

Investor Brief

Preliminary Results
2019

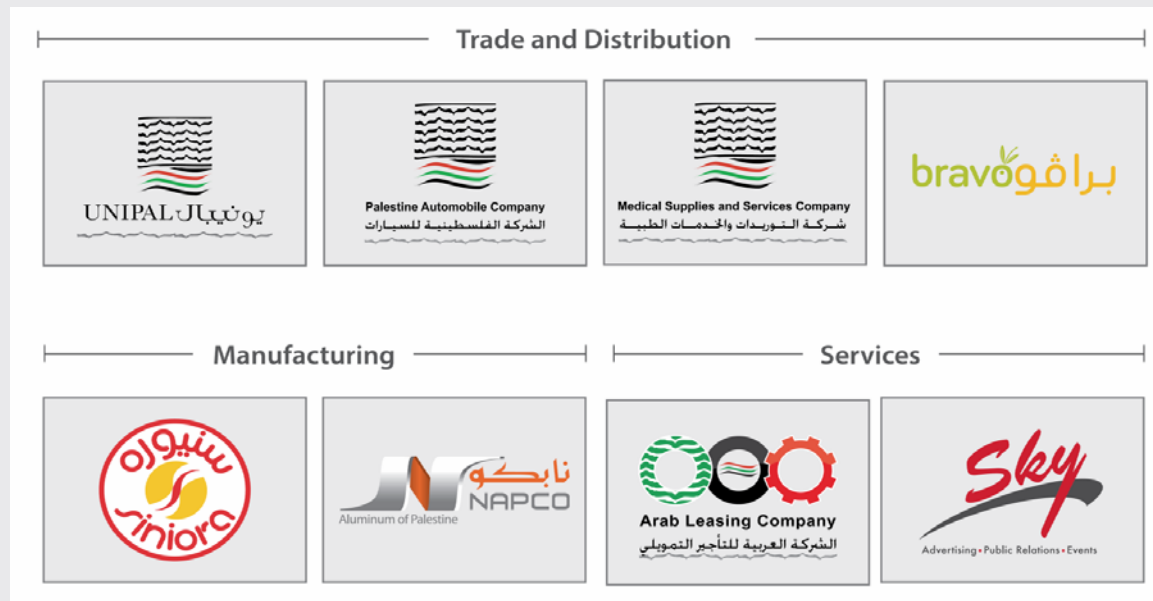


APIC أَيْبِك

Driven by Excellence يَقُودُنَا التَّمْيِيزُ

Financial information in this document is preliminary and may change after the issuance of the final audited financial statements.

APIC is an investment holding company with subsidiaries operating across Palestine, Jordan, Saudi Arabia, and United Arab Emirates that offers quality products and services in three vital sectors including:



- Overview
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Overview

Year/Country of Establishment	1994 / British Virgin Islands (BVI)
Authorized Capital	USD 100 million
Paid-in Capital	USD 89 million
Number of Issued Shares	89 million shares
Par Value	USD 1
ISIN No.	PS4010112960
Listed On	Palestine Exchange (PEX)
Listing Date	March 2, 2014
Trading Symbol	APIC
Market	1 st
Index	Al-Quds Index
Sector	Investment
Book Value per Share as at Dec. 31, 2019	USD 1.49
Share Close as Dec. 31, 2019	USD 2.55
Price/Book Ratio as Dec. 31, 2019	1.71x

Today	<ul style="list-style-type: none"> In 2019, APIC achieved net profits of USD 22.33 million, a growth of 39.24% year on year, while net profits attributed to APIC shareholders amounted to USD 18.24 million, a growth of 39.36% year on year.
	<ul style="list-style-type: none"> Total revenues in 2019 amounted to USD 824.97 million, a growth 12.51% year on year.
	<ul style="list-style-type: none"> Paid-in capital of USD 89 million.
	<ul style="list-style-type: none"> Authorized Capital of USD 100 million
	<ul style="list-style-type: none"> Public shareholding listed and traded on Palestine Exchange (PEX: APIC)
	<ul style="list-style-type: none"> 2,000 employees in Palestine, Jordan, Saudi Arabia and the United Arab Emirates.
2014	<ul style="list-style-type: none"> Listed its shares on the Palestine Exchange (PEX) on March 2, 2014 (PEX: APIC). Established Arab Leasing Company, Palestine.
2013	<ul style="list-style-type: none"> Became a public shareholding company.
2000	<ul style="list-style-type: none"> Established Arab Palestinian Shopping Centers Company, Palestine. Acquired Sky Advertising and Promotion, Palestine.
1998	<ul style="list-style-type: none"> Acquired Unipal General Trading Company, Palestine. Acquired Palestine Automobile Company, Palestine. Acquired Medical Supplies and Services Company, Palestine.
1996	<ul style="list-style-type: none"> Acquired Siniora Food Industries Company, Palestine and Jordan. Registered in Palestine as a foreign private shareholding company.
1995	<ul style="list-style-type: none"> Acquired National Aluminum and Profiles Company, Palestine.
1994	<ul style="list-style-type: none"> Established and registered in BVI as a private investment holding company with a capital of USD 70 million.

