

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

<b>Assets</b>	<b>Note</b>	<b>June 30, 2022</b> <b>(Reviewed not audited)</b>	<b>December 31, 2021</b> <b>(Audited)</b>
		<b>USD</b>	<b>USD</b>
<b>Current Assets</b>			
Cash on hand and at banks		33,870,040	46,564,274
Accounts receivable and cheques under collection - net	5	184,212,024	187,489,956
Inventory - net	7	142,952,663	98,494,959
Due from related parties	16	80,025	1,821,007
Financial assets at fair value through profit or loss	18	1,432,131	369,669
Other debit balances	6	54,457,733	33,687,059
Leasing contracts receivable- short term		6,675,783	7,380,290
<b>Total Current Assets</b>		<b>423,680,399</b>	<b>375,807,214</b>
<b>Non-Current Assets</b>			
Leasing contracts receivable - long term		11,733,379	8,888,028
Checks under collection - long term		3,580,144	3,488,782
Deferred tax assets		2,785,920	2,633,284
Financial hedging instruments assets	18	7,338,800	7,959,000
Right of use assets - net		9,379,975	8,664,765
Financial assets at fair value through other comprehensive income	18	45,957,672	41,774,188
Investment in plots of land	18	819,127	819,127
Intangible assets - net	2	44,943,742	34,528,828
Investment in affiliates		11,203,307	10,789,513
Property and equipment - net		118,853,596	115,461,216
Project under construction		14,982,719	7,256,318
<b>Total Non-Current Assets</b>		<b>271,578,381</b>	<b>242,263,049</b>
<b>Total Assets</b>		<b>695,258,780</b>	<b>618,070,263</b>
<b>Liabilities and Owner's Equity</b>			
<b>Current Liabilities</b>			
Accounts payable		65,696,289	66,834,318
Due to Banks	9	74,757,867	59,236,974
Notes payable within one year and postdated cheques		6,460,377	7,091,047
Due to related parties	16	2,953,917	440,478
Lease liabilities - short term		3,212,011	2,825,271
Installments of loans maturing within a year	10	124,223,834	83,322,538
Other credit balances	8	42,255,855	38,604,039
Income tax provision	12	4,012,879	6,404,870
<b>Total Current Liabilities</b>		<b>323,573,029</b>	<b>264,759,535</b>
<b>Non-Current Liabilities</b>			
Provision for end of service indemnity		19,456,006	19,839,855
Long term bonds payable	11	72,677,600	73,918,000
Notes payable and postdated cheques - long term		1,004,023	1,021,044
Lease liabilities - long term		7,076,304	6,163,091
Financial hedging instruments liabilities	18	7,959,000	7,959,000
Deferred tax liabilities		2,366,190	-
Long term loan installments	10	55,446,742	52,961,967
<b>Total Non-Current Liabilities</b>		<b>165,985,865</b>	<b>161,862,957</b>
<b>Total Liabilities</b>		<b>489,558,894</b>	<b>426,622,492</b>
<b>Owners' Equity</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	112,000,000	105,000,000
Share premium		12,103,000	12,103,000
Retained earnings		60,967,843	61,228,638
Cumulative change in fair value		4,367,440	2,505,828
Property and equipment revaluation reserve		9,479,203	9,479,203
Foreign currency translation effect		(5,616,995)	(8,480,229)
Difference on the purchase of non-controlling interest		(18,625,172)	(18,625,172)
<b>Total Shareholders' Equity</b>		<b>174,675,319</b>	<b>163,211,268</b>
Non - controlling interest		31,024,567	28,236,503
<b>Total Owners Equity</b>		<b>205,699,886</b>	<b>191,447,771</b>
<b>Total Liabilities and Owners' Equity</b>		<b>695,258,780</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 Income**  
**(Reviewed Not Audited)**

