Changing Insurance Standards

Q2 results for 2026

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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: 2,585

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

Chik – Innovative Products & Technology

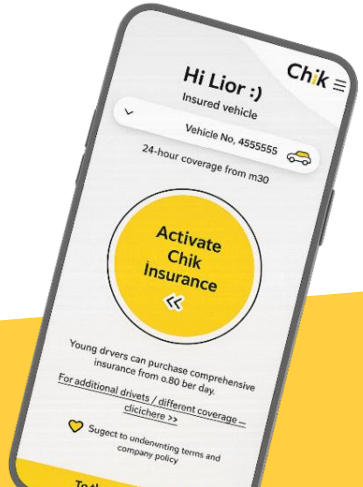
Car insurance for young drivers and new drivers – **from all insurance companies**

Exceptional market response – **around 260,000 monthly uses**

Innovative product – **one of a kind in Israel!**

Used via an **advanced application**

Award-Winning Product, **two years in a row**



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.

LIBRA

Innovation in Car Insurance: Unique Coverages

- Payment Within 48 Hours
- Credit Balance
- Hit and Run
- Upgraded Compensation
- Profit Sharing

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

LIBRA

The Numbers Speak for Themselves

12%

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

LIBRA

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

*2024 Index published in August 2025

LIBRA

Data Highlights And Key Figures

Libra Breaks Records Again

136%
Solvency Ratio
Per Solvency Regime

12%
Expense Ratio
Best in the Industry

53 Million ILS
Net Profit
H1/2026

538 Million ILS
Premium
H1/2026

47%
Return on Equity
H1/2026

76%
Retention CLR
H1/2026

847 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

LIBRA

- 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 millions)

Aggregates all balance sheet balances of life insurance

	June 2026	June 2025	December 2025
Assets			
Insurance Contract Assets	29,544	18,533	24,633
Reinsurance Assets	262,051	341,640	324,479
Other Assets	32,320	33,038	39,523
Financial Investments and Cash	956,165	706,186	804,049
Total Assets	**1,280,080**	**1,099,397**	**1,192,684**
Equity and Liabilities			
Equity	226,983	148,112	183,831
Insurance Contract Liabilities (Non-Yield-Dependent)	970,660	862,061	904,116
Other Liabilities	82,437	89,224	104,737
Total Equity and Liabilities	**1,280,080**	**1,099,397**	**1,192,684**

Steady growth in total assets

Change in equity (ILS thousands)

	Amount
Opening Balance 1.1.2026	183,831
Net profit for H1/2026	53,152
Dividend paid	(10,000)
Total Equity as of 30.06.2026	226,983

Return on Equity (Annualized)

The Best Return on Equity Consistently!

Q2/2026
Annualized
44%

H1/2026
Annualized
47%

The Company's net profit relative to its equity is among the highest in the economy, thanks to optimal use of resources for growth and profitability

Condensed **income statement** (ILS millions)

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
Insurance Services Revenue	488	416	251	212	874
Insurance Services Expenses	386	335	199	161	700
Total profit from Insurance Services Before Reinsurance	**102**	**81**	**52**	**51**	**174**
Total Reinsurance profit from insurance services	**28**	**24**	**13**	**17**	**57**
Net profit from Insurance Services	**74**	**57**	**39**	**34**	**117**
Investments Income	21	16	14	11	33
Finance Income (Expenses) from Insurance Contracts	(9)	(4)	(7)	(5)	(10)
Total Investment and Finance Income	12	12	7	6	23
Other Operating and Finance Expenses	6	9	4	5	(12)
Total Profit Before Tax	**80**	**60**	**42**	**35**	**128**
Total profit After Tax	**53**	**39**	**28**	**23**	**85**

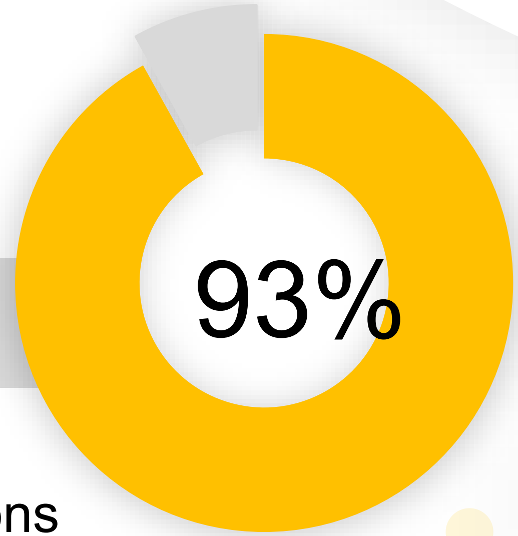
Profit components (ILS millions)

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
Underwriting Profit	74	57	39	34	117
Investment profit and Finance Expenses	12	12	7	6 *	23
Other Operating Expenses	6	9	4	5	12
Total profit Before Tax	80	60	42	35	128
Underwriting profit as % of total	93%	95%	93%	97%	91%

LIBRA

Underwriting Profit Ratio

Unlike other companies in the insurance industry, most of Libra's profit (93%) 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 thousands)

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
P&C insurance profit before tax	74,285	57,180	37,335	32,134	122,616
Life insurance profit before tax	4,326	1,971	3,089	1,781	3,964
Profit from unattributed activity	1,789	1,191	1,642	1,156	1,893
Total profit before tax	80,400	60,342	42,066	35,071	128,473
Taxes on income	(27,248)	(20,863)	(14,031)	(12,060)	(43,233)
Other comprehensive loss	-	-	-	-	(42)
Total comprehensive profit after tax	53,152	39,479	28,035	23,011	85,198

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

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
Motor property	332	296	151	135	589
Compulsory motor	175	141	79	62	282
Property lines (home & business)	20	16	10	8	34
Life insurance	11	5	7	3	13
Total premiums	**538**	**458**	**245**	**208**	**918**

