis purchase expenses; to order Clal Insurance to contact all their eligible policyholders in recent years and actively invite them to demand the indemnification they deserve; and also, to require Clal Insurance to reimburse all class members for the economic damage they suffered due to their improper conduct and due to a breach of the insurance contract.
	Represented class	The class that the plaintiffs seek to represent is any policyholder of Clal Insurance under the Policies and who did not receive reimbursement for their medical cannabis purchase expenses.
	Status / further details	In November 2025, the court determined that the case will be transferred for review and opinion by the regulator. In April 2026, the parties notified the court of their agreement to proceed to mediation in this matter.
	Claimed amount	The plaintiffs estimated the total claimed amount for all class members at approx. NIS 13.5 million.

12.	*Date and court*	05/2023 - Tel Aviv-Jaffa Regional Labor Court
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The lawsuit concerns the allegation that when receiving a planholder's request for a disability annuity, the pension fund does not check whether the planholder requires long-term care and/or if the planholder's condition has deteriorated in a way that made the planholder require long-term care, and as a result, the fund does not pay eligible planholders the additional long-term disability annuity.
	Key remedies	The main remedies sought in the lawsuit are to pay the class members the additional long-term care disability annuity; compensation and/or restitution for not making full contributions to the fund and for yield losses class members incurred as a result of the above non-payment; obligating the fund to give the fund's physicians accurate instructions in connection with examining conditions that require long-term care when reviewing requests for a disability annuity.
	Represented class	The represented class includes planholders of Clal Pension and Clal Supplementary Pension funds who have disability insurance coverage, who are insured with a pension fund and are entitled to a disability annuity, and who, due to their medical condition on top of their permanent health, require long-term care, and the pension fund did not supplement monthly payments for policyholders who, in addition to having a disability pension is a patient requiring long-term care.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. An amended motion for class certification was submitted in November 2024, in which similar allegations were made to the allegations in the original motion to certify. In May 2025, the regulator's position regarding the case was submitted.
	Claimed amount	According to the plaintiff, the class action lawsuit amount cannot be estimated; however, for the purposes of the fee, it was put at no less than NIS 2.5 million per year and approx. NIS 18.75 million in total for the seven years preceding the date of filing the motion to certify.

13.	*Date and court*	06/2023 - Regional Court - Haifa
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that following the economy-wide extension order regarding the increase in pension insurance contributions in 2016 (hereinafter - the "**Extension Order**"), which concerns an increase in the pension insurance contributions employers are required to make for their employees (hereinafter - the "**Increased Contributions**"), Clal Insurance opened new executive insurance policies (hereinafter - the "**Contribution Policies**") for its policyholders who had had old executive insurance policies that had been issued before May 31, 2001 (hereinafter - the "**Old Policies**"), while the annuity conversion factors set for the Contribution Policies were not guaranteed and were less beneficial than the guaranteed annuity conversion factors in the Old Policies, and redirected the additional funds from the Increased Contributions into the Contribution Policies, without the policyholders' consent.
	Key remedies	The remedy the plaintiff is petitioning for is to close the Contribution Policies and transfer the contributions made thereto, as well as future contributions originating from the Increased Contributions, to the Old Policies, or, alternatively, to set beneficial factors for the Contribution Policies, at the discretion of the court; to pay the people who are already being paid a pension out of the Contribution Policies the difference between the amounts they would have received if the Increased Contributions funds had all been deposited into the Old Policies (or the amounts they would receive due to beneficial factors, at the discretion of the court) and the amounts they actually received; to compel Clal Insurance to pay each of the class members NIS 500 in damages for non-pecuniary damage due to deception.
	Represented class	The class the plaintiff seeks to represent is anyone for whom Clal Insurance had managed an executive insurance policy issued before May 31, 2001, and for whom, after June 30, 2016, it managed (in a new insurance policy) the funds received due to them for the Increased Contributions, or the beneficiaries or heirs of any such person.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In May 2026, the regulator's position was submitted regarding the claims in the lawsuit.
	Claimed amount	The plaintiff conservatively estimated the aggregate damage to all class members in millions of shekels.

14.	*Date and court*	06/2023 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance, Clal Pension and Provident Funds and 4 additional companies
	Key claims and causes of action	The lawsuit concerns the allegation that the defendants ought to have refrained from deducting tax out of the portion of the annuity equal to the annuity recipients' "recognized annuity" in the pension products they manage, and apply a tax exemption due to that component, which would have resulted in higher annuity payments to the class members.
	Key remedies	Repayment of the funds deducted as tax out of the "recognized annuity" portion of the annuity to the class members.
	Represented class	The class the plaintiff seeks to represent is any individual who is paid an annuity from one of the new pension funds and/or the provident funds and/or the insurance funds managed by any of the respondents, who was entitled to a tax exemption on their annuity in respect of their "recognized annuity" component, as this term is defined in the Income Tax Ordinance, and did not receive the above exemption, as of January 1, 2012, and thereafter.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. At the same time as submitting the answer to the motion to certify the claim as a class action, the respondents submitted a motion for permission to send a third party notice to the Israel Tax Authority. In its response to the third party notice, the Israel Tax Authority rejected the arguments made therein and argued, among other things, that it should be added as a respondent to the proceeding rather than as a third party. In November 2025, the parties notified the court of their intention to submit for its approval an agreed settlement agreement.
	Claimed amount	The plaintiff estimated the aggregate damage to all class members at approx. NIS 297 million, for all class members who are paid annuities from the defendants, without attributing a specific monetary remedy to each defendant.

15.	*Date and court*	08/2023 - Central District Court - Lod
	Defendants	Clal Insurance
	Key claims and causes of action	The claim concerns the contention that in insurance policies marketed by Clal Insurance, in a plan of the type “self defense” and/or any other marketing name, Clal Insurance was asked in the insurance registration form (the insurance offer) to insure its policyholders under an insurance plan that includes several forms of insurance coverage, including insurance coverage for perpetual disability due to accident, yet in practice it issued policyholders different and disability insurance coverage of the type “loss/impairment of functioning”.
	Key remedies	Provision of a mandatory injunction pursuant to which Clal Insurance is required to update the insurance policies with insurance coverage of the type perpetual disability due to accident, required to provide the class members with insurance coverage in respect of perpetual disability due to accident, and charged with special interest.
	Represented class	All Clal Insurance policyholders with health-insurance policies within the “self defense” plan, and/or any other marketing name, issued by Clal Insurance with insurance coverage of the type “loss/impairment of functioning” in contradiction of the statements in the insurance offer form, which noted insurance coverage of the type “accidental disability,” as well as Clal Insurance policyholders with this policy who were denied their entitlement to receive insurance benefits for perpetual disability due to an accident event based on the argument that no such coverage exists in the policy.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiff estimated that the aggregate damage the class members incurred exceeds NIS 2.5 million.

16.	*Date and court*	09/2023 - District Court - Tel Aviv
	Defendants	Clal Insurance and 7 additional insurance companies
	Key claims and causes of action	The claim concerns the contention that the defendants do not pay for insurance incidents and do not provide towing services to policyholders who purchase a towing rider in cases in which it is necessary to tow the insured vehicle using a towing lift, and that they charge these vehicle owners added payment, despite the fact that this matter is not expressed in the language of the riders.
	Key remedies	The remedies sought are, among other matters, compensation in respect of reimbursement of premium payments, towing costs, and non-pecuniary damages (”pain and suffering”) in the amount of NIS 3,000 per class member, and in addition, amendment of the language of the riders issued on behalf of the respondents.
	Represented class	The class in the name of which the claim is filed is defined as the “the class of consumers who hold or held riders of respondents 1-8 in the last 7 years prior to the filing of the claim and in the period after the filing of this claim, until a judgment is rendered, whose vehicle necessitates the possibility or requires towing via lift when the vehicle is inoperable (requiring towing to an auto repair shop).
	Status / further details	In November 2024, the court ordered a bifurcation of the proceedings by way of filing separate motions for certification; in January 2025, the movants filed an appeal to the Supreme Court against the said decision. A judgment was handed down in June 2025 according to which the lawsuit against Clal Insurance and another company will continue to be heard before the District Court. The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiff estimated the aggregate damage to all class members at approx. NIS 80 million.

17.	***Date and court***	11/2023 - District Court - Tel Aviv
	Defendants	Clal Insurance and 7 additional insurance companies
	Key claims and causes of action	The lawsuit concerns the claim that when setting the price of premiums in life, health, and P&C insurance policies, “catastrophe events” such as a “surprise” war and/or other extreme or unexpected events that reduced the defendants’ risk and exposure were not factored in; that in light of the Iron Swords War, the defendants are expected to experience a major reduction in the risk in policies in which the risk-weighted components had significantly decreased (and completely eliminated in some cases).
	Key remedies	The remedies sought are declaratory relief, a mandatory injunction, reimbursement or reduction of the premiums from the date of declaration of a state of emergency, and pecuniary and non-pecuniary monetary compensation.
	Represented class	The movants define five classes in the claim. (1) Policyholders some of whose policies contain a war exclusion that excludes insurance coverage of an insured event in wartime, but, in light of their call-up for reserve duty, the actuarial risk in connection with whom has decreased, and accordingly, action should be taken to reimburse and/or reduce the premium; (2) policyholders of the respondents, mainly in P&C insurance, who, due to the declaration of a state of emergency and the transition of government institutions, public entities, and dual-purpose entities to an emergency work format, will be unable, or able in a partial and limited manner, to exercise the insurance service and/or coverage; (3) policyholders of the respondents who, due to the declaration of a state of emergency and the transition of government institutions, public entities, and dual-purpose entities to an emergency work format, cannot receive services such as treatment and elective surgeries at public hospitals. (4) P&C insurance policyholders – property policies of the various types, vehicle, home - which, due to the state of emergency, their inherent risk decreased substantially; (5) policyholders of various policies in the area of business, the risk of which has significantly decreased due to the state of emergency.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The plaintiff estimated that the aggregate damage the class members incurred exceeds NIS 2.5 million. With regard to policyholders called up for reserve duty, it is argued that the estimated damage is in the amount of NIS 10.02 million (with respect to all of the defendants).

18.	***Date and court***	12/2023 - Haifa Regional Labor Court
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The action involves the claim that the defendant unlawfully collects insurance premiums in the comprehensive pension fund under its management that are higher than those it was entitled to collect, while reducing the amount of the accrual of the fund’s planholders: (a) when receiving retroactive contributions - insurance premiums are collected that are higher than the insurance premiums that the defendant should have collected; (b) as a result of attributing "insured income" that is higher than the planholder's salary when the rate of contribution for rewards was more than 11.5% of the planholder's salary and less than 13%; (c) as a result of collecting insurance premiums due to the portion of the planholder's income that exceeds the Monthly Contribution Cap for the pension fund stipulated in the law.
	Key remedies	Restitution of insurance premiums which were collected from the class members plus interest and linkage differences; A declaration on the nullity of provisions in the regulations which were in effect in the relevant years and a prohibition on the management company to carry out the actions mentioned in Sections (a) to (c) above.
	Represented class	The class the plaintiff seeks to represent is everyone who, during the 7 years that ended on the day the motion was submitted, was a planholder of the comprehensive pension fund of "Clal Pension,” and from whom the respondent collected an insurance premium calculated on the basis of an amount greater than the maximum amount for this matter, according to the law and/or according to the fund's bylaws which were in effect on collection day, the lower of the two.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. The parties are conducting a mediation procedure on the matter.
	Claimed amount	The class action claimed amount was estimated conservatively, according to the plaintiff, at millions of shekels, without specifying an amount.

19.	***Date and court***	01/2024 - District Court - Jerusalem
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The action involves the claim that the defendant raised the management fees in planholders' accounts in the products managed by it without sending them any notice in advance according to the law.
	Key remedies	Restitution of the all the amounts which were unlawfully collected from each of the class members together with the returns that said funds would have yielded in the accrued savings.
	Represented class	The class the plaintiff seeks to represent is all planholders of provident funds and/or advanced education funds and/or pension funds and/or any other instrument managed by the respondent (including savings instruments which were managed by those replaced by the respondent and anyone who was a planholder thereof during the relevant years) - including deceased planholders and/or their beneficiaries, for whom management fees were raised without being notified as required by law, during the period starting in January 2008 and ending in January 2017, with the exception of three price increases for which res judicata was granted in Class Action 15-03-59823.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In November 2025, the parties notified the court of their agreement to proceed to mediation in this matter.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

20.	***Date and court***	01/2024 - Regional Court - Jerusalem
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The action involves the claim that the defendant charged management fees at a rate that exceeds the rate permitted by law, in the accounts of planholders with whom contact has been lost or in the accounts of deceased planholders.
	Key remedies	Restitution of the all the amounts which were unlawfully collected from each of the class members together with the returns that said funds would have yielded in the accrued savings.
	Represented class	The class the plaintiff seeks to represent is all planholders of provident funds and/or advanced education funds and/or pension funds and/or any other instrument managed by the respondent (including savings instruments managed by those replaced by the respondent and anyone who was a planholder thereof during the relevant period) - including deceased planholders and/or their beneficiaries, from whom management fees were collected at a rate higher than the maximum rate stipulated in Regulation 8 of the Supervision of Financial Services Regulations (Provident Funds) (Management Fees), 2012, during the period beginning on January 1, 2013, (the date of entry into force of the aforementioned regulations) and ending with a final and decisive ruling in the action.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In June 2026, the Commissioner's position was submitted, which fully supports the Company's interpretation of Regulation 8(e).
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

21.	*Date and court*	12/2024 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance unlawfully denies health insurance policyholders' claims for reimbursement of expenses incurred for the medical procedure known as "imaging-guided injection," claiming that this medical procedure is not an event that qualifies for insurance coverage, as it neither meets the definition of "surgery" nor of "non-surgical alternative," as defined in the policy.
	Key remedies	Issuing a declaratory order stating that imaging-guided injections meet the policy's definition of "surgery," or, alternatively, the definition of a "non-surgical alternative," as defined in the movant's policy and in policies with identical and/or similar wording, and is not subject to the "injection" exclusion, in its various forms; as well as a declaratory order stating that Clal is estopped from invoking the "injection exclusion."
	Represented class	The class that the plaintiff seeks to represent consists of all Clal Insurance policyholders holding the same policy as the movant, and other Clal Insurance health insurance policies, of any kind, whose claims for insurance coverage due to any kind of imaging-guided injection Clal Insurance denied, and/or who were paid a lower compensation amount than the amount they are entitled to be paid for the procedure, in accordance with the provisions of their respective policies, subject to the prescription period, and until a final judgment on the lawsuit is handed down.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. In August 2026, the parties informed the court of their agreement to refer the matter to mediation.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

22.	*Date and court*	02/2025 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance unlawfully requires its policyholders to sign an overly broad, one-sided settlement document it has drafted, which severely prejudices its policyholders and denies their rights with respect to unrelated events, allegedly in contravention of the law, while continuing to collect the full premium in a manner that constitutes a breach of the insurance contract, thereby unjustly enriching itself at the expense of its customers.
	Key remedies	(a) A mandatory injunction to amend the settlement documents; (b) for the members of Class A – to pay each class member whose claim is deemed justified the compensation amount they are owed, with lawful interest and linkage differences, plus NIS 1,000 in damages for non-pecuniary damage; (b) for the members of Class B – to inform the policyholder that they may file a claim for an additional event, which shall be investigated in accordance with the policy's terms and conditions; to extend the lawful prescription period for any date, as required; and to pay each class member who files a claim which is deemed justified, the total compensation amount they are owed, plus lawful interest and linkage differences, while paying each class member NIS 100 in damages.
	Represented class	The classes that the plaintiff seeks to represent consist of: (a) any person who signed a release document in favor of the respondent, containing a provision that denies the right to compensation for an event which is unrelated to the event for which the release document was signed, resulting in the denial of a separate claim which is unrelated to the event for which the settlement document was signed (hereinafter – "**Class A**"); and (b) any of the respondent's policyholders who signed a release document containing a provision that denies their eligibility for compensation for an event which is unrelated to the event for which the release was signed, and who did not file another claim against the respondent (hereinafter – "**Class B**").
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

23.	Date and court	04/2025 - Tel Aviv Regional Labor Court
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation whereby Clal's collection of management fees from monthly allowances paid to its policyholders is non-transparent, illegal and in breach of the terms of the policy. It was also claimed that the management fee amount increases during the allowance payment period, and that Clal Insurance conceals the amount and refuses to disclose it.
	Key remedies	Restitution of the management fees collected unlawfully from class members, plus linkage differences and interest from the collection date through actual payment, and the issuance of a permanent injunction prohibiting Clal Insurance from collecting management fees from allowances it pays to its policyholders, or any other remedy in favor of the public.
	Represented class	Anyone who received a monthly allowance from Clal Insurance, from which management fees were deducted, and anyone who is expected to receive such an allowance until the class action certification date, or until a judgment is rendered in the lawsuit or until Clal Insurance stops collecting management fees from allowances it pays, whichever is later.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed. The court instructed the parties to submit their position regarding the consolidation of this proceeding with the proceeding in case no. 12296-04-25. In response, the movant submitted a position opposing the consolidation and the Company submitted a position supporting the consolidation.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

24.	Date and court	06/2025 - Haifa Regional Labor Court
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal allegedly sets the cost of insurance coverages such that their cumulative rate exceeds the limit of 35% of the contributions towards the retirement benefits component in the policy, by removing the permanent health insurance component from the calculation base where it is paid at the expense of the employer - allegedly in breach of statutory provisions. It was also alleged that Clal misleads class members in its presentation of the rate of insurance coverages' cost out of contributions towards retirement benefits.
	Key remedies	(a) Compensate class members for the damage they incurred; (b) hand down a declaratory judgment according to which Clal Insurance acted unlawfully; (c) order Clal Insurance to change the way it conducts itself, including retroactively, regarding with respect to the manner in which data is presented in the Annual Financial Statements.
	Represented class	All policyholders in Clal Insurance's provident funds and/or insurance funds (as defined by law), who were charged insurance premiums at a rate, which exceeds the limit set by law and/or in the policies/bylaws of the provident funds/insurance funds, and Clal Insurance policyholders, who were misled due to incorrect presentation of the percentage of insurance premiums out of the total contributions made into the policy.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 3 million.

