



Hayat Pharmaceutical Industries Co. PLC



Twenty First Annual Report
2025



His Majesty King Abdullah II Bin Al Hussein



His Highness Crown Prince Al-Hussein Bin Abdullah II

Our Mission

Hayat Pharmaceutical Industries is dedicated to developing healthcare and achieving its vision by providing high-quality products at moderate prices that meet customer needs and gain their satisfaction, and by adhering to global quality standards at all stages of the supply chain.

In its pursuit to sustain its growth and development, Hayat conducts its business efficiently and with the highest responsibility, and employs its best efforts to develop and enhance the professional capabilities of its human resources and empower them to achieve their personal goals of growth and self-development, while providing an attractive work environment within an institutional culture that implements the principles of sustainability, environmental protection and social responsibility, where corporate and people interests unite to meet the expectations of customers and investors.

Board of Directors

Chairman **Mr. Omar Mohammad Shahrour**

Vice Chairman **Dr. Maher Moh'd Ali Kurdi**

Members **Dr. Mowafak Abdulaziz Ismael**

Dr. Raghda Moh'd Ali Kurdi

Mr. Salim William Karadsheh

Mr. Izzat Izzeddin Katkhuda

Ixir Investment Company LLC
Represented by Mr. Walid Fuad Shihadeh

Managing Director **Maher Moh'd Ali Kurdi**

Auditors **Modern Accountants**
Walid Moh'd Taha / License to Practice No. (703)

Legal Advisor **Dr. Gandhi Qawasma**

Chairman's Speech

Honorable members of Hayat's General Assembly,

It is my pleasure to present to you the twenty first annual report of Hayat Pharmaceutical Industries, including the company's business results and financial statements for the year ending December 31st, 2025.

Dear Esteemed Shareholders,

In 2025, Hayat Pharmaceutical Industries continued its steady progress with a clear vision, grounded in its unwavering mission to develop and manufacture safe, effective, and high-quality pharmaceutical products that meet patient needs and enhance trust in its products across various markets. This year marked a continuation of a balanced corporate approach that combines sustainable development, operational discipline, and the ability to adapt to changes, reflecting the company's mature experience and clear strategic direction.

Despite ongoing regional and international challenges, including supply chain disruptions and intensifying competition in export markets, the company focused on strengthening its presence in 2025 through strategic initiatives and well-considered steps. These aimed to introduce new products to these markets, enhance working mechanisms with distributors, improve their performance, activate analytical and monitoring tools, and develop more flexible pricing and promotional policies that respond to market changes. This approach ensures optimal added value for customers, maintains the company's competitiveness, and guarantees balanced and sustainable growth. Efforts were also made to improve the efficiency of sales and promotion teams by intensifying support and training programs, contributing to expanding market share and strengthening the position of the company's products both domestically and internationally.

As part of its ongoing internal development and capacity-building plan, the company gave exceptional attention to developing its human resources. This included updating performance management policies, automating administrative processes, launching specialized training and development programs, and fostering a work environment based on transparency, accountability, and teamwork. This focus has been reflected in raising levels of commitment and productivity, and in establishing a corporate culture that supports innovation and continuous improvement, which are the true engines of growth.

Looking ahead, the Board of Directors has formed a special committee to review and develop Hayat's medium- and long-term strategies. Hayat will continue, God willing, to build upon its achievements over the years, relying on sound governance, prudent risk management, and a balanced and careful approach to its resources and capabilities. It will remain committed to its national role in supporting the economy and serving the community, while maintaining the highest standards of quality and compliance, so that it may move confidently towards a more sustainable and prosperous future.

Dear Shareholders,

Based on Hayat's financial results and the projected cash flow analysis, the Board of Directors recommends to your esteemed assembly the approval of a dividend distribution for the year 2025 at a rate of 19% of the share capital.

In conclusion, on my own behalf and on behalf of the Board of Directors, I extend my sincere thanks and appreciation to the company's shareholders, clients, and suppliers, and to its dedicated and productive staff whose contributions and commitment continue to solidify Hayat's leading position in the Jordanian and export markets. The achievements we have realized, and those we aspire to achieve in the future, God willing, are the fruit of a solid partnership built on mutual trust, a spirit of teamwork, and a corporate culture that upholds the values of respect, commitment, and responsibility.

We look forward with confidence and determination to continuing our journey together and achieving sustainable growth, asking God to help us reach our future strategic goals, and to continue our role in supporting the national economy and contributing to the advancement of our dear homeland under the leadership of His Majesty the Hashemite King Abdullah II bin Al-Hussein, may God protect him.

