Breaking The Silence Ltd (PBC)

Financial Statements as of December 31 2025

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Auditors' Report

To the shareholders of

Breaking The Silence Ltd (PBC)

We have audited the accompanying balance sheets of Breaking The Silence Ltd (PBC) (hereinafter: "the Company") as of December 31 2025 and 2024, the statement of activities and the statements of changes in net assets for each of the years then ended. These financial statements are the responsibility of the Company's board of directors and management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in Israel, including those prescribed by the Auditor's Regulations (Auditor's Mode of Performance)-1973. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examination, on a test basis, of evidence supporting the amounts and disclosures in the financial statements. An audit also includes an assessment of the accounting principles used and significant estimates made by the board of directors and management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31 2025 and 2024, the results of its activities and the changes in its net assets for each of the years then ended, in conformity with generally accepted accounting principles in Israel (Israeli GAAP).

Ben David, Shalvi, Kop & Co.
Certified Public Accountants, (Isr.)

Jerusalem, 09.09. 2026

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Breaking The Silence Ltd (PBC)
Balance Sheets
In (New Israeli Shekels)

	Note	As of December 31 2025	2024
Current Assets			
Cash and cash equivalents	3	3,387,004	2,655,359
Deposits		222,321	333,413
Other receivables and debit balances	4	2,241,887	1,384,094
		5,851,212	**4,372,866**
Non-current Assets			
Fixed Assets, Net	5	**170,885**	**189,346**
		6,022,097	**4,562,212**
Current Liabilities			
Suppliers and service providers	6	17,255	76,358
Other payables and credit balances	7	2,332,515	1,130,272
		2,349,770	**1,206,630**
Net Assets			
Unrestricted Net Assets			
Used for activities			
Not designated by the company's management		51,435	16,229
Unrestricted Net Assets Designated by the Company's Management	9	3,450,000	3,150,000
		3,501,435	**3,166,229**
Invested in fixed assets		**170,885**	**189,346**
Share Capital	10	**7**	**7**
		3,672,327	**3,355,582**
		6,022,097	**4,562,212**

09.09.2026
Date

Chairman of the Board

Member of the Board

The attached notes are an integral part of these statements.

Breaking The Silence Ltd (PBC)
Statements of Activities
In (New Israeli Shekels)

	Note	Year ended December 31 2025	2024
Activities turnover	11	9,759,798	9,427,185
Cost of activities	12	7,256,154	7,596,421
Net income from activities		2,503,644	1,830,764
Administrative and general expenses	13	1,994,940	1,975,540
Net (deficit) income before financing		508,704	(144,776)
Financing Income (Expenses), Net	14	(191,959)	(49,942)
Net income (deficit) for the year		**316,745**	**(194,718)**

The attached notes are an integral part of these statements.

Breaking The Silence Ltd (PBC)
Statements of Changes in Net Assets
In (New Israeli Shekels)

	Unrestricted Net Assets				
	Used for activities				
	Not designated by the company's management	Designated by the company's management*	Invested in fixed assets	Share Capital	Total
Balance as of January 1 2024	**159,444**	**3,200,000**	**190,849**	**7**	**3,550,300**
Changes during the year					
Deficit for the year	(194,718)	-	-	-	(194,718)
Amounts designated in previous periods by the company's management and used for their designated purpose	50,000	(50,000)	-	-	-
Transfer of unrestricted amounts					
Invested in fixed assets	(63,930)	-	63,930	-	-
To cover depreciation expenses	65,433	-	(65,433)	-	-
Balance as of December 31 2024	**16,229**	**3,150,000**	**189,346**	**7**	**3,355,582**
Changes during the year					
Net income for the year	316,745	-	-	-	316,745
Amounts designated by the company's management	(300,000)	300,000	-	-	-
Transfer of unrestricted amounts					
Invested in fixed assets	(58,179)	-	58,179	-	-
To cover depreciation expenses	76,640	-	(76,640)	-	-
Balance as of December 31 2025	**51,435**	**3,450,000**	**170,885**	**7**	**3,672,327**

*See Note 9

The attached notes are an integral part of these statements.

