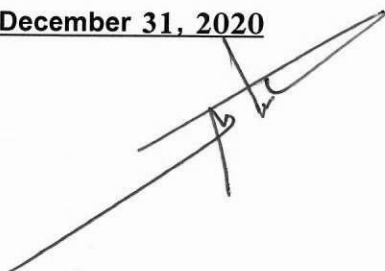


Palestine Poultry Company Ltd

Financial Statements

December 31, 2020

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Palestine Poultry Company Ltd

Balance Sheet

As of December 31, 2020

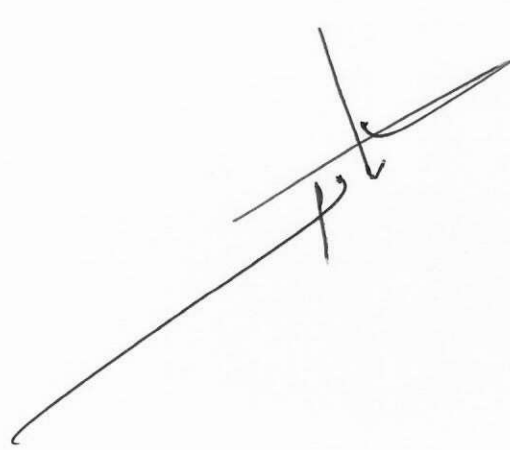
	<u>2020</u>	<u>2019</u>
	<u>JD</u>	<u>JD</u>
Assets		
Non-current assets		
Property, plant and equipment	25,817,435	24,517,521
Projects in progress	409,004	356,744
Financial assets at fair value Through OCI	126,981	127,788
Long term checks	420,320	806,650
	<u>26,773,740</u>	<u>25,808,703</u>
Current assets		
Biological assets – immature	705,148	703,396
Biological assets – mature and producing	1,012,735	786,764
Total biological assets	<u>1,717,883</u>	<u>1,490,160</u>
Inventories	2,664,929	2,262,192
Accounts receivable	10,351,913	8,516,437
Other current assets	803,690	462,604
Cash and cash equivalents	3,675,077	1,871,560
	<u>17,495,609</u>	<u>13,112,793</u>
Total assets	<u>45,987,232</u>	<u>40,411,656</u>
Equity and liabilities		
Equity		
Paid-in share capital	13,440,000	13,440,000
Statutory reserve	3,326,924	2,869,665
Foreign currency translation reserve	7,035,373	4,539,550
Investments fair value reserve	(24,563)	(12,838)
Retained earnings	11,466,597	8,695,270
Total Equity	<u>35,244,331</u>	<u>29,531,647</u>
Non-current liabilities		
Long-term loans	2,571,861	3,147,032
Long-term lease liabilities	178,143	193,255
Other non-current liabilities	335,873	327,733
Provision for income tax	119,236	13,047
Provision for employees' indemnity	1,423,442	1,135,735
	<u>4,628,555</u>	<u>4,816,802</u>
Current liabilities		
Accounts payable	3,308,328	3,371,617
Short-term lease liabilities	51,522	34,567
Current portions of long-term loans due within one year	934,331	253,759
Credit Facilities	377,872	1,124,309
Other current liabilities	1,442,293	1,278,955
	<u>6,114,346</u>	<u>6,063,207</u>
Total liabilities	<u>10,742,901</u>	<u>10,880,009</u>
Total equity and liabilities	<u>45,987,232</u>	<u>40,411,656</u>

Palestine Poultry Company Ltd

Income Statement

For the year ended December 31, 2020

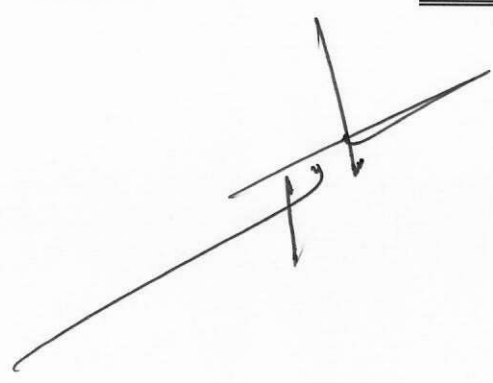
	<u>2020</u>	<u>2019</u>
	JD	JD
Sales	35,641,567	33,843,690
Cost of sales	<u>(27,423,575)</u>	<u>(26,673,935)</u>
Gross profit	8,217,992	7,169,755
General and administrative expenses	(1,351,406)	(1,217,878)
Marketing, selling and distribution expenses	(1,079,674)	(1,151,864)
Expected credit losses provision	<u>(389,465)</u>	<u>(182,911)</u>
	5,397,447	4,617,102
Finance costs	(247,968)	(267,702)
Other revenues (expenses)	<u>(60,149)</u>	<u>(29,834)</u>
Profit before income tax	5,089,330	4,319,566
Income tax expense	<u>(516,744)</u>	<u>(378,034)</u>
Profit for the year	<u><u>4,572,586</u></u>	<u><u>3,941,532</u></u>
Basic and diluted earnings per share	<u>0.340</u>	<u>0.293</u>



