

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

<u>Assets</u>	<u>Note</u>	September 30, 2023 (Reviewed not audited)	December 31, 2022 (Audited)
		USD	USD
Current Assets			
Cash on hand and at banks		39,631,298	32,637,610
Accounts receivable and cheques under collection - net	5	207,517,014	190,129,334
Inventory - net	7	133,162,538	144,998,681
Due from related parties	16	2,959,233	1,448,966
Financial assets at fair value through profit or loss	18	5,925,307	4,126,669
Other debit balances	6	73,077,803	56,142,478
Leasing contracts receivable- short term		8,385,046	6,938,028
Total Current Assets		470,658,239	436,421,766
Non-Current Assets			
Leasing contracts receivable - long term		12,927,362	13,560,695
Cheques under collection - long term		8,747,085	11,916,022
Deferred tax assets		2,811,535	2,725,757
Financial hedging instruments assets	18	7,401,100	7,493,500
Right of use assets - net		11,994,055	12,988,515
Financial assets at fair value through other comprehensive income	18	57,497,598	51,302,462
Investment in plots of land	18	1,040,845	1,040,845
Intangible assets - net		44,070,211	45,020,966
Investment in affiliates		11,157,115	11,958,597
Property and equipment - net		134,871,433	133,624,797
Project under construction		19,853,531	14,575,706
Total Non-Current Assets		312,371,870	306,207,862
Total Assets		783,030,109	742,629,628
Liabilities and Owner's Equity			
Current Liabilities			
Accounts payable		77,033,844	86,436,948
Due to Banks	9	91,475,979	66,747,424
Notes payable within one year and postdated cheques		5,640,483	5,617,464
Due to related parties	16	877,766	601,459
Lease liabilities - short term		4,282,015	4,311,501
Installments of loans maturing within a year	10	135,950,890	135,868,629
Other credit balances	8	49,105,031	37,483,443
Income tax provision	12	5,771,061	6,789,808
Total Current Liabilities		370,137,069	343,856,676
Non-Current Liabilities			
Provision for end of service indemnity		20,868,100	20,504,457
Long term bonds payable	11	72,802,200	72,987,000
Lease liabilities - long term		7,447,849	8,513,782
Financial hedging instruments liabilities	18	7,959,000	7,959,000
Deferred tax liabilities		4,475,922	2,645,663
Long term loan installments	10	79,767,954	69,040,894
Total Non-Current Liabilities		193,321,025	181,650,796
Total Liabilities		563,458,094	525,507,472
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	117,000,000	112,000,000
Share premium		12,103,000	12,103,000
Retained earnings		54,277,158	69,917,158
Profit for the period		15,785,370	-
Cumulative change in fair value		9,350,774	4,744,252
Property and equipment revaluation reserve		11,415,485	11,395,587
Foreign currency translation effect		(10,846,996)	(5,648,729)
Difference on the purchase of non-controlling interest		(18,625,172)	(18,625,172)
Total Shareholders' Equity		190,459,619	185,886,096
Non - controlling interest		29,112,396	31,236,060
Total Owners Equity		219,572,015	217,122,156
Total Liabilities and Owners' Equity		783,030,109	742,629,628