Chairman of the Board of Directors
Omar Mohammad Shahrour

Board of Directors report for the year 2025

First: An overview of the company's establishment, activities, objectives, geographical location, and the size of the capital investment

- a. Hayat Pharmaceutical Industries is a Jordanian public shareholding company that was established as a limited liability company on 3/4/1994 under the number (3516) with a capital of (JD 2,000,000) fully paid, and its capital has been increased at different periods to become (JD 5,500,000).
- b. The company's general assembly agreed on 31/7/2005 to transfer the company's status from a limited liability company to a public shareholding company and raise the capital from (JD 5,500,000) to (JD 9,500,000). The book value of the company's assets and liabilities as on 7/31/2005 was adopted as the basis for the conversion process.
- c. The company's current main activity is the manufacture of general human medicines in various pharmaceutical forms, in addition to carrying out marketing, import, export and investment operations as indicated in its objectives.
- d. The company's building is located in Al-Rajeeb area in Abu Alanda. The construction area is 12,500 square meters. It is built on a land of an area of more than 11,000 square meters, in addition to the fact that the company fully owns nearby plots of up to 26,000 square meters available for future expansion and investment. The company does not have any branches inside or outside the Hashemite Kingdom of Jordan.
- e. The number of employees in the company is 246. As for those working in export markets, they are contracted directly by Hayat's distributors in those markets. Hayat also contracts with service companies that provide Jordanian labor to be able to execute its obligations during the tenders' seasons or as needed. Hayat creates vacancies at all levels according to its needs and based on the progress of its processes to ensure the smooth running and management of the business in line with its future plans.
- f. The company's capital investment is (JD 12,901,469), which represents the value of the assets that the company acquires through the exploitation of capital and any other resources necessary to achieve the company's goals and objectives.

Second: Subsidiaries

The company has no sister companies. The company has a subsidiary company, Hayat International Healthcare Co. with a limited liability, which is an exempted company owned totally, i.e. 100% ownership, by Hayat Pharmaceutical Industries, and its main activity is import, export and investment outside Jordan, with a capital of JD 10,000. Hayat, through its subsidiary, has invested in a supplement and pharmaceutical plant in India. The subsidiary company is managed by a general manager only as it did not conduct any business except for the aforementioned investment, and there are no employees and it has no branches, and it exercises its activities through a site designated for it within Hayat.

Third: Names and introduction to the board of directors' members and senior management

a. Board of Directors

1. Mr. Omar Moh'd Ibrahim Shahrour (Chairman)

- Born April 17th, 1967.
- BSc in Accounting from the University of Jordan, Amman, Jordan 1989
- Master of Business Administration, Wayne State University, Michigan, USA, 1991
- Finance Director of Nuqul Group from 2005 until 2018
- 32 years of practical experience in the field of financial management

2. Mr. Maher Moh'd Ali Al-Kurdi (Vice-Chairman / Managing Director)

- Born July 22nd, 1958.
- Bachelor of Pharmacy, University of Massachusetts Pharmacy, Boston, USA 1981
- Assumed the position of Managing Director of Hayat as of February 2002
- Held the position of Chairman of Hayat from August 1, 2005 until February 08, 2018
- Assumed the position of President of the Jordanian Association of Pharmaceutical Manufacturers for several terms
- 42 years of practical experience in the field of marketing and pharmaceutical manufacturing

3. Mr. Ammar Khaldoun Abdel Fattah Malhas (Member until April, 28th 2025)

- Born June 08th, 1959.
- Bachelor of Civil Engineering from the University of Wisconsin, Milwaukee, USA 1980
- Master of Structural Engineering from the University of Wisconsin, Milwaukee, USA 1981
- Chairman of the Board of Directors and a partner in the Jordanian Ammon Construction Company for the years 1984-2021
- Held the position of Advisor to His Majesty the King for Engineering Affairs at the Royal Hashemite Court for the years 2001-2006
- Member of the Board of Trustees and Chairman of the Buildings Committee at the King's Academy for the years 2003-2006
- Member of the Board of Trustees at Franklin University, Lugano, Switzerland for the years 2008-2011
- Member of the Board of Directors of Salt Academy Private Shareholding Company since 2014
- 46 years of practical experience in the fields of management, engineering and construction

4. Dr. Mowafak AbdulAziz Ismael Al-Bajari (Member)

- Born March 15th, 1948.
- Bachelor of Pharmacy from University of Baghdad, Iraq
- Master's degree in Biochemistry and Immunology from Heidelberg University, Germany
- Owner and manager of many pharmaceutical and medical device companies since 1978 in Iraq and has several investments in the pharmaceutical industry, hospitals and real estate development in Jordan, UAE, and others

