

Palestine Industrial Investment Company Ltd

Consolidated Financial Statements

December 31, 2025

Palestine Industrial Investment Company Ltd

**Consolidated Statement of Financial position
As of December 31, 2025**

	December 31 2025	December 31 2024
	JD	JD
Assets		
Non-current assets		
Property, plant and equipment	66,400,860	47,281,876
Intangible assets	6,028,768	2,254,896
Right of use of assets	413,230	414,134
Projects in progress	1,952,543	741,305
Investment in properties	580,009	581,346
Investment in associates	31,175,589	23,518,233
Financial assets at fair value through OCI	6,899,615	4,580,001
Biological assets – immature	1,305,537	1,123,680
Long term checks	423,051	337,182
Current assets	115,179,202	80,832,653
Biological assets – mature and producing	1,875,750	1,546,864
Inventories	11,352,103	5,719,397
Accounts receivable	22,367,031	12,178,517
Other current assets	4,748,822	3,249,375
Financial assets at fair value through profit and loss	5,434,203	3,569,916
Cash and cash equivalents	6,064,571	4,591,027
	51,842,480	30,855,096
Total assets	167,021,682	111,687,749
Equity and liabilities		
Equity		
Paid-in share capital	18,750,000	18,750,000
Treasury Shares	(386,694)	-
Statutory reserve	4,687,500	4,687,500
Foreign currency translation reserve	10,841,774	2,386,896
Investments fair value reserve	60,098	(3,545,641)
Retained earnings	44,994,125	37,440,864
Equity attributable to owners of the parent	78,946,803	59,719,619
Non-controlling interests	21,929,790	14,867,939
Total Equity	100,876,593	74,587,558
Non-current liabilities		
Long-term loans	14,383,577	14,822,621
Long-term lease liabilities	253,143	281,461
Other non-current liabilities	231,781	211,460
Provision for employees' indemnity	4,747,553	2,576,830
	19,616,054	17,892,372
Current liabilities		
Accounts payable	12,260,718	7,409,432
Short-term lease liabilities	127,938	122,993
Current portions of long-term loans due within a year	23,876,174	5,114,663
Credit Facilities	3,361,053	1,409,203
Income tax provision	2,051,344	1,058,200
Other current liabilities	4,851,808	4,093,328
	46,529,035	19,207,819
Total liabilities	66,145,089	37,100,191
Total equity and liabilities	167,021,682	111,687,749

Palestine Industrial Investment Company Ltd

Consolidated Income Statement

For the year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	<u>JD</u>	<u>JD</u>
Sales	60,003,906	53,731,920
Cost of sales	(47,373,714)	(42,479,114)
Gross profit	<u>12,630,192</u>	<u>11,252,806</u>
Marketing, selling and distribution expenses	(2,495,264)	(2,438,774)
General and administrative expenses	(3,788,100)	(3,352,174)
Investments income	2,596,685	500,165
Share of associates	3,421,740	2,733,388
Expected credit losses provision	(519,106)	(220,577)
	<u>11,846,147</u>	<u>8,474,834</u>
Finance costs	(1,335,841)	(1,489,614)
Other revenues, net	820,275	103,938
Profit before income tax	<u>11,330,581</u>	<u>7,089,158</u>
Income tax expense	(1,983,479)	(921,624)
Profit for the year	<u>9,347,102</u>	<u>6,167,534</u>
Attributable to:		
Company's shareholders	7,555,735	4,710,735
Non-controlling interests	1,791,367	1,456,799
	<u>9,347,102</u>	<u>6,167,534</u>
Basic and diluted earnings per share attributable to Company's shareholders	<u>0.403</u>	<u>0.251</u>

Palestine Industrial Investment Company Ltd

Consolidated Statement of Comprehensive Income
For the year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	<u>JD</u>	<u>JD</u>
Profit for the year	9,347,102	6,167,534
Other comprehensive income		
Items not to be reclassified to profit or loss in subsequent periods:		
Change in financial investments fair value	3,676,103	(329,886)
Items to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation	10,637,592	(638,055)
Total other comprehensive income for the year	<u>14,313,695</u>	<u>(967,941)</u>
Net comprehensive income for the year	<u><u>23,660,797</u></u>	<u><u>5,199,593</u></u>
Attributable to:		
Company's shareholders	19,613,878	3,907,478
Non-controlling interests	4,046,919	1,292,115
	<u><u>23,660,797</u></u>	<u><u>5,199,593</u></u>