Revenue Growth Across all Line of businesses

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

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
Motor property	57	51	31	27	103
Compulsory motor	15	7	6	6	21
Property lines (home & business)	2	(1)	1	(1)	(1)
Life insurance	4	2	3	2	4
Unattributed	2	1	1	1	1
Total profit before tax	**80**	**60**	**42**	**35**	**128**

Profit Growth Across all Line of businesses

LIBRA

Motor property
CLR gross: 77%
CLR retained: 75%

Profitability analysis (NIS millions)

	H1/2026	H1/2025	Q2/2026	Q2/2025	2025
Insurance service revenue	305	273	156	139	567
Insurance service expenses	237	210	120	105	444
Total insurance service profit before reinsurance	68	63	36	34	123
Gross CLR ratio	78%	77%	77%	75%	78%
Net expenses from reinsurance contracts	11	11	5	6	22
Total insurance service profit	57	52	31	28	101
Retained CLR ratio	76%	74%	75%	71%	75%
Gains from investments and finance	2	2	1	1	6
Other operating and finance expenses	2	3	1	2	4
Profit before taxes on income	57	51	31	27	103

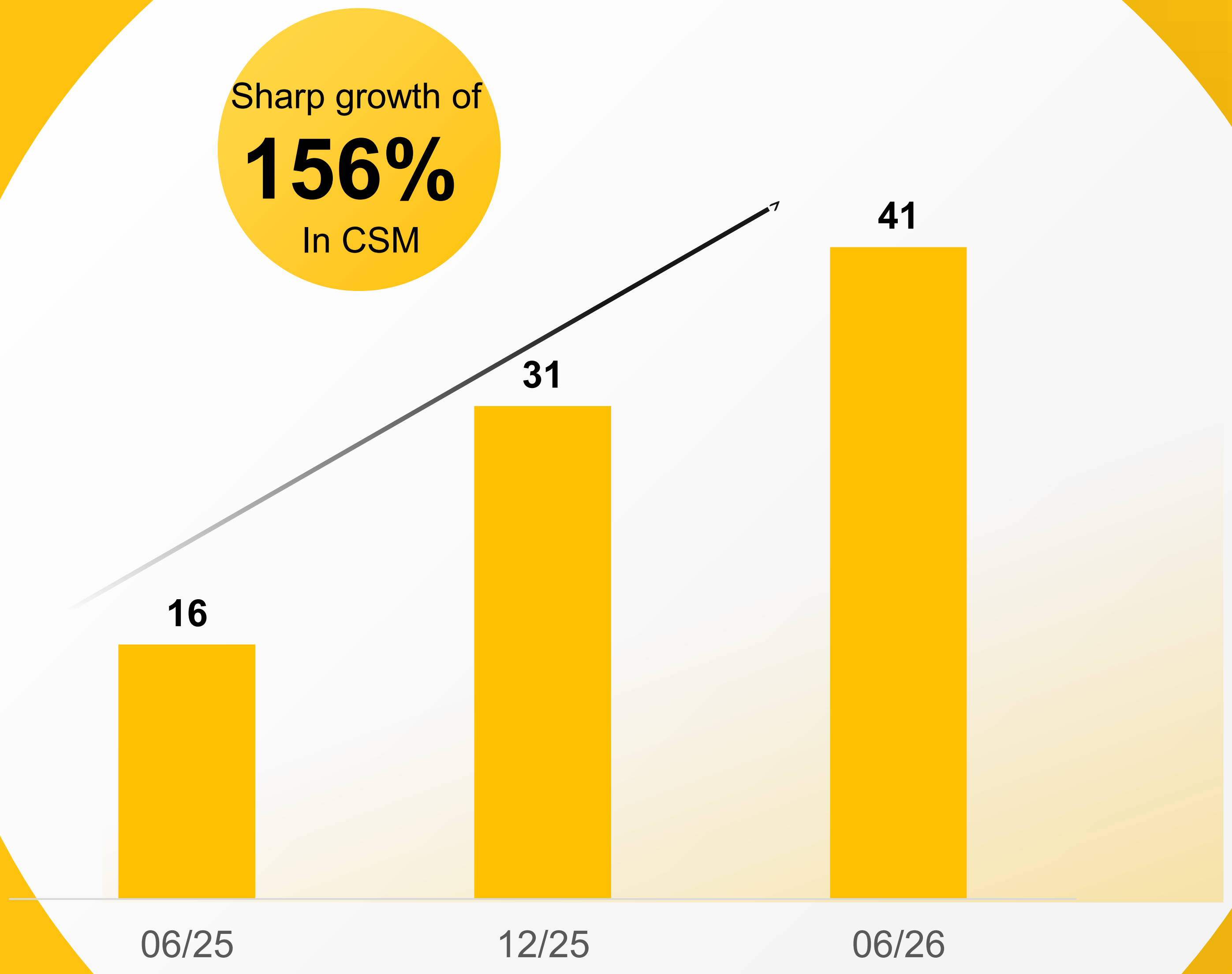
LIBRA

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

Significant growth in CSM

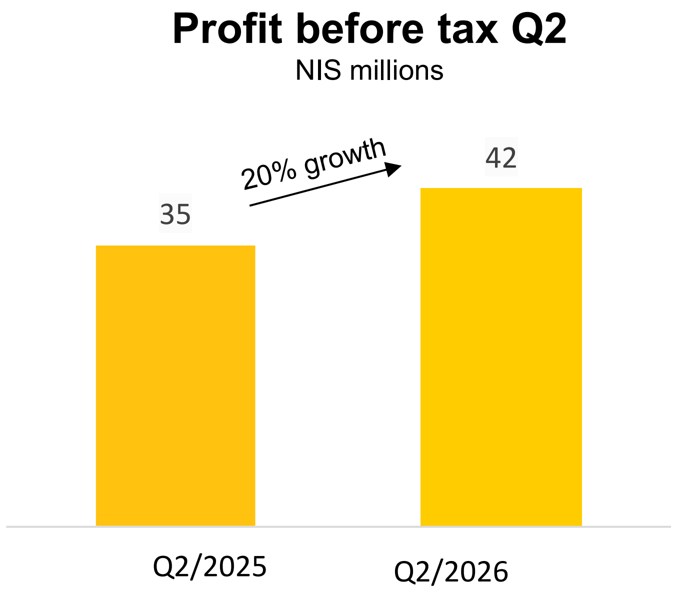
	LRC			LIC		
	BE +premiums	RA	CSM		Total Balance	Total Profit and Loss
Asset balance 1.1.26	**46,747**	**(4,749)**	**(15,011)**	**(1,212)**	**25,775**	
Movement during the period	9,100	(1,248)	(3,858)	215	4,208	1,019
Asset balance 30.6.26	**55,847**	**(5,997)**	**(18,869)**	**(997)**	**29,983**	**2,663**
Investment gains						426
Total profit						**3,089**