5. Ms. Raghda Moh'd Ali Al-Kurdi (Member)

- Born November 20th, 1954.
- Bachelor of Pharmacy from the American University, Beirut
- One of the founders of Hayat Pharmaceutical Industries and worked as the Managing Director of Hayat until the year 2002
- Member of the Board of Directors of the Arab International Women's Forum

6. Mr. Salim William Salim Karadsheh (Member effective April, 29th 2025)

- Born February 19th, 1962
- Bachelor of Science in Electrical and Electronic Engineering from University of Bath, London, UK, 1984
- Chairman of the Board of Directors of Hayat Pharmaceuticals from February 2018 to January 2023
- CEO of Fine Hygienic Holding from 2004 to 2018
- Member of the Investment Committee of the Jordan Entrepreneurship Fund
- Member of the Board of Directors of Al-Kaseeh Food Industries
- Member of the Board of Directors of the International Company for Jewelry and Goldsmithing
- Former Chairman of the Board of Directors of INJAZ, an organization dedicated to providing economic opportunities for youth
- Former Chairman of the Board of Directors of the Jordanian Wood Industries Company (JWICO)
- Former Member of the Board of Trustees of Al-Hussein Bin Abdullah Technical University
- Former Member of the Board of Directors of the King Abdullah II Design and Development Bureau
- 43 years of practical experience in the industrial sector

7. Ixir Investment Company (Member)

- A company registered with the Companies Control Department in the Register of Limited Liability Companies under No. (10463) on 07/24/2005.
- The company's capital is JD (30,000).
- The objectives of the company are to invest money and invest in other companies, own and purchase lands for the purpose of achieving the objectives of the company, and commercial services.

Represented by: Mr. Walid Fuad Bolus Shihadeh

- Born December 26th, 1960.
- Bachelor of Pharmacy, University of Massachusetts Pharmacy, Boston, USA 1983
- General Manager of the Arab Company for Pharmaceuticals and Trade in Jordan and Iraq
- Founder and Director of Premium Brands since 1998 in Palestine and Jordan
- Founder and Director of the Modern Veterinary Vaccines Company
- Member of the Council of the College of Veterinary Medicine at the University of Science and Technology
- Member of the advisory board of the Unified Palestinian Appeal Foundation

8. Mr. Izzat Izzeddin Mustafa Katkhuda

- Born December 22nd, 1984.
- Bachelor of Civil Engineering and Economics from Northwestern University - Illinois / USA 2006
- Master of Geotechnical Civil Engineering from Northwestern University - Illinois / USA 2008
- Master of Business Administration from INSEAD / France 2013
- Co-CEO of the Arab Center for Engineering Studies since 2021
- Consultant at Strategy&, which is located in Dubai - United Arab Emirates, and concerned with leading strategic expansion projects, for the years 2014-2015
- Active member of a number of administrative, youth and sports bodies and institutions
- 17 years of practical experience in the fields of management, engineering, strategic leadership, operational excellence and governance

B. Senior management members

Name	Job Title	Birth Date	Education	Graduation Date	Employment Date	Years of Experience	Last 3 previous companies
1. Maher Moh'd Ali Kurdi	Managing Director	22/07/1958	Bachelor of Pharmacy	1981	17/02/2002	42	Kurdi Drugstore

Fourth: Major shareholders who own 5% or more for the years 2025 and 2024

Major Shareholders	2025		2024	
	No. of Shares	% of Shares	No. of Shares	% of Shares
1- KDS Pharma	2,678,895	%28.20	2,678,895	%28.20
2- Mowafak Abdulaziz Ismael	1,347,500	%14.18	1,347,500	%14.18
3- Maher Moh'd Ali Kurdi	1,118,195	%11.77	1,118,195	%11.77
4- Raghda Moh'd Ali Kurdi	920,944	%9.69	920,944	%9.69
5- Izzeddin Izzat Mustafa Katkhuda	532,519	%5.61	532,519	%5.61

Fifth: The competitive position of the company

Hayat manufactures generic drugs in various pharmaceutical forms and markets them under its own brand names. Its products are distinguished by their quality and good reputation both locally and in export markets. Hayat maintains a reasonable market share within the therapeutic classes of the chemical compounds it manufactures. It markets its products in Jordan, Saudi Arabia, Iraq, Algeria, Lebanon, Sudan, Libya, Yemen, the UAE, and Qatar, and also has distributors in Bahrain and Oman.

As Hayat specializes in producing specific therapeutic classes of medicines, it is not practical to compare its performance with competitors who manufacture different therapeutic classes. Therefore, due to the difficulty of obtaining competitors' market share in each therapeutic class it manufactures, it is not possible to determine the company's competitive position or its share of the total domestic and international markets compared to similar local companies in the same field.