Palestine Industrial Investment Company Ltd

Consolidated Statement of Changes in Equity

For the year ended December 31, 2025

	Attributable to equity holders of the parent							Total Equity	
	Paid-in share capital	Treasury Shares	Statutory reserve	Foreign currency translation reserve	Investments fair value reserve	Retained earnings	Total		Non-controlling interests
	JD	JD	JD	JD	JD	JD	JD	JD	
At January 1, 2025	18,750,000	-	4,687,500	2,386,896	(3,545,641)	37,440,864	59,719,619	14,867,939	74,587,558
Profit for the year	-	-	-	-	-	7,555,735	7,555,735	1,791,367	9,347,102
Other comprehensive income	-	-	-	8,454,878	3,603,265	-	12,058,143	2,255,552	14,313,695
Net comprehensive income for the year	-	-	-	8,454,878	3,603,265	7,555,735	19,613,878	4,046,919	23,660,797
Reclassification from the fair value reserve upon disposal of financial assets through other comprehensive income	-	-	-	-	2,474	(2,474)	-	-	-
Treasury shares	-	(386,694)	-	-	-	-	(386,694)	-	(386,694)
Investment in subsidiary dividends from subsidiaries	-	-	-	-	-	-	-	4,171,058	4,171,058
purchasing of non-controlling interest	-	-	-	-	-	-	-	(988,163)	(988,163)
At December 31, 2025	18,750,000	(386,694)	4,687,500	10,841,774	60,098	44,994,125	78,946,803	21,929,790	100,876,593
At January 1, 2024	18,750,000	-	4,687,500	2,913,951	(3,269,439)	32,730,129	55,812,141	14,378,482	70,190,623
Profit for the year	-	-	-	(527,055)	(276,202)	4,710,735	4,710,735	1,456,799	6,167,534
Other comprehensive income	-	-	-	(527,055)	(276,202)	-	(803,257)	(164,684)	(967,941)
Net comprehensive income for the year	-	-	-	(527,055)	(276,202)	4,710,735	3,907,478	1,292,115	5,199,593
dividends from subsidiaries	-	-	-	-	-	-	-	(619,703)	(619,703)
Purchasing of non-controlling interest shares	-	-	-	-	-	-	-	(182,955)	(182,955)
At December 31, 2024	18,750,000	-	4,687,500	2,386,896	(3,545,641)	37,440,864	59,719,619	14,867,939	74,587,558

Palestine Industrial Investment Company Ltd

Consolidated Statement of Cash Flows

For the year ended December 31, 2025

	<u>2025</u>	<u>2024</u>
	<u>JD</u>	<u>JD</u>
Operating Activities		
Profit before income tax	11,330,581	7,089,158
Adjustments:		
Depreciation and amortization	3,529,515	3,059,235
Investment income	(2,596,685)	(500,165)
Provision for employees' indemnity	446,523	373,997
Expected credit losses provision	519,106	220,577
Group's share of associates' results of operations	(3,421,740)	(2,733,388)
Finance costs	1,335,841	1,489,614
Revaluation losses of inventory	7,017	1,506
Gain on disposal of property, plant and equipment	(30,421)	(2,021)
Legal provision Expense	78,700	89,564
Impairment of intangible assets	-	502,000
Recovery of provisions	(472,580)	(506,092)
Other non-cash items	(26,299)	(16,631)
	10,699,558	9,067,354
Working capital adjustments:		
Accounts receivable	(4,174,797)	10,090
Biological assets	(131,146)	(85,939)
Inventory	(1,566,480)	(681,351)
Other current assets	(802,602)	(152,952)
Accounts payable	3,332,771	1,975,427
Other current liabilities	645,074	611,487
Employees' indemnity paid	(334,086)	(156,217)
Income tax payments	(1,101,618)	(631,271)
Net cash flows from operating activities	<u>6,566,674</u>	<u>9,956,628</u>
Investing Activities		
Purchase of property, plant and equipment	(2,243,427)	(1,732,668)
Sale of property, plant and equipment	44,554	16,782
Investment in properties	(23,548)	-
Investment in associate	-	(3,342)
Projects in progress	(1,997,862)	(990,663)
Dividends received from associates	786,722	327,727
Received cash dividends	732,398	547,762
Investment in Subsidiaries	(20,560,558)	-
Net cash used in investing activities	<u>(23,261,721)</u>	<u>(1,834,402)</u>
Financing Activities		
Cash dividends paid	(1,136,583)	(640,575)
Long term lease contracts payments	(135,562)	(170,280)
Purchasing non-controlling interest shares	(167,963)	(182,955)
Long term loans	17,033,970	(384,106)
Finance cost paid	(1,221,467)	(1,362,141)
Change in restricted cash	706	28,857
Other non-current liabilities	20,321	(34,377)
Net cash flows from (used in) financing activities	<u>14,393,422</u>	<u>(2,745,577)</u>
(Decrease) Increase in cash and cash equivalents	<u>(2,301,625)</u>	<u>5,376,649</u>
Foreign currency translation differences	1,824,025	(139,413)
Cash and cash equivalents, beginning of year	3,178,873	(2,058,363)
Cash and cash equivalents, end of year	<u><u>2,701,273</u></u>	<u><u>3,178,873</u></u>