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 1 - General

A. Breaking The Silence Ltd (PBC) (hereinafter: "the Company") was registered as a public benefit company in July 2004. Its registration number is 513564724. The Company's objectives are: to document, in writing and by visual means, soldiers' testimonies regarding events in the occupied territories; and to publish soldiers' testimonies through various media and to publish a newspaper documenting daily routine in the territories.

B. The company is recognized as a Not for Profit Organization by the V.A.T. Authorities and as a "public institution" as defined in section 9(2) of the Income Tax Ordinance.

C. The company has a valid "Proper Managing" authorization from The Registrar of Associations in Israel for 2026.

D. Most of the Company's income originates from a foreign state entity.

Note 2 - Significant Accounting Policies

A. The financial statements were prepared according to generally accepted accounting principles for non profit organizations and in accordance with Standard No. 40 of the Israeli Accounting Standard Board, regarding "accounting principles and financial reporting by nonprofit organizations".

B. Historical Cost Convention
The financial statements were prepared on the basis of the historical cost convention and do not include the effect of changes in the general purchasing power of the Israeli currency on the results of the activities.

C. Presentation of the financial statements:
(1) Definitions:
"Net assets" - the difference between the Company's assets and its liabilities.
"Restriction" - a restriction on the use of net assets imposed by donors or other external parties
"Net assets in respect of which there is no restriction" - that portion of the Company's net assets arising from donations, allowances or other income, the use of which has not been restricted by external parties.

(2) In accordance with the guidelines of Accounting Standard 40, all the Company's accounts are presented in the financial statements in only one comprehensive framework, classifying all fund balances under the heading "Net assets".
The balances included in the net assets group are sorted with a distinction between:

-Net assets for which there is no restriction.
-Net assets for which there is a restriction.

Net assets for which there is no restriction are presented with a distinction between:
-Net assets used for activities – not designated by the organization's governing bodies
-Net assets used for activities – designated by the organization's governing bodies
-Net assets invested in fixed assets.

(3) The report on the activities and the report on the changes in net assets:

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 2 - Significant Accounting Policies (Cont.)

The statement of activities includes all income and expenses during the reporting period.
"Income" includes all income received and accrued in the period without any restriction on their use as well as amounts released from groups of net assets for which there is a restriction following the existence, or cancellation, of the restrictions imposed on the use of those net assets.
"Expenses" also include expenses financed from sources restricted by their giver.

The statement of changes in net assets, including in addition to the net result transmitted from the statement of activities, also all the sources obtained while restricting their use and the amounts released from restrictions. Amounts released from restrictions due to use for operations or acquisition of fixed assets that can be used are transferred as income to the statement of activities.

D. Cash and Cash Equivalents
The company considers all highly liquid investments, including short-term bank deposits (up to three months from date of deposit) that are not restricted as to withdrawal or use, to be cash equivalents.

E. Fixed Assets
Fixed assets are stated at cost less accumulated depreciation and are depreciated by the straight-line method over the estimated useful lives of the assets, as follows:

Furniture and equipment	7% - 15%
Computers	10% - 33%
Leasehold improvement	10%

F. Indexation to Foreign Currency
Balances in or indexed to foreign currency are included in the financial statements at the representative exchange rate published by the bank of Israel as the balance sheet date. The exchange rates for the dates of the financial statement are as follows:

	2025	2024
US Dollar	3.19	3.647
CAD	2.328	2.535
EURO	3.746	3.796
GBP	4.29	4.574
CHF	4.021	4.027
DKK	0.501	0.509
Australian Dollar	2.131	2.264

G. Statement of Changes in Cash Flow
The financial statements do not include a statement of cash flow, as such a statement

Note 2 - Significant Accounting Policies (Cont.)

would not add significant financial information to that already included in the financial statements.

