فلسطين للتأمين
Palestine Insurance

Date: 23/04/2026

To M/s: Palestine Exchange

Subject: financial statements for the year ended 2025

We are pleased to attach herewith the consolidated financial statements of Palestine Insurance Company for the year ending 31/12/2025, compared with the financial statements as 31/12/2024.

the financial statements include the following:

-Consolidated Statement of Financial Position

-Consolidated Statement of Income

-Consolidated Statement of Comprehensive Income

- Consolidated Statement of Changes in Shareholders' Equity

- Consolidated Statement of Cash Flows

Best regards

Palestine Insurance Company

فلسطين للتأمين
Palestine Insurance
الدائرة المالية (2)

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Palestine Insurance Company
Public Shareholding Company
Ramallah - Palestine

Independent Auditors Report
and Consolidated Financial Statements
For the year Ended December 31, 2025

فلسطين للتأمين
Palestine Insurance

Palestine Insurance Company
Public Shareholding Company
Palestine
Statement of Consolidated Financial Position as of December 31, 2025 – Exhibit (A)

	December 31, 2025 (audited) USD	December 31, 2024 (Audited) USD
Assets		
Current assets		
Cash and cash equivalents	2,371,373	1,500,126
Term deposits	4,537,046	4,670,912
Insurance contracts assets	614,537	377,154
Reinsurance contracts assets	25,143,911	21,751,394
Other current assets	1,831,475	1,677,479
Total current assets	**34,498,342**	**29,977,065**
Non-current assets		
Financial assets at fair value through other comprehensive income	344,006	295,138
Right of use assets-Net	614,711	629,849
Investment properties	17,749,837	15,507,090
Restricted deposits	2,500,018	3,047,463
Property and equipment, net	8,647,714	6,329,707
Deferred tax assets	2,750,930	2,219,439
Total non-current assets	**32,607,216**	**28,028,686**
Total assets	**67,105,558**	**58,005,751**
Equity and liabilities		
Liabilities		
Current liabilities		
Deferred cheques	39,014	73,099
Insurance contracts liabilities	29,892,711	26,441,578
Lease liabilities - short term	59,480	88,825
Other current liabilities	3,859,254	3,243,978
Credit facilities	5,244,178	3,412,403
Short term loans	1,085,121	740,104
Tax provision	5,394,842	6,017,160
Total current liabilities	**45,574,600**	**40,017,147**
Non-current liabilities		
Long term loans	-	298,756
Lease liabilities - long term	465,700	522,540
Provision for end of service & employees benefits	2,971,253	2,221,737
Deferred tax liabilities	139,664	121,680
Total non-current liabilities	**3,576,617**	**3,164,713**
Total Liabilities	**49,151,217**	**43,181,860**
Equity		
Paid-in capital	11,000,000	9,000,000
Statutory reserve	2,477,457	2,349,479
Cumulative change in fair value reserve	1,514,788	1,340,458
Foreign currency translation differences	1,062,083	(1,014,253)
Retained earnings	1,900,013	3,148,207
Total equity	**17,954,341**	**14,823,891**
Total equity and liabilities	**67,105,558**	**58,005,751**

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الدائرة المالية (2)

فلسطين للتأمين
Palestine Insurance

Palestine Insurance Company
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Statement of Consolidated Income for the Year Ended December 31, 2025 – Exhibit (B)

	December 31, 2025	December 31, 2024
	USD	USD
Insurance contracts revenue	48,957,317	47,820,340
Insurance contracts expenses	(45,066,911)	(56,243,758)
Insurance contracts result before reinsurance contracts held	**3,890,406**	(8,423,418)
Net (expense) from reinsurance contracts held	(577,994)	11,876,634
Net insurance and reinsurance results	**3,312,412**	3,453,216
Investments income	186,346	711,175
Net investments income	**186,346**	711,175
Finance (expense) / revenues from insurance contract issued	(886,840)	776,054
Finance (expenses) / revenues from reinsurance contracts held	177,406	(1,181,967)
Net insurance financing results	**(709,434)**	(405,913)
Insurance and investment financial results	**2,789,324**	3,758,478
Other income	37,898	78,447
Gain (loss) on currency exchange revaluation	(578,234)	134,624
Undistributed general and administrative (expenses)	(779,930)	(748,736)
Net profit before taxes	**1,469,058**	3,222,813
Deferred tax benefits	187,538	292,304
Tax expenses	(376,812)	(1,060,868)
Net profit after taxes	**1,279,784**	2,454,249
Basic and diluted profit per share	**%12.5**	%27

فلسطين للتأمين
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Palestine Insurance Company
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Palestine
Statement of Consolidated Comprehensive Income for the Year Ended December 31, 2025 – Exhibit (C)