25.	***Date and court***	07/2025 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal charges its customers NIS 10 in "handling fees" due to a bounced payment, without having a contractual right to do so; it is also alleged that Clal charges excess amounts in respect of interest and linkage differences, including interest on arrears.
	Key remedies	Hand down a declaratory judgment according to which Clal Insurance acted unlawfully; order Clal Insurance not to charge handling fees without appropriate regulation; and order payment of compensation to class members with respect to the damage they incurred.
	Represented class	Customers charged by Clal Insurance “handling fees” (or any fee that reflects handling fees), in all insurance subsegments, under circumstances of a bounced payment by credit/other means of payment/ late payment/unsuccessful collection attempts and under other circumstances, or excess amounts in respect of interest and linkage differences, including interest on arrears.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 3 million.

26.	***Date and court***	11/2025 - District Court - Tel Aviv-Jaffa
	Defendants	Clal Insurance, Clal Pension and Provident Funds, Clal Credit, Clal Financial Management Ltd., CommBox Communication and Automation Ltd. (hereinafter - “**CommBox**")
	Key claims and causes of action	The subject of the claim concerns an allegation that the Group companies established and operate a digital customer service system that includes AI-based services and virtual service representatives, which was presented to customers as a service of the Group companies, but was in fact provided by CommBox without adequate disclosure to customers and without obtaining their informed consent, thereby exposing CommBox to personal and private information of the Group companies’ customers. It was further alleged that, in operation of the service, CommBox was granted access to the Group companies’ systems, was exposed to personal and private information regarding the Group’s customers, collected and stored such information, and even transferred it to third parties and abroad, all as alleged, without sufficient supervision and control by the Group companies.
	Key remedies	(a) to order the defendants to cease their conduct that is the subject of the claim and to ensure disclosure to, and obtain informed consent from, the Company’s customers regarding such conduct; (b) to order CommBox to delete all data and personal and private information obtained from the Company’s customers and stored by it and/or by anyone on its behalf and/or any other third party to whom the data and information were transferred; (c) to prohibit CommBox from making any use of the data and information until their deletion; (d) to order CommBox to provide a detailed list of all third parties to whom it transferred information regarding the Company’s customers; (e) to order the Company and CommBox to provide the plaintiff with detailed accounts regarding the profits derived as a result of their improper conduct; (f) accordingly, to order that the revenues and profits accrued to the defendants as a result of their improper conduct as aforesaid be transferred to the plaintiff and to the class members.
	Represented class	Any customer of the Company who alleges that his or her privacy was violated due to the acts and/or omissions of the respondents, among other things, by CommBox being exposed to personal and private information regarding him or her and/or collecting and storing such information and/or transferring the information to a third party and/or transferring the information abroad.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 3 million.

27. Date and court	02/2026 - Tel Aviv-Jaffa Regional Labor Court
Defendants	Clal Pension and Provident Funds Ltd.
Key claims and causes of action	The subject of the claim concerns an allegation that the pension fund managed by the defendant charges the full monthly premium for the insurance coverage, including for a period preceding the date of joining or renewal of the insurance coverage during the month.
Key remedies	To order the defendants to grant compensation to the class members for damages caused to them due to the collection of insurance coverage costs in the pension fund contrary to law.
Represented class	All persons who were or are members of the pension fund managed by the respondent, a portion of whose pension contributions was allocated toward the purchase of insurance coverage for a period preceding the date on which it was permissible to charge for such coverage.
Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

28. Date and court	04/2026 - District Court - Central
Defendants	Clal Insurance, Or Shai Migvan Pension Insurance Agency (2018) (hereinafter - the "**Agency**")
Key claims and causes of action	The lawsuit concerns the allegation that when they purchase the Company's travel insurance online, customers are directed to make a purchase through the Agency without their knowledge, and that the Agency through which the purchase was made sends marketing messages in the name of and on behalf of Clal Insurance, without obtaining the customers' consent and in breach of the provisions of the Spam Law.
Key remedies	(a) To order the defendants to cease violating the privacy of the class members and to refrain from sending unlawful promotional materials including by email, SMS and/or WhatsApp messages, without obtaining prior consent. (b) To order Clal Insurance to instruct the insurance agents/ agencies with whom it works, including the Agency, to refrain from sending advertisements promoting their business, without obtaining the prior, explicit, written consent of the recipients, as required by law. (c) To order Clal Insurance to ensure that those third parties and the Agency specify in all promotional materials sent to the addressees their contact information, a valid address for submitting an opt-out notice, the number of the database in which the addressee is listed, and their right to have their name removed from such database; (d) To award the class members an appropriate monetary remedy with respect to the defendants' violation of the law, and/or to award any other remedy to the entire class or a portion thereof, or to the public as a whole, as the Court may deem appropriate and at its discretion. (e) To order payment of compensation to the representing plaintiff and to set legal fees to the representing plaintiff's counsel.
Represented class	All addressees who were sent promotional materials as defined by law, whose details were passed on to third parties by Clal Insurance after they had requested an insurance quote from Clal Insurance, without obtaining their explicit consent, and/or who do not meet the legal requirements during the seven-year period preceding the motion to certify submission date.
Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

29.	***Date and court***	04/2026 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance acts unlawfully when it dismisses permanent health insurance claims in cases where the policyholder is eligible to compensation from the National Insurance Institute and/or another insurer, based on an exclusion in the policy (hereinafter - the "**Entitlement Denial Exclusion**"), including regarding the dismissal of the right to waiver of premiums. Furthermore, according to the movant, the right to waiver of premiums is not contingent upon the policyholder's entitlement to compensation due to the occurrence of the insured event and the Entitlement Denial Exclusion does not apply in this matter. In addition, the movant alleges that Clal Insurance unlawfully charges full premiums even when the policyholder is in a state of partial loss of earning capacity, and that in such a case, there is no justification for charging full insurance premiums.
	Key remedies	To compel Clal Insurance to compensate the class members for the damages they incurred due to its violations, and to refund the profits of its enrichment, including linkage differences and interest as provided by law from the date of collection through the actual payment day; to order the invalidation of the Entitlement Denial Exclusion both retrospectively and prospectively for all the policyholders; and to award compensation and legal fees to the movant their counsel.
	Represented class	All of Clal Insurance's policyholders insured under permanent health insurance and/or income protection insurance policies, regardless of whether they are expanded insurance plans which include an offset-cancellation clause or not, to whom the respondent did not pay insurance benefits for partial loss of earning capacity which it recognized due to the receipt of any amount from the National Insurance Institute and/or another insurance company, and/or continued to charge them full premiums despite acknowledging the occurrence of an insured event of partial loss of earning capacity, all within the prescription period and until a final judgment is rendered in the lawsuit.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

30.	***Date and court***	05/2026 - District Court - Nazareth
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that Clal Insurance is purportedly refraining from paying interest and linkage differences thereon in respect of insurance benefits to its policyholders and third parties from the date on which grounds were established through the date of actual full payment, in violation of the law. It is noted that this lawsuit concerns the same grounds as the motion to certify a class action filed against Clal Insurance in 2013, see Section 2.1.1 (1) above.
	Key remedies	Restitution to each class member of any amount unlawfully deducted from the compensation amount paid to them, and ordering Clal Insurance to pay legal fees and compensation to the movant.
	Represented class	Anyone who received compensation from Clal Insurance for property damage by virtue of a comprehensive motor insurance policy over the past seven years without a legal proceeding, to whose compensation no interest and linkage differences were added in accordance with Section 28(a) to the Insurance Contract Law, 1981.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

31.	*Date and court*	05/2023 - District Court (Economic Department) - Tel Aviv-Jaffa
	Defendants	Clal Holdings, Clal Insurance, Clal Pension and Provident Funds, Clal Sal Menayot Israel, Atudot – Pension Fund for Workers and Independent Workers Ltd. (a subsidiary of Clal Insurance (held at 50%)) (hereinafter - "**Atudot**"), officers of the Company, and members of investment committees.
	Key claims and causes of action	The lawsuit concerns the allegation of damage allegedly caused to planholders in provident funds, pension funds, life insurance, and savings policies managed by the Group companies, in light of the respondents' ruling to sell the Alrov Properties & Lodgings Ltd. (Hereinafter - "**Alrov**") shares held by the Group companies, within the investment of the policyholders' and planholders' funds, to the Israel-Canada Company (T.R.) Ltd. (hereinafter - "**Israel Canada**"), due to a dispute between some of the respondents and Alrov's controlling shareholder, and despite the fact that at the time of signing the agreement, the Group companies allegedly had an offer from Mr. Alfred Akirov to purchase the Alrov shares at a price of at least 33% higher than the price Israel Canada paid for Alrov shares.
	Key remedies	Compensation for pecuniary damage, which the plaintiff claims reflects the damage caused to the class members.
	Represented class	The class the movant sought to represent is anyone who has been a planholder of the provident funds, pension funds, life insurance, and savings policies managed by the Group companies that held shares in Alrov on March 18, 2021.
	Status / further details	In July 2024, the Court allowed the respondents' request and ordered the dismissal in limine of the motion to certify against the Company and against the officers and members of the Investment Committee, who were added as respondents to the proceeding; the proceeding continued to be heard only against the other respondents. In March 2026, the court denied the motion to certify. In June 2026, an appeal was filed against the ruling according to which the motion to certify was dismissed by the Supreme Court.
	Claimed amount	The plaintiff estimates the claimed amount at NIS 128 million.

32.	*Date and court*	06/2026 - Haifa Regional Labor Court
	Defendants	Clal Pension and Provident Funds
	Key claims and causes of action	The claim concerns the allegation that the respondents mislead their planholders with regard to the insurance premium rate by presenting it in their annual report 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, as required under the regulation (allegedly). It was further argued that due to the aforementioned method of calculation, the respondents charge the planholders, in certain cases, insurance premiums at a rate exceeding the maximum contribution rate under the law.
	Key remedies	Issuance of a mandatory injunction ordering the respondents to display the insurance premium rate to the planholders as a percentage of the compensation; no collection of insurance premiums at a rate that exceeds 35% of the compensation; restitution of overcharged insurance premiums; and compensation to all the planholders.
	Represented class	Every planholders 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 respondents 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 respondents collected insurance premium exceeding 35% of the contributions towards retirement benefits.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

33.	*Date and court*	06/2026 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The claim concerns the allegation that Clal Insurance misinterprets the definition of acute heart attack in critical illness insurance, in that, as alleged, cases that are medically diagnosed as acute heart attack are allegedly rejected by Clal Insurance and are not defined by it as an insured event under the policy, allegedly based on the use of diagnostic indices that are no longer relevant and disregarding the change in the medical examination method.
	Key remedies	To instruct Clal Insurance to amend the diagnostic indices it uses in the insured event of a heart attack and to pay the class members the compensation to which they are entitled under the terms of their policy in accordance with the new indices.
	Represented class	Four subclasses that characterize different types of policyholders.
	Status / further details	The proceeding is at the stage of the motion to certify being reviewed.
	Claimed amount	The claimed amount was estimated by the plaintiff at more than NIS 2.5 million.

2.1.3 Material class actions, material claims and motions to certify material claims as class actions which were concluded during the reporting period and until the signing of the report against the Company and the consolidated companies, with the exception of the Max Group Companies[3]

1.	*Date and court*	05/2022 - District Court - Central
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the allegation that in policies that cover surgeries in Israel that stipulate compensation for surgeries performed without financing from Clal Insurance, Clal Insurance refrains from compensating the policyholders for the cost of the implants and accessories used to perform the surgery (hereinafter - the "**First Cause**"), and also refrains from indemnifying the policyholders for the deductible amounts they had paid (hereinafter - the "**Second Cause**").
	Key remedies	A judgment requiring Clal Insurance to include the cost of the implant and/or accessory in the calculation of the benefits owed to the class members from here on out, and compelling it to indemnify the class members for the deductible amounts they paid in connection with the various surgeries and to calculate the compensation accordingly, as well as requiring Clal Insurance to compensate each member of the sub-category with respect to the monetary remedies, at the rate of 50% (or another rate) of the cost of the implant borne by Clal Insurance and/or the deductible amount paid by the class member due to a surgery they had, with added linkage differences and interest, as per the law.
	Represented class	According to the court's decision - all Clal Insurance policyholders under the relevant policies, who had a surgical procedure in a private hospital and are eligible to compensation out of the amount Clal Insurance saved following the funding of the surgical procedure by the health maintenance organization over a period starting 3 years prior to the filing of the motion to certify and through the issuance of a judgment in the lawsuit, where compensation was calculated without including the implants component.
	Status / further details	In November 2024, the court decided to partially allow the motion, such that it allowed the first cause of action and dismissed the second cause of action. In February 2026, the court approved a settlement agreement, the principal terms of which include a compensation framework for the relevant policyholders in respect of the cost of implants, for past and future periods, at rates agreed between the parties. Furthermore, under the settlement agreement, it was agreed to pay a compensation to the representative plaintiff and legal fees to his attorney.

3. Not including lawsuits that concluded in the reporting year, but which were reported as having been concluded in the Consolidated Financial Statements for 2025.

2.	*Date and court*	06/2024 - District Court - Haifa
	Defendants	Clal Insurance and 7 additional companies
	Key claims and causes of action	The lawsuit concerns the claim that installers of windshields, who operate on behalf of the defendants under the "windshield insurance" rider, do not calibrate the safety systems installed on the vehicle's front windshield when the dismantle the broken windshield and install the new (replacement) one, in violation of the provisions of the law; it is also claimed that the defendants did not inform the policyholders - when they purchased the riders - that the latter will not include the testing and calibration of the safety system when the front windshield is replaced.
	Key remedies	Declaratory relief whereby the calibration of the safety system is included in the policy / rider covering damage to the windshields; a mandatory injunction ordering the defendants to summon Class A to auto repair shops to test and/or calibrate the safety systems; refund the funds, which were collected from Class B members; paying a monetary compensation to all Class C members.
	Represented class	Three classes: A class of consumers who hold or held the riders/windshield insurance of the respondents in the 7 years preceding the filing of the lawsuit and when they had the windshield replaced under the rider, the safety system in their vehicle was not tested and/or not calibrated as part of the process of replacing the front windshield; a class of consumers who hold or held the riders/windshield insurance of the respondents in the 7 years preceding the filing of the lawsuit and when they had the windshield replaced under the rider, the installer on behalf of the defendants charged them for testing and/or calibrating the safety system; a class of consumers who own a vehicle equipped with a safety system, who purchased a rider/windshield insurance from the defendants in the 7 years preceding the filing of the lawsuit, and were not told when they purchased the rider that the coverage will not include testing and calibration of the safety system as part of the replacement of the front windshield.
	Status / further details	In February 2026, the court approved an agreed motion to withdraw the lawsuit.

3.	*Date and court*	9/2020 - District Court - Central
	Defendants	Clal Insurance and another insurance company
	Key claims and causes of action	The lawsuit concerns the allegation that the defendants acted contrary to the provisions of critical illness policies, and specifically – that they did not act in accordance with the terms of the policy that stipulate that after a first insured event has occurred, if the policyholder is still covered under the insurance policy, the insurance amount and the monthly premium amount will be reduced by 50%.
	Key remedies	The relief the plaintiffs petitioned for is damages to the class members due to past damages, as well as a declaratory relief and a mandatory injunction ordering the defendants to change their modus operandi.
	Represented class	All of the respondents' clients / policyholders who were covered under critical illness insurance and/or critical illness and serious medical events insurance and/or any other similar insurance by any other name, who experienced their first insured event, after which they were charged a higher premium than the agreed premium in breach of the terms of the insurance policy, in the 7 years before the motion was brought.
	Status / further details	In March 2026, a settlement agreement was submitted to the court, under which Clal Insurance must return a certain percentage of the insurance premiums to the class members, in accordance with the mechanism set forth in the settlement agreement, as well as notify the policyholders in the policies that the lawsuit concerns of the applicable insurance premiums and insurance benefits mechanism with respect to the future.

4.	***Date and court***	3/2020 - Regional Labor Court - Tel Aviv
	Defendants	Clal Insurance
	Key claims and causes of action	According to the plaintiff, Clal Insurance systematically violates the provisions of the law by charging unlawful insurance premiums for "temporary risk" insurance (payment for insurance coverage when the regular contributions into a savings policy with combined insurance components are discontinued), without informing the policyholders as required by law.
	Key remedies	(1) Refund of all funds collected from accrual and/or otherwise for the entire period after the termination of their employment, other than in accordance with the relevant statutory arrangement (hereinafter - the "**Automatic Temporary Risk Period**"), and in cases of higher insurance premiums, restitution of the excess insurance premiums in respect of the Automatic Temporary Risk Period as well; (2) a prohibition on making "temporary risk" insurances for a period exceeding the Automatic Temporary Risk Period, except when the policyholders request this it in writing; (3) compelling Clal Insurance to return the excess insurance premiums paid by policyholders who were charged double insurance premiums (for the month they returned to work).
	Represented class	The represented class for the purpose of the non-pecuniary remedies is all policyholders under provident funds or insurance plans within which employers and/or employees make contributions for permanent health insurance and/or insurance in case of death, or any other insurance risk. The represented class for the purpose of monetary reliefs are: (a) all the policyholders for whom funds were collected for permanent health insurance or insurance in case of death or any other insured event, out of the accrual funds or any other source, without prior notice; (b) alternatively, policyholders who were charged insurance premiums for periods that exceed the Automatic Temporary Risk Period, unless they agreed in advance; (c) policyholders who were charged higher insurance premiums than the insurance premiums they were charged when they were active policyholders and/or who were charged for new insurance policies that they did not have prior to the termination of their work; (d) policyholders who were charged double insurance premiums.
	Status / further details	In June 2026, the court approved a settlement agreement, which sets mechanisms for partial restitution of amounts in respect of some of the allegations included in the lawsuit regarding the duration of the collection of premiums for insurance coverage during the Temporary Risk Period and/or the rate of the insurance premium collected during the Temporary Risk Period. Furthermore, a prospective relief mechanism was set for notifying policyholders who will enter the Automatic Temporary Risk Period, as detailed in the agreement. In addition, a mechanism was set for clarifying facts and reaching a decision through an expert regarding an allegation made regarding double charging insurance premiums, and payment of compensation and legal fees was ordered to the movant and their attorney.

