



LIBRA

Changing Insurance Standards

2025 Annual Results

March 2026

Legal Disclaimer

LIBRA

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LIBRA



Advanced AI Technology

Significant
Cost Savings



the Insurance Company Growing in Israel



Market Leader & Stimulates competition

Setting new standards



First Digital Insurance Company

In Israel



High-Quality portfolio: 100% Private

Without Collectives



Strong Solvency Ratio



Operational Efficiency

Policies per Employee: 2,400



Number of Employees: 240

Mostly in service centers,
claims and sales

ONE STOP SHOP



**Business
Insurance**



**Travel
Insurance**



**Home
Insurance**



**Car
Insurance**



**Life
Insurance**



**Mortgage
Insurance**



**Pet
Insurance**



**Chik insurance
Occasional Drivers**

Travel Abroad Insurance Innovation

Revolutionary Product

A digital card granting a status similar to an American citizen with medical insurance

Service Innovation

The insured doesn't need to pay or even report to the insurance company

Economic Efficiency

Low-cost arrangements with medical providers in the U.S.



Medical Green Card
for Travelers
to the U.S.

Innovation in Car Insurance: Unique Coverages



**Payment
Within 48 Hours**



Credit Balance



Hit and Run



**Upgraded
Compensation**



Profit Sharing

Chik – Innovative Products & Technology

Car insurance for young drivers and new drivers – from all insurance companies

Exceptional market response – around 230,000 monthly uses

Innovative product – one of a kind in Israel!

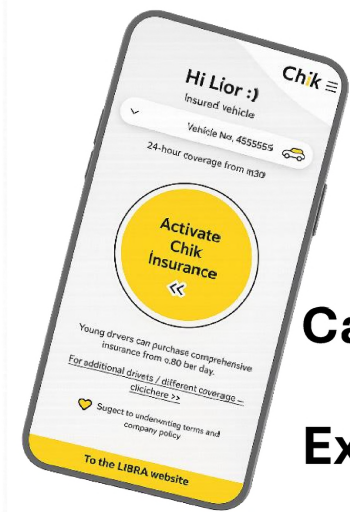
Used via an advanced application

Award-Winning Product, two years in a row

מוצר השנה
בחירת הצרכנים

VOTED
PRODUCT
OF
THE YEAR

2026



While everyone else just talks about AI Libra Is Already Reaping the Rewards

The Numbers
Speak for Themselves

13%

Expense Ratio
Lowest in
the Industry

×2

Increased
Employee Productivity

Growth Without
Headcount Increase

Service Improvement

Reduced Wait Times

24/7 Availability

- AI Agent for autonomous renewal on WhatsApp for 3 years already** WhatsApp call for insurance renewal, including negotiation and renewal approval **Renewals**
- Voice based AI Agent** Claims report intake, fault determination, claim creation In the core system, coordinating garages and appraisers, CRM documentation **Claims Opening**
- Voice based AI Agent** claim status checking for the insured **Claim Status**
- Developing a multi-service AI voice agent** Supporting actions such as vehicle replacement, information inquiry, payment status and more **Service Operations**
- Developing AI tools for claim settlement processes** AI automation to reduce errors and increase claims handlers' productivity **Claim Settlement**
- AI Agent for QA** Call transcriptions and core system documentation **Control and Documentation**

High ranking in
the following
parameters:
Claims Handling
Digital Tools
Customer Service

Award-Winning Service – Ranked #1 in Service Index

Capital Market, Insurance and Savings Authority, August 2025

Car Property Insurance Index 2024							
Insurance Company Names	Car Property Insurance Service Index	Weighted Score	Claims Payment			Telephone Response Time	Digital Tools
			Claims Payment Rate	Handling Speed	Public Complaints		
Libra	87	93	93	93	85	74	100
Direct Insurance	86	92	93	91	84	65	98
Agricultural Insurance	86	82	86	78	88	85	78
Ayalon	86	85	86	84	84	93	88
Migdal	85	82	85	80	84	84	99
Haphoenix	84	82	83	81	84	85	100
Clal	84	85	84	86	83	72	99
Shlomo	84	85	82	87	82	89	80
Harel	83	81	84	79	84	78	100
AIG	82	94	94	93	81	39	99
Shomera	80	79	81	78	82	73	82
Hachshara	77	77	90	65	79	63	96
WeSure	76	77	90	64	78	66	93
Menora	75	75	81	70	80	36	97
Average	82	84	86	81	82	72	94

LIBRA

Data Highlights And Key Figures

Libra Breaks Records Again

131%

Solvency Ratio
Per Solvency Regime

13%

Expense Ratio
Best in the Industry

85 Million
ILS

Net Profit
Year 2025

918 Million
ILS

Premium
Year 2025

58%

Return on Equity
2025 Annualized

75%

Retention CLR
Motor property – 2025

720 Million
ILS

**A Growing
Nostro Portfolio**

As of Report
Publication Date

Transition to IFRS17

A new accounting standard for measuring and presenting results in the insurance industry

- 🎯 Separation between underwriting profit and Investment profits and financing activities
- 🎯 Spreading changes in actuarial assumptions over the policy lifetime
- 🎯 Exposure to changes in the interest rate curve
- 🎯 Measurement of Profit at initial recognition of the insurance contract
- 🎯 Profit are recognized over the coverage period; losses are recognized immediately



- 🎯 Changes the calculations in life insurance
- 🎯 The impact on non-life insurance is mainly presentational
- 🎯 One-time impact on equity at transition date (1.1.2024)
- 🎯 No direct impact on solvency ratio
- 🎯 Improved ability to track underwriting profit development

Key Terms

RA

Risk Adjustment

Risk premium reflects uncertainty in the amount and timing of cash flows. RA is released to profit as risk is released

CSM

Contractual Service Margin

The expected profit from providing insurance coverage. Recognized in profit over the coverage period of the insurance contract

BE

Best Estimate

Discounted expected cash flows at RF rate plus liquidity premium

Summary Balance Sheet (ILS thousands)

Consolidates all sheet balances of life insurance

Continuous Growth in Total Assets

	December 25	December 24
Assets		
Insurance Contract Assets	24,633	12,444
Reinsurance Assets	324,479	338,942
Other Assets	39,523	33,017
Financial Investments and Cash	804,049	605,904
Total Assets	1,192,684	990,307
Equity and Liabilities		
Equity	183,831	108,633
Insurance Contract Liabilities (Non-Yield-Dependent)	904,116	799,470
Other Liabilities	104,737	82,204
Total Equity and Liabilities	1,192,684	990,307

Equity Development (ILS thousands)

	Amount
Opening Balance 1.1.2025	108,633
Net profit for 2025	85,198
Dividend	(10,000)
Total Equity as of 31.12.2025	183,831

Opening balance per IFRS4:
ILS 110,412 thousand
Change in equity upon transition
to IFRS17: ILS 1,779 thousand only

Return on Equity (Annualized)

The Best Return on Equity Consistently!

