

Phoenix Financial Publishes Results for Q3 2025 and Medium-Term Guidance for 2028

November 26, 2025 – Tel-Aviv, Israel - Phoenix Financial Ltd., a leading Israel-based asset management and insurance company (TLV:PHOE) (“Phoenix,” the “Group,” or the “Company”) today reported results for the third quarter of 2025 and published guidance for 2028.

Highlights

Comprehensive income reached NIS 803 million in the third quarter and NIS 2,299 million in the first nine months of 2025, compared to NIS 758million and NIS 1,649 million, respectively in the corresponding periods last year

Phoenix achieved a return on equity of 29.2% in the third quarter and 26.8% in first nine months of the year

Core income reached NIS 667 million in the third quarter and NIS 1,985 million in first nine months of 2025, compared to NIS 572 million and NIS 1,651 million, respectively in the corresponding periods last year

Asset Management activity continued to grow at an accelerated pace, generating NIS 682 million in core income, an increase of 43% compared to the corresponding period last year; total AUM reached NIS 585 billion (roughly \$180 billion), an increase of 11% compared to December 31, 2024

Phoenix generates strong cash flows and announces a quarterly dividend of NIS 320 million (NIS 1.25 per share). For the first nine months of the year, aggregate dividends total NIS 950 million (NIS 3.76 per share). The Company also executed buybacks for a total of NIS 188 million during this period

Phoenix publishes medium-term guidance for 2028, with core income expected to reach NIS 3.3-3.5 billion. The Company expects Insurance activity to generate NIS 1.9-2.1 billion in income and Asset Management to generate NIS 1.3-1.5 billion

Business performance and strategic growth

- **Phoenix reports NIS 803 million comprehensive income in the third quarter** (NIS 3.2 per share) and NIS 2,299 million in comprehensive income for the first nine months of 2025 (NIS 9.0 per share) compared to NIS 758 million and NIS 1,649 million, respectively in the corresponding periods last year
- **Core income grew to NIS 667 million in the third quarter** and NIS 1,985 million in first nine months of 2025 (core income - excluding capital market, interest rate, and special effects),

compared to NIS 572 million and NIS 1,651 million, respectively in the corresponding periods last year

- **Return on equity achieved 29.2% in the third quarter** and 26.8% in the first nine months of the year, reflecting Core ROE of 24.0% and 23.4% respectively
- **Asset Management growth engines** continue to grow high-margin, high-multiple activities. Core Income from Asset Management (including Wealth & Investments, Retirement, Brokers & Advisors, and Financing segments) increased significantly to NIS 256 million in the third quarter of 2025 and NIS 682 million in the first nine months of the year, compared to NIS 179 million and NIS 475 million, respectively in the corresponding periods last year. Adjusted EBITDA (on a consolidated basis, including minority interest) grew to NIS 430 million in the third quarter of 2025 and NIS 1,188 million in the first nine months of the year, compared to NIS 291 million and NIS 860 million, respectively in the corresponding periods last year, due to accelerated growth, efficiency and competitive advantages. **Phoenix's assets under management grew to NIS 585 billion** as of September 30, 2025. Phoenix Gama's SME and consumer credit portfolio continued to grow reaching NIS 4.0 billion. Phoenix Investment House continues to generate new business and expand its assets under management, reaching 82,000 customers in its private brokerage trading activity. In the Brokers and Advisors business, Phoenix completed its acquisition of a further 17% of the shares of Phoenix Agencies, increasing the Group's share in Agencies to 95% while continuing to streamline the business
- **Insurance Core Income increased to NIS 411 million** in the third quarter of 2025 and to NIS 1,303 million in the first nine months of the year, compared to NIS 393 million and NIS 1,176 million, respectively in the corresponding periods last year, due to the realization of competitive advantages in P&C Insurance and implementation of broad digitization and optimization processes
- **Non-operating effects increased Comprehensive Income by NIS 136 million in the third quarter of 2025** and NIS 314 million in the first nine months of year, mainly due to strong investment performance with an annualized corporate account return of roughly 9% year to date, which was partially offset by interest rate effects
- Phoenix views sustainability as part of its efforts to create shareholder value, and was recently recognized by S&P's global ESG rankings as second in Israel across all sectors and in the 85th percentile in the global insurance sector

Medium-Term Guidance for 2028

- **Phoenix provides medium-term guidance** targeting Core Income of NIS 3.3-3.5 billion in 2028 with over 25% return on equity

- **Core Income from Insurance** is expected to grow to NIS 1.9-2.1 billion and **Core Income from Asset Management** is expected to reach NIS 1.3-1.5 billion (including NIS 650-750 million from Wealth, Investments, and Retirement; NIS 400-500 million from Brokers & Advisors; and NIS 250-300 million from Financing)
- **Total assets under management** are expected to reach NIS 700-800 billion with Asset Management activity adjusted EBITDA growing to NIS 2.4-2.6 billion
- The new guidance reflects continued strategic growth in high-multiple, capital-efficient activities as well as improved profitability and higher cash flows and dividends, capitalizing on the infrastructure and differentiated capabilities created by the group to exploit the significant market opportunity