5.	***Date and court***	07/2024 - District Court - Tel Aviv
	Defendants	Clal Insurance
	Key claims and causes of action	The lawsuit concerns the claim that the defendant pays the insurance benefits and/or reimbursements insurance premiums to its policyholders by sending checks by mail, allegedly in violation of the guidance of the Capital Market Commissioner, whereunder the funds should be delivered to the policyholders by way of bank transfer or by crediting their credit card. Furthermore, it is claimed that by acting as described above, Clal Insurance also breaches its obligation to pay policyholders the amounts due to them on time, and its obligation to pay interest and linkage differences in respect of the amounts of the checks through the date on which the funds are actually paid.
	Key remedies	Issuing a mandatory injunction, which will order Clal Insurance to voluntarily pay the class members the insurance benefits and/or refund the insurance premiums plus linkage and interest from the day on which they become entitled to such payments and until they are actually made; to issue a mandatory injunction ordering Clal Insurance to pay the insurance premiums and/or refund insurance premiums through the same means of payment they used to pay Clal Insurance; and to issue a mandatory injunction ordering Clal Insurance to voluntarily contact its policyholders, if it does not have the means of payment details, and allow the policyholders to select the means of payment through which they wish to use to receive the insurance benefits and/or the refunded insurance premiums.
	Represented class	Anyone who meets one or more of the following conditions: (1) Clal Insurance policyholders, who are entitled to insurance benefits and/or to a refund of insurance premiums and/or any type of refund, to whom checks were mailed, which have not been cashed by the policyholders and/or checks which were cashed but no interest and linkage differences were added to their amount; (2) Clal Insurance policyholders, whose bank account details or payment card details were held by Clal Insurance on the date on which the abovementioned checks were mailed and/or where Clal Insurance was able to obtain those details.
	Status / further details	In June 2026, the court approved a settlement agreement, which sets an outline for restitution to parties which Clal Insurance credited - through unredeemed checks - for insurance premiums and/or insurance benefits.
6.	***Date and court***	02/2025 - Tel Aviv Regional Labor Court
	Defendants	Clal Pension and Provident Funds Ltd.
	Key claims and causes of action	The lawsuit concerns the allegation that the defendant unlawfully charges to its planholders debts stemming from the failure on the part of these planholders' respective employers to make pension contributions by the deadlines required by law.
	Key remedies	Restitution of the funds unlawfully charged to the class members, plus linkage differences and interest; damages for non-pecuniary damage; restitution of the (alleged) enrichment funds in Clal Pension and Provident Funds' possession; a prohibition on Clal Pension and Provident Funds to charge to its planholders any debt stemming from failure on part of the respective planholder's employer; and an order compelling Clal Pension and Provident Funds to implement the provisions of Section 19A of the Wage Protection Law.
	Represented class	Anyone to whom the defendant charged and/or attempted to charge funds stemming from their respective employer's failures, from the date the defendant first implemented this policy, until the date this lawsuit is certified as a class action.
	Status / further details	In August 2026, the court approved a consensual motion for compensated withdrawal from the motion to certify.

2.2 Details regarding exposure to immaterial class actions or claims that have not yet been filed and for additional expenses against the Company and the consolidated companies, with the exception of the Max Group Companies

2.2.1 In addition to the material class action lawsuits, described in Note 9 (2.1.1), the pending motions to certify material lawsuits as class actions, described in Note 9 (2.1.2), and the motions to certify material lawsuits as class actions which were dismissed in the reporting period, described in Note 9 (2.1.3), there are pending motions to certify class actions against the Company and its consolidated companies (except for the Max Group Companies) that, according to the Company's estimate, are immaterial,[4] and therefore there is no detailed description thereof in the financial statements. As of the date of the report, in 2 lawsuits are litigated against the Company and/or its consolidated companies, as stated above, excluding Max, no claimed amount was stated (compared to 6 lawsuits for approx. NIS 100 million as of December 31, 2025).

2.2.2 **Insurance exposures**

In addition to the aforementioned legal proceedings, potential exposure also exists, which at this stage can neither be evaluated nor quantified, to the filing of additional derivative claims or class actions against the Group companies, due to the complexity of the companies' products, which may result in disputes arising regarding the interpretation of provisions of the Law or an agreement, including, among other things, pertaining to contractual or commercial terms and conditions, or regulatory directives, including the option available to the Commissioner, under certain circumstances, to order an insurer to cease implementing an insurance plan, or to order it to make changes to an insurance plan, including with respect to policies which have already been marketed by the insurer, or regarding the manner of implementation of the provisions of the Law or an agreement, or the method of claims settlement agreement pursuant to an agreement, which apply to and impact the relationship between the Group companies and the customer and/or the relationship between the Company and third parties, including reinsurers.

This exposure is particularly heightened in the fields of Long-Term Savings and Long-Term Health Insurance, in which Clal Insurance operates, among other things, in view of the fact that in those spheres, some of these policies were issued decades ago, whereas today, in light of significant regulatory changes, and due to the development of both judicial rulings and the Commissioner's position, these policies may be interpreted differently when viewed retroactively, and different interpretative standards may be applied to them than those which were customary when they were drafted. Moreover, the policies in these aforementioned areas remain valid for decades, such that in those cases in which a customer's claim is accepted and new interpretation is attributed to the contents of the policy, there is also potential exposure to the fact that the future profitability of that particular company will be influenced due to the existing policy portfolio. This is in addition to compensation that may be awarded to customers in respect of past activity.

There is also exposure, which at this stage can neither be evaluated nor quantified, to errors in the methods used in the operation of products, chiefly in the areas of Long-Term Savings and Health Insurance. The insurance sector in which the Group companies operate is complex and rich in details, and the regulatory directives tend to change over the years, and it involves an inherent, unquantifiable risk of the occurrence of an error or a series of errors, mechanical or human errors, which may have a sector-wide impact. It is not possible to anticipate all the types of claims to be raised in this context and/or the exposure arising from these potential claims, among other things, via the procedural mechanism of class action lawsuits and/or industry-wide rulings made by the Commissioner and/or rulings by other regulators.

Such exposure is also the result of the complexity of the aforementioned products, which are characterized by extremely prolonged lifetime, and are subject to frequent, complex and material changes, including changes in regulatory and taxation directives. The complexity of those changes and their application over many years creates increased operational exposure, which is also due to the numerous different computer systems in the Group's institutional entities, and their limitations, in view of additions and/or changes to the basic wording of the products, and in light of multiple, frequent changes implemented over the product's lifetime, including by the regulatory authorities, the customers (the employees) and/or by the employers and/or by those acting on their behalf, in relation to insurance coverages and/or to savings deposits, including in the context of reporting to planholders, and the need to create direct contact with employers and operating entities.

4. See Footnote 1 above regarding the materiality threshold.

This complexity and these changes have an impact, among other things, on the volume of contributions and the amounts involved, the various product components, the manner in which funds are attributed to employees (including due to discrepancies between the employer's reports, including through the employers' interface with the policy data), products and components and selected investment and insurance tracks, dates of payment appropriations, the identification of arrears in deposits and the handling of such cases, the employment, personal and underwriting status of customers, as well as operational considerations involving third parties outside the Group, which may affect customer rights. This complexity intensifies in view of the increasingly large number of parties operating with the Group's member companies in relation to the management and operation of the products, including, among other things, distributors, employers, customers and reinsurers, including in relation to the ongoing interface with them, and contradictory instructions that may be received from them or their representatives. The institutional entities that are members of the Group are engaged in a constant effort to study, identify and address issues that may arise due to the aforementioned complexities, both with regard to specific cases, and also in relation to customer and/or product types.

There is additional complexity regarding employer contributions that is related to the mechanism prescribed in the Wage Protection Law, 1958, according to which an amount owed by an employer to a provident fund, as this is defined in that law, in respect of the employee's rights or those of his replacement toward the provident fund, is deemed to have been paid on time unless the Regional Labor Court has determined that the delay in the collection of the debt was not the result of negligence on the part of the Fund, or occurred due to other justified circumstances, and subject to the right of indemnity available to the fund in relation to the employer, pursuant to the provisions of the law. Furthermore, pursuant to a circular relating to the manner of depositing payments into provident funds, the provident fund shall receive interest on arrears from an employer who has failed to transfer payments to the provident fund on time. There are various difficulties in the interpretation of the provisions of the Law and their implementation. The responsibility of the institutional entities in the Group for the collection of employers' debts to the said funds creates exposure in the event of defects occurring during the collection process.

Moreover, the institutional entities in the Group carry out a regular, routine process of data cleansing in the Long-Term Savings IT systems, in order to ensure that the record of the planholders' and policyholders' rights in the data systems is complete, accessible and retrievable, in view of the discrepancies that are discovered from time to time, including the issue of mechanization of the classification of the savings funds, pursuant to the various levels of the provisions of the regulation issued over the years, and which are in various stages of being addressed. The institutional entities in the Group are unable to estimate the scope, costs and the full ramifications of the aforementioned actions, or the scope of the future data cleansing discrepancies, which may also be the result of regulatory changes, as this is due, among other things, to the complexity of the products, the fact that they are long-term products, in view of the multiplicity of IT systems in this sphere and their limitations. The institutional entities in the Group update their insurance liabilities from time to time and as is required.

In this context, it should be noted that in December 2021, Clal Insurance received a letter outlining the implementation of regulatory restrictions regarding the collection of insurance coverage costs pursuant to the Income Tax Regulations (Rules for Approval and Management of Provident Funds), 1964, containing demands to refund amounts allegedly collected in breach of the restrictions set forth in the letter. The Company was engaged in discussions with the Authority regarding the implementation of the matters set forth in the letter. In November 2025, an additional letter was received from the Commissioner in this matter, reiterating the requirements to carry out the restitution as stated. At this stage there is no certainty regarding the full amount it may be required to refund due to the said letters - and it is unable to estimate the full implications arising from the requisite implementation of the directives.

There is also exposure, which at this stage can neither be evaluated nor quantified, to changes and to significant regulatory intervention in the various insurance and savings sectors, including, among other things, those which are intended for the direct or indirect reduction of insurance premiums and management fees, intervention in sales processes, involving the different use of diverse regulatory tools, which may have an impact on the contractual terms and conditions, the structure of the contractual engagement and the reciprocal relations among institutional entities, agents, employers and customers, in a manner that could influence the load and the operating expenses, profitability, retention of current products, including in relation to the specific sector business model and the existing product portfolio.

The Group is also exposed, in a manner that cannot be evaluated, to legal claims related to contract laws and the fulfillment of insurance liabilities as part of the insurance policy or implementation of the provident funds' bylaws, breach of fiduciary duty, conflicts of interest, professional negligence, and also including in respect of the manner of distribution and sale of the Group's products, via third parties, whose activities, either by action or omission, may be binding upon it.

2.2.3 **Additional exposures**

2.2.3.1 **Immaterial or yet unfiled claims**

The exposure to currently unfiled legal actions against the Group's member companies is brought to their attention in a number of ways. This is done, among other things, by inquiries made by customers, employees, suppliers, non-profit organizations or anybody acting on their behalf to various functions in the companies, and especially the compliance officer responsible for public inquiries in the Group's member companies, via customer complaints to the Public Inquiries Unit in the regulator's office, and via legal actions (that are not class actions) filed with the court and also via position papers of the Commissioner.

Note that insofar as this concerns a customer complaint to the regulator's Public Inquiries Unit, in addition to the risk that the customer chooses to assert their allegations in a class action lawsuit as well, Group companies are also exposed to the risk that the regulator resolves the complaint by issuing an industry-wide ruling, which could apply to a broad category of customers and/or by publishing a position statement (or a draft ruling or position). For further details regarding industry-wide rulings and position papers, see Section 2.2.3.2 below.

Moreover, pursuant to the regulatory directives applying to institutional entities, as part of a circular on the adjudication and settlement of claims and addressing public inquiries, in cases in which a public inquiry indicates a systemic, significant defect, which could well be repeated in an institutional entity's regular conduct, that institutional entity must act to identify similar cases in which a similar defect has occurred, and insofar as similar cases are identified - it must develop insights and rectify the defects within a reasonable period of time. This amendment may expand the Group's exposure to the industry-wide implications in respect of the said defects.

2.2.3.2 **Exposure of the Group companies due to regulatory directives, audits and position papers**

A. Furthermore and in general, in addition to the overall exposure to which the Group companies are exposed, in respect of future claims, as detailed in Note 9 (2.2.2) above, from time to time, including due to complaints of customers and suppliers, audits and requests for information, there is also exposure to warnings concerning the intention of a regulatory authority, to impose financial sanctions and/or directives on the supervised consolidated companies regarding amendment and/or refunding and/or taking of certain actions pertaining to past actions and/or change in behavior, among other things, with regard to a customer or a group of customers, and/or exposure in respect of industry-wide rulings, under which directives may be issued to pay out refunds to customers, or to provide other remedies in respect of the defects to which the warnings or rulings and/or position papers published by supervisory entities related, and whose status and degree of impact are not certain. The Group's member companies are also involved, from time to time, in hearing and/or discussion proceedings with supervisory authorities in relation to warnings and/or rulings, and enforcement powers are sometimes employed against them, including the imposition of financial sanctions.

The Group's member companies are examining the need to make provisions in the financial statements in respect of the aforesaid processes, based on the professional opinion of their legal counsel and/or are in the process of learning the ramifications of the said proceedings, as is deemed to be necessary and relevant.

B. Following are details regarding positions or draft positions of the Commissioner or theoretical rulings that either have or may have an impact on the Group:

Pursuant to the financial statements of Atudot, a Clal Insurance (50%) investee, during 2017 an audit of the pension fund was conducted on behalf of the Commissioner focusing on the subject of planholders' rights. The report addressed key issues of the pension fund's activity, including: the subject of groups, the fund's regulations, management fees and management expenses, data cleansing, actuarial reporting and withdrawal of money from the fund. The Company was informed that on August 21, 2022, Atudot received the final audit report, which included directives and recommendations for the Board of Directors on a number of topics, among others: to examine the issue of actuarial bubbles and their ramifications (including their purpose, how to handle them, greater congruence between the average duration of the assets and liabilities in each actuarial bubble, etc.; finding solutions to the problem of funding sources to manage the fund in the future given the fact that it is a closed fund; optimization of the method of payment to planholders, expansion of the data cleansing process, together with certain recommendations for amendments to the regulations and expanding the notes, etc. Furthermore, the Commissioner recommended considering the possibility of adopting the redemption values formula prescribed in the Income Tax Regulations, in order to encourage the fund's planholders to realize the funds as an annuity rather than a capital withdrawal. The Company was informed, that with regard to a significant part of the recommendations, and particularly on issues pertaining to the actuarial bubbles, adapting the average duration of assets to liabilities and the redemption formula - it was determined in the audit report that Atudot's Board of Directors must develop a position on these matters, and that the recommendation is not binding - specifically with respect to the manner of treating those issues; and also that as of the approval date of the financial statements, discussions were being held with the Authority in order to reach an agreed model on actuarial bubbles, while a concrete plan of action was devised to address other issues which is being implemented by the Fund. In view of the aforementioned, Atudot is unable to evaluate the full implications of the audit report on its financial statements.

2.3. Existing or concluded material lawsuits outside the ordinary course of business or exposure to claims

Further to Note 45, Section 2.1.3(5) to the Company's 2024 Financial Statements regarding a motion to certify a class action filed in May 2011 alleging the collection of sums of money known as the "policy factor" and/or "other management fees" in combined life insurance and savings policies (hereinafter - "**policy factor**") without any contractual basis under the terms of the policy and without the policyholders' consent - which was certified as a class action in November 2016 - and regarding the settlement agreement reached in the lawsuit and approved by the court in August 2024 –

In April 2025, the parties filed with the Court an update regarding implementation and operational issues pertaining to the implementation of the settlement agreement. In September 2025, the court ruled on the motion for clarifications filed by the parties with the court, regarding a notice of updating on applicative and operational issues relating to the implementation of the settlement agreement and a motion for clarification regarding the implementation, in which it was determined, among other things, that: Under the abovementioned ruling, it was determined as follows: (a) with regard to the amounts to be paid subsequent to the reduction date (as defined in the settlement agreement) the Plaintiffs and Attorney General's position was allowed, according to which a return should be added through the actual refund date; (b) with regard to additional coverages purchased under the policy - the Plaintiffs and Attorney General's position was allowed, according to which the policy factor will only be added to the basic policy and should not be added to riders. Furthermore, it was determined that no pure savings riders would be added. This decision of the court dated September 21, 2025 has netting effects with respect to the financial implications of implementing the settlement agreement (hereinafter - the "**First Decision regarding Implementation**").

In October 2025, the plaintiffs submitted a motion for instructions regarding the interpretation of the First Decision regarding Implementation; in November 2025, the defendants submitted their response to the motion for instructions, as well as a motion to extend the schedules for performance of the settlement agreement. In May 2026, a decision was handed down (hereinafter - "the **Additional Decision regarding Implementation**") with respect of the motion to set provisions, to the effect that the policy factor will be attributed to the savings in the policy, while taking into account pure savings riders. The Additional Decision regarding Implementation sets additional provisions regarding the schedules for the implementation of the settlement agreement and the manner of its implementation. The Company began implementing the settlement agreement in accordance with the court's decisions.

