APIC أيبك

Driven by Excellence يَقودُنا التميُّز

Annual Report 2024

APIC أيبك

Driven by Excellence يَقودُنا التميُّز

Manufacturing

شركة ريما للورق الصحي
Reema Hygienic Paper Co.

نابكو
NAPCO
Aluminum of Palestine

سنيورة
siniora

Trade and Distribution

Medical Supplies and Services Company
شركة التوريدات والخدمات الطبية

Unipal
يونيبال

Palestine Automobile Company
الشركة الفلسطينية للسيارات

Services

قُدرة
Qudra

Arab Leasing Company
الشركة العربية للتأجير التمويلي

Sky
Advertising • Public Relations • Events

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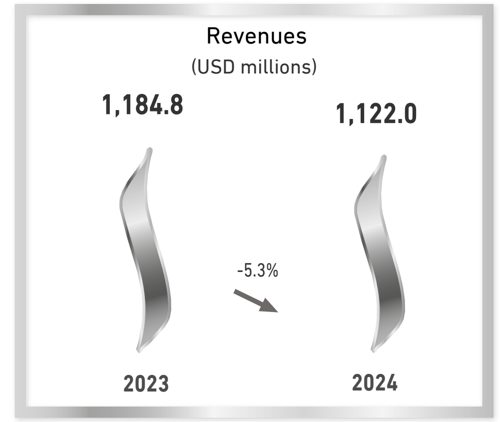
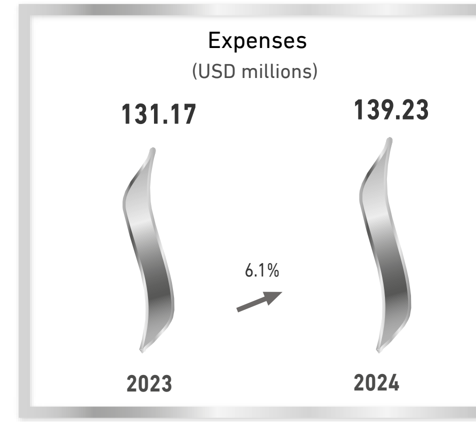
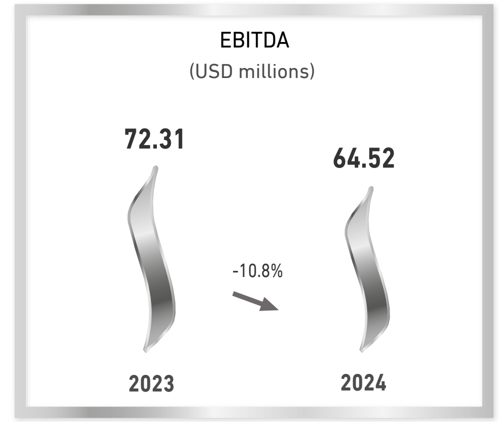
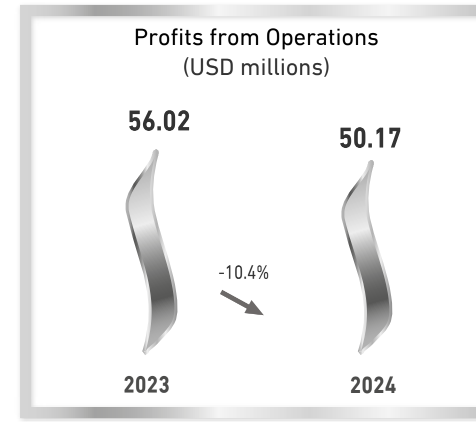
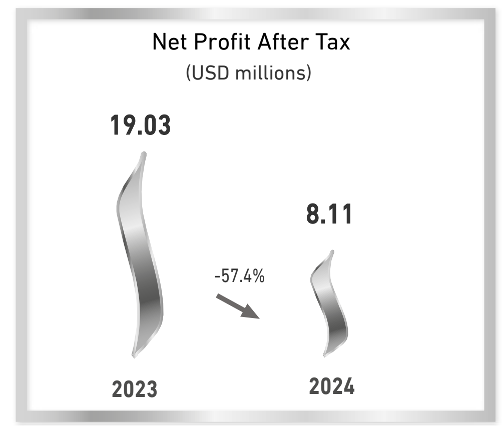
Key Performance Indicators

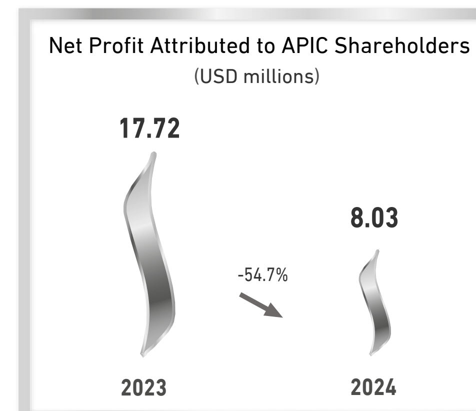


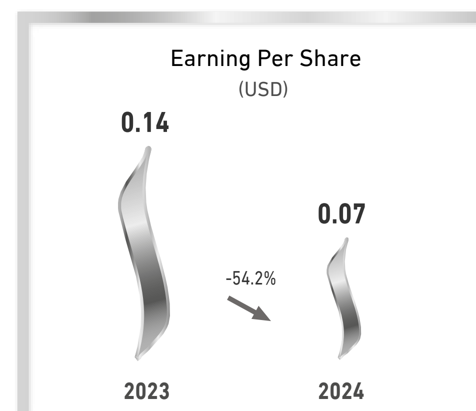






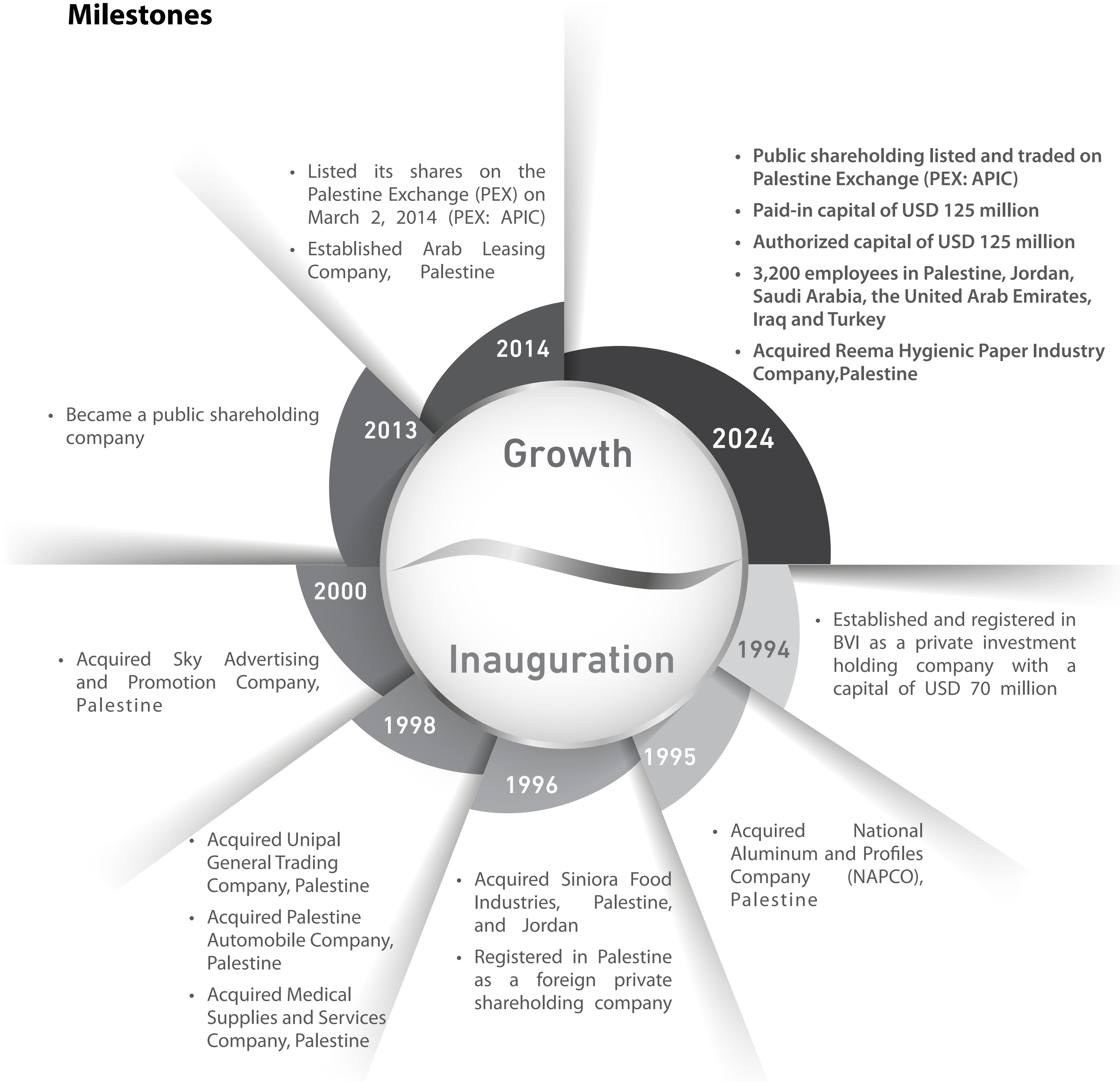






About APIC … Three Decades of Excellence

Milestones



Establishment

Arab Palestinian Investment Company (APIC) was founded by a group of Arab businessmen for the purpose of channeling funds and investments to Palestine, paving the way to greater development and creating new jobs in the country.

The company was established and registered on September 20, 1994, in the British Virgin Islands (BVI registration number 128626). On May 8, 1996, APIC was registered with the Ministry of National Economy in Palestine as a foreign private shareholding company (registration number 563600634).

APIC was transformed into a foreign public shareholding company on December 23, 2013 (registration number 562801563). On March 2, 2014, APIC listed its shares on the Palestine Exchange (PEX: APIC).

The company's authorized capital is USD 125 million divided into 125 million shares (USD 1.00 per share); its paid-in capital is USD 125 million as of December 31, 2024.

Domiciliation

In 2024, the Company has taken steps to redomicile and register the Arab Palestinian Investment Company as a local Palestinian public shareholding company, registered with the Registrar of Companies at the Palestinian Ministry of National Economy. The Company is working to complete the necessary legal procedures in this regard before the relevant authorities in the British Virgin Islands (BVI) and the Company is currently pursuing the required steps in the BVI to effect this redomiciliation and continuation outside the British Virgin Islands. An application was submitted to the BVI Court, seeking the Court's approval for these measures and confirming its compliance with all legal requirements in the BVI. This application is expected to be heard on May 6, 2025. The Company is aware that the application will be opposed by a party that claims a beneficial interest in certain of the Company's shares (on the basis that such steps may breach BVI Court orders currently in place in ongoing litigation concerning the beneficial ownership of those shares).

Vision

To provide superior products and services of quality and value, leaving a positive and lasting impact on the market. As a result, consumers will reward our capital investments with market command, allowing our employees, our investors, and the communities in which we work to prosper.

Mission

To achieve business and financial success by investing in market-leading companies, thereby elevating the community through resources, talent, and economic development through:

- The provision of superior quality products and services.
- The employment of capable and experienced personnel, ensuring that they are equipped with opportunities for growth and improvement.
- The continuous application of efficient work systems to all aspects of the business cycle.
- The maintenance of a solid financial base that drives further growth.
- Partnering with key stakeholders in the region to effect real change in the Palestinian community.

Objectives and Activities

As an investment holding company, APIC's investments are diverse, spanning across the manufacturing, trade, distribution and service sectors, with a presence in Palestine, Jordan, Saudi Arabia, the United Arab Emirates, Iraq and Turkey through its group of subsidiaries and Affiliates, which include National Aluminum and Profiles Company (NAPCO); Siniora Food Industries Company; Reema Hugenic paper Industry Company, Unipal General Trading Company; Palestine Automobile Company; Medical Supplies and Services Company; Sky Advertising and Promotion Company; Arab Leasing Company; Qudra Renewable Energy Solutions; and the Arab Palestinian Storage and Cooling Company employing over 3,200 staff. Subsidiaries of APIC offer a wide array of products and services through distribution rights agreements with multinational companies.

Global Partners

Corporate Culture

Building an internal culture that motivates and rewards performance and integrity in a complex business environment demands high governance standards. APIC's commitment to a culture of integrity begins with an independent and experienced board of directors and a carefully selected management team with a mandate to continuously bring out the best in its employees. With team spirit, the company has developed value-driven policies and procedures to guide everyday interactions and uphold its vision. APIC's internal culture can be best described through the following four principles:

Values

APIC's cultural values rest on the belief that all employees are equally important, differing only in their level of responsibilities, efficiency, and commitment. The company values and rewards those with leadership, self-motivation, and innovation.

Structure

The foundation of APIC is built on its people, and to empower them is a strategic investment in the company. APIC believes that the motivation for promotion comes from within the individual and should be fostered by the company's practices and values. The company's decision-making structure is one that embraces consulting and sharing, enabling everyone to be fully engaged and acknowledged.

Incentives

While stable employee performance is valued, within APIC, forward thinkers are given additional incentives and are promoted based on their leadership characteristics and outstanding performances.

People

APIC's cumulative efficiency and knowledge lies within its people. The company creates a vision by setting tangible goals, which are fulfilled through harmony and team unity in a suitable working environment.

APIC's corporate values are based upon team spirit and cooperation between different departments and subsidiaries, capitalizing and benefiting from the experiences of all team members. Those values are divided into five categories:

- The Power of People: Leadership and teamwork.
- The Power of Innovation: Creativity, thinking, and problem solving.
- Customer Service: Facilitate and accelerate services.
- Driving Growth.
- Safety and Quality.
- Sustainability Excellence.

Women's empowerment

Equality at the workplace is a basic labor principle that APIC ensures to uphold for all employees, males, and females. This includes employment, promotion, salaries, and professional development.

APIC ensures women's empowerment by adhering to the following pillars:

- Employment: Strive to achieve a gender-balanced workforce and actively balance the gender ratio in managerial positions.
- Empowerment: Increase the investment in the capabilities and competencies of employees by providing career support and guidance through employee development initiatives, training plans, and mentoring programs.
- Work and Life: Support employees to achieve a better work-life balance.

Chairman's Statement

Dear Shareholders,

The year 2024 has been an incredibly difficult one for our beloved homeland, Palestine, and especially for our people in the Gaza Strip, where the ongoing brutal war has inflicted widespread destruction, targeting both civilians and infrastructure on an unprecedented scale. This has led to immense human and material losses, with cities diminished to rubble, entire families erased from the civil registry, and vital infrastructure destroyed.

At the same time, Israeli attacks in the West Bank have escalated, causing further devastation and widespread consequences. Commercial activity plummeted due to the severe restrictions imposed by the occupation, which include city closures in the West Bank and limitations on the movement of people and goods to and from Palestine. Additionally, there were significant delays in clearing equipment and goods, leading to increased clearance and storage costs. Furthermore, the economic situation was dire, worsened by the occupation›s withholding of funds from the Palestinian Authority (PNA), which has crippled the Palestinian government's ability to pay its employees in full and fulfill its financial obligations, particularly to the private sector.

However, despite these many challenges, APIC achieved acceptable profits for its valued shareholders due to the company's flexibility and its commitment to excellence, which contributed to realizing several achievements during the year 2024 that I would like to share with you.

Net profits amounted to USD 8.11 million in 2024

Total revenues in 2024 reached USD 1.12 billion, a decline of 5.3% when compared with 2023, while EBITDA amounted to USD 64.5 million, a decline of 10.8%. The group's net profits amounted to USD 8.11 million, a decline of 57.4%, while net profits attributed to the company's shareholders amounted to USD 8.03 million, a decline of 54.7%. Earnings per share amounted to USD 0.07, a decline of 54.2% year on year.

The following were the most significant factors that negatively impacted the operational performance of APIC subsidiaries:

- The Palestinian governmental direct and indirect debt to subsidiaries of the group reached around USD 107 million by the end of 2024, with a significant portion of this debt owed to Medical Supplies and Services Company (MSS). Also, the delays in government tenders, particularly within the medical sector, severely impacted the revenue of MSS.
- The construction sector witnessed a steep decline, with a reduction rate of 60% in 2024, which severely affected the results of National Aluminum and Profiles Company (NAPCO).
- The demand on vehicles in Palestine also saw a dramatic decrease of around 60% in 2024, significantly impacting the sales of the Palestine Automobile Company.
- The purchasing power of Palestinian consumers also plummeted, with many turning to cheaper alternatives due to the sharp drop in income that affected the sales of Unipal General Trading Company.
- The widespread economic downturn also led to a substantial reduction in spending on promotional campaigns, advertising, and public relations by most Palestinian companies, which in turn severely affected the revenues of Sky Advertising and Promotion Company and its subsidiary, Oyoun Media.
- Furthermore, there was a major shortage of essential supplies faced by some subsidiaries due to logistical problems with some global suppliers, in addition to the continuous rise in the cost of the global supply chain, especially the increase in the cost of raw materials, shipping, storage, energy, and insurance.

Besides the operational challenges faced by our subsidiaries, the group witnessed an increase in financing costs of around USD 4 million in 2024.

Furthermore, there was an accounting impact related to the application of International Accounting Standard No. 29 on the results of Siniora›s Turkish subsidiary Polonez of around USD 5 million in 2024, since Turkey is classified as a hyperinflationary country.

Accordingly, all these reasons combined led to lower profits in 2024 versus 2023.

Reema Hygienic Paper Company joined APIC's group of subsidiaries

In 2024, APIC expanded its operations in Palestine by acquiring a 51% stake in Reema Hygienic Paper Company. This acquisition aligns with APIC's strategy to bolster its investment footprint in Palestine, with a particular focus on the manufacturing and consumer goods sectors. Despite the harsh and challenging conditions in Palestine, APIC›s investment underscored its unwavering commitment to supporting local industries and employment in Palestine. Furthermore, this move is set to deliver significant value to APIC, its subsidiaries, shareholders, and the communities in which it operates. Reema, established in 1982, is the premier player in Palestine's sanitary paper industry, with a market share of around 40%. APIC will accelerate the company's growth and enhance its market presence locally and regionally.

The value of distributed dividends amounted to USD 8 million in 2024

In 2024, APIC distributed USD 8 million as stock dividends to its shareholders, thus increasing APIC's paid-in capital from USD 117 million to USD 125 million.

USD 1.6 million investment in corporate social responsibility

The company remains committed to its pioneering role in the communities within which it operates. In 2024, it allocated around USD 1.6 million to social responsibility, supporting numerous associations and institutions dedicated to orphans, individuals with special needs, mental health, healthcare, education, and youth, among others. Humanitarian donations to Gaza have continued to alleviate the suffering of our people and meet their basic needs for food, drink and mental health. This approach reflects our unwavering commitment to social responsibility, which we view as both a humanitarian and civic imperative, fostering social and economic sustainability while empowering communities to thrive under any circumstances.

Lastly, as we navigate these challenging times, APIC remains committed to delivering long-term value to our valued shareholders. Our dedication to operational excellence and sustainable practices will continue to drive our efforts as we work to overcome obstacles. I extend my gratitude to each of our 3,200 employees for their perseverance and dedication in these tough conditions. I am confident that, together with our valued shareholders, we will successfully overcome the challenges ahead.

May God have mercy on all our martyrs, protect our people, and bestow upon us peace, security, and stability.

Kindest regards,

Tarek Omar Aggad

Corporate Governance

Board of Directors

APIC's board of directors as of December 31, 2024, are:

Tarek Omar Aggad
Chairman

Tarek Shakaa
Vice Chairman

Hashim Shawa
Board Member

Dr. Mazen Hassounah
Board Member

Nashat Masri
Board Member

Lana Ghanem
Board Member

Maysa Baransi
Board Member

Leena Khalil
Board Member

Olga Aburdene
Board Member

Ahmad Atwan
Board Member

Khalid Kayyali
Board Member

Mohammad Abukhaizaran
Board Member

Committees of the Board of Directors

Audit Committee:

Responsibilities: Assist the board of directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, and the company's process for monitoring compliance with laws and regulations.

Chair: Dr. Mazen Hassounah.

Committee members: Nashat Masri, Olga Aburdene, Mohammad Abukhaizaran.

Investment Committee

Responsibilities: Support the company's growth agenda through mergers and acquisitions and develop an investment strategy and execute on it.

Chair: Nashat Masri.

Committee members: Hashim Shawa, Olga Aburdene, Lana Ghanem, Ahmad Atwan, Leena Khalil.

Remuneration Committee

Responsibilities: Assist the board of directors in fulfilling its oversight responsibilities in relation to the appointments of directors and senior executives in APIC "e.g., CEO, CFO. As well as reviewing salaries and bonuses policies and retention plan, succession plans, ensuring the adequacy and reasonableness of total remuneration paid to the CEO and other APIC executives who report to the CEO, and the company's process for monitoring compliance with laws and regulations relating to the Wages and Labor Act.

Chair: Tarek Shakaa.

Members: Dr. Mazen Hassounah, Khalid Kayyali.

Committee for Sustainable Development and Social Responsibility

Responsibilities: Set guidance and direction and oversee policies and progress on the company's social, ethical, environmental, and community issues.

Chair: Maysa Baransi.

Members: Lana Ghanem, Tarek Aggad, Ali Aggad (advisor of the board).

Board Remuneration

The board remuneration policy stipulates that each board member receives the amount of USD 40,000 as annual compensation. The total board remuneration in 2024 amounted to USD 480,000. While the value of remuneration for members of the committees stemmed from of the board of directors amounted to USD 105,000 in 2024.

Regulatory Controls

Members of the board of directors are elected by the company's general assembly every four years. The board exercises its mandate based on the company's constitutional articles, which encompass the organizational structure and stipulate the powers delegated to the management at all levels.

APIC and its subsidiaries operate within systems of governance that regulate the management of operations at all levels. The Internal Audit Department at APIC oversees the application of policies and procedures for all administrative, financial, and operational departments across APIC subsidiaries. Internal audit reports are reviewed by the board of directors of each subsidiary.

Moreover, independent internal auditing for APIC and its subsidiaries is undertaken by PricewaterhouseCoopers (PwC).

Since its listing, APIC has been committed to the Palestine Exchange's listing, trading, and disclosure regulations.