2024
Annualized

58%

2025
Annualized

58%

ROE is among the highest in the market, thanks to optimal utilization of the Company's resources for growth and profitability

Summary Statement of Profit and Loss (ILS millions)

LIBRA

	2025	2024	Q4/2025	Q4/2024
Insurance Services Revenue	874	733	233	204
Insurance Services Expenses	700	629	189	187
Total profit from Insurance Services Before Reinsurance	174	104	44	17
Total Reinsurance profit from insurance services	57	33	17	23
Net profit from Insurance Services	117	71	27	14
Investments Income	33	22	4	6
Finance Income (Expenses) from Insurance Contracts	(10)	(5)	(1)	(2)
Total Investment and Finance Income	23	17	3	4
Other Operating and Finance Expenses	(12)	(10)	1	0
Total Profit Before Tax	128	78	31	18
Total profit After Tax	85	51	22	12

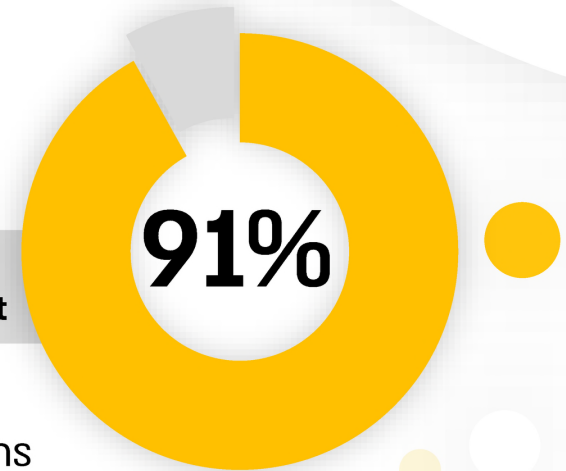
Profit breakdown (ILS millions)

	2025	2024	Q4/2025	Q4/2024
Underwriting Profit	117	71	27	16
Investment profit and Finance Expenses	23	17	*3	4
Other Operating Expenses	(12)	(10)	(1)	(1)
Total profit Before Tax	128	78	31	19

* In Q4 A decrease was recorded in Investments Income of approximately 8 million ILS compared to Q3 Following a negative index

Underwriting Profit Ratio

Unlike other companies in the insurance industry, most of Libra's profit (91%) is underwriting profit derived from insurance activity and not from investment profit



Full optimization – from underwriting to operations



Operational Efficiency

Thanks to advanced technology and AI which serve a force multiplier for employees



Private Portfolio

Quality policyholder portfolio without fleets or collectives



Personalized Model

generating a policyholder portfolio with low-risk profiles such as low mileage drivers, clean long-term claims history, and more

Profit by Business Segment (ILS millions)

	2025	2024	Q4/2025	Q4/2024
Non-life Insurance Profit Before Tax	122	74	31	18
Life Insurance Profit Before Tax	4	1	1	0
Other Profit	2	3	(1)	0
Total Profit Before Tax	128	78	31	18
Tax	43	27	9	6
Total profit After Tax	85	51	22	12

Revenues by **line of Business** (ILS millions)

	2025	2024	Q4/2025	Q4/2024
Property vehicle	589	516	138	117
Compulsory Motor	282	240	68	57
Property Branches (Homeowners and SMB)	34	27	8	6
Life Insurance	13	6	4	2
Total Revenues	918	789	218	182

**Revenue
Growth
Across all
Line of
businesses**

Profit Before Tax by **line of Business** (ILS millions)

	2025	2024	Q4/2025	Q4/2024
Property vehicle	103	64	24	12
Compulsory Motor	21	14	7	7
Property Branches (Homeowners and SMB)	(1)	(3)	0	(1)
Life Insurance	4	1	1	0
Other	1	2	(1)	0
Total Profit Before Tax	128	78	31	18

**Profit Growth
Across all
Line of
businesses**



Property vehicle

CLR Gross: 78%

CLR Net: 75%

2025

Motor Own Damage – Profitability Analysis (ILS millions)

	2025	2024	Q4/2025	Q4/2024
Insurance Service Revenue	567	480	148	133
Insurance Service Expenses	444	405	123	121
Total Insurance Service profit Before Reinsurance	123	75	25	12
CLR Gross	78%	84%	83%	91%
Reinsurance profit	22	10	3	0
Net Insurance Service profit	101	65	22	12
CLR Net	75%	80%	79%	88%
Investment income and Finance Gains/Losses	6	(3)	0	0
Other Operating & Finance Expenses	4	4	(2)	0
Profit Before Income Tax	103	64	24	12

Quarterly Impacts

Q4 was characterized by an increase in thefts and natural disaster losses

Asset Cycle in **Life Insurance Net** (ILS thousands)