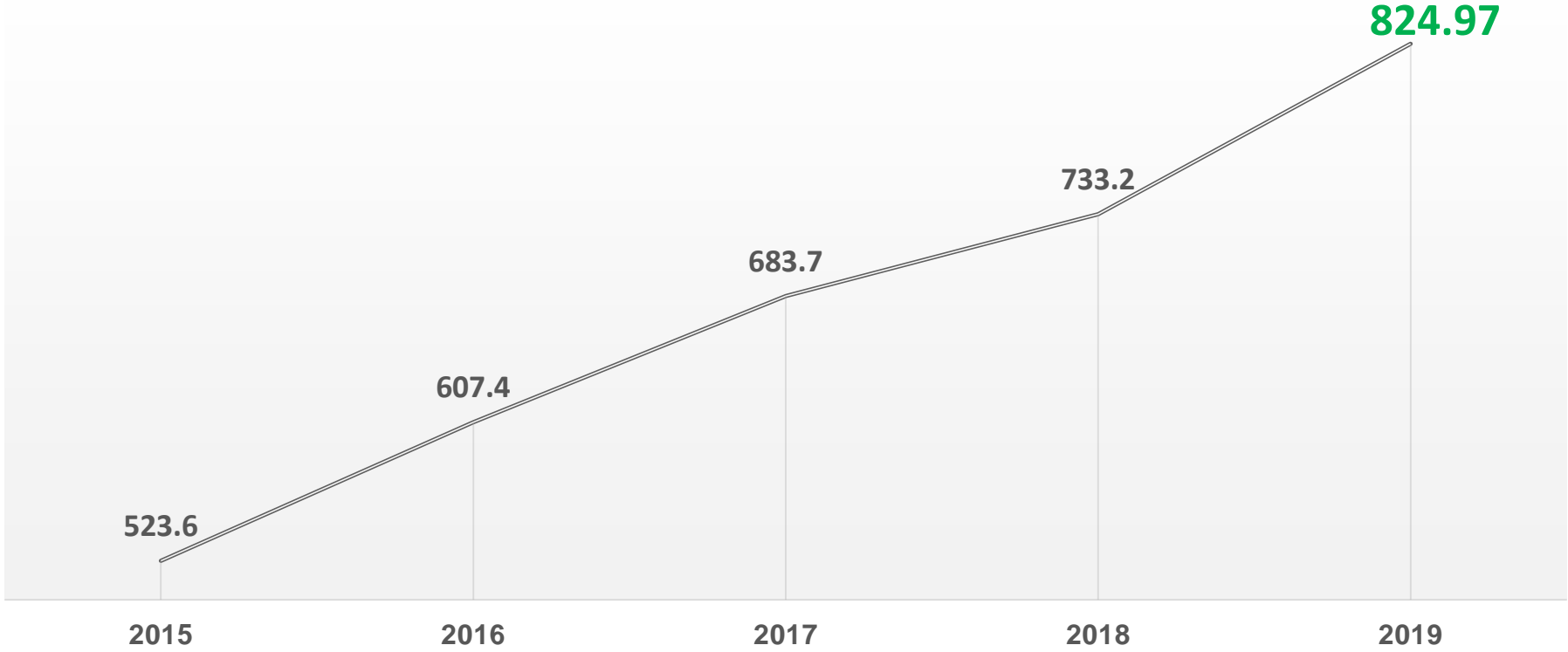
Growth

Milestones

Business Inauguration

**Total Revenues
2015 – 2019**

**APIC Group Revenues 2015-2019
(USD millions)**



Achievements of 2019

- In 2019, APIC achieved net profits after tax of USD 22.33 million, a growth of 39.24% year on year, while net profits attributed to APIC shareholders amounted to USD 18.24 million, a growth of 39.36% year on year.
- APIC distributed USD 10.5 million in dividends to its shareholders, representing 12.8% of the company's paid-in capital, 6.1% as cash dividends amounting to USD 5 million and 6.7% as 5.5 million in bonus shares.
- In 2019, APIC increased its paid-in capital from USD 82 million to USD 89 million through the distribution of 5.5 million in bonus shares to its shareholders in accordance with the decision of APIC's general assembly at its ordinary meeting on May 2, 2019, in addition to issuing USD 1.5 million shares through a private placement in accordance with the decision of APIC's general assembly at its extraordinary meeting on May 2, 2019.
- APIC subsidiary Siniora Food Industries launched its new line of frozen meat products in Palestine, which includes around 20 products, with an investment of USD 3.7 million. Siniora also purchased new land in Jericho, Palestine, in a step towards the company's future expansion in Palestine.
- APIC subsidiary Unipal General Trading Company obtained the exclusive distribution rights in Palestine of two new companies:
 - ✓ SC Johnson, an American multinational household cleaning product manufacturer, which was established in 1886. This acquisition will enrich Unipal's non-food portfolio and enable it to penetrate the Palestinian market through new categories with the introduction of around 51 products across six categories; toilet cleaning (brand: Duck), pest control (brands: Raid and Auttan), air fresheners (brand: Glade), shoe care (brand: Kiwi), surface cleaning (brand: Mr. Muscle and Pledge), and window and glass cleaning (brand: Windex).
 - ✓ Edita, a leader in confectionary products in Egypt and a strong brand in Arabian markets. Unipal launched Freska of Edita in the Palestinian market, which includes eight products at competitive prices and with strong positioning, with more categories slated to be launched in the near future.