Executive Management

APIC's executive management team as of December 31, 2024, is:

Tarek Omar Aggad
Chief Executive Officer

Nader Hawari
VP - Corporate Operations and Business Development

Khaled Baradei
Chief Financial Officer

Maher Awartani
Chief Strategy and Investment Officer

Fida Musleh/Azar
Investor Relations and Corporate Communication Manager

Ramez Abu Ghazaleh
Internal Audit Manager

Mona AlQutob
Sustainable Development and Corporate Social Responsibility Manager

Legal Advisor

A. F. & R Shehadeh - Law Firm

www.shehadehlaw.com

External Auditor

Deloitte & Touche Middle East - Jordan

www.deloitte.com

Shareholders

APIC's share

APIC's share performance	2024	2023	% Change
Share close (USD) as of December 31 (USD)	**2.58**	3.20	-19.4%
Trading volume (shares)	**11,575,807**	16,112,916	-28.2%
Trading value (USD)	**27,555,174**	53,029,602	-48.0%
Market capitalization as of December 31 (USD)	**322,500,000**	374,400,000	-13.9%
Number of shareholders	**1,539**	1,428	7.8%
Free Float	**65.6%**	71.9%	-8.8%

High: USD 3.05 | Low: USD 2.10

Shareholders who own 5% and above

Shareholder	Ownership % as at December 31, 2024
Aggad International Investment CO LTD	18.51%
Lotus for Financial Investments- Portfolios	5.24%
Razan Medical Center	5.04%

Main Decisions of the General Assembly 2024

Decisions of the Ordinary General Meeting on May 15, 2024

- The report of the APIC Board of Directors for the year 2023 was approved.
- The auditor's report and the financial statements for the year ending December 31, 2023 were approved.
- Deloitte & Touche Middle East was elected as the Company's auditor for the year 2024 and the Board of Directors was authorized to set the company's remuneration.
- The General Assembly approved and ratified distributing stock dividends totaling 8 million shares, representing approximately 6.84% of the current paid-in capital of USD 117 million, thus increasing APIC's paid-in capital to be equal to Its authorized capital of USD 125 million.
- Members of the Board of Directors were exonerated for the fiscal year ending December 31, 2024.

Communication with Shareholders

APIC maintains constant communication channels with its shareholders by distributing regular news and updates, periodical investor briefs, financial disclosures, and annual reports. APIC communicates directly with its shareholders by email, via its website and through social media channels.

Furthermore, APIC has a specialized Investor Relations section on its website (www.apic.ps) that provides shareholders and investors with all necessary information including:

- Share Information: Share data and performance (instant and historical).
- Financial Data: Periodic financial statements and annual reports.
- Investor Brief: Periodic publications that highlight APIC's share and financial performance, as well as other major business developments.
- General Assembly: GA information, invitations, meeting minutes and approved dividend distribution.
- Investor Relations Contact Information

Dividend Policy

There is no written policy dedicated to dividend distribution at APIC. The following table shows dividend distribution in the past five years:

Fiscal year	General assembly resolution date	Dividend type	% of paid-in capital		Paid-in capital	Amount of distributed cash dividends	Number of distributed stock dividends
2023	May 15, 2024	Stocks	6.84%		USD 117 million	-	8 million stocks
2022	May 8, 2023	Cash & stocks	13.96%	Cash: 9.5% Stocks: 4.46%	USD 112 million	USD 10.64 million	5 million stocks
2021	May 9, 2022	Cash & stocks	17.14%	Cash: 10.476% Stocks: 6.666%	USD 105 million	USD 11 million	7 million stocks
2020	May 5, 2021	Cash & stocks	16.647%	Cash: 7.5% Stocks: 9.147%	USD 96.2 million	USD 7.215 million	8.8 million stocks
2019	May 21, 2020	Cash & stocks	13.48%	Cash: 6.74% Stocks: 6.74%	USD 89 million	USD 6 million	6 million stocks

APIC Investments

Competitive Position

It is difficult to determine the overall competitive position of APIC given the diversity of its investments as well as the diversity of the sectors and markets in which it operates. However, the quality of its products and services both locally and regionally through its subsidiaries has led to APIC's strong competitive position and leading market share.

Subsidiaries & Affiliates

Company	Ownership % as at December 31, 2024	Country of Registration	Country of Operations	Main Activities and Operations
Manufacturing Sector				
Siniora Food Industries Company PLC	60.14%	Jordan	Jordan, Palestine, Saudi Arabia, UAE, Turkey	Manufacturing of cold cuts, luncheon canned meat and frozen meat
National Aluminum and Profiles Company PLC	77.02% (1)	Palestine	Palestine, Jordan	Manufacturing of aluminum and profiles
Reema Hygienic Paper Industry Company PSC	51%	Palestine	Palestine	Manufacturing of hygienic paper
Trade and Distribution Sector				
Unipal General Trading Company PSC	100% (2)	Palestine	Palestine, Jordan	Distribution of consumer products
Palestine Automobile Company PSC	100%	Palestine	Palestine	Distribution of cars and after-sales services
Medical Supplies and Services Company PSC	100%	Palestine	Palestine, Jordan, Iraq	Distribution of medical supplies, equipment, and healthcare products
Services Sector				
Sky Advertising and Promotion Company PSC	100%	Palestine	Palestine	Advertising, public relations and event management
Arab Leasing Company PSC	100%	Palestine	Palestine	Leasing of vehicles, equipment, and machines
Arab Palestinian Storage and Cooling Company PSC	71.11% (3)	Palestine	Palestine	Storage and cooling
Qudra Renewable Solutions Copmay PSC	50%	Palestine	Palestine	Establishment of solar power plants

(1) This percentage represents APIC's direct ownership of 74.85% in addition to its indirect ownership of 2.17 % through its subsidiary Unipal.

(2) This percentage represents APIC's direct ownership of 97.57% in addition to its indirect ownership of 2.43% through its subsidiary Palestine Automobile Company.

(3) This percentage represents APIC's direct ownership of 31.11% in addition to its indirect ownership of 40% through its subsidiary Unipal.

Other Investments

APIC Capital

APIC Capital manages APIC's group financial investments in Palestine and globally. It seeks to achieve long-term capital preservation, investment diversification, and foster growth. The investment portfolio of APIC Capital includes direct investments in private and publicly listed companies, in addition to participation in leading private equity and venture capital funds.

Future Plans*

APIC is dedicated to upholding its three-decade long legacy of performance, success, and competitive edge through its unwavering commitment and continuous innovation. Moving forward, APIC's strategic vision includes not only sustaining current achievements, but also charting a path forward towards further expansion and development. The company will enter new markets and sectors while simultaneously advancing the offerings of its subsidiaries to achieve unprecedented growth.

APIC group remains steadfast in its commitment to elevating the quality and diversity of its products and services to surpass previous milestones. It will focus on bolstering its presence in the manufacturing, trade, and distribution sectors, as well as monitoring market dynamics, capitalizing on growth opportunities, and balancing risks and returns to ensure minimal adverse impact on its financial performance.

Outlined below are the key projects slated for execution by APIC subsidiaries in the near future:

Siniora Food Industries Company

- Construction of a new factory for chilled and frozen meats in the Kingdom of Saudi Arabia on a land area of approximately 25,000 square meters with a total investment estimated at around USD 35 million (130 million Saudi riyals)
- Construction of a new factory in Palestine on an area of approximately 20,000 square meters with an investment estimated at around USD 8 million for the initial establishment phase
- Expanding into the U.S. market through the establishment of Siniora Food Industries there and launching Siniora-branded products in the state of Michigan.

Unipal General Trading Company

- Expansion in the Jordanian market through its subsidiary
- Acquisition of new exclusive brands in the Palestinian and Jordanian markets

Sky Advertising and Promotion Company

- Expand and upgrade the network of electronic screens across Palestinian cities.
- Explore opportunities in the digital and secure printing sector.
- Grow the company's market share by focusing on tenders and expanding the loyal customer base.

National Aluminum and Profiles Company (NAPCO)

- Establish and operate new production lines to double the company's production capacity
- Automation of the oxidation line to increase speed and efficiency
- New marketing activities to increase the company's market share

Medical Supplies and Services Company

- Increase investment in medical equipment, laboratory apparatus, and kidney dialysis machines for investment purposes in the Ministry of Health and hospitals in Palestine
- Expansion in the Jordanian market through subsidiary Taleed Medical Services Company
- Acquisition of new exclusive brands in the Palestinian and Jordanian markets

Reema Hygienic Paper Company

- Expand into local and regional markets.
- Upgrade existing production lines.
- Install new lines to increase production capacity and introduce new products.
- Implement the upgraded ERP and management system to comply with the international standards.

Palestinian Automobile Company

- Exploring additional brands to be added to PAC Line-up

* Disclaimer: The future plans of the company stated in the annual report represent the company's future expectations as of the date of preparing this report. Despite being based on reasonable assumptions, such plans are presented for informational purposes only and should not be considered definitive or guaranteed statements. The company does not bear any responsibility or obligation to update these plans in view of any developments that may occur after the date of preparing this report. In addition, the company's past performance is no guarantee of future results.

" About APIC Subsidiaries & Affiliates "

BADEEL | الماسة ALMASA | Polonez | يونيوم UNIUM | سنيورة siniora عِشْرة عُمر

Siniora Food Industries Company

THE LEADER IN THE REGION'S MEAT MANUFACTURING SECTOR

Siniora Food Industries owns two brands, Siniora Al-Quds and Unium, which are recognized as leaders in manufacturing cold cuts, luncheon meat and frozen meat. Siniora is one of the first and largest meat manufacturing companies in the region, producing its lines in four state-of-the-art processing plants built using the latest technologies, one located in East Jerusalem, Palestine, the second located in King Abdullah II Industrial Estate in Jordan, the third in Dubai, the United Arab Emirates and the fourth in Istanbul, Turkey.

The company was founded in Jerusalem, Palestine, in 1920, established its factory in Jordan in 1992, and was acquired by APIC in Palestine and Jordan in 1996. Siniora's subsidiary in the UAE, Diamond Meat Processing Company, is the owner of the Al Masa brand, and its subsidiary in Turkey Polonez Meat Manufacturing Company, owns the Polonez brand.

Siniora factories in Jordan, Palestine, and the United Arab Emirates have been awarded certificates in Food Safety Management System FSSC 22000, which are approved by The Global Food Safety Initiative (GFSI). Moreover, all Siniora factories in Jordan, Palestine, the UAE, and Turkey have been awarded certificates in Food Safety Management System ISO 22000:2018, quality management certificates, and halal certifications. Furthermore, Siniora factories in Palestine, Jordan, and Turkey hold certificates in safety and occupational health management and environmental management, while the factory in Palestine holds the Palestinian Standard Certificate. In addition, the company has been awarded the information security certificate in Jordan and Palestine.

Siniora produces over 100 types of cold cuts, canned luncheons, and frozen meat. Moreover, in 2022, the company began production on the plant-based product Badeel, a vegan meat alternative that is soy-free and gluten-free and comes in four types - burgers, minced, sausages, and nuggets.

The company markets its products through mass merchandisers, grocery stores, high-frequency stores, and department stores in Jordan, Palestine, Saudi Arabia, the UAE, and Turkey as well as in many other countries in the Middle East. Siniora also has distribution centers in Saudi Arabia, and the UAE and a dedicated export department covering the Gulf and the Levant. Siniora is a public shareholding company and is listed on the Amman Stock Exchange (ASE: SNRA).

CEO: Majdi Al Sharif

Contact Information

Email: info@siniorafood.com

Website: www.siniorafood.com

Palestine

Bethany, Jerusalem

Tel: +970 2 279 6804

Jordan

Amman, King Abdullah II Industrial Estate, Sahab

Tel: +962 6 402 3772

National Aluminium and Profiles Company (NAPCO)

THE FIRST ALUMINUM PROFILES MANUFACTURER IN PALESTINE

Founded in 1991, and acquired by APIC in 1995, NAPCO is the first aluminum profiles manufacturer in Palestine. Founded with less than 70 employees, NAPCO now employs more than 280 and continues to create more job opportunities.

NAPCO is a public shareholding company and is listed on the Palestine Exchange (PEX: NAPCO). Located in Nablus and originally launched to serve the needs of the local market, NAPCO's state-of-the-art 40,000-square-meter plant has an annual production capacity of over 7,000 tons of high-quality products that comply with international standards and specifications. NAPCO's innovative and enduring product solutions have penetrated regional markets and the company's profile systems serve numerous architectural and industrial branches.

The company has also expanded into domestic markets (the 1948 territories) through NAPCO Industrial, as well as into the Jordanian market through NAPCO-JO, reinforcing its strategic goal of entering new regional markets. It also has a representative office in Ramallah.

NAPCO leverages world-class administrative and technical systems to efficiently manage its operations and drive optimal performance. As part of its commitment to digital transformation, the company utilizes advanced software solutions to support sustainability objectives, safeguard the environment, and uphold public safety standards. NAPCO has also earned a wide range of certifications recognized both locally and internationally, including:

- Technical and Administrative Quality Certificate from the Palestinian Standards Institution (PS30)
- Occupational Health and Safety Management System Certificate (ISO45001:2018)
- Quality Management System Certificate (ISO9001:2015)
- TEKEN SII technical and administrative certificates

General Manager: Anan Anabtawi

Contact Information

Email: info@napco.com.ps

Website: www.napco.ps

Headquarters

Beit Iba, Qusin Junction, Nablus

Tel: +970 9 234 7222

Reema Hygienic Paper Company

A LEADER IN SANITARY PAPER INDUSTRY IN PALESTINE

Founded in 1982, Reema Hygienic Paper Company has become a prominent leader in Palestine's sanitary paper industry. The company offers a wide range of premium hygiene products, including toilet paper, facial tissues, and kitchen towels, with a diverse portfolio exceeding 100 stock keeping units (SKUs) of well-recognized brands which includes Reema, Reemex, Softy, Dina, Aladin, and La Chef.

Reema also boasts Palestine's only dedicated quality control laboratory for sanitary paper products, underscoring its leadership in maintaining high standards and unwavering commitment to quality and innovation.

In 2024, APIC acquired a 51% stake in Reema, signaling a strategic partnership aimed at fostering growth and expansion in both local and regional markets while preserving the legacy of Reema's established brands and its existing leadership.

CEO: Jadallah Jadallah

Contact Information

E-mail: info@reema.ps

Website: www.reema.ps

Headquarters

Ramallah, Palestine

Tel: +970 2 295 6342

Unipal General Trading Company

The leading fast-moving consumer goods distributor in Palestine

Founded in 1994 as a private shareholding company, Unipal was acquired by APIC in 1998. In 2020, Unipal launched its first subsidiary in Jordan.

Unipal General Trading Company stands as the leading distributor of fast-moving consumer goods (FMCG) in Palestine and is rapidly emerging as a key player in the Jordanian market. In both countries, Unipal holds exclusive distribution rights for 30 international and local companies, representing over 120 brands of more than 1,000 high-quality products.

Unipal's highly efficient distribution system delivers leading quality products that fulfill the consumer's needs, allowing it to obtain a leading market position through its extensive distribution network of over 10,000 retail outlets throughout both countries. Moreover, Unipal owns state-of-the-art distribution centers with a capacity of over 18,000 pallets.

Unipal services include a full route to market management, managing distribution, supply chain, and logistics, leading to best-in-class in-store execution. Unipal services are delivered by professional teams supported by operational excellence, solid financial management, brand management, a focus on innovation, and the use of the latest technologies.

Unipal seeks to expand geographically, increase its brand portfolio, and enhance its operational performance.

CEO: Imad Khoury

Contact Information

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Website: www.unipalgt.com

Headquarters

Ramallah, Palestine

Tel: +970 2 298 1060

Palestine Automobile Company
الشركة الفلسطينية للسيارات

Palestine Automobile Company

A LEADER IN THE PALESTINIAN MARKET AND EXCELLENCE IN THE AUTOMOTIVE WORLD

Palestine Automobile Company (PAC) was established in 1995 as a private shareholding company and became part of APIC in 1998. The company is the official and exclusive distributer for Hyundai and MG cars in Palestine and has successfully built a solid reputation as one of the most trusted companies in the automotive sector.

With over 29 years of experience, the company offers its customers a wide range of high-quality vehicles, supported by after-sales services that meet the highest international standards. The company operates a network of showrooms and modern maintenance centers strategically located in the West Bank and Gaza Strip, including Nablus, Ramallah, and Hebron, in addition to its new branch in Beit Sahour, which opened in 2024 to ensure more efficient and effective customer service.

The company is distinguished by its pioneering achievements in the Palestinian market, with Hyundai cars being the leading brand in sales for the past five years. The company has also achieved significant success in the hybrid vehicle (HEV) market through Hyundai and now continues to lead the electric vehicle (EV) market through the MG brand, which holds the number one position in electric vehicle sales in Palestine.

HYUNDAI

General Manager: Rami Shamshoum

Contact Information

E-mail: info@pac-pal.com

Website: www.pac.ps

Headquarters

Ramallah, Al-Ayyam Street, Industrial Zone, Beitunia

Tel: +970 2 241 4363

Medical Supplies and Services Company
شـركـة الـتـوريـدات والـخـدمـات الطبيـة

Medical Supplies and Services Company

THE EXCLUSIVE DISTRIBUTOR OF VARIOUS PHARMACEUTICALS, FMCG, HEALTHCARE PRODUCTS, AND MEDICAL EQUIPMENT IN PALESTINE

Founded in 1994 as a private shareholding company, and acquired by APIC in 1998, Medical Supplies and Services Company (MSS) has consistently maintained its position as one of the top Palestinian companies in its field.

As the most diversified healthcare product supplier in Palestine, MSS distributes pharmaceuticals, medical and laboratory equipment, surgical and disposable items, and fast-moving consumer goods (FMCG) to pharmacies, private hospitals, non-governmental organizations, the Ministry of Health, and retail outlets. MSS is the sole distributor and service provider for major multinationals in this sector.

MSS subsidiary in Jordan Taleed Medical Supplies Company also operates a branch in Iraq.

TMS
Taleed Medical Supplies
تليد للتوريدات الطبية

General Manager: Samer Kreitem

Contact Information

E-mail: info@msspal.com

Website: E-mail: www.msspal.com

Headquarters

Ramallah, Palestine

Tel: +970 2 295 9372

Sky Advertising and Promotion Company

A pioneer in advertising, public relations, and event management

Founded in 1996 as a private shareholding company and acquired by APIC in 2000, Sky provides a wide range of advertising, promotion, and communication services. The company dedicates its wide expertise to providing professional facilities that bridge classic services and contemporary digital and electronic ones, in addition to social media as well as content creation and management. Sky services include developing, planning, and executing public relations and communication strategies, event management, design and printing, among other consultancy services while partnering with its clients to assist them in achieving their goals and expanding their media presence.

Today, the company is the main provider of advertising services through the widest network of billboards and advertising LED screens, which are distributed in vital and strategic areas in various Palestinian cities.

Since its establishment, the company has had a significant footprint in the advertising and promotion industry in Palestine and has been recognized as a pioneer in this sector through its qualified staff in addition to keeping up with the latest developments and attention to detail.

Sky subsidiary in Palestine, Oyoun Media Company, specializes in providing digital media services, including digital communications and social media management.

General Manager: Nader Maree

Contact Information

E-mail: info@sky-adv.com

Website: www.sky.ps

Headquarters

Al-Bireh, Palestine

Tel: +970 2 298 6878

Arab Leasing Company

Developing innovative solutions in the field of financial leasing

Established by APIC in 2014 as a private shareholding company, Arab Leasing Company (ALC) provides leasing and financing services to Palestine Automobile Company (PAC)'s exclusive brands, which include Hyundai and MG. ALC is considered the backbone of PAC and aims to meet the needs of individual customers and companies looking to benefit from the leasing and financing services offered by the company. With the seven brands, ALC can cater to the demands of its customers through its fleet of private and commercial vehicles.

Looking forward, ALC will develop its services in the future to include leasing and financing services for equipment and machinery in addition to providing innovative solutions in the field of financial leasing. ALC seeks to maintain a leading position in its field offering unique advantages to its customers.

General Manager: Sufian Deriah

Contact Information

E-mail: info@alc.com

Headquarters

Ramallah, Al-Ayyam Street, Industrial Zone, Beitunia

Tel: +970 2 298 0026

Qudra

Qudra Renewable Energy Solutions Company

Developing innovative and sustainable solutions in the field of renewable energy

Established in 2020 as a joint venture between APIC and Bank of Palestine, Qudra aims to invest in Palestine's natural resources and provide integrated engineering solutions to produce clean electricity, contributing to sust

The company implements integrated solar energy projects, including design, supply, supervision, implementation, and quality control inspections for all project phases, in addition to after-sales services. The company employs a highly qualified engineering team and experts, using the latest systems and in accordance with the best international standards.

Since its founding, Qudra has sought to develop the renewable energy production sector in Palestine. To date, it has developed more than 19 megawatts of ground-based solar energy projects, generating electricity in several areas across Palestine. The company's largest plant, located in the village of Deir Abu Mash'al, Ramallah, has a capacity of 8.3 megawatts. It is the largest in Palestine to date and has been operational since September 2023. The next plant, located in the village of Jamala, Ramallah, has a capacity of 7.4 megawatts and has been operational since mid-2024. Qudra holds the largest share of these projects and has entered into several power sales agreements with local electricity distribution companies.

General Manager: Abdulrahman Hijawi

Contact Information

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Website: www.qudra.ps

Headquarters

Industrial Zone, Ramallah, Palestine

Phone: +970 2 2922446

Sustainability & Environmental and Social Responsibility

APIC group places significant importance on sustainability by adopting the highest standards of environmental, social, and corporate governance (ESG) principles and practices. By integrating ESG considerations across its subsidiaries, APIC aims to drive positive change and generate value not only for shareholders but also for the communities within which it operates and beyond. Sustainability considerations have been integrated into various aspects of the business operations of APIC, from strategic decision-making to risk management and stakeholder engagement in an effort to achieve a balance between financial performance and its societal and environmental responsibilities, with a steadfast commitment to long-term sustainability.

The second Sustainability Report of APIC Group for the year 2024 has been issued, marking a significant milestone in the company's sustainability journey. This comprehensive report offers stakeholders detailed insights into the group's performance, initiatives, and achievements throughout the year. It includes in-depth analyses of APIC's sustainability endeavors across the ESG spectrum. Furthermore, the report underscores the group's dedication to transparency and accountability by adhering to Global Reporting Initiative (GRI) standards, ensuring that its sustainability performance is accurately measured, monitored, and communicated to stakeholders

To read the full sustainability report, please visit the following link: www.sustainability.apic.ps or scan the following QR code:

Social responsibility... a national and humanitarian duty, and a long-term investment

APIC invests the equivalent of 20% of its net profits for the year 2024 in Corporate Social Responsibility, amounting to USD 1.6 million

APIC group continues its support for the communities within which it operates through its proactive funding of institutions with a meaningful and effective vision in the charitable humanitarian and relief fields, with a focus on orphans, persons with disabilities, low-income families, vulnerable groups, including women, children, and the elderly, and institutions of education, health, youth, and entrepreneurial sectors.

In 2024, APIC contributed, through financial and in-kind support for seventy organizations, approximately USD 1.6 million, which is equivilent to 20% of the company's net profit. Emergency aid to Gaza continued to alleviate the suffering of our people and meet their basic needs of food, drink, and mental health aid.

