

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY

PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

31 MARCH 2025

**REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
TO THE BOARD OF DIRECTORS OF DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
AMMAN - JORDAN**

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dar Al Dawa Development and Investment Company (the "Company") and its subsidiaries (the "Group") which comprise of the interim condensed consolidated statement of financial position as at 31 March 2025 and the related interim condensed consolidated statements of income, comprehensive income, changes in equity and cash flows for the three months then ended and its explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the independent Auditor of the Entity". A review of Interim financial information consists of making inquiries, primarily of persons responsible for the financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to the attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Amman – Jordan
30 April 2025

ERNST & YOUNG
Amman - Jordan

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Notes	31 March 2025 JD (Unaudited)	31 December 2024 JD (Audited)
ASSETS			
NON-CURRENT ASSETS -			
Property, plant and equipment	3	30,980,775	31,070,538
Projects in progress		357,957	324,299
Intangible assets		4,487,175	4,571,853
Investment in an associate		1,871,823	1,961,043
Right of use assets		356,741	377,173
Financial assets at fair value through other comprehensive income		4,230	4,177
Deferred tax assets	9	2,061,063	2,190,061
		<u>40,119,764</u>	<u>40,499,144</u>
CURRENT ASSETS -			
Inventories		24,569,752	25,780,184
Trade receivables and other current assets		37,910,462	37,999,305
Amount due from related parties	5	3,117,205	2,124,357
Restricted bank balances	6	2,087,353	2,087,353
Cash and balances at banks	6	16,423,303	15,575,516
		<u>84,108,075</u>	<u>83,566,715</u>
Assets held for sale		95,057	95,057
		<u>84,203,132</u>	<u>83,661,772</u>
TOTAL ASSETS		<u>124,322,896</u>	<u>124,160,916</u>
EQUITY AND LIABILITIES			
EQUITY -			
PARENT COMPANY'S SHAREHOLDERS' EQUITY			
Paid-in capital	4	35,000,000	35,000,000
Statutory reserve		10,000,000	10,000,000
Voluntary reserve		1,992,003	1,992,003
Special reserve		1,268,624	1,268,624
Other reserves		309,465	309,465
Foreign currency translation differences		(7,894,810)	(8,033,785)
Fair value reserve		(257,865)	(257,865)
Retained earnings		9,425,860	8,852,095
		<u>49,843,277</u>	<u>49,130,537</u>
Non-controlling interest		586,056	571,414
NET EQUITY		<u>50,429,333</u>	<u>49,701,951</u>
LIABILITIES			
NON-CURRENT LIABILITIES -			
Long term bank loans	7	2,125,000	-
Long-term lease liabilities		238,671	284,899
End of service indemnity provision		232,394	467,474
		<u>2,596,065</u>	<u>752,373</u>
CURRENT LIABILITIES -			
Due to banks	6	18,566,609	17,217,093
Revolving loans	8	26,937,772	26,690,762
Bank loans instalments maturing within a year	7	3,547,455	1,769,944
Lease liabilities		174,957	174,957
Trade payables and other current liabilities		17,685,386	22,662,052
Other provisions		3,563,822	4,444,774
Income tax provision	9	815,339	740,852
		<u>71,291,340</u>	<u>73,700,434</u>
Liabilities directly related to assets held for sale		6,158	6,158
		<u>71,297,498</u>	<u>73,706,592</u>
TOTAL LIABILITIES		<u>73,893,563</u>	<u>74,458,965</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>124,322,896</u>	<u>124,160,916</u>

The attached notes from 1 to 14 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2025 (UNAUDITED)

	Notes	For the three months ended 31 March	
		2025	2024
		JD	JD
Revenue from contracts with customers	10	18,202,984	16,504,375
Cost of sales	10	(10,222,422)	(9,408,942)
Gross profit		7,980,562	7,095,433
Selling and marketing expenses		(4,002,004)	(3,879,289)
Administrative expenses		(1,597,267)	(1,584,810)
Research and development expenses		(273,943)	(265,086)
Provision for expected credit losses		(28,398)	(34,977)
Other expenses, net		(237,492)	(11,633)
Profit from operations		1,841,458	1,319,638
Group's share of results from an associate		(89,220)	39,891
Employee's termination compensations expenses		(118,592)	(38,973)
Interest income		178,252	181,436
Currency exchange differences		(100,216)	54,475
Finance costs		(921,920)	(878,749)
Profit for the period before income tax		789,762	677,718
Income tax for the period	9	(203,485)	(183,364)
Profit for the period		586,277	494,354
Profit for the period attributable to:			
Equity holders of the Parent		573,765	474,623
Non-controlling interests		12,512	19,731
		586,277	494,354
		JD/Fils	JD/Fils
Basic and diluted earnings per share from the profit for the period attributable to the Equity holders of the Parent	13	0/164	0/136