	Note	For the Three -Months Ended June 30,		For the Six-Months Ended June 30,	
		2022	2021	2022	2021
		(Reviewed Not Audited)	(Reviewed Not Audited)	(Reviewed Not Audited)	(Reviewed not Audited)
		USD	USD	USD	USD
Net sales		268,129,408	263,360,119	547,833,329	515,635,348
Less: Cost of sales		(229,062,899)	(228,734,042)	(468,585,877)	(449,093,768)
<b>Gross profit from sales</b>		<b>39,066,509</b>	<b>34,626,077</b>	<b>79,247,452</b>	<b>66,541,580</b>
Services revenue		1,518,515	1,218,472	3,355,827	2,102,374
Less: Cost of services		(1,421,952)	(1,299,252)	(3,127,619)	(2,475,621)
<b>Net profit (loss) from services</b>		<b>96,563</b>	<b>(80,780)</b>	<b>228,208</b>	<b>(373,247)</b>
<b>Gross Profit from Sales and Services</b>	17	<b>39,163,072</b>	<b>34,545,297</b>	<b>79,475,660</b>	<b>66,168,333</b>
Less: General and administrative expenses		(14,286,182)	(12,497,482)	(30,135,774)	(24,346,149)
Selling and distribution expenses		(9,193,548)	(7,912,313)	(18,667,928)	(14,787,737)
<b>Profit from Operations</b>		<b>15,683,342</b>	<b>14,135,502</b>	<b>30,671,958</b>	<b>27,034,447</b>
Less: Interest and borrowing cost		(5,892,511)	(3,719,067)	(9,027,214)	(6,973,609)
Add: Other revenue - net		974,485	364,225	2,713,317	1,107,767
<b>Profit for the Period before Income Tax and monetary gain resulting from hyperinflation</b>		<b>10,765,316</b>	<b>10,780,660</b>	<b>24,358,061</b>	<b>21,168,605</b>
Less: Income tax expense	12	(2,124,787)	(2,284,048)	(4,577,401)	(4,293,530)
<b>Profit for the period of continuing operations before monetary gain resulting from hyperinflation</b>		<b>8,640,529</b>	<b>8,496,612</b>	<b>19,780,660</b>	<b>16,875,075</b>
Add: Net monetary gain resulting from hyperinflation		596,059	-	596,059	-
<b>Profit for the period of continuing operations</b>		<b>9,236,588</b>	<b>8,496,612</b>	<b>20,376,719</b>	<b>16,875,075</b>
Add: Net (loss) from discontinued operations		-	(259,397)	-	(325,790)
Profit resulting from the sale of a subsidiary		-	4,603,030	-	4,669,423
<b>Profit for the period</b>		<b>9,236,588</b>	<b>12,840,245</b>	<b>20,376,719</b>	<b>21,218,708</b>
<b>Attributable to:</b>					
Company's shareholders		8,379,595	11,955,403	18,295,310	19,184,021
Non-controlling interest		856,993	884,842	2,081,409	2,034,687
		<b>9,236,588</b>	<b>12,840,245</b>	<b>20,376,719</b>	<b>21,218,708</b>
Earnings per share attributable to the Company's shareholders	13	0/075	0/107	0/163	0/171

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 Comprehensive Income**

	<u>For the Three-Months Ended June 30,</u>		<u>For the Six-Months Ended June 30,</u>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<small>(Reviewed Not Audited)</small>	<small>(Reviewed Not Audited)</small>	<small>(Reviewed Not Audited)</small>	<small>(Reviewed Not Audited)</small>
	<b>USD</b>	<b>USD</b>	<b>USD</b>	<b>USD</b>
Profit for the period	9,236,588	12,840,245	20,376,719	21,218,708
<b>Other Comprehensive Income Items that will not be transferred to the statement of Profit or Loss later:</b>				
Change in fair value - financial assets at fair value through other comprehensive income	2,183,836	1,277,836	1,861,612	432,106
<b>Other Comprehensive Income Items that might be transferred to the statement of Profit or Loss later:</b>				
Change in fair value - property, plant and equipment / Land	-	142,821	-	142,821
Foreign currency translation	5,478,286	(59,384)	4,589,444	(1,613,107)
<b>Total comprehensive income</b>	<b>16,898,710</b>	<b>14,201,518</b>	<b>26,827,775</b>	<b>20,180,528</b>
<b>Total Comprehensive Income Attributable to:</b>				
Company's shareholders	13,896,425	13,340,936	23,020,156	18,577,527
Non-controlling interest	3,002,285	860,582	3,807,619	1,603,001
	<b>16,898,710</b>	<b>14,201,518</b>	<b>26,827,775</b>	<b>20,180,528</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 Changes in Owners' Equity**