APIC's strategic and effective Corporate Social Responsibility program stems from its understanding of the importance of participating and contributing as a national and humanitarian duty and as a long-term investment to achieve social, economic, and environmental sustainability, and to build and empower resilient societies able to face all circumstances and challenges.

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Financial Performance 2024

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Chairman of the Audit Committee Statement

Dear Shareholders,

It is my pleasure to present an overview of the Audit Committee's activities during 2024. These activities included oversight of financial reporting, internal controls, risk management, and the work done by of the Internal Audit Department, in addition to ongoing interactions with the company's internal and external auditors. Throughout 2024, the committee maintained its essential role in:

1. Strengthening Corporate Governance and Transparency

In light of the ongoing challenges facing Palestine and the region, our core objective remains centered on transparency and strong corporate governance to ensure compliance with the highest standards of practices. During this year, the Audit Committee focused on enhancing the internal control environment, improving internal audit processes, and boosting audit efficiency. This included:

- Monitoring and evaluating the group's financial position
- Proposing amendments to the group's financial and regulatory systems
- Overseeing the accuracy of the group's consolidated financial statements and reports
- Overseeing the performance of internal controls and ensuring their efficiency and effectiveness
- Overseeing the group's compliance with statutory and regulatory requirements
- Supervising cases related to whistleblowing reports
- Confirming the qualifications of the group's internal auditors and evaluating their performance

2. Business Continuity During Ongoing War on Gaza

In response to the ongoing war on Gaza and the accompanying economic, political, and social challenges, the committee undertook additional measures to safeguard business continuity and mitigate associated risks. These efforts included enhancing the group's business continuity strategies through the review and updating of emergency response plans to ensure effective and timely actions across subsidiaries and to support the sustainability of operations. Further measures involved close coordination with regulatory bodies, proactive monitoring of supply chains and procurement processes, reinforcement of cybersecurity measures, and strengthening of human resource management.

3. Risk Assessment and Enhancement of Internal Audit Processes

As part of our continued commitment to strengthening risk management and reinforcing the principles of corporate governance, a comprehensive risk assessment was conducted jointly by the group's Internal Audit Department and the internal audit consultant, PricewaterhouseCoopers (PwC). This assessment aimed to align identified risks with business operations across the group and update risk registers to ensure an accurate reflection of the group's current risk profile. The assessment encompassed a wide range of risk categories, including strategic, financial, information technology, governance and compliance, and operational risks. As part of this assessment, a risk appetite framework was developed to define the level of risk the group is willing to accept in alignment with its operational and investment strategy

Based on the results, an integrated three-year internal audit plan was developed, prioritizing high-risk areas to enhance audit effectiveness across all functions. The first cycle of the audit plan comprised 56 audit engagements across multiple departments, including finance, sales and marketing, procurement, inventory, supply chain, operations covering manufacturing, quality assurance, quality control, maintenance, safety, and research and development, as well as information systems.

4. Compliance and Integrity

The committee renewed its commitment to upholding the integrity and accuracy of financial reporting, overseeing regulatory compliance, and fostering a culture of accountability and transparency. Whistleblowing mechanisms were further enhanced to support a fair and open work environment. Notably, no serious concerns or reports were submitted through these channels during the past year.

Key Resolutions and Approvals by the Audit Committee

During 2024, the Audit Committee approved the following:

- The consolidated audited financial statement of the group for 2023, audited by the external auditor
- The consolidated interim (quarterly) financial reports of the group for 2024, reviewed by the external auditor
- Risk assessment report, updated risk register, and audit plan, based on the comprehensive risk assessment conducted in collaboration with PwC, ensuring alignment with the group's strategy and future goals.
- The renewal of the agreement with PricewaterhouseCoopers to continue providing internal audit consultancy services to the group's companies
- Recommended to the Board of Directors to appoint Deloitte & Touche as the external auditor for the year 2024.

Looking Ahead to 2025

As we move into 2025, the Audit Committee reaffirms its dedication to enhancing the efficiency of internal audits, strengthening control frameworks, and advancing risk management strategies. The committee will continue to monitor the implementation of business continuity plans, ensuring the group's readiness to navigate potential challenges and maintain operational resilience. In addition, the committee will maintain its proactive approach to monitoring and responding to regulatory and operational developments to ensure sustained compliance. Additionally, we will focus on strengthening information security and data protection across APIC and its subsidiaries. At the same time, the committee will continue to enhance the internal control environment and foster a culture of compliance and transparency to support the group's strategic objectives and reinforce shareholder confidence.

In conclusion, I would like to extend my sincere gratitude to the Board of Directors, the executive management team, and my colleagues on the Audit Committee for their continued cooperation.

Our firm commitment to governance and effective risk management will continue to drive APIC toward greater success and sustainability.

Dr. Mazen Hassouneh

Chairman of the Audit Committee

CFO Statement 2024

Dear Shareholders,

We would like to share with you the the audited consolidated financial statements of APIC group for the year 2024. The data shows that the group achieved total revenues of USD 1.12 billion in 2024, marking a decline by 5.3% compared to 2023. The profit from operations reached around USD 50.17 million, which is less by %10.4 from the previous year. This decline is attributed to the challenging circumstances we witnessed in Palestine and the region during the year, in addition to the impact of implementing the international accounting standard IAS # 29 related to the hyperinflation on the results of Siniora's Turkish subsidiary Polonez. The group's earnings before interest, taxes, depreciation, and amortization (EBITDA) for 2024 amounted to approximately USD 64.52 million, a drop of 10.8% year on year.

The group's consolidated net profits for 2024 amounted to around USD 8.11 million, representing a decrease of 57.4% compared to 2023. The main factors contributing to the decline in profits in 2024 compared to 2023 include the 5.3% drop in revenues, an increase in financing costs by around by USD 3 million, and a greater negative impact of about USD 3.5 million from the application of IAS # 29 on the performance of the Turkish subsidiary. The net profits attributed to APIC shareholders from the group's consolidated net profits amounted to USD 8.03 million in 2024, marking a 54.7% decline year on year.

The Group's administrative, general, selling, and distribution expenses increased by 6.1% in 2024 compared to 2023, partly due to the application of IAS #29. Depreciation expenses also rose by 8.4%, while financing expenses and borrowing costs increased by 9.5%, primarily due to a higher average interest rate, and the cost of additional borrowing associated with expansion and working capital financing. Administrative and general expenses in 2024 also included social responsibility donations of approximately USD 1.6 million.

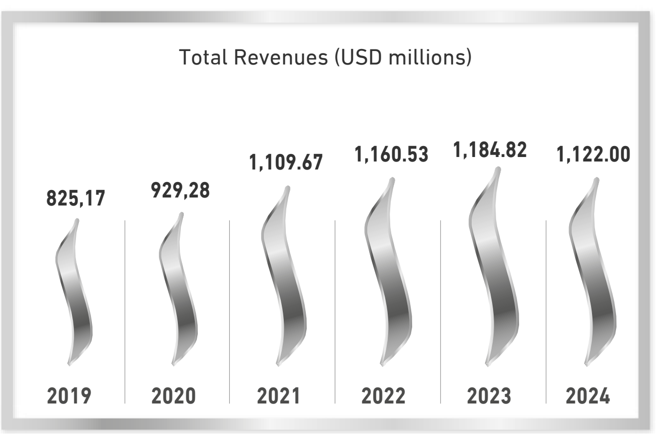
Consolidated Financial Position

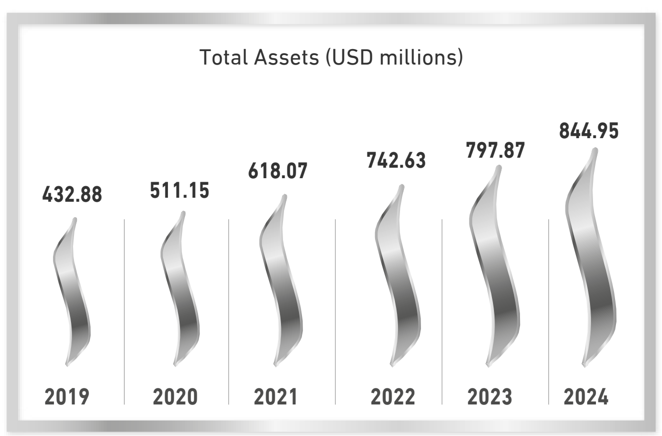
At the end of 2024, the group's total assets reached USD 844.9 million, an increase of 5.9% compared to 2023's closing. Current assets reached USD 501.7 million, an annual increase of 4.0%. Meanwhile, total current liabilities reach around USD 450.2 million, an increase of 17.3% year one year. Accordingly, the group's liquidity ratio at the end of 2024 was 1.1.

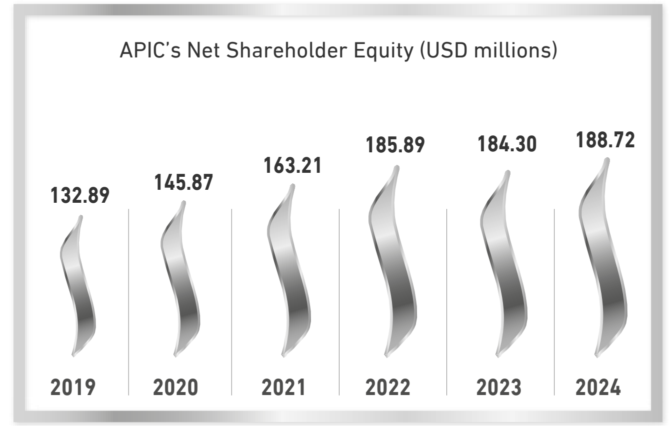
The group's borrowing and finances from banks increased by 7.7% over 2023's closing and reached USD 426.0 million at the end of 2024.

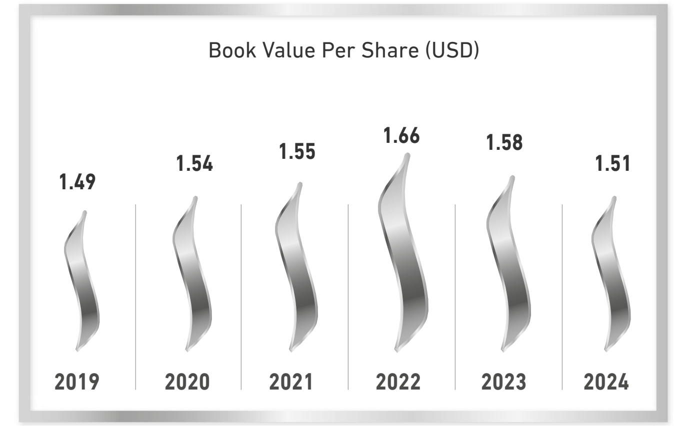
Net shareholders' equity rights, including non-controlling interests, amounted to USD 229.9 million at the end of 2024, an increase of 7.8% over 2023. Owner equity attributed to APIC shareholders reached USD 188.7 million, an increase of 2.4% compared to 2023. In 2024, no cash dividends were distributed to shareholders. However, the company's capital was increased by eight million shares by increasing the number of issued shares from 117 million to 125 million shares through the distribution of 8 million as stock dividends to APIC shareholders.

The following charts illustrate the company's key financial indicators and information between 2019 and 2024:









Discrepancy Between Initial Disclosure and Final Audited Results

On February 13, 2025, APIC disclosed its consolidated preliminary financial statements for 2024 before being audited by the external auditor. Upon the release of the audited consolidated financial statements, no significant differences or variances have been observed in the results compared to the primary disclosed financial statements. However, there were some reclassifications and reorganizations of accounts and certain figures in the income statement and balance sheet according to the classification criteria adopted by the auditors. There were also adjustments of some numbers related to the final reconciliation in the group companies, and the elimination of certain intra-group transactions that appeared in the final settlements.

Furthermore, the comprehensive income statement was adjusted in accordance with International financial reporting standards to properly present the fair value of the investment and the impact of currency differences resulting from the cost of investment in the Turkish company Polonez. These adjustments also reflect the implications of implementing IAS #29.

Khaled Baradei

Chief Financial Officer

ARAB PALESTINIAN INVESTMENT COMPANY
(HOLDING COMPANY)
BRITISH VIRGIN ISLANDS

CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2024
TOGETHER WITH THE INDEPENDENT
AUDITOR'S REPORT

ARAB PALESTINIAN INVESTMENT COMPANY
(HOLDING COMPANY)
BRITISH VIRGIN ISLANDS
DECEMBER 31, 2024

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Deloitte.

INDEPENDENT AUDITOR'S REPORT

AM / 006655

To the Shareholders of
Arab Palestinian Investment Company (Holding Company)
British Virgin Islands

Report on the Audit of the Consolidated Financial Statements

Opinion
We have audited the consolidated financial statements of Arab Palestinian Investment Company (Holding Company) and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at December 31, 2024, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in owners' equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material aspects, the consolidated financial position of the Group as at December 31, 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Hashemite Kingdom of Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters, in our professional judgment, are the most significant matters in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Deloitte.

Key audit matter	How our audit addressed the key audit matter
Impairment of goodwill and trademarks As of December 31, 2024, the book value of goodwill and trademarks amounted to approximately USD 45 million, which represents 5% of the total assets. It is considered that the useful life of the trademarks is indefinite. In accordance with International Accounting Standard 36 Impairment of Assets, the Group annually assesses the impairment of goodwill that has been acquired through the business combinations and intangible assets that have indefinite useful lives, regardless of whether there is any indication of impairment. Impairment charges are recognized in the consolidated statement of profit or loss when the recoverable amount is less than the carrying amount. As disclosed in note (15) of the consolidated financial statements, the determination of the recoverable amount is based on discounted future cash flows. We considered impairment of goodwill and trademarks as a key audit matter, considering the method for determining the recoverable amount and the significance of the amount in total for the Group's consolidated financial statements. In addition, the calculation of the recoverable amount requires the management to apply significant judgements and make significant estimates, in particular, expectations of future cash flows and an estimate of the discount rate and long-term growth rate. Refer to notes (2 and 15) for more details relating to this matter.	We familiarized ourselves with the process implemented by the Group to determine the recoverable amount of goodwill and trademarks allocated to Cash-Generating Units (CGU). Our work consisted of: • evaluating the controls over the Group's testing of goodwill and trademarks for impairment to determine if they had been appropriately designed and implemented; • assessing the principles and methods used for determining the recoverable amounts of the CGU to which the goodwill and trademarks are allocated and assessing that the methods used are in accordance with the requirements of IAS 36; • reconciling the net carrying amount of goodwill and trademarks allocated to the CGU with the Group's accounting records; • engaging our internal valuation specialist to assess the discount rate applied by benchmarking against independent data, the valuation methodology, value in use calculations, and terminal growth rate; • substantiating by interviews with management the key assumptions on which budget estimates underlying the cash flows used in the valuation models are based. For this purpose, we also compared the estimates of cash flow projections of previous periods with actual corresponding results, to assess the pertinence and reliability of the process for making forecasts; • substantiating the results of sensitivity analyses carried out by management by comparing them to those realized by us; • verifying the arithmetical accuracy of the valuations used by the Group. We also assessed the disclosures in the consolidated financial statements relating to this area against the requirements of IFRS Accounting Standards.

Key audit matter	How our audit addressed the key audit matter
Hyperinflation accounting of Turkish subsidiary As disclosed in note 2 in the consolidated financial statements, the economy of the Republic of Turkey is deemed a hyperinflationary economy in accordance with the requirements of IAS 29 Financial Reporting in Hyperinflationary Economies ("IAS 29"). The Group performed the hyperinflation calculations which included utilizing the consumer price indexes as a key input into the calculations. The financial results of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products, a subsidiary located in the Republic of Turkey, are translated to the Group's reporting currency using the official exchange rate published by the Central Bank of the Republic of Turkey as at 31 December 2024. The loss on the monetary position is calculated as the difference resulting from the restatement of net non-monetary assets, equity and items in the statement of profit or loss and other comprehensive income and the adjustment of index linked assets and liabilities. The application of IAS 21 The Effects of Changes in Foreign Exchange Rates ("IAS 21") in conjunction with the application of IAS 29 resulted in a net monetary loss of USD 1.7 million, which was recognized in profit or loss, and other comprehensive income of USD 4.2 million. The application of the requirements of IFRSs relative to hyperinflation and the assessment of the applicable exchange rate were areas that required significant auditor attention. Given the significance of the quantitative impact, the complexities associated with hyperinflationary accounting and the extent of audit effort required, the application of hyperinflation accounting for the Group's operations located in the Republic of Turkey and the related disclosures were deemed to be a Key Audit Matter.	We have reviewed the procedures performed by the Group to implement international account standard no (29). Our procedures performed included the following: • We obtained an understanding of the process implemented by the Group to determine the hyperinflation adjustments and disclosures. • We assessed the controls over this area to determine if they had been designed and implemented appropriately. • We utilized our internal IFRS accounting specialists to conclude on the appropriate application of IAS 21 and IAS 29. • We assessed the inputs into the hyperinflation calculations with specific emphasis on the consumer price indices used by agreeing them to independent sources. • We reperformed the mathematical accuracy of the hyperinflation adjustments. • We determined if the exchange rates used to translate the results of Tarakya Company for the Manufacture and Trade of Meat and Dairy Products financial statement were determined in accordance with the requirements of IFRS Accounting Standards. We assessed the disclosure in the consolidated financial statements relating to this area against the requirements of IFRS Accounting Standards.

Deloitte.
Independent Auditor's Report (Continued)
Arab Palestinian Investment Company (Holding Company)
For the Year Ended December 31, 2024

Other Matter
The accompanying consolidated financial statements are a translation of the statutory financial statements which are in the Arabic Language to which references should be made.

Other Information
Management is responsible for the other information. The other information comprises the other information in the annual report but does not include the consolidated financial statements and the independent auditors' report thereon. that the other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements
Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control of the Group.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on effectiveness of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidences obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguard procedures.

From the matters communicated with those charged with governance, we determine those matters of most significance in the audit of the consolidated financial statements of the current year, and are therefore, the key audit matters. We describe these matters in our auditor's report unless law and regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Group maintains proper accounting records duly organized and in line with the accompanying consolidated financial statements. We recommend that the General Assembly of Shareholders approve these consolidated financial statements.

Deloitte & Touche (M.E) – Jordan
March 29, 2025

Amman – Hashimite Kingdom of Jordan

Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
010105

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

		December 31	
Assets	**Note**	**2024**	**2023**
Current Assets		**USD**	**USD**
Cash on hand and at banks	5	44,281,176	35,321,181
Accounts receivable and short term cheques under collection - net	6	213,118,947	207,078,218
Inventory - net	7	145,110,922	154,423,049
Due from related parties	36	1,788,703	413,403
Financial assets at fair value through profit or loss	8	12,575,437	11,106,364
Other debit balances	9	62,583,835	66,367,798
Leasing contracts receivable - short term	10	5,179,465	7,683,566
Financial hedging instruments assets - short term	39	7,247,800	-
Assets classified as held for sale	1	9,768,104	-
Total Current Assets		**501,654,389**	**482,393,579**
Non-Current Assets			
Leasing contracts receivable - long term	10	12,012,141	11,893,109
Cheques under collection - long term	11	9,781,041	8,337,598
Deferred tax assets	23	3,914,430	3,380,090
Financial hedging instruments assets	39	-	7,726,600
Right of use assets - net	12	15,085,925	15,389,299
Financial assets at fair value through other comprehensive income	13	49,002,674	46,415,688
Investment in land	14	819,127	1,040,845
Intangible assets - net	15	49,132,015	44,137,164
Investment in associates and joint ventues	16	13,939,925	10,341,002
Property and equipment - net	17	145,344,743	140,090,358
Projects under construction	18	44,261,004	26,725,263
Total Non-Current Assets		**343,293,025**	**315,477,016**
Total Assets		**844,947,414**	**797,870,595**
Liabilities and Shareholders' Equity			
Current Liabilities			
Accounts payable		77,148,299	84,418,650
Due to banks	19	98,015,637	91,169,109
Notes payable and postdated cheques - short term	20	4,088,751	5,543,430
Due to related parties	36	727,335	776,472
Lease liabilities - short term	12	4,017,771	4,560,464
Loans installments - short term	21	131,730,996	149,611,576
Other credit balances	22	47,034,002	41,727,279
Income tax provision	23	6,395,851	6,019,984
Bonds payable - short term	25	72,495,600	-
Financial hedging instruments liabilities - Short-term	39	7,959,000	-
Liabilities directly associated with assets classified as held for sale	1	633,680	-
Total Current Liabilities		**450,246,922**	**383,826,964**
Non Current Liabilities			
End of service indemnity provision	24	23,268,658	22,162,073
Bonds payable - long term	25	80,000,000	73,453,200
Deferred tax liabilities	2	6,758,000	5,314,093
Lease liabilities - long term	12	11,021,329	10,754,608
Financial hedging instruments liabilities	39	-	7,959,000
Loans installments - long term	21	43,761,614	81,231,938
Total Non-Current Liabilities		**164,809,601**	**200,874,912**
Total Liabilities		**615,056,523**	**584,701,876**
Owners' Equity			
Authorized capital is 125,000,000 shares at a par value of $1 per share	1	**125,000,000**	**125,000,000**
Shareholders' Equity			
Paid up capital	1 / B	125,000,000	117,000,000
Share premium		12,103,000	12,103,000
Retained earnings		64,861,930	69,111,965
Cumulative change in fair value		(8,549,548)	(1,832,108)
Property and equipment revaluation reserve	26	12,231,134	12,128,138
Foreign currency translation effect		(3,761,270)	(5,590,321)
Difference on the purchase of minority interest	2	(13,163,295)	(18,625,172)
Total shareholders' equity		**188,721,951**	**184,295,502**
Non controlling interest	27	41,168,940	28,873,217
Total Owners' Equity		**229,890,891**	**213,168,719**
Total Liabilities and Owners' Equity		**844,947,414**	**797,870,595**

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

ARAB PALESTINIAN INVESTMENT COMPANY

(HOLDING COMPANY)

BRITISH VIRGIN ISLANDS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Note	For the Year Ended December 31 2024	2023
		USD	USD
Net sales		1,111,908,274	1,177,307,382
Less: Cost of sales		(961,580,309)	(1,025,723,446)
Gross Profit from sales	28	**150,327,965**	**151,583,936**
Services revenue		10,095,313	7,511,124
Less: Cost of services		(7,641,778)	(5,851,922)
Net Service revenue		**2,453,535**	**1,659,202**
Gross Profit from sales and service		**152,781,500**	**153,243,138**
(Less): General and administrative expenses	29	(57,865,414)	(56,809,946)
Selling and distribution expenses	30	(44,741,841)	(40,415,200)
Profit from Operations		**50,174,245**	**56,017,992**
Gain (loss) from financial assets at fair value through profit or loss		447	(297,684)
Depreciation of right of use assets	12	(5,252,318)	(5,102,575)
Interest on lease liabilities	12	(491,074)	(882,193)
Dividends from financial assets at fair value through other comprehensive income	31	357,470	1,479,140
Interest and borrowing cost		(30,881,970)	(27,956,155)
Group's share of associates and joint ventures (loss) profit	16	(436,334)	342,458
Other revenue - net		2,843,160	492,781
Profit for the year before income tax and monetary gain resulting from hyperinflation		**16,313,626**	**24,093,764**
Income tax expense - the holding company and its subsidiaries	23	(6,214,336)	(6,915,186)
Profit for the year before monetary gain resulting from hyperinflation		**10,099,290**	**17,178,578**
Add: Net monetary (loss) gain resulting from hyperinflation		(1,697,004)	445,805
Profit of the year from continuing operations		**8,402,286**	**17,624,383**
Add: (loss) gain resulting from discontinued operations	1	(293,794)	1,409,317
Profit for the year		**8,108,492**	**19,033,700**
Attributable to:			
Holding company shareholders	38	8,026,005	17,715,497
Non-controlling interest	27	82,487	1,318,203
Profit for the Year		**8,108,492**	**19,033,700**
Earnings per share attributable to the holding company shareholders from continuing operations	38	0.066	0.135
(Loss) earnings per share for the year attributable to shareholders of the holding company from discontinued operations	38	(0.001)	0.007

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ARAB PALESTINIAN INVESTMENT COMPANY

(HOLDING COMPANY)

BRITISH VIRGIN ISLANDS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the Year Ended December 31 2024	2023
	USD	USD
Profit for the year	8,108,492	19,033,700
Other Comprehensive Income Items:		
Other comprehensive income items which are transferable to the consolidated statement of profit or loss:		
Change in fair value - property and equipment revaluation reserve / land	328,301	834,848
Change in fair value - financial assets at fair value through other comprehensive income	(4,317,440)	(6,576,360)
Foreign currency translation effect	5,692,771	(424,478)
Total Comprehensive Income for the Year	**9,812,124**	**12,867,710**
Total Comprehensive Income Attributable to:		
Holding company shareholders	5,544,448	11,930,096
Non-controlling interest	4,267,676	937,614
Total Comprehensive Income for the Year	**9,812,124**	**12,867,710**

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

AND SHOULD BE READ WITH THEM AND WITH THE INDEPENDENT AUDITOR'S REPORT.