The attached notes from 1 to 14 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2025 (UNAUDITED)

	For the three months ended 31 March	
	2025	2024
	JD	JD
Profit for the period	586,277	494,354
Add: Other comprehensive income items to be reclassified to income statement in subsequent periods		
Foreign currency translation differences	141,105	48,591
Total comprehensive income for the period	727,382	542,945
Attributable to:		
Equity holders of the Parent	712,740	513,346
Non-Controlling interest	14,642	29,599
	727,382	542,945

The attached notes from 1 to 14 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2025 (UNAUDITED)

	Attributable to equity holders of the Parent										Non-controlling interest	Net equity
	Paid-in capital	Statutory reserve	Voluntary reserve	Special reserve	Other reserves	Foreign	Fair value reserve	Retained earnings	Total			
						currency						
						translation differences						
JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	
31 March 2025 -												
Balance as at 1 January	35,000,000	10,000,000	1,992,003	1,268,624	309,465	(8,033,785)	(257,865)	8,852,095	49,130,537	571,414	49,701,951	
Profit for the period	-	-	-	-	-	-	-	573,765	573,765	12,512	586,277	
Other comprehensive income items after tax	-	-	-	-	-	138,975	-	-	138,975	2,130	141,105	
Total comprehensive income for the period	-	-	-	-	-	138,975	-	573,765	712,740	14,642	727,382	
Balance as at 31 March 2025	35,000,000	10,000,000	1,992,003	1,268,624	309,465	(7,894,810)	(257,865)	9,425,860	49,843,277	586,056	50,429,333	
31 March 2024 -												
Balance as at 1 January	35,000,000	10,000,000	1,992,003	1,268,624	204,195	(7,662,908)	(257,865)	5,266,709	45,810,758	436,559	46,247,317	
Profit for the period	-	-	-	-	-	-	-	474,623	474,623	19,731	494,354	
Other comprehensive income items after tax	-	-	-	-	-	38,723	-	-	38,723	9,868	48,591	
Total comprehensive income for the period	-	-	-	-	-	38,723	-	474,623	513,346	29,599	542,945	
Balance as at 31 March 2024	35,000,000	10,000,000	1,992,003	1,268,624	204,195	(7,624,185)	(257,865)	5,741,332	46,324,104	466,158	46,790,262	

The attached notes from 1 to 14 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2025 (UNAUDITED)

		For the three months ended 31 March	
	Notes	2025	2024
		JD	JD
<u>OPERATING ACTIVITIES</u>			
Profit for the period before income tax		789,762	677,718
Adjustments for -			
Depreciation and amortization		944,071	853,014
Provision for expected credit losses		28,398	34,977
Group's share of results from an associate		89,220	(39,891)
End of service indemnity provision		39,010	42,008
Provision for (recoveries from) expired and near expiry goods		233,145	(85,632)
Interest income		(178,252)	(181,436)
Finance cost		921,920	878,749
Working capital changes -			
Inventories		977,287	(1,084,534)
Related parties		(992,848)	(696,125)
Trade receivables and other current assets		60,445	51,455
Trade payables and other current liabilities		(4,976,666)	(619,767)
Other provisions paid		(880,952)	(1,706,961)
End of service indemnity provision paid		(274,090)	(52,782)
Income tax paid	9	-	(7,988)
Net cash flows used in operating activities		(3,219,550)	(1,937,195)
<u>INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment	3	(655,392)	(814,714)
Projects in progress		(33,658)	-
Additions to intangible assets		(23,072)	-
Interest income received		178,252	181,436
Net cash flows used in investing activities		(533,870)	(633,278)
<u>FINANCING ACTIVITIES</u>			
Loans paid		(994,934)	(823,925)
Loans proceeds		4,897,445	3,283,286
Revolving loans		247,010	383,703
Lease liabilities payments		(60,378)	(26,250)
Interest paid		(907,770)	(870,949)
Net cash flows from financing activities		3,181,373	1,945,865
Net decrease in cash and cash equivalents		(572,047)	(624,608)
Effect of exchange rate changes on cash and cash equivalent		70,318	20,387
Cash and cash equivalents at the beginning of the period		(1,546,520)	(3,279,363)
Cash and cash equivalents at the end of the period	6	(2,048,249)	(3,883,584)

