

**ARAB PALESTINIAN INVESTMENT COMPANY**  
**(HOLDING COMPANY)**  
**BRITISH VIRGIN ISLANDS**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**

<u>Assets</u>	<u>Note</u>	June 30, (Reviewed Not Audited)	December 31, (Audited)
		2024	2023
<b>Current Assets</b>		<b>USD</b>	<b>USD</b>
Cash on hand and at banks		40,849,860	35,321,181
Accounts receivable and short term cheques under collection - net	5	201,423,791	207,078,218
Inventory - net	7	144,478,797	154,423,049
Due from related parties	16	3,648,948	413,403
Financial assets at fair value through profit or loss	18	8,949,374	11,106,364
Other debit balances	6	64,193,774	66,367,798
Leasing contracts receivable - short term		6,438,880	7,683,566
<b>Total Current Assets</b>		<b>469,983,424</b>	<b>482,393,579</b>
<b>Non-Current Assets</b>			
Leasing contracts receivable - long term		12,618,998	11,893,109
Cheques under collection - long term		6,838,042	8,337,598
Deferred tax assets		3,593,357	3,380,090
Financial hedging instruments assets	18	7,499,100	7,726,600
Right of use assets - net		14,064,529	15,389,299
Financial assets at fair value through other comprehensive income	18	49,808,483	46,415,688
Investment in land	18	1,040,845	1,040,845
Intangible assets - net		43,754,894	44,137,164
Investment in associates		9,124,613	10,341,002
Property and equipment - net		138,704,883	140,090,358
Projects under construction		38,672,129	26,725,263
<b>Total Non-Current Assets</b>		<b>325,719,873</b>	<b>315,477,016</b>
<b>Total Assets</b>		<b>795,703,297</b>	<b>797,870,595</b>
<b>Liabilities and Shareholders' Equity</b>			
<b>Current Liabilities</b>			
Accounts payable		63,673,603	84,418,650
Due to banks	9	85,888,215	91,169,109
Notes payable and postdated cheques - short term		2,324,800	5,543,430
Due to related parties	16	765,272	776,472
Lease liabilities - short term		4,614,225	4,560,464
Loans installments - short term	10	123,391,944	149,611,576
Other credit balances	8	45,535,654	41,727,279
Income tax provision	12	3,844,290	6,019,984
<b>Total Current Liabilities</b>		<b>330,038,003</b>	<b>383,826,964</b>
<b>Non Current Liabilities</b>			
End of service indemnity provision		21,916,227	22,162,073
Bonds payable - long term	11	152,998,200	73,453,200
Lease liabilities - long term		9,270,493	10,754,608
Financial hedging instruments liabilities	18	7,959,000	7,959,000
Deferred Tax liabilities		6,114,243	5,314,093
Loans installments - long term	10	42,541,137	81,231,938
<b>Total Non-Current Liabilities</b>		<b>240,799,300</b>	<b>200,874,912</b>
<b>Total Liabilities</b>		<b>570,837,303</b>	<b>584,701,876</b>
<b>Owners' Equity</b>			
Authorized capital is 125,000,000 shares at a par value of \$1 per share	1	<b>125,000,000</b>	<b>125,000,000</b>
<b>Shareholders' Equity</b>			
Paid up capital	1	125,000,000	117,000,000
Share premium		12,103,000	12,103,000
Retained earnings		61,812,927	69,111,965
Cumulative change in fair value		(3,241,069)	(1,832,108)
Property and equipment revaluation reserve		11,902,677	12,128,138
Foreign currency translation effect		(7,331,244)	(5,590,321)
Difference on the purchase of minority interest		(13,163,163)	(18,625,172)
<b>Total shareholders' equity</b>		<b>187,083,128</b>	<b>184,295,502</b>
Non controlling interest		37,782,866	28,873,217
<b>Total Owners' Equity</b>		<b>224,865,994</b>	<b>213,168,719</b>
<b>Total Liabilities and Owners' Equity</b>		<b>795,703,297</b>	<b>797,870,595</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 June 30,		For the Six Months Ended June 30	
		2024	2023	2024	2023
		(Reviewed not Audited)	(Reviewed not Audited)	(Reviewed not Audited)	(Reviewed not Audited)
		USD	USD	USD	USD
Net sales		269,056,368	295,961,745	521,976,520	587,714,273
Less: Cost of sales		<u>232,339,576</u>	<u>257,660,881</u>	<u>449,142,179</u>	<u>509,873,413</u>
<b>Gross Profit from sales</b>		<b><u>36,716,792</u></b>	<b><u>38,300,864</u></b>	<b><u>72,834,341</u></b>	<b><u>77,840,860</u></b>
Services revenue		1,450,056	1,441,718	3,954,399	3,090,832
Less: Cost of services		<u>897,395</u>	<u>1,224,278</u>	<u>2,665,949</u>	<u>2,617,806</u>
<b>Net Service revenue</b>		<b><u>552,661</u></b>	<b><u>217,440</u></b>	<b><u>1,288,450</u></b>	<b><u>473,026</u></b>
<b>Gross Profit from sales and service</b>	17	<b><u>37,269,453</u></b>	<b><u>38,518,304</u></b>	<b><u>74,122,791</u></b>	<b><u>78,313,886</u></b>
Less: General and administrative expenses		13,134,102	12,586,298	27,564,714	27,778,443
Selling and distribution expenses		<u>11,783,362</u>	<u>9,947,256</u>	<u>22,808,835</u>	<u>21,176,688</u>
<b>Profit from Operations</b>		<b><u>12,351,989</u></b>	<b><u>15,984,750</u></b>	<b><u>23,749,242</u></b>	<b><u>29,358,755</u></b>
less: Interest and borrowing expenses		8,951,778	6,439,102	16,800,498	13,150,384
Other income (expenses) - net		<u>(1,165,156)</u>	<u>(315,768)</u>	<u>(1,600,601)</u>	<u>(440,577)</u>
<b>Profit for the period before income tax and monetary gain resulting from hyperinflation</b>		<b><u>2,235,055</u></b>	<b><u>9,229,880</u></b>	<b><u>5,348,143</u></b>	<b><u>15,767,794</u></b>
Income tax expense - the Company and its subsidiaries	12	<u>1,829,612</u>	<u>1,997,033</u>	<u>3,638,319</u>	<u>3,756,464</u>
<b>Profit for the period before monetary (loss) gain resulting from hyperinflation</b>		<b><u>405,443</u></b>	<b><u>7,232,847</u></b>	<b><u>1,709,824</u></b>	<b><u>12,011,330</u></b>
Add: Net monetary (loss) gain resulting from hyperinflation		<u>(33,439)</u>	<u>8,758</u>	<u>(114,622)</u>	<u>331,475</u>
<b>Profit for the period</b>		<b><u>372,004</u></b>	<b><u>7,241,605</u></b>	<b><u>1,595,202</u></b>	<b><u>12,342,805</u></b>
<b>Attributable to:</b>					
Company's shareholders		670,137	6,669,620	2,224,528	11,082,165
Non-controlling interest		<u>(298,133)</u>	<u>571,985</u>	<u>(629,326)</u>	<u>1,260,640</u>
<b>Profit for the Year</b>		<b><u>372,004</u></b>	<b><u>7,241,605</u></b>	<b><u>1,595,202</u></b>	<b><u>12,342,805</u></b>
Earnings per share attributable to the Company's shareholders	13	<u>0.01</u>	<u>0.05</u>	<u>0.02</u>	<u>0.09</u>

