

**Arab Palestinian Investment Company**  
**(Holding Company)**  
**British Virgin Islands**  
**Condensed Consolidated Interim Statement of Financial Position**

	<b>Note</b>	<b>March 31, 2022 (Reviewed not audited)</b>	<b>December 31, 2021 (Audited)</b>
<b>Assets</b>		<b>USD</b>	<b>USD</b>
<b>Current Assets</b>			
Cash on hand and at banks		23,507,464	46,564,274
Accounts receivable and cheques under collection - net	5	187,008,558	187,489,956
Inventory - net	7	147,231,945	98,494,959
Due from related parties	16	1,831,540	1,821,007
Financial assets at fair value through profit or loss	18	4,291,534	369,669
Other debit balances	6	56,457,913	33,687,059
Leasing contracts receivable- short term		8,136,756	7,380,290
<b>Total Current Assets</b>		<b>428,465,710</b>	<b>375,807,214</b>
<b>Non-Current Assets</b>			
Leasing contracts receivable - long term		9,312,112	8,888,028
Checks under collection - long term		3,943,088	3,488,782
Deferred tax assets		2,817,497	2,633,284
Financial hedging instruments assets	18	7,746,900	7,959,000
Right of use assets - net		8,602,216	8,664,765
Financial assets at fair value through other comprehensive income	18	43,530,744	41,774,188
Investment in plots of land	18	819,127	819,127
Intangible assets - net		39,726,021	34,528,828
Investment in affiliates		11,267,805	10,789,513
Property and equipment - net		121,663,759	115,461,216
Project under construction		4,130,017	7,256,318
<b>Total Non-Current Assets</b>		<b>253,559,286</b>	<b>242,263,049</b>
<b>Total Assets</b>		<b>682,024,996</b>	<b>618,070,263</b>
<b><u>Liabilities and Owner's Equity</u></b>			
<b>Current Liabilities</b>			
Accounts payable		70,961,932	66,834,318
Due to Banks	9	54,149,964	59,236,974
Notes payable and postdated cheques - short term		7,290,131	7,091,047
Due to related parties	16	440,813	440,478
Lease liabilities - short term		2,708,057	2,825,271
Loans payable - short term	10	134,070,998	83,322,538
Other credit balances	8	43,762,740	38,604,039
Income tax provision	12	3,485,982	6,404,870
<b>Total Current Liabilities</b>		<b>316,870,617</b>	<b>264,759,535</b>
<b>Non-Current Liabilities</b>			
Provision for end of service indemnity		20,359,155	19,839,855
Bonds payable - long term	11	73,493,800	73,918,000
Notes payable and postdated cheques - long term		1,556,850	1,021,044
Lease liabilities - long term		6,360,492	6,163,091
Financial hedging instruments liabilities	18	7,959,000	7,959,000
Loans payable - long term	10	54,048,246	52,961,967
<b>Total Non-Current Liabilities</b>		<b>163,777,543</b>	<b>161,862,957</b>
<b>Total Liabilities</b>		<b>480,648,160</b>	<b>426,622,492</b>
<b><u>Owners' Equity</u></b>			
The authorized capital is 125,000,000 shares with a par value of US \$ 1 per share	1	<b>125,000,000</b>	<b>125,000,000</b>
<b>Shareholders' Equity</b>			
Paid up capital	1	105,000,000	105,000,000
Share premium	1	12,103,000	12,103,000
Retained earnings		61,228,638	61,228,638
Profit for the period		9,915,716	-
Cumulative change in fair value		2,183,604	2,505,828
Property and equipment revaluation reserve		9,479,203	9,479,203
Foreign currency translation effect		(8,949,989)	(8,480,229)
Difference on the purchase of non-controlling interest	2	(18,625,172)	(18,625,172)
<b>Total Shareholders' Equity</b>		<b>172,335,000</b>	<b>163,211,268</b>
Non - controlling interest		29,041,836	28,236,503
<b>Total Owners' Equity</b>		<b>201,376,836</b>	<b>191,447,771</b>
<b>Total Liabilities and Owners' Equity</b>		<b>682,024,996</b>	<b>618,070,263</b>

**THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION AND SHOULD BE READ WITH THEM AND WITH THE REVIEW REPORT.**

**Arab Palestinian Investment Company**  
**(Holding Company)**  
**British Virgin Islands**  
**Condensed Consolidated Interim Statement of Profit or Loss**