The attached notes from 1 to 14 form part of these interim condensed consolidated financial statements

(1) GENERAL INFORMATION

Dar Al Dawa Development and Investment Public Shareholding Company (The “Company”) was established on 17 August 1975 with a paid-in capital of JD 500,000. The Company’s Paid-in capital was increased over the years to reach JD 35,000,000 divided into 35,000,000 shares at a par value of JD 1 per share.

The main objectives of the Company are to manufacture pharmaceutical, chemical and related products and to import medicines. The main objectives of the subsidiaries are the marketing and distributing of Dar Al Dawa products, manufacturing some specialized pharmaceutical products and carrying out investment activities.

The Company’s headquarters are located in Na’ur, Amman – the Hashemite Kingdom of Jordan.

These interim condensed consolidated financial statements were approved by the Company’s Board of Directors at their meeting held on 24 April 2025.

(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

(2-1) BASIS OF PREPARATION

The interim condensed consolidated financial statements for the three months period ended 31 March 2025 have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

The interim condensed consolidated financial statements are presented in Jordanian Dinar, which is the functional currency of the Company and the presentation currency of the Group.

The interim condensed consolidated financial statements were prepared under the historical cost basis except for financial assets at fair value through other comprehensive income which are presented at fair value at the date of the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements do not contain all information and disclosures that are required for financial statements prepared in accordance with International Financial Reporting Standards, and should be read in conjunction with the Group’s annual report as at 31 December 2024. Furthermore, the results of operations for the three months period ended 31 March 2025 do not necessarily reflect the expected results of the operations for the year ending 31 December 2025.

(2-2) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the interim condensed consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2024 except for the adoption of new standard effective as at 1 January 2025 as shown below:

Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments were effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Group's interim condensed consolidated financial statements.

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
31 MARCH 2025 (UNAUDITED)

(2-3) Basis of consolidation

The interim condensed consolidated financial statements include the financial statements of the Company and its subsidiaries under its control, and control is achieved when the Company is exposed to the variable returns resulting from its investment in the subsidiaries or has rights in such returns, and is able to influence such returns through its authority over the subsidiaries, and transactions, balances, revenues and expenses between the Company and the subsidiaries are excluded. The subsidiaries included in the interim condensed consolidated financial statements are as follows:

Company Name	Main activity	Country of establishment	Percentage of ownership 2025	Percentage of ownership 2024
Dar Al Dawa - Algeria	Marketing	Algeria	100%	100%
Dar Al Dawa- Tunis	Marketing	Tunis	100%	100%
Dar Al Dawa Pharma – Romania	Marketing	Romania	100%	100%
Aldar investment for consulting	Financial consulting	Jordan	100%	100%
Nutridar – Public Shareholding Company	Industrial	Jordan	90.4%	90.4%
Al Nahda for Financial Investments*	Financial investments	Jordan	40.2%	40.2%
Aldar Jordan for Investments and its subsidiary	Investments	Jordan	100%	100%
Medi Pharma International – Algeria	Industrial	Algeria	85%	85%
Dar Al Dawa Regional headquarter**	Regional headquarter	Saudi Arabia	100%	100%

* Al-Nahda Company is under liquidation.

** Dar Al Dawa Regional Headquarter was established in the Kingdom of Saudi Arabia during 2024 as a Limited Liability Company.

Control is achieved when a group has rights in variable returns resulting from its association with the investee group and has the ability to influence these returns through its ability to control the investee group. The investee group is controlled only when the following is achieved:

- The Group's control over the investee group (existing rights that give the Group the ability to direct the relevant activities of the investee company).
- Display of the group or its rights in the variable returns resulting from its association with the investee group.
- The ability to exercise control over the investee group and influence its returns.

Where the Group owns less than a majority of voting rights or similar rights in the investee company, the Group shall take into account all relevant facts and circumstances to determine whether it has control over the investee company, including:

- Contractual arrangements with other voting rights holders in the investee company.
- Rights resulting from other contractual arrangements.
- Current voting rights and possible voting rights of the group.