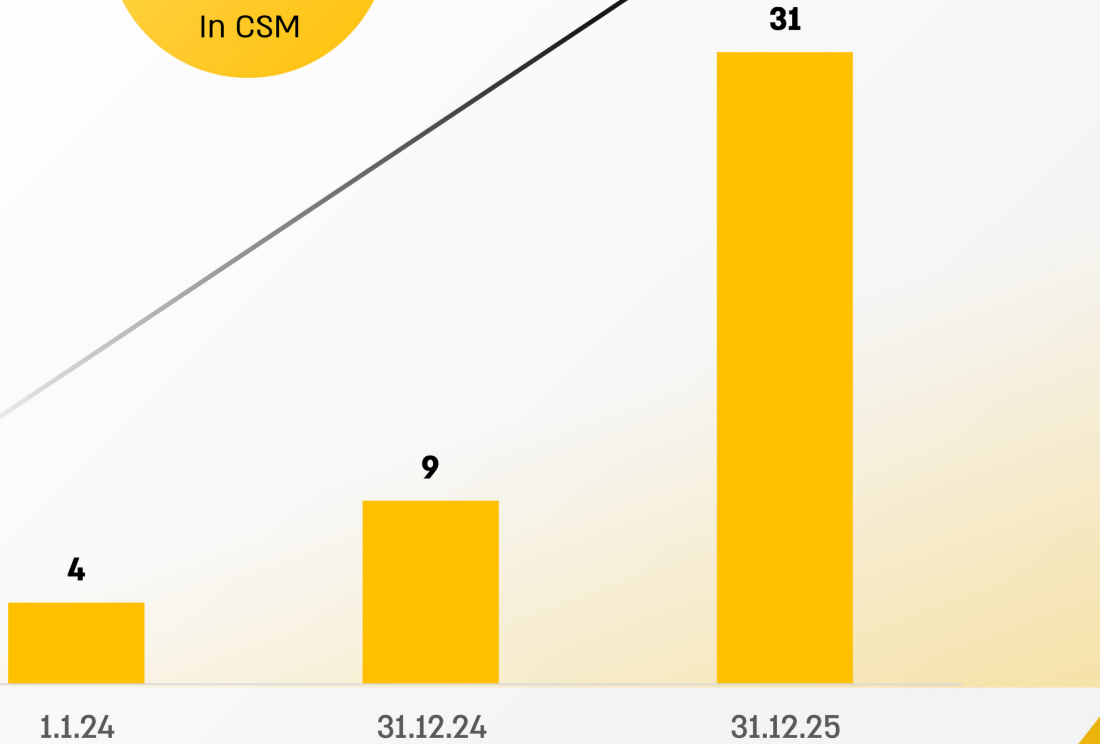
Significant
growth
in
CSM

	LRC			LIC		Total Profit and Loss
	BE	RA	CSM	Total Balance		
Asset Balance 31.12.24	20,054	(2,013)	(2,929)	(1,165)	13,947	
Changes During the Period	23,865	(2,736)	(12,082)	(46)	9,001	1,931
Asset Balance 31.12.25	43,919	(4,749)	(15,011)	(1,211)	22,948	1,931
Investment income and Finance Gains/Losses						2,033
Total Profit						3,964