- Unipal expanded its main warehouse distribution center in Ramallah, Palestine. The extension is made up of two warehouses that encompass up to 600 pallets that are monitored 24 hours a day, seven days a week through an advanced online system.

Achievements of 2019

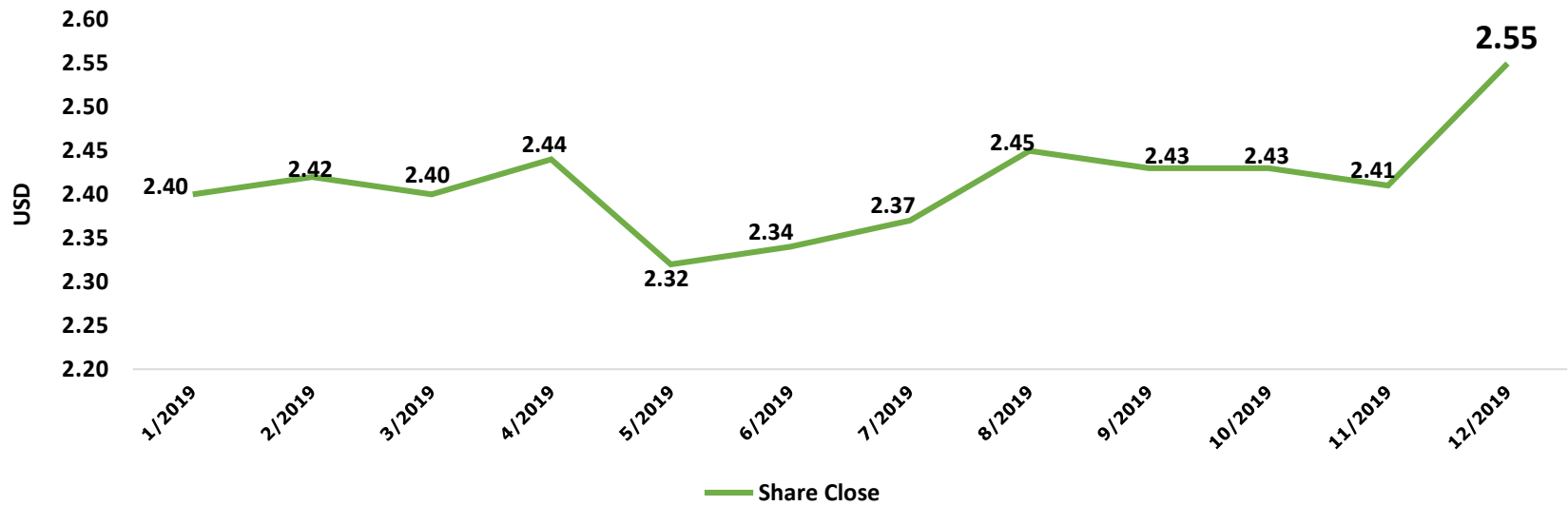
- APIC subsidiary Medical Supplies and Services Company (MSS) acquired Taleed Medical Supplies company in Jordan; the company also owns a branch in Iraq.
- MSS, the exclusive distributor for Beiersdorf (Nivea) in Palestine, was honored as the highest overall performer for the Middle East/North Africa region, and was named Partner of the Year Award for 2019 during the 35th Beiersdorf Partners Conference in Hamburg, Germany.
- MSS obtained the exclusive distribution rights in Palestine for several new multinational companies:
 - ✓ Novo Nordisk, headquartered in Denmark, is a global healthcare company with more than 95 years of innovation and leadership in diabetes care.
 - ✓ Boehringer Ingelheim, headquartered in Ingelheim, Germany, is one of the world's largest pharmaceutical companies, and the largest private one. The company's key areas of interest are respiratory diseases, metabolism, immunology, oncology and diseases of the central nervous system.
 - ✓ Abbott Point-of-Care: Point-of-care (POC) or with-patient testing allows physicians and medical staff to accurately achieve real-time, lab-quality diagnostic results within minutes rather than hours.
 - ✓ Abbott Rapid Diagnostics: One of the largest diversified global healthcare companies, Abbott is the world leader in rapid diagnostics at the point of care, with a focus on cardiometabolic disease, infectious disease and toxicology.
- APIC subsidiary Palestine Automobile Company (PAC) launched its new showroom and maintenance center for Fiat-Chrysler automobiles (Fiat, Fiat Professional, Alfa Romeo, Chrysler, Jeep, Dodge and Ram brands) in Nablus, Palestine. The new center is one-of-a-kind in the northern governorate of West Bank, and includes advanced equipment and technologies. This move is directly in line with PAC's vision to expand in the local market offering excellence in after-sale services via state-of-the-art service centers.
- APIC subsidiary National Aluminum & Profiles Company (NAPCO) increased its paid-in capital through the distribution of bonus share dividends to its shareholders amounting to 414,000 shares, representing 6% of the company's pro-forma paid-in capital. Following this distribution, NAPCO's paid-in capital became JD 7,314,000.