ARAB PALESTINIAN INVESTMENT COMPANY
(HOLDING COMPANY)
BRITISH VIRGIN ISLANDS
CONSOLIDATED 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
For the Year Ended December 31, 2024	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**	**USD**
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	-	-	-	(4,317,440)	-	-	-	(4,317,440)	-	(4,317,440)
Change in fair value - property and equipment revaluation reserve / land	-	-	-	-	328,301	-	-	328,301	-	328,301
Foreign currency translation effect	-	-	-	-	-	1,507,582	-	1,507,582	4,185,189	5,692,771
Profit for the Year	-	-	8,026,005	-	-	-	-	8,026,005	82,487	8,108,492
Total comprehensive income for the year	**-**	**-**	**8,026,005**	**(4,317,440)**	**328,301**	**1,507,582**	**-**	**5,544,448**	**4,267,676**	**9,812,124**
Increase in paid up capital **	8,000,000	-	(8,000,000)	-	-	-	-	-	-	-
Other	-	-	(4,276,040)	(2,400,000)	-	-	5,461,877	(1,214,163)	(100,801)	(1,314,964)
Net change in non controlling interest *	-	-	-	-	(225,305)	321,469	-	96,164	8,128,848	8,225,012
Balance as of December 31, 2024	**125,000,000**	**12,103,000**	**64,861,930**	**(8,549,548)**	**12,231,134**	**(3,761,270)**	**(13,163,295)**	**188,721,951**	**41,168,940**	**229,890,891**
For the Year Ended December 31, 2023										
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	-	-	-	(6,576,360)	-	-	-	(6,576,360)	-	(6,576,360)
Change in fair value - property and equipment revaluation reserve / land	-	-	-	-	732,551	-	-	732,551	102,297	834,848
Foreign currency translation effect	-	-	-	-	-	58,408	-	58,408	(482,886)	(424,478)
Profit for the Year	-	-	17,715,497	-	-	-	-	17,715,497	1,318,203	19,033,700
Total comprehensive income for the year	**-**	**-**	**17,715,497**	**(6,576,360)**	**732,551**	**58,408**	**-**	**11,930,096**	**937,614**	**12,867,710**
Increase in paid up capital ***	5,000,000	-	(5,000,000)	-	-	-	-	-	-	-
Distributed dividends ***	-	-	(10,640,000)	-	-	-	-	(10,640,000)	-	(10,640,000)
Other	-	-	(2,880,690)	-	-	-	-	(2,880,690)	(922,220)	(3,802,910)
Net change in non controlling interest *	-	-	-	-	-	-	-	-	(2,378,237)	(2,378,237)
Balance as of December 31, 2023	**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**

* This item represents the net change in non-controlling resulting form the decrease in the share of non-controlling interest in the capital of some of the subsidiaries during the years 2024 and 2023.

** The general assembly has decided in its non ordinary meeting held on May 15, 2024 to increase the Company's paid up capital by USD 8 million by distributing stock dividends to shareholders .

*** The general assembly has decided in its meeting held on 8 May 2023 to increase the company's capital by 5 million USD through the distribution of stock dividends, in addition to a cash dividends of USD 10.64 million (Representing 9.5% of the Company's paid up capital on that date).

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

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

	Note	For the year ended December 31, 2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES:		**USD**	**USD**
Profit for the year before tax and after monetary gain resulting from hyperinflation		14,616,622	24,539,569
(loss) gain for the year resulting from discontinued operations		(293,794)	1,538,712
Adjustments for:			
Depreciation of property and equipment	17	13,569,241	12,423,258
Depreciation of right of use assets	12	5,252,318	5,492,349
Interest on Lease Liabilities	12	491,074	882,193
Unrealized (gain) loss from financial assets at fair value through profit and loss		(447)	297,684
Loss (gain) from investment in associates and joint ventures	16	436,334	(342,458)
Provision for expected credit loss	6	1,613,809	2,339,901
Provision for slow moving inventory	7	1,311,464	1,693,633
Provision for end of service indemnity	24	2,884,980	2,856,549
The effect of the change in financial hedging instruments positions		478,800	(233,100)
Loss from the sale of property and equipment		336,078	264,165
Net monetary loss (gain) resulting from hyperinflation		1,697,004	(445,805)
Provision for uncollected lease contracts	10	-	293,600
Cash Flows from Operating Activities before Changes in Working Capital		**42,393,483**	**51,600,250**
(Increase) in accounts receivable, cheques under collection and other debit balances		(6,773,686)	(25,935,681)
Decrease (increase) in inventory		8,000,663	(11,118,001)
Change in the related parties balance		(1,424,437)	1,210,576
Decrease in leasing contracts receivable		2,385,069	628,448
(Decrease) increase in accounts payable and other credit balances		(1,963,628)	2,456,540
Net Cash Flows from Operating Activities before End-of-Service Indemnity and Income Tax Paid		**42,617,464**	**18,842,132**
Paid from end-of-service indemnity provision	24	(1,778,395)	(1,198,933)
Paid from Income tax provision	23	(6,227,956)	(8,638,004)
Net Cash Flows from Operating Activities		**34,611,113**	**9,005,195**
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Increase) in financial assets at fair value through profit or loss		(1,468,626)	(7,277,379)
(Increase) in financial assets at fair value through other comprehensive income		(6,904,426)	(1,689,586)
Net change in investment in associates and joint ventures		(4,035,257)	1,960,053
(Increase) in property, plant, equipment, and projects under execution	17 and 18	(37,722,405)	(31,406,152)
(Increase) in assets classified as held for sale	1	(9,768,104)	-
Increase in liabilities directly associated with assets classified as held for sale	1	633,680	-
Proceeds from the sale of property and equipment		3,474,174	504,694
Lease liabilities (settled)	12	(4,432,554)	(5,369,038)
Change in intangible assets - net		(4,994,851)	883,802
Net Cash Flows (used in) Investing Activities		**(65,218,369)**	**(42,393,606)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Distributed dividends		-	(10,640,000)
Increase in due to banks	19	6,846,528	24,421,685
(Decrease) Increase in loans, cheques and notes payable		(56,805,583)	25,859,957
Net change in bonds payable	25	79,042,400	466,200
Net change in non - controlling interest, foreign currency translation effect and others		10,483,906	(4,035,860)
Net Cash Flows from Financing Activities		**39,567,251**	**36,071,982**
Net increase in cash		8,959,995	2,683,571
Cash on hand and at banks- beginning of the year		35,321,181	32,637,610
Cash on Hand and at Banks- End of the Year	5	**44,281,176**	**35,321,181**
Non Cash Items			
Property and equipment revaluation effect	17 and 26	328,301	834,848
Written off debts	6	563,609	-
Increase in paid up capital (dividend distribution)	1	8,000,000	5,000,000
Transferred from projects under construction to property and equipment	17 and 18	13,107,033	5,814,417
Inventory write-off	7	888,388	896,153

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

ARAB PALESTINIAN INVESTMENT COMPANY
(HOLDING COMPANY)
BRITISH VIRGIN ISLANDS
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General

a. Arab Palestinian Investment Company (Holding Company) was established on September 20, 1994 and registered in the British Virgin Islands under Number (128626), The company's authorized capital amounted to USD 125 million divided into 125 million shares at a par value of one USD Dollar per share.

b. On May 15, 2024, the Company's General Assembly has approved in its meeting the increase of the Company's paid-up capital by USD 8,000,000 by capitalizing part of retained earnings and distributing it to the shareholders as stock dividends, increasing the Company's paid-up capital to become USD 125,000,000.

Approval of the regulatory authorities was obtained from British virgin island and the specialized parties at Palestine including Palestine Capital Markets Authority (PCMA) and Palestine Exchange (PEX) regarding the adjustments mentioned above to the company's paid-up capital.

During the year 2024, the group took all required actions under Palestinian law to transfer the group's headquarters from the British Virgin Islands to Palestine. The group is currently working to complete the necessary transfer procedures related to those islands.

c. The Company's main objectives include the management of its subsidiary companies; participating in the management of other investee companies; investing in shares, bonds, and securities as well as granting loans, guarantees, and financing its subsidiaries.

d. The headquarter of the company is located at Ikram Street, Dabouq, P.O. Box 941489, 11194 Amman – Jordan.

e. During the year 2013, the Company's General Assembly approved the conversion of the Company's legal status from a foreign Private Shareholding Company to a Foreign Public Company and to list the Company's shares at Palestine's stock exchange, The procedures for the conversion were completed on January 15, 2014, The Company's shares were listed on Palestine's stock exchange on March 2, 2014.

f. The Company's consolidated financial statements were approved by the Board of Directors on March 28, 2025.

g. The consolidated financial statements include the Company's financial statements and the following subsidiaries' financial statements, after eliminating intercompany balances and transactions:

	December 31, 2024		December 31, 2023			
Company Name	**Paid-up Capital USD**	**Equity Share %**	**Paid-up Capital USD**	**Equity Share %**	**Ownership Date**	**Main Activity**
Arab Palestinian Storage and Cooling Company	4,500,000	71/11	4,500,000	71/11	1997	Management of refrigerated stores
Medical Supplies and Services Company (consolidated)	20,000,000	100	20,000,000	100	1998	Trade of medicine and medical supplies
Unipal General Trading Company (consolidated)	7,042,253	100	7,042,253	100	1998	General trading
National Aluminum and Profiles Company	15,514,810	77/02	15,514,810	77/02	1995	Manufacturing of aluminum
Palestine Automobile Company	20,000,000	100	20,000,000	100	1998	Trading of cars
SKY Advertising, Public Relations, and Events company (consolidated)	845,068	100	845,068	100	2000	Advertising, public relations and events
Siniora Food Industries Company (consolidated) *	46,121,298	60/14	39,492,243	65/63	1996	Food industries
Jericho Natural and Mineral Water Factory Company	4,803,734	85	4,803,734	85	2001	Natural and mineral water
Arab Leasing Company	6,000,000	100	6,000,000	100	2015	Financial Leasing
Arab Palestinian Investment Company / Jordan (Exempted)	70,400	100	70,400	100	2011	Trading of cars and commercial agencies
APIC Gulf Investments	40,000	100	40,000	100	2019	Investment and asset management

* On 15 February 2024, the Board of Directors of Trakia Meat and Dairy Industry Company approved an increase in the company's capital by 320 million Turkish lira in favor of Siniora Food Industries Company - Jordan, raising the company's share from 83.8% to 88.06%, an increase of 4.2%. The General Assembly approved the Board of Directors' decision on 24 April 2024, and the legal procedures were completed with the relevant authorities in the Republic of Turkey on 16 May 2024. Furthermore, the Board of Directors of Trakia Meat and Dairy Industry and Trade Company, in its meeting held on 16 July 2024, approved an increase in the company's capital by 132 million Turkish lira, raising the company's share from 88.06% to 88.96%, an increase of 0.9%. The General Assembly approved the decision to increase the company's capital on 5 August 2024, and the legal procedures were completed on 20 August 2024.

The subsidiaries important financial information for the year 2024 and 2023 before eliminating intercompany balances and transactions were as follows:

	December 31, 2024		For the year 2024	
	Total Assets	Total Liabilities	Total Revenue	Total Expenses
	USD	USD	USD	USD
Arab Palestinian Storage and Cooling Company	501,132	3,629,759	-	161,878
Medical Supplies and Services Company (consolidated)	204,874,899	162,017,766	128,262,028	126,206,729
Unipal General Trading Company (consolidated)	179,015,285	121,176,202	727,267,405	707,131,642
National Aluminum and Profiles Company	61,521,457	41,850,030	21,035,316	24,311,148
Palestine Automobile Company	67,598,429	36,189,497	34,970,859	35,101,211
SKY Advertising, Public Relations, and Events company (consolidated)	7,128,887	4,699,660	8,699,745	8,197,858
Siniora Food Industries Company (consolidated)	244,078,262	160,007,948	228,401,766	225,146,295
Jericho Natural and Mineral Water Factory Company	-	69,370	-	10,500
Arab Leasing Company	26,067,878	16,214,124	3,019,367	2,470,552
Arab Palestinian Investment Company / Jordan (Exempted)	1,081,516	167,916	44,450	39,073
APIC Gulf Investments	3,917,140	7,772,762	-	888,432

	December 31, 2023		For the year 2023	
	Total Assets	Total Liabilities	Total Revenue	Total Expenses
	USD	USD	USD	USD
Arab Palestinian Storage and Cooling Company	690,265	3,390,961	156,139	220,671
Medical Supplies and Services Company (consolidated)	192,128,827	148,190,265	124,602,558	124,188,180
Unipal General Trading Company (consolidated)	175,656,472	116,360,383	811,870,383	788,093,697
National Aluminum and Profiles Company	67,927,841	48,153,711	20,258,764	22,631,415
Palestine Automobile Company	79,251,634	48,290,330	53,042,125	51,096,427
SKY Advertising, Public Relations, and Events company (consolidated)	5,857,054	3,929,710	6,309,186	6,060,933
Siniora Food Industries Company (consolidated)	196,816,251	132,794,705	206,920,872	201,261,331
Jericho Natural and Mineral Water Factory Company	-	59,610	-	-
Arab Leasing Company	27,636,755	18,331,818	3,168,716	2,530,958
Arab Palestinian Investment Company / Jordan (Exempted)	1,009,586	101,363	217,574	129,973
APIC Gulf Investments	4,527,745	7,469,838	-	908,444

* On 29 July 2024, the Group voluntarily liquidated Siniora Saudi Trading Company (a subsidiary) as a result of the Group transfer of the Company's commercial operations to Siniora Food Industries Company - Saudi Arabia, which was established on 11 January 2023. Consequently, the Group presented the results of Siniora Saudi Trading Company's operations for the year ended 31 December 2024 under the item "(Loss) gain resulting from discontinued operations," as follows:

	For the year ended December 31,	
	2024	2023
	USD	USD
Net Sales	7,306,890	12,706,020
Cost of Sales	(4,967,381)	(7,047,433)
Gross Profit	**2,339,509**	**5,658,587**
Selling and distribution expenses	(1,105,906)	(2,526,379)
General and administrative expenses	(1,111,635)	(1,467,254)
End-of-service indemnity provision	(142,358)	(129,330)
Other (expenses) revenue	(24,051)	3,088
Zakat expense	(249,353)	(129,395)
Net (loss) gain from discontinued operations	**(293,794)**	**1,409,317**

The Group also classified all assets and liabilities of the company as held for sale, as follows:

Assets	**December 31, 2024**
	USD
Cash on hand and at banks	9,326,570
Accounts receivable – net	441,534
Assets classified as held for sale	**9,768,104**
Liabilities	
Deposits and accrued expenses	374,764
Income tax provision	258,916
Liabilities directly associated with assets classified as held for sale	**633,680**
Net assets classified as held for sale	**9,134,424**

No impairment losses were recognised due to the liquidation in the consolidated profit or loss statement, as the value of the assets and liabilities approximates their fair value.

The liquidation procedures with the official authorities had not been completed as of the date of issuance of these consolidated financial statements.

2. Material Accounting Policies

Basis of Preparation of the Consolidated Financial Statements:

The consolidated financial statements have been prepared in accordance with the standards issued by the International Accounting Standards Board and interpretations issued by the International Financial Standards Interpretation Committee, emanating from the International Standards Board.

The consolidated financial statements have been prepared under the historical cost principle of measurement, modified to reflect the impact of inflation in the case of companies operating in high-inflation economies.

The reporting currency of the consolidated financial statements is the US Dollar, which represents the functional currency of the Group.

The accounting policies adopted for the current year are consistent with those applied in the year ended December 31, 2023 except for the effect of the adoption of the new and revised standards mentioned in Note (4 -A) and (4-B) which have no material effect on the consolidated financial statements.

Classification of The Republic of Turkey as a hyperinflationary economy

From April 1, 2022, the Turkish economy has been considered hyperinflationary based on the criteria established by International Accounting Standard (29), *'Financial Reporting in Hyperinflationary Economies'*. This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of accumulative inflation rate of more than 100% over the previous three years.

IAS (29) requires that financial information are stated in terms of the measuring unit current at the statement of financial position date which requires restatement of non-monetary assets and liabilities to reflect the changes in the general purchasing power of the Turkish Lira. The restatements were calculated using the consumer price index in the local currency of the reporting entity before converting it to the presentation currency of the Group's financial statements.

As of December 31, 2024, the three-years cumulative index was 291% based on the Turkish Consumer Price Index (the "Consumer Price Index"). The Consumer Price Index at the beginning of the reporting period was 1,859 and closed at 2,685, resulting in an increase of 44%.

Below is a summary of the most important basic principles that have been used to apply IAS No (29) in consolidated financial statements.

- Adjustment of the historical carrying values of non-monetary assets and liabilities and the various items of equity from their date of acquisition or inclusion in the consolidated statement of financial position to the end of the reporting period to reflect the changes in purchasing power of the currency caused by inflation, according to the indices published by the Turkish Statistical Institute. The cumulative impact for previous years amounting to approximately USD 7.3 million has been reflected in equity through other comprehensive income. The Group comparative amounts are not restated since its presented in a stable currency.

- Monetary assets and liabilities, which are carried at amounts current at the date of statement of financial position, are not restated because they are already expressed in terms of the monetary unit current at the date of statement of financial position.

- Non-monetary assets and liabilities that are not shown in current amounts at the date of the statement of financial position have been restated and components of shareholders' equity using conversion factors from the date on which the transaction was created.

- All items in the statement of profit or loss are restated by applying the average conversion factors during the year except for those amounts deriving from non-monetary items, which are calculated based on the restated values of the related items.

- The effect of application indices on the Group's net monetary position is included in the statement of profit or loss as monetary gain or loss.

Hyperinflation adjustments are considered as a temporary tax difference, accordingly, deferred tax liabilities are calculated on these differences and recorded at approximately USD 6.2 million within non-current liabilities.

Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree.

Acquisition-related costs are recognized in consolidated profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- Deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 and IAS 19 respectively;

- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and

- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When the consideration transferred by the Group in a business combination includes a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Other contingent consideration is remeasured to fair value at subsequent reporting dates with changes in fair value recognized in consolidated profit or loss.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognized in other comprehensive income are reclassified to consolidated profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognized as of that date.

Basis of Financial Statements Consolidation

The consolidated financial statements incorporate the financial statements of the Holding Company and entities controlled by the Holding Company (its subsidiaries). Control is achieved when the Company:

- Has the power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affects its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than the majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power.

Among those facts and circumstances:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group gains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in consolidated income statement from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the Group and its subsidiaries are eliminated upon consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders represent ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests balance is in deficit.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Group.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in income statement is calculated as the difference between (1) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (2) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS (9) Financial Instruments when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Going Concern

The Group applies the going concern accounting basis in preparing the consolidated financial statements based on reasonable assumptions and expectations.

Financial Reporting in Hyperinflationary Economies

The financial statements of subsidiaries whose functional currencies are the currencies of hyperinflationary economies are adjusted in terms of the measuring unit current at the end of the reporting period.

In the first period of application, the adjustments determined at the beginning of the period are recognized directly in equity as an adjustment to opening retained earnings. In subsequent periods, the prior period adjustments related to components of owners' equity and differences arising on translation of comparative amounts are accounted for in other comprehensive income.

Items in the consolidated statement of financial position not already expressed in terms of the measuring unit current at the end of the reporting period, such as non-monetary items carried at cost or cost less depreciation, are restated by applying a general price index. The restated cost, or cost less depreciation, of each item is determined by applying to its historical cost and accumulated depreciation the change in a general price index from the date of acquisition to the end of the reporting period. An impairment loss is recognized in profit or loss if the restated amount of a non-monetary item exceeds its estimated recoverable amount.

At the beginning of the first period of application, the components of owners' equity, except retained earnings, are restated by applying a general price index from the dates the components were contributed or otherwise arose. Restated retained earnings are derived from all other amounts in the restated consolidated statement of financial position.

At the end of the first period and in subsequent periods, all components of owners' equity are restated by applying a general price index from the beginning of the period or the date of contribution, if later.

All items recognized in the statement of profit or loss are restated by applying the change in the general price index from the dates when the items of income and expenses were initially earned or incurred.

Gains or losses on the net monetary position are recognized in profit or loss.

All items in the consolidated statement of cash flows are expressed in terms of the general price index at the end of the reporting period.

Financial Instrument

Financial assets and financial liabilities are recognized in the Group’s consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

Financial Assets

Financial assets are recognised in the Group’s consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (except for financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All other financial assets are measured at fair value.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit–impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. For financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in consolidated statement of profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses (ECL) on trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument.

