

PALESTINE DEVELOPMENT AND INVESTMENT
LIMITED LIABILITY HOLDING COMPANY (PADICO)
CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2024

Palestine Development and Investment Limited (PADICO)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at December 31, 2024

(U.S. \$ 000's)

	2024	2023
	U.S. \$	U.S. \$
<u>Assets</u>		
Non-current assets		
Property, plant and equipment	88,527	79,186
Intangible assets	13,307	16,877
Investment properties	25,094	26,163
Projects in progress	6,568	22,286
Right-of-use assets	7,656	8,301
Investment in associates and joint ventures	433,815	426,563
Financial assets at fair value through other comprehensive income	67,552	68,657
Long-term accounts receivable	3,167	4,774
Biological assets	1,585	1,578
	<u>647,271</u>	<u>654,385</u>
Current assets		
Biological assets	2,182	2,068
Inventories and ready for sale properties	22,012	20,962
Accounts receivable and other current assets	30,169	34,703
Financial assets at fair value through profit or loss	5,874	5,994
Cash and short-term deposits	15,021	12,597
	<u>75,258</u>	<u>76,324</u>
Total assets	<u>722,529</u>	<u>730,709</u>
<u>Equity and liabilities</u>		
Equity		
Paid-in share capital	250,000	250,000
Share premium	16,932	16,932
Treasury shares	(74,044)	(76,816)
Statutory reserve	34,471	34,235
Voluntary reserve	1,594	1,594
Fair value reserve	(74,109)	(77,149)
Foreign currency translation reserve	2,289	2,841
Retained earnings	180,711	181,599
Equity attributable to equity holders of the parent	<u>337,844</u>	<u>333,236</u>
Non-controlling interests	63,197	62,690
Total equity	<u>401,041</u>	<u>395,926</u>
Non-current liabilities		
Long-term loans and borrowings	75,860	93,116
Debt bonds	120,000	120,000
Provision for employees' indemnity	5,965	5,723
Long-term lease liabilities	7,932	8,341
Other non-current liabilities	4,756	5,226
	<u>214,513</u>	<u>232,406</u>
Current liabilities		
Short-term portion of long-term loans, borrowings and credit facilities	48,332	47,268
Accounts and notes payable	12,272	10,466
Short-term lease liabilities	1,132	1,028
Income tax provision	3,800	3,389
Other credit balances	41,439	40,226
	<u>106,975</u>	<u>102,377</u>
Total liabilities	<u>321,488</u>	<u>334,783</u>
Total equity and liabilities	<u>722,529</u>	<u>730,709</u>

Palestine Development and Investment Limited (PADICO)

CONSOLIDATED INCOME STATEMENT
For the Year Ended December 31, 2024
(U.S. \$ 000's)

	<u>2024</u>	<u>2023</u>
	<u>U.S. \$</u>	<u>U.S. \$</u>
<u>Revenues</u>		
Revenue from contracts with customers	80,168	82,753
PADICO's share of results of operations from associates and joint ventures	20,930	14,921
Gain from financial assets portfolio	4,649	4,718
Revenue from investment properties	5,148	6,922
	<u>110,895</u>	<u>109,314</u>
<u>Expenses</u>		
Operating costs and expenses	(67,601)	(71,040)
General and administrative expenses	(13,709)	(12,370)
Finance costs	(17,638)	(15,527)
Depreciation and amortization	(1,069)	(1,106)
	<u>10,878</u>	<u>9,271</u>
Other losses and expenses, net	<u>(6,922)</u>	<u>(29,295)</u>
Profit (loss) for the year before income tax from continuing operations	3,956	(20,024)
Income tax expense	(1,574)	(1,074)
Profit (loss) for the year from continuing operations	<u>2,382</u>	<u>(21,098)</u>
Profit for the year from discontinued operations	-	1,478
Profit (loss) for the year	<u><u>2,382</u></u>	<u><u>(19,620)</u></u>
Attributable to:		
Equity holders of the parent	695	(11,637)
Non-controlling interests	1,687	(7,983)
	<u><u>2,382</u></u>	<u><u>(19,620)</u></u>
Basic and diluted earnings per share from profit (loss) for the year attributable to equity holders of the parent	<u><u>0.004</u></u>	<u><u>(0.060)</u></u>
Basic and diluted earnings per share from profit (loss) for the year from continuing operations attributable to equity holders of the parent	<u><u>0.004</u></u>	<u><u>(0.067)</u></u>

Palestine Development and Investment Limited (PADICO)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Year Ended December 31, 2024
(U.S. \$ 000's)

	2024	2023
	U.S. \$	U.S. \$
Profit (loss) for the year	2,382	(19,620)
Other comprehensive income items		
<i>Items to be reclassified to consolidated income statement in subsequent periods:</i>		
Foreign currency translation differences	(644)	(1,736)
PADICO's share of other comprehensive income of associates and joint ventures	(346)	(473)
	<u>(990)</u>	<u>(2,209)</u>
<i>Items not to be reclassified to consolidated income statement in subsequent periods:</i>		
Net loss of financial assets at fair value through other comprehensive income	(752)	(7,274)
PADICO's share of other comprehensive income of associates	2,767	2,130
	<u>2,015</u>	<u>(5,144)</u>
Other comprehensive income items for the year	1,025	(7,353)
Total comprehensive income for the year	<u>3,407</u>	<u>(26,973)</u>
Attributable to:		
Equity holders of the parent	2,407	(17,506)
Non-controlling interests	1,000	(9,467)
	<u>3,407</u>	<u>(26,973)</u>

Palestine Development and Investment Limited (PADICO)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year Ended December 31, 2024