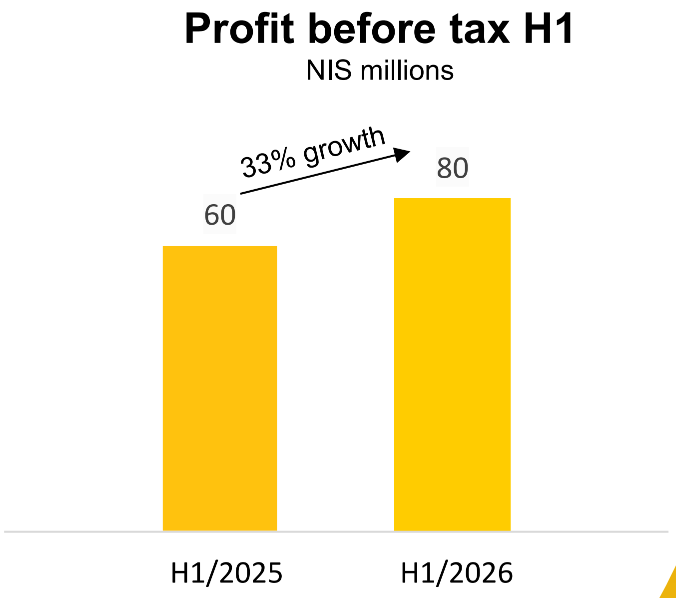
LIBRA



CSM Gross Development

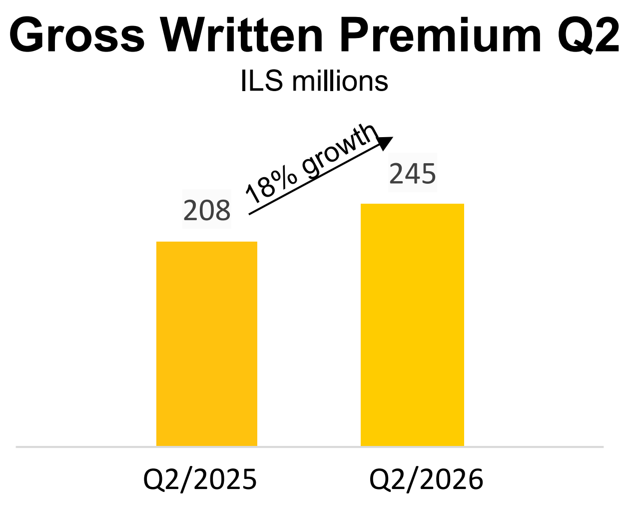
ILS millions

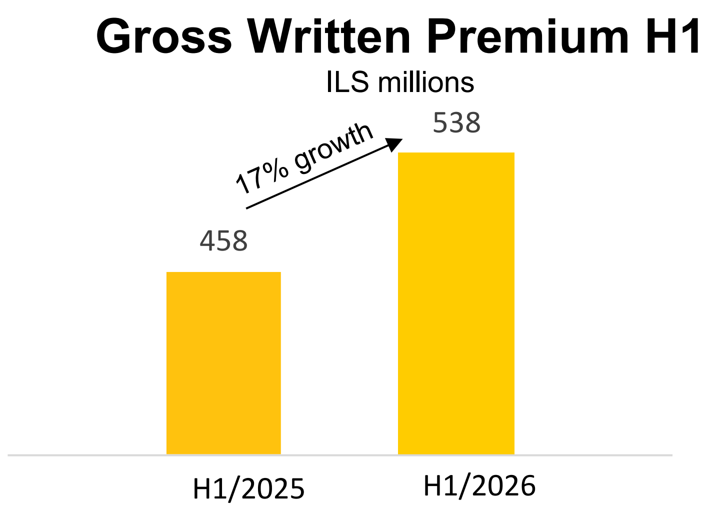




Profit Before Tax

ILS millions

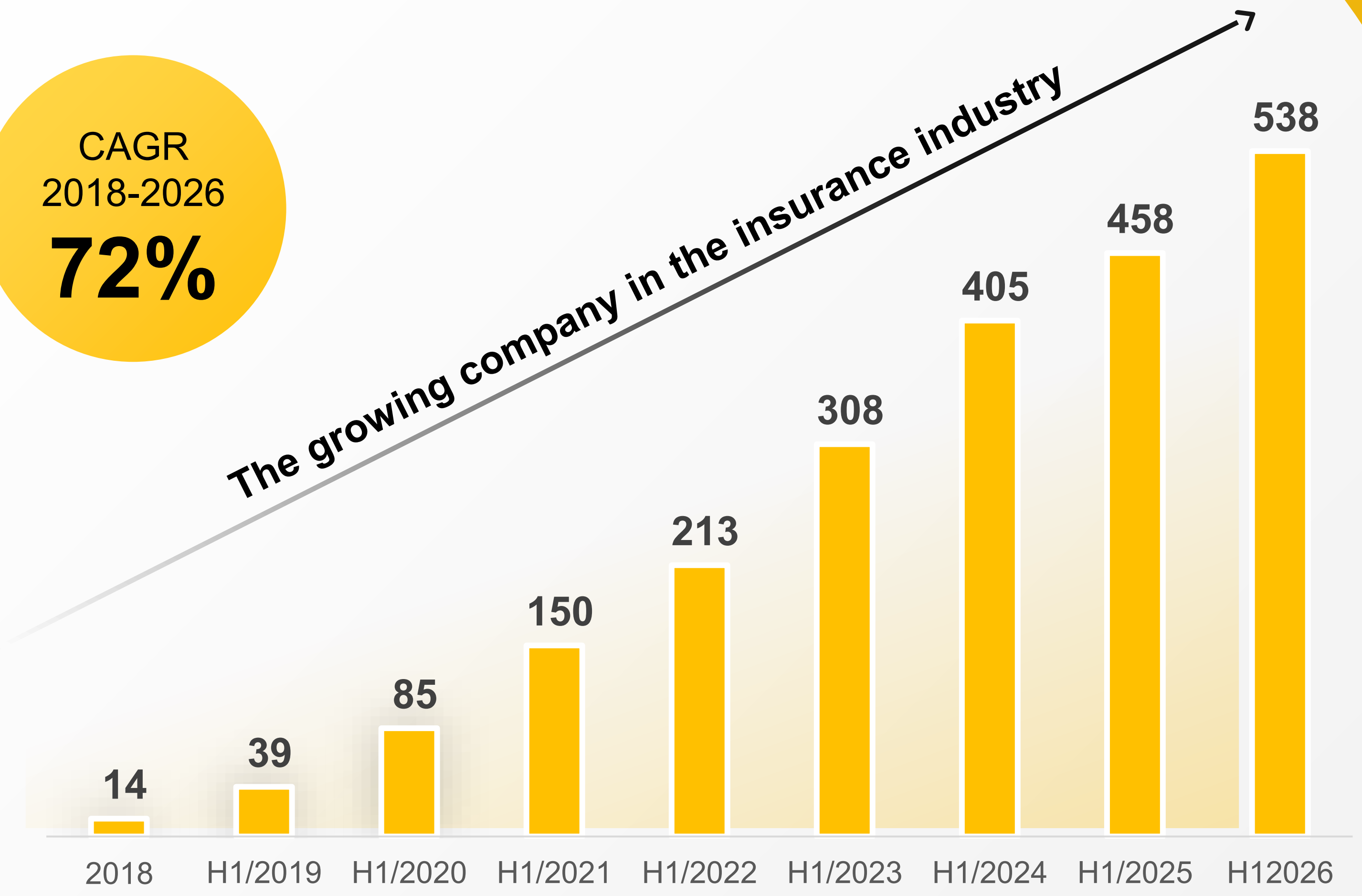




Gross Written Premium

In ILS Millions

CAGR
2018-2026
72%



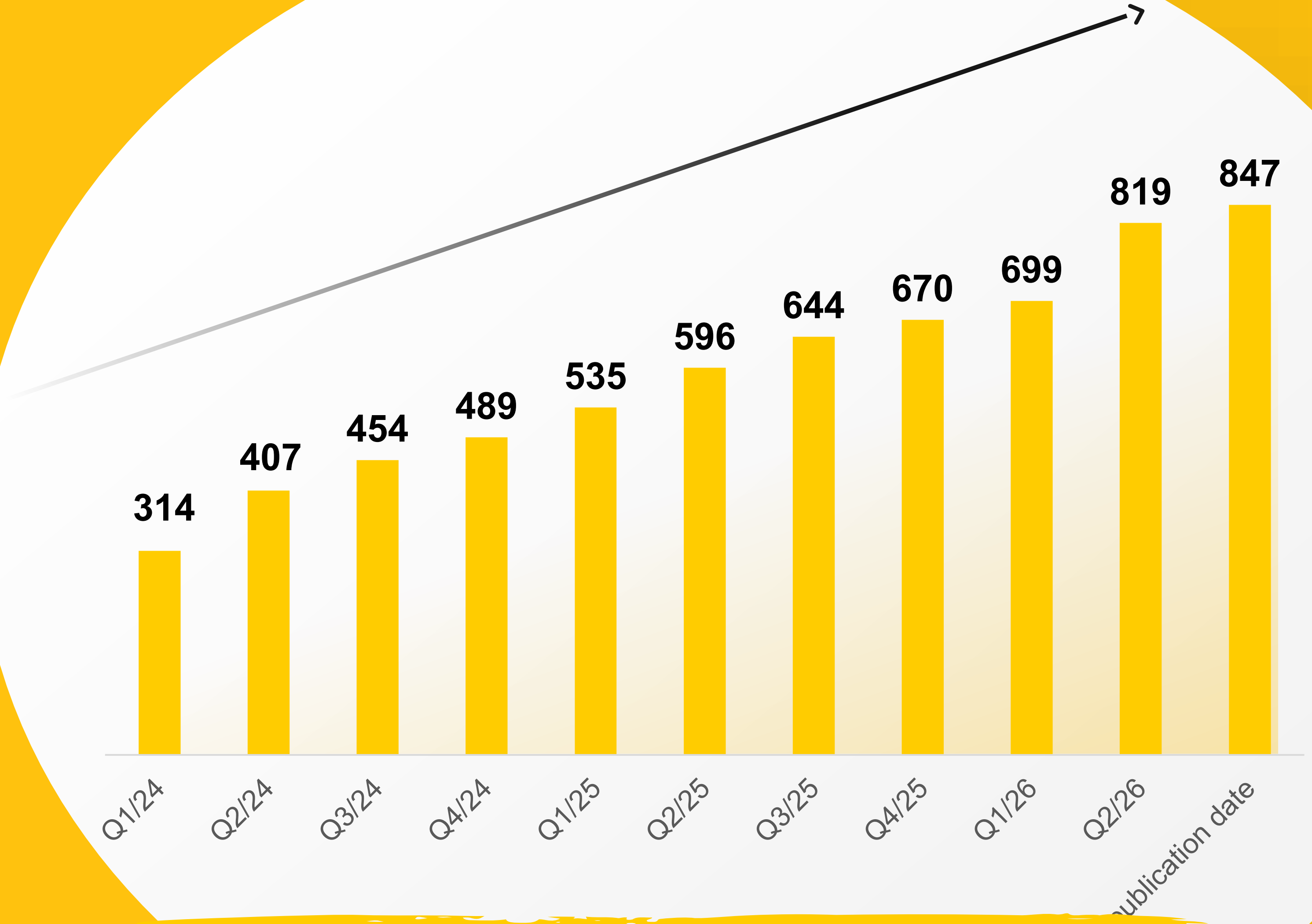