Sharp growth of

675%

In CSM

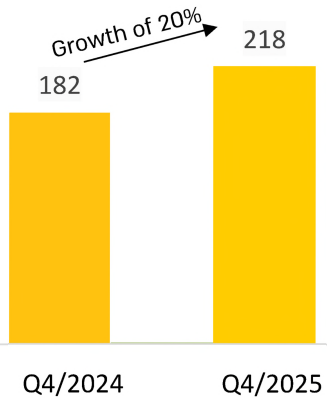


CSM Gross Development

In millions ILS

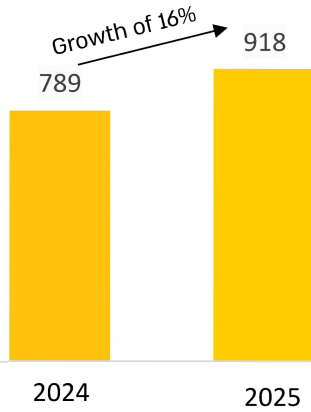
Q4 Gross Premiums

in millions ILS



Annual Gross Premiums

in millions ILS



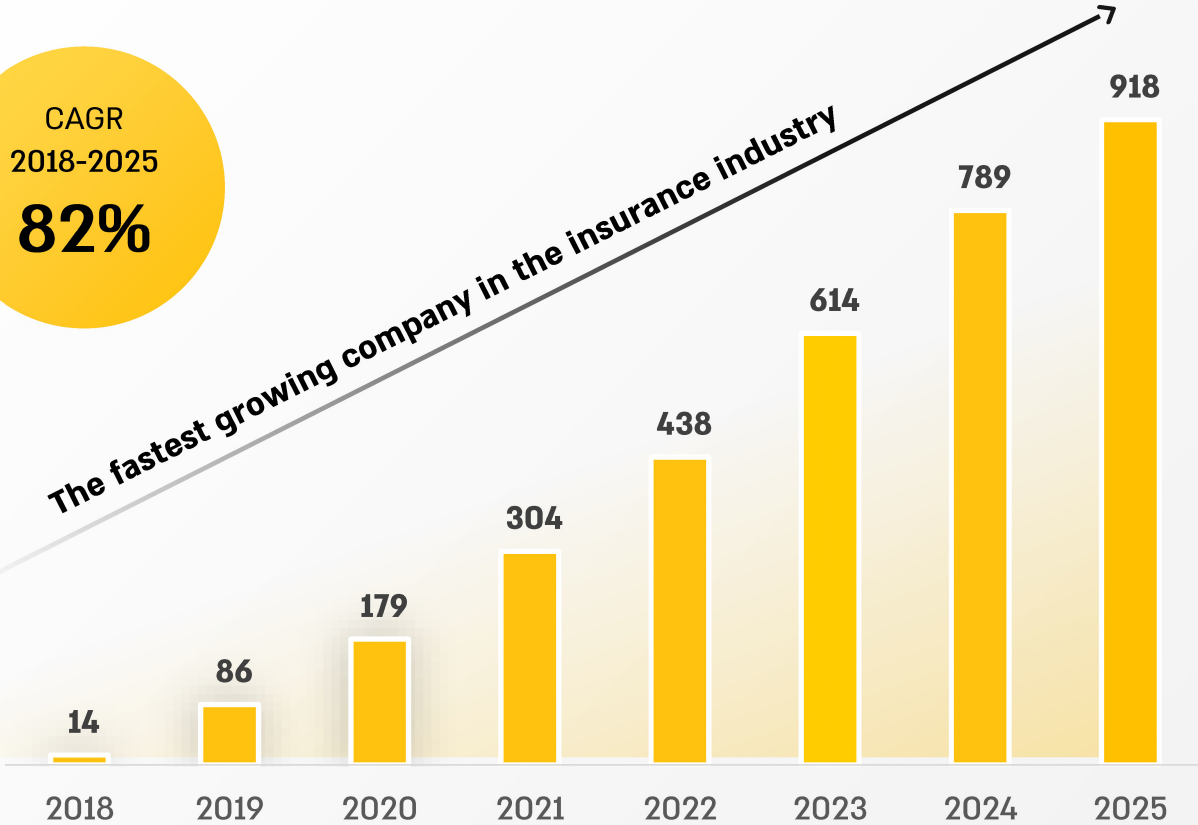
Premiums Gross

In millions ILS

CAGR
2018-2025

82%

The fastest growing company in the insurance industry



*May 2018 – License received

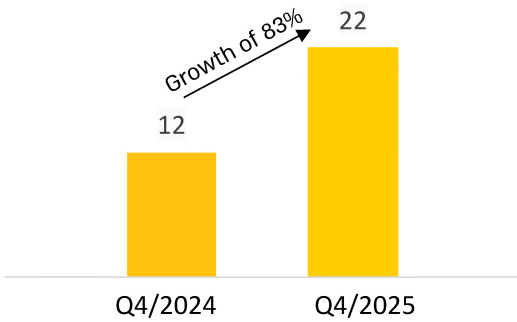


Premiums Development

in millions ILS

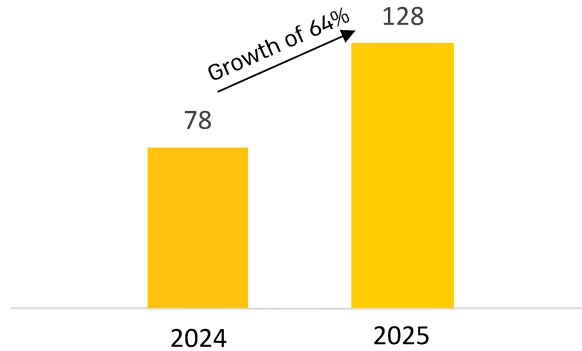
Q4 Profit Before Tax

in millions ILS



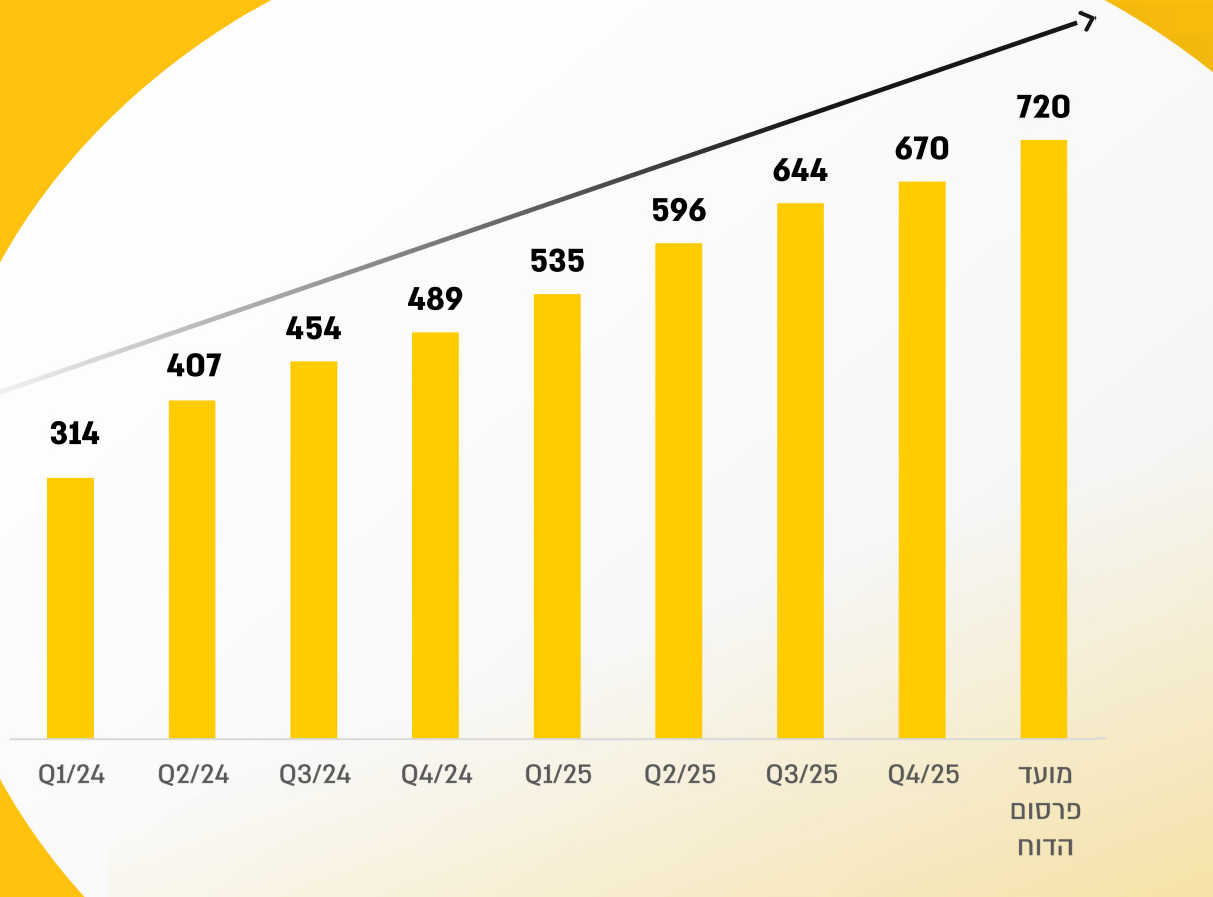
Annual Profit Before Tax

in millions ILS



Profit Before Tax

In millions ILS



Nostro Portfolio Development

In millions ILS

* In Q4, a one-time payment was made for CUT OFF with NII.

Approx. 35 million ILS Expected to be recovered from reinsurers during Q2 2026.



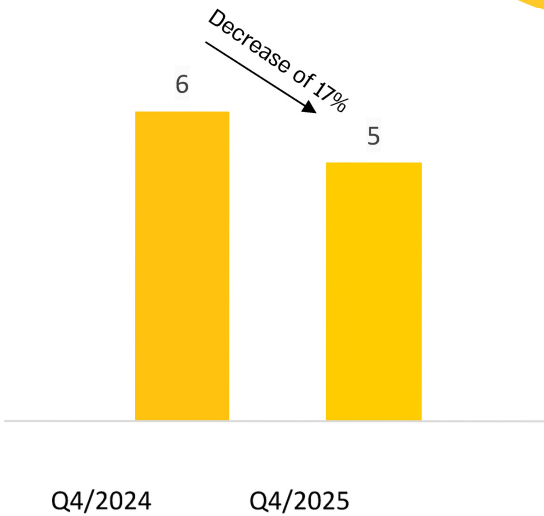
The fair value of the held to maturity bond is higher than its amortized value

by approx. 7 million ILS.

This amount was not recorded in the financial statements as investment income but will be recognized in Solvency

Q4 Investment income

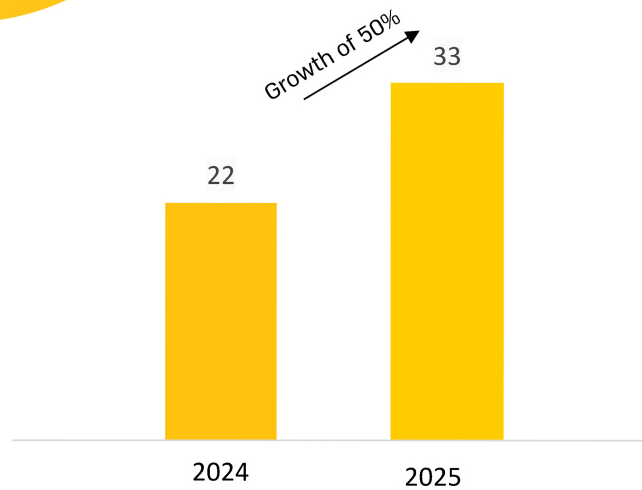
Balance sheet in millions ILS



The decrease in investment income by Q4 is due to negative index compared to the prior year. Since most of the portfolio is CPI-linked