Share Performance

Jan. 2- Dec. 31, 2019

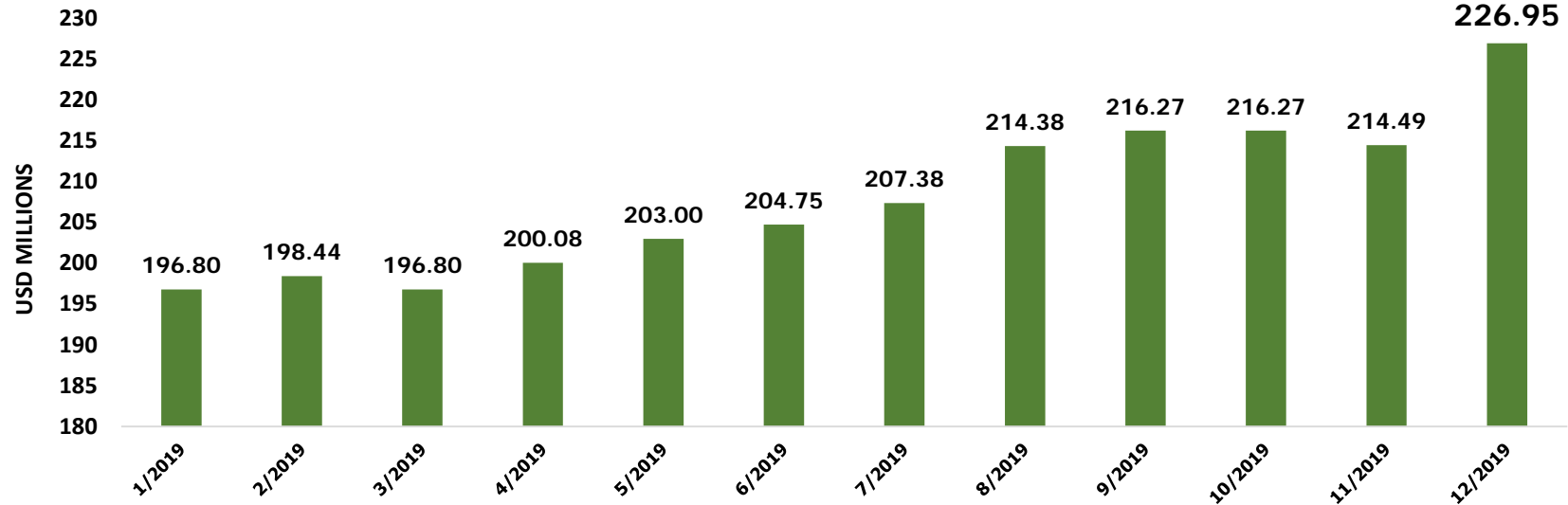
Open (January 2)	USD 2.33
Close (Dec. 31)	USD 2.55
High	USD 2.55
Low	USD 2.26
Trading Volume	9,266,924 shares
Trading Value	USD 22,106,192
Number of Transactions	1,711
Daily Average Turnover Value	USD 109,981
Market Cap as at Dec. 31, 2019	USD 226,950,000
Free Float	39.7%
Turnover Ratio	10.4%
P/E Ratio	12.32x

