

Palestine Development and Investment Limited (PADICO)

Limited Liability Holding Company

Unaudited Interim Condensed Consolidated Financial  
Statements

September 30, 2025

Palestine Development and Investment Limited (PADICO)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at September 30, 2025

	September 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
	U.S. \$ (000's)	U.S. \$ (000's)
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	92,708	88,527
Intangible assets	12,597	13,307
Investment properties	24,728	25,094
Projects in progress	24,103	6,568
Right-of-use assets	7,080	7,656
Investment in associates and joint ventures	474,595	433,815
Financial assets at fair value through other comprehensive income	83,896	67,552
Long-term accounts receivable and other assets	10,991	3,167
Biological assets	1,739	1,585
	<u>732,437</u>	<u>647,271</u>
<b>Current assets</b>		
Biological assets	2,566	2,182
Inventories and ready for sale properties	22,366	22,012
Accounts receivable and other current assets	39,556	30,016
Financial assets at fair value through profit or loss	7,442	5,874
Cash and short-term deposits	28,363	15,021
	<u>100,293</u>	<u>75,105</u>
<b>Total assets</b>	<u><u>832,730</u></u>	<u><u>722,376</u></u>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Paid-in share capital	250,000	250,000
Share premium	16,932	16,932
Treasury shares	(364)	(74,044)
Statutory reserve	34,471	34,471
Voluntary reserve	1,594	1,594
Fair value reserve	(34,888)	(74,109)
Foreign currency translation reserve	8,256	2,289
Retained earnings	178,982	180,711
<b>Equity attributable to equity holders of the parent</b>	<u>454,983</u>	<u>337,844</u>
Non-controlling interests	75,151	63,197
<b>Total equity</b>	<u>530,134</u>	<u>401,041</u>
<b>Non-current liabilities</b>		
Long-term loans and borrowings	71,194	75,860
Debt bonds	120,000	120,000
Provision for employees' indemnity	6,787	5,965
Long term lease liabilities	7,831	7,932
Other non-current liabilities	4,778	4,756
	<u>210,590</u>	<u>214,513</u>
<b>Current liabilities</b>		
Short-term portion of long-term loans, borrowings and credit facilities	27,502	48,332
Accounts and notes payable	14,486	12,181
Short-term lease liabilities	1,209	1,132
Income tax provision	3,999	3,800
Other credit balances	44,810	41,377
	<u>92,006</u>	<u>106,822</u>
<b>Total liabilities</b>	<u>302,596</u>	<u>321,335</u>
<b>Total equity and liabilities</b>	<u><u>832,730</u></u>	<u><u>722,376</u></u>

Palestine Development and Investment Limited (PADICO)

**INTERIM CONDENSED CONSOLIDATED INCOME STATEMENT**

For the three-months and nine-months period ended September 30, 2025

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
	(Unaudited)		(Unaudited)	
	U.S. \$ (000's)		U.S. \$ (000's)	
<b>Revenues</b>				
Revenue from contracts with customers	22,796	22,394	65,979	59,567
PADICO's share of results of operations from associates and joint ventures	9,483	5,890	25,503	18,608
Gains from financial assets portfolio	246	395	7,202	4,312
Revenue from investment properties	1,193	1,322	3,780	3,876
	<u>33,718</u>	<u>30,001</u>	<u>102,464</u>	<u>86,363</u>
<b>Expenses</b>				
Operating costs and expenses	(18,858)	(18,216)	(54,351)	(49,283)
General and administrative expenses	(4,160)	(3,238)	(10,956)	(9,485)
Finance costs	(3,755)	(4,335)	(11,792)	(12,221)
Depreciation and amortization	(233)	(253)	(703)	(707)
	<u>6,712</u>	<u>3,959</u>	<u>24,662</u>	<u>14,667</u>
Other revenues (expenses), net	(860)	(48)	(6,531)	(1,285)
<b>Profit for the period before income tax</b>	<u>5,852</u>	<u>3,911</u>	<u>18,131</u>	<u>13,382</u>
Income tax expense	(495)	(425)	(1,500)	(1,249)
<b>Profit for the period</b>	<u><u>5,357</u></u>	<u><u>3,486</u></u>	<u><u>16,631</u></u>	<u><u>12,133</u></u>
Attributable to:				
Equity holders of the parent	4,224	2,295	12,845	9,527
Non-controlling interests	1,133	1,191	3,786	2,606
	<u>5,357</u>	<u>3,486</u>	<u>16,631</u>	<u>12,133</u>
Basic and diluted earnings per share from profit for the period attributable to equity holders of the parent				
	<u>0.017</u>	<u>0.012</u>	<u>0.052</u>	<u>0.050</u>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three-months and nine-months period ended September 30, 2025

	For the three months ended September 30		For the nine months ended September 30	
	2025	2024	2025	2024
	(Unaudited)		(Unaudited)	
	U.S. \$ (000's)		U.S. \$ (000's)	
<b>Profit for the period</b>	5,357	3,486	16,631	12,133
<b>Other comprehensive income items:</b>				
<i>Items to be reclassified to consolidated income statement in subsequent periods:</i>				
Foreign currency translation differences	1,603	1,220	7,449	(2,401)
PADICO's share of other comprehensive income items from associates and joint ventures	713	402	3,571	(621)
	<u>2,316</u>	<u>1,622</u>	<u>11,020</u>	<u>(3,022)</u>
<i>Items not to be reclassified to consolidated income statement in subsequent periods:</i>				
Net profits (losses) of financial assets at fair value through other comprehensive income	1,205	(794)	16,270	(4,102)
PADICO's share of other comprehensive income of associates	7,239	(6,831)	24,383	(10,583)
	<u>8,444</u>	<u>(7,625)</u>	<u>40,653</u>	<u>(14,685)</u>
<b>Other comprehensive income items for the period</b>	<u>10,760</u>	<u>(6,003)</u>	<u>51,673</u>	<u>(17,707)</u>
<b>Total comprehensive income for the period</b>	<u><u>16,117</u></u>	<u><u>(2,517)</u></u>	<u><u>68,304</u></u>	<u><u>(5,574)</u></u>
<b>Attributable to:</b>				
Equity holders of the parent	13,796	(4,230)	58,033	(6,246)
Non-controlling interests	2,321	1,713	10,271	672
	<u>16,117</u>	<u>(2,517)</u>	<u>68,304</u>	<u>(5,574)</u>