The Group reassesses whether it controls the investee company and if there are circumstances or facts indicating a change in one or more of the three elements of control.

The financial statements of the subsidiary shall be consolidated from the date of exercising control until such control ceases. The income and expenses of subsidiaries are consolidated in the consolidated interim condensed comprehensive income statement from the date of the Group's control of the subsidiaries until such control ceases.

Profit and loss and every other item of comprehensive income is charged to the shareholders' equity in the parent company and the rights of non-controlling parties, even if this results in a deficit in the equity balance of the non-controlling parties. If necessary, the financial statements of subsidiaries are amended to align their accounting policies with the Group's accounting policies. Assets, liabilities, equity, income, expenses, profits and losses relating to transactions between the Group and its subsidiaries are excluded.

The effect of a change in ownership in the subsidiary that does not result in a loss of control is recorded. When you lose control of the affiliate, the group will:

- Derecognition of assets (including goodwill) and liabilities of the subsidiary
- Derecognition of the rights of non-controlling parties
- Derecognition of foreign currency translation reserves
- Recognition of the fair value of the amounts received
- Recognition of the fair value of the investment held in the subsidiary
- Recognition of profits or losses resulting from the loss of control
- Reclassification of the company's share previously recorded in other comprehensive income items to profit and loss

(3) PROPERTY, PLANT AND EQUIPMENT

The Group purchased property, plant and equipment during the three-months period ended 31 March 2025 with a cost of JD 655,392 (31 March 2024: JD 814,714).

(4) SHAREHOLDER'S EQUITY

Paid in Capital

The Company's authorized and subscribed capital is JD 35,000,000 with a nominal value of JD 1 per share as at 31 March 2025.

Statutory reserve

The accumulated amounts of JD 10,000,000 as of 31 March 2025 represent the amounts transferred from the annual net profit before income tax by 10% during the years in accordance with the Companies Law, and it is not distributable to shareholders. The Group may stop transferring amounts to the statutory reserve when the reserve balance reaches 25% of the authorized capital, but it is permissible, with the approval of the Company's general assembly, to continue deducting this annual percentage until this reserve reaches the equivalent of the Company's authorized capital.

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
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31 MARCH 2025 (UNAUDITED)

Voluntary reserve

The accumulated amounts in this account represent the amounts transferred from the annual net profit before income tax by no more than 20% during the years and is distributable to shareholders.

Special reserve

The accumulated amounts in this account represent the amounts transferred from the annual net profit before income tax by no more than 5% during the years, and it is distributable to shareholders, the special reserve is to be used for the purposes determined by the Board of Directors.

Other reserves

The accumulated amounts of JD 309,465 in this account represent actuarial gains resulting from the revaluation of defined benefit plans through comprehensive income from prior years.

Foreign currency exchange differences

The accumulated amounts of JD 7,894,810 in this account represent the foreign currency differences resulting from the translation of the financial statements of foreign subsidiaries.

(5) RELATED PARTIES BALANCES AND TRANSACTIONS

Related parties represent major shareholders, associate, board of directors and companies of which they are principal shareholders. Policies and terms of these transactions are approved by the Group's management.

Balances with related parties included in the interim condensed consolidated statement of financial position are as follows:

Amounts due from related parties:

	31 March 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Zakaria Hawash (Partner in Medi Pharma International)	1,879,005	1,879,005
Al Mufeed Trading– United Arab Emirates (Company owned by a Board Member)	1,124,815	126,359
Dar Al Dawa Veterinary Industries Limited Liability Company (Associate)	113,385	118,993
	<u>3,117,205</u>	<u>2,124,357</u>

Advance payments from customers:

	31 March 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Dara Group for Health (Company owned by a shareholder with significant influence)	<u>5,982,294</u>	<u>8,244,223</u>

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
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Transactions with related parties included in the interim condensed consolidated statement of income are as follow:

	For the three months ended 31 March	
	2025	2024
	JD	JD
	(Unaudited)	(Unaudited)
Sales to agents - Dara Group for Health (Company owned by a shareholder with significant influence)	4,090,930	1,840,710
Sales to agents - Al Mufeed Trading (Company owned by a Board Member)	1,509,461	1,568,499
Board of Directors' remuneration	29,974	25,950

The following is a summary of the benefits (salaries, bonuses and other benefits) of the Group's senior executive management:

	For the three months ended 31 March	
	2025	2024
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and other benefits	268,874	216,851

(6) CASH ON HAND AND AT BANKS

Cash and bank balances shown in the interim condensed consolidated statement of financial position represent the following:

	31 March 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	80,278	132,169
Bank balances	5,203,981	4,414,992
Short-term deposits*	11,139,044	11,028,355
	16,423,303	15,575,516

- * This item represents deposits with Arab Bank and Arab Banking Corporation Bank, with an average interest rate of 5.75% - 6.25% per annum in 2025 (31 December 2024: 5.75% - 6.25%) that matures within one to three months period.