Annual investment income

Annualized



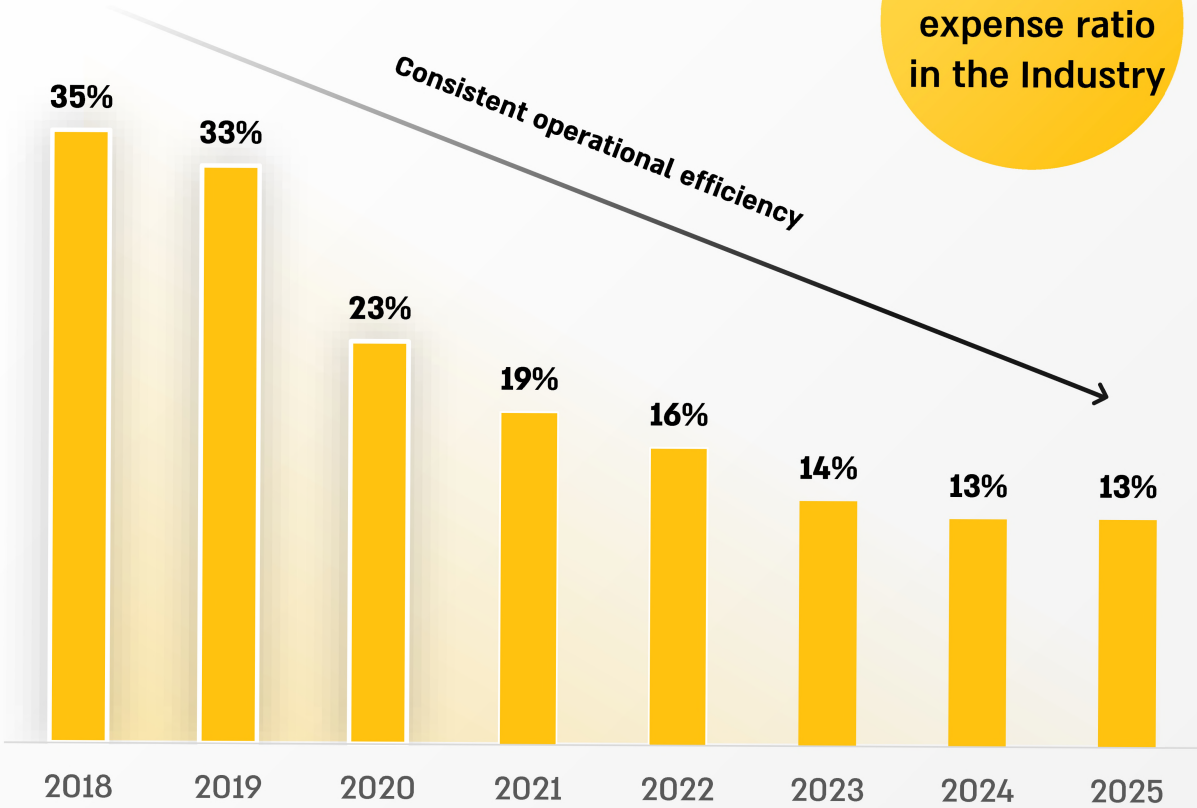
The growth in investment income in 2025 compared to 2024 is a result from the growth in the nostro portfolio



Investment Income

Annualized

Lowest
expense ratio
in the Industry



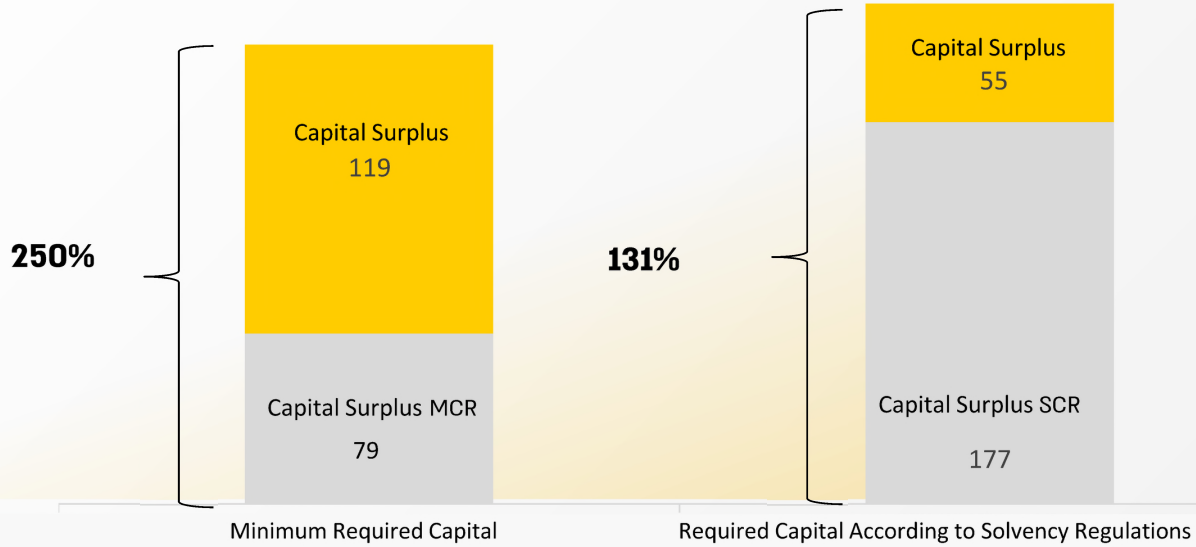
Development Expense Ratio

General Expenses from gross premium

*May 2018 – License received

Low expense ratio thanks to an operational model based on advanced technology

*Excluding life insurance expenses Known to be high in the initial years, the Company's expense ratio stands at 12%



Capital Surplus

In millions ILS
(Solvency Ratio)