Sixth: Dependence on specific suppliers and/or major customers (local and external)

1. Local or foreign suppliers with whom the volume of transactions constitutes more than 10% of the total purchases:

No.	Client's Name	Dealing % of the company's total purchases
1	None	There is no reliance on specific local or foreign suppliers who constitute 10% or more of total purchases.

2. The main clients (local and external) with whom the volume of transactions constitutes 10% or more of the total sales:

No.	Client's Name	Dealing % of the company's total sales
1	Zimmo Est. / KSA	34.70%
2	KDS Pharma / Jordan	44.80%

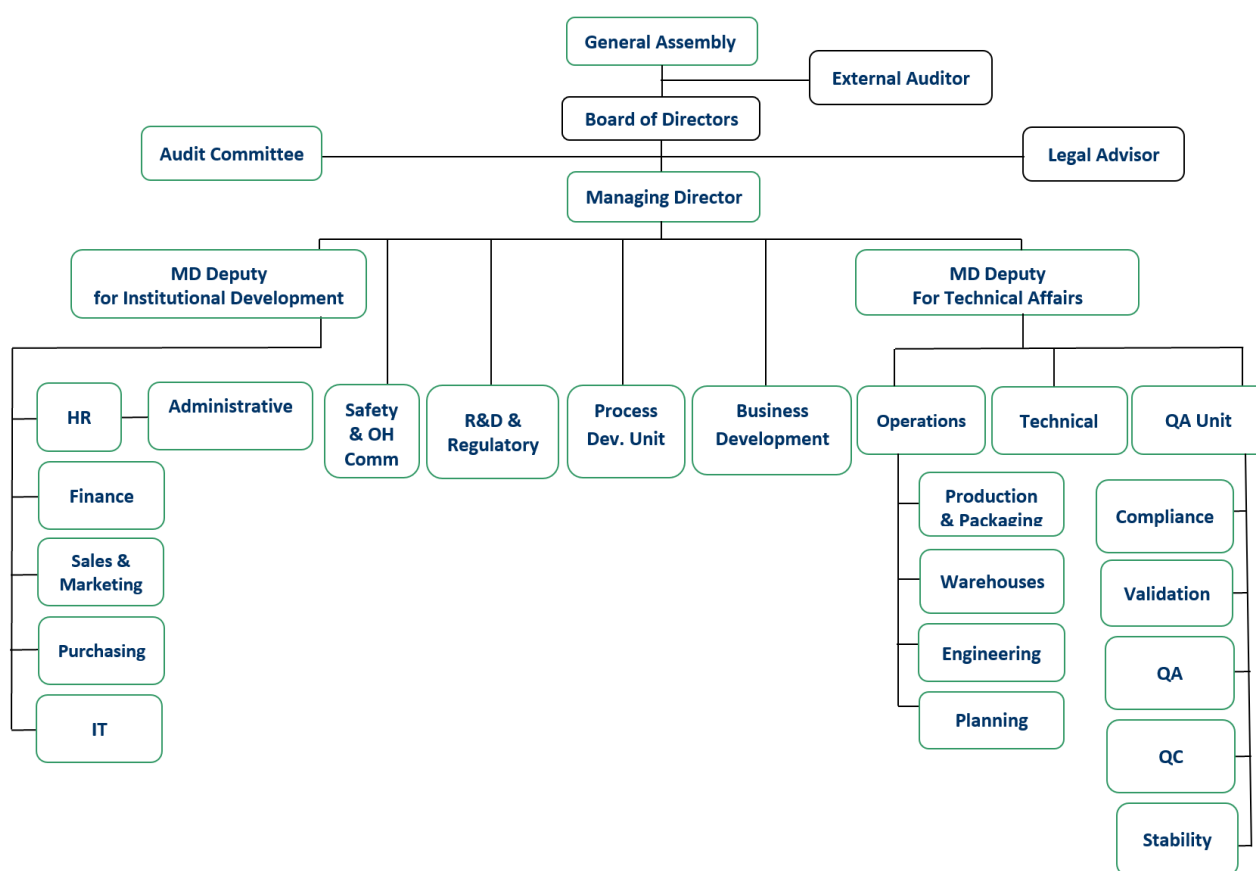
Seventh: Privileges and government protection enjoyed by the company and its products

1. Hayat Pharmaceutical Industries does not enjoy any governmental protection or special privileges under the laws or regulations for it or for any of its products.
2. There are no patents or franchises obtained by Hayat.