	Note	For the Three-Months Ended March 31,	
		2022	2021
		(Reviewed not audited)	(Reviewed not audited)
		<b>USD</b>	<b>USD</b>
Net sales		279,703,921	258,712,121
<u>Less: Cost of sales</u>		<u>239,522,978</u>	<u>225,821,784</u>
<b>Net sales revenue</b>		<b>40,180,943</b>	<b>32,890,337</b>
Services revenue		1,837,312	1,063,692
<u>Less: Cost of services</u>		<u>1,705,667</u>	<u>1,176,369</u>
<b>Net services revenue (loss)</b>		<b>131,645</b>	<b>(112,677)</b>
<b>Profit from Sales and Services</b>	17	<b>40,312,588</b>	<b>32,777,660</b>
<u>Less: General and administrative expenses</u>		<u>15,849,592</u>	<u>12,186,441</u>
Selling and distribution expenses		<u>9,474,380</u>	<u>6,881,075</u>
<b>Profit from Operations</b>		<b>14,988,616</b>	<b>13,710,144</b>
<u>Less: Interest and borrowing costs</u>		<u>3,134,703</u>	<u>3,118,121</u>
Other revenue (expenses) - net		<u>1,738,832</u>	<u>(270,471)</u>
<b>Profit for the Period before Income Tax</b>		<b>13,592,745</b>	<b>10,321,552</b>
<u>Less: Income tax expense</u>	12	<u>2,452,614</u>	<u>2,009,482</u>
<b>Profit for the Period</b>		<b>11,140,131</b>	<b>8,312,070</b>
<b>Attributable to:</b>			
Company's shareholders		9,915,716	7,162,225
Non-controlling interest		<u>1,224,415</u>	<u>1,149,845</u>
		<b>11,140,131</b>	<b>8,312,070</b>
Earnings per share attributable to the Company's shareholders	13	<u>0/09</u>	<u>0/07</u>

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**Condensed Consolidated Interim Statement of Comprehensive Income**

	<b>For the Three-Months Ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
	<b>(Reviewed not audited)</b>	<b>(Reviewed not audited)</b>
	<b>USD</b>	<b>USD</b>
Profit for the period	11,140,131	8,312,070
<b>Other comprehensive income items that might be transferred to the statement of profit or loss later:</b>		
Change in fair value - financial assets at fair value through other comprehensive income	(322,224)	(845,730)
Foreign currency translation effect	(888,842)	(1,553,723)
<b>Total comprehensive income</b>	<b>9,929,065</b>	<b>5,912,617</b>
<b>Total Comprehensive Income Attributable to:</b>		
Company's shareholders	9,123,732	5,397,493
Non-controlling interest	805,333	515,124
	<b>9,929,065</b>	<b>5,912,617</b>

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**Condensed Consolidated Interim Statement of Changes in Owners' Equity**

		Paid -up	Share	Retained	Profit for	Cumulative	Property and	Foreign Currency	Difference on the	Total	Non -	
	Note	Capital	Premium	Earnings	the Period	Change in Fair	Equipment Revaluation	Translation	Purchase of Non-	Shareholders'	Controlling	Total Owners'
		USD	USD	USD	USD	Value	Reserve	Effect	Controlling Interest	Equity	Interest	Equity
<b>For the Three-Months Ended March 31, 2022 (Reviewed not audited)</b>												
Balance - beginning of the period		105,000,000	12,103,000	61,228,638	-	2,505,828	9,479,203	(8,480,229)	(18,625,172)	163,211,268	28,236,503	191,447,771
Change in fair value		-	-	-	-	(322,224)	-	-	-	(322,224)	-	(322,224)
Foreign currency translation effects		-	-	-	-	-	-	(469,760)	-	(469,760)	(419,082)	(888,842)
Profit for the Period		-	-	-	9,915,716	-	-	-	-	9,915,716	1,224,415	11,140,131
<b>Total comprehensive income</b>		-	-	-	<b>9,915,716</b>	<b>(322,224)</b>	-	<b>(469,760)</b>	-	<b>9,123,732</b>	<b>805,333</b>	<b>9,929,065</b>
<b>Balance - End of the Period</b>		<b>105,000,000</b>	<b>12,103,000</b>	<b>61,228,638</b>	<b>9,915,716</b>	<b>2,183,604</b>	<b>9,479,203</b>	<b>(8,949,989)</b>	<b>(18,625,172)</b>	<b>172,335,000</b>	<b>29,041,836</b>	<b>201,376,836</b>
<b>For the Three-Months Ended March 31, 2021 (Reviewed not audited)</b>												
Balance - beginning of the period		95,000,000	10,075,000	36,935,837	-	(277,563)	15,636,052	347,165	(11,844,996)	145,871,495	28,886,066	174,757,561
Change in fair value		-	-	-	-	(845,730)	-	-	-	(845,730)	-	(845,730)
Foreign currency translation effects		-	-	-	-	-	-	(919,002)	-	(919,002)	(634,721)	(1,553,723)
Profit for the Period		-	-	-	7,162,225	-	-	-	-	7,162,225	1,149,845	8,312,070
<b>Total comprehensive income</b>		-	-	-	<b>7,162,225</b>	<b>(845,730)</b>	-	<b>(919,002)</b>	-	<b>5,397,493</b>	<b>515,124</b>	<b>5,912,617</b>
Increase in paid up capital **	1	1,200,000	-	-	-	-	-	-	-	1,200,000	-	1,200,000
Share premiums resulting from the increase in paid up capital **		-	2,028,000	-	-	-	-	-	-	2,028,000	-	2,028,000
Net change in the revaluation reserve of Property and Equipment/ Land		-	-	-	-	-	145,921	-	-	145,921	-	145,921
Net change in non - controlling interest *		-	-	-	-	-	-	-	(6,737,006)	(6,737,006)	(1,149,845)	(7,886,851)
<b>Balance - End of the Period</b>		<b>96,200,000</b>	<b>12,103,000</b>	<b>36,935,837</b>	<b>7,162,225</b>	<b>(1,123,293)</b>	<b>15,781,973</b>	<b>(571,837)</b>	<b>(18,582,002)</b>	<b>147,905,903</b>	<b>28,251,345</b>	<b>176,157,248</b>