Note 3 - Cash and cash equivalents

	As of December 31	
	2025	**2024**
Cash in the bank - Israeli currency	753,681	1,644,946
Cash in the bank - foreign currency	2,625,646	1,000,193
Cash on hand	7,677	10,220
	3,387,004	**2,655,359**

Note 4 - Other receivables and debit balances

	As of December 31	
	2025	**2024**
Income receivable	1,539,687	1,128,524
Credit companies	606,805	161,680
Deposits with suppliers	60,895	60,895
Prepaid expenses	34,500	32,995
	2,241,887	**1,384,094**

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 5 - Fixed Assets, Net

	Furniture and equipment	Computers	Leasehold improvement	Total
Cost				
Balance as of January 1 2025	234,164	833,730	13,286	1,081,180
Additions during the year	-	58,179	-	58,179
Balance as of December 31 2025	**234,164**	**891,909**	**13,286**	**1,139,359**
Accumulated Depreciation				
Balance as of January 1 2025	183,137	705,575	3,122	891,834
Depreciation for the year	7,707	67,912	1,021	76,640
Balance as of December 31 2025	**190,844**	**773,487**	**4,143**	**968,474**
Fixed Assets, Net as of December 31 2025	**43,320**	**118,422**	**9,143**	**170,885**
Fixed Assets, Net as of December 31 2024	**51,027**	**128,155**	**10,164**	**189,346**

Note 6 - Suppliers and service providers

	As of December 31	
	2025	**2024**
Open accounts	12,062	65,470
Checks payable	5,193	10,888
	17,255	**76,358**

Note 7 - Other payables and credit balances

	As of December 31	
	2025	**2024**
Employees and related institutions	98,025	188,608
Income received in advance	1,953,021	642,255
Accrued expenses	281,469	299,409
	2,332,515	**1,130,272**

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 8 - Provision for severance pay, Net

The Company's severance pay obligations are subject to Section 14 of the Severance Pay Law, 5723-1963, under which the Company's ongoing contributions to pension funds and insurance policies release it from any further liability to its employees on behalf of employees exempt the company from any further liability for severance payments. Therefore no provision was made in the financial statements.

Note 9 - Unrestricted Net Assets Designated by the Company's Management

As part of the Company's preparations for operating during an emergency—such as one arising from the loss of strategic donors or a dramatic increase in expenses—it was determined that the Company must designate amounts to an organizational emergency reserve.

Note 10 - Share Capital

As of December 31, 2025 and 2024:

	Authorized	Issued and paid-up
Ordinary shares of NIS 1 par value each	**100**	**7**

Note 11 - Activities turnover

	Year ended December 31	
	2025	**2024**
Donations	9,709,994	9,427,185
Participation fees	49,804	-
	9,759,798	**9,427,185**

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 12 - Cost of activities

	Year ended December 31	
	2025	**2024**
Salaries, payments to lecturers and related expenses	3,930,275	4,027,678
Public activity	928,738	1,195,450
Legal advice	642,690	413,900
Tours, transportation and travel	584,841	600,449
Communication and computing	391,699	401,026
Testimony collection and production	391,686	302,529
Educational activity	231,586	504,384
Travel abroad	77,999	85,572
Depreciation	76,640	65,433
	7,256,154	**7,596,421**

Note 13 - Administrative and general expenses

	Year ended December 31	
	2025	**2024**
Salaries and related expenses	1,057,928	1,099,481
Rent, maintenance and security	518,367	514,898
Resource development	170,929	102,298
Professional services	152,870	164,129
Office expenses	57,761	54,928
Insurance	18,465	18,657
Taxes and fees	16,962	18,649
Postage	1,658	2,500
	1,994,940	**1,975,540**

Breaking The Silence Ltd (PBC)
Notes to the Financial Statements
In (New Israeli Shekels)

Note 14 -

	Year ended December 31	
	2025	**2024**
Deposit interest income	6,887	9,686
Bank fees and account management charges	(73,821)	(58,180)
Exchange rate differences	(125,025)	(1,448)
	(191,959)	**(49,942)**