Eighth: Decisions issued by the government or international organizations or others that have a material impact on the company's work, its products or its competitiveness, the extent to which the company applies international quality standards

1. No decisions have been issued by the government or international organizations that have a material impact on Hayat's work.
2. Hayat adheres to international standards regarding Good Pharmaceutical Manufacturing Practice (cGMP) and Good Practice for Pharmaceutical Storage and Distribution (GSDP). This is verified through periodic inspections of Hayat's facilities done by the Jordanian Food and Drug Administration (JFDA) in addition to official regulatory institutions in the export markets.

Ninth: The organizational structure of the company



There is no organizational structure for the subsidiary company.

There are 246 employees in the company with the following qualifications:

Qualifications	No. of Employees
Ph.D.	0
Master's	3
Higher Diploma	1
Bachelor's	144
Diploma	62
High school and below	36
Total	246

Hayat's employees are distributed across different departments as follows:

Qualifications	No. of Employees
General Administration, Finance Department, Procurement	19
Administration, Human Resources, Public Relations, Information Technology, Occupational Health and Safety, and Services	29
Quality Department/Quality Assurance, Quality Control, Compliance, Validation	66
Technical Department/Research & Development, Registration, Production, Production Planning, Engineering, Warehousing	128
Marketing and Sales Department/Marketing, Export	4
Total	246

Hayat defines the qualifications and job descriptions for all employees and identifies and implements their training needs based on annual evaluations and according to plans designed to qualify and develop them in their respective fields, in addition to developing their leadership and management skills. During 2025, (16) workshops and training courses were held within the company, benefiting (233) employees. Furthermore, training programs are implemented for all new employees immediately upon their appointment. These programs include preparatory workshops to train them on various work methods, which are also attended by a number of existing employees for refresher and reinforcement purposes. Additionally, (43) employees were sent to (23) external training courses, based on training needs and the annual training plan for each department. Hayat maintains records detailing the training received by each employee, as shown below:

No.	External Training Courses	No. of Attendees
1.	Biopharma capacity building	1
2.	ICH New Guideline on Bioequivalence -Highlights on the new requirements	1
3.	Revolutionizing Biopharma Facilities - Advancing pharmaceutical facility design	1
4.	Sustainability in the business world: fundamentals and future trends	5
5.	Good Storage & Distribution of pharmaceuticals & Inspection Requirements	1
6.	Occupational Health & Safety: Regulatory Legislation and Practical Reality	1
7.	Calorimeters, Viscometers, and Reactors	1
8.	Integrated customs clearance procedures and new instructions	1
9.	Manufacturing Sites Accreditation & Re-Accreditation: A Review of the New Guidelines	7
10.	Promising Labor Market – Ministry of Labor and Jordan Chamber of Industry	1
11.	7th Arab Pharma Manufacturers Expo 2025	3
12.	Raising awareness among manufacturers about post-audit	2
13.	Data-driven marketing	2
14.	Impurities: Regulatory Requirements, Risk Assessment and Control Strategies	3
15.	Applications of Social Security Law in light of amendments and the executive instructions	1
16.	How to pass the Social Security Institution's safety inspection	2
17.	Learn about the latest international laws and codes adopted and implemented in Jordan	1
18.	ICH Q2(R2) Updates, Compliance, Standards & Resources	2
19.	Onsite training with Hayat's R&D and Production team	11
20.	Harmonization of Technical Requirements for Pharmaceuticals for Human Use	3
21.	API Drug Master File Assessment: Navigate Supplier Qualification to Regulatory Compliance	2
22.	Occupational health and safety... a cost or a successful investment?	3
23.	Autoclave Sterilization Masterclass: Principles, Validation, Guidelines & Practical Application	2
	Total Attendees	57
	Total Beneficiaries*	43

* The number of beneficiaries differs from the number of attendees as some attend more than a training course

No.	Internal Training Courses	No. of Attendees
1.	Washing Production Machines	11
2.	Good Documentation Practices	20
3.	Documentation on Production Room and Packaging Area Records	20
4.	Personal Hygiene	39
5.	Data Integrity	4
6.	Method Development & Validation	6
7.	Comprehensive Security and Protection Procedures	10
8.	How to Deal with Visitors, Contractors, and Customers	6
9.	Use of Fire Extinguishers + Evacuation and Emergency Procedures, and the Duties and Responsibilities of the Safety Department and Committee	155
10.	Introductory Program for Safety Instructions and Evacuation Procedures	103
11.	Occupational Hazard Assessment and Control Methods	169
12.	Instructions for Use of Personal Protective Equipment	47
13.	Duties of the Occupational Safety and Health Committee According to Instructions and Law	11
14.	How to Use a Handheld Fire Extinguisher and Practical Training on its Use	5
15.	Safety at Heights	8
16.	Communication Skills	41
	Total Attendees	655
	Total Beneficiaries*	233

* The number of beneficiaries differs from the number of attendees because some workers attend more than one training course

The employee turnover rate in 2025 was about 8%.