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**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>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
	<u>(Reviewed not Audited)</u>	<u>(Reviewed not Audited)</u>	<u>(Reviewed not Audited)</u>	<u>(Reviewed not Audited)</u>
Profit for the year	372,004	7,241,605	1,595,202	12,342,805
<b>Other Comprehensive Income Items:</b>				
<b>Other comprehensive income items which will not be transferred to the consolidated statement of profit or loss:</b>				
Change in fair value - financial assets at fair value through other comprehensive income	(86,156)	1,951,611	(1,408,961)	4,997,345
<b>Other comprehensive income items which are transferable to the consolidated statement of profit or loss:</b>				
Change in fair value - property and equipment revaluation reserve / land	-	-	-	(201,820)
Foreign currency translation effect	<u>(351,324)</u>	<u>(7,731,067)</u>	<u>(954,205)</u>	<u>(5,914,939)</u>
<b>Total Comprehensive Income for the Year</b>	<b><u>(65,476)</u></b>	<b><u>1,462,149</u></b>	<b><u>(767,964)</u></b>	<b><u>11,223,391</u></b>
<b>Total Comprehensive Income Attributable to:</b>				
Company's shareholders	(149,377)	2,890,571	(925,356)	11,455,782
Non-controlling interest	<u>83,901</u>	<u>(1,428,422)</u>	<u>157,392</u>	<u>(232,391)</u>
<b>Total Comprehensive Income for the Year</b>	<b><u>(65,476)</u></b>	<b><u>1,462,149</u></b>	<b><u>(767,964)</u></b>	<b><u>11,223,391</u></b>

