

THE PHOENIX HOLDINGS LTD

Registry Number 520017450

To: The Securities Authority
www.isa.gov.il

To: The Tel Aviv Stock Exchange Ltd. T081(Public)
www.tase.co.il

Transmission Date:
Reference:

Immediate Report on Distribution of Cash Dividend to Securities **Regulation 37(A) of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970**

1. We are hereby report that on 26/03/2024 it was decided to pay a dividend to the Company's securities.
2. The total amount of the dividend to be paid is: NIS 265,000,000.
3. The balance of the corporation's profits as defined in section 302 of the Companies Law, 5769-1999, after the distribution in relation to this report are in the amount of:
NIS 8,234,062,000.
4. Dividend distribution approval procedure:

Decision of the Board of Directors ("BOD") dated March 26, 2024.

The above distribution complies with the approval of the court in accordance with section 303 of the Companies Law.

5. The effective date (Record Day): 03/04/2024
Ex-Date: 03/04/2024
Date of payment: 11/04/2024

6. Payment details:

- Dividend distributed from a company resident in Israel (For the composition of the sources of dividends and tax rates, see section 7a)
- Dividend distributed by a Real Estate Investment Fund (For the composition of dividend sources and tax rates, see section 7c)

No. of Eligible Securities	Security Name	Dividend Amount for Single Security	Currency Dividend Amount	Payment Currency	Representative Rate for Payment as of	Individual Tax %	Corporate Tax %
767012	The Phoenix	1.04540	NIS _____	NIS	_____	25	0

- Dividend distributed from a foreign resident company (For tax rates see section 7b)

No. of Eligible Securities	Security Name	Gross Amount Per Single Security	Currency Amount	Overseas Tax %	Treaty Tax %	Individual Tax Balance for Deduction in Israel %	Corporate Tax Balance for Deduction in Israel %
		Amount to be Paid in Israel for Single Security	Payment Currency	Representative Rate for Payment as of		Actual Individual Tax in Israel %	Actual Corporate Tax in Israel %

The dividend amount to be paid must be specified with an accuracy of up to 7 digits after the decimal point for a payment made in NIS and up to 5 digits after the decimal point in case of payment in another currency.

Is the dividend amount per single security final? No.

The dividend amount for single security is subject to change due to:

Since there will be options which will be exercised by employees of The Phoenix Group, between the date of the announcement of the distribution and the effective date, the amount of the dividend per share will be adjusted according to the actual number of shares. The Company will publish a supplementary report in respect of this adjustment at the effective date. Such exercise will result in a reduction in the amount of the dividend per share.

7. The rates of withholding tax listed below are for the purpose of deducting withholding tax by members of the Stock Exchange.

7a. The composition of the sources of dividends distributed from a company resident in Israel from shares and financial instruments, excluding the Reit Trust.

	% Of Dividend	Individuals	Companies	Foreign Residents
Income subject to corporate tax (1)	100	25%	0%	25%
Income originated overseas (2)	0	25%	23%	25%
Income approved/benefited enterprise (3)	0	15%	15%	15%
Income Ireland benefited enterprise until 2013 (4)	0	15%	15%	4%
Income Ireland benefited enterprise as of 2014 (5)	0	20%	20%	4%
Preferred income	0	20%	0%	20%
Income approved tourism/agricultural enterprise (6)	0	20%	20%	20%
Income approved/benefited enterprise submitted a waiver notice (7)	0	15%	0%	15%
Distribution classified as capital gain	0	25%	23%	0%
Distribution by participating unit	0	0	0	0
Other	0	0	0	0

Explanation:

(1) Income subject to corporate tax - Income from dividends or dividends deriving from income produced or constructed in Israel, received directly or indirectly from another body of persons subject to corporate

tax.

- (2) Income originated overseas is income produced or constructed overseas and not charged in Israel.
- (3) Including income from a tourist benefited enterprise and that the year of selection/operation is until 2013.
- (4) Ireland benefited enterprise - the year of selection is until 2013.
- (5) Ireland benefited enterprise - the year of selection is from 2014 onwards.
- (6) Including income from a tourist benefited enterprise and that the year of selection/operation is from 2014 onwards.
- (7) Approved/benefited enterprise submitted a waiver notice until 30.6.2015, after deducting corporate tax to which it was subject.