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

	Note	For the Three -Months Ended September 30,		For the Nine-Months Ended September 30,	
		2023 (Reviewed Not Audited)	2022 (Reviewed Not Audited)	2023 (Reviewed Not Audited)	2022 (Reviewed not Audited)
		USD	USD	USD	USD
Net sales		323,215,551	308,020,121	910,929,824	855,853,450
<u>Less: Cost of sales</u>		<u>(281,872,302)</u>	<u>(268,756,268)</u>	<u>(791,745,715)</u>	<u>(737,342,145)</u>
Gross profit from sales		41,343,249	39,263,853	119,184,109	118,511,305
Services revenue		2,722,002	3,687,114	5,812,834	7,042,941
<u>Less: Cost of services</u>		<u>(2,300,290)</u>	<u>(1,818,478)</u>	<u>(4,918,096)</u>	<u>(4,946,097)</u>
Net profit from services		421,712	1,868,636	894,738	2,096,844
Gross Profit from Sales and Services	17	41,764,961	41,132,489	120,078,847	120,608,149
<u>Less: General and administrative expenses</u>		<u>(21,326,798)</u>	<u>(21,755,085)</u>	<u>(49,105,241)</u>	<u>(51,890,859)</u>
Selling and distribution expenses		(7,537,828)	(5,188,792)	(28,714,516)	(23,856,720)
Profit from operations		12,900,335	14,188,612	42,259,090	44,860,570
<u>Less: Interest and borrowing cost</u>		<u>(5,820,083)</u>	<u>(5,205,389)</u>	<u>(18,970,467)</u>	<u>(14,232,601)</u>
Other (expenses) revenue - net		(109,014)	79,750	(549,591)	2,793,067
Profit for the period before income tax and monetary gain resulting from hyperinflation		6,971,238	9,062,973	22,739,032	33,421,036
<u>Less: Income tax expense</u>	12	<u>(1,861,088)</u>	<u>(1,897,866)</u>	<u>(5,617,552)</u>	<u>(6,475,267)</u>
Profit for the period from continuing operations before monetary gain resulting from hyperinflation		5,110,150	7,165,107	17,121,480	26,945,769
<u>Add: Net monetary gain resulting from hyperinflation</u>		<u>(87,537)</u>	<u>(99,125)</u>	<u>243,938</u>	<u>496,932</u>
Profit for the period		5,022,613	7,065,982	17,365,418	27,442,701
Attributable to:					
Company's shareholders		4,703,205	6,799,189	15,785,370	25,094,501
Non-controlling interest		319,408	266,793	1,580,048	2,348,200
		5,022,613	7,065,982	17,365,418	27,442,701
Earnings per share attributable to the Company's shareholders	13	0.04	.06	0.13	0.21

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Arab Palestinian Investment Company
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British Virgin Islands
Condensed Consolidated Interim Statement of Comprehensive Income

	For the Three -Months Ended September 30,		For the Three -Months Ended September 30,	
	2023	2022	2023	2022
	(Reviewed Not Audited)	(Reviewed Not Audited)	(Reviewed Not Audited)	(Reviewed Not Audited)
	USD	USD	USD	USD
Profit for the period	5,022,613	7,065,982	17,365,418	27,442,701
Other Comprehensive Income Items that will not be transferred to the statement of profit or loss later:				
Change in fair value - financial assets at fair value through other comprehensive income	(390,823)	138,508	4,606,522	2,000,120
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	221,718	-	19,898	-
Foreign currency differences	(45,256)	(1,045,657)	(5,960,195)	3,543,787
Total comprehensive income	4,808,252	6,158,833	16,031,643	32,986,608
Total Comprehensive Income Attributable to:				
Company's shareholders	3,757,741	6,213,423	15,213,523	29,233,579
Non-controlling interest	1,050,511	(54,590)	818,120	3,753,029
	4,808,252	6,158,833	16,031,643	32,986,608

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Arab Palestinian Investment Company
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British Virgin Islands
Condensed Consolidated Interim Statement of Changes in Owners' Equity

	Note	Paid -up Capital	Share Premium	Retained Earnings	Profit for the period	Cumulative Change in Fair Value	Property and Equipment Revaluation Reserve	Foreign Currency Translation Effect	Difference on the Purchase of Non- Controlling Interest	Total Shareholders' Equity	Non - Controlling Interest	Total Shareholders' Equity
		USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
For the Nine-Months Ended September 30, 2023 (Reviewed Not Audited)												
Balance - beginning of the year		112,000,000	12,103,000	69,917,158	-	4,744,252	11,395,587	(5,648,729)	(18,625,172)	185,886,096	31,236,060	217,122,156
Change in fair value - financial assets at fair value through other comprehensive income		-	-	-	-	4,606,522	-	-	-	4,606,522	-	4,606,522
Foreign currency translation		-	-	-	-	-	-	(5,198,267)	-	(5,198,267)	(761,928)	(5,960,195)
Change in fair value - property, plant and equipment		-	-	-	-	-	19,898	-	-	19,898	-	19,898
Profit for the Period		-	-	-	15,785,370	-	-	-	-	15,785,370	1,580,048	17,365,418
Total comprehensive income		-	-	-	15,785,370	4,606,522	19,898	(5,198,267)	-	15,213,523	818,120	16,031,643
Increase in paid up capital **	1	5,000,000	-	(5,000,000)	-	-	-	-	-	-	-	-
Dividends distributed **		-	-	(10,640,000)	-	-	-	-	-	(10,640,000)	-	(10,640,000)
Net change in non - controlling interest *		-	-	-	-	-	-	-	-	-	(2,941,784)	(2,941,784)
Balance - End of the Period		117,000,000	12,103,000	54,277,158	15,785,370	9,350,774	11,415,485	(10,846,996)	(18,625,172)	190,459,619	29,112,396	219,572,015
For the Nine-Months Ended September 30, 2022 (Reviewed Not Audited)												
Balance - beginning of the year		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		-	-	-	-	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)
Other		-	-	(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