(U.S. \$ 000's)

	Attributable to equity holders of the parent								Non-controlling interests	Total equity
	Paid-in share capital	Share premium	Treasury shares	Statutory reserve	Voluntary reserve	Fair value reserve	Foreign currency translation reserve	Retained earnings		
	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$	U.S. \$
2024										
Balance as at January 1, 2024	250,000	16,932	(76,816)	34,235	1,594	(77,149)	2,841	181,599	333,236	395,926
Profit for the year	-	-	-	-	-	-	-	695	695	2,382
Other comprehensive income items	-	-	-	-	-	2,264	(552)	-	1,712	1,025
Total comprehensive income for the year	-	-	-	-	-	2,264	(552)	695	2,407	3,407
Transfer to statutory reserve	-	-	-	236	-	-	-	(236)	-	-
Transfer from fair value reserve due to sale of financial assets through OCI	-	-	-	-	-	776	-	(776)	-	-
Sale of common shares	-	-	2,772	-	-	-	-	(541)	2,231	2,130
Distributed cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	(602)
Acquisition of a non-controlling interests	-	-	-	-	-	-	-	(30)	(30)	(762)
Change in non-controlling interests	-	-	-	-	-	-	-	-	942	942
Balance as at December 31, 2024	<u>250,000</u>	<u>16,932</u>	<u>(74,044)</u>	<u>34,471</u>	<u>1,594</u>	<u>(74,109)</u>	<u>2,289</u>	<u>180,711</u>	<u>337,844</u>	<u>401,041</u>
2023										
Balance as at January 1, 2023	250,000	16,932	(60,623)	34,033	1,594	(72,587)	4,028	193,026	366,403	444,662
Loss for the year	-	-	-	-	-	-	-	(11,637)	(11,637)	(19,620)
Other comprehensive income items	-	-	-	-	-	(4,682)	(1,187)	-	(5,869)	(7,353)
Total comprehensive income for the year	-	-	-	-	-	(4,682)	(1,187)	(11,637)	(17,506)	(26,973)
Transfer to statutory reserve	-	-	-	202	-	-	-	(202)	-	-
Transfer from fair value reserve due to sale of financial assets through OCI	-	-	-	-	-	120	-	(120)	-	-
Purchase of common shares	-	-	(16,193)	-	-	-	-	-	(16,193)	(16,193)
Distributed cash dividends from subsidiaries	-	-	-	-	-	-	-	-	-	(923)
Acquisition of a non-controlling interests	-	-	-	-	-	-	-	532	532	(2,783)
Change in non-controlling interests	-	-	-	-	-	-	-	-	(2,396)	(2,396)
Balance as at December 31, 2023	<u>250,000</u>	<u>16,932</u>	<u>(76,816)</u>	<u>34,235</u>	<u>1,594</u>	<u>(77,149)</u>	<u>2,841</u>	<u>181,599</u>	<u>333,236</u>	<u>395,926</u>

Palestine Development and Investment Limited (PADICO)

CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended December 31, 2024

(U.S. \$ 000's)

	2024 U.S. \$	2023 U.S. \$
<u>Operating Activities</u>		
Profit (loss) for the year before income tax from continuing operations	3,956	(20,024)
Profit for the year from discontinued operations	-	1,478
Profit (loss) before income tax for the year	3,956	(18,546)
Adjustments for:		
Depreciation and amortization	8,406	9,659
Finance costs	17,936	16,522
PADICO's share of results of operations from associates and joint ventures	(20,930)	(14,921)
Impairment of property, plant and equipment and projects in progress	5,714	25,446
Impairment of intangible assets and inventories and ready for sale properties	2,146	10,295
Loss from disposal of intangible assets	234	-
Gain from financial assets portfolio	(4,649)	(4,718)
Gain from sale of investment properties	-	(786)
Other non-cash items	1,576	(10,054)
	14,389	12,897
<u>Working capital adjustments:</u>		
Accounts receivable and other current assets	5,346	634
Inventories, ready for sale properties and biological assets	(983)	(51)
Accounts and notes payable	1,806	(161)
Other credit balances	(358)	4,495
Other non-current liabilities	(470)	(554)
Income tax and employees' indemnity paid	(1,715)	(1,982)
Net cash from operating activities	18,015	15,278
<u>Investing Activities</u>		
Purchase of shares in associates	(1,457)	(302)
Financial assets at fair value through other comprehensive income	353	(223)
Joint ventures	(884)	(300)
Purchase of property, plant and equipment	(2,688)	(6,973)
Sale of property, plant and equipment	27	224
Investment properties	-	2,130
Projects in progress	(2,610)	(13,693)
Net cash flow from derecognition of a subsidiary	-	(1,088)
Distributed cash dividends from associates	18,440	28,657
Dividends received	4,769	4,145
Term deposits maturing over a period longer than three months	-	1,079
Net cash from investing activities	15,950	13,656
<u>Financing Activities</u>		
Distributed cash dividends paid	(794)	(987)
Common shares	2,130	(16,193)
Long-term loans and borrowings	(11,795)	3,349
Acquisition of non-controlling interests	(762)	(2,251)
Change in restricted cash	(18)	199
Finance costs paid	(16,173)	(17,216)
Change in non-controlling interests	942	1,871
Payments of lease liabilities	(636)	(830)
Net cash used in financing activities	(27,106)	(32,058)
Increase (decrease) in cash and cash equivalents	6,859	(3,124)
Foreign currency translation differences	(56)	(321)
Cash and cash equivalents, beginning of the year	4,849	8,294
Cash and cash equivalents, end of the year	11,652	4,849