2.4 Hyp’s agreed ordinance with the Israel Competition Authority

Following a compliance proceeding initiated by the Israel Competition Authority in January 2024, in the matter of Hyp Payment Solutions Ltd, a sub-subsidiary of the Company (hereinafter - "**Hyp**"), involving a concern of a breach of the provisions of the Economic Competition Law, 1988 (hereinafter - the "**Economic Competition Law**"), the Israel Competition Authority and Hyp reached an agreement according to which Hyp will pay NIS 11 million to the State Treasury, as part of a consent decree, in accordance with Section 50B of the Economic Competition Law. Subject to the approval of the consensual decree by the Competition Court and the payment of the said amount, and bearing in mind that the breach has stopped, it is the position of the Competition Commissioner, that they shall not take no enforcement measures against Hyp or anyone acting on its behalf, in respect of the breach, which - according to the Competition Commissioner's position - was committed by Hyp; the alleged breach entails an alleged refusal by Hyp to provide payment gateway services under reasonable terms to the acquirers of new payment cards, thereby - at the very least - delaying their authentication or discriminating between them and the existing acquirers, during the period between October 1, 2022 and March 31, 2024. It is clarified that the consensual decree or Hyp's signing the decree does not constitute any admission or agreement on behalf of Hyp, or anyone acting on its behalf, that they breached the Economic Competition Law, the Commissioner’s decisions or any other law in any way. The consensual decree requires the approval of the Competition Court. In November 2025, the motion to certify the consensual decree was filed to the Competition Court, which - as of this time - is awaiting the court’s decision.

2.5 Summary of exposures to lawsuits against the Company and the consolidated companies, not including the Max Group Companies

2.5.1 Following are details of the overall amount of claims in both material and immaterial class actions which were certified to be filed as class actions, in pending class action certification motions and a derivative claim, as (nominally) stated by the plaintiffs in their claim as part of the pleadings filed against the Company and the consolidated companies, except companies of the Max Group. It is noted that in the State of Israel, filing class action lawsuits does not entail payment of a fee derived from the claimed amount; therefore the amounts of such claims may be significantly higher than the actual exposure for that exposure. In the majority of cases, the plaintiffs point out that the amount claimed by them is stated as an estimate alone, and the exact amount shall be decided upon as part of the legal proceeding. It is further noted that the aforementioned amount does not include claims for which the lead plaintiff did not state their amount (Section b(3) in the table below). Moreover, it is clarified that the claimed amount does not necessarily constitute quantification of the Company’s actual exposure amount, which may eventually transpire to be lower or higher,[5] as on numerous occasions the plaintiffs refrain from stating the precise claimed amount or state that the amount exceeds NIS 2.5 million for the claim to be heard under the jurisdiction of the District Court, and the exposure due to these claims could be substantially higher than noted, and that the claimed amount usually relates to the period preceding the date of filing suit and does not include the following period.

5. It should be noted further that the specified amounts do not include the amounts the plaintiffs claimed as the lead plaintiff’s reward and their counsel’s legal fees and they do not include an increase in the amounts of the lawsuit in respect of the period from the date it is brought, as applicable.

Type of claim	No. of claims	Claimed amount in NIS million
	(Unaudited)	
A. Claims certified as class actions[6]		
1. An amount relating to the Company has been specified	5	3,981
2. The claim was filed against several parties and no specific amount was attributed to the Company	1	48
3. No claimed amount was provided	2	-
B. Pending motions to certify claims as class actions		
1. An amount relating to the Company has been specified[7]	6	623
2. The claim was filed against several parties and no specific amount was attributed to the Company[8]	4	6,267
3. No claimed amount was provided / a potential range was detailed[9]	24	-

In addition to that specified in Note 9(1) and 9(2) above, the Company and/or the consolidated companies are parties to other legal proceedings, in addition to the lawsuits outside the ordinary course of business, that are considered immaterial and are not class actions or derivative actions, and that mainly include lawsuits brought by customers, former customers, and various third parties, outside of regular lawsuits to exercise rights under insurance contracts or provident fund bylaws, at a total alleged amount of approx. NIS 15 million as of June 30, 2026 (approx. NIS 13 million as of December 31, 2025). The causes of action within these proceedings are many and varied.

2.5.2 Regarding the Companies and the consolidated companies, except the Max Group Companies, in respect of the costs that may arise from the claims and exposures described in Note 9(1) and 9(2) above, provisions are made in the financial statements of the relevant consolidated companies, only if it is more likely than not - namely, with a probability exceeding 50% that a payment liability owing to past events may arise, and that it will be possible to quantify or estimate the liability amount within a reasonable range.

The amounts of the provisions made are based on assessment of the degree of risk in each of the claims, immediately prior to the date of publishing this report (apart from some of the claims which were filed during the last two quarters, and due to the preliminary state of their treatment it is not possible to estimate their chances of success). In relation to this matter, it should be noted that events occurring during the litigation process may require renewed assessment of this risk. Insofar as the Company has the right of indemnity from a third party, the Company acknowledges this right, if it is virtually certain that the indemnity will be obtained if the Company settles the obligation.

The assessments of the Company and of the consolidated companies regarding the assessed risk in the claims being conducted are based on the opinions of their legal counsel and/or on the estimates of the relevant companies, including pertaining to the settlement agreement amounts, which the Company's and consolidated companies' management expect to be paid by them, more likely than not.

It should be stressed that in the professional opinion of the attorneys in relation to the majority of motions to certify in which no provision was made, the attorneys' estimate relates to the chances of the class action certification motion being approved and does not relate to the odds of the claim itself, should it be certified as a class action. This is so, among other things, as the scope and content of the hearing on the claim itself, after it is certified as a class action, will be influenced by the court's ruling to certify the motion as a class action, which usually relates to both the causes of action that have been approved and those that have not; the reliefs that have been approved and those that have not; etc.

6. Including a lawsuit that had been certified as a class action and in which a judgment was rendered in favor of granting the lawsuit.
7. These lawsuits include a lawsuit in which the movants estimated the claimed damage against Clal Insurance due to the period from March 8, 2020, to April 30, 2020, at NIS 103 million, and noted that the damage will continue to accrue as long as the collection is not terminated.
8. Including a lawsuit in which Clal Insurance was sued for approx. NIS 1,413 million attributed to it and, in addition, NIS 1,550 million attributed jointly to the two companies.
9. Including lawsuits in which the plaintiff estimated the claimed amount at more than NIS 2.5 million - the threshold of the subject-matter jurisdiction of the District Court.

Many of the motions to certify lawsuits as class actions have been filed against the Group on various matters related to insurance contracts and the Group's ordinary course of business, for which the Group has allocated insurance reserves.

At this preliminary stage, it is impossible to assess the likelihood that the motions to certify class actions reported in Note 9(2.1.2) (27)-(30), (32) and (33) would be granted.

The provision in the financial statements with respect to the Company and the consolidated companies, excluding the Max Group Companies, as of June 30, 2026, for all the lawsuits and the exposures described in Sections 9(1) and 9(2) above, totals approx. NIS 653 million (approx. NIS 613 million as of December 31, 2025).

These amounts include provisions made in respect of past liabilities in accordance with the legal counsels' assessment, including all costs directly attributable to the insurance contracts.

3. Exposures against the Max Group companies

During the regular course of business, material legal claims were filed against Max,[10] whose filing as class actions has been certified; pending motions for certification of material claims as class actions; material and immaterial class actions which were concluded during the reporting period and until its signing and other material claims.

With respect to Max,[11] the disclosure format is in accordance with the Banking Supervision Department's instructions, such that material lawsuits are disclosed. Regarding the provisions in the financial statements, the lawsuits filed against Max are classified into three categories, as follows:[12]

- Probable risk – the probability that the risk will materialize exceeds 70%. Provisions are made in the financial statements for lawsuits in this risk category.
- Reasonably possible risk – the probability that the risk will materialize ranges from 20% to 70%. No provisions were made in the financial statements due to lawsuits in this risk category.
- Remote risk – the probability that the risk exposures will materialize is less than or equal to 20 percent. No provisions were made in the financial statements due to lawsuits in this risk category.

The financial statements include adequate provisions for lawsuits, in accordance with the management's assessment and based on assessments by Max's external legal counsels, in accordance with the above.

The total exposure, as assessed by Max based on the assigned external counsels' risk assessment, as detailed below, due to lawsuits filed against Max on various issues, each of which exceeds NIS 1 million, and whose possibility of materializing is not remote, is at an immaterial amount (hereinafter - the "**Exposure to Non-Remote Lawsuits**").

10. It is noted that, in general, in this note, a lawsuit against Max would be classified as material and described according to a qualitative or quantitative assessment carried out by Max. Regarding the quantitative assessment – a lawsuit shall be considered material insofar as the total actual exposure, net of tax and assuming the lawsuit is found to be justified and regardless of the lawsuit's chances or the propriety of the amount specified in it on their merits, may exceed 1% of Max's equity as of the reporting date, as detailed in the equity note in the Company's periodic report. Further to Section 10.3.6 of Chapter A of the Company's Annual Reports for 2025, regarding the guidelines and rules the Company has adopted for examining the nature of a specific event or matter for immediate reporting purposes under Regulation 36 of the Securities Regulations, and further to that stated in Note 9, Section 2, of the Company's financial statements, in connection with the description of contingent liabilities and lawsuits filed against the Company and its subsidiaries, and in light of the fact that the Company also fully consolidates Max's statements, which are prepared in accordance with the Banking Supervision Department's reporting directives – the Company wishes to clarify that the disclosure of lawsuits filed against Max in these statements does not necessarily indicate that the lawsuit is material for the purposes of the Company's immediate reports, as detailed above, and therefore, not all such lawsuits and/or development therein are disclosed in an immediate report.
11. With respect to CIMax Group Companies other than Max or companies under its control, the provisions of Section 2.4.2 above shall apply with respect to the above in connection with the policy on accounting provisions.
12. The risk assessments are based on the opinions of the legal advisors who handle the lawsuits and/or Max's estimate, including an estimate of the amounts of the expected settlement agreements, that Max's management anticipates will be concluded. In the first stages after the receipt of the claim, in a period of up to 4 quarters, it is not possible to assess the chances of the motions to certify the actions and therefore no provision is made for them.

It is further noted that in the State of Israel, filing a motion to certify a class action does not entail paying a fee that derives from the claimed amount, and therefore, the claimed amounts in non-remote lawsuits may greatly exceed the actual exposure. In the majority of cases, the plaintiffs point out that the amount claimed by them is stated as an estimate alone, and the exact amount shall be decided upon as part of the proceeding. Moreover, it is clarified that the amount claimed does not necessarily constitute quantification of the Company's actual exposure amount, as on numerous occasions the plaintiffs refrain from stating an exact claimed amount or state that the amount exceeds NIS 2.5 million for the claim to be heard under the jurisdiction of the District Court, and that the claimed amount usually relates to the period preceding the date of filing suit and does not include the following period nor does it relates to the exposure to legal expenses, legal fees and compensation for the plaintiff.

Following are details of material proceedings against Max as of the report publication date.

3.1. Pending motions to certify material claims as class actions against Max Group Companies[13]

1.	***Date and court***	5/2019 - District Court - Tel Aviv-Jaffa
	Defendants	Max
	Key claims and causes of action	The lawsuit concerns the allegation that Max is in breach of the provisions of its agreement with the plaintiff – a company that receives acquiring services from Max (or, alternatively, that Max is implementing its provisions unlawfully), as when a transaction is partially canceled, the acquirer fee refund for the relative share of the canceled transaction is lower than the transaction cancellation fee Max charge.
	Key remedies	To refund the cancellation fee the class members were charged in contrast with the provisions of the agreements and/or as a result of unlawful implementation thereof.
	Represented class	According to the Supreme Court's decision - all Max's customers who are merchants whose set of contracts with Max contains identical or similar clauses to those appearing in specific clauses of the acquiring agreement (as defined by the court) and in the cancellation fee rate chart, from whom Max charged a cancellation fee.
	Status / further details	In April 2022, the District Court rendered its judgment, in which the motion to certify was denied. In July 2022, the plaintiff appealed the judgment to the Supreme Court. In August 2023, the Supreme Court rendered a judgment in favor of granting the appeal, and certified the lawsuit as a class action. Therefore, the case was returned to the District Court of Tel Aviv to hear the class action lawsuit on its merits.
	Claimed amount	The plaintiff estimates the total claimed amount for all class members at approx. NIS 22 million as of the motion to certify stage.

13. Including such motions which were denied and the ruling to deny them was appealed.

2.	***Date and court***	7/2018 - District Court - Tel Aviv-Jaffa
	Defendants	Max and 2 additional companies
	Key claims and causes of action	The lawsuit concerns the allegation that the defendants enabled the activity of companies engaged in direct marketing of transactions to the elderly for many years, despite knowing that these companies were acting unlawfully and taking advantage of the elderly.
	Key remedies	To order the respondents to return all the funds from the elderly population's transactions with the direct marketing businesses (unless it is proven that the transactions were made lawfully), to return the fees they collected as a result of the transactions, to compensate the customers for the non-pecuniary damage they incurred, and to terminate the engagement with the relevant companies.
	Represented class	The respondents' elderly customers and/or their heirs, whom the direct marketing companies charged in respect of products and/or services and/or club memberships and/or delivery charges they had ordered from the marketing companies and/or due to any other charge that they have not duly authorized and/or without being given adequate consideration in the seven years prior to the motion to certify.
	Status / further details	In August 2022, the District Court rendered a judgment that denied the motion to certify. In November 2022, the plaintiffs filed an appeal against the ruling with the Supreme Court. In February 2026, the appeal was partially accepted, such that the cause of action concerning the duty of disclosure will be remanded to the District Court for adjudication on the merits. With respect to the cause of action concerning the violation of the provisions of the Payment Cards Law, it was decided to remand the hearing on the motion to certify to the District Court. In March 2026, the defendants filed a motion for a further hearing with the Supreme Court, which was rejected in July 2026. Therefore, the proceeding is expected to be heard before the District Court as a motion to certify. In May 2026, the movants filed an amended motion to certify, in accordance with the Supreme Court judgment.
	Claimed amount	The plaintiffs estimate the total claimed amount for all class members at NIS 900 million.

3.	***Date and court***	06/23 - District Court - Tel Aviv
	Defendants	Max and Max IT Credit (a wholly owned Max subsidiary)
	Key claims and causes of action	The motion to certify concerns the plaintiff's allegation that the defendants announce the end of the limited-time card fee exemption benefit only in the account statements, but not in a specific notice, which the plaintiff claims is contrary to the Banking Rules (Customer Service) (Full Disclosure and Delivery of Documents), 1992.
	Key remedies	To refund of the excessive card fee charged after the benefit expiration date without duly notifying of the benefit's expiration. In addition, mandatory injunctions ordering the defendants to change their conduct and give the customers prior notice of the benefit's expiration, as per the law.
	Represented class	The defendants' customers who were given a limited-time exemption from card fees benefit, and from whom the defendants started charging the card fees without notifying them in a specific notice and/or via text message (not within the monthly statements).
	Status / further details	In July 2026, a settlement agreement was approved, including compensation to the class members through payment to Max's active customers alongside a contribution to the Class Action Fund, as well as compensation and legal fees to the plaintiff's counsel.
	Claimed amount	According to the plaintiff, the amounts may sum up to tens of millions of shekels, and therefore it estimates the lawsuit amount, at this stage, at over NIS 3 million.

4.	***Date and court***	03/2024 - District Court - Tel Aviv
	Defendants	Max and 1 other
	Key claims and causes of action	The motion to certify involves the claim that Bank Leumi and Max raise the card fees for their customers without a proper update. It is argued that, according to the law, the defendants have the duty to notify of changes of this type, in an effective manner, in a separate and clear notice and/or in a prominent manner that will allow the notice regarding the increase in card fees (or collection of payments) to be distinguished from other current notices. All of the above is contrary to the duties of good faith and disclosure that apply to the defendants.
	Key remedies	Compensation and/or restitution of the difference between the price that the customers originally paid and the amount which was actually charged, without them being duly notified of the increase in card fees. And, in addition, a mandatory injunction instructing the defendants to actively inform their customers of any increase in the price of the service, as part of a separate and clear notice on the website, including in the application.
	Represented class	Any customer of the defendants, whose express consent was not given or who was not actively informed about the increase of the price of services involving the credit card prior to the increase in the price of the services, in the 7 years preceding the submission of the motion to certify and until the date of certification of the motion as a class action.
	Status / further details	In July 2026, a settlement agreement was approved, the key points of which are compensation by way of donations to combat soldiers, and payment of compensation and legal fees to the Plaintiff's counsel.
	Claimed amount	The plaintiff estimates the claim amount at over NIS 2.5 million.

5. Regarding a pending motion to certify a material claim as a class action lawsuit which was brought against the Company and against Max, see Note 9 Section (2.1.2.4) above.

3.2 Another material lawsuit outside the ordinary course of business brought against the Max Group Companies

In December 2016, Max received a VAT assessment for the billing periods from January 2012 to August 2016 (hereinafter - the "**Assessment**"), which mainly concerned charging Max the full VAT for fees Max received due to transactions between holders of Max-issued credit cards and overseas merchants abroad; the Assessment also concerns the denial of an inputs tax deduction for inputs attributable to its operations in Eilat, according to the VAT authorities. In March 2017, Max appealed the Assessment, and in March 2018, it received the VAT Directorate's decision (hereinafter - the "**Directorate**") to dismiss Max's claims raised in the appeal and the revised VAT assessment (hereinafter - the "**Revised Assessment**").

In January 2019, Max appealed the ruling on the objection before the Tel Aviv District Court, and the hearing on the appeal was consolidated with the hearing on appeals by other credit card companies, on similar issues (hereinafter - the "**Consolidated Appeal**"). In the Directorate's response in the Consolidated Appeal, the Directorate held that it intends to reduce the relative portion attributed to Max's operations in Eilat from the Assessment charge, without this having any future ramifications.

In September 2021, Max received a VAT assessment for the billing periods from September 2016 to June 2020 (hereinafter - the "**Second Assessment**"). The Second Assessment addresses charging VAT for the fees whose taxability is discussed in the Consolidated Appeal, as well as additional fees. In January 2022, Max filed an objection to the Second Assessment.

In January 2023, the Directorate issued a ruling in which it rejected Max's objection to the Second Assessment. In June 2023, the Directorate withdrew the charge due to Max's activity in Eilat, and therefore, this charge under the Assessment was canceled. In July 2023, an arrangement was approved, according to which the court's determinations in the consolidated appeal will also apply to the appeal regarding the second assessment.

