

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

<u>Assets</u>	<u>Note</u>	<u>September 30, 2022</u> <u>(Reviewed not audited)</u>	<u>December 31, 2021</u> <u>(Audited)</u>
		<u>USD</u>	<u>USD</u>
Current Assets			
Cash on hand and at banks		27,522,911	46,564,274
Accounts receivable and cheques under collection - net	5	190,605,322	187,489,956
Inventory - net	7	133,245,218	98,494,959
Due from related parties	16	2,379,708	1,821,007
Financial assets at fair value through profit or loss	18	4,214,104	369,669
Other debit balances	6	50,695,946	33,687,059
Leasing contracts receivable- short term	2	6,611,336	7,380,290
Total Current Assets		415,274,545	375,807,214
Non-Current Assets			
Leasing contracts receivable - long term		13,806,378	8,888,028
Checks under collection - long term		4,164,399	3,488,782
Deferred tax assets		2,938,027	2,633,284
Financial hedging instruments assets	18	6,861,400	7,959,000
Right of use assets - net		10,234,645	8,664,765
Financial assets at fair value through other comprehensive income	18	47,436,358	41,774,188
Investment in plots of land	18	819,127	819,127
Intangible assets - net	2	44,096,121	34,528,828
Investment in affiliates		11,578,385	10,789,513
Property and equipment - net		130,560,338	115,461,216
Project under construction		6,528,462	7,256,318
Total Non-Current Assets		279,023,640	242,263,049
Total Assets		694,298,185	618,070,263
Liabilities and Owner's Equity			
Current Liabilities			
Accounts payable		55,930,892	66,834,318
Due to Banks	9	75,381,797	59,236,974
Notes payable within one year and postdated cheques		7,357,954	7,091,047
Due to related parties	16	621,406	440,478
Lease liabilities - short term		3,606,696	2,825,271
Installments of loans maturing within a year	10	119,925,371	83,322,538
Other credit balances	8	39,110,670	38,604,039
Income tax provision	12	5,386,689	6,404,870
Total Current Liabilities		307,321,475	264,759,535
Non-Current Liabilities			
Provision for end of service indemnity		19,932,183	19,839,855
Long term bonds payable	11	71,722,800	73,918,000
Notes payable and postdated cheques - long term		-	1,021,044
Lease liabilities - long term		7,383,700	6,163,091
Financial hedging instruments liabilities	18	7,959,000	7,959,000
Deferred tax liabilities		2,469,621	-
Long term loan installments	10	66,530,831	52,961,967
Total Non-Current Liabilities		175,998,135	161,862,957
Total Liabilities		483,319,610	426,622,492
Owners' Equity			
The authorized capital is 125,000,000 shares with a par value of US \$ 1 per share	1	125,000,000	125,000,000
Shareholders' Equity			
Paid up capital	1	112,000,000	105,000,000
Share premium		12,103,000	12,103,000
Retained earnings		67,767,034	61,228,638
Cumulative change in fair value		4,505,948	2,505,828
Property and equipment revaluation reserve		9,479,203	9,479,203
Foreign currency translation effect		(6,341,271)	(8,480,229)
Difference on the purchase of non-controlling interest		(18,625,172)	(18,625,172)
Total Shareholders' Equity		180,888,742	163,211,268
Non - controlling interest		30,089,833	28,236,503
Total Owners Equity		210,978,575	191,447,771
Total Liabilities and Owners' Equity		694,298,185	618,070,263