	December 31, 2025	December 31, 2024
	USD	USD
Net profit after taxes	**1,279,784**	**2,454,249**
Other comprehensive income items:		
Items that will not be reclassified to the profit and loss statement in subsequent periods:		
Changes in fair value reserve - financial assets at fair value through other comprehensive income	5,170	(23,403)
Change\Revaluation of land & buildings	169,160	24,613
Items that will may be reclassified to the profit and loss statement in subsequent periods:		
Foreign currencies translation differences	2,076,336	(88,212)
Total other comprehensive income items for the Year	**2,250,666**	**(87,002)**
Total comprehensive income for the Year	**3,530,450**	**2,367,247**

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Palestine Insurance
الدائرة المالية (2)

فلسطين للتأمين
Palestine Insurance

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Statement of Consolidated of Changes in Shareholders' Equity for the Year Ended December 31, 2025 – Exhibit (D)

	Paid-in capital USD	Statutory reserve USD	Cumulative change in fair value reserve USD	Foreign currency translation differences USD	Retained earnings USD	Total Equity USD
December 31, 2025						
Balance, as of January 1, 2025	**9,000,000**	**2,349,479**	**1,340,458**	**(1,014,253)**	**3,148,207**	**14,823,891**
Net profit after taxes	-	-	-	-	1,279,784	**1,279,784**
Statutory reseve	-	127,978	-	-	(127,978)	-
Other comprehensive income item	-	-	174,330	2,076,336	-	**2,250,666**
Total comprehensive income for the year	-	-	**174,330**	**2,076,336**	-	**2,250,666**
Increase in Capital	2,000,000	-	-	-	(2,000,000)	-
Dividends distributed	-	-	-	-	(400,000)	**(400,000)**
Balance as of December 31, 2025	**11,000,000**	**2,477,457**	**1,514,788**	**1,062,083**	**1,900,013**	**17,954,341**
December 31, 2024						
Balance, as of January 1, 2024	**9,000,000**	**2,349,479**	**1,339,248**	**(926,041)**	**693,958**	**12,456,644**
Net profit after taxes	-	-	-	-	2,454,249	**2,454,249**
Other comprehensive income item	-	-	1,210	(88,212)	-	**(87,002)**
Total comprehensive income for the year	-	-	**1,210**	**(88,212)**	2,454,249	**2,367,247**
Balance as of December 31, 2024	**9,000,000**	**2,349,479**	**1,340,458**	**(1,014,253)**	**3,148,207**	**14,823,891**

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Statement of Consolidated Cash Flows for the Year Ended December 31, 2025 – Exhibit (E)

	December 31, 2025 USD	December 31, 2024 USD
Cash flows from operating activities		
Net profit before taxes	**1,469,058**	**3,222,813**
Adjustments:		
Depreciation of property and equipment	425,270	500,246
(Gains) losses on disposal of property and equipment	14,764	(3,310)
Provision for employees end of service benefits	537,608	346,206
Finance costs - lease liabilities	13,175	47,184
Other non-cash items	-	1,210
Cash flows before changes in operating activities	**2,459,875**	**4,114,349**
Change in operating assets and liabilities:		
Insurance contracts assets	(237,383)	17,117
Reinsurance contracts assets	(3,392,517)	(11,989,616)
Other current assets	(138,858)	(48,138)
Insurance contracts liabilities	3,451,133	11,427,784
Other current liabilities	581,190	197,251
Net cash flows provided by operating activities before taxes and employees end of service benefits Paid	**2,723,440**	3,718,747
Tax payments	(1,770,156)	(419,062)
Employees end of service benefits payments	(149,421)	(385,887)
Net cash flows provided by operating activities	**803,863**	2,913,798
Cash flows from investing activities		
Changes in restricted deposits	547,445	379,364
Term deposits	133,866	(449,879)
Purchase of tangible assets and property and equipment	(954,547)	(306,773)
Proceeds from disposal of tangible assets and property and equipment	31,533	31,677
Purchasing real estate investments	45,332	(288,955)
Net cash flows (used in) provided by investing activities	**(196,371)**	(634,566)
Cash flows from financing activities		
Lease liabilities paid	(99,360)	130,236
Repayment of borrowings	46,261	(3,020,173)
Change in credit facilities	1,831,775	(715,131)
Cash and shares dividends	**(400,000)**	--
Net cash flows provided from (used in) financing activities	**1,378,676**	(3,605,068)
Net change in cash and cash equivalents	1,986,168	(1,325,836)
Foreign currency translation differences	(1,114,921)	(13,475)
Cash and cash equivalent, beginning of the year	1,500,126	2,839,437
Cash and cash equivalent, end of the year	**2,371,373**	1,500,126

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