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**ARAB PALESTINIAN INVESTMENT COMPANY**  
**(HOLDING COMPANY)**  
**BRITISH VIRGIN ISLANDS**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN OWNERS' EQUITY**

	Paid-up Capital	Share Premium	Retained Earnings	Cumulative Change in Fair Value	Property and Equipment (Land) Revaluation Reserve	Foreign Currency Translation Effect	Difference in Purchase of Non- Controlling Interest	Total Shareholders' Equity	Non - Controlling Interest	Total Owners' Equity
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
<b>For the Six Months Ended June 30, 2024</b>										
Balance as of January 1, 2024	117,000,000	12,103,000	69,111,965	(1,832,108)	12,128,138	(5,590,321)	(18,625,172)	184,295,502	28,873,217	213,168,719
Change in fair value - financial assets at fair value through other comprehensive income	-	-	-	(1,408,961)	-	-	-	(1,408,961)	-	(1,408,961)
Foreign currency translation effect	-	-	-	-	-	(1,740,923)	-	(1,740,923)	786,718	(954,205)
Profit for the Year	-	-	2,224,528	-	-	-	-	2,224,528	(629,326)	1,595,202
<b>Total comprehensive income for the year</b>	-	-	<b>2,224,528</b>	<b>(1,408,961)</b>	-	<b>(1,740,923)</b>	-	<b>(925,356)</b>	<b>157,392</b>	<b>(767,964)</b>
Net change in non-controlling interests	-	-	-	-	(225,461)	-	-	(225,461)	8,853,058	8,627,597
Increase in share capital	8,000,000	-	(8,000,000)	-	-	-	-	-	-	-
Other	-	-	(1,523,566)	-	-	-	5,462,009	3,938,443	(100,801)	3,837,642
<b>Balance For the Six Months Ended June 30, 2024</b>	<b>125,000,000</b>	<b>12,103,000</b>	<b>61,812,927</b>	<b>(3,241,069)</b>	<b>11,902,677</b>	<b>(7,331,244)</b>	<b>(13,163,163)</b>	<b>187,083,128</b>	<b>37,782,866</b>	<b>224,865,994</b>
<b>For the Six Months Ended June 30, 2023</b>										
Balance as of January 1, 2023	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	-	-	-	4,997,345	-	-	-	4,997,345	-	4,997,345
Foreign currency translation effect	-	-	-	-	-	(4,421,908)	-	(4,421,908)	(1,493,031)	(5,914,939)
Change in fair value - property and equipment revaluation reserve / land	-	-	-	-	(201,820)	-	-	(201,820)	-	(201,820)
Profit for the Year	-	-	11,082,165	-	-	-	-	11,082,165	1,260,640	12,342,805
<b>Total comprehensive income for the year</b>	-	-	<b>11,082,165</b>	<b>4,997,345</b>	<b>(201,820)</b>	<b>(4,421,908)</b>	-	<b>11,455,782</b>	<b>(232,391)</b>	<b>11,223,391</b>
Increase in share capital	5,000,000	-	(5,000,000)	-	-	-	-	-	-	-
Distribute of Dividends	-	-	(10,640,000)	-	-	-	-	(10,640,000)	-	(10,640,000)
Net change in non-controlling interests	-	-	-	-	-	-	-	-	(3,012,547)	(3,012,547)
<b>Balance For the Six Months Ended June 30, 2023</b>	<b>117,000,000</b>	<b>12,103,000</b>	<b>65,359,323</b>	<b>9,741,597</b>	<b>11,193,767</b>	<b>(10,070,637)</b>	<b>(18,625,172)</b>	<b>186,701,878</b>	<b>27,991,122</b>	<b>214,693,000</b>