APIC's Share Performance 2019 (USD)



Stock price was adjusted by PEX on May 2, 2019 by the stock dividend payout ratio of 6.7%

APIC's Market Capitalization 2019 (USD millions)



Financial Performance

Item	31/12/2019	31/12/2018	% Change
	Preliminary	Audited	
USD millions			
Revenues	824.97	733.21	12.51%
EBITDA	48.03	39.08	22.89%
Net Profit After Tax	22.33	16.04	39.24%
Net Profit (APIC Shareholders)	18.24	13.09	39.36%
Earnings Per Share (USD)	0.21	0.17	21.76%
<i>Adjusted Earnings Per Share (USD)*</i>	<i>0.21</i>	<i>0.15</i>	<i>38.57%</i>
Total Assets	432.42	383.14	12.86%
Capital	89.00	82.00	8.54%
Net Equity (APIC Shareholders) **	133.02	115.89	14.79%
Book Value Per Share (USD)	1.49	1.41	6.00%
<i>Adjusted Book Value Per Share (USD) ***</i>	<i>1.59</i>	<i>1.41</i>	<i>12.73%</i>

* Adjusted earnings per share (EPS) for the period ended Dec. 31, 2018 were recalculated according to number of shares of 87.5 million instead of 82 million shares resulting from the capitalization of retained earnings in accordance with the International Accounting Standards (IAS 33) requirements.

** During the first half of 2019, USD 5 million was distributed to APIC's shareholders as cash dividend reducing the net equity attributed to APIC shareholders by same amount.

*** For fair comparison purposes, share capital increase of 6.7% in May 2019 was neutralized to demonstrate consistent ratio performance comparison.

APIC Subsidiaries

Subsidiaries	Ownership %	Country of Registration	Country of Operations	Main Activities & Operations
Manufacturing Sector				
National Aluminum and Profiles Company PLC	72.99% ⁽¹⁾	Palestine	Palestine, Jordan	Manufacturing of aluminum and profiles
Siniora Food Industries Company PLC	65.63%	Jordan	Jordan, Palestine, Saudi Arabia, UAE	Manufacturing of cold cuts, luncheon canned meat and frozen meat
Trade and Distribution Sector				
Unipal General Trading Company PSC	93.41%	Palestine	Palestine	Distribution of consumer products
Palestine Automobile Company PSC	100%	Palestine	Palestine	Distribution of cars and after-sales services
Medical Supplies and Services Company PSC	100%	Palestine	Palestine	Distribution of medical supplies, equipment and healthcare products
Arab Palestinian Shopping Centers Company PSC	99.78% ⁽²⁾	Palestine	Palestine	Operating shopping centers and Bravo, the largest supermarket chain in Palestine
Services Sector				
Sky Advertising and Promotion Company PSC	100%	Palestine	Palestine	Advertising, public relations and event management
Arab Leasing Company PSC	100%	Palestine	Palestine	Leasing of vehicles
Arab Palestinian Storage and Cooling Company PSC	68.47% ⁽³⁾	Palestine	Palestine	Storage and cooling
<p>(1) This percentage represents APIC's direct ownership of 70.96% in addition to its indirect ownership of 2.03 % through its subsidiary Unipal.</p> <p>(2) This percentage represents APIC's direct ownership of 99.16% in addition to its indirect ownership of 0.62% through its subsidiary Unipal.</p> <p>(3) This percentage represents APIC's direct ownership of 31.1% in addition to its indirect ownership of 37.37% through its subsidiary Unipal.</p>				

Contact



Investor Relations & Corporate Communication

Tel: +970 2 297 7040

Mobile: +970 569 400 449

Email: fida@apic.com.jo

www.apic.ps