*May 2018 - License granted

Gross Written Premium

ILS millions

Nostro Portfolio Development

ILS millions

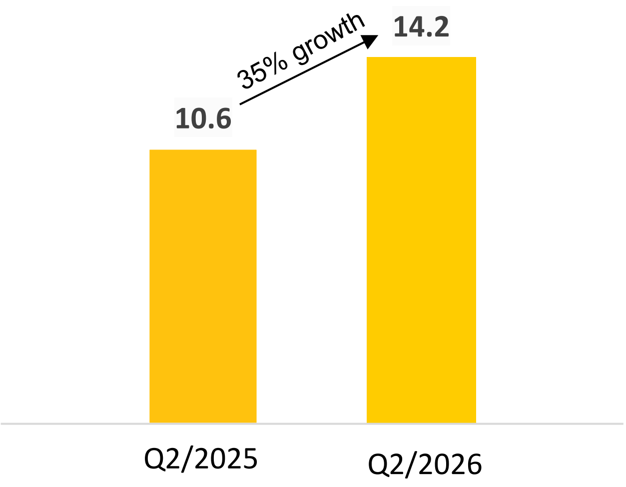


In Q4 2025 a one-time payment was made in respect of a CUT OFF with the National Insurance Institute, most of which was received back from reinsurers during Q2 2026.