Provision for expected credit losses
The Group has adopted the simplified approach to recognize expected credit losses over the life of its receivables as permitted by IFRS 9. Accordingly, non-impaired trade receivables that do not contain a significant financing component have been classified as part of stage two with the recognition of expected credit losses over their lifetime.

A provision for the expected credit loss should be recognized over the life of the financial instrument if the credit risk on that financial instrument increases substantially since the initial recognition and the expected credit loss is an expected weighted estimate of the present value of the credit loss. This value is measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the expectation of several future economic scenarios, discounted at the effective interest rate of the asset.

The Group assesses whether there is objective evidence of impairment on an individual basis for each asset of individual value and collectively for other assets that are not individually significant.

Provisions for loss of credit losses are presented as a reduction of the total carrying amount of financial assets at amortized cost.

Write off
The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are past due by a significant period, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in consolidated statement of profit or loss.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in consolidated statement of profit or loss.

Classification as debt or equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in income statement on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities
All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through statement of profit or loss.

Financial liabilities that are not (1) contingent consideration of an acquirer in a business combination, (2) held-for-trading, or (3) designated as at fair value through profit or loss, are measured subsequently at amortised cost using the effective interest method.

Trade and other payables classified as financial liabilities are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method. Interest expenses are recognised based on effective interest rate.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities
The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised consolidated statement of profit or loss.

Investment in associate companies
An associate is an institution in which the Group has significant influence. A significant influence is the ability to participate in the financial and operating policies of the investee and not joint control or control of those policies.

The considerations used to define joint control are similar to the considerations used to determine control on subsidiary companies.

The Group's investment in the associates is recognized following the equity method.

Under the equity method, investments in associates are carried at cost, the carrying amount is adjusted for investments in the associated companies to recognize the Group's share of changes in the net assets of the associated companies as date of possession. Goodwill arising from associates is recorded as part of the investment account, is not amortized, and no action is taken for individually impairment test.

The consolidated statement of profit or loss reflects the Group's share of the results of its associate company. Any changes in the statement of comprehensive income for this investment, it is classified under the Group's consolidated statement of comprehensive income. In the event of a change in ownership rights of the associate company, these changes are found in the consolidated statement of changes in owners. Profits and losses resulting from intercompany transactions between the group and its associate companies are eliminated with amount of the group's share in associate company.

The Group's share of the profits or losses of the associate is shown in the consolidated statement of profit or loss in the operating income and represents profit or loss after tax and the rights of non-controllers in the subsidiary company of the associate company.

Dividends Income
Dividends Income is realized once the right to receive payments is acquired, which is the date before dividends are distributed for publicly listed companies, and usually the date of approval for the distribution of dividends by the shareholders of non-publicly listed companies.

The distribution of dividends income at the consolidated statement of profit and loss on the classification and measurement of the investment in shares, where in:

- Regarding equity instruments that are held for trading, Dividends income is listed on the consolidated statement of profit and loss within the Profit (Loss) from financial assets at fair value through profit and loss financial statements line, And

- As to equity instruments that are classified at fair value through other comprehensive income, Dividends income is listed on the consolidated statement of profit and loss within the dividends from financial assets at fair value through other comprehensive income financial statements line, And

As to equity instruments that are not measured at fair value through other comprehensive income and that are not held for trading, Dividends income is listed as net income from other instruments at fair value through the consolidated statement of profit and loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, considering the risks and uncertainties surrounding the obligation.

Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Fair value measurement

Fair value is defined as the a price at which an asset is to be sold or paid to convert any of the liabilities in a structured transaction between the market participants on the measurement date, irrespective of whether the price can be realized directly or whether it is estimated using another valuation technique. When estimating the fair value of an asset or liability, the Group takes into consideration when determining the price of any asset or liability whether market participants are required to take these factors into account at the measurement date. The fair value of the measurement and / or disclosure purposes in these financial statements is determined on the same basis, except for measurement measures that are similar to fair value procedures and are not fair value such as fair value as used in IAS 36.

In addition, fair value measurements are classified for the purposes of financial reporting to level (1) or (2) or (3) based on the extent to which the inputs are clear to fair value measurements and the importance of inputs to the full fair value measurements, which are identified as follows:

Input Level (1)	inputs derived from quoted (unadjusted) prices of identical assets or liabilities in active markets that the enterprise can obtain on the measurement date;
Input level (2)	inputs derived from data other than quoted prices used at level 1 and observable for assets or liabilities, either directly or indirectly; and;
Input level (3)	are inputs to assets or liabilities that are not based on quoted market prices.

Leases

The Group as a lessee

The Group should be evaluating whether the leasing contract included while starting the contract. The right of use assets and leasing obligations should be recognized by the Group regarding all leasing obligations, except for short-term leasing contracts (12 months or less) and the leasing contracts with low value, in regards to these contracts the Group should recognized to these leases as operating expense using the straight-line method over the life of the lease unless another regular basis is more representative of the time pattern in which the economic benefits from the leased assets are utilized.

The lease obligation is initially measured at the present value of the lease payments that were not paid on the start date of the lease, deducted by using the price implicit in the lease. If this rate cannot be easily determined, the Group uses its additional expected rate.

The lease payments included in the rental obligation measurement include:

- Fixed rental payments (essentially including fixed payments), minus accrued receivable rental incentives;
- Variable rental payments that depend on an index or rate, initially measured using the indicator or the rate at the date the contract begins;
- The amount expected to be paid by the lessee under the residual value guarantees;
- The price of the exercise of purchase options, if the lessee is reasonably certain of the exercise of the options; and
- Paying the contract termination fines, if the lease reflects the exercise of the lease termination option.

Lease liabilities are presented as a separate note in the consolidated statement of financial position.

Later, lease liabilities are subsequently measured by increasing the book value to reflect the interest in the lease liabilities (using the effective interest method) and by reducing the book value to reflect the lease payments paid.

The lease obligations (and a similar adjustment to the related right-to-use assets) are re-measured whenever:

- The lease term has changed or there is an event or important change in the conditions that lead to a change in the exercise of the purchase option assessment, in which case the lease obligations are re-measured by deducting the adjusted lease payment using the adjusted discount rate.
- Lease payments change due to changes in an index, rate, or change in expected payments under the guaranteed residual value, in which cases the lease obligation is re-measured by deducting the modified rental payments using a non-variable discount rate (unless the lease payments change due to a change in the floating interest rate, in this case the adjusted discount rate is used).
- The lease contract is adjusted, and the lease amendment is not accounted as a separate lease, in which case the lease obligation is re-measured based on the duration of the adjusted lease contract by deducting the adjusted rental payments using the adjusted discount rate at the actual price at the date of the amendment.

The right to use assets are depreciated over the life of the lease or the useful life of the asset (whichever is shorter). If the lease contract transfers the ownership of the underlying asset or the cost of the right to use, which reflects that the Group expects to exercise the purchase option, then the relevant value of the right to use is depreciated over the useful life of the asset. Depreciation begins on the date the commencement of the lease.

The right-to-use assets are presented as a separate note in the consolidated statement of financial position.

The Group applies International Accounting Standard (36) to determine whether the value of the right to use has decreased its value and calculates any impairment losses as described in the policy of "property and equipment".

Variable lease that are not dependent on an index or rate are not included in the measurement of lease obligations and right to use assets. Related payments are recognized as an expense in the period in which the event or condition that leads to these payments occurs and are included in "Other Expenditures" in the consolidated statement of profit or loss.

The Group as a lessor

The Group enters into lease contracts as a lessor in regard with some investment properties.

Leases in which the Group is the lessor are classified as operating or finance leases. In the event that the terms of the lease contract transfer all risks and rewards of ownership to the lessee, the contract is classified as a finance lease and all other leases are classified as operating leases.

When the Group is an intermediary lessor, it represents the main lease and sub-contract as two separate contracts. The sublease contract is classified as finance or operating lease by reference to the original right of use arising from the main lease.

Leasing income from operating leases is recognized on a straight-line basis over the period of the relevant lease. The primary direct costs incurred in negotiating and arranging an operating lease are added to the book value of the leased asset and are recognized on a straight-line basis over the lease term.

The amounts due from the lessee under finance leases are recognized as receivables with the amount of the Group's net investment in the rental contracts. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's existing net investment with respect to lease contracts.

When the contract includes leasing components and other components other than leasing, the Group applies IFRS (15) to distribute the amounts received or to be received under the contract for each component.

Impairment of non-financial assets

At the reporting date, the Group assesses whether there is evidence that the asset has been impaired. If any evidence exists, or when an impairment test is required, the Group assesses the recoverable amount of the asset. The recoverable amount of the asset is the fair value of the asset or cash-generating unit less cost of sales and value in use whichever is higher and is determined for the individual asset, unless the asset does not generate substantially independent internal cash flows from those arising from other assets or assets of the Group.

Where the carrying amount of the asset or cash-generating unit exceeds the recoverable amount, the asset is considered to be impaired and is written down to its recoverable amount. In assessing the fair value used, future cash flows are discounted to their present fair value using a pre-tax discount rate that reflects current market assessments of the time value of funds and the risks specific to the asset. In determining fair value less cost of sales, recent transactions in the market are taken into consideration if available. If such transactions cannot be identified, the appropriate valuation model is used.

Inventory

- Finished goods and work in process are stated at cost or net realizable value, whichever is lower, net of provision for damaged and slow-moving items. Cost includes: raw materials cost, direct labor and indirect manufacturing costs.

- Raw materials are stated at the lower of cost or net realizable value. Finished goods and work in process are stated at the lower of cost or net realizable value. Cost includes raw materials and the related direct and indirect manufacturing costs.

- Cars inventory is stated at the lower of cost or net realizable value on the basis of the actual cost of each car. Cost consists of all expenses incurred by the Group until the inventory is delivered to the Group's warehouses and showrooms or the Group’s warehouses at the port (bonded).

- Spare parts are stated at the lower of cost or net realizable value based on the weighted average method.

Revenue recognition

The Group recognizes revenue mainly from sale of goods.

Revenue is measured based on the consideration to which the Group expects to be entitled (net after returns and discounts) in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognizes revenue when it transfers control of a product or service to a customer, being when the goods have been shipped to the specific location (delivery). Following delivery, the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when on selling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Group when the goods are delivered to the customer as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due.

If customers have a right of return. At the point of sale, a refund liability and a corresponding adjustment to revenue is recognized for those products expected to be returned. At the same time, the Group has a right to recover the product when customers exercise their right of return so consequently recognizes a right to returned goods asset and a corresponding adjustment to cost of sales. The Group uses its accumulated historical experience to estimate the number of returns on a portfolio level using the expected value method. It is considered highly probable that a significant reversal in the cumulative revenue recognized will not occur given the consistent level of returns over previous years.

For certain customers, the goods are sold with discounts retroactively on the basis of (12) months of total sales. Revenue of these sales is recognized based on the price specified in the contract less estimated discounts. The Group uses its accumulated historical experience to estimate discounts and the revenue is recognized to the extent that it is probable that there will be no material reversal. Liabilities for discounts on payments to customers are recovered in respect of sales made during the year.

The Group account for consideration payable to a customer (listing fee and promotional expenses) which occur in conjunction with purchase of goods from the Group as a reduction of the transaction, unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the Group.

Property and Equipment

- Property and equipment are stated at cost and depreciated using the straight-line method at annual rates ranging from 2% to 25% except for land which is measured at fair value with the change in its fair value presented in owners’ equity.

- When the expected recoverable amount of any property and equipment is less than its net book value, the net book value is reduced to the expected recoverable amount, and the impairment loss (if it existed) is taken to the consolidated statement of profit or loss.

- Property and equipment’s useful lives are reviewed at the end of each year and if the expected useful life differs from the previous estimate, the difference is recorded in subsequent years as a change in accounting estimates.

- Property and equipment are disposed-off when there are no expected future benefits from its use or its disposal.

- Property and equipment in high-inflationary economies are reinstated by applying a change in General price indices from the date of acquisition to the date of the current reporting period. Calculation is based on consumption These assets are reduced to the restated amounts.

Intangible Assets

a. Intangible assets with an indefinite life

- Goodwill is booked at cost that represents the excess amount paid to acquire or purchase an investment in a subsidiary over the Group's share of the fair value above the net assets of the subsidiary at the acquisition date, Goodwill resulting from the investment in a subsidiary is booked as a separate item within intangible assets and reduced subsequently for any impairment loss.

- Goodwill is distributed among cash generating unit(s) for the purpose of impairment test.

- The value of goodwill is reviewed on the date of the consolidated financial statements, Goodwill value is reduced when there is evidence that it is impaired or the recoverable value of the cash generating unit(s) is less than the book value of the cash generating unit(s), The decline in value is booked as an impairment loss and charged to the consolidated statement of profit or loss.

b. Intangible assets with a finite life

- Intangible assets resulting from acquisition are stated at fair value at the date of acquisition. Other intangible assets purchased other than through acquisition are recorded at cost.

- Intangible assets are to be classified on the basis of either definite or indefinite useful life, Intangible assets with definite useful lives are amortized over their useful lives and charged to the consolidated statement of profit or loss, Intangible assets with indefinite lives are reviewed for impairment as of the consolidated financial statements date, and impairment loss is charged to the consolidated statement of profit or loss.

- No capitalization of intangible assets resulting from the Group's operations is made, they are charged to the consolidated statement of profit or loss in the year incurred.

- Any indications of impairment in the value of intangible assets as of the consolidated financial statements date are reviewed. Furthermore, the estimated useful lives of the impaired intangible assets are reassessed, and any adjustments are made in the subsequent periods.

- Intangible assets are amortized over their expected useful life at annual percentages ranging from 20% to 35%.

- Intangible assets in high-inflation economies are reinstated by applying the change in General price indices from the date of acquisition to the date of the current reporting period. The amortization calculation is based on this assets to the restated amounts.

- The Group recognizes exclusive distribution rights and backlogs that results from acquisitions within items of intangible assets based on the accounting approach applied at the initial purchase and the temporary fair value of the assets and liabilities acquired by the Group, which are subsequently evaluated based on changes in the group's management estimates.

- Computer programs are amortized according to the productive ages, which have been estimated by the management of the group and are expected to be utilized using the straight-line method, at an average period of 7 years.

c. Intangible assets resulting from acquisitions

The Group recognizes the surplus between the investment value and the net assets acquired resulting from the acquisitions that took place during the period as other intangible assets and are classified under the item intangible assets - net.

The group measures the distribution of the purchase price on the purchased assets during the 12 months following the date of purchase. The completion of this study may lead to a change in the fair value of the acquired assets and the associated liabilities, accordingly to a change in the intangible assets (goodwill) or the recognition of intangible assets of other natures.

Foreign Currencies

For the purpose of the consolidated financial statements, the results and financial position of each Company are expressed in the functional currency of the Group, and the presentation currency for the consolidated financial statements.

The individual financial statements of each company are presented in the currency of the primary economic environment in which it operates (its functional currency). In preparing the financial statements of the individual companies, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in consolidated statement of profit or loss in the period in which they arise except for:

- Exchange differences on transactions entered into to hedge certain foreign currency risks; and

- Exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur in the foreseeable future (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to consolidated statement of profit or loss on disposal or partial disposal of the net investment.

For the purpose of presenting the consolidated financial statements, the assets and liabilities of the group's foreign operations are translated at exchange rates prevailing on the balance sheet date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in a separate component of equity.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest become a financial asset), all of the exchange differences accumulated in a separate component of equity in respect of that operation attributable to the owners of the Group are reclassified to consolidated statement of profit or loss.
In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interest and are not recognised in consolidated statement of profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to consolidated statement of profit or loss.

Investment in Land

Investment in Land is accounted for at fair value. Any gains or losses that arise from the revaluation of investment property are recognized in the consolidated statement of profit or loss.

Interest income and expenses

Interest income and expense for all financial instruments are recognized in the statement of profit or loss using the effective interest method. The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability. The future cash flows are estimated considering all the contractual terms of the instrument.

The interest income/ interest expense is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (at the amortized cost of the financial asset before adjusting for any expected credit loss allowance), or to the amortized cost of financial liabilities. For credit-impaired financial assets the interest income is calculated by applying the EIR to the amortized cost of the credit-impaired financial assets (the gross carrying amount less the allowance for expected credit losses (ECLs)). For financial assets originated or purchased credit impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

Provision for End-of-Service Indemnity

- Provision for End-of-service indemnity of employees is booked according to the Group's internal regulations on the basis of the basic salary and based on one-month salary for each year of service.

- End-of-service indemnity paid to resigned and terminated employees is charged to the end-of-service indemnity provision. Moreover, the additional provision booked for the end-of-service indemnity for employees is charged to the consolidated statement of profit or loss.

Income Tax

- Income tax expenses represent accrued taxes and deferred taxes.

- Income tax expenses are accounted for on the basis of taxable income. Moreover, taxable income differs from income declared in the consolidated financial statements because the latter includes non-taxable revenue or tax expenses not deductible in the current year but deductible in subsequent years, accumulated losses acceptable by the tax authorities, and items not accepted for tax purposes or subject to tax.

- Taxes are calculated on the basis of the tax rates prescribed according to the prevailing laws, regulations, and instructions of the countries where the subsidiary companies operate in.

- Deferred taxes are taxes expected to be paid or recovered as a result of temporary timing differences between the value of the assets or the liabilities in the financial statements and the value on the basis of which taxable income is calculated. Moreover, deferred taxes are calculated based on the liability method in the consolidated statement of financial position according to the tax rates expected to be applied upon the settlement of the tax liability or realization of the deferred tax assets.

- Deferred tax assets and liabilities are reviewed as of the date of the consolidated financial statements and reduced in case it is expected that no benefit will arise therefrom, partially, or totally.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is reflected in the consolidated statement of financial position only when there are legal rights to offset the recognized amounts, or assets are realized, and liabilities settled simultaneously.

Share Capital

Cost of issuing or purchasing the Group's shares

The cost of issuance or purchase of the Group's shares is recognized in the Retained Earnings (net after tax effect if any). If the purchase/issue transaction has not been completed, then the cost will be recognized as an expense in the consolidated statement of profit or loss.

Operational Leasing Contracts

Operational leasing contracts are recognized as expense based on the straight method and on the lease duration, unless there is another basis for the time duration when the economic benefits from the lessee are expected. The expected leases resulting from the financial lease contract are recorded as expense in the period in which incurred.

Non-current Assets Held for Sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to be recognized as a completed sale within one year from the date of classification.

When the group is committed to a plan to sell that involves losing control of a subsidiary, all assets and liabilities of that subsidiary are classified as held for sale once the criteria mentioned above are met, regardless of whether the group retains a non-controlling interest in its former subsidiary after the sale.

When the group is committed to a plan to sell that involves disposing of an investment in an associate or part of an investment in an associate, the investment or part of the investment in the associate to be disposed of is classified as held for sale once the criteria mentioned above are met. The group then ceases to apply the equity method in relation to the part classified as held for sale. Any retained portion of the investment in the associate that has not been classified as held for sale continues to be accounted for using the equity method.

3. Significant Accounting Judgments and Key Sources of Uncertainty

The preparation of the consolidated financial statements and the adoption of accounting policies requires the Group's management to make judgments, estimates and assumptions that affect the amounts of financial assets and financial liabilities and the disclosure of contingent liabilities. These estimates and judgments also affect revenue, expenses and provisions in general and expected credit losses. In particular, the Group's management is required to make judgments to estimate the amounts and timing of future cash flows. These mentioned estimates are based on multiple hypotheses and factors with varying degrees of estimation and uncertainty. Actual results may differ from estimates as a result of changes in these conditions and circumstances in the future.

Judgments, estimates and assumptions are reviewed periodically. The effect of the change in estimates is recognized in the financial period in which the change has occurred and only if the change affects the same financial period. Moreover, the effect of the change in estimates is recognized in the financial period in which the change has occurred and in future periods in case the change affects the financial period and future financial periods.

The Group's Management believes that its estimates in the consolidated financial statements are reasonable. The key estimates used by management in applying the Group's accounting policies that have the most significant effect on the amounts recognized in the consolidated financial statements are as follows:

Useful life of tangible assets and intangible assets

The management periodically re-asses the useful life of tangible assets and intangible assets for the purpose of calculating the annual depreciation and amortization based on the general condition of those assets and estimated future useful lives. The impairment loss is recognized in the consolidated statement of profit or loss for the year.

Impairment loss on intangible assets with infinite useful life

Group management is required to use judgment and estimates to assess whether there is impairment loss on the value of intangible assets that have unlimited useful life by estimating the value in use of the cash-generating units assigned to them. Calculating the value in use requires The Group's management to estimate future cash flows expected to originate from the cash generating unit and an appropriate discount rate in order to calculate the current value.

Income tax

The fiscal year is charged its related income tax expense in accordance with the regulations, laws and accounting standards. The deferred taxes and income tax provision are calculated and recognized.

Lawsuits provision

A provision is booked to meet any potential litigation obligations based on the legal study prepared by the Group's legal counsel that identifies potential risks in the future and periodically reviews the study.

Assets and liabilities presented at cost
Management reviews the assets and liabilities at cost periodically for the purpose of estimating any impairment in value, any impairment loss is recognized in the consolidated statement of profit or loss for the year.

Fair value measurement and valuation procedures
When estimating the fair value of financial assets and financial liabilities, the Group uses available observable market data. In case of the absence of level (1) inputs, the Group conducts evaluations using appropriate valuation models to determine the fair value of financial instruments.

Calculation of provision for expected credit losses
The Group's management is required to use important judgments and estimates to estimate the amounts and timing of future cash flows and to estimate the risk of significant increase in credit risk for financial assets after the initial recognition and future measurements information for expected credit losses.

The expected credit loss is measured as an allowance equivalent to the expected credit loss over the life of the asset.

Determining the number and relative weight of forward-looking scenarios for each type of products / market and the identification of future information relevant to each scenario
When measuring the expected credit loss, the Group uses reasonable and reliable future information based on the assumptions of the future movement of the various economic factors and how these economic factors affect each other.

Probability of default
The probability of default is a key input in measuring the expected credit loss. The probability of default is considered an estimate of the probability of default over a given period of time, which includes the calculation of historical data, assumptions and expectations relating to future circumstances.

Loss given default
Loss given default is an estimate of the loss arising from default. It is based on the difference between the contractual cash flows due and those that the financer expects to collect, taking into consideration cash flows from collaterals and credit adjustments.

Revenue recognition
The Group's management uses significant estimates and assumptions to determine the amount and timing of revenue recognition under IFRS 15, "Revenue from contracts with customers".

Extension and Termination Options in Lease Contracts
Extension and termination options are included in a number of lease contracts. These terms are used to increase operational flexibility in managing the contracts. Most of the extension and termination options held are renewable by both the company and the lessor.

Provision for sales returns and discounts
The Group uses its accumulated historical experience to estimate the number of returns at the portfolio level using the expected value method. It is highly probable that, given the constant level of returns, there will be no significant reversal in the cumulative revenue recognized as compared to previous years.