Tenth: Risks

There are no risks that Hayat has been exposed to or expected to be exposed to during the subsequent year and have a material impact on it. The allocations for rejected, damaged and expired materials amounted to 4.607% of the stock value, bearing in mind that, for the materials that are rejected for not conforming to specifications, suppliers are required to replace or compensate. As for the risks of customers and related parties, which are the credit risks of trade receivables, the parties that are dealt with at high rates are well-established companies known for their performance and have a good reputation and financial solvency as is proven by dealing with them for several years without exposing Hayat to any risks or loss. In addition, Hayat has contracted with the Jordanian Loan Guarantee Company and has insured some of its exports to the major export markets as part of the risk mitigation policy that has been adopted by Hayat.

Eleventh: Achievements

2025 financial results:

- The 2025 financial results showed growth in sales performance despite the challenging political circumstances that have affected and continue to affect the region, with negative repercussions on economic conditions in both the local and export markets. These circumstances impacted supply chains and material prices, intensified competition, and led to price pressures and strategies for localizing pharmaceutical manufacturing in export markets. Hayat achieved net sales in 2025 that increased by 2.4% compared to the previous year.
- Hayat's sales for 2025 reached 17,108,389 Jordanian dinars, while sales for 2024 reached 16,708,647 dinars.
- Domestic sales for 2025 amounted to 7,672,571 dinars, while export sales for the same year reached 9,435,818 dinars.
- Hayat's financial results for 2025 showed growth in sales performance despite the difficult political conditions that have affected and continue to affect the region, with negative repercussions on economic

conditions in both the local and export markets. Hayat achieved net operating profits of (2,308,052) Jordanian dinars, while net operating profits for 2024 amounted to (3,089,554) dinars.

- Shareholders' equity reached (31,062,649) dinars as of December 31, 2025, while it was (30,844,597) dinars as of December 31, 2024.

Company achievements for the year 2025:

- During 2025, Hayat successfully passed two inspection visits, reflecting the high level of its quality systems, the readiness of its staff, and the effectiveness of its management strategies in raising levels of commitment and productivity, and establishing a culture of quality, commitment, responsibility, and continuous improvement.
- Three new products were registered in the Jordanian market, and two were re-registered. Additionally, eight new products were submitted for registration and seven for re-registration. In export markets, one product was registered, two were submitted for registration, and six were submitted for re-registration.
- The development of six new products has been completed, and they are expected to be submitted for registration during 2026.
- Three new products were launched in the Jordanian market, along with two products in new packaging.
- The roles of the compliance and verification departments were strengthened, their staff were enhanced, and their performance was improved. Integrated quality management and risk management tools were also activated.
- Some external contracts for certain technical operations have been eliminated and replaced with company personnel, and new measurement systems have been installed and activated in laboratories and warehouses.
- Upgrading several infrastructure facilities in the production, packaging, and warehousing departments.
- Continuing to automate more production systems, equipment, and machinery, particularly those related to data entry.
- Receiving, installing, and commissioning several new production machines.
- Implementing a comprehensive and advanced system of standard operating procedures and practices related to occupational safety and health, covering personnel, facilities, processes, machinery and equipment, and Hayat's internal and external environment. In addition, intensive and high-quality training programs were conducted for all company employees throughout the year, covering all aspects of occupational safety and health and emergency procedures.
- A modern automated human resources management system has been implemented, aimed at developing and modernizing the work of the human resources department, developing internal policies, procedures and systems, implementing a number of training programs, improving recruitment, appointment and orientation processes, in addition to implementing a number of initiatives aimed at enhancing trust between the employee and the company and building values of belonging, responsibility and commitment, in order to ensure an improved work environment, promote a positive professional culture, reduce turnover rates, and reduce costs.

Twelfth: Operations of a non-recurring nature

There is no financial impact on Hayat's business as a result of non-recurring transactions that occurred during the financial year and are not part of Hayat's main activity.