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

	Note	For the Three-Months Ended		For the Nine-Months Ended	
		September 30,		September 30,	
		2022	2021	2022	2021
		(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)
		USD	USD	USD	USD
Net sales		308,020,121	301,896,250	855,853,450	817,531,598
<u>Less: Cost of sales</u>		<u>(268,756,268)</u>	<u>(262,682,262)</u>	<u>(737,342,145)</u>	<u>(711,776,030)</u>
Net sales revenue		<u>39,263,853</u>	<u>39,213,988</u>	<u>118,511,305</u>	<u>105,755,568</u>
Services revenue		3,687,114	2,249,167	7,042,941	4,351,541
<u>Less: Cost of services</u>		<u>(1,818,478)</u>	<u>(1,551,354)</u>	<u>(4,946,097)</u>	<u>(4,026,975)</u>
Net services revenue		<u>1,868,636</u>	<u>697,813</u>	<u>2,096,844</u>	<u>324,566</u>
Profit from Sales and Services	17	<u>41,132,489</u>	<u>39,911,801</u>	<u>120,608,149</u>	<u>106,080,134</u>
<u>Less: General and administrative expenses</u>		<u>(21,217,290)</u>	<u>(14,342,564)</u>	<u>(51,353,064)</u>	<u>(38,688,713)</u>
Selling and distribution expenses		<u>(5,188,792)</u>	<u>(8,010,878)</u>	<u>23,856,720</u>	<u>(22,798,615)</u>
Profit from Operations		<u>14,726,407</u>	<u>17,558,359</u>	<u>45,398,365</u>	<u>44,592,806</u>
<u>Less: Interest and borrowing cost</u>		<u>(5,743,184)</u>	<u>(4,435,661)</u>	<u>(14,770,396)</u>	<u>(11,409,270)</u>
Add: Other (loss) revenue - net		<u>79,750</u>	<u>(546,265)</u>	<u>2,793,067</u>	<u>561,502</u>
Profit for the period before income tax and monetary gain resulting from hyperinflation		<u>9,062,973</u>	<u>12,576,433</u>	<u>33,421,036</u>	<u>33,745,038</u>
<u>Less: Income tax expense</u>	12	<u>(1,897,866)</u>	<u>(2,427,698)</u>	<u>(6,475,267)</u>	<u>(6,721,228)</u>
Profit for the period from continuing operations before monetary gain resulting from hyperinflation		<u>7,165,107</u>	<u>10,148,735</u>	<u>26,945,769</u>	<u>27,023,810</u>
Add: Net monetary gain resulting from hyperinflation		<u>(99,125)</u>	<u>-</u>	<u>496,932</u>	<u>-</u>
Profit for the period from continued operations		<u>7,065,982</u>	<u>10,148,735</u>	<u>27,442,701</u>	<u>27,023,810</u>
Add: Net (loss) profit from discontinued operations	19	<u>-</u>	<u>-</u>	<u>-</u>	<u>(325,790)</u>
Profit resulting from the sale of a subsidiary	19	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,669,423</u>
Profit for the period		<u>7,065,982</u>	<u>10,148,735</u>	<u>27,442,701</u>	<u>31,367,443</u>
Attributable to:					
Company's shareholders		6,799,189	8,585,923	25,094,501	27,769,944
Non-controlling interest		<u>266,793</u>	<u>1,562,812</u>	<u>2,348,200</u>	<u>3,597,499</u>
		<u>7,065,982</u>	<u>10,148,735</u>	<u>27,442,701</u>	<u>31,367,443</u>
Earnings per share attributable to the Company's shareholders	13	<u>0/061</u>	<u>0/077</u>	<u>0/224</u>	<u>0/248</u>

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Arab Palestinian Investment Company

(Holding Company)

British Virgin Islands

Condensed Consolidated Interim Statement of Comprehensive Income

	For the Three-Months Ended September 30,		For the Nine-Months Ended September 30,	
	2022	2021	2022	2021
	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)	(Reviewed not audited)
	USD	USD	USD	USD
Profit for the period	7,065,982	10,148,735	27,442,701	31,367,443
Other comprehensive income items that might be transferred to the statement of profit or loss later:				
Change in fair value - financial assets at fair value through other comprehensive income	138,508	2,202,506	2,000,120	2,634,612
Other comprehensive income items that might be transferred to the statement of profit or loss later:				
Change in fair value - property, plant and equipment / Land	-	-	-	142,821
Foreign currency translation	(1,045,657)	(333,173)	3,543,787	(1,946,280)
Total comprehensive income	6,158,833	12,018,068	32,986,608	32,198,596
Total Comprehensive Income Attributable to:				
Company's shareholders	6,213,423	10,811,277	29,233,579	29,388,804
Non-controlling interest	(54,590)	1,206,791	3,753,029	2,809,792
	6,158,833	12,018,068	32,986,608	32,198,596

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Condensed Consolidated Interim Statement of Changes in Owners' Equity

	Paid-up	Share	Retained	Cumulative	Property and	Foreign Currency	Difference on the	Total	Non -	Total
	Capital	Premium	Earnings	Change in Fair	Equipment	Translation	Purchase of Non-	Shareholders'	Controlling	Owners'
Note	USD	USD	USD	Value	Revaluation Reserve	Effect	Controlling Interest	Equity	Interest	Equity
For the Nine-Months Ended September 30, 2022 (Reviewed not audited)										
Balance - beginning of the period	105,000,000	12,103,000	61,228,638	2,505,828	9,479,203	(8,380,229)	(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	-	-	-	2,000,120	-	-	-	2,000,120	-	2,000,120
Foreign currency translation	-	-	-	-	-	2,138,958	-	2,138,958	1,404,829	3,543,787
Profit for the Period	-	-	25,094,501	-	-	-	-	25,094,501	2,348,200	27,442,701
Total comprehensive income	-	-	25,094,501	2,000,120	-	2,138,958	-	29,233,579	3,753,029	32,986,608
Increase in paid up capital **	1 7,000,000	-	(7,000,000)	-	-	-	-	-	-	-
Dividends distributed ***	-	-	(11,000,000)	-	-	-	-	(11,000,000)	-	(11,000,000)
Others	-	-	(556,105)	-	-	-	-	(556,105)	(291,229)	(847,334)
Net change in non - controlling interest *	-	-	-	-	-	-	-	-	(1,608,470)	(1,608,470)
Balance - End of the Period	112,000,000	12,103,000	67,767,034	4,505,948	9,479,203	(6,341,271)	(18,625,172)	180,888,742	(30,089,833)	210,978,575
For the Nine-Months Ended September 30, 2021 (Not reviewed or audited)										
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	-	-	-	2,634,612	-	-	-	2,634,612	-	2,634,612
Change in fair value - property, plant and equipment	-	-	-	-	142,821	-	-	142,821	-	142,821
Foreign currency translation	-	-	-	-	-	(1,158,573)	-	(1,158,573)	(787,707)	(1,946,280)
Profit for the Period	-	-	-	-	-	-	-	27,769,944	3,597,499	31,367,443
Total comprehensive income	-	-	-	2,634,612	142,821	(1,158,573)	-	29,388,804	2,809,792	32,198,596
Increase in paid up capital **	1 10,000,000	-	(8,800,000)	-	-	-	-	-	-	1,200,000
Share premiums resulting from the increase in paid up capital **	-	2,028,000	-	-	-	-	-	2,028,000	-	2,028,000
Dividends distributed ***	-	-	(7,215,000)	-	-	-	-	(7,215,000)	-	(7,215,000)
Net change in Property and Equipment revaluation reserve / land	-	-	7,025,597	-	(7,025,597)	-	-	-	(15,591)	(15,591)
Net change in non - controlling interest *	-	-	-	-	-	-	(6,803,232)	(6,803,232)	(2,431,192)	(9,234,424)
Balance - End of the Period	105,000,000	12,103,000	27,946,434	2,357,049	8,753,276	(811,408)	(18,648,228)	164,470,067	29,249,075	193,719,142