On August 6, 2025, a judgment was rendered, under which the District Court granted parts of the consolidated appeal and dismissed other parts thereof; the judgment stipulates that the VAT Directorate would issue amended assessments. The main points in the judgment, which concern Max, are as follows: With regard to the underlying transactions carried out with merchants located overseas - whether they are card-present transactions (transactions in which the card holder is physically present at the merchant's premises) or card-not-present transactions (transactions in which the card holder is not physically present at the merchant's premises) in certain industries, the interchange fee component should be charged zero-rate-VAT, whereas in the case of all other card-not-present transactions with overseas merchants, the interchange fee component will be charged full-rate-VAT. It was further stipulated that this arrangement will also apply to the foreign currency fee component. Max is still studying the effects of the judgment and will consider its steps accordingly. In June 2026, Max, along with the other credit card companies, appealed the judgment to the Supreme Court. The appeal mainly focuses on the findings of the judgment regarding the full VAT liability for fees paid in connection with cross-border transactions, mainly the interchange fee and the foreign currency fees. Meanwhile, an appeal was filed against the judgment by the Directorate, which mainly focuses on foreign currency fees.

Concurrently, in July 2026, Max filed an announcement on its behalf regarding the continuation of the Second Assessment procedure and a motion to file an amended appeal in respect thereof.

In September 2025, Max received a VAT assessment for the billing period from July 2020 to March 2025 (hereinafter - the "**Third Assessment**"), which focused on issues related to the consolidated appeal. In January 2026, Max filed an objection to the Third Assessment.

Max revised the provisions for this matter from time to time.

Furthermore, Max believes that the effects of the judgment on its future earnings are immaterial. However, Max's assessment in this matter constitutes forward-looking information as defined in the Securities Law, 1968, based on Max's non-final interim assessments, at this stage, while still learning in depth the application requirements of the complex judgment and its implications. Furthermore, in view of the pending appeal proceedings as described above, Max is unable to assess the full ramifications of the outcome of these proceedings for Max, including the periods following the judgment. Accordingly, the actual effects may differ from Max's estimates.

In this context, it is noted that under the agreement for the acquisition of CIMax Holdings Ltd., which holds Max's entire share capital, it was stipulated that WP XII Financial Investment B.V. and other parties, which were the sellers under the Acquisition Agreement, will indemnify the Company by up to NIS 30 million in respect of the VAT assessment proceeding, all in accordance with the conditions and qualifications set out in the Acquisition Agreement. Clal is working to exercise the abovementioned indemnity.

Accordingly, the overall effect in respect of the VAT assessment proceeding on the Company's business results is expected to be net of the indemnity amount to be received.

NOTE 10 - CREDIT RISK, RECEIVABLES FOR CREDIT CARD TRANSACTIONS AND CREDIT LOSS PROVISION

A. Credit and receivables for credit card transactions

In NIS million	As of June 30, 2026	As of June 30, 2025	As of December 31, 2025
	Unaudited		Audited
Credit risk without bank guarantees:			
Private individuals: (1)			
Of which: Receivables for credit card transactions (2)	**4,536**	3,400	3,999
Of which: Credit cards (2)(3)	**12,715**	11,160	12,069
Private individuals - total	**17,251**	14,561	16,068
Commercial:			
Of which: Receivables for credit card transactions (2)	**372**	319	356
Of which: Credit cards (2)(3)	**1,248**	1,114	1,193
Commercial - total	**1,620**	1,433	1,549
Total credit risk without bank guarantees	**18,871**	15,994	17,617
Other accounts receivable:			
Credit card companies and global organizations	**393**	361	391
Revenues receivable	**60**	65	64
Other	**236**	215	239
Total receivables for credit card transactions	**19,560**	16,634	18,311
Credit loss provision	**(351)**	(360)	(348)
Total receivables for credit card transactions	**19,209**	16,274	17,963
Receivables for credit cards guaranteed by banks	**1,267**	1,047	1,289
Receivables for credit card transactions, net	**20,476**	17,321	19,252

(1) Private individuals, as defined in the Reporting to the Public Directives - Report of the Board of Directors and Management, regarding Total Credit Risk by Market Sector on a Consolidated Basis.

(2) Receivables for credit cards - without a charge for interest, including balances for orderly transactions, transactions in payments at the expense of the merchant, and other transactions. The balance does not include debts from non-bank payment cards issued by Max, which were sold to several banks under transactions constituting a full and complete sale.
Credit - with interest, including credit transactions, revolving credit card transactions, direct credit, credit for non-card holders, and other transactions.

(3) Including vehicle-secure credit totaling NIS 5,151 million (December 31, 2025 - NIS 4,535 million, June 30, 2025 - NIS 3,956 million).

B. Debts* and off-balance-sheet credit instruments

1. Change in outstanding credit loss provision

In NIS million	Private individuals – Receivables for credit cards	Private individuals – Credit (1)	Commercial – Receivables for credit cards	Commercial – Credit (1)	Others (2)	Total
	For the six-month period ended June 30, 2026					
	Credit loss provision					
	Unaudited					
Balance of credit loss provision as of December 31, 2025 (audited)	**21**	**283**	**4**	**50**	**6**	**364**
Credit loss revenues (expenses)	**5**	**80**	**2**	**8**	**-**	**95**
Charge-offs	**(10)**	**(104)**	**(1)**	**(10)**	**-**	**(125)**
Collection of debts written off in previous years	**2**	**28**	**-**	**2**	**-**	**32**
Charge-offs, net	**(8)**	**(76)**	**(1)**	**(8)**	**-**	**(93)**
Balance of credit loss provision as of June 30, 2026(3)	**18**	**287**	**5**	**50**	**6**	**366**
Of which: (3)						
For off-balance sheet credit instruments	**9**	**-**	**4**	**-**	**2**	**15**
For deposits with banks and amounts receivable from banks	**-**	**-**	**-**	**-**	**2**	**2**

In NIS million	Private individuals – Receivables for credit cards	Private individuals – Credit (1)	Commercial – Receivables for credit cards	Commercial – Credit (1)	Others (2)	Total
	For the six-month period ended June 30, 2025					
	Credit loss provision					
	Unaudited					
Balance of credit loss provision as of December 31, 2024 (audited)	22	296	4	60	6	388
Credit loss expenses	7	77	-	5	-	89
Charge-offs	(10)	(104)	(1)	(10)	-	(125)
Collection of debts written off in previous years	1	20	-	2	-	23
Charge-offs, net	(9)	(84)	(1)	(8)	-	(102)
Balance of credit loss provision as of June 30, 2025(3)	20	289	3	57	6	375
Of which: (3)						
For off-balance sheet credit instruments	11	-	2	-	2	15
For deposits with banks and amounts receivable from banks	-	-	-	-	2	2

*) Receivables for credit card transactions, deposits with banks, and other debts.

(1) Interest-bearing credit. This credit includes credit transactions, revolving credit card transactions, credit for card holders, credit non-card holders and other transactions.

(2) Amounts receivable from banks, deposits with banks, global credit card companies and organizations, revenues receivable, and other accounts receivables.

In NIS million	For the three-month period ended June 30, 2026					
	Credit loss provision					
	Private individuals		Commercial			
	Receivables for credit cards	Credit (1)	Receivables for credit cards	Credit (1)	Others (2)	Total
	Unaudited					
Balance of credit loss provision as of March 31, 2026	**19**	**296**	**4**	**51**	**6**	**376**
Credit loss expenses	**2**	**34**	**2**	**2**	**-**	**40**
Charge-offs	**(4)**	**(55)**	**(1)**	**(4)**	**-**	**(64)**
Collection of debts written off in previous years	**1**	**12**	**-**	**1**	**-**	**14**
Charge-offs, net	**(3)**	**(43)**	**(1)**	**(3)**	**-**	**(50)**
Balance of credit loss provision as of June 30, 2026(3)	**18**	**287**	**5**	**50**	**6**	**366**
Of which: (3)						
For off-balance sheet credit instruments	**9**	**-**	**4**	**-**	**2**	**15**
For deposits with banks and amounts receivable from banks	**-**	**-**	**-**	**-**	**2**	**2**

In NIS million	For the three-month period ended June 30, 2025					
	Credit loss provision					
	Private individuals		Commercial			
	Receivables for credit cards	Credit (1)	Receivables for credit cards	Credit (1)	Others (2)	Total
	Unaudited					
Balance of credit loss provision as of March 31, 2025	19	295	3	57	6	380
Credit loss expenses	5	33	-	5	-	43
Charge-offs	(5)	(49)	-	(6)	-	(60)
Collection of debts written off in previous years	1	10	-	1	-	12
Charge-offs, net	(4)	(39)	-	(5)	-	(48)
Balance of credit loss provision as of June 30, 2025(3)	20	289	3	57	6	375
Of which: (3)						
For off-balance sheet credit instruments	11	-	2	-	2	15
For deposits with banks and amounts receivable from banks	-	-	-	-	2	2

* Receivables for credit card transactions, deposits with banks, and other debts.

(1) Interest-bearing credit. This credit includes credit transactions, revolving credit card transactions, credit for card holders, credit non-card holders and other transactions.

(2) Amounts receivable from banks, deposits with banks, global credit card companies and organizations, revenues receivable, and other accounts receivables.

2. Additional information on calculating the credit loss provision for debts and for the debts for which it was calculated

In NIS million	As of June 30, 2026					
	Private individuals		Commercial			
	Receivables for credit cards	Credit (1)	Receivables for credit cards	Credit (1)	Others (2)	Total
	Unaudited					
Recorded outstanding debt:						
Examined on a specific basis	1	96	71	745	-	913
Examined on a collective basis	4,535	12,619	301	503	2,938	20,896
Total debts	4,536	12,715	372	1,248	2,938	21,809
Of which:						
Non-accruing debts	16	148	3	23	-	190
Other troubled debts	7	351	1	18	-	377
Total troubled debts	23	499	4	41	-	567
Credit loss provision in respect of debts:						
Examined on a specific basis	-	1	-	26	-	27
Examined on a collective basis	9	286	1	24	4	324
Total credit loss provision	9	287	1	50	4	351
Of which: For non-accruing debts	4	54	1	14	-	73
Of which: For other troubled debts	-	23	-	4	-	27

In NIS million	As of June 30, 2025					
	Private individuals		Commercial			
	Receivables for credit cards	Credit (1)	Receivables for credit cards	Credit (1)	Others (2)	Total
	Unaudited					
Recorded outstanding debt:						
Examined on a specific basis	3	41	65	629	-	738
Examined on a collective basis	3,397	11,119	254	485	2,340	17,596
Total debts	3,400	11,160	319	1,114	2,340	18,334
Of which:						
Non-accruing debts	14	147	3	26	-	190
Other troubled debts	6	375	1	35	-	417
Total troubled debts	20	522	4	61	-	607
Credit loss provision in respect of debts:						
Examined on a specific basis	-	1	-	20	-	21
Examined on a collective basis	9	288	1	37	4	339
Total credit loss provision	9	289	1	57	4	360
Of which: For non-accruing debts	3	58	1	15	-	77
Of which: For other troubled debts	-	35	-	5	-	40

(1) Interest-bearing credit. This credit includes credit transactions, revolving credit card transactions, credit for card holders, credit non-card holders and other transactions.

(2) Amounts receivable from banks, deposits with banks, global credit card companies and organizations, revenues receivable, and other accounts receivables.

	As of December 31, 2025					
	Private individuals		Commercial			
	Receivables for credit cards	Credit (1)	Receivables for credit cards	Credit (1)	Others (2)	Total
In NIS million	Audited					
Recorded outstanding debt:						
Examined on a specific basis	1	66	67	699	-	833
Examined on a collective basis	3,998	12,003	289	494	2,753	19,537
Total debts	3,999	12,069	356	1,193	2,753	20,370
Of which:						
Non-accruing debts	17	142	3	25	-	187
Other troubled debts	8	433	1	26	-	468
Total troubled debts	25	575	4	51	-	655
Credit loss provision in respect of debts:						
Examined on a specific basis	-	1	-	24	-	25
Examined on a collective basis	10	282	1	26	4	323
Total credit loss provision	10	283	1	50	4	348
Of which: For non-accruing debts	3	56	1	16	-	76
Of which: For other troubled debts	-	39	-	5	-	44

(1) Interest-bearing credit. This credit includes credit transactions, revolving credit card transactions, credit for card holders, credit non-card holders and other transactions.

(2) Amounts receivable from banks, deposits with banks, global credit card companies and organizations, revenues receivable, and other accounts receivables.

3. **Credit quality by credit granting year**

	As of June 30, 2026							
	Recorded debt balance of fixed term credit						Recorded outstanding debt of renewed loans	Total
	2026	2025	2024	2023	2022	Previous		
In NIS million	Unaudited							
Private individuals								
Receivables for credit cards:								
Non-troubled credit	4,163	301	42	6	1	-	-	4,513
Troubled accruing credit	4	3	-	-	-	-	-	7
Non-accruing credit	12	3	1	-	-	-	-	16
Total receivables for credit cards	4,179	307	43	6	1	-	-	4,536
Charge-offs during the reporting period	(4)	(6)	-	-	-	-	-	(10)
Credit:								
Non-troubled credit	3,208	3,642	2,027	774	479	143	1,943	12,216
Troubled accruing credit	17	74	77	54	34	9	86	351
Non-accruing credit	52	27	15	7	4	2	41	148
Total credit	3,277	3,743	2,119	835	517	154	2,070	12,715
Charge-offs during the reporting period	-	(20)	(26)	(17)	(11)	(4)	(26)	(104)
Total private individuals	7,456	4,050	2,162	841	518	154	2,070	17,251
Commercial								
Receivables for credit cards:								
Non-troubled credit	353	12	2	1	-	-	-	368
Troubled accruing credit	1	-	-	-	-	-	-	1
Non-accruing credit	3	-	-	-	-	-	-	3
Total receivables for credit cards	357	12	2	1	-	-	-	372
Charge-offs during the reporting period	(1)	-	-	-	-	-	-	(1)
Credit:								
Non-troubled credit	587	281	133	98	20	2	86	1,207
Troubled accruing credit	3	4	3	3	1	-	4	18
Non-accruing credit	2	6	8	5	-	-	2	23
Total credit	592	291	144	106	21	2	92	1,248
Charge-offs during the reporting period	-	(2)	(2)	(2)	-	-	(2)	(8)
Commercial - total	949	303	146	107	21	2	92	1,620
Total debts	8,405	4,353	2,308	948	539	156	2,162	18,871

As of June 30, 2026, there is no outstanding debt for renewed loans converted to fixed-term loans.

In NIS million	As of June 30, 2025							
	Recorded debt balance of fixed term credit						Recorded outstanding debt of renewed loans	Total
	2025	2024	2023	2022	2021	Previous		
	Unaudited							
Private individuals								
Receivables for credit cards:								
Non-troubled credit	3,091	248	34	8	-	-	-	3,380
Troubled accruing credit	3	2	1	-	-	-	-	6
Non-accruing credit	10	3	1	-	-	-	-	14
Total receivables for credit cards	3,104	253	36	8	-	-	-	3,400
Charge-offs during the reporting period	(11)	(6)	(1)	-	-	-	-	(18)
Credit:								
Non-troubled credit	2,863	3,211	1,353	874	336	59	1,943	10,638
Troubled accruing credit	14	59	79	80	32	6	105	375
Non-accruing credit	40	33	20	10	3	1	40	147
Total credit	2,917	3,303	1,452	964	371	66	2,088	11,160
Charge-offs during the reporting period	-	(20)	(27)	(18)	(6)	(2)	(31)	(104)
Total private individuals	6,021	3,556	1,488	972	371	66	2,088	14,561
Commercial								
Receivables for credit cards:								
Non-troubled credit	298	11	4	-	-	-	-	313
Troubled accruing credit	1	-	-	-	-	-	-	1
Non-accruing credit	3	-	-	-	-	-	-	3
Total receivables for credit cards	302	11	4	-	-	-	-	317
Charge-offs during the reporting period	-	(1)	-	-	-	-	-	(1)
Credit:								
Non-troubled credit	474	259	170	52	16	3	81	1,055
Troubled accruing credit	14	5	8	3	1	-	4	35
Non-accruing credit	4	9	11	-	-	-	2	26
Total credit	492	273	189	55	17	3	87	1,116
Charge-offs during the reporting period	-	(2)	(3)	(1)	-	-	(3)	(10)
Commercial - total	794	284	193	55	17	3	87	1,433
Total debts	6,815	3,840	1,680	1,026	388	69	2,175	15,994

As of June 30, 2025, there is no outstanding debt for renewed loans converted to fixed-term loans.

In NIS million	As of December 31, 2025							
	Recorded debt balance of fixed term credit						Recorded outstanding debt of renewed loans	Total
	2025	2024	2023	2022	2021	Previous		
	Audited							
Private individuals								
Receivables for credit cards:								
Non-troubled credit	3,867	86	18	3	-	-	-	3,974
Troubled accruing credit	7	1	-	-	-	-	-	8
Non-accruing credit	15	2	-	-	-	-	-	17
Total receivables for credit cards	3,889	89	18	3	-	-	-	3,999
Charge-offs during the reporting period	(11)	(7)	-	-	-	-	-	(18)
Credit:								
Non-troubled credit	4,803	2,702	1,093	681	240	23	1,952	11,494
Troubled accruing credit	53	83	82	71	25	3	116	433
Non-accruing credit	61	22	12	5	1	1	40	142
Total credit	4,917	2,807	1,187	757	266	27	2,108	12,069
Charge-offs during the reporting period	(6)	(46)	(47)	(31)	(11)	(2)	(56)	(199)
Total private individuals	8,806	2,896	1,205	760	266	27	2,108	16,068
Commercial								
Receivables for credit cards:								
Non-troubled credit	346	4	2	-	-	-	-	352
Troubled accruing credit	1	-	-	-	-	-	-	1
Non-accruing credit	3	-	-	-	-	-	-	3
Total receivables for credit cards	350	4	2	-	-	-	-	356
Charge-offs during the reporting period	(1)	(1)	-	-	-	-	-	(2)
Credit:								
Non-troubled credit	677	204	132	34	9	-	87	1,143
Troubled accruing credit	8	5	6	2	-	-	5	26
Non-accruing credit	7	8	7	-	-	-	2	24
Total credit	692	217	145	36	9	-	94	1,193
Charge-offs during the reporting period	(2)	(4)	(7)	(2)	-	-	(3)	(18)
Commercial - total	1,042	221	147	36	9	-	94	1,549
Total debts	9,848	3,117	1,352	796	275	27	2,202	17,617

As of December 31, 2025, there is no outstanding debt for renewed loans converted to fixed-term loans.