Note	Paid-up	Share	Retained	Cumulative	Property and	Foreign Currency	Difference on the	Total	Non -	Total Shareholders'
	Capital	Premium	Earnings	Change in Fair Value	Equipment Revaluation Reserve	Translation Effect	Purchase of Non-Controlling Interest	Shareholders' Equity	Controlling Interest	
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<b>For the Six-Months Ended June 30, 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 - financial assets at fair value through other comprehensive income	-	-	-	1,861,612	-	-	-	1,861,612	-	1,861,612
Foreign currency translation	-	-	-	-	-	2,863,234	-	2,863,234	1,726,210	4,589,444
Profit for the Period	-	-	18,295,310	-	-	-	-	18,295,310	2,081,409	20,376,719
<b>Total comprehensive income</b>	-	-	<b>18,295,310</b>	<b>1,861,612</b>	-	<b>2,863,234</b>	-	<b>23,020,156</b>	<b>3,807,619</b>	<b>26,827,775</b>
Increase in paid up capital **	7,000,000	-	(7,000,000)	-	-	-	-	-	-	-
Dividends distributed **	-	-	(11,000,000)	-	-	-	-	(11,000,000)	-	(11,000,000)
Other	-	-	(556,105)	-	-	-	-	(556,105)	(291,229)	(847,334)
Net change in non - controlling interest *	-	-	-	-	-	-	-	-	(728,326)	(728,326)
<b>Balance - End of the Period</b>	<b>112,000,000</b>	<b>12,103,000</b>	<b>60,967,843</b>	<b>4,367,440</b>	<b>9,479,203</b>	<b>(5,616,995)</b>	<b>(18,625,172)</b>	<b>174,675,319</b>	<b>31,024,567</b>	<b>205,699,886</b>
<b>For the Six-Months Ended June 30, 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 - financial assets at fair value through other comprehensive income	-	-	-	318,036	-	-	-	318,036	114,070	432,106
Change in fair value - property, plant and equipment	-	-	-	-	142,821	-	-	142,821	-	142,821
Foreign currency translation	-	-	-	-	-	(1,067,351)	-	(1,067,351)	(545,756)	(1,613,107)
Profit for the Period	-	-	19,184,021	-	-	-	-	19,184,021	2,034,687	21,218,708
<b>Total comprehensive income</b>	-	-	<b>19,184,021</b>	<b>318,036</b>	<b>142,821</b>	<b>(1,067,351)</b>	-	<b>18,577,527</b>	<b>1,603,001</b>	<b>20,180,528</b>
Increase in paid up capital **	10,000,000	-	(8,800,000)	-	-	-	-	1,200,000	-	1,200,000
Increase in share premium **	-	2,028,000	-	-	-	-	-	2,028,000	-	2,028,000
Dividends distributed ***	-	-	(7,215,000)	-	-	-	-	(7,215,000)	-	(7,215,000)
Net change in the Property and Equipment revaluation reserve / land	-	-	7,025,597	-	(7,025,597)	-	-	-	(15,591)	(15,591)
Net change in non - controlling interest *	-	-	(4,481)	-	-	-	(6,803,233)	(6,807,714)	(2,784,582)	(9,592,296)
<b>Balance - End of the Period</b>	<b>105,000,000</b>	<b>12,103,000</b>	<b>47,125,974</b>	<b>40,473</b>	<b>8,753,276</b>	<b>(720,186)</b>	<b>(18,648,229)</b>	<b>153,654,308</b>	<b>27,688,894</b>	<b>181,343,202</b>

Retained earnings include USD 2,785,920 as of June 30, 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.