The Group uses its accumulated historical experience to estimate discounts and revenue is recognized to the extent it is highly probable that there will be no material reversal thereof. Liabilities are recovered for expected discounts on amounts payable to customers in respect of sales made during the year.

Determine the term of the lease contract
In determining the term of the lease, the management considers all facts and circumstances which create economic incentive for the option of extension, or no termination option. Extension options (or periods following termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The valuation is reviewed in the event of a significant event or a major change in the circumstances affecting this valuation that are within the control of the lessee.

Discounting of rental payments
Rental payments (if any) are discounted using the Group Incremental Borrowing Rate ("IBR"). Management applied judgments and estimates to determine the rate of additional borrowing at the commencement of the lease.

Hyperinflation
The Group exercises significant judgement in determining the onset of hyperinflation in countries in which it operates and whether the functional currency of its subsidiaries, associates or joint venture is the currency of a hyperinflationary economy.

Various characteristics of the economic environment of each country are taken into account. These characteristics include, but are not limited to, whether:
- The general population prefers to keep its wealth in non-monetary assets or in a relatively stable foreign currency;
- Prices are quoted in a relatively stable foreign currency;
- Sales or purchase prices take expected losses of purchasing power during a short credit period into account;
- Interest rates, wages and prices are linked to a price index; and
- The cumulative inflation rate over three years is approaching, or exceeds, 100%.

Management exercises judgement as to when a restatement of the financial statements of a Group entity becomes necessary.

4. Adoption of new and revised IFRS Accounting Standards

a. New and amended IFRS Standards that are effective for the current year
The following new and revised IFRSs, which became effective for annual periods beginning on or after January 1, 2024, have been adopted in these consolidated financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.
- Amendments to IFRS 16 Leases – Lease Liabilities in a Sale and Leaseback
- Amendments to IAS 1 Presentation of Financial Statements related to the Classification of Liabilities as Current or Non-current
- Amendments to IAS 1 Presentation of Financial Statements – Non-current Liabilities with Covenants
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Financing Arrangements
- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information*
- IFRS S2 – Climate-related Disclosures*

* Subject to approval by regulatory authorities in the countries where the company operates, noting that no instructions have been issued regarding them as of the date of the consolidated financial information.

b. Standards issued but not yet effective
The Group has not applied the following new and revised Standards that have been issued, but are not yet effective, management is in the process of assessing the impact of the new requirements.

New and revised IFRS Accounting Standards	Valid for annual periods Starting on or after
Amendments to the Sustainability Accounting Standards Board (SASB) Standards to Enhance Their International Applicability	1st January 2025
Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates	1st January 2025
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	1st January 2026
Annual Improvements to IFRS Standards – Volume 11	1st January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1st January 2027
IFRS 19 – Subsidiaries Not Subject to Public Accountability	1st January 2027

Management expects to adopt these new standards, interpretations and amendments in the Group's consolidated financial statements in the period of initial application, and the management expects that the adoption of these new standards, interpretations and amendments will not have a material impact on the Group's consolidated financial statements in the period of initial application.

5. Cash on Hand and at Banks

This item consists of the following:

	December 31	
	2024	2023
	USD	USD
Cash on hand	18,846,239	8,213,050
Current accounts	25,203,934	25,510,976
Term deposits	231,003	1,597,155
Total	**44,281,176**	**35,321,181**

6. Accounts Receivable and Cheques under Collection- Net

A.This item consists of the following:

	December 31	
	2024	2023
	USD	USD
Trade receivables	188,791,292	175,020,813
Cheques under collection - short term	37,033,781	41,671,153
Total trade receivables and cheques under collection - short term	**225,825,073**	**216,691,966**
Employees Receivable	1,163,391	991,211
	226,988,464	**217,683,177**
Less: Provision for expected credit loss	(13,869,517)	(10,604,959)
Total	**213,118,947**	**207,078,218**

The average credit period ranges from 30 days to 150 days except for Palestinian Authority receivables, which is subject to other credit terms noting that there is no interest on outstanding trade receivables balances.

The Group has adopted the simplified approach as permitted by IFRS 9. The Group measures the loss allowance for trade receivables at an amount equal to lifetime expected credit losses ("ECL"). The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the consolidated financial statements date.

The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, for example when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.

The table below illustrates the risk associated with of trade receivables and short-term cheques under collection based on the provisioning matrix:

As of December 31, 2024

		Receivables are past due				
	Current receivables (not past due) *	From one day to 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	USD	USD	USD	USD	USD	USD
Total trade receivables **	146,718,211	33,832,087	10,397,970	13,234,381	21,642,424	225,825,073
Expected credit loss	1,621,876	1,996,872	1,799,798	2,146,205	6,304,766	13,869,517
Expected credit loss rate	1.1%	5.9%	17.3%	16.2%	29.1%	6.1%

As of December 31, 2023

		Receivables are past due				
	Current receivables (not past due) *	From one day to 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	USD	USD	USD	USD	USD	USD
Total trade receivables **	140,388,030	31,447,263	18,258,777	11,826,887	14,771,009	216,691,966
Expected credit loss	994,924	1,809,004	1,182,145	1,033,254	5,585,632	10,604,959
Expected credit loss rate	0.7%	5.8%	6.5%	8.7%	37.8%	4.9%

* Current receivables include short-term cheques due within 3 months.

** Trade accounts receivable includes amounts due from the Palestinian Authorities as follows:

	Receivables are past due				
	Less than 90 days	From 91 days to 180 days	From 181 days to 365 days	More than 365 days	Total
	USD	USD	USD	USD	USD
As of December 31, 2024	59,197,821	4,071,876	4,722,229	9,553,977	77,545,903
As of December 31, 2023	33,320,293	784,837	1,258,758	10,027,257	45,391,145

B- The movement on the expected credit loss during the year is as follows:

	For the year ended December 31, 2024		
	Stage 2	Stage 3	Total
	USD	USD	USD
Balance – beginning of the year	3,799,550	6,805,409	10,604,959
Other adjustments during the year	318,156	1,896,202	2,214,358
Provision booked during the year	410,839	1,556,379	1,967,218
Written Off Debits*	-	(563,609)	(563,609)
Foreign currencies translation	22655	(376,064)	(353,409)
Balance – End of the Year	**4,551,200**	**9,318,317**	**13,869,517**

*During the year 2024, trade receivables amounting to USD 563,609 were written off following the approval of the Board of Directors.

	For the year ended December 31, 2023		
	Stage 2	Stage 3	Total
	USD	USD	USD
Balance – beginning of the year	3,588,035	4,813,162	8,401,197
Provision booked during the year	316,539	2,117,530	2,434,069
Provision released during the year	(94,168)	-	(94,168)
Foreign currencies translation	(10,856)	(125,283)	(136,139)
Balance – End of the Year	**3,799,550**	**6,805,409**	**10,604,959**

7. Inventory - Net

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Produced goods available for sale	12,769,476	13,362,463
Medicine	10,747,811	10,297,562
Medical materials	1,644,907	1,306,310
Consumable materials	56,216,653	61,678,472
Laboratory tools and materials	5,183,696	3,757,381
Cars and spare parts *	16,702,438	25,268,962
Medical equipment and machinery	13,099,435	13,727,890
Total Finished Goods	**116,364,416**	**129,399,040**
Raw materials	18,816,474	18,707,867
Scrap and other materials	4,638,828	3,293,974
Total Inventory	**139,819,718**	**151,400,881**
Less: Provision for slow-moving inventory **	(3,190,471)	(2,767,395)
Net Inventory	**136,629,247**	**148,633,486**
Goods in transit	8,481,675	5,789,563
Total	**145,110,922**	**154,423,049**

* Inventory include vehicles pledged to banks in exchange for commercial loans.

**The movement on the provision for slow-moving inventory is as follows:

	December 31,	
	2024	2023
	USD	USD
Balance - beginning of the year	2,767,395	1,969,915
Additions (Released) during the year	1,311,464	1,693,633
Written-off inventory during the year	(888,388)	(896,153)
Balance - End of the Year	**3,190,471**	**2,767,395**

8. Financial Assets at Fair Value through Profit or Loss

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Listed shares on Palestine Stock Exchange and Trading investment portfolio	11,042,094	8,747,374
Stocks at unlisted companies	1,533,343	2,358,990
Total	**12,575,437**	**11,106,364**

9. Other Debit Balances

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Claims receivable	17,052,173	19,846,903
Value added tax	11,096,176	17,068,598
Prepaid expenses	11,609,733	8,521,328
Refundable deposits against LGs', LCs and others	3,532,852	3,615,409
Advance payments to suppliers	15,469,662	14,295,363
Loans and convertible notes	300,000	300,000
Other debit balances	3,523,239	2,720,197
Total	**62,583,835**	**66,367,798**

10. Leasing Contracts Receivable

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Leasing contracts receivable – short term	5,179,465	7,683,566
Leasing contracts receivable – long term	12,012,141	11,893,109
Total	**17,191,606**	**19,576,675**

December 31, 2024	Minimum Lease Payments	Current amount of the Minimum Lease Payments
	USD	USD
Lease payments due within one year or less	9,050,926	5,179,465
Lease payments due after one year and before 5 years	12,167,222	12,012,141
Total	**21,218,148**	**17,191,606**

December 31, 2023	Minimum Lease Payments	Current amount of the Minimum Lease Payments
	USD	USD
Lease payments due within one year or less	11,152,355	7,683,566
Lease payments due after one year and before 5 years	12,821,384	11,893,109
Total	**23,973,739**	**19,576,675**

	December 31,	
	2024	2023
	USD	USD
Total investment cost in the financial leasing	21,218,148	23,973,739
Less: Unearned revenue	(3,252,897)	(3,623,419)
Current amount of the financial leasing contract	**17,965,251**	**20,350,320**
Less: Provision for uncollected leases	(773,645)	(773,645)
Financial lease installments due within one year	(5,179,465)	(7,683,566)
Financial leasing receivables - long term	**12,012,141**	**11,893,109**

11. Cheques under Collection - Long Term

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
National Aluminum and Profiles Company	316,460	-
Medical Supplies and Services Company	8,414,122	7,865,708
Palestine Automobile Company	1,050,459	471,890
Total	**9,781,041**	**8,337,598**

12. Leases

A. Right of Use Assets

The Group leases various assets including land, buildings and cars, the average lease term is 7 years, the following is the movement on right-of-use assets:

	For the Year Ended December 31,	
	2024	2023
	USD	USD
Balance at the beginning of the year	15,389,299	12,988,517
Add: Additions during the year	7,079,723	8,519,236
Currency translation differences	(189,368)	(208,934)
Less: Depreciation for the year	5,252,318	5,492,349
Leases terminated during the year	1,941,411	417,171
Balance at the end of the year	**15,085,925**	**15,389,299**

Amounts recorded in the consolidated statement of profit or loss

	For the Year Ended December 31,	
	2024	2023
	USD	USD
Depreciation for the year	(5,252,318)	(5,492,349)
Interest during the year	(491,074)	(882,193)
Total	**(5,743,392)**	**(6,374,542)**

B. Lease Liabilities

	For the Year Ended December 31,	
	2024	2023
	USD	USD
Balance at the beginning of the year	15,315,072	12,825,283
Add: Additions during the year	6,279,630	7,769,240
Interest during the year	491,074	882,193
Currency translation differences	(646,832)	(784,038)
Less: Settlements during the year	4,432,554	5,369,038
Leases terminated during the year	1,967,290	8,568
Balance at the end of the year	**15,039,100**	**15,315,072**

Maturity Analysis of Lease Liabilities:

	For the Year Ended December 31,	
	2024	2023
	USD	USD
Less than one year	4,017,771	4,560,464
From one to 5 years	10,280,402	7,689,847
More than 5 years	740,927	3,064,761
	15,039,100	**15,315,072**

13. Financial assets at Fair Value through Other Comprehensive Income

This item consists of the following:

	December 31,	
	2024	2023
Quoted Shares*	20,813,864	18,341,518
Unquoted Shares	11,926,511	15,707,803
Investment Funds	13,890,134	12,366,367
Advanced payments on investments account	2,372,165	-
Total	**49,002,674**	**46,415,688**

* Some of the shares and bonds are mortgaged against bank credit facilities and Boards of Directors memberships.

14. Investment in Land

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Arab Palestinian Investment Company	819,127	1,040,845
Total	**819,127**	**1,040,845**

15. Intangible Assets - Net

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Goodwill – net *	17,869,286	19,799,750
Trademarks **	27,127,091	21,118,993
Exclusive Distribution Rights and Customer Lists ***	3,741,826	2,659,202
Computer Software ****	393,812	559,219
Total	**49,132,015**	**44,137,164**

* Goodwill resulted from the company's purchase of shares at a value greater than the book value of the share in some of its subsidiaries.

** This item represents the value of the trademarks, in addition to the fees transferring its ownership.

*** This item represents the value of exclusive distribution contracts in addition to customer lists, which resulted from the acquisition of companies' operations during the period after the closing entries 20 years.

**** This item represents the book value of the computer software After deducting the accumulated amortization value, the company amortizes the computer software by 20% annually.

- Foreign currency translation differences include the effect of adjusting the values of property and equipment in Trakya Company for the manufacture and trade of meat and dairy products due to the hyperinflation, based on changes in the relevant price index

16.Investment in Associates and Joint Ventures

This item consists of the following:

Balance as of December 31, 2024

	Ownership and voting rate	Investment Amount	Country of incorporation	Market value	Date of financial information	Activity Type	Purchase Date
	%						
Arabian Tiles Company (ARTIC)	29%	3,635,753	Saudi Arabia	Unlisted	2024	Building Materials Manufacturing	2019
Qudra Renewable Energy Company	50%	3,027,005	Palestine	Unlisted	2024	Renewable Energy Solutions	2021
Rima Company for Sanitary Paper*	51%	5,438,977	Palestine	Unlisted	2024	Manufacturing sanitary paper	2024
Capital Tobacco Company	38%	1,838,190	Palestine	Unlisted	2024	Manufacture and trade of tobacco	2019
Total		**13,939,925**					

* On October 2024, the Group has aquired 51% of Rima Company for Sanitary Paper shares at cost of 5,4 Million USD.
The Group did not consolidate the compnay's financial statements within its consolidated financial statements due to lack of control over its operations.

Balance as of December 31, 2023

	Ownership and voting rate	Investment Amount	Country of incorporation	Market value	Date of financial information	Activity Type	Purchase Date
	%						
Arabian Tiles Company (ARTIC)	29%	4,515,273	Saudi Arabia	Unlisted	2020	Building Materials Manufacturing	2019
Qudra Renewable Energy Company	50%	3,692,272	Palestine	Unlisted	2021	Renewable Energy Solutions	2021
Capital Tobacco Company	38%	2,133,457	Palestine	Unlisted	2020	Manufacture and trade of tobacco	2019
Total		**10,341,002**					

The movement on investments in associates is illustrated as follows:

	December 31, 2024	December 31, 2023
	USD	USD
Balance - beginning of the year	10,341,002	11,958,597
acquisitions during the year	5,438,977	-
Dividends distributions during the period	(1,403,720)	(1,960,053)
Group share of profit for the year	(436,334)	342,458
Balance - end of the year	**13,939,925**	**10,341,002**

The Group's share of associates results is as follow:

	December 31, 2024	December 31, 2023
	USD	USD
Arabian Tiles Company (ARTIC)	(854,423)	(865,020)
Qudra Renewable Energy Company	(543,846)	211,112
Capital Tobacco Company	961,935	996,366
Total	**(436,334)**	**342,458**

The Group's share of the assets, liabilities and revenue of associates results is as follow:

	December 31, 2024	December 31, 2023
	USD	USD
Total Assets	130,481,818	77,273,144
Total Liabilities	104,588,624	58,187,792
Total Revenue	113,993,493	69,305,334

17. Property and Equipment - Net

This item consists of the following:

	Land At Fair Value	Buildings and Constructions	Furniture and Fixtures	Computers	Vehicles	Leasehold Improvements	Machinery and Equipment	Tools	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD
For the Year Ended December 31, 2024									
Cost:									
Beginning balance	45,846,411	60,512,137	10,899,305	5,016,265	16,036,707	12,923,652	97,040,211	3,528,976	251,803,664
Additions	-	405,209	853,390	724,615	1,172,178	692,522	2,784,746	750,709	7,383,369
Transferred from Projects under construction (note 18)	10,604	7,851,556	108,328	367,168	135,924	717,300	3,779,518	136,635	13,107,033
Disposals	(1,899,054)	(5,765,114)	(1,200,050)	(134,705)	(1,578,612)	(121,371)	(3,419,299)	(647,172)	(14,765,377)
The impact of land revaluation	328,301	-	-	-	-	-	-	-	328,301
Foreign currency translation differences	597,861	160,941	178,183	(42,757)	106,884	(120,309)	1,714,976	28,502	2,624,281
Ending Balance	**44,884,123**	**63,164,729**	**10,839,156**	**5,930,586**	**15,873,081**	**14,091,794**	**101,900,152**	**3,797,650**	**260,481,271**
Accumulated Depreciation:									
Beginning balance	-	24,605,966	8,203,095	3,861,606	8,545,142	6,743,243	57,743,340	2,010,914	111,713,306
Additions	-	2,020,665	898,988	897,809	1,703,341	1,285,726	6,245,381	517,331	13,569,241
Disposals	-	(4,984,160)	(773,531)	(134,817)	(1,231,288)	(199,967)	(3,319,749)	(311,613)	(10,955,125)
Foreign currency translation differences	-	57,708	116,509	(23,807)	82,299	(71,328)	771,703	(123,978)	809,106
Ending Balance	**-**	**21,700,179**	**8,445,061**	**4,600,791**	**9,099,494**	**7,757,674**	**61,440,675**	**2,092,654**	**115,136,528**
Net Book Value at End of the Year	**44,884,123**	**41,464,550**	**2,394,095**	**1,329,795**	**6,773,587**	**6,334,120**	**40,459,477**	**1,704,996**	**145,344,743**
For the Year Ended December 31, 2023									
Cost:									
Beginning balance	39,330,634	59,976,749	11,477,432	4,442,158	14,706,845	11,835,206	90,624,447	3,177,743	235,571,214
Additions	2,381,845	213,154	572,314	1,008,716	2,459,180	1,559,895	4,518,928	258,607	12,972,639
Transferred from Projects under construction (note 18)	-	183,190	98,095	(61,263)	179,623	(70,211)	5,170,173	314,810	5,814,417
Disposals	-	(46,528)	(553,671)	(367,529)	(1,108,874)	(208,557)	(1,279,121)	(122,813)	(3,687,093)
The impact of land revaluation	834,848	-	-	-	-	-	-	-	834,848
Foreign currency translation differences	3,299,084	185,572	(694,865)	(5,817)	(200,067)	(192,681)	(1,994,216)	(99,371)	297,639
Ending Balance	**45,846,411**	**60,512,137**	**10,899,305**	**5,016,265**	**16,036,707**	**12,923,652**	**97,040,211**	**3,528,976**	**251,803,664**
Accumulated Depreciation:									
Beginning balance	-	22,371,988	7,897,214	3,212,634	7,778,789	6,101,787	52,928,770	1,655,235	101,946,417
Additions	-	2,301,035	926,330	790,165	1,504,135	760,288	5,724,928	416,377	12,423,258
Disposals	-	(45,801)	(594,314)	(147,088)	(775,651)	(68,024)	(1,226,346)	(61,010)	(2,918,234)
Foreign currency translation differences	-	(21,256)	(26,135)	5,895	37,869	(50,808)	315,988	312	261,865
Ending Balance	**-**	**24,605,966**	**8,203,095**	**3,861,606**	**8,545,142**	**6,743,243**	**57,743,340**	**2,010,914**	**111,713,306**
Net Book Value at End of the Year	**45,846,411**	**35,906,171**	**2,696,210**	**1,154,659**	**7,491,565**	**6,180,409**	**39,296,871**	**1,518,062**	**140,090,358**

-Foreign currency translation differences include the effect of adjusting the values of property and equipment in Trakya Company for the manufacture and trade of meat and dairy products due to the hyperinflation, based on changes in the relevant price index

-Some of the fixed assets of the company and it's subsidiaries are pledged against the direct facilities.

-Some of the buildings of subsidiaries are built on a leased land from others.

18. Projects under Construction

This item represents costs of work relating to constructing and equipping the production buildings and administration buildings and the renovation of various production lines for the subsidiary companies represented by National Aluminum and and Profiles Company, Siniora Food Industries Company, Unipal General Trading Company and Palestinian Automobiles Company which were not yet completed as of December 31, 2024.

The movement on the projects under construction is as follows:

	2024	2023
	USD	USD
Balance - beginning of the year	26,725,263	14,575,706
Additions	30,339,036	18,433,513
Transferred to property and equipment (note 17)	(13,107,033)	(5,814,417)
Foreign currency translation differences	303,738	(469,539)
Balance - End of the Year	**44,261,004**	**26,725,263**

An amount of USD 19 million as of December 31, 2024, pertains to the National Aluminum and Profiles Company. The remaining cost to complete these projects is estimated at approximately USD 916 Thousand, and these projects are expected to be completed and ready for the Group use during the year 2025.

An amount of USD 1.3 million as of December 31, 2024, pertains to Medical Supplies and Services Company. The remaining cost to complete these projects is estimated at approximately USD 820 Thousand, and these projects are expected to be completed and ready for the Group use during the year 2025.

An amount of USD 6.3 million as of December 31, 2024, pertains to Unipal General Trading Company. The remaining cost to complete these projects is estimated at approximately USD 165 Thousand, and these projects are expected to be completed and ready for the Group use by the end of the year 2025.

An amount of USD 16.5 million as of December 31, 2024, pertains to Siniora Food Industries Company. The remaining cost to complete these projects is estimated at approximately USD 13.2 million, and these projects are expected to be completed and ready for the Group use during the year 2025.