7b. Dividend distributed from a foreign resident company

	Individuals	Companies	Foreign Residents
Dividend distributed from a foreign resident company	25%	23%	0%

7c. Dividend distributed by a real estate investment fund

	% Of Dividend	Individuals (1)	Companies	Foreign Resident Companies	Exempt Mutual Fund	Provident Fund (2)
From real estate appreciation, capital gain and depreciation (3)	-----	25%	23%	23%	0%	0%
Other taxable income (such as rent)	-----	47%	23%	23%	23%	0%
From income-producing real estate for rental housing	-----	20%	20%	20%	0%	0%
Income charged by the fund (4)	-----	25%	0%	25%	0%	0%
Exceptional income	-----	70%	70%	70%	60%	70%
Other	-----	-----	-----	-----	-----	-----
% Withholding tax deducted	100%	-----	-----	-----	-----	-----

- (1) Individuals - including income from a taxable mutual fund, foreign residents.
- (2) An annuity provident fund or benefits or compensation as defined in the Income Tax Ordinance and a provident fund or foreign pension fund that is a resident of a reciprocating country.
- (3) Real estate appreciation or capital gain, other than the sale of real estate held for a short period, and from income in the amount of depreciation costs.
- (4) Distribution of taxable income by the fund in accordance with section 64A4(e).

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8. The number of dormant securities of the corporation that are not eligible for dividend payment and for which a waiver letter must be made to receive the dividend payment 6,451,617.5
9. The effect of the dividend distribution on convertible securities:
- The Company has no convertible securities
 - Dividend distribution has no effect on convertible securities
 - The effect of the dividend distribution on the convertible securities is as follows:

Name of Security	Security No.	Notes
Phoenix Opt. Employees	7670235	The gross dividend per share will be reduced from the current exercise price

10. Recommendations and resolutions of the directors in connection with the distribution of the dividend pursuant to Regulation 37(a)(1) of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970:

*In regard of distribution of the dividend it was decided that according to the Company's 2022 financial statements, the profit that can be divided according to the provisions of the Companies Law, 5769-1999 (the "**Companies Law**"), is amounted to NIS 8.5 billion, thus the distribution complies with the "profit criterion" as defined in the Companies Law.*

For the purpose of examining the Company's compliance with the "the ability to meet liabilities criterion" as defined in the Companies Law, the Company has ensured that the distribution of the dividend does not prevent the Company from being able to meet its existing and expected liabilities, when their due date arrives.

The Company's BOD believes, after examining the effect of the distribution on: The financial condition of the Company; Its expected cash flow; Its capital structure; The state of the Company's liquidity and compliance with existing financial criteria, that there is nothing in the making of the distribution to adversely affect the Company.

It should be noted that the BOD's resolution is based, inter alia, on the distribution of dividends from the subsidiaries to the Company

In accordance with the aforesaid, the BOD has determined that the distribution is in accordance with the distribution tests set forth in the Companies Law, and in the opinion of the Company's BOD, the distribution of the dividend does not have a negative effect on the Company's financial position.

The BOD also determined that the distribution of the dividend distribution complies with the dividend distribution policy set by the Company which states that the Company shall distribute an annual dividend at a minimum rate of 30% of the Company's distributable comprehensive income as per its financial statements for relevant year.

Details of the signatories authorized to sign on behalf of the corporation:

	Name of Signatory	Position
1	Meni Neeman	Other Chief Legal Advisor
2	Eli Schwartz	Chief Financial Officer _____

Explanation: Pursuant to Regulation 5 of the Securities' (Periodic and Immediate Reports) Regulations, 5730 – 1970, a report submitted under these regulations shall be signed by the authorized signatories on behalf of the corporation. A staff position on the subject can be found on the Authority's website: [Click here](#).

Reference numbers of previous documents in this matter (the reference does not constitute inclusion by reference):

The corporation's securities are listed for trading on the Tel Aviv Stock Exchange

Date of update of form structure: 20.02.2024

Short name: The Phoenix

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Previous names of the reporting entity: The Israel Phoenix Insurance Company Ltd.

Name of electronic reporter: Elad Sirkis; His position: Company Secretary

Employer's name: The Phoenix Insurance Company Ltd.

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