Per regulations of Solvency

*Data as of report publication date

Practice built to drive results



**Generating
Additional Profit
Sources**

Libra DNA



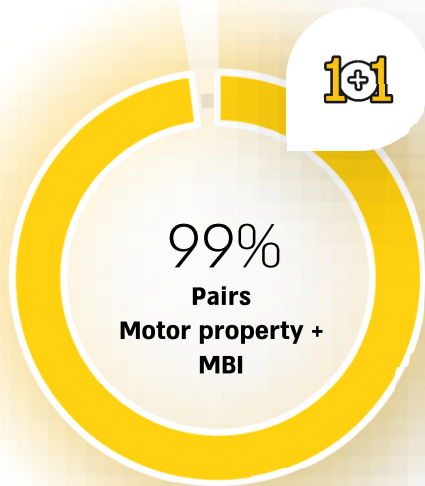
**Tight Claims
Management**

Libra DNA

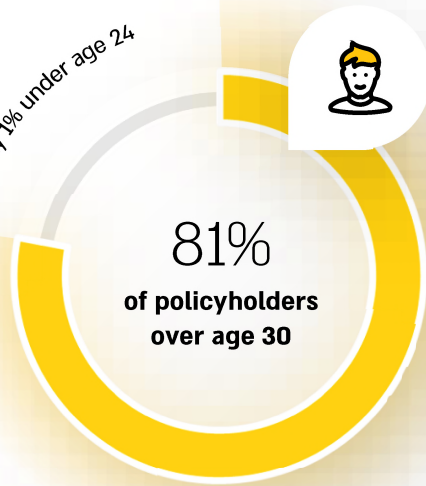


**Quality
Underwriting**

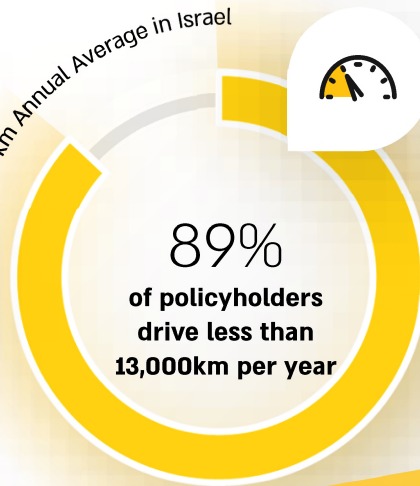
Quality Underwriting – Portfolio Mix



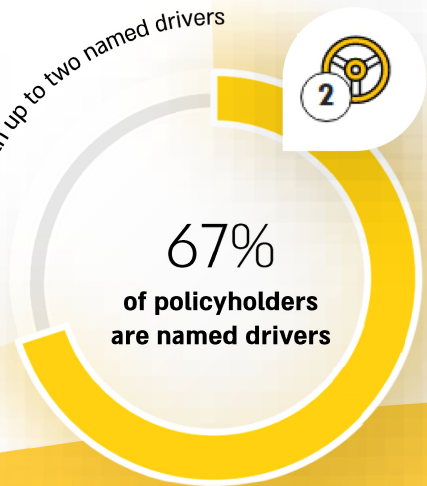
*Only 1% under age 24



17,000 km Annual Average in Israel



64% with up to two named drivers



**Homogeneous
Portfolio**
No Fleets or
Collectives



**Policyholder
Diversification**



**Quality
Underwriting**

*without occasional drivers

Tight Claims Management

Compulsory
insurance claim
frequency
1.15%

One of the lowest
in the industry

Settlement
rate for
third-party claims
30%

Highest rate
in the industry

Total loss
claim frequency
1.2%

One of the lowest
in the industry

Payment for
parts to a
private garage
according to the
**in-network
price list**

Rate of
authorized
garages
94%

Highest rate
in the industry

Average
in-network
claim
11,000 NIS

One of the lowest
in the industry

Creating additional sources of profit beyond the vehicle line of businesses



Significant growth in other LOB than vehicle with high profitability

An increase of approximately 42%

As of 2025, compared to the previous year



Focus on high-profit risk and mortgage products

Adjusted premium of approximately 18.1 million NIS

As of 31.12.2025

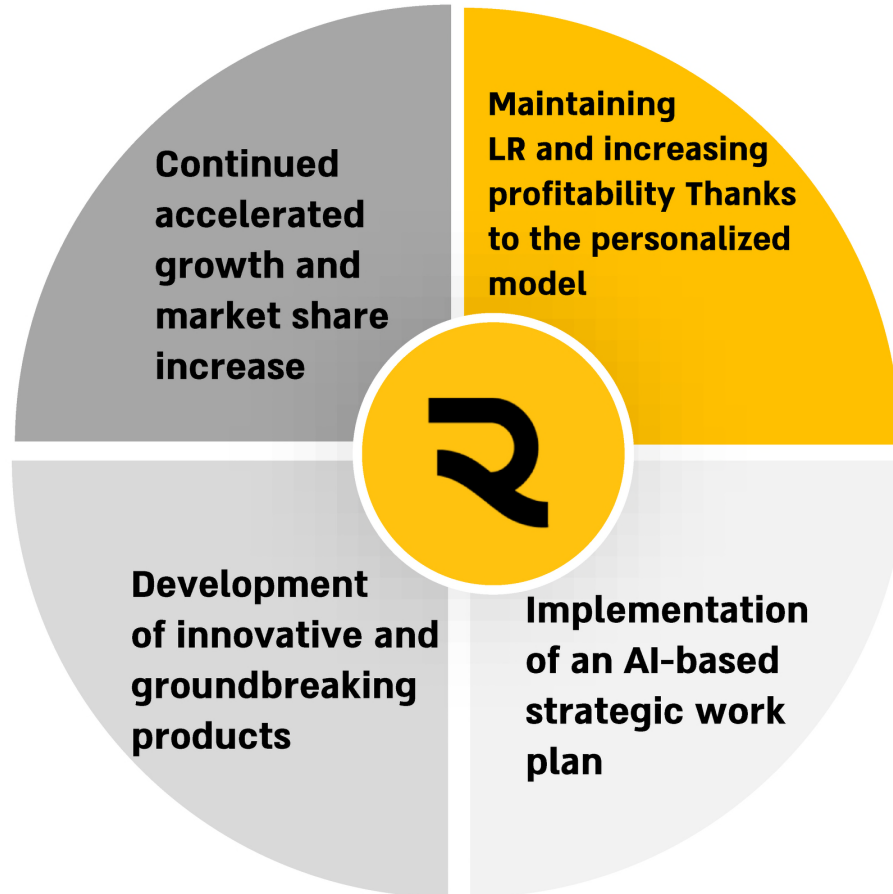


Transferring the investment portfolio to external management for maximizing income yield

Profitability of approximately 33 million NIS

As of 2025

Business focus



Military operation against Iran and its Impacts

Libra available and proficient in operating even during emergencies, continues to provide full service and response during the operation and has taken actions for the benefit of its policyholders, such as automatic coverage extension for those abroad and ease of service operations



Nostro

The capital market was affected by the operation, but since Libra nostro portfolio's Nostro portfolio is managed conservatively, the impact of the change on the nostro portfolio nostro portfolio of the Company is not material, so so no impact on the Company's results is expected



Life and Mortgage

The life insurance sector covers personal injury, but at this stage no such injuries have been recorded among Libra's policyholders, so there is no increase in claims payments in life insurance following the war and currently no impact on the Company's results is expected



Travel Abroad

As a result of the operation, flights were significantly reduced and a decrease in travel insurance abroad was recorded. This sector does not constitute a large portion of Libra's activities, so so despite the decrease in sales, no material impact on the Company's results is expected



Other Property

Property damage caused by missile fire are covered by the state through the Property Tax Fund, so Libra has no exposure to this matter and no material impact on the Company's results is expected



Property Vehicle

At the start of the operation, a decrease in travel volumes was recorded, A slight decrease in accident frequency and A decrease in thefts. At the same time, a decrease in inquiries and new sales was recorded. However, after about a week, the volume of inquiries had almost reached the level of a regular business day and no material impact on the Company's results is expected.