Retained earnings include USD 2,811,535 as of September 30, 2023, which represents amounts booked by the Company's subsidiaries against deferred tax benefits USD 2,725,757 as of December 31, 2022).

* 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 8, 2023 to increase the Company's paid up capital by USD 5 million through the distribution of stock dividends to the shareholders in addition to cash dividends of USD 10.64 million or 9.5% of the Company's paid up capital on that date.

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

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Arab Palestinian Investment Company
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British Virgin Islands
Condensed Consolidated Interim Statement of Cash Flow
(Reviewed Not Audited)

		For the Nine-Months Ended September 30,	
		2023	2022
		(Reviewed Not Audited)	(Reviewed Not Audited)
Note		USD	USD
CASH FLOWS FROM OPERATING ACTIVITIES:			
	Profit for the period before tax and after monetary gain resulting from hyperinflation	22,982,970	33,917,968
	Net profit from discontinued operations	-	-
Adjustments for:			
	Expected credit loss provision	1,476,590	26,041
	Depreciation for the period	8,340,926	8,620,117
	(Gain) loss from financial hedging instruments - Assets	92,400	1,097,600
	Provision for slow moving inventory	716,529	676,267
	Loss (gain) from investment in affiliates	801,482	(788,872)
	Provision for end of service indemnity	1,479,660	1,325,349
	Net monetary (gain) resulting from hyperinflation	(243,938)	(496,932)
	(Gain) on sale of property and equipment	(175,534)	(181,026)
Cash Flows from Operating Activities before Changes in Working Capital		35,471,085	44,196,512
	(Increase) in accounts receivable, finance leasing contracts other debit balances	(36,613,280)	(24,299,687)
	Decrease (increase) in inventory	11,119,614	(35,426,526)
	Decrease (increase) in long -term checks under collection	3,168,937	(675,617)
	Change in due from related parties balances	(1,233,960)	(377,773)
	Increase (decrease) accounts payable and other credit balances	5,087,883	(8,664,111)
Net Cash Flows from (used in) Operating Activities before End-of-Service Indemnity and Income Tax Paid		17,000,279	(25,247,202)
	Paid from end of service indemnity provision	(1,113,703)	(1,233,021)
	Paid from income tax provision	(7,445,018)	(8,189,144)
Net Cash Flows from (used in) Operating Activities		8,441,558	(34,669,367)
CASH FLOWS FROM INVESTING ACTIVITIES:			
	(Increase) in financial assets at fair value through profit or loss	(1,798,638)	(3,844,435)
	(Increase) in financial assets at fair value through other comprehensive income	(1,588,614)	(3,662,050)
	Change in Intangible assets - net	950,755	(9,567,293)
	Change in Property and equipment and project under construction	(14,845,489)	(22,810,357)
Net Cash (used in) Investing Activities		(17,281,986)	(39,884,135)
CASH FLOWS FROM FINANCING ACTIVITIES:			
	Increase in due to banks	24,728,555	16,144,823
	(Decrease) in bonds payable	(184,800)	(2,195,200)
	Increase in loans, checks and notes payable	10,832,340	49,417,560
	Dividends distributed	(10,640,000)	(11,000,000)
	Net change in non - controlling interest , foreign currency translation and other	(8,901,979)	3,144,956
Net Cash Flows from Financing Activities		15,834,116	55,512,139
	Net increase (decrease) in Cash	6,993,688	(19,041,363)
	Cash on hand and at banks- beginning of the year	32,637,610	46,564,274
Cash on Hand and at Banks - End of the Period		39,631,298	27,522,911

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