Thirteenth: Time Series of Realized Profits and Profits Distributed

- Time series of the financial statements for the year 2025 compared to the data of 2024, 2023, 2022 and 2021:

Description	2025	2024	2023	2022	2021
1- Net profit	2,308,052	3,089,554	2,327,672	3,528,694	3,642,220
2- Dividends	1,805,000*	2,090,000	1,567,500	2,375,000	2,375,000
3- Shareholder's rights	31,062,649	30,844,597	29,322,543	29,369,871	28,216,177
4- The share's market price as of December 31	3.30	2.45	2.40	2.95	3.79

* Suggested

Fourteenth: Analysis of the company's financial position for the year 2025

Financial ratios:

Description	2025	2024	2023
1- Liquidity ratio	1:6.32 times	1:7.03 times	1:5.86 times
2- Quick liquidity	1:5.60 times	1:5.97 times	1:5.06 times
3- Inventory turnover	2.685 times	2.49 times	1.94 times
4- Receivables turnover rate	1.972 times	2.22 times	2.18 times
5- Asset turnover ratio	%45.67	%46.48	%46.21
6- Return on assets	%6.16	%8.59	%6.77
7- Total liabilities/assets	%16.99	%17.82	%14.75
8- Net profit/sales	%13.49	%18.49	%14.73
9- Shareholders' equity/assets	%83.01	%82.26	%85.25
10- Return on shareholders' equity	%7.46	%10.27	%7.94
11- Working capital/equity	%69.45	%66.29	%60.05

Fifteenth: Future plan

In the coming year, Hayat will attempt to achieve the following:

a. Product development:

In 2026, Hayat expects to register nine new products in Jordan and four in export markets, and to re-register six products in Jordan and six in export markets. It also expects to submit 16 products for registration in Jordan and three for registration in foreign markets in 2026, and to submit nine products for re-registration in Jordan and 20 products for re-registration in foreign markets. As part of its ongoing plan to enrich its product portfolio, Hayat expects to complete the development of nine products during 2026.

B. Market development:

Hayat will continue to develop its markets and improve the performance of its distributors by employing new mechanisms for market monitoring and research, and by strengthening its sales and promotion teams. These efforts are expected to revitalize some export markets that have declined due to political and economic conditions.

C. Technical Performance:

In 2026, Hayat will launch new integrated quality management, calibration, and verification systems based on risk management, and will upgrade existing systems after completing the installation and activation of the new measurement systems.

Hayat will also automate quality and documentation systems to improve compliance, enhance data integrity and operational efficiency, and ensure constant readiness for any inspection visits from regulatory bodies.

D. Production Processes:

Hayat continues to improve its production processes by introducing more high-efficiency production machinery that has been contracted for and is expected to enter service during 2026. It will also implement further automation, particularly for production lines, and upgrade more infrastructure facilities to increase their efficiency, in addition to modernizing production halls to accommodate the new machinery that will be introduced next year.

E. Human Resources Development:

Hayat will continue to implement its strategic plan aimed at raising the efficiency of human resources management, implementing more automation processes, employing e-learning platforms, developing and improving internal systems, in addition to improving performance evaluation systems to ensure the retention of competencies, attracting talent, and helping employees achieve their personal growth and development goals through achieving the company's strategic goals.

Sixteenth: Audit fees

The consolidated financial statements of both Hayat and its subsidiary were audited by Modern Accountants, and their fees for the year 2025 amounted to (JD 8,000).

Seventeenth: Shares owned by the chairman, members of the board of directors, senior management and their relatives

a. Number of shares owned by the chairman and members of the Board of Directors:

Name	Position	Nationality	Shares as on 31/12/2025	Shares as on 31/12/2024	Companies dominated by board members
1. Omar Moh'd Shahrour	Chairman Natural Member	Jordanian	20,000	20,000	None
2. Maher Moh'd Ali Al-Kurdi	Vice Chairman Natural Member	Jordanian	1,118,195	1,118,195	None
3. Mowafak Abdulaziz Ismael	Natural Member	Iraqi	1,347,500	1,347,500	None
4. Raghda Moh'd Ali Al-Kurdi	Natural Member	Jordanian	920,944	920,944	None
5. Izzat Izzeddin Mustafa Katkhuda	Natural Member	Jordanian	10,000	10,000	None
6. Ammar Khaldoun Abdulfattah Malhas *	Natural Member	Jordanian	21,020	21,020	None
7. Salim William Salim Karadsheh **	Natural Member	Jordanian	10,000	10,000	None
8. Ixir Investment Co. LLC Represented by Walid Fuad Shihadeh	Legal Member Representative	Jordanian American	10,000 100,000	10,000 100,000	None None

* Up until 28/April/2025.