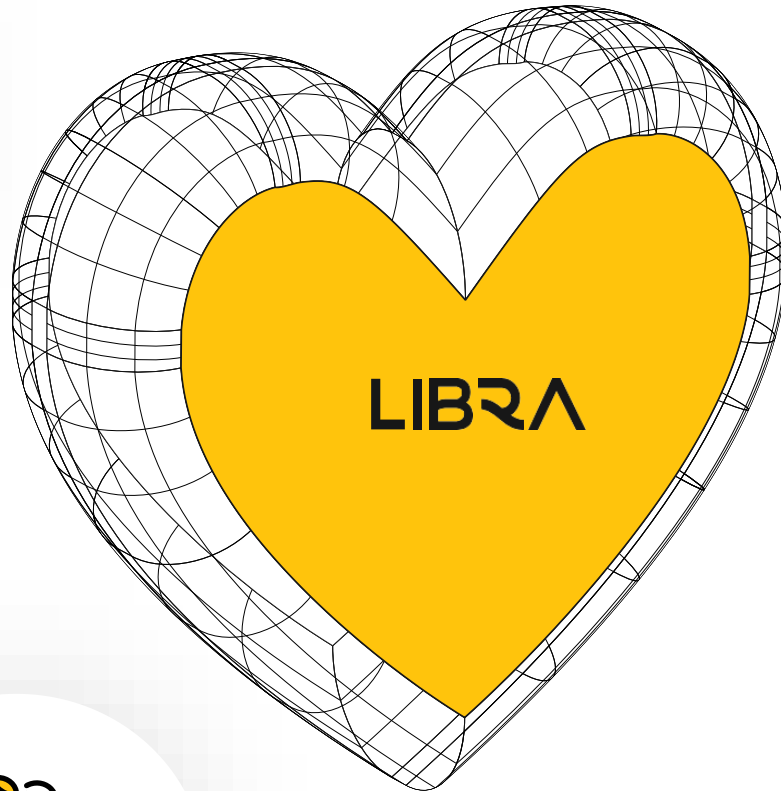
Winning
Technology



A Personal &
Unique Model



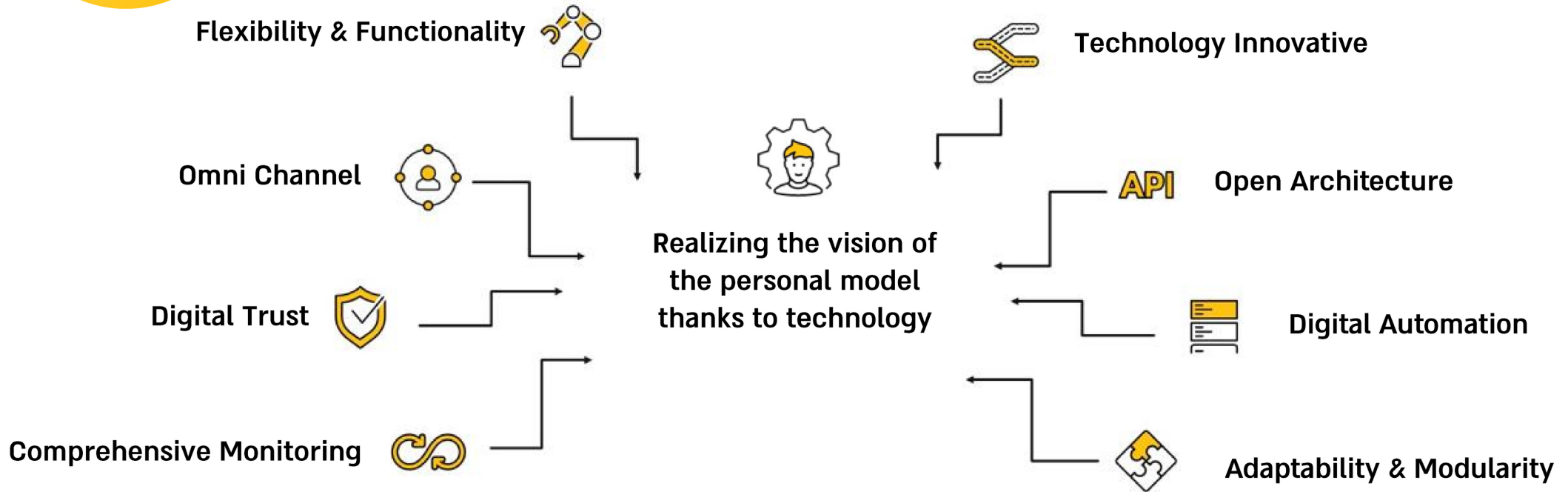
Customer
Loyalty



**What Do We Have
That Others Don't?**

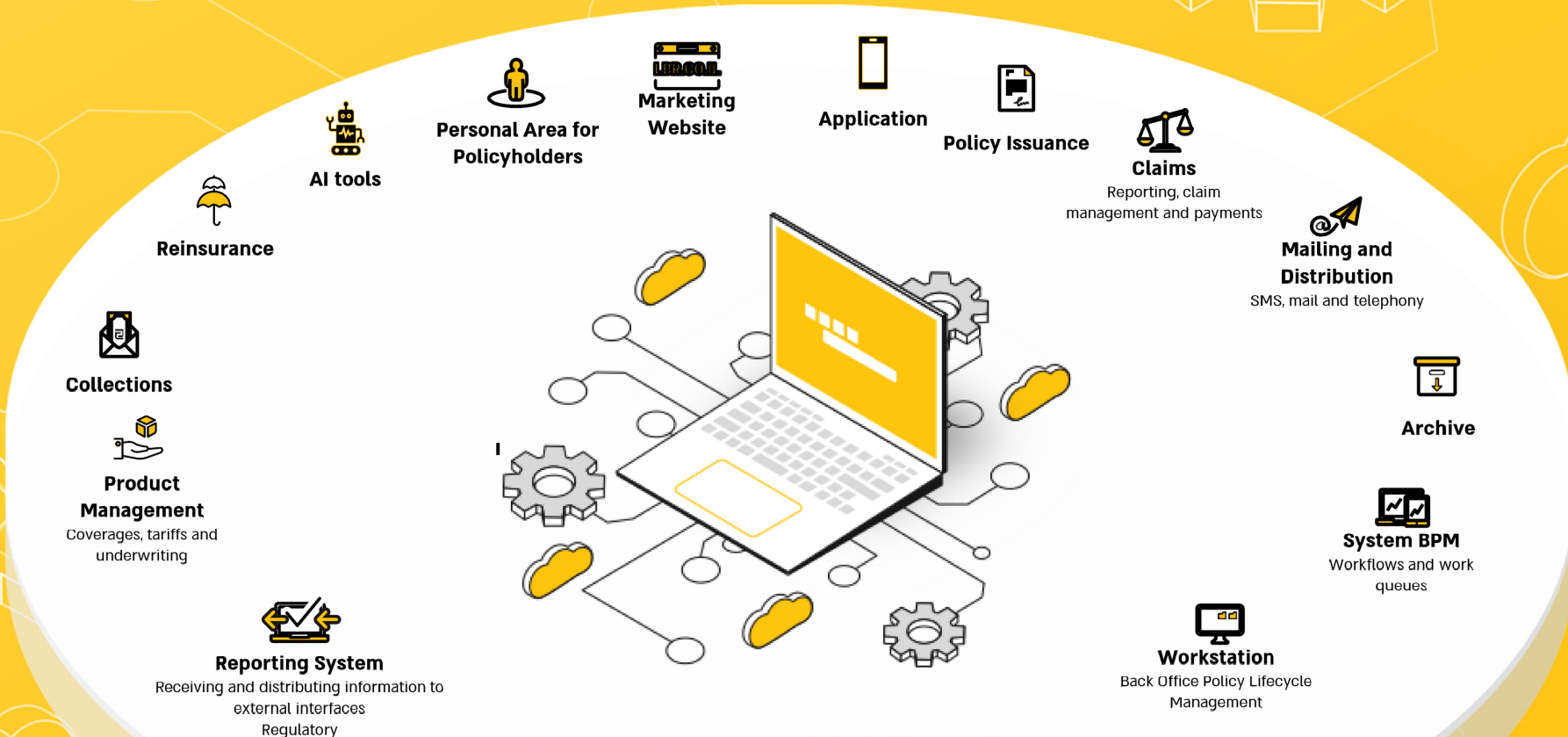
The core system was recognized as an InsurTech asset