C. Debts [(1)]

1. Credit quality and delinquency

In NIS million	As of June 30, 2026			
		Troubled [(2)]		
	Performing*	Accruing	Non-accruing	Total
	Unaudited			
Private individuals				
Receivables for credit cards [(3)]	**4,513**	**7**	**16**	**4,536**
Credit	**12,216**	**351**	**148**	**12,715**
Commercial				
Receivables for credit cards	**368**	**1**	**3**	**372**
Credit [(3)]	**1,207**	**18**	**23**	**1,248**
Other accounts receivables [(4)]	**2,938**	**-**	**-**	**2,938**
Total debts	**21,242**	**377**	**190**	**21,809**

In NIS million	As of June 30, 2025			
		Troubled [(2)]		
	Performing*	Accruing	Non-accruing	Total
	Unaudited			
Private individuals				
Receivables for credit cards [(3)]	3,380	6	14	3,400
Credit	10,638	375	147	11,160
Commercial				
Receivables for credit cards	315	1	3	319
Credit [(3)]	1,053	35	26	1,114
Other accounts receivables [(4)]	2,340	-	-	2,340
Total debts	17,727	417	190	18,334

	As of December 31, 2025			
		Troubled [(2)]		
	Performing*	Accruing	Non-accruing	Total
In NIS million	Audited			
Private individuals				
Receivables for credit cards (3)	3,974	8	17	3,999
Credit	11,494	433	142	12,069
Commercial				
Receivables for credit cards	352	1	3	356
Credit (3)	1,142	26	25	1,193
Other accounts receivables (4)	2,753	-	-	2,753
Total debts	19,715	468	187	20,370

* Of which: debts with a credit rating as of the report date corresponding with the credit rating for new credit in accordance with Max's policy in the amount of NIS 20,661 million (June 30, 2025 - NIS 17,232 million, December 31, 2025 - NIS 19,149 million).

(1) Receivables for credit card transactions, deposits with banks, and other debts.

(2) Accruing and non-accruing debts.

(3) Including vehicle-secure credit totaling NIS 5,151 million (June 30, 2025 - NIS 3,956 million, December 31, 2025 - NIS 4,535 million).

(4) Amounts receivable from banks, deposits with banks, global credit card companies and organizations, revenues receivable, and other accounts receivables.

2. Additional information on non-accruing debts

(a) Non-accruing debts and provision

In NIS million	As of June 30, 2026			
	Outstanding debts			
	Outstanding non-accruing debts for which there is a provision (1)	Outstanding provision	Total outstanding non-accruing debts(1)	Outstanding contractual principal for non-accruing debts
	Unaudited			
Private individuals				
Receivables for credit cards	**16**	**4**	**16**	**16**
Credit	**148**	**54**	**148**	**148**
Commercial				
Receivables for credit cards	**3**	**1**	**3**	**3**
Credit	**23**	**14**	**23**	**23**
Total debts	**190**	**73**	**190**	**190**

In NIS million	As of June 30, 2025			
	Outstanding debts			
	Outstanding non-accruing debts for which there is a provision (1)	Outstanding provision	Total outstanding non-accruing debts(1)	Outstanding contractual principal for non-accruing debts
	Unaudited			
Private individuals				
Receivables for credit cards	14	3	14	14
Credit	147	58	147	147
Commercial				
Receivables for credit cards	3	1	3	3
Credit	26	15	26	26
Total debts	190	77	190	190

In NIS million	As of December 31, 2025			
	Outstanding debts			
	Outstanding non-accruing debts for which there is a provision (1)	Outstanding provision	Total outstanding non-accruing debts(1)	Outstanding contractual principal for non-accruing debts
	Audited			
Private individuals				
Receivables for credit cards	17	3	17	17
Credit	142	56	142	142
Commercial				
Receivables for credit cards	3	1	3	3
Credit	25	16	25	25
Total debts	187	76	187	187

(1) Recorded outstanding debt.

3. Information regarding debts of financially distressed borrowers who underwent a change in terms and conditions

A. The credit quality and extent of arrears of debts of borrowers with financial difficulties who underwent modification of terms

	As of June 30, 2026	
	Recorded outstanding debt	
	Non-accruing interest revenues	Total
In NIS million	Unaudited	
Private individuals		
Receivables for credit cards	**8**	**8**
Credit	**59**	**59**
Commercial		
Credit	**8**	**8**
Total debts	**75**	**75**

	As of June 30, 2025	
	Recorded outstanding debt	
	Non-accruing interest revenues	Total
In NIS million	Unaudited	
Private individuals		
Receivables for credit cards	6	6
Credit	57	57
Commercial		
Credit	9	9
Total debts	72	72

	As of December 31, 2025	
	Recorded outstanding debt	
	Non-accruing interest revenues	Total
In NIS million	Audited	
Private individuals		
Receivables for credit cards	7	7
Credit	58	58
Commercial		
Credit	10	10
Total debts	75	75

B. The credit quality and extent of arrears of debts of borrowers with financial difficulties who underwent modification of terms during the reporting period

In NIS million	For the six-month period ended June 30, 2026		
	Recorded outstanding debt		
	Troubled		
	Non-accruing interest revenues	Total	Charge-off
	Unaudited		
Private individuals			
Receivables for credit cards	**2**	**-**	**-**
Credit	**26**	**2**	**2**
Commercial			
Credit	**2**	**-**	**-**
Total debts	**30**	**2**	**2**

In NIS million	For the six-month period ended June 30, 2025		
	Recorded outstanding debt		
	Troubled		
	Non-accruing interest revenues	Total	Charge-off
	Unaudited		
Private individuals			
Receivables for credit cards	2	2	-
Credit	27	27	5
Commercial			-
Credit	2	2	
Total debts	31	31	5

In NIS million	For the three-month period ended June 30, 2026		
	Recorded outstanding debt		
	Troubled		
	Non-accruing interest revenues	Total	Charge-off
	Unaudited		
Private individuals			
Receivables for credit cards	**1**	**1**	-
Credit	**14**	**14**	-
Commercial			
Credit	**1**	**1**	-
Total debts	**16**	**16**	**-**

	For the three-month period ended June 30, 2025		
	Recorded outstanding debt		
	Troubled		
	Non-accruing interest revenues	Total	Charge-off
In NIS million	Unaudited		
Private individuals			
Receivables for credit cards	1	1	-
Credit	15	15	-
Commercial			
Credit	1	1	-
Total debts	17	17	-

	Debts of distressed borrowers who underwent change of terms during the six-month period ended June 30, 2026				
	Total		Type of change		
	Recorded outstanding debt	% of total	Waiver of interest	Extension of period	Extension of period and waiver of interest
	Unaudited				
	NIS million	%	NIS million		
Private individuals					
Receivables for credit cards	2	-	-	2	-
Credit	26	0.2	2	17	7
Commercial					
Credit	2	0.2	-	1	1
Total debts	30	0.2	2	20	8

	Financial effects of the change in terms and conditions during the six-month period ended June 30, 2026		Debts of distressed borrowers who defaulted after the debts underwent changes of terms and conditions during the six-month period ended June 30, 2026		
	Type of change		Total	Type of change	
	Average waiver of interest	Average extension of period	Recorded outstanding debt	Extension of period	Extension of period and waiver of interest
	Unaudited				
	%	Months	NIS million		
Private individuals					
Receivables for credit cards	-	30	-	-	-
Credit	2.6	25	3	2	1
Commercial					
Credit	3.0	21	-	-	-
Total debts	2.4	26	3	2	1

	Debts of distressed borrowers who underwent change of terms during the six-month period ended June 30, 2025				
	Total		Type of change		
	Recorded outstanding debt	% of total	Waiver of interest	Extension of period	Extension of period and waiver of interest
	Unaudited				
	NIS million	%	NIS million		
Private individuals					
Receivables for credit cards	2	0.1	-	2	-
Credit	27	0.2	2	17	8
Commercial					
Credit	2	0.2	-	2	-
Total debts	31	0.2	2	21	8

	Financial effects of the change in terms and conditions during the six-month period ended June 30, 2025		Debts of distressed borrowers who defaulted after the debts underwent changes of terms and conditions during the six-month period ended June 30, 2025		
	Type of change		Total	Type of change	
	Average waiver of interest	Average extension of period	Recorded outstanding debt	Extension of period	Extension of period and waiver of interest
	Unaudited				
	%	Months	NIS million		
Private individuals					
Receivables for credit cards	-	31	-	-	-
Credit	2.4	31	4	3	1
Commercial					
Credit	1.4	25	5	5	-
Total debts	2.2	31	9	8	1

	Debts of distressed borrowers who underwent change of terms during the three-month period ended June 30, 2026				
	Total		Type of change		
	Recorded outstanding debt	% of total	Waiver of interest	Extension of period	Extension of period and waiver of interest
	(Unaudited)				
	NIS million	%	NIS million		
Private individuals					
Receivables for credit cards	**1**	**-**	**-**	**1**	**-**
Credit	**14**	**0.1**	**1**	**9**	**4**
Commercial					
Credit	**1**	**0.1**	**-**	**1**	**-**
Total debts	**16**	**0.1**	**1**	**11**	**4**

	Financial effects of the change in terms and conditions during the three-month period ended June 30, 2026		Debts of distressed borrowers who defaulted following changes of terms during the three-month period ended June 30, 2026		
	Type of change		Total	Type of change	
	Average waiver of interest	Average extension of period	Recorded outstanding debt	Extension of period	Extension of period and waiver of interest
	Unaudited				
	%	Months	NIS million		
Private individuals					
Receivables for credit cards	**-**	**26**	**-**	**-**	**-**
Credit	**2.5**	**24**	**3**	**2**	**1**
Commercial					
Credit	**3.0**	**23**	**-**	**-**	**-**
Total debts	**2.3**	**24**	**3**	**2**	**1**

	Debts of distressed borrowers who underwent change of terms during the three-month period ended June 30, 2025				
	Total		Type of change		
	Recorded outstanding debt	% of total	Waiver of interest	Extension of period	Extension of period and waiver of interest
	Unaudited				
	NIS million	%	NIS million		
Private individuals					
Receivables for credit cards	1	-	-	1	-
Credit	15	0.1	2	9	4
Commercial					
Credit	1	0.1	-	1	-
Total debts	17	0.1	2	11	4

	Financial effects of the change in terms and conditions during the three-month period ended June 30, 2025		Debts of distressed borrowers who defaulted following changes of terms during the three-month period ended June 30, 2025		
	Type of change		Total	Type of change	
	Average waiver of interest	Average extension of period	Recorded outstanding debt	Extension of period	Extension of period and waiver of interest
	Unaudited				
	%	Months	NIS million		
Private individuals					
Receivables for credit cards	-	29	-	-	-
Credit	2.6	26	4	3	1
Commercial					
Credit	1.4	25	5	5	-
Total debts	2.3	26	9	8	1

NOTE 11 - PAYABLES FOR CREDIT CARD TRANSACTIONS

In NIS million	As of June 30, 2026	As of June 30, 2025	As of December 31, 2025
	Unaudited		Audited
Merchants (1)	8,596	7,417	8,357
Liabilities for deposits (2)	426	236	268
Credit card companies	1,001	859	1,113
Prepaid revenues	47	31	36
Benefit plan for card holders (3)	94	99	88
Other (4)	78	72	85
Total payables for credit card transactions	10,242	8,714	9,947

(1) Net of balances for factoring credit card vouchers for merchants in the amount of NIS 1,687 million (December 31, 2025 - NIS 1,781 million, June 30, 2025 - NIS 1,500 million) and for early payments to merchants in the amount of NIS 312 million (December 31, 2025 - NIS 280 million, June 30, 2025 - NIS 239 million). These balances do not constitute a credit transaction but rather a settlement of a liability.

(2) Max's liabilities for deposits include liabilities for interest-bearing balances and non-interest bearing balances. The balances are mostly held for private individuals and do not exceed NIS 1 million.

(3) As part of the operation of Max's customer loyalty programs, there is a liability towards card holders for their right to benefits according to the terms and conditions of the plans. The balance of the liability includes a provision based on the calculation of the expected future utilization rate of the benefits by the card holders.

(4) Mainly accrued expenses in respect of banks and loyalty programs.

NOTE 12 - REVENUES FROM CREDIT CARD TRANSACTIONS

In NIS million	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
Revenues from merchants					
Merchants fees and commissions	**433**	421	**221**	211	871
Other revenues	**104**	96	**52**	47	201
Total revenues from merchants - gross	**537**	517	**273**	258	1,072
Net of fees and commissions to other issuers	**(209)**	(199)	**(107)**	(101)	(414)
Total revenues from merchants - net	**328**	318	**166**	157	658
Revenues from credit card holders					
Issuer fees and commissions (1)	**310**	302	**161**	153	634
Service fees and commissions (2)	**124**	113	**62**	59	237
Fees and commissions from cross-border transactions (3)	**89**	99	**48**	54	211
Total revenues for credit card holders	**523**	514	**271**	266	1,082
Total revenues from credit card transactions	**851**	832	**437**	423	1,740

(1) Revenues from issuer fees include an interchange fee in respect of transactions involving Israeli merchants and transactions involving overseas merchants.

(2) Service fees include fees collected from Max's card holders in accordance with the fees and commissions price list, and processing fees collected from the banks with which the Company has processing agreements.

(3) Revenues from cross-border transaction fees include foreign exchange fee in respect of transactions involving overseas merchants (with card present and card not present).

NOTE 13 - ADDITIONAL EVENTS DURING AND SUBSEQUENT TO THE REPORTING PERIOD

A. Share buyback by the Company

On August 18, 2026, the Company's Board of Directors approved a share buyback plan of Company shares, totaling up to NIS 200 million, for a period of one year.

B. Dividend distribution by the Company

On March 25, 2026, on approval of the Company's financial statements as of December 31, 2025, the Board of Directors approved a dividend distribution, totaling approx. NIS 400 million, which constitutes approx. 61% of the dividends declared and/or distributed in the Company's subsidiaries as of the approval date of the approval date of the Annual Financial Statements. The dividend was paid on April 23, 2026.

C. Economic solvency ratio in Clal Insurance

On May 28, 2026, Clal Insurance approved its Economic Solvency Ratio Report as of December 31, 2025. For further details, see Note 6 above.

D. Dividend distribution by Clal Insurance

On March 25, 2026, upon approval of Clal Insurance's financial statements as of December 31, 2025, Clal Insurance's Board approved a dividend distribution of NIS 600 million, which constitutes approx. 30% of Clal Insurance's 2025 comprehensive income in accordance with its Consolidated Annual Financial Statements, after having examined all necessary aspects, including the Company's compliance with the economic solvency ratio targets. The dividend was paid on March 29, 2026.

In addition, on August 18, 2026, Clal Insurance's Board approved a dividend distribution totaling NIS 200 million (after assessing all the required aspects, including Clal Insurance's compliance with economic solvency ratio targets), which constitutes approx. 22% of Clal Insurance's comprehensive income for the six-month period ended June 30, 2026.

E. Debt raising by Clal Insurance Capital Raising Ltd. a subsidiary of Clal Insurance

In January and June 2026, Clal Capital Raising issued to the public approx. NIS 591 million p.v. and approx. NIS 546 million p.v. in Notes (Series O), respectively, by way of expansion of an existing series. The proceeds of the offerings amounted to approx. NIS 622 million and approx. NIS 568 million and were recognized as additional Tier 1 capital of Clal Insurance, subject to restrictions on the maximum rate of Tier 1 capital, in accordance with the provisions of the law. For further details, see Note 5 above.

F. The Company's bonds

Issuance of Bonds (Series D) and full early redemption of Bonds (Series A)

On April 16, 2026, the Company issued approx. NIS 605 million p.v. in Bonds (Series D) to the public, pursuant to the Company's shelf offering report dated April 14, 2026, published under the Company's shelf prospectus. The issuance expenses amounted to approx. NIS 5 million; the effective interest rate is 4.7%, and net proceeds of the issuance amounted to approx. NIS 600 million. The proceeds of the issuance were first used for full early redemption of the Company's outstanding Bonds (Series A), and the balance will be used for the Company's current needs, as decided by the Board of Directors from time to time. On May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value.

Conversion of Bonds (Series B) into shares

During the Reporting Period, approx. NIS 63 million in p.v. of Bonds (Series B) (convertible bonds) was converted, in exchange for the issuance of approx. NIS 1 million of the Company's share capital. The Company generated a conversion premium totaling approx. NIS 60 million.

For further details, see Note 5 above.

G. Rating

For details regarding the rating of the Company, Group companies, and notes they issued, see Note 5 above.

H. Share-based payment

Further to Note 31 in the Financial Statements for 2025, and in accordance with the Group's compensation policy, in September 2025, the Company's Board of Directors approved the amendment of the performance-dependent equity compensation plan under which the Company may also award restricted share units to employees and officers of the Company and/or companies under its control. Accordingly, in May 2026, the Audit Committee and the Board of Directors approved the allocation of RSUs of the Company exercisable into ordinary shares of the Company to employees in accordance with the collective agreement and to the Group's managers.

The RSUs allocated to employees and managers in the Clal Group were allocated under a capital tax track, pursuant to Section 102 to the Income Tax Ordinance, under which the RSUs allocated to employees will vest after one year, while those allocated to the managers will vest over a period of 3 years in accordance with the Group's compensation policy; all the RSUs will be held by the trustee for a period of at least two years from the allocation date. Each tranche of RSUs will vest provided that the offeree will be a Group employee on each of the vesting dates, and subject to meeting all the additional conditions set in the Group's Equity Compensation Plan, which will be assessed on the vesting date. The Group's equity compensation plan includes adjustments to the RSUs.