- The balance of retained earnings includes 3,593,357 USD as at 30 June 2024 for deferred tax benefits attributable to subsidiaries ( 3,380,090 USD as at 31 December 2023).

**THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM AND WITH THE INDEPENDENT AUDITOR'S REPORT.**

**ARAB PALESTINIAN INVESTMENT COMPANY**  
**(HOLDING COMPANY)**  
**BRITISH VIRGIN ISLANDS**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**

	Note	For the six months ended June 30	
		2024	2023
		(Reviewed not Audited)	(Reviewed not Audited)
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		<b>USD</b>	<b>USD</b>
Profit for the period before tax and after monetary (loss) gain resulting from hyperinflation		5,233,521	16,099,269
<b>Adjustments for:</b>			
Provision for expected credit loss	5	494,748	1,056,380
Depreciation expense for the period		7,257,401	6,132,623
Losses (gains) of hedging cash assets		227,500	(142,800)
Provision for slow-moving inventory	7	1,272,915	445,287
Losses from investment in associates		1,216,389	1,499,198
Provision for end of service indemnity		1,553,034	1,482,211
Net monetary loss (gain) due to hyperinflation		114,622	(331,475)
Loss (gain) from sale of property and equipment		226,292	(107,306)
<b>Cash Flows from Operating Activities before Changes in Working Capital</b>		<b>17,596,422</b>	<b>26,133,387</b>
Decrease (increase) in accounts receivable, leasing contracts receivable and other debit balances		7,852,500	(8,809,384)
Decrease in inventory	7	8,671,337	3,036,498
Decrease in long term cheques under collection		1,499,556	2,997,347
Change in balances with related parties		(3,246,745)	1,686,127
(Decrease) in accounts payable and other credit balances		(16,951,076)	(5,904,510)
<b>Net Cash Flows from Operating Activities before End-of-Service Indemnity and Income Tax Paid</b>		<b>15,421,994</b>	<b>19,139,465</b>
Settlements of end-of-service indemnity provision		(1,162,416)	(760,604)
Settlements of Income tax provision	12	(5,843,935)	(6,264,605)
<b>Net Cash Flows from Operating Activities</b>		<b>8,415,643</b>	<b>12,114,256</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Decrease (Increase) in financial assets at fair value through profit or loss		2,156,990	(1,639,614)
(Increase) in financial assets at fair value through other comprehensive income		(4,801,756)	(1,992,356)
Change in intangible assets - net		382,270	2,485,526
Change in property and equipment - net		(18,270,545)	(8,848,208)
<b>Net Cash Flows (used in) Investing Activities</b>		<b>(20,533,041)</b>	<b>(9,994,652)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
(Decrease) Increase in due to banks	9	(5,280,894)	23,633,444
Net change in bonds payable	11	79,545,000	285,600
(Decrease) in loans, cheques and notes payable		(68,129,063)	(587,512)
Distributed dividends		-	(10,640,000)
Net change in non - controlling interest, foreign currency translation effect and others		11,511,034	(8,927,486)
<b>Net Cash Flows from Financing Activities</b>		<b>17,646,077</b>	<b>3,764,046</b>
Net increase in Cash		5,528,679	5,883,650
Cash on hand and at banks- beginning of the year		35,321,181	32,637,610
<b>Cash on Hand and at Banks- End of the Period</b>		<b>40,849,860</b>	<b>38,521,260</b>
<b>Non Cash Items</b>			
Inventory write-off	7	433,379	17,306

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