The Technology That Make LIBRA A Game Changer In The Insurance Industry



An Advanced System In Self-Development

Functionality of numerous systems in one system developed with emphasis on maximizing operational efficiency



Significant cost savings and operational efficiency

Unique Personalization Model

Insurance Done Differently



Unique personal questionnaire for each insurance line



Developing New Pricing Models



Fast-track travel insurance for returning insured customers



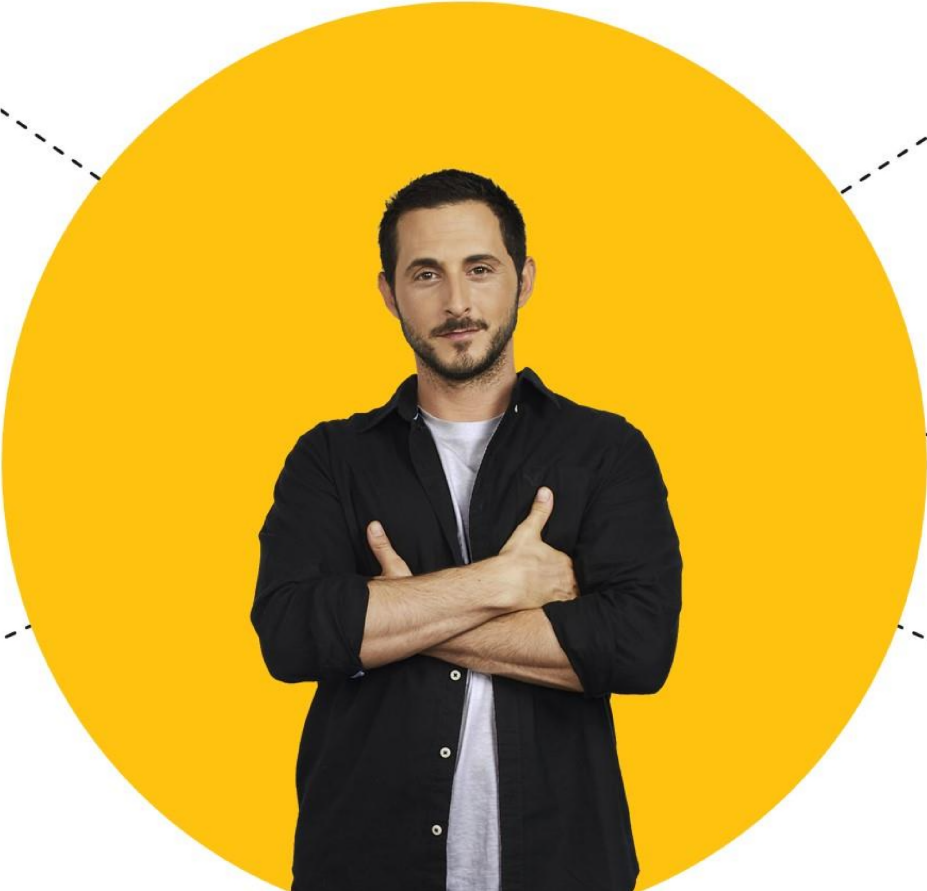
Interfaces with external databases for underwriting and pricing



Claim payments directly to your credit card



Multi-year insurance history via an automated interface with "Har Habituach"



Libra Market Leader And Market Disruptor



Innovation Products

Chik

Insurance solutions for young and occasional drivers offered across different insurance providers



Changing the Accepted media language in the Industry

For the First time in the insurance industry – a departure from complicated language and transition to simple communication language



Medical Green Card
for Travelers to the U.S.



Introducing a mileage-based pricing model

A model that became a right-wing icon & a role model among companies in the industry



Leading the switching revolution in vehicle insurance



Payment within 48 hours

Fastest SLA Commitment in Total and Theft claims payment

Loyalty customer

83% Renewal

Renewal Rate
Among the Highest
in the Industry



**Digital Wallet
and Profit Sharing**



**Accumulating a
credit balance in
case of a claim**



Excellent Service

Leading in customer satisfaction and recommendations
In the Capital Market, Authority's Service Insurance and Savings



Unique Covers

Hit and run, vehicle to the scene of the accident,
payment of claims within 48 hours and more

- The renewal rate calculation refers to the motor own damage sector based on policies eligible for renewal, excluding policies that were cancelled or reached exhaustion mid-policy period due to theft or total loss as defined in the relevant regulations, and which are therefore not eligible for renewal.



LIBRA Takes The Top Spots

In Reliability



Libra was ranked by Globes and Statista

In 1st place in reliability

Among insurance companies in Israel

In Service



Libra was ranked

In 1st place

In the service index for motor own damage insurance

In Marketing



Libra's advertisements **Outstanding** in Globes indices

Most Remembered and Loved

In Product



Libra's car insurance was selected for the sixth consecutive year

as Product of the Year

In the car insurance category



The Public Decided:

Libra is the Insurance Company

Most Recommended in Israel



Libra has
most advanced
Digital Services



Libra Offers
Fair Prices



Libra Is
Insurance Company
Most Innovative



Libra Offers
**Advantages Not
Found
In Other
Companies**

LIBRA

Innovation happens
when you dare to
Play differently