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Cash and cash equivalents for the purpose of preparing the interim condensed consolidated statement of cash flows was as follows:

	31 March 2025 JD (Unaudited)	31 March 2024 JD (Unaudited)
Cash on hand and at banks	16,423,303	14,418,973
Cash on hand and at banks – subsidiary under liquidation	95,057	95,057
Due to banks*	(18,566,609)	(18,397,614)
	<u>(2,048,249)</u>	<u>(3,883,584)</u>

* Due to banks represent the facilities granted to the Group's companies by several banks and in different currencies (Jordanian dinar, Algerian dinar, US dollar and Euro). The total ceilings granted as at 31 March 2025 were equivalent to JD 19,882,861 and the average interest rate that ranges between 5.5% – 8.25% per annum (31 December 2024: Total ceilings equivalent to JD 23,178,086 and an average interest that ranges between 5.5% – 8.25% per annum).

** Restricted bank balances amounting to JD 2,087,353 represents the cash deposited as a collateral in exchange for increasing the ceiling of the overdraft facilities account for Dar Al Dawa - Algeria with the Housing Bank for Trade and Finance – Algeria.

(7) Bank Loans

			31 March 2025 (Unaudited)		
	Company name	Currency	Short-term	Long-term	Total
			JD	JD	JD
Societe Generale Bank **	Medi Pharma International	Algerian Dinar	52,930	-	52,930
Arab Bank (1)	Dar Al Dawa - Jordan	Jordanian Dinar	150,000	-	150,000
Arab Bank (2)	Dar Al Dawa - Jordan	Jordanian Dinar	335,000	-	335,000
Arab Bank (3)	Dar Al Dawa - Jordan	Jordanian Dinar	1,375,000	1,375,000	2,750,000
Arab Bank (4)	Dar Al Dawa - Jordan	Jordanian Dinar	750,000	750,000	1,500,000
Housing Bank (1)	Dar Al Dawa - Jordan	US Dollar	282,985	-	282,985
Housing Bank (2)	Dar Al Dawa - Jordan	Jordanian Dinar	601,540	-	601,540
			<u>3,547,455</u>	<u>2,125,000</u>	<u>5,672,455</u>

			31 December 2024 (Audited)		
	Company name	Currency	Short-term	Long-term	Total
			JD	JD	JD
Societe Generale Bank **	Medi Pharma International	Algerian Dinar	78,393	-	78,393
Arab Bank (1)	Dar Al Dawa - Jordan	Jordanian Dinar	672,000	-	672,000
Arab Bank (2)	Dar Al Dawa - Jordan	Jordanian Dinar	345,000	-	345,000
Housing Bank (1)	Dar Al Dawa - Jordan	US Dollar	222,825	-	222,825
Housing Bank (2)	Dar Al Dawa - Jordan	Jordanian Dinar	451,726	-	451,726
			<u>1,769,944</u>	<u>-</u>	<u>1,769,944</u>

* Interest rates on bank loans ranges from 3.5% - 8.1% (31 December 2024: between 3.5% - 8.1%) depending on the loan's currency.

** The Company mortgaged the 9.8-dunum land of Medi Pharma International plant in Algeria to Societe Generale Bank.

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(8) Revolving Loans

			31 March 2025 (Unaudited)		31 December 2024 (Audited)	
Company name	Currency		Utilized		Utilized	
			Ceiling	Balance	Ceiling	Balance
			JD	JD	JD	JD
Arab Banking Corporation	Dar Al Dawa – Jordan	US Dollar	5,033,900	3,911,080	3,261,400	3,234,184
Housing Bank	Dar Al Dawa – Jordan	US Dollar	7,799,000	7,724,531	7,799,000	7,718,051
Arab Bank	Dar Al Dawa – Jordan	US Dollar	12,053,000	12,041,757	12,053,000	12,045,617
Arab Jordan Investment Bank	Dar Al Dawa – Jordan	US Dollar	2,836,000	1,358,907	2,836,000	1,358,907
Arab Banking Corporation	Nutridar	US Dollar	3,013,250	1,901,497	3,013,250	2,334,003
			<u>31,798,650</u>	<u>26,937,772</u>	<u>30,026,150</u>	<u>26,690,762</u>

* Interest rates on revolving loans range between 7.1% - 7.4% (31 December 2024: 7.1% - 7.4%).