Retained earnings include USD 2,938,027 as of September 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, approved a USD 7 million increase in the Company's capital by distributing stock dividends to shareholders in addition to a cash dividend of USD 11 million, or 10% 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 7.2 million, or 7.5% of the Company's paid up capital on that date.

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Condensed Consolidated Interim Statement of Cash Flow

		For the Nine-Months Ended September 30,	
		2022 (Reviewed not audited)	2021 (Reviewed not audited)
Note		USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES:			
	Profit for the period before tax and after monetary gain resulting from hyperinflation	33,917,968	33,745,038
	Net profit from discontinued operations	-	4,343,633
Adjustments for:			
	Provision for expected credit loss	26,041	636,785
	Depreciation	8,620,117	6,835,970
	Loss from financial hedging instruments - Assets	1,097,600	445,200
	Provision for slow moving inventory	676,267	415,330
	(Losses) profit from investment in affiliates	(788,872)	440,631
	Provision for end of service indemnity	1,325,349	2,694,268
	Net monetary (gain) resulting from hyperinflation	(496,932)	-
	(Gain) on sale of property and equipment	181,026	(126,592)
	Cash Flows from Operating Activities before Changes in Working Capital	44,196,512	49,430,263
	(Increase) in accounts receivable, leasing contracts and other debit balances	(24,299,687)	(52,261,239)
	(Increase) decrease in inventory	(35,426,526)	5,176,118
	(Increase) decrease in long -term cheques under collection	(675,617)	587,661
	Change in related parties balance	(377,773)	(2,836,182)
	(Decrease) in accounts payable and other credit balances	(8,664,111)	(4,348,783)
	Net Cash Flows (used in) Operating Activities before End-of-Service Indemnity and Income Tax Paid	(25,247,202)	(4,252,162)
	Paid from end of service indemnity provision	(1,233,021)	(611,127)
	Paid from income tax provision	(8,189,144)	(7,131,483)
	Net Cash Flows (used in) Operating Activities	(34,669,367)	(11,994,772)
CASH FLOWS FROM INVESTING ACTIVITIES:			
	(Increase) in financial assets at fair value through Profit & Loss	(3,844,435)	354,626
	(Increase) in financial assets at fair value through other comprehensive income	(3,662,050)	(8,020,717)
	Paid in cash to acquire non-controlling interest and to acquire a subsidiary	-	(23,059,832)
	Payments for acquisition of subsidiary	-	(10,071,684)
	Cash received from sale of subsidiary	-	23,000,000
	Change in intangible assets - net	(9,567,293)	1,394,107
	Change in Property and equipment and project under construction	(22,810,357)	(5,366,275)
	Net Cash Flows (used in) Investing Activities	(39,884,135)	(21,769,782)
CASH FLOWS FROM FINANCING ACTIVITIES:			
	Increase in due to banks	16,144,823	17,504,090
	Change in bonds payable	(2,195,200)	(890,400)
	Increase (Decrease) in loans, checks and notes payable	49,417,560	39,597,933
	Dividends distributed	(11,000,000)	(7,215,000)
	Net change in non - controlling interest and foreign currency translation	3,144,956	(11,180,704)
	Net Cash Flows from Financing Activities	55,512,139	37,815,919
	Net (Decrease) Increase in Cash	(19,041,363)	4,051,365
	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
	Cash on Hand and at Banks - End of the Period	27,522,911	43,048,784
Non Cash Items			
	Written off inventory during the period	75,798	69,394
	Increase in share premium	-	2,028,000

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