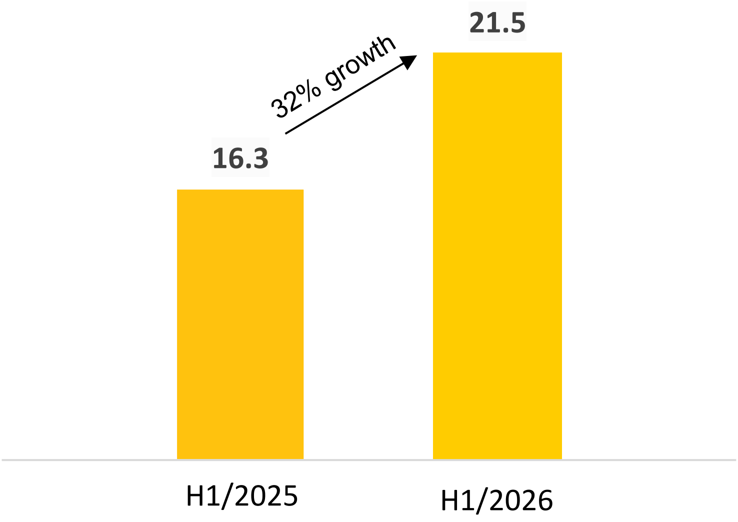
Investment Income

In ILS Millions

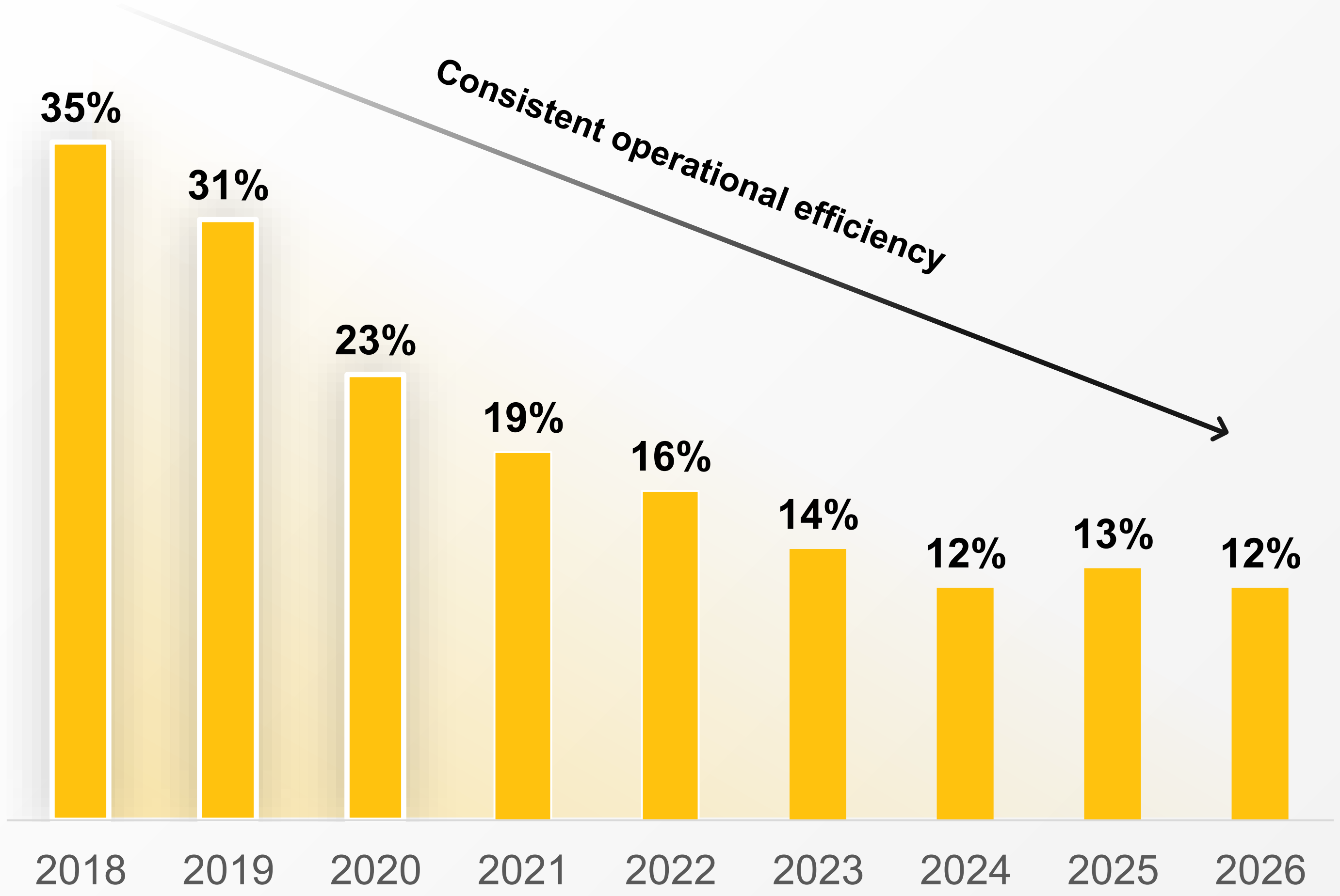
Q2 Investment's income



H1 investment's income



The growth derives mainly from growth in the nostro portfolio



*May 2018 - License granted

Expense Ratio Development

General Expenses from gross Written premium

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

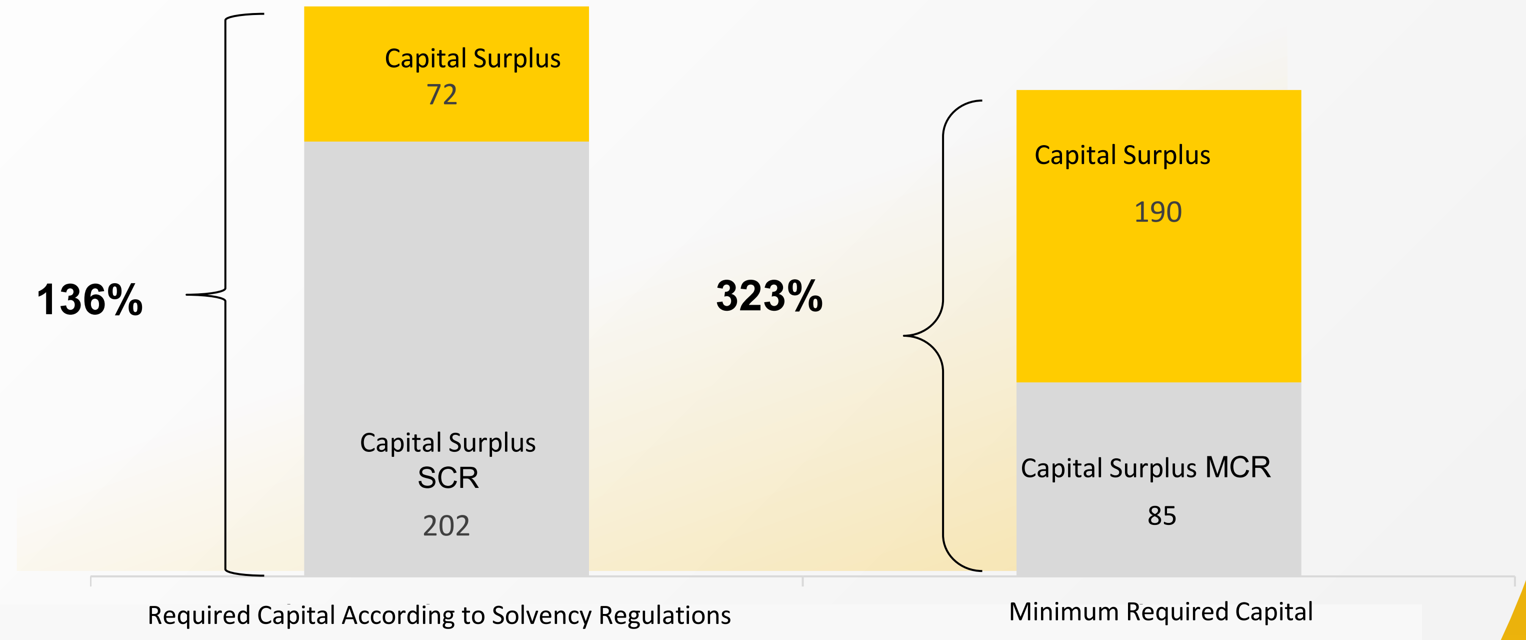
*2025 Excluding life insurance expenses Known to be high in the initial years, the Company's expense ratio stands at 12%

Capital Surplus

ILS millions

(Solvency Ratio)

*As at 31.12.2025



Practice that leads to results

LIBRA

Generating Additional Profit Sources

Libra DNA

Tight Claims Management

Libra DNA

Quality Underwriting

LIBRA

Quality Underwriting – Portfolio Mix

98%
Pairs
Motor property +
MBI

*Only 2% under age 24

80%
of policyholders
over age 30

17,000 km Annual Average in Israel

88%
of policyholders
drive less than
13,000km per year

62% with up to two named drivers

65%
of policyholders
are named drivers

Homogeneous Portfolio
No Fleets or Collectives

Policyholder Diversification

Quality Underwriting

*Excluding 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 ILS
One of the lowest in the industry