(9) Income tax provision

The Company calculated the income tax for the results of operations for the periods ended 31 March 2025 and 2024 in accordance with income tax law No. (34) of 2014 and its amendments.

Dar Al Dawa Development & Investment Company - Parent Company

The Company submitted its tax declaration for the years from 2021 to 2024. The Income and Sales Tax Department did not review the Company's records up until the date of preparing these interim condensed consolidated financial statements.

The Company obtained a final clearance from the Income and Sales Tax Department until 2020 except for 2017 where the Income and Sales Tax Department reviewed the Company's records for the year 2017, the Company did not accept the approved amount of accumulated losses by the Income and Sales Tax Department in the amount of JD 960,547, where the Company's management requests the approval of the amount of JD 2,565,426, therefore the Company has registered a lawsuit for objection with the Tax Court of First Instance. The objection case decision was not issued by the Tax Court of First Instance until the date of preparing these interim condensed consolidated financial statements.

Nutridar Public Shareholding Company

The Company submitted its tax declaration for the years from 2018 to 2024, and the Income and Sales Tax Department did not review the Company's records until the date of preparing the interim condensed consolidated financial statements.

The Company obtained a final clearance from the Income and Sales Tax Department until 2017.

Al Dar Jordan Investment Company

The Company submitted its tax declaration for the years from 2019 to 2024, and the Income and Sales Tax Department did not review the Company's records until the date of preparing the interim condensed consolidated financial statements.

The Company obtained a final clearance from the Income and Sales Tax Department until 2018.

Dar al Dawa – Romania

The Company submitted its tax declarations for the years from 2022 to 2024, and the Tax Authority did not review the Company's records until the date of preparing the interim condensed consolidated financial statements.

The Company obtained a final clearance from the Income and Sales Tax Department until 2021.

Dar al Dawa - Algeria

The Company submitted its tax declaration for the years from 2021 to 2024, and the Directorate General of Taxes did not review the Company's records until the date of preparing the interim condensed consolidated financial statements.

During the years from 2021 to 2024, the Company recorded a provision in the amount of JD 200,000 to cover potential risks for the years from 2021 until 2024. In the opinion of the Company's management and its legal counsel, the provision taken is sufficient to meet the liabilities that may arise from such claims.

The Company has obtained final clearance from the General Directorate of Taxes in Algeria until 2020.

The movement on the income tax provision was as follows:

	31 March 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Balances as at the beginning of the period / year	740,852	347,302
Income tax expense for the period / year	74,487	399,737
Prior year's tax	-	31,419
Paid during the period / year	-	(37,606)
Balances as at the end of the period / year	<u>815,339</u>	<u>740,852</u>

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The income tax for the period shown in the interim condensed consolidated statement of comprehensive income consists of the following:

	31 March 2025 JD (Unaudited)	31 March 2024 JD (Unaudited)
Income tax for the period	74,487	-
Releases from deferred tax assets	128,998	183,364
	<u>203,485</u>	<u>183,364</u>

(10) SEGMENT REPORTING OF SALES

The Group is organized for administrative purposes so that the sectors are measured according to the reports that are used by the General Manager and the main decision maker of the Group through the geographical distribution of sales and the geographical distribution of assets and liabilities.