Palestine Development and Investment Limited (PADICO)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the nine-months period ended September 30, 2025

	Attributable to equity holders of the parent										
	Paid-in share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings	Total	Non- controlling interests	Total equity
	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)	U.S. \$ (000's)
<b>September 30, 2025</b>											
Balance as at January 1, 2025	250,000	16,932	(74,044)	34,471	1,594	(74,109)	2,289	180,711	337,844	63,197	401,041
Profit for the period	-	-	-	-	-	-	-	12,845	12,845	3,786	16,631
Other comprehensive income items	-	-	-	-	-	39,221	5,967	-	45,188	6,485	51,673
Total comprehensive income for the period	-	-	-	-	-	39,221	5,967	12,845	58,033	10,271	68,304
Sale of common shares	-	-	73,680	-	-	-	-	(14,449)	59,231	(497)	58,734
Distributed cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	(828)	(828)
Acquisition of a non-controlling interests	-	-	-	-	-	-	-	(125)	(125)	(757)	(882)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	3,765	3,765
<b>Balance as at September 30, 2025 (Unaudited)</b>	<b>250,000</b>	<b>16,932</b>	<b>(364)</b>	<b>34,471</b>	<b>1,594</b>	<b>(34,888)</b>	<b>8,256</b>	<b>178,982</b>	<b>454,983</b>	<b>75,151</b>	<b>530,134</b>
<b>September 30, 2024</b>											
Balance as at January 1, 2024	250,000	16,932	(76,816)	34,235	1,594	(77,149)	2,841	181,599	333,236	62,690	395,926
Profit for the period	-	-	-	-	-	-	-	9,527	9,527	2,606	12,133
Other comprehensive income items	-	-	-	-	-	(14,140)	(1,633)	-	(15,773)	(1,934)	(17,707)
Total comprehensive income for the period	-	-	-	-	-	(14,140)	(1,633)	9,527	(6,246)	672	(5,574)
Transfer from fair value reserve due to sale of financial assets through OCI	-	-	-	-	-	566	-	(566)	-	-	-
Sale of common shares	-	-	2,772	-	-	-	-	(541)	2,231	(101)	2,130
Distributed cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	(602)	(602)
Acquisition of a non-controlling interests	-	-	-	-	-	-	-	(24)	(24)	(619)	(643)
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	(257)	(257)
<b>Balance as at September 30, 2024 (Unaudited)</b>	<b>250,000</b>	<b>16,932</b>	<b>(74,044)</b>	<b>34,235</b>	<b>1,594</b>	<b>(90,723)</b>	<b>1,208</b>	<b>189,995</b>	<b>329,197</b>	<b>61,783</b>	<b>390,980</b>

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the nine-months period ended September 30, 2025

	For the nine months ended September 30	
	2025	2024
	(Unaudited) U.S. \$ (000's)	(Unaudited) U.S. \$ (000's)
<b>Operating Activities</b>		
Profit for the period before income tax	18,131	13,382
<b>Adjustments for:</b>		
Depreciation and amortization	6,309	6,071
Finance costs	11,941	12,490
PADICO's share of results of operations from associates and joint ventures	(25,503)	(18,608)
Impairment of Investment in associates	600	-
Impairment of projects in progress	150	1,100
Gain from financial assets portfolio	(7,202)	(4,312)
Other non-cash items	2,794	745
	<u>7,220</u>	<u>10,868</u>
<b>Working capital changes:</b>		
Accounts receivable and other current assets	(19,084)	1,224
Inventories, ready for sale properties and biological assets	(1,160)	(901)
Accounts payable and other credit balances	4,627	543
Employees' indemnity and income tax payments	(1,672)	(1,590)
<b>Net cash (used in) from operating activities</b>	<u>(10,069)</u>	<u>10,144</u>
<b>Investing Activities</b>		
Investment in associates	(6,694)	(1,452)
Joint ventures	(315)	(982)
Property, plant and equipment	(1,975)	(2,036)
Dividends received	24,671	22,636
Projects in progress	(14,499)	(2,955)
Investment properties	(21)	-
Financial assets at fair value through other comprehensive income	-	268
Term deposits maturing over a period longer than three months	200	-
<b>Net cash from investing activities</b>	<u>1,367</u>	<u>15,479</u>
<b>Financing Activities</b>		
Sale of common shares	58,734	2,130
Distributed cash dividends	(870)	(765)
Long-term loans and borrowings	(25,490)	(2,510)
Finance costs paid	(13,768)	(12,461)
Change in non-controlling interests	3,765	(257)
Payments of lease liabilities	(159)	(391)
Acquisition of non-controlling interests	(882)	(643)
Change in restricted cash	58	(94)
<b>Net cash from (used in) financing activities</b>	<u>21,388</u>	<u>(14,991)</u>
<b>Increase in cash and cash equivalents</b>	12,686	10,632
Foreign currency translation differences	920	831
Cash and cash equivalents, beginning of the period	11,652	4,849
<b>Cash and cash equivalents, end of period</b>	<u><u>25,258</u></u>	<u><u>16,312</u></u>