Quarterly dividend distribution based on strong cash flows and stable earnings

- **Phoenix continues to maintain a robust financial position**, strong liquidity, and low net debt, and is focused on effective capital management to maximize profitability
- **Phoenix announces a NIS 320 million quarterly dividend distribution**. This distribution follows NIS 630 million in dividends already distributed in 2025 from first and second quarter earnings. Additionally, in 2025 Phoenix has already carried out share buybacks totaling NIS 188 million
- **The Insurance business** has a solvency ratio of 182% as of June 30, 2025 (including transitional measures and a quarterly dividend distribution), above the long-term target of 150-170%. In addition, the Phoenix Insurance raised its Solvency threshold from 121% to 123% (without transitional measures), implying roughly NIS 3.3 billion in excess capital

Eyal Ben Simon, CEO of Phoenix Financial:

“Phoenix welcomes the return of all our living hostages to their families and joins the demand to return all fallen hostages. We continue to actively support Israeli society, with an emphasis on community rehabilitation and tech-oriented education in southern Israel, giving back through volunteer activities to help bereaved families and rehabilitation of the wounded. Despite the tremendous pain of the last two years, as Israel's leading financial group we never ceased to believe in Israel's social and economic resilience and the ability of individuals and groups to act, build, develop, and contribute to Israel's economic stability – even during this difficult period.

During the third quarter of 2025, Phoenix continued to drive strong income growth. As the largest asset manager in Israel, Phoenix is well positioned to take advantage of the many opportunities in the market and to disrupt Israeli financial services, including in both asset management and

insurance. This is reflected in the strong earnings growth, particularly across our asset management businesses. Strong investment performance also generated excess return for clients and shareholders, contributing to the Group's earnings. We continue to distribute regular quarterly dividends and have increased our annual share buyback plan.

The Group's performance run rate is already within our guidance for 2027, and we are now publishing new medium-term guidance for 2028. This guidance highlights our focus on growing high-multiple activities and thereby shifting the mix of our businesses; generating stable and growing cash flows; and creating value by investing in competitive advantages and building advanced capabilities - for the benefit of our clients, partners, and shareholders.

We are pleased with the growing interest from international shareholders who now represent 35-40% of all shareholders and 40-50% of trading volumes, reflecting an important vote of trust and confidence in the business and its potential. Trading volumes in the stock have reached a daily average of NIS 130-140 million in the last quarter, yet another indication of the Group's achievements and potential.

These results stem from the commitment and hard work of all the Group's employees and managers, and this is a great opportunity to thank them for their efforts. Phoenix will continue to work to ensure our clients receive highly professional, optimal and cost-effective service, and to maximize value for our shareholders."

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Conference Call Information

Phoenix Financial will hold a conference call on Wednesday, November 26, 2025 at 1pm local time in Hebrew and at 5pm local time / 3pm UK / 10am ET in English, and has published dial-in details and the presentation through the Tel Aviv Stock Exchange website.

About Phoenix Financial

Phoenix Financial is a leading Israel-based financial, insurance, and investment group traded on the Tel Aviv Stock Exchange (TASE: PHOE). Group activities include multi-line insurance, asset management, credit, and financial product distribution, and have demonstrated strong growth and performance across the cycle. The Phoenix serves a significant portion of Israeli households with a broad set of activities and solutions across businesses and client segments. Managing over \$170 billion in assets, the Phoenix accesses Israel's vibrant and innovative economic activity through a robust investment portfolio, creating value for both clients and shareholders.

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The above includes information regarding the Company's financial statements results and strategic plan & guidance. Accordingly, the presentation includes forward-looking information as defined in section 32A of the Securities Law 1968. The information regarding the strategic plan & guidance includes, among other things, forecasts, goals, assessments, and various estimates, including information presented by way of illustrations and/or graphs and/or tables relating to future events or matters, the realization of which is uncertain and not under the control of the Company or the companies in the Phoenix group, including, among other things, regarding revenues and profitability from new initiatives and the implementation of various plans, profit forecasts, EBITDA, and other future financial data. The Company's management has carried out a process of updating its strategic goals, based on the Company's data, market data, raw or processed internal information collected, and comparative information, and based on certain working assumptions regarding the Company's activities and relevant markets. Such information is based on the subjective assessment of the Company and its advisors, and among other things, relies on past experience, the professional knowledge accumulated by the Company, existing information, and current expectations and assessments, including future developments as known to the Company today. The realization and/or non-realization of forward-looking information which is stated in the financial reports and this presentation will be affected by risk factors that characterize the activities of the Company and group companies, as detailed in the Company's periodic reports, including changes in economic conditions, capital market in Israel and globally, the development of competition in the segments relevant to the group's activities, regulatory changes, changes in consumer preferences and consumption habits, changes in working assumptions or in the economic models and assumptions, and changes in implementation or execution – that cannot be estimated in advance and may not be controlled by the Company. Hence, there is no certainty that the actual results and achievements of the Company in the future will be in accordance with these views and may differ, also substantially, from those presented in this material.