The distribution of sales, cost of sales, gross profit and types of goods sold by geographical areas is as follows:

For the three months ended 31 March 2025 (Unaudited):

	Levant and Iraq JD	Arabian Gulf and Yemen JD	Africa JD	Europe and Aisa JD	Total JD
Net sales	11,818,338	2,218,985	4,159,280	6,381	18,202,984
Cost of sales	(6,277,995)	(1,518,567)	(2,422,519)	(3,341)	(10,222,422)
Gross profit	<u>5,540,343</u>	<u>700,418</u>	<u>1,736,761</u>	<u>3,040</u>	<u>7,980,562</u>

	Medicines JD	Baby food and milk JD	Elimination entries JD	Total JD
Net sales	16,831,901	3,969,406	(2,598,323)	18,202,984
Cost of sales	(9,569,453)	(2,994,382)	2,341,413	(10,222,422)
Gross profit	<u>7,262,448</u>	<u>975,024</u>	<u>(256,910)</u>	<u>7,980,562</u>

	Jordan JD	Algeria JD	Total JD
Other information:			
Depreciation	(698,000)	(207,265)	(905,265)
Amortization	(38,806)	-	(38,806)
Interest income	178,252	-	178,252
Finance cost	(711,079)	(210,841)	(921,920)
Provision for expected credit losses	(25,000)	(3,398)	(28,398)
Group's share of results from an associate	(89,220)	-	(89,220)

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For the three months ended 31 March 2024 (Unaudited):

	Levant and Iraq	Arabian Gulf and Yemen	Africa	Total
	JD	JD	JD	JD
Net sales	7,016,701	6,193,864	3,293,810	16,504,375
Cost of sales	(4,247,638)	(3,174,583)	(1,986,721)	(9,408,942)
Gross profit	<u>2,769,063</u>	<u>3,019,281</u>	<u>1,307,089</u>	<u>7,095,433</u>

	Medicines	Baby food and milk	Elimination entries	Total
	JD	JD	JD	JD
Net sales	16,483,802	2,878,854	(2,858,281)	16,504,375
Cost of sales	(9,202,589)	(2,277,419)	2,071,066	(9,408,942)
Gross profit	<u>7,281,213</u>	<u>601,435</u>	<u>(787,215)</u>	<u>7,095,433</u>

	Jordan	Algeria	Total
	JD	JD	JD
Other information:			
Depreciation	(720,317)	(132,697)	(853,014)
Interest income	181,436	-	181,436
Finance cost	(636,559)	(242,190)	(878,749)
Provision for expected credit losses	(34,977)	-	(34,977)
Group's share of results from an associate	39,891	-	39,891

The distribution of assets and liabilities by geographical regions is as follows:

As at 31 March 2025
(Unaudited)

	Jordan	Algeria	Tunisia	Romania	Elimination entries	Total
	JD	JD	JD	JD	JD	JD
Total assets	117,589,151	37,442,779	22,264	573,054	(31,304,352)	124,322,896
Total liabilities	58,922,890	24,719,951	1,744	3,555	(9,754,577)	73,893,563

As at 31 December 2024
(Audited)

	Jordan	Algeria	Tunisia	Romania	Elimination entries	Total
	JD	JD	JD	JD	JD	JD
Total assets	115,945,190	43,826,234	22,264	573,054	(36,205,826)	124,160,916
Total liabilities	59,072,909	23,532,533	1,744	3,555	(8,151,776)	74,458,965

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(11) CONTINGENT LIABILITIES

At the date of the interim condensed consolidated financial statements, the Group had contingent contractual obligations as follows:

	31 March 2025	31 December 2024
	JD (Unaudited)	JD (Audited)
Contingent Liabilities:		
Bank guarantees	16,434,119	16,463,548
Bills of collection	972,102	2,521,037
Government guaranteed loans	652,587	761,352
Letters of credit	245,966	762,362

(12) LAWSUITS HELD AGAINST THE GROUP

There are lawsuits filed against the Group in the amount of JD 5,363,942 as of 31 March 2025 (31 December 2024: JD 5,345,989) within the normal activity of the Group, and in the opinion of the management and its legal advisor, the Group will not have material obligations for these cases.

(13) BASIC AND DILUTED EARNINGS PER SHARE FROM THE PROFIT FOR THE PERIOD

	31 March 2025	31 March 2024
	(Unaudited)	(Unaudited)
Profit for the period (JD)	573,765	474,623
Weighted average number of shares during the period (Share)	35,000,000	35,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share for the period	0/164	0/136

(14) Subsequent Events

Subsequent to the date of the interim condensed consolidated financial statements, the General Assembly of Dar Al Dawa Development and Investment Company, resolved in its extraordinary meeting held on 24 April 2025 to approve an increase in the Company's authorized paid-in capital by JD 15,000,000, divided into 15,000,000 shares at a par value of 1 JD per share, through a private subscription for the Company's shareholders. Accordingly, the Company's authorized paid-in capital will be JD 50,000,000.