19. Due to Banks

This item consists of facilities granted to the company as follows:

	December 31,	
	2024	2023
	USD	USD
National Aluminum and Profiles Company	6,893,430	6,563,320
Medical Supplies and Services Company	27,432,547	19,856,631
Unipal General Trading Company	56,869,644	43,777,856
Sky Advertising, Public Relations and Events company	206,394	709,841
Palestine Automobile Company	641,891	1,008,106
Arab Leasing Company	-	52,703
Siniora Food Industries Company	5,971,731	19,200,652
Total	**98,015,637**	**91,169,109**

20. Notes Payable due within one year and Deferred Cheques

This item represents notes payable to the following companies:

	December 31,	
	2024	2023
	USD	USD
National Aluminum and Profiles Company	1,041,832	800,374
Medical Supplies and Services Company	441,064	1,240,864
Siniora Food Industries Company	2,605,855	3,502,192
Total	**4,088,751**	**5,543,430**

21. Loans

The details of this item are as follows:

	December 31, 2024		December 31, 2023	
	Short-term	Long-term	Short-term	Long-term
	USD	USD	USD	USD
Siniora Food Industries Company:				
Cairo Amman Bank Loan	3,460,664	-	4,733,182	12,485,740
Safa Bank Loan	-	-	1,184,283	3,975,461
Capital Bank Jordan - Loan	-	-	1,780,779	-
Bank of Jordan Loan	2,438,673	-	3,410,245	8,467,587
Arab Bank Loans	-	-	928,114	350,000
Housing Bank Loan	905,894	-	188,062	-
Jordan Kuwait Bank Loan	7,830,030	-	2,641,989	6,712,635
Bank of Palestine Loan	-	-	362,306	1,138,329
Arab Banking Corporation Loan	1,467,839	-	1,404,449	-
Invest Bank Loan	-	-	535,970	-
Loans granted to Tarakya Meat Industry Company*	2,434,807	-	10,956,299	-
	18,537,907	**-**	**28,125,678**	**33,129,752**
National Aluminum and Profiles Company:				
Jordan Ahli Bank Loans	1,347,104	4,788,072	3,744,651	3,645,849
Al Quds Bank Loans	917,035	5,137,066	1,839,848	4,248,159
Palestine Islamic Bank Loans	-	-	2,178,369	-
Cairo Amman Bank Loans	1,683,601	438,712	1,864,125	645,769
Housing Bank Loan	-	424,549	369,419	529,757
Arab Bank Loan	1,896,599	-	324,922	6,867,993
Palestinian Investment Bank loan	2,783,794	-	-	-
Arab Islamic bank loan	3,634,917	-	186,762	2,929,233
The National Bank Loan	-	693,825	443,413	719,982
Jordan bank loan	680,080	-	1,119,577	-
Safa Bank Loan	1,610,416	-	1,351,949	-
Bank of Palestine Loan	1,669,423	-	1,872,151	-
	16,222,969	**11,482,224**	**15,295,186**	**19,586,742**
Palestine Automobile Company:				
National Bank Loans	773,801	-	2,179,000	-
Housing Bank Loan	693,708	-	1,111,287	-
Arab Bank Loan	-	-	91,548	-
Al Quds Bank Loans	2,299,298	11,303	1,991,337	-
Jordan Ahli Bank Loans	5,339,912	1,884,196	4,913,974	1,768,639
Cairo Amman Bank Loans	-	20,729	147,097	30,927
Egyption Arab Land Bank Loan	1,585,124	-	713,001	-
Bank of Palestine Loan	1,195,239	-	1,211,116	-
Palestinian Islamic Bank	-	-	1,419,620	-
Arab Islamic Bank Loan	57,670	-	-	-
Bank of Jordan Loans	288,030	-	7,658,995	-
	12,232,782	**1,916,228**	**21,436,975**	**1,799,566**
Arab Leasing Company:				
National Bank Loan	-	-	113,698	313,256
Housing Bank Loan	465,710	1,958,647	863,957	2,316,918
Jordan Ahli Bank Loan	-	-	238,769	598,055
Al Quds Bank Loan	1,614,989	2,514,533	2,154,698	3,671,609
Italian Development Cooperation Agency	-	-	271,334	-
Palestenian Investment bank	412,967	2,069,027	352,876	1,038,683
Egyptian Arab Land Loan	318,697	736,098	511,447	1,135,428
Bank of Palestine Loan	-	-	75,365	88,139
	2,812,363	**7,278,305**	**4,582,144**	**9,162,088**
Medical Supplies and Services Company:				
Arab Islamic Bank loan	1,290,594	-	7,354,906	-
Palestinaian Islamic Bank loan	-	-	144,356	-
National Banl Loan	-	-	581,594	3,085,166
Bank of Palestine Loan	74,832	471,279	1,889,136	1,463,881
Jordanian Ahli Bank Loans	3,726,809	-	2,133,860	-
Housing Bank Loan	3,163,433	2,878,441	2,690,999	4,191,621
Cairo Amman Bank Loans	1,149,955	-	1,375,496	-
Arab Bank Loan	5,687,173	-	5,657,429	625,280
Safa Bank Loan	96	-	4,484,077	-
Al Quds Bank	1,013,855	4,924,176	1,007,349	5,130,623
Palestinian Investment Bank loan	3,814,882	1,693,381	-	-
Bank of Jordan Loan	60,921,694	2,954,271	51,582,997	-
	80,843,323	**12,921,548**	**78,902,199**	**14,496,571**
The Arab Palestinian Investment Company - Holding				
Arab Bank Loan	-	8,000,000	-	-
	-	8,000,000	-	-
Unipal for General Trading Company				
Bank of Jordan Loan	1,081,652	2,163,309	1,269,394	3,057,219
	1,081,652	**2,163,309**	**1,269,394**	**3,057,219**
	131,730,996	**43,761,614**	**149,611,576**	**81,231,938**

- The loan rates above range from 4.50% to 8.70% and are granted in Palestine , Jordan and the United Arab Emirates.

* Tarakya for the Manufacture and Trade of Meat and Dairy Products (Subsidiary Company) obtained several loans totaling 7 loans from several banks in theRepublic of Turkey with total value of TL 82 million (Equivalent to USD 2,3 million as of December 31, 2024) to finance working capital of the Company. Interest rates range from 42% to 50% and the installments due dates fall between February 5, 2025 to September 9, 2025. (60 loans with a total value of TL 319,4 million (Equivalent to USD 10,9 million as of December 31,2023)

22. Other Credit Balances

This item consists of the following:

	December 31,	
	2024	2023
	USD	USD
Accrued expenses	17,600,187	19,668,344
Accrued interest	2,211,355	983,127
Unearned revenue	190,675	321,427
Accrued salaries and bonuses	7,070,188	6,566,941
Accrued vacations	2,108,233	2,102,891
Social security deposits	382,397	431,646
Sales tax deposits	440,677	1,209,300
Income tax deposits – employees	3,424,313	1,805,202
Advances from customers	3,596,902	2,200,488
Sundry provisions	7,825,376	4,137,286
Others	2,183,699	2,300,627
Total	**47,034,002**	**41,727,279**

23. Income Tax - Subsidiary Companies

a. Income tax provision

The movement on income tax provision is illustrated as follows:

	December 31,	
	2024	2023
	USD	USD
Balance - Beginning of the year	6,019,984	6,789,808
Income tax settled	(6,227,956)	(8,638,004)
Foreign currency translation	288,978	(120,040)
Income tax expense for the year	6,314,845	7,858,825
Income tax expense from discontinued operations	-	129,395
Balance - End of the year	**6,395,851**	**6,019,984**

b. Income tax expense

Income tax expense shown in the consolidated statement of Profit or loss is illustrated as follows:

	For The Year Ended	
	2024	2023
	USD	USD
Income tax expense for the year	6,314,845	7,858,825
Deferred tax assets for the year	(645,115)	(746,296)
Deferred tax liabilities for the year	433,831	(289,306)
Amortized deferred tax assets	110,775	91,963
	6,214,336	**6,915,186**

The Arab Palestinian Investment Company (Holding Company) has performed a final tax settlement with the income tax department up to the year end of 2023 except for 2021 in Jordan and 2022 and 2023 in Palestine.

The following schedule shows the tax status of the subsidiary companies:

Company's Name	Final Settlement up to the Year
Unipal General Trading Company	2019
Sky Advertising, Public Relations and Events company	2023
Medical Supplies and Services Company	2020
National Aluminum and Profiles Company	2018
Palestine Automobile Company	2023
Arab Palestinian Storage and Cooling Company	2022
Siniora Food Industries Company (Jordan and Palestine)	2020
Jericho Natural and Mineral Water Factory Company	Under Liquidation
Arab Leasing Company	2022
Arab Palestinian Investment Company / Jordan (Exempted)	2022

In the management and its tax consultant's opinion, the provisions recorded as of December 31, 2024 are sufficient against tax liabilities for the outstanding years.

On February 9, 2012, Siniora Food Industries Company - Palestine acquired from the Investment Promotion Agency a full exemption from income tax for five years starting from on January 1, 2010 up to December 31, 2014. In addition to a declared exemption of 50% of income tax for 12 years starting on January 1, 2015 up to December 31, 2026.

c. Deferred Tax Assets

This item consists of the following:

	2024						2023
	Beginning Balance	Additions	Released Amounts	Currency differences	Ending Balance	Deferred Tax	Deferred Tax
	USD	USD	USD	USD	USD	USD	USD
Provision for Expected Credit Loss (Accounting Receivable)	10,604,959	4,181,576	(563,609)	(353,409)	13,869,517	894,114	713,768
Provision for slow-moving inventory	2,767,395	1,311,464	(888,388)	-	3,190,471	179,871	134,261
Provision for End-of-service indemnity	22,162,073	2,884,980	(1,778,395)	-	23,268,658	2,824,779	2,335,007
Other Provisions	4,137,286	4,112,485	(424,395)	-	7,825,376	15,666	197,054
	39,671,713	12,490,505	(3,654,787)	(353,409)	48,154,022	3,914,430	3,380,090

Deferred tax assets for some subsidiary companies have not been calculated as they are immaterial and management is uncertain on whether they will benefit from them in the future. These subsidiaries are:

Sky Advertising, Public Relations and Events company , Arab Palestinian Cooling and Storage Company and Jericho Natural and Mineral Water Factory Company and Arab Leasing Company.

The movement on deferred tax assets is as follows:

	2024	2023
	USD	USD
Balance - beginning of the year	3,380,090	2,725,757
Additions	1,159,342	746,296
Disposals	(625,002)	(91,963)
Balance - End of the Year	**3,914,430**	**3,380,090**

24. Provision for End-of-Service Indemnity

This item consists of end-of-service indemnity provision balances in the following companies:

	December 31,	
	2024	2023
	USD	USD
Unipal General Trading Company	6,663,655	6,385,002
Siniora Food Industries Company	6,484,159	6,248,200
Medical Supplies and Services Company	4,872,295	4,556,968
National Aluminum and Profiles Company	2,008,158	1,914,260
Palestine Automobile Company	1,228,965	1,175,434
Arab Palestinian Investment Company (Holding Company)	1,035,152	953,278
Sky Advertising, Public Relations and Events company	790,202	751,022
Arab Palestinian Storage and Cooling Company	69,541	69,541
Arab Leasing Company	116,531	108,368
Total	**23,268,658**	**22,162,073**

The movement of the provision for end-of-service indemnity is as follows:

	December 31,	
	2024	2023
	USD	USD
Balance - beginning of the year	22,162,073	20,504,457
Additions and valuation differences for the year	2,884,980	2,856,549
Settlements from the provision for the year	(1,778,395)	(1,198,933)
Balance - End of the Year	**23,268,658**	**22,162,073**

25.Bonds Payable

This item represents the bonds issued by the Group at an annual interest ranging between 4.75% and 6,93%.

The movement on this account is as follows:

	December 31,	
	2024	2023
	USD	USD
Balance - beginning of the year	73,453,200	72,987,000
Bonds issued by a subsidiary during the period	80,000,000	-
Change resulting from currency revaluation	(957,600)	466,200
Balance - End of the Year	**152,495,600**	**73,453,200**

The details of bonds payable as at the end of the year were as follows:

	December 31,	
	2024	2023
	USD	USD
Dollar bonds issuance of the year 2020 **	58,000,000	58,000,000
Euro bonds issuance of the year 2020 ***	14,495,600	15,453,200
Dollar bonds (Siniora company) – issuance of the year 2024 ***	80,000,000	-
Total	**152,495,600**	**73,453,200**

* During the month of June 2020, the Arab Palestinian Investment Company issued bonds with a total nominal value of USD 58 Million, the nominal value of each bond is USD 10 Thousand, the date of issue is June 25, 2020 and its maturity June 25, 2025, and the interest rate calculated on the bonds is 4.5% annually fixed for the first 30 months and the interest rate of 6 months 1.6 + SOFAR for the remaining 30 months of the bond's life, provided that the interest rate is not less than 5.4%, Interest payments are calculated over 360 days and are paid every six months from the date of issuance, noting that the issuing Company has the right to amortize what its value is One million US dollars and its multiples of bonds issued before their maturity date, at an amortization rate of 101% of the nominal value of the bonds to be amortized.

** During the month of June 2020, the Arab Palestinian Investment Company issued loan bonds with a total nominal value of Euro 14 Million, equivalent to USD 15.7 Million, as of June 30, 2020, the nominal value of each bond is EUR 10 Thousand, the date of issuance is June 25, 2020, and its maturity is June 25, 2025. The interest rate calculated on the bonds is 3.75% per annum, fixed for the first 30 months and the interest rate for six months EURO 2.5% + LIBOR for the remaining 30 months of the bond's life, provided that the interest rate is not less than 3.75% and not more than 4.75%, and interest payments are calculated over 360 days paid every six months from the date of issuance, noting that the issuing Company has the right to amortize the value of one million euros and its multiples of bonds issued before their maturity date, and at an amortization rate of 101% of the nominal value of the bonds to be amortized.

*** On March 10, 2024, after obtaining the approval of the Jordan Commission, Siniora for Food Industries Company issued a non public offer of 800 bonds with a nominal value of USD 100,000 per bond and a total value of USD 80 million, with fixed interest rate of 7.75% paid semi-annually on March 10 and September 10 of each year for a period of 5 years. The nominal value of the bond is due on September 10, 2029

The movement on this account is as follows:

	December 31,	
	2024	2023
	USD	USD
Bonds maturing Within one Year	72,495,600	-
Bonds maturing within more than one year to five years	80,000,000	73,453,200
	152,495,600	**73,453,200**

The guarantees and covenants on the bonds issued by the company as on December 31, 2024 were as follows:

Dollar bonds - issuance of the year 2020:

The Group has set a first-class mortgage in the name of the custodian and to the benefit of the bond holders that is comprised of shares in some of the Group subsidiaries, part of the shares owned by the Group in investments at fair value through other comprehensive income and other mortgages on some of the land owned by subsidiaries, the mortgage requires that the average market and estimated values of collateral shall not be less than the entire par value of bonds 100% on the date of coverage ratio calculation.

As to covenants associated with the issuance, the Group has committed that the ratio of earnings before interest, tax, depreciation and amortization "EBITDA" to total interest paid on debt "Total Interest Expense" shall not be less than 2.25 times, in addition the Group has committed that the ratio of net Group debt to shareholder's equity shall not exceed 66% at any point of time and for the lifetime of bonds and till full settlement.

Euro bonds - issuance of the year 2020:

The Group has set a first-class mortgage in the name of the custodian and to the benefit of the bond holders that is comprised of shares in some of the Group subsidiaries, provided that the average market value and estimated value of the guarantees shall not be less than the nominal value of the bonds the list is less than 100% at the date of calculating the coverage ratio.

As to covenants associated with the issuance, the Group has committed that the ratio of earnings before interest, tax, depreciation and amortization "EBITDA" to total interest paid on debt ("Total Interest Expense") shall not be less than 2 times, in addition the Group has committed that the ratio of net Group debt to shareholder's equity shall not exceed 66% at any point of time and for the lifetime of bonds and till full settlement.

Dollar bonds (Siniora company) – issuance of the year 2024:

Regarding the covenants associated with this issuance, Siniora Food Industries Group has made the following covenants, which are calculated based on the company's financial statements after excluding the impact of the application of International Accounting Standard No. (29) "Financial Reporting in Hyperinflationary Economies".

- The net debt to profit before tax, financing expenses, and depreciation should not exceed 4 times for the years 2024 and 2025, 3.75 times for the year 2026, and 3.5 times for the remaining years.
- The coverage ratio for financing expenses (profit before tax and financing expenses to financing expenses) should not be less than 2 times.
- Not to pledge the company's assets to any external party during the issuance period, except for any legal or judicial mortgages or seizures.

In addition to the above covenants, the loan issuance prospectus includes a condition to maintain the company's ownership percentage in the subsidiary companies. This excludes any reduction in the company's ownership in any of the subsidiaries due to a capital increase through the entry of a strategic person (provided that the company retains no less than 51% ownership of the subsidiary companies).

The company's compliance period with the conditions and covenants begins in the year 2024, with the first report issued at the end of 2024 within a period not exceeding 90 days. Subsequently, periodic reports will be issued every six months. Noting that the subsidiary company was in compliance with the above commitments as of December 31, 2024.

26. Property and Equipment Revaluation Reserve

This items cosists of:

	As of December 31,2024				As of December 31,2023			
Company Name	Revaluation Reserve	Percentage of Ownership	Company's Share	Non controlling interest	Revaluation Reserve	Shareholding Percentage	Company's Share	Non Controlling Interest
	USD	%	USD	USD	USD	%	USD	USD
National Aluminum and Profiles Company	3,931,947	77%	3,028,140	903,807	3,931,947	77%	3,028,140	903,459
Unipal General Trading Company	3,623,446	100%	3,623,446	-	3,295,145	100%	3,295,145	-
Siniora Food Industries Company	4,101,327	60.14%	2,466,623	1,634,704	4,101,327	66%	2,691,929	1,409,747
Palestine Automobile Company	3,046,401	100%	3,046,401	-	3,046,401	100%	3,046,401	-
Arab Palestinian Cooling and Storage Company	93,550	71%	66,523	27,027	93,550	71%	66,523	27,027
	14,796,671		**12,231,134**	**2,565,537**	**14,468,370**		**12,128,138**	**2,340,232**

The movement on the property and equipment (Land) revaluation reserve is demonstrated as follows:

	2024	2023
	USD	USD
Balance - Beginning of the year	14,468,370	13,633,522
Current year impact on shareholders equity	102,996	732,551
Current year impact on non controlling interest	225,305	102,297
Balance - End of the Year	**14,796,670**	**14,468,370**

27. Non - Controlling Interests

This item represents non-controlling interest in the net shareholders' equity of the subsidiary companies. The details are as follows:

Company's Name	Non-Controlling Interest Share as of December 31, 2024	2023	Paid-up Capital	Statutory Reserve	Additional Paid up Capital	Cumulative change in fair value	Property and Equipment Revaluation Reserve	Foreign Currency Translation Effects	Difference on the Purchase of Minority interest	Profit (Loss) for the Year	Retained Profit (Loss)	Total Shareholders' Equity	December 31, 2024 Non - Controlling Interest	2024 Non-Controlling Interest Share of Profit (Loss) for the Year *	2023 Non- Controlling Interest	2023 Non-Controlling Interest Share of Profit (Loss) for the Year
	%	%	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Arab Palestinian Cooling and Storage Company	29%	29%	4,500,000	-	-	-	93,550	-	-	(161,878)	(7,560,299)	(3,128,627)	(903,860)	(46,767)	(780,231)	(18,644)
Unipal General Trading Company *	0%	0%	-	-	-	-	-	-	-	-	-	-	605,760	(27,691)	653,254	85,714
National Aluminum and Profiles Company *	23%	23%	15,514,810	2,641,111	-	-	3,931,570	-	-	(3,275,832)	1,129,769	19,941,428	4,582,540	(752,786)	4,544,095	(545,235)
Siniora Food Industries Company*	39.9%	34%	46,121,298	9,502,212	12,051,755	-	4,101,327	(1,144,790)	(3,475,016)	3,255,471	8,557,829	78,970,086	36,824,736	897,225	24,408,951	1,817,252
Jericho Mineral Water Company	15%	15%	4,803,734	-	-	-	-	-	-	-	(4,862,604)	(58,870)	(8,831)	-	(8,942)	-
SKY Advertising, Public Relations and Events company *	0%	0%	-	-	-	-	-	-	-	-	-	-	28,595	12,506	56,089	(20,885)
			70,939,841	**12,143,323**	**12,051,755**	**-**	**8,126,447**	**(1,144,790)**	**(3,475,016)**	**(182,239)**	**(2,735,305)**	**95,724,017**	**41,128,940**	**82,487**	**28,873,217**	**1,318,203**

*** The item includes the following amounts resulting from the rights of non-controlling interest in companies invested in by subsidiaries:**

Company name	December 31, 2024 Non - Controlling Interest	2024 Non-Controlling Interest Share of Profit (Loss) for the Year	2023 Non - Controlling Interest	2023 Non-Controlling Interest Share of Profit (Loss) for the Year
	USD	USD	USD	USD
Oyoun Media for Advertising and Publications Company	68,595	12,506	56,089	(20,885)
Al-Jihan General Trading Company	605,760	(27,691)	633,451	(10,775)
Trakia Meat Industry Company	5,100,228	(663,353)	4,147,056	(281,155)
	5,774,583	**(678,538)**	**4,836,596**	**(312,815)**

28. Gross Profit from Sales

This item consists of the following:

Company's Name	Sales	Inventory at the Beginning of the Year	Purchases and Cost of production (Operational)	Inventory at the End of the Year	Cost of Sales	Gross Profit from Sales 2024	2023
	USD	USD	USD	USD	USD	USD	USD
Medical Supplies and Services Company	126,565,801	46,860,320	98,901,926	47,509,990	98,252,256	28,313,545	27,953,410
Unipal General Trading Company	726,305,470	49,174,261	651,572,417	43,251,363	657,495,315	68,810,155	74,873,366
National Aluminum and Profiles Company	20,911,447	10,314,194	17,256,511	8,896,575	18,674,130	2,237,317	2,741,659
Palestine Automobile Company	25,818,539	18,508,791	11,291,455	10,439,328	19,360,918	6,457,621	10,494,248
Siniora Food Industries Company	212,307,017	31,055,176	172,832,816	36,090,302	167,797,690	44,509,327	35,521,253
	1,111,908,274	**155,912,742**	**951,855,125**	**146,187,558**	**961,580,309**	**150,327,965**	**151,583,936**

29. General and Administrative Expenses

This item consists of the following:

	2024	2023
	USD	USD
Salaries and wages	23,588,848	23,870,397
Company's share of social security and provision for end of service indemnity	1,971,013	2,569,635
Rent	605,336	1,027,973
Stationery and printing	291,774	421,180
Maintenance and cleaning	1,606,690	1,542,910
Telecommunication	965,842	937,638
Hospitality	376,532	469,698
Donations	1,586,214	2,266,157
Transportation, travel and business trips expenses	1,004,213	1,063,476
Consultation, legal and professional expenses	4,223,026	3,426,623
Subscriptions, governmental expenses and fees	915,488	897,906
Board of Directors' expenses	677,038	777,372
Insurance	2,155,804	2,179,464
Vehicles expenses	1,358,819	1,418,529
Water and Electricity	1,246,583	912,348
Advertising, Publication	1,854	120,453
Depreciation of Property and equipment and amortization of intangible assets	5,670,983	4,602,879
Provision for expected credit loss	1,967,218	2,339,901
Goods storage and security expenses	515,890	525,510
Provision for slow-moving inventory items	1,311,464	1,693,633
Training	443,990	441,186
Others	5,380,795	3,305,078
Total	**57,865,414**	**56,809,946**