Palestine Poultry Company Ltd

Statement of Comprehensive Income
For the year ended December 31, 2020

	<u>2020</u>	<u>2019</u>
	<u>JD</u>	<u>JD</u>
Profit for the year	4,572,586	3,941,532
Other comprehensive income		
Items not to be reclassified to profit or loss in subsequent periods:		
Change in financial investments fair value	(11,725)	9,294
Items to be reclassified to profit or loss in subsequent periods:		
Foreign currency translation	<u>2,495,823</u>	<u>2,103,956</u>
Total other comprehensive income for the year	<u>2,484,098</u>	<u>2,113,250</u>
Net comprehensive income for the year	<u><u>7,056,684</u></u>	<u><u>6,054,782</u></u>

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Palestine Poultry Company Ltd

Statement of Changes in Equity

For the year ended December 31, 2020

	Paid-in share capital	Statutory reserve	Foreign currency translation reserve	Investments fair value reserve	Retained earnings	Total Equity
	JD	JD	JD	JD	JD	JD
2020						
At January 1, 2020	13,440,000	2,869,665	4,539,550	(12,838)	8,695,270	29,531,647
Profit for the year	-	-	-	-	4,572,586	4,572,586
Other comprehensive income	-	-	2,495,823	(11,725)	-	2,484,098
Net comprehensive income for the year	-	-	2,495,823	(11,725)	4,572,586	7,056,684
Transferred to statutory reserve	-	457,259	-	-	(457,259)	-
Cash dividends	-	-	-	-	(1,344,000)	(1,344,000)
At December 31, 2020	13,440,000	3,326,924	7,035,373	(24,563)	11,466,597	35,244,331

	Paid-in share capital	Statutory reserve	Foreign currency translation reserve	Investments fair value reserve	Retained earnings	Total Equity
	JD	JD	JD	JD	JD	JD
2019						
At January 1, 2019	13,440,000	2,475,512	2,435,594	(22,132)	6,491,891	24,820,865
Profit for the year	-	-	-	-	3,941,532	3,941,532
Other comprehensive income	-	-	2,103,956	9,294	-	2,113,250
Net comprehensive income for the year	-	-	2,103,956	9,294	3,941,532	6,054,782
Transferred to statutory reserve	-	394,153	-	-	(394,153)	-
Cash dividends	-	-	-	-	(1,344,000)	(1,344,000)
At December 31, 2019	13,440,000	2,869,665	4,539,550	(12,838)	8,695,270	29,531,647

Palestine Poultry Company Ltd**Statement of Cash Flows**

For the year ended December 31, 2020

	<u>2020</u>	<u>2019</u>
	<u>JD</u>	<u>JD</u>
Operating Activities		
Profit before income tax	5,089,330	4,319,566
Adjustments for:		
Depreciation of property, plant and equipment	1,534,502	1,473,674
Provision for employees' indemnity	211,173	171,289
Finance costs	237,190	267,702
Lease Contract Entries	10,778	11,838
Expected credit losses provision	389,465	182,911
Gain on disposal of property, plant and equipment	(21,411)	(44,553)
	<u>7,451,027</u>	<u>6,382,427</u>
Working capital adjustments:		
Accounts receivable	(2,108,525)	(1,937,946)
Biological assets	(227,723)	(16,317)
Inventory	(402,737)	66,827
Other current assets	(341,086)	233,927
Accounts payable	(63,289)	(789,087)
Other current liabilities	142,293	260,819
Employees' indemnity paid	(24,753)	(156,806)
Income tax payments	(418,521)	(159,172)
Net cash flows from operating activities	<u>4,006,686</u>	<u>3,884,672</u>
Investing Activities		
purchase of property, plant and equipment	(965,945)	(1,258,375)
Sale of property, plant and equipment	31,382	46,423
Increase in projects in progress	(52,260)	-
Net cash used in investing activities	<u>(986,823)</u>	<u>(1,211,952)</u>
Financing Activities		
Cash dividends paid	(1,452,037)	(1,331,158)
Long term lease contracts payments	(25,585)	(51,652)
Long term loans	105,401	776,698
Finance cost paid	(108,108)	(153,184)
Change in restricted cash	34,413	(61,987)
Other non-current liabilities	8,140	(28,252)
Credit facilities	(746,437)	(743,706)
Net cash flows from financing activities	<u>(2,184,213)</u>	<u>(1,593,241)</u>
(Decrease) Increase in cash and cash equivalents	835,641	1,079,479
Foreign currency translation difference	1,002,289	553,263
Cash and cash equivalents, beginning of year	<u>1,809,573</u>	<u>176,831</u>
Cash and cash equivalents, end of year	<u><u>3,647,512</u></u>	<u><u>1,809,573</u></u>