\*\* The general assembly has decided in its meeting held on May 9, 2022 to increase the Company's paid up capital by USD 7 million through the distribution of stock dividends to the shareholders in addition to the dividends of USD 11 million or 10.5% of the Company's paid up capital on that date.

\*\* The general assembly has decided in its meeting held on May 5, 2021, approved the increase in the Company's capital by USD 8.8 million through the distribution of stock dividends, in addition to a cash dividends of USD 7.215 million, or 7.5% of the Company's paid up capital on that date.

**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 Cash Flow**  
**(Reviewed Not Audited)**

		<b>For the Six-Months Ended June 30,</b>	
		<b>2022</b>	<b>2021</b>
Note		<b>(Reviewed Not Audited)</b>	<b>(Reviewed Not Audited)</b>
		<b>USD</b>	<b>USD</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
	Profit for the period before tax and after monetary gain resulting from hyperinflation	24,954,120	25,512,238
<b>Adjustments for:</b>			
	Expected credit loss provision	601,677	417,522
	Depreciation	5,526,156	5,126,695
	Loss from financial hedging instruments - Assets	620,200	250,600
	Provision for slow moving inventory	453,030	251,988
	(Profit) loss from investment in affiliates	(413,794)	487,691
	Provision for end of service indemnity	615,337	1,551,173
	Net monetary (gain) resulting from hyperinflation	(596,059)	-
	(Gain) on sale of property and equipment	(167,251)	(118,852)
	<b>Cash Flows from Operating Activities before Changes in Working Capital</b>	<b>31,593,416</b>	<b>33,479,055</b>
	(Increase) in accounts receivable, finance leasing contracts other debit balances	(17,820,440)	(35,250,075)
	(Increase) in inventory	(44,910,734)	(13,724,632)
	(Increase) in long -term checks under collection	(91,362)	(113,379)
	Change in due from related parties balances	4,254,421	(953,004)
	Increase in accounts payable and other credit balances	2,227,892	9,115,488
	<b>Net Cash Flows (used in) Operating Activities before</b>		
	<b>End-of-Service Indemnity and Income Tax Paid</b>	(24,746,807)	(7,446,547)
	Paid from end of service indemnity provision	(999,186)	(845,555)
	Paid from income tax provision	(7,326,893)	(6,808,767)
	<b>Net Cash Flows (used in) Operating Activities</b>	<b>(33,072,886)</b>	<b>(15,100,869)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
	(Increase) Decrease in financial assets at fair value through profit or loss	(1,062,462)	354,626
	(Increase) in financial assets at fair value through other comprehensive income	(2,321,872)	(5,912,141)
	Payments for acquisition of subsidiary	-	(23,058,938)
	Paid in cash to acquire non-controlling interest and to acquire a subsidiary	-	(10,071,684)
	Cash Received from sale of subsidiary	-	23,000,000
	Change in Intangible assets - net	(10,414,914)	(3,480,191)
	Change in Property and equipment and project under construction	(16,644,937)	6,714,460
	<b>Net Cash Flows (used in) Investing Activities</b>	<b>(30,444,185)</b>	<b>(12,453,868)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
	Increase in due to banks	15,520,893	20,899,353
	(Decrease) in bonds payable	(1,240,400)	(501,200)
	Increase in loans, checks and notes payable	42,738,380	35,323,406
	Dividends distributed	(11,000,000)	(7,215,000)
	Net change in non - controlling interest and foreign currency translation	4,803,964	(11,205,403)
	<b>Net Cash Flows from Financing Activities</b>	<b>50,822,837</b>	<b>37,301,156</b>
	Net (Decrease) Increase in Cash	(12,694,234)	9,746,419
	Increase in cash as a result of the acquisition of subsidiary	-	143,120
	(Decrease) in cash as a result of sale of subsidiary	-	(764,178)
	Cash on hand and at banks- beginning of the year	46,564,274	39,618,477
	<b>Cash on Hand and at Banks - End of the Period</b>	<b>33,870,040</b>	<b>48,743,838</b>
<b>Non Cash Transactions</b>			
	Increase in share premium	-	2,028,000

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.