30. Selling and Distribution Expenses

This item consists of the following:

	2024	2023
	USD	USD
Salaries and wages	16,311,319	13,310,861
Company's share of social security and provision for end of service indemnity	1,512,071	1,457,482
Advertising, publication and media	4,269,959	4,746,121
Sales bonuses and commissions	7,799,691	7,963,853
Vehicles and fuel expenses	7,825,277	6,244,976
Telecommunication	395,385	211,186
Insurance	868,248	730,159
Depreciation of Property and equipment	2,627,256	2,330,869
Transportation and travel	581,794	1,239,526
Export expenses	362,784	431,839
Showrooms' expenses	219,980	345,668
Rent	397,645	173,130
Others	1,570,432	1,229,530
Total	**44,741,841**	**40,415,200**

B. The following is the geographical information of the Group's operations:

All the subsidiary companies are situated in the Palestinian Authority territories except those in the below schedule:

Company's Name	Geographical Location	For the Year Ended December 31, 2024		December 31, 2024	
		Revenue	Expenses	Assets	Liabilities
		USD	USD	USD	USD
Siniora Food Industries Company	Jordan / United Arab Emirates / Turkey / Saudi Arabia	186,651,216	183,282,529	173,896,637	136,357,593
Arab Palestinian Investment Company / Jordan (Exempted)	Jordan	44,450	39,073	1,081,516	167,916
APIC Gulf Investment	United Arab Emirates	-	888,432	3,917,140	7,772,762
Taleed for Medical Supplies	Jordan / Iraq	24,645,301	4,853,319	33,205,884	18,663,455
Al Jihan for General Trading Company	Jordan	-	138,453	3,947,157	918,393
Unipal for general trading	Jordan	48,775,794	7,811,616	42,127,136	37,452,091
National Aluminum and Profiles Company	Jordan	83,025	83,025	223,165	172,467

Company's Name	Geographical Location	For the Year Ended December 31, 2023		December 31, 2023	
		Revenue	Expenses	Assets	Liabilities
		USD	USD	USD	USD
Siniora Food Industries Company	Jordan / United Arab Emirates / Turkey / Saudi Arabia	137,470,370	75,875,914	168,091,399	163,467,633
Arab Palestinian Investment Company / Jordan (Exempted)	Jordan	217,574	129,973	1,009,586	101,363
APIC Gulf Investment	United Arab Emirates	-	908,444	4,527,745	7,469,838
Taleed for Medical Supplies	Jordan / Iraq	13,785,329	4,078,879	19,489,548	8,550,245
Al Jihan for General Trading Company	Jordan	13,831,235	809,801	4,883,609	1,716,393
Unipal for general trading	Jordan	50,988,767	7,883,336	39,866,461	34,091,491
National Aluminum and Profiles Company	Jordan	64,497	83,691	150,581	103,473

31. Gain from Financial Assets at Fair Value through Other Comprehensive Income

This item consists of the following:

	2024	2023
	USD	USD
Dividends Income	357,470	1,479,140
	357,470	**1,479,140**

32. Contingent Liabilities

As of the date of the statement of financial position, the Group had contingent liabilities as follows:

	December 31,	
	2024	2023
	USD	USD
Letters of Credit	47,441	4,496,697
Bank Guarantees	40,285,718	34,569,884
Collection Bills	1,524,989	-
Letters of Guarantee	22,558,896	12,856,982

33. Segmental Analysis

A. The following is information on the Group's business segments according to activities:

	Industrial	Service	Trade	Other *	For the Year ended December 31, 2024	2023
	USD	USD	USD	USD	USD	USD
Total sales and service revenue	233,218,464	9,063,269	879,721,854	-	1,122,003,587	1,184,818,506
Less: Cost of sales and service	(186,471,820)	(7,641,778)	(775,108,489)	-	(969,222,087)	(1,031,575,368)
Gross Profit	**46,746,644**	**1,421,491**	**104,613,365**	**-**	**152,781,500**	**153,243,138**
Less: Expenses allocated to sectors	(59,194,801)	(2,916,318)	(60,638,840)	(13,717,915)	(136,467,874)	(129,149,374)
Profit for the year before income tax and monetary gain resulting from hyperinflation	**(12,448,157)**	**(1,494,827)**	**43,974,525**	**(13,717,915)**	**16,313,626**	**24,093,764**
Less: income tax	(1,020,774)	(218,001)	(4,945,561)	(30,000)	(6,214,336)	(6,915,186)
Profit for the year before monetary gain resulting from hyperinflation	**(13,468,931)**	**(1,712,828)**	**39,028,964**	**(13,747,915)**	**10,099,290**	**17,178,578**
Net (losses) cash profits due to hyperinflation	(1,697,004)	-	-	-	(1,697,004)	445,805
Profit (loss) for the period from continuing operations	**(15,165,935)**	**(1,712,828)**	**39,028,964**	**(13,747,915)**	**8,402,286**	**17,624,383**
Profit (loss) for the period from discontinued operations	(293,794)	-	-	-	(293,794)	1,409,317
Profit for the year	**(15,459,729)**	**(1,712,828)**	**39,028,964**	**(13,747,915)**	**8,108,492**	**19,033,700**

* The Holding Company.

	December 31, 2024	2023
	USD	USD
Total Assets	844,947,414	797,870,595
Total Liabilities	615,056,523	584,701,876

34. Lawsuits

The following shows the cases filed against the Group (and its subsidiaries) as of December 31, 2024:

a. Siniora Food Industries Company

There are lawsuits filed against Siniora Food Industries Company for the amount of USD 1.9 million, in addition to a group of lawsuits with undetermined amount, and in the opinion of the legal advisor and the Group's management, no obligations shall arise that exceeds the booked provisions in the financial statements against these lawsuits.

b. Jericho Natural and Mineral Water Factory Company

During the year 2008, the shareholder owning 15% of the Company's capital "Ahlia Insurance Group" raised a lawsuit against Mr, Ali Al-Aqqad personally and against him as the chairman of Jericho Natural and Mineral Water Factory Company and against the Arab Palestinian Investment Company (APIC) as a shareholder and a board member of Jericho Natural and Mineral Factory Company, represented by Mr, Tarek Omar Al-Aqqad, claiming a compensation for USD 721,577, representing the plaintiff's shares in the Company's capital. The plaintiff objected against the Company's management which incurred losses as well as to its previous sale of the Company's assets, and on January 6, 2011 a verdict was issued to dismiss the case, in which the prosecutor appealed the verdict in the specialty court, On October 3, 2013 a verdict was issued from the court of appeal accepting its principal and accordingly the Company's lawyer appealed this decision, The court's decision was to refuse the appeal and to return the case to the court of first instance. The court's decision to reject the cassation and return the papers to the Court of First Instance to proceed the case on June 2, 2015. The company has filed a request to return lawsuit and the court will look into the filed request on the postponed session in November 17, 2016.

On January 26, 2016 the application from the lawyer was accepted and the claim was reinstated. The application was appealed on November 27, 2017 and the decision of the Court of Appeal to cancel the appeal and the request of the Company and return the case to the source to continue from where it has been reached. The Company has applied for a cassation of the decision issued by the court of appeal through the court of cassation, the court of cassation issued later on its decision to reject the cassation on the May 6, 2018 where it considered that the submitted for cassation judgment is not listed under the judgments where a cassation ruling can be requested, the papers were returned to supreme court to proceed with the case.

On June 13, 2022, the Court of First Instance issued its decision to refer the case to the Economic Chamber in the Ramallah Court of First Instance, which in turn, on January 10, 2023, dismissed the case and ordered the plaintiff company to bear the fees and expenses. The plaintiff appealed the decision, and on November 6, 2024, the court decided to dismiss the appeal substantively. According to the legal advisor's opinion, the judgment is final and not subject to appeal.

c. Unipal General Trading Company

There are lawsuits filed against Unipal General Trading Company for an amount of USD 14 million, in addition to another lawsuit with undetermined amount, and in the opinion of the legal advisor and the Group's management, no obligations shall arise that exceeds the booked provisions in the financial statements against these lawsuits.

d. National Aluminum and Profiles Company

There are lawsuits filed against National Aluminum and Profiles Company for the amount of USD 34 thousand, and in the opinion of the legal advisor and the Group's management, no obligations shall arise that exceeds the booked provisions in the financial statements against these lawsuits.

e. Palestine Automobile Company

There are lawsuits filed against Palestine Automobile Company for the amount of USD 345 thousand, and in the opinion of the legal advisor and the Group's management, no obligations shall arise that exceeds the booked provisions in the financial statements against these lawsuits.

f. Medical Supplies and Services Company

There are lawsuits filed against Medical Supplies and Services Company for the amount of USD 84 thousand, and in the opinion of the legal advisor and the Group's management, no obligations shall arise that exceeds the booked provisions in the financial statements against these lawsuits.

In the opinion of the Group's management and its legal advisors, the Group will not incur any obligations that exceed the provisions booked in the consolidated financial statements.

35. Fair Value Levels

A-Financial Assets and Liabilities Measured at Fair Value

Some of the Group's financial assets and liabilities are valued at fair value at the end of each period. The following table provides information about the process of valuing these financial assets and liabilities at fair value (valuation methods and inputs used):

Financial Assets	December 31, 2024	December 31, 2023	Fair Value levels	Evaluation method and the inputs used	Important unobservable inputs	The relationship between important unobservable inputs
	Fair Value					
Financial assets at fair value	**USD**	**USD**				
Financial assets at fair value through profit or loss:						
Quatoted companies shares	11,042,094	8,747,374	Level One	Market Price	Not Applicable	Not Applicable
Unquoted companies shares	1,533,343	2,358,990	Level Two and Three	Compared with similar financial instrument	Not Applicable	Not Applicable
Total financial assets at fair value through proft and loss	**12,575,437**	**11,106,364**				
Financial assets at fair value through other comprehensive income:						
Quoted Shares	20,813,864	18,341,518	Level One	Market Price	Not Applicable	Not Applicable
Unquoted Shares	14,298,676	15,707,803	Level Two and Three	Compared with similar financial instrument	Not Applicable	Not Applicable
Investment funds	13,890,134	12,366,367	Level Two and Three	Compared with similar financial instrument	Not Applicable	Not Applicable
Total financial assets at fair value through other comprehensive income	**49,002,674**	**46,415,688**				
Financial hedging instruments assets	7,247,800	7,726,600	Level One	Market Price	Not Applicable	Not Applicable
Investment in land	819,127	1,040,845	Level Two	Real estate evaluator	Not Applicable	Not Applicable
Land within property and equipment at fair value	44,884,123	45,846,411	Level Two	Real estate evaluator	Not Applicable	Not Applicable
Total financial assets at fair value	**114,529,161**	**112,135,908**				
Financial liabilities at fair value						
Financial hedging instruments liabilities	7,959,000	7,959,000	Level One	Market Price	Not Applicable	Not Applicable
Total fianacial liabilities at fair value	**7,959,000**	**7,959,000**				

There were no transfers between first level and second level during 2024

B - The fair value of the company's financial liabilities that are not frequently measured at fair value:

Apart from what is mentioned in the table below, we believe that the book value of the financial liabilities appearing in the company's consolidated financial statements approximates their fair value:

Financial liabilities that are not determined at fair value	December 31, 2024		December 31, 2023		
	Book Value	Fair Value	Book Value	Fair Value	Fair Value Level
	USD	USD	USD	USD	USD
Long term bonds Payable	152,495,600	154,524,062	73,453,200	73,544,317	Second Level
Loans and banks Payable	273,508,247	273,691,140	322,012,623	322,904,633	Second Level
Total financial liabilities that are not determined at fair value	**426,003,847**	**428,215,202**	**395,465,823**	**396,448,950**	

For the items listed above, the fair value of the second level financial liabilities has been determined according to agreed pricing models that reflect the credit risks of the parties with which they are dealt.

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36. Related Parties Balances and Transactions

a. Below are the details of the related parties balances and transactions:

Balances:

Due from related parties	Relationship to Group	December 31, 2024	December 31, 2023
		USD	USD
Aggad International Investment Company	Major Shareholder	1,438,786	307,355
Gulf Taleed Company	Owned by a Major Shareholder	46,852	102,434
Qudra Renewable Energy Company	Affiliate Company	22,159	-
Arabian Tile Company	Affiliate Company	280,906	3,614
		1,788,703	**413,403**
Due to related parties			
The shareholders of the Arab Palestinian Investment Company**		727,335	776,472
		727,335	**776,472**

** This amount represents accrued payments for the Group shareholders which represents prior years dividends distribution.

Transactions:

Year 2024	Nature of Transaction	Amount
		USD
Aggad International Investment Company– Major Shareholder	Travel and insurance expenses paid on behalf of the Company	332,562

Year 2023	Nature of Transaction	Amount
		USD
Aggad International Investment Company – Major Shareholder	Travel and insurance expenses paid on behalf of the Company	155,449

b. Salaries, bonuses and other benefits of the executive management of the holding company and its subsidiaries amounted to USD 7,896,513 for the year 2024 (USD 8,757,507 for the year 2023).

37. Risk Management

a. Capital Risk Management

The Group manages its capital to ensure its ability to continue as a going concern and to maximize the return to stakeholders through achieving an optimal balance between equity and debt. Moreover, the Group manages and adjusts its capital based on the changes in the economic conditions. The capital structure is revised on a continuous basis upon the Board of Directors recommendations and the approval of the Group's General Assembly.

The following schedule shows the ratio of liabilities to owner's equity as of December 31, 2024 and 2023:

	December 31,	
	2024	2023
	USD	USD
Accounts Payable	77,148,299	84,418,650
Due to banks	98,015,637	91,169,109
Notes payable and postdated cheques - short term	4,088,751	5,543,430
Due to related parties	727,335	776,472
Lease liabilities – short term	4,017,771	4,560,464
Loan installments - short term	131,730,996	149,611,576
Other credit balances	47,034,002	41,727,279
Income tax provision	6,395,851	6,019,984
Bonds payable – short term	72,495,600	-
Financial hedging instruments liabilities	7,959,000	-
Liabilities directly associated with assets classified as held for sale	633,680	-
Total Current Liabilities	**450,246,922**	**383,826,964**
Provision for end of service indemnity	23,268,658	22,162,073
Lease liabilities - long term	11,021,329	10,754,608
Deferred tax assets	6,758,000	5,314,093
Bonds payable - long term	80,000,000	73,453,200
Financial hedging instruments liabilities	-	7,959,000
Loan installments - long term	43,761,614	81,231,938
Total Non-Current Liabilities	**164,809,601**	**200,874,912**
Total Liabilities	**615,056,523**	**584,701,876**
Total Owners' Equity	**229,890,891**	**213,168,719**
Debt to Owners' Equity Ratio	**%268**	**%274**

b. Liquidity Risk

Liquidity risk, also referred to as financing risk, is the risk that the Group will encounter difficulty in raising funds to meet its commitments. Moreover, the Group manages liquidity risk through maintaining adequate reserves, bank facilities and continuously monitoring forecast and actual cash flows, and matching the maturities of financial assets with financial liabilities. Also, part of the Group's funds is invested in balances at banks, financial assets available for trading, accounts receivable and cheques under collection which are readily available to fulfill the requirements of short- and medium-term funding and liquidity management.

The Group's liquidity condition as of the date of the consolidated financial statements is as follows:

	December 31,	
	2024	2023
	USD	USD
Current Assets	501,654,389	482,393,579
Less: Current liabilities	(450,246,922)	(383,826,964)
	51,407,467	**98,566,615**

c. Credit Risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of dealing with only creditworthy counterparties and obtaining adequate guarantees, as appropriate, to mitigate the risk of financial loss from defaults.

The group's financial assets, which primarily consist of receivables, cheques for collection, and cash and cash equivalents, do not represent a significant concentration of credit risk, except for receivables from the Palestinian Authority amounting to approximately USD 77.5 million for the year 2024 (USD 49 million for the year 2023). The debtors are widely spread across different customer classifications and geographical areas. Strict credit control is maintained, with continuous monitoring of credit limits for each customer individually.

Furthermore, the Group does not follow any policy to obtain guarantees against accounts receivable, therefore the receivables are considered not guaranteed.

d. Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group's major foreign currency transactions are denominated in Jordanian Dinar, Shekel, Euro, Turkish Lira, United Arab Emirates Dirham and Saudi Riyal. And the book values of the net foreign currency cash assets of the company as of the date of the consolidated statement of financial position are as follows:

	December 31,	
	2024	2023
Currency	USD	USD
Jordanian Dinar	24,904,552	(316,052)
Shekel	(19,895,238)	(42,449,642)
Euro	(296,709)	(4,390,238)
Turkish Lira	26,701,110	1,322,848

The sensitivity analysis of the accounts exposed to foreign currency exchange risk according to currency type for the years 2024 and 2023 and that impacts the consolidated statement of profit or loss and owners' equity based on the net financial position is as follows:

	+1%		-1%	
	2024	2023	2024	2023
	USD	USD	USD	USD
Asset				
Shekel	(198,952)	(424,496)	198,952	424,496
Euro	(2,967)	(43,902)	2,967	43,902
Turkish Lira	267,011	13,228	(267,011)	(13,228)

The Group's management believes that there is no substantial risk of the exchange rate of some currencies against the US dollar, since the exchange rates of the Jordanian dinar, the Saudi riyal and the Emirati Dirham are pegged to the US dollar.

e. Interest Rate Risk

This risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

The Group manages its exposure to interest rate risk continuously and reassesses the various options such as refinancing, renewal of the current position and alternative financing.

The sensitivity analysis below has been determined based on the exposure to interest rate risk related to bank loans, amounts due to banks, bonds and notes payable at the consolidated financial statements' date. The analysis is prepared assuming that the amount of the liability outstanding at the date of the consolidated financial statements has been outstanding for the whole year. An increase or decrease amounting to 1% is used and represents management's assessment of the probable and acceptable change in market interest rates:

	+1%		-1%	
	2024	2023	2024	2023
	USD	USD	USD	USD
Consolidated statement of profit or loss	4,451,317	4,163,243	(4,451,317)	(4,163,243)

f. Share Prices Risk

Share prices risk is the result of the change in the fair value of shares. The Group manages this risk by diversifying its portfolio into different geographical areas and economic sectors. Most of the investments owned by the Group are not listed in financial markets. The below sensitivity analysis refers to the investments listed in Palestine Stock Exchange.

	December 31, 2024		
	Change in Indicator	Effect on Statement of profit or loss	Effect on Owner's Equity
Indicator	USD	USD	USD
Palestine and Jordan Stock Exchanges	%5+-	552,105+-	1,040,693+-

	December 31, 2023		
	Change in Indicator	Effect on Statement of profit or loss	Effect on Owner's Equity
Indicator	USD	USD	USD
Palestine and Jordan Stock Exchanges	%5+-	473,369+-	917,076+-

g. Occupation and Sovereign Risks

Occupation and sovereign risks are the risks to which the Palestinian National Authority (PNA) are exposed to due to acts of invasion and violence stemming from the prevailing circumstances in those territories. These acts are followed with curfew measures and suspension of work. Since most of the operations of the subsidiary companies of the Arab Palestinian Investment Company (holding company) are conducted in those territories they are exposed to those risks.

The subsidiary companies of Arab Palestinian Investment Company (holding company) and their managements work to mitigate those risks in order to reduce the related financial risks through distributing the entities, stores, and distribution channels all over the Palestinian National Authority. All the subsidiary companies are covered by insurance policies against all types of risks.

As a result of the war on the Gaza strip, one of the geographical areas in which the Group conducts business within the Palestinian National Authority, and given that the war continues to date, the Group has made adjustments to the consolidated financial statements for the year as a result of this issue in the form of additional provisions against credit exposures and impairment or damage to the property and goods of subsidiaries In addition, the Group recognized the impact of impairment on goodwill associated with its subsidiaries located at the strip and financial investments held at fair value.

Management will continue to closely monitor the situation at Gaza strip and assess the impact on the Group's estimates including The expected credit loss (ECL) against financial assets and the valuation of investments in financial assets and real estate. In addition to assessing the indicators of impairment of tangible and intangible assets and the reasonableness of the inputs used for this purpose in the consolidated financial statements of future periods.

38. Earnings per Share Attributable to the Holding Company Shareholders.

The profit for the year attributable to the shareholders of the holding company includes the following:

	Assets	
	December 31,	
	2024	2023
	USD	USD
Profit for the year from continuing operations attributable to the shareholders of the holding company	8,202,693	16,867,934
Profit for the year from discontinued operations attributable to the shareholders of the holding company	(176,688)	847,563
Profit for the year attributable to the shareholders of the holding company	8,026,005	17,715,497

The earnings per share attributable to the shareholders of the holding company are calculated as follows:

	For the Year Ended December 31,	
	2024	2023
	USD	USD
Profit for the year from continuing operations attributable to the shareholders of the holding company	8,202,693	16,867,934
	Share	Share
Weighted Average numbers of shares	125,000,000	125,000,000
	USD/Share	USD/Share
Basic and diluted earnings per share for the year attributable to the shareholders of the holding company from continuing operations	-/066	-/135

	For the Year Ended December 31,	
	2024	2023
	USD	USD
(Loss) profit for the year from discontinued operations attributable to the shareholders of the holding company	(176,688)	847,563
	Share	Share
Weighted Average numbers of shares	125,000,000	125,000,000
	USD/Share	USD/Share
Earnings (loss) per share for the year attributable to the shareholders of the holding company from discontinued operations, basic and diluted.	(-/001)	-/007

* The weighted average number of shares for the earnings per share attributable to the shareholders of the holding company was calculated based on the number of authorized shares for the year ended December 31, 2024, according to the capital rate after the increase resulting from the distribution of USD 8 million in stock dividends to the shareholders of the holding company (Note 1) in accordance with the requirements of International Accounting Standard No. (33).

39. Hedge Derivatives:

The Group signed an agreement during the year 2020 with Arab Bank - Palestine to hedge against the change in euro exchange rate against the US dollar. The derivative assets and liabilities do not meet the offsetting criteria in accordance with IAS 32. Consequently, the gross amount of the derivative assets and gross amount of derivative liabilities are presented separately in the Group's consolidated statement of financial position and as follows:

Financial hedging instruments assets:

The following table shows the financial hedge assets classified as effective fair value hedging instruments:

	December 31, 2024
	USD
Cross Currency Swap Agreement – Euro	7,247,800
Total hedge assets	**7,247,800**

Financial hedging instruments liabilities:

The following table shows the financial hedge liabilities classified as effective fair value hedging instruments:

	December 31, 2024
	USD
Cross Currency Swap Agreement – USD	7,959,000
Total hedge liabilities	**7,959,000**

40. Subsequent Events:

Some figures in the financial statements for the year 2023 have been reclassified to align with the classification of figures in the financial statements for the year ended December 31, 2024. The reclassification did not have any impact on the profit and owners' equity for the year 2023.

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