Retained earnings include USD 2,817,497 as of March 31, 2022, which represents amounts booked by the Company's subsidiaries against deferred tax benefits ( USD 2,633,284 as of December 31, 2021).

\* This item represents the net change in non-controlling interest resulting from the increase or decrease in the share of non-controlling interest in the share capital of some of the subsidiaries during the period.

\*\* In accordance with the decision of the General Assembly in its extraordinary meeting held on December 22, 2020, it was approved to increase the company's capital by an amount of USD 1.2 million through a special issuance to non-controlling interest holders of Unipal General Trading Company, and the legal procedures were completed on January 14, 2021 .

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**Arab Palestinian Investment Company**  
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**Condensed Consolidated Interim Statement of Cash Flow**

	Note	<b>For the Three-Months Ended March 31,</b>	
		<b>2022</b>	<b>2021</b>
		<b>(Reviewed not audited)</b>	<b>(Not Reviewed or audited)</b>
		<b>USD</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Profit for the period before tax		13,592,745	10,321,552
<b>Adjustments for:</b>			
Provision for expected credit loss	5	935,441	220,689
Depreciation expense for the period		2,702,993	2,486,861
Financial hedging instruments losses for the period		212,100	340,200
Provision for slow moving inventory	7	199,183	126,986
Profit from investment in affiliates		(1,667,599)	(384,952)
Provision for end of service indemnity		971,038	1,032,732
Loss on sale of property and equipment		88,038	68,472
<b>Cash Flows from Operating Activities before Changes in Working Capital</b>		<b>17,033,939</b>	<b>14,212,540</b>
(Increase) in accounts receivable, leasing contracts and other debit balances		(24,518,115)	(80,629,290)
(Increase) in inventory	7	(48,936,169)	(115,968,667)
Decrease (increase) in long -term cheques under collection		(454,306)	57,770
Change in related parties balance		(10,198)	(637,969)
Increase in accounts payable and other credit balances		9,286,315	22,124,351
<b>Net Cash Flows (used in) Operating Activities before End-of-Service Indemnity and Income Tax Paid</b>		<b>(47,598,534)</b>	<b>(160,841,265)</b>
Paid from end of service indemnity provision		(151,466)	(58,500)
Paid from income tax provision		(5,723,729)	(4,746,554)
<b>Net Cash Flows (used in) Operating Activities</b>		<b>(53,473,729)</b>	<b>(165,646,319)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
(Increase) in financial assets at fair value through Profit & Loss		(3,921,865)	-
(Increase) in financial assets at fair value through other comprehensive income		(2,078,780)	(309,146)
Paid against subsidiaries acquisition arrangements		-	(23,058,938)
Change in intangible assets - net		(5,197,193)	(284,954)
Paid in cash to acquire non - controlling interest		-	(10,071,684)
Change in Property and equipment and project under construction		(5,779,235)	2,927,226
<b>Net Cash Flows (used in) Investing Activities</b>		<b>(16,977,073)</b>	<b>(30,797,496)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
(Decrease) increase in due to banks		(5,087,010)	161,661,464
Change in bonds payable	11	(424,200)	(680,400)
Increase in loans, checks and notes payable		52,569,629	21,365,313
Net change in non - controlling interest and foreign currency translation		335,573	(2,703,568)
<b>Net Cash Flows from Financing Activities</b>		<b>47,393,992</b>	<b>179,642,809</b>
Net (Decrease) in Cash		(23,056,810)	(16,801,006)
Increase in cash as a result of subsidiary acquisition		-	185,869
Cash on hand and at banks- beginning of the period		46,564,274	39,618,477
<b>Cash on Hand and at Banks - End of the Period</b>		<b>23,507,464</b>	<b>23,003,340</b>
<b>Non Cash Items</b>			
Written off Receivables	5	639,041	41,599

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