Generating additional profit sources beyond motor

Strengthening additional insurance LOB

Significant growth in other LOB than vehicle with high profitability

An increase of approximately 41%

As of 30.06.2026, compared to the previous year

Development of the Life Insurance LOB

Focus on high-profit risk and mortgage products

Adjusted premium of approximately 24.1 million ILS

As of Q2/26

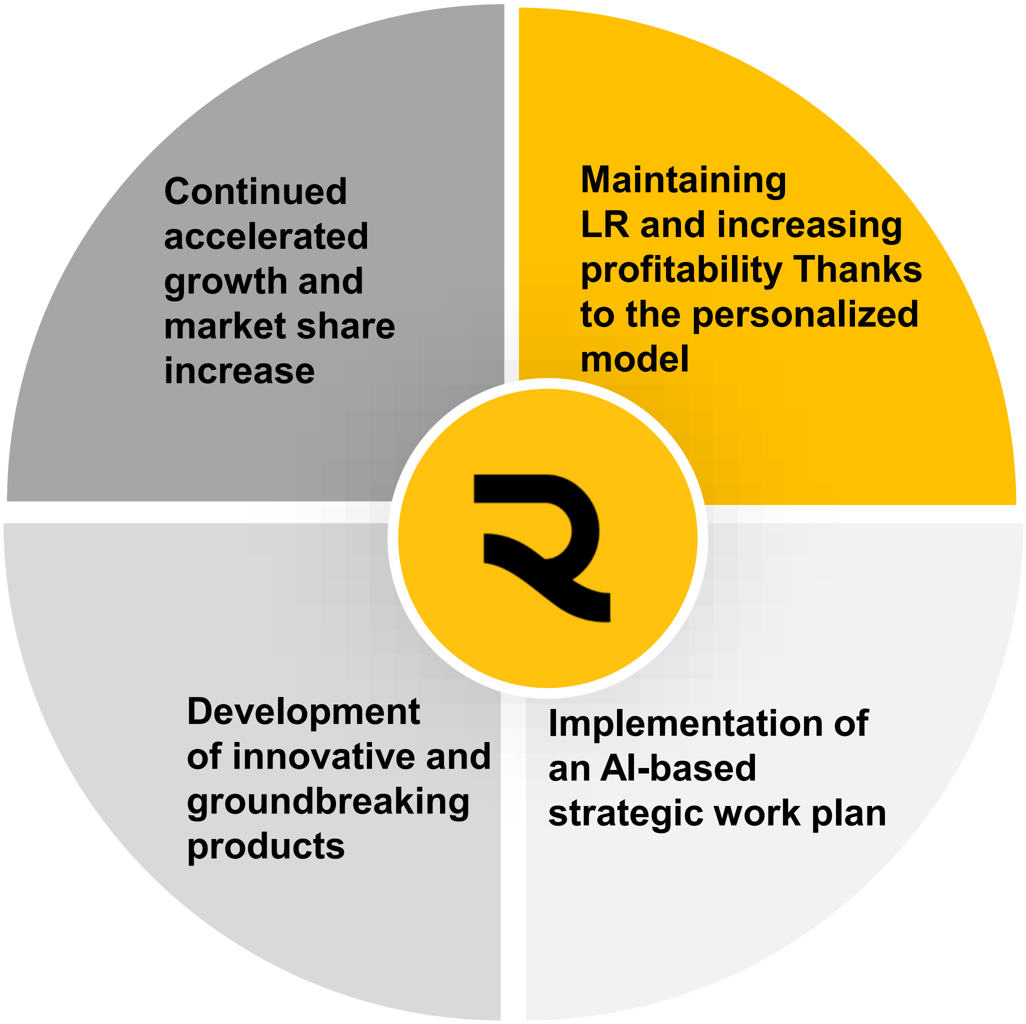
Nostro Portfolio Management

Transferring the investment portfolio to external management for maximizing income yield

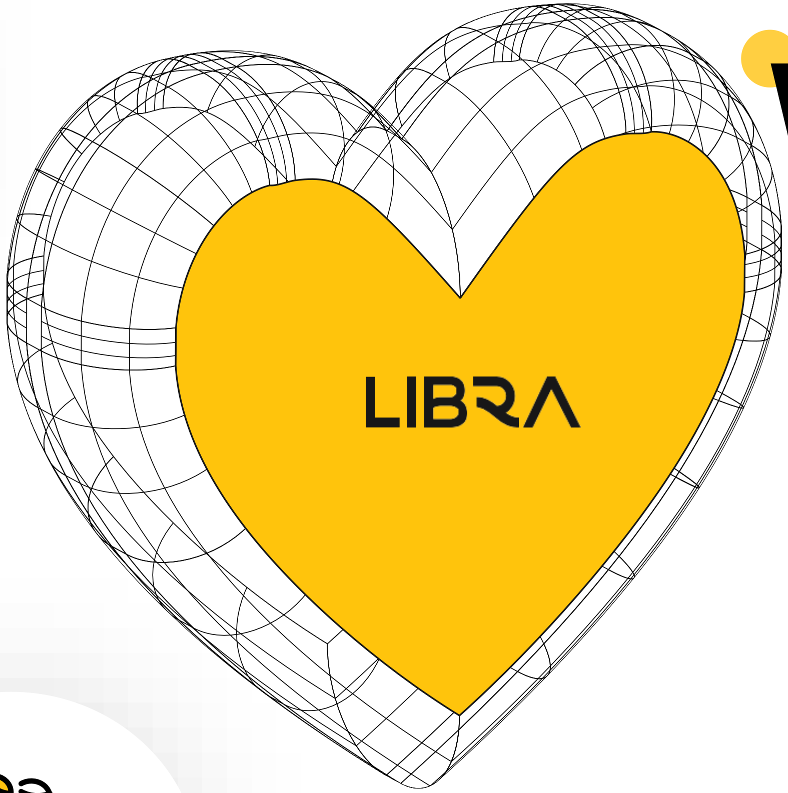
Profitability of approximately 14.2 million ILS

As of Q2/2026

Business focus



What Do We Have That Others Don't?