The fair value of the securities allocated to employees and officers of the Clal Group as of the allocation approval date is approx. NIS 40 million, in accordance with an external valuation of the RSUs. The "Finnerty" model was used to calculate the Discount for Lack of Marketability (DLOM). The fair value of each tranche will be spread over the vesting period. The subsidiaries will bear the expense for the value of the options and will indemnify the Company in full for this benefit, based on the value of the financial benefit that will be recorded in the Company's financial statements and in accordance with the accounting standards.

I. Debt raising by Max

On March 27, 2026, Max completed a public offering of Commercial Papers (Series 6), totaling approx. NIS 300 million in par value. The Commercial Papers (Series 6) were issued to the public at an interest rate of 0.06% above the Bank of Israel Interest, for a period of one year with no renewal option.

On April 23, 2026, Max repaid the full amount of the principal and interest in respect of Commercial Papers (Series 5) totaling approx. NIS 207 million in par value, in accordance with their terms.

On June 3, 2026, Max completed a public offering of Bonds (Series E), totaling approx. NIS 450 million in par value, which were issued by way of expansion of an existing series in consideration for approx. NIS 467 million.

For further details, see Note 5 above.

J. Max’s Agreements and Engagements

On July 26, 2026, Max entered into an engagement with a third party holding a license from the Capital Market, Insurance and Savings Authority for the extension of credit (extended), in a transaction for the full sale of its customers' debts, which have been written off in recent years.

The sale transaction has no material effect on Max's balance sheet or its credit risk.

The consideration from the sale totaling approx. NIS 25 million before tax constitutes an introduction of partial collection that Max estimated could be collected in the future out of these obligations over time. Part of the consideration amount was financed through a loan provided by Max.

The consideration will be included in Max's financial statements for the third quarter of 2026 as a decrease in credit loss expenses (a decrease in net write-offs).

K. Collective agreement of the Group

In May 2026, a collective agreement was signed between Tmura Insurance Agency (1987) Ltd., an insurance agency wholly-owned by the subsidiary Clal Agency Holdings (1998) Ltd., (hereinafter - "**Tmura**") and the National Labor Federation, effective from January 1, 2026 to December 31, 2029. Tmura believes that the increase in its expenses in each of the years of the agreement, is not expected to be material.

L. Operation Lion's Roar

Further to Note 36(i) to the Financial Statements for 2025, on February 28, 2026, the State of Israel and the United States launched a joint military operation in Iran, Operation Lion's Roar (hereinafter - the "**Operation**"), which included attacks against Iran's missile systems and additional targets of the Iranian regime. In response, Iran began launching missiles and unmanned aerial vehicles toward the State of Israel and toward additional countries in the region. On March 1, 2026 the hostilities were also expanded to Lebanon following fire toward the State of Israel by the Hezbollah organization.

During the operation, the economy operated under various restrictions, including restrictions on educational activities, gatherings, and attendance at workplaces, except for workplaces defined as essential to the economy. The scaling-up of activity started during-March 2026 and full-scale activity was gradually restored by the end of the operation in April 2026.

During April 2026, direct fighting between Israel and Iran ended following the declaration of a ceasefire between the parties, and the economy resumed full activity. Concurrently, tensions eased on the Lebanese front as well. However, as of the report publication date, uncertainty remains as to the regional security and geopolitical conditions, including with respect to potential developments in the Iranian and Lebanese fronts and their effect on economic activity and financial markets.

Israel's credit rating

The consequences of the fighting and security situation were reflected in revisions of the State of Israel's credit rating and rating outlooks by global rating agencies.

In November 2025, the rating agency S&P upgraded Israel's rating outlook from "negative" to "stable" and reiterated its credit rating at A. In January 2026, Moody's revised the State of Israel's rating outlook from negative to stable and reiterated the existing credit rating at Baa1; in March 2026, the rating agency Fitch reiterated the State of Israel's rating at A with a negative outlook (which remained without change). As of the report publication date, there were no further changes in the State of Israel's credit rating.

Effect on the financial statements

Clal Insurance - Due to the nature of its activity, Clal Insurance is exposed to changes in financial markets, a domestic economic slowdown, and other risks arising from the security and geopolitical situation. As of the report publication date, security and geopolitical developments in the region - including in the Iranian and Lebanese fronts - remain uncertain, and so are their potential effects on economic activity in Israel and the financial markets.

Therefore, at this stage it impossible to fully assess the potential effect on Clal Insurance and its results in the medium and long-term. However, the Company believes that as of the report publication date its financial position and operating results are not expected to be materially affected.

Max - The effect of Operation Lion's Roar on Max's financial results for the first half of 2026 was reflected in a decline in issuing and acquiring turnovers during the campaign; this decline occurred both in the domestic market - driven mainly by a slowdown in domestic economic activity due to Home Front Command restrictions - and, more notably, in overseas activity due to airspace closures.. The decline in activity volumes during the operation resulted in a decrease in Max's revenues from interchange, acquiring, and overseas transaction fees.

Upon the entry into effect of the ceasefire in early April 2026 and the resumption of normal activity, Max's domestic issuance and acquiring turnovers improved, and during the second quarter of 2026 they even exceeded their pre-operation levels. Accordingly, Max's total domestic issuance and acquiring turnovers in the first half of 2026 were high compared to the corresponding period last year.

Issuing turnovers abroad in the first half of 2026 are slightly lower than in the corresponding period last year, mainly due to the effect of the airspace closure and the decline in international transactions during the Operation. Despite the ongoing uncertainty during the reporting period, risk levels in Max's credit portfolio did not increase. However, there is still a certain degree of uncertainty regarding the full effects of the security situation on the Israeli economy. Therefore, since the estimated provision for credit losses is based, among other things, on judgments and assessments, and involves uncertainty, there is still a high probability that future credit losses will vary from the current estimate. Max continuously assesses its credit portfolio's inherent risk including due to economic uncertainty and, in accordance with information accumulated and to be accumulated regarding borrowers' activity and financial position, revises its provision for credit losses.

M. In accordance with the Commissioner's approval, the terms of office of the independent directors of Clal Insurance - Mssrs. Rachel Adatto, Orly Sade Ben Ami and Gad Arbel - who were expected to terminate their tenures in May 2026, will continue for an additional period through December 1, 2026, since as of this date a committee has not yet been appointed to appoint directors in an insurer without a controlling shareholder and no alternative arrangement has been set regarding this matter (for information regarding the manner of appointing directors in the Company, see Note 1 to the Financial Statements for 2025).

N. Changes in assumptions and estimates of insurance contracts and reinsurance contracts

In the reporting periods, the development of the contractual service margin is mainly affected by accrual of interest, recognition of new businesses, recognition of revenues from insurance services for the current period, and revisions to future cash flow forecasts, due to, among other things, demographic, operational, and financial assumptions and data revision.

In the reporting period ended June 30, 2026, the Company's contractual service margin (retention) increased primarily due to positive financial effects and new business, offset by the effect of contractual service margin released in respect of the current period and revisions to future cash flow forecasts mainly due to higher-than-expected policy lapses.

In the reporting period ended on June 30, 2025, the Company's contractual service margin (retention) decreased primarily due to the revisions to future cash flow forecasts, mainly due to the effect of policy cancellation beyond the forecast and contractual service margin released in respect of the current period, offset by the effects of new businesses.

In the year ended December 31, 2025, the Company's contractual service margin (retention) increased primarily due to positive financial effects and new business, offset by revisions to demographic and operational assumptions and the effect of contractual service margin released in respect of the current period.

Regarding the gross balances of the contractual service margin in respect of the Company's insurance contracts, see Note 4D and 4E - additional information regarding insurance contracts included in the Health Insurance Segment and Life Insurance Subsegment.

Furthermore, the effect of the changes in the risk-free interest rate curve and the illiquidity premium on insurance contract assets and liabilities and reinsurance contract assets - net of the effect of the designated bonds recognized in the statement of comprehensive income in the six-month and three-month period ended June 30, 2026 - totaled a loss of approx. NIS 40 million and approx. NIS 240 million, respectively, while the six-month period and three-month period ended June 30, 2025 totaled a loss of approx. NIS 130 million and approx. NIS 295 million, respectively, and in the year ended December 31, 2025 - totaled a loss of approx. NIS 50 million.

Remaining CSM (in NIS million):

Life and Health Segment	Gross	Reinsurance	Retention
December 31, 2024	10,465	(317)	10,148
June 30, 2025	10,369	(310)	10,058
December 31, 2025	10,624	(360)	10,264
June 30, 2026	**10,791**	**(355)**	**10,436**

Appendix - Interest revenue and expense rates and analysis of the changes in Max's interest revenues and expenses

Average balances and interest rates

	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Average balance [1]	Interest revenues (expenses)	% of revenue (expense)	Average balance [1]	Interest revenues (expenses)	% of revenue (expense)
In NIS million			%			%
Interest-bearing assets						
Credit to private individuals [2]	**12,309**	**596**	**9.68**	10,787	569	10.55
Commercial credit [2][5]	**3,603**	**104**	**5.77**	3,491	104	5.96
Total credit	**15,912**	**700**	**8.80**	14,278	673	9.43
Deposits with banks	**823**	**14**	**3.40**	690	12	3.48
Other assets	**136**	**1**	**1.47**	70	1	2.86
Total assets	**16,871**	**715**	**8.48**	15,038	686	9.12
Non-interest-bearing receivables for credit card transactions	**4,759**			5,017		
Amounts receivable for credit card activity	**1,186**			1,179		
Other non-interest-bearing assets [3]	**537**			556		
Total assets	**23,353**			21,790		
Interest bearing liabilities						
Credit from banking corporations	**6,320**	**(236)**	**(7.47)**	5,788	(242)	(8.36)
Bonds and subordinated notes	**1,725**	**(42)**	**(4.87)**	1,014	(28)	(5.52)
Other liabilities	**14**	**(1)**	**(14.29)**	16	-	-
Total interest-bearing liabilities	**8,059**	**(279)**	**(6.92)**	6,818	(270)	(7.92)
Payables for credit card transactions [5]	**12,367**			12,095		
Other non-interest bearing liabilities [7]	**640**			750		
Total liabilities	**21,066**			19,663		
Total capital resources	**2,287**			2,127		
Total capital commitments and resources	**23,353**			21,790		
Interest rate spread			**1.56**			1.20
Net return on interest-bearing assets [4]	**16,871**	**436**	**5.17**	15,038	416	5.53

Average balances and interest rates – additional information on interest-bearing assets and liabilities

In NIS million	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)
			%			%
Interest-bearing assets						
Credit to private individuals (2)	**12,418**	**322**	**10.37**	10,985	299	10.89
Commercial credit (2)(5)	**3,645**	**53**	**5.82**	3,554	53	5.97
Total credit	**16,063**	**375**	**9.34**	14,539	352	9.68
Deposits with banks	**839**	**7**	**3.34**	734	6	3.27
Other assets	**121**	**-**	**-**	68	-	-
Total assets	**17,023**	**382**	**8.98**	15,341	358	9.33
Non-interest-bearing receivables for credit card transactions	**4,953**			4,898		
Amounts receivable for credit card activity	**1,158**			1,189		
Other non-interest-bearing assets (3)	**538**			563		
Total assets	**23,672**			21,991		
Interest bearing liabilities						
Credit from banking corporations	**6,666**	**(135)**	**(8.10)**	5,665	(131)	(9.25)
Bonds and subordinated notes	**1,811**	**(25)**	**(5.52)**	1,114	(15)	(5.39)
Other liabilities	**15**	**-**	**-**	17	-	-
Total interest-bearing liabilities	**8,492**	**(160)**	**(7.54)**	6,796	(146)	(8.59)
Payables for credit card transactions (5)	**12,255**			12,263		
Other non-interest bearing liabilities (6)	**627**			764		
Total liabilities	**21,374**			19,823		
Total capital resources	**2,298**			2,168		
Total capital commitments and resources	**23,672**			21,991		
Interest rate spread			**1.44**			0.74
Net return on interest-bearing assets (4)	**17,023**	**222**	**5.22**	15,341	212	5.53

(1) Based on beginning-of-month balances.
(2) Before deducting the average on-balance sheet balance of credit loss provisions. Including debts that do not accrue interest revenues.
(3) Including derivatives, other non-interest-bearing assets, non-monetary assets, and less credit loss provision.
(4) Net return – interest revenues, net divided by total interest-bearing assets.
(5) Including average balance of early payments to merchants and factoring of credit card vouchers for merchants executed also through a Max subsidiary, for a total of NIS 2,362 million (June 30, 2025 - NIS 2,365 million). The average rate of income in the six-month period ended June 30, 2026 and June 30, 2025 excluding those balances is 7.7% and 8.5%, respectively.
(6) Calculation of the expense rate includes interest expenses in respect of the advanced payments by Bank Leumi and in respect of the sale of debts arising from transactions made with non-bank payment cards issued by Max in accordance with its existing agreements with several banks, whose on-balance sheet balance is offset from the balance of amounts receivable from banks in respect of credit card transactions, net, and from the balance of receivables for credit card transactions. After deducting these expenses, the average rate of expenses in respect of credit from banking corporations in the six-month period ended June 30, 2026 and June 30, 2025 is 6.0% and 6.7%, respectively.
(7) Including derivative instruments and non-monetary liabilities.

In NIS million	For the six months ended June 30, 2026			For the six months ended June 30, 2025		
	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)
			%			%
Non-linked NIS						
Total interest-bearing assets	**13,451**	**596**	**8.86**	13,042	609	9.34
Total interest-bearing liabilities	**5,047**	**(204)**	**(8.08)**	5,359	(228)	(8.51)
Interest rate spread			**0.78**			0.83
CPI-linked NIS						
Total interest-bearing assets	**3,329**	**118**	**7.09**	1,881	76	8.08
Total interest-bearing liabilities	**3,005**	**(75)**	**(4.99)**	1,458	(42)	(5.76)
Interest rate spread			**2.10**			2.32
Foreign currency (including foreign-currency linked NIS)						
Total interest-bearing assets	**91**	**1**	**2.20**	115	1	1.74
Total interest-bearing liabilities	**7**	**-**	**-**	1	-	-
Interest rate spread			**2.20**			1.74
Total activity						
Total interest-bearing assets	**16,871**	**715**	**8.48**	15,038	686	9.12
Total interest-bearing liabilities	**8,059**	**(279)**	**(6.92)**	6,818	(270)	(7.92)
Interest rate spread			**1.56**			1.20

(1) Based on beginning-of-month balances.

In NIS million	For the three months ended June 30, 2026			For the three months ended June 30, 2025		
	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)	Average balance (1)	Interest revenues (expenses)	% of revenue (expense)
			%			%
Non-linked NIS						
Total interest-bearing assets	**13,423**	**297**	**8.85**	13,089	306	9.35
Total interest-bearing liabilities	**5,394**	**(101)**	**(7.49)**	5,185	(116)	(8.95)
Interest rate spread			**1.36**			0.40
CPI-linked NIS						
Total interest-bearing assets	**3,495**	**84**	**9.61**	2,097	51	9.73
Total interest-bearing liabilities	**3,085**	**(59)**	**(7.65)**	1,610	(30)	(7.45)
Interest rate spread			**1.96**			2.28
Foreign currency (including foreign-currency linked NIS)						
Total interest-bearing assets	**105**	**1**	**3.81**	155	1	2.58
Total interest-bearing liabilities	**13**	**-**	**-**	1	-	-
Interest rate spread			**3.81**			2.58
Total activity						
Total interest-bearing assets	**17,023**	**382**	**8.98**	15,341	358	9.33
Total interest-bearing liabilities	**8,492**	**(160)**	**(7.54)**	6,796	(146)	(8.59)
Interest rate spread			**1.44**			0.74

Analysis of changes in interest revenues and expenses

In NIS million	For the six months ended June 30, 2026 compared to the six months ended June 30, 2025		
	Increase (decrease) due to change		
	Quantity	Price	Net change
Interest-bearing assets			
Credit to private individuals	74	(47)	27
Commercial credit	3	(3)	-
Total credit	77	(50)	27
Deposits with banks	2	-	2
Other assets	-	-	-
Total interest revenues	79	(50)	29
Interest bearing liabilities			
Credit from banking corporations	(20)	26	6
Bonds and subordinated notes	(17)	3	(14)
Other liabilities	-	(1)	(1)
Total interest revenues (expenses)	(37)	28	(9)
Total interest revenues, net	42	(22)	20

In NIS million	For the three months ended June 30, 2026 compared to the three months ended June 30, 2025		
	Increase (decrease) due to change		
	Quantity	Price	Net change
Interest-bearing assets			
Credit to private individuals	38	(15)	23
Commercial credit	-	-	-
Total credit	38	(15)	23
Deposits with banks	1	-	1
Other assets	-	-	-
Total interest revenues	39	(15)	24
Interest bearing liabilities			
Credit from banking corporations	(19)	15	(4)
Bonds and subordinated notes	(9)	(1)	(10)
Other liabilities	-	-	-
Total interest revenues (expenses)	(28)	14	(14)
Total interest revenues, net	11	(1)	10

Clal Insurance Enterprises Holdings Ltd.

Separate Financial Data from the Consolidated Interim Financial Statements Attributable to the Company

as of June 30, 2026

(Regulation 38D)

(Unaudited)

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To
Shareholders of Clal Insurance Enterprises Holdings Ltd.

Re: Special report of the independent auditors on Separate Financial Information in accordance with Regulation 38D to the Securities Regulations (Periodic and Immediate Reports), 1970

Introduction

We have reviewed the separate interim financial information provided in accordance with Regulation 38D to the Securities Regulations (Periodic and Immediate Reports), 1970 of Clal Insurance Enterprises Holdings Ltd. (hereinafter - the "**Company**") as of June 30, 2026 and for the six- and three-month periods then ended. The Interim Separate Financial Information is the responsibility of the Company's Board of Directors and management. Our responsibility is to express a conclusion regarding the separate interim financial information for these interim periods based on our review.

Scope of review

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 and the review, nothing has come to our attention that causes us to believe that the abovementioned Interim Separate Financial Information does not comply, in all material respects, with the disclosure provisions of Chapter 38D of the Israel Securities Regulations (Periodic and Immediate Reports), 1970.