Winning Technology

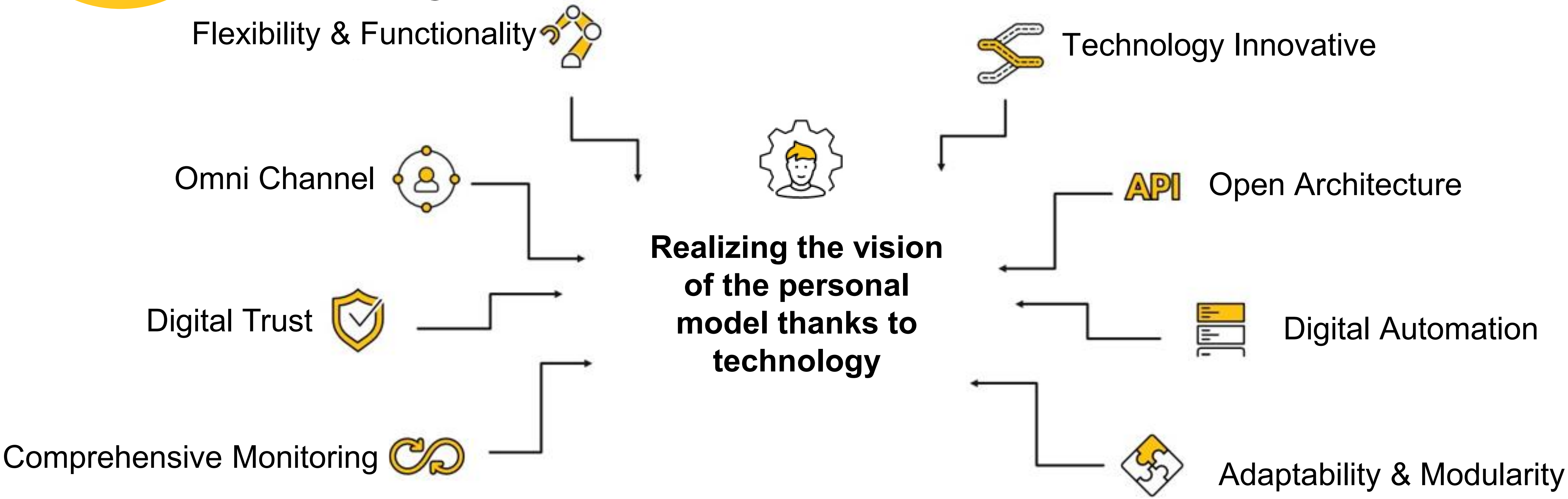
A Personal & Unique Model

Customer Loyalty

The core system was recognized as an InsurTech asset

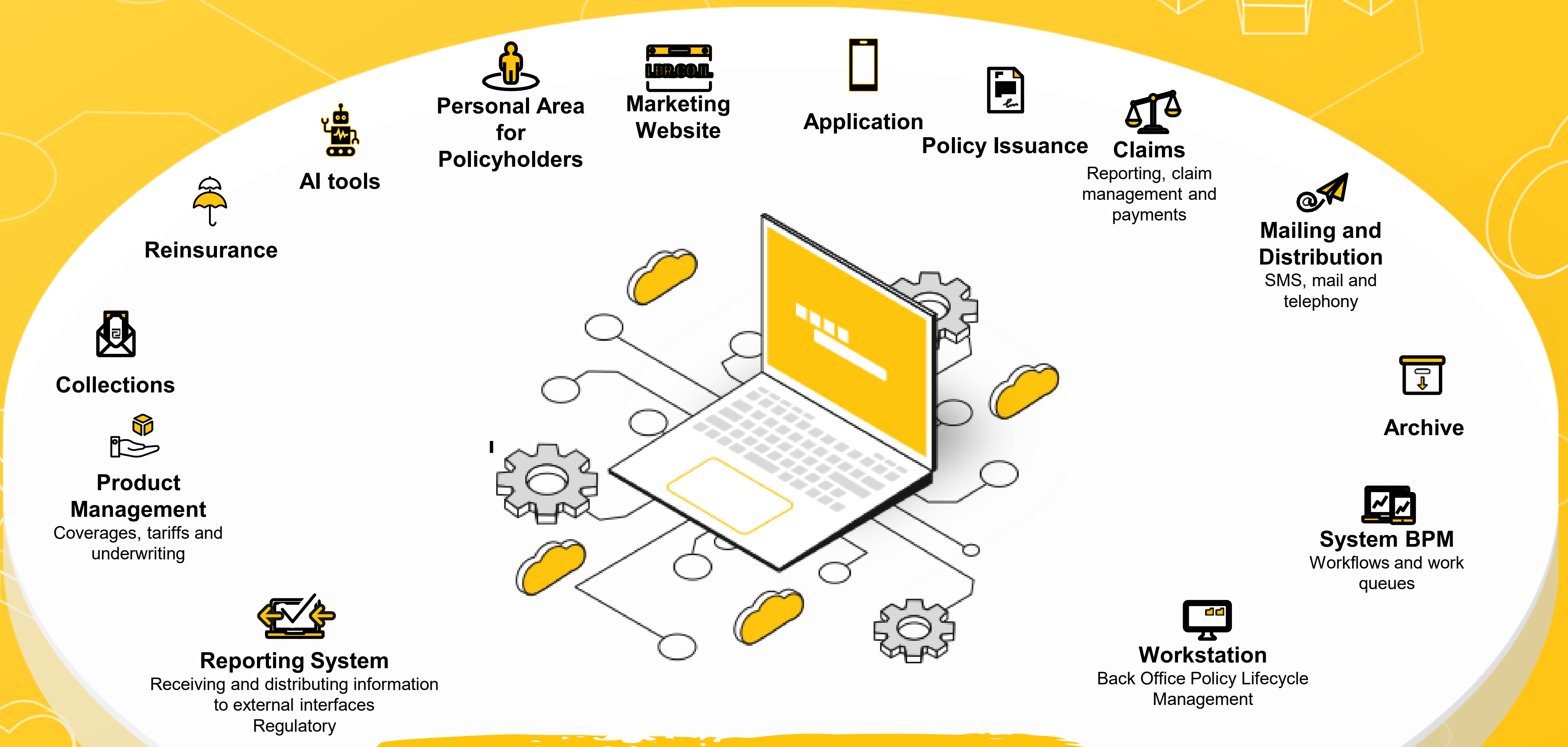
The Technology That Make LIBRA A Game Changer In The Insurance Industry

LIBRA



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

LIBRA

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

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

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.

Payment within 48 hours
Fastest SLA Commitment in Total and Theft claims payment

Customer loyalty

82% 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

*2024 Index published in August 2025

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

Based on survey data from "Madgam" Research Institute - January 2026

LIBRA

Innovation happens when you dare to

Play differently