Tel Aviv,	Kost Forer Gabbay & Kasierer	Somekh Chaikin
August 18, 2026	Certified Public Accountants	Certified Public Accountants

Interim Data on Financial Position

In NIS million	As of June 30 2026	As of June 30 2025	As of December 31, 2025
	Unaudited		Audited
Assets			
Investment in investees	**11,446**	9,715	11,009
Loans and balances of investees	**1,092**	1,027	1,053
Receivables and debit balances	**31**	31	31
Other financial investments:			
Liquid debt assets	**132**	5	5
Shares	**62**	48	87
Other	**10**	145	150
Total other financial investments	**203**	198	241
Cash and cash equivalents	**324**	70	67
Total assets	**13,095**	11,041	12,402
Equity			
Share capital	**169**	167	168
Share premium	**2,515**	2,432	2,434
Capital reserves	**119**	134	124
Retained earnings	**8,739**	6,758	8,102
Total equity	**11,542**	9,490	10,827
Liabilities			
Payables and credit balances	**17**	25	36
Balances of investees	**1**	1	1
Financial liabilities	**1,534**	1,525	1,537
Total liabilities	**1,553**	1,551	1,574
Total equity and liabilities	**13,095**	11,041	12,402

The attached additional information is an integral part of the Company's Interim Separate Financial Information.

August 18, 2026			
Approval date of the financial statements	**Haim Samet** Chairman of the Board	**Yoram Naveh** CEO	**Eran Czerninski** EVP Head of the Finance Division

Interim Profit and Loss Data

In NIS million	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
Company's share of income from investees, net of tax	**1,097**	912	**618**	510	2,217
Net investment income (losses) and finance income					
From investees	**14**	20	**7**	13	61
Other	**(4)**	30	**23**	10	68
Other revenues	**-**	30	**-**	30	30
Total revenues	**1,107**	992	**648**	562	2,376
General and administrative expenses	**6**	6	**3**	3	13
Finance expenses	**47**	40	**27**	20	86
Total expenses	**53**	46	**31**	23	99
Profit before income tax	**1,054**	946	**617**	539	2,278
Income taxes	**-**	-	**-**	-	-
Income for the period	**1,054**	946	**617**	539	2,278

The attached additional information is an integral part of the Company's Interim Separate Financial Information.

Interim Comprehensive Income Data

In NIS million	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025	For the year ended December 31 2025
	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income for the period	**1,054**	946	**617**	539	2,278
Other comprehensive income:					
Other comprehensive income items that, subsequent to initial recognition in comprehensive income, were or will be carried to profit and loss:					
Other comprehensive income (loss) in respect of investees which was transferred or will be transferred to profit and loss, net of tax	**(4)**	(4)	**(4)**	(7)	(9)
Other comprehensive income (loss) for the period carried or to be carried to profit and loss, before tax	**(4)**	(4)	**(4)**	(7)	(9)
Taxes (tax benefit) in respect of other components of comprehensive income (loss)	**-**	-	**-**	-	-
Other comprehensive loss which, subsequent to initial recognition in comprehensive income, was or will be carried to profit and loss, net of tax	**(4)**	(4)	**(4)**	(7)	(9)
Items of other comprehensive income not transferred to profit and loss:					
Other comprehensive loss for investees not transferred to profit and loss, net of tax	**-**	(1)	**-**	(1)	(2)
Other comprehensive loss for the period, not transferred to profit and loss, net of tax	**-**	(1)	**-**	(1)	(2)
Other comprehensive loss for the period	**(4)**	(5)	**(3)**	(8)	(11)
Total comprehensive income for the period	**1,050**	941	**614**	531	2,266

The attached additional information is an integral part of the Company's Interim Separate Financial Information.

Interim Cash Flow Data

In NIS million	For the six-month period ended June 30 2026	For the six-month period ended June 30 2025	For the three-month period ended June 30 2026	For the three-month period ended June 30 2025	For the year ended December 31 2025
	Unaudited				Audited
Cash flows from operating activities					
Income for the period	**1,054**	946	**617**	539	2,278
Adjustments:					
Company's share in the profits (losses) of investees	**(1,097)**	(912)	**(618)**	(510)	(2,217)
Dividend from investees	**656**	313	**56**	313	313
Interest accrued on deposits with banks	**(5)**	(2)	**(5)**	(1)	(4)
Interest accrued in respect of capital note and note of an investee	**4**	(13)	**8**	(13)	(30)
Accrued interest and deduction of issuance costs and discount for bonds	**47**	40	**27**	20	86
Loss (profit) from other financial investments	**13**	(28)	**(15)**	(9)	(65)
Income tax	**-**	-	**-**	-	-
Total adjustments	**(383)**	(603)	**(546)**	(200)	(1,917)
Changes in other items in the data on financial position, net:					
Change in receivables and debit balances	**-**	(29)	**-**	(30)	(29)
Change in payables and credit balances	**(1)**	2	**-**	2	1
Total changes in other items in the data on financial position, net	**(1)**	(27)	**-**	(28)	(29)
Cash received during the period for:					
Net cash provided by operating activity for transactions with investees	**3**	2	**3**	3	20
Interest received	**5**	2	**5**	1	4
Net cash provided by operating activities	**679**	320	**78**	316	356
Cash flows provided by investing activities					
Repayment of capital note - interest on the capital note to the investee	**-**	-	**-**	-	555
Investment in the note of an investee	**-**	-	**-**	-	(555)
Investment in investees	**(40)**	-	**(28)**	-	(10)
Investment in available-for-sale financial assets	**(170)**	(82)	**(36)**	(80)	(90)
Proceeds from sale of available-for-sale financial assets	**195**	55	**54**	9	56
Net cash used for investing activities	**(14)**	(27)	**(10)**	(71)	(45)
Cash flows provided by financing activities					
Repayment of bonds	**(549)**	-	**(549)**	-	(350)
Interest paid on the bonds	**(58)**	(60)	**(28)**	(13)	(85)
Proceeds of bond issuance (less issuance expenses)	**599**	-	**599**	-	354
Dividend paid	**(400)**	(200)	**(400)**	(200)	(200)
Net cash used for used in financing activities	**(408)**	(260)	**(378)**	(213)	(281)
Increase (decrease) in cash and cash equivalents	**256**	33	**(310)**	31	30
Cash and cash equivalents as of the beginning of the period	**67**	37	**634**	39	37
Cash and cash equivalents at the end of the period	**324**	70	**324**	70	67
Activity which does not involve cash flow					
Conversion of bonds into shares	**(61)**	-	**(4)**	-	-

Additional Information

1. **General**

The Interim Separate Financial Information is presented in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 and does not include all the information required under Regulation 9C and the Tenth Addendum to the Securities Regulation (Periodic and Immediate Reports), 1970, Separate Financial Information of the Corporation. This separate interim financial information should be read in conjunction with the separate financial information as of the date and year ended December 31, 2025 and in conjunction with the condensed consolidated interim financial statements as of June 30, 2026 (hereinafter - the “**Consolidated Interim Financial Statements**").

2. **Share buyback by the Company**

On August 18, 2026, the Company’s Board of Directors approved a share buyback plan of Company shares, totaling up to NIS 200 million, for a period of one year.

3. **Dividend distribution by the Company**

On March 25, 2026, on approval of the Company’s financial statements as of December 31, 2025, the Board of Directors approved a dividend distribution, totaling approx. NIS 400 million, which constitutes approx. 61% of the dividends declared and/or distributed in the Company’s subsidiaries as of the approval date of the approval date of the Annual Financial Statements. The dividend was paid on April 23, 2026.

4. **The Company’s bonds**

On April 16, 2026, the Company issued approx. NIS 605 million p.v. in Bonds (Series D) to the public, pursuant to the Company's shelf offering report dated April 14, 2026, published under the Company's shelf prospectus. The issuance expenses amounted to approx. NIS 5 million; the effective interest rate is 4.7%, and net proceeds of the issuance amounted to approx. NIS 600 million. The proceeds of the issuance were first used for full early redemption of the Company’s outstanding Bonds (Series A), and the balance will be used for the Company's current needs, as decided by the Board of Directors from time to time. On May 7, 2026, the Company redeemed, by way of early redemption, the full outstanding balance of Bonds (Series A) totaling NIS 549 million in par value.

Conversion of Bonds (Series B) into shares

During the Reporting Period, approx. NIS 63 million in p.v. of Bonds (Series B) (convertible bonds) was converted, in exchange for the issuance of approx. NIS 1 million of the Company's share capital. The Company generated a conversion premium totaling approx. NIS 60 million.

Clal Insurance Enterprises Holdings Ltd.

Quarterly Report on the Effectiveness of the Internal Control

over Financial Reporting and Disclosure

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as of June 30, 2026

in accordance with Regulation 38C(a)

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 Clal Insurance Enterprises 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 as follows:

1. Yoram Naveh - CEO of the Company and Clal Insurance;
2. Eran Czerninski - Head of the Finance Division (an officer in Clal Insurance and Clal Holdings);
3. Dror Biran - Legal Counsel (an officer in Clal Insurance and Clal Holdings);
4. Tomer David - Internal Auditor (an officer in Clal Insurance and Clal Holdings);
5. Barak Benski - Head of the Investment Division (an officer in Clal Insurance and Clal Holdings);
6. Avi Ben Noon - Chief Risk Officer (an officer in Clal Insurance and Clal Holdings);

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.

Clal Insurance Company Ltd. (hereinafter - "**Clal Insurance**"), 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 respect to the internal controls of the said subsidiary, the Corporation implements the following directives: Institutional Entities Circular 2009-9-10 - Management's Responsibility for Internal Control over Financial Reporting; Institutional Entities Circular 2010-9-6 - Management's Responsibility for Internal Control over Financial Reporting - Amendment, and Institutional Entities Circular 2010-9-7 - Internal Control over Financial Reporting - Statements, Reports and Disclosures.

Max It Finance Ltd., a subsidiary of the Corporation, is a credit card company, which is subject to the directives of the Banking Supervision Department regarding the assessment of the effectiveness of internal control over financial reporting.

With respect to the internal control of the said subsidiary, the Corporation implements the following provisions: Proper Conduct of Banking Business Directive 309.

In the Quarterly Report on the Effectiveness of Internal Control over Financial Reporting and Disclosure attached to the periodic 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 found in the Most Recent Quarterly Report of Internal Control.

As of the report date, based on 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, Yoram Naveh, hereby declare that:

1. I have reviewed quarterly report of Clal Insurance Enterprises 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, nor do they omit any representation of a material fact necessary to ensure that the representations included therein shall not be misleading with respect to the reporting period, in light of the circumstances under which such representations were included;
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 Board of Directors' balance sheet committee, 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 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 the statutory provisions; and -

   B. any fraud, whether material or immaterial, involving the CEO, or anyone directly reporting to them, or any other employees who have a significant role in internal controls over financial reporting and disclosure thereof;
5. I, alone or together with others in the corporation:
   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 statutory provisions, including in accordance with generally accepted accounting principles.

   C. No event or matter has been brought to my attention during the period between the periodic report date and the date of this Report which alters the conclusion of the Board of Directors and Management in respect of the effectiveness of the 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.

Yoram Naveh
CEO

August 18, 2026

Certification by Officers

Certification by the Most Senior Financial Officer

I, Eran Czerninski, hereby declare that:

1. I have reviewed the financial statements and other financial information included in the reports of Clal Insurance Enterprises Holdings Ltd. (hereinafter - the “**Corporation**”) for the second quarter of 2026 (hereinafter - the “**Reports**”);
2. To my knowledge, the Interim Financial Statements and the other financial information included in the reports for the interim periods do not contain any misrepresentation of a material fact, nor do they omit any representation of a material fact necessary to ensure that the representations included therein shall not be misleading with respect to the reporting period, in light of the circumstances under which such representations were included;
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 Board of Directors’ balance sheet committee, 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 the statutory provisions; and -
   B. any fraud, whether material or immaterial, involving the CEO, or anyone directly reporting to them, or any other employees who have a significant role in internal controls over financial reporting and disclosure thereof;
5. I, alone or together with others in the corporation -
   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 statutory provisions, including in accordance with generally accepted accounting principles;
   C. No event or matter has been brought to my attention during the period between the periodic report date and the date of this Report, relating to the Interim Financial Statements and to any other financial information included in the Interim Financial Statements, which may, in my opinion, 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.

Eran Czerninski
EVP
Head of the Finance Division

August 18, 2026

Statements regarding Controls and Procedures in respect of Disclosure in the Financial Statements of Clal Insurance Company Ltd.

Clal Insurance Company Ltd.

Certification

I, Yoram Naveh, hereby declare that:

1. I have reviewed the quarterly report of Clal Insurance Company Ltd. (hereinafter - the "**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, nor does it omit any representation of a material fact necessary to ensure that the representations included therein shall not be misleading with respect to the period covered by the Report, in light of the circumstances under which such representations were included.
3. To my knowledge, the quarterly financial statements and other financial information included in the Report present fairly, in all material aspects, the 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 Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the Company's disclosure(1) and internal control over financial(1) reporting of the 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 Company and its consolidated companies is brought to our attention by others in the 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 International Financial Reporting Standards (IFRS) and the directives of the Commissioner of the Capital Market, Insurance and Savings;
   C. We have evaluated the effectiveness of the 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 Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Company's internal control over financial reporting. and -
5. I and others at the Company signing this certification have disclosed to the joint independent auditors, the Board of Directors, and the Board of Directors' balance sheet committee, 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 Company's ability to record, process, summarize and report financial information; and -
   B. any fraud, whether material or immaterial, involving management or other employees who have a significant role in the Company's internal controls over financial reporting.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

Yoram Naveh
CEO

August 18, 2026

(1) As defined in the provisions of the Institutional Entities Circular titled "Internal Controls over Financial Reporting - Statements, Reports and Disclosures".

Clal Insurance Company Ltd.

Certification

I, Eran Czerninski, hereby declare that:

1. I have reviewed the quarterly report of Clal Insurance Company Ltd. (hereinafter - the "**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, nor does it omit any representation of a material fact necessary to ensure that the representations included therein shall not be misleading with respect to the period covered by the Report, in light of the circumstances under which such representations were included.
3. To my knowledge, the financial statements and other financial information included in the Report present fairly, in all material aspects, the 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 Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the Company's disclosure(1) and internal control over financial(1) reporting of the 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 Company and its consolidated companies is brought to our attention by others in the 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 International Financial Reporting Standards (IFRS) and the directives of the Commissioner of the Capital Market, Insurance and Savings;
   C. We have evaluated the effectiveness of the 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 Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Company's internal control over financial reporting. and -
5. I and others at the Company signing this certification have disclosed to the joint independent auditors, the Board of Directors, and the Board of Directors' balance sheet committee, 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 Company's ability to record, process, summarize and report financial information; and -
   B. any fraud, whether material or immaterial, involving management or other employees who have a significant role in the Company's internal controls over financial reporting.

Nothing in the foregoing shall derogate from my responsibility or the responsibility of any other person, under any law.

Eran Czerninski
EVP
Head of the Finance Division

August 18, 2026

(1) As defined in the provisions of the Institutional Entities Circular titled "Internal Controls over Financial Reporting - Statements, Reports and Disclosures".

Max It Finance Ltd.

Certification

I, Sagit Dotan, declare that:

1. I have reviewed the quarterly report of Max It Finance Ltd. (hereinafter - the "**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, that 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 financial statements and other financial information included in the report fairly represent, in all material aspects, the Company's financial position, financial performance, changes in equity and cash flows as of the dates and for the periods presented in the Report.
4. I and others at the Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the Company's disclosure(1) and internal control over financial(1) reporting of the 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 Company and its consolidated corporations is brought to our attention by others in the Company and these corporations, especially during the preparation of the Report;
   - B. We have established such internal control over financial reporting or have caused such internal control to be established under our oversight, with the aim of providing reasonable assurance as to the reliability of the financial reporting and that the financial statements for external purposes have been prepared in accordance with the generally accepted accounting principles and the directives and guidance of the Banking Supervision Department. As stated in Note 1 of the Company's Annual Financial Statements, the directives of the Banking Supervision Department mainly adopt the US GAAP;
   - C. We have evaluated the effectiveness of the 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 Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Company's internal control over financial reporting; and
5. I and others at the Company signing this certification have disclosed to the joint independent auditors, the Board of Directors, and the Board of Directors' audit committee, 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 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 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.

Sagit Dotan
CEO

August 18, 2026

(1) As defined in the Reporting to the Public Directives regarding the Report of the Board of Directors and Management.

Max It Finance Ltd.

Certification

I, Sharon Gur, hereby declare that:

1. I have reviewed the quarterly report of Max It Finance Ltd. (hereinafter - the "**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, that 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 financial statements and other financial information included in the report fairly represent, in all material aspects, the Company's financial position, financial performance, changes in equity and cash flows as of the dates and for the periods presented in the Report.
4. I and others at the Company signing this certification are responsible for the establishment and implementation of controls and procedures regarding the Company's disclosure(1) and internal control over financial(1) reporting of the 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 Company and its consolidated corporations is brought to our attention by others in the Company and these corporations, especially during the preparation of the Report;
   - B. We have established such internal control over financial reporting or have caused such internal control to be established under our oversight, with the aim of providing reasonable assurance as to the reliability of the financial reporting and that the financial statements for external purposes have been prepared in accordance with the generally accepted accounting principles and the directives and guidance of the Banking Supervision Department. As stated in Note 1 of the Company's Annual Financial Statements, the directives of the Banking Supervision Department mainly adopt the US GAAP.
   - C. We have evaluated the effectiveness of the 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 Company's internal control over financial reporting which occurred during the quarter and has materially affected, or is reasonably expected to affect, the Company's internal control over financial reporting; and
5. I and others at the Company signing this certification have disclosed to the joint independent auditors, the Board of Directors, and the Board of Directors' audit committee, 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 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 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.

Sharon Gur
CFO, Chief Accounting Officer

August 18, 2026

(1) As defined in the Reporting to the Public Directives regarding the Report of the Board of Directors and Management.

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