** As of 29/April/2025.

B. Number of shares owned by senior management persons:

Name	Position	Nationality	Shares as on 31/12/2025	Shares as on 31/12/2024	Companies dominated by board members
Maher Moh'd Ali Al-Kurdi	Vice-Chairman Managing Director	Jordanian	1,118,195	1,118,195	None

c. Number of shares owned by the relatives of the Chairman, members of the Board of Directors and senior management:

Name	Position	Nationality	Shares as on 31/12/2025	Shares as on 31/12/2025	Companies dominated by board members
Raghda Moh'd Ali Al-Kurdi Izzeddin Izzat Mustafa Katkhuda (husband)	Member Relative	Jordanian Jordanian	920,944 532,519	920,944 532,519	None None

Eighteenth: Advantages and Rewards

Benefits and rewards received by members of the Board of Directors and senior management during the year 2025:

A- The remuneration of the Board of Directors amounted to JD thirty-five thousand, JD five thousand for each member, while the value of transportation was JD Seventy thousand, as indicated in the table below:

Name	Position	Salaries	Bonuses	Travel Allowances	Transportation in & outside Jordan	Total 2025
1. Omar Moh'd Shahrour	Chairman	0	5,000	0	10,000	15,000
2. Maher Moh'd Ali Al-Kurdi	Member	0	5,000	0	10,000	15,000
3. Mowafak Abdulaziz Ismael	Member	0	5,000	0	10,000	15,000
4. Raghda Moh'd Ali Al-Kurdi	Member	0	5,000	0	10,000	15,000
5. Izzat Izzeddin Mustafa Katkhuda	Member	0	5,000	0	10,000	15,000
6. Ammar Khaldoun Abdulfattah Malhas *	Member	0	1,667	0	3,333	5,000
7. Salim William Salim Karadsheh **	Member	0	3,333	0	6,667	10,000
8. Ixir Investment Co. LLC Represented by Walid Fuad Shihadeh	Member	0	5,000	0	10,000	15,000

* Up until 28/April/2025.

** As of 29/April/2025.

The following resignations of Board of Directors memberships occurred during the year 2025:

Name	Position	Resignation Date
Ammar Khaldoun Abdulfattah Malhas	Member	28/April/2025

The following appointments to Board of Directors memberships occurred during the year 2025:

Name	Position	Resignation Date
Salim William Salim Karadsheh	Member	29/April/2025

B- Senior management: The table below shows the total salaries and bonuses for members of senior management:

Name	Position	Employment date	Salaries	Bonuses	Travel Allowances**	Transportation in & outside Jordan	Total 2024
Maher Moh'd Ali Al-Kurdi	Managing Director*	17/2/2002	262,623	250,206	16,205	449	529,483

* The Managing Director enjoys the use of a company car.

** Travel expenses include all paid airline tickets, hotels, exhibition and conference fees, and daily allowances.

Nineteenth: Donations paid by Hayat in the year 2025

Hayat made cash donations with a total value of (JD 19,760), as follows:

No.	Destination	Value (JD)
1	Charitable Drug Bank	10,000
2	Crown Prince Foundation / Do Good for the Month of Goodness Initiative	7,500
3	Islamic Center Charity Association	360
4	Islamic Center Charity Association / Al-Quwaysimah Community Services Center	250
5	His Highness Prince Ali Bin Al-Hussein Club for the Deaf	250
6	Assistance* to cover university tuition fees for university students	200
7	Assistance* to cover medical treatments for company employees not covered by health insurance	500
8	Assistance* to cover medical treatments and procedures for needy individuals at various hospitals	700
Total		19,760

* Cash assistance intended to help individuals is paid directly to the relevant entities, i.e., universities and hospitals, after verifying the need and obtaining the necessary evidence from those entities, and payment is not made to the individuals themselves.

Hayat also granted in-kind donations with a total value of (JD 66) as follows:

No.	Destination	Type of in-kind donation	Value (JD)
1	The Jordanian Food and Drug Administration / Free Medical Day at the Ain Karem Charitable Society School		66.00
Total			66.00

Hayat did not provide any grants during the year 2025 except as stated above.

Twenty: Contracts and engagements

a. With subsidiaries, sister companies or affiliates:

Hayat has not entered into any contracts with its subsidiary company, or with sister or allied companies as it has no sister or allied companies.

b. With the Chairman of the Board of Directors, members of the Board, the Managing Director, or any employee of the company or their relatives:

- Hayat is promoting and distributing its products in the Jordanian market through a contract with KDS Pharma, part of which was inherited in the year 2006 to a member of the Board of Directors / Managing Director, Maher Moh'd Ali Kurdi, where later his daughter, Farah Maher Al-Kurdi, owned the majority of the shares that devolved to him through inheritance. Also, a part of the ownership of

KDS Pharma was transferred by inheritance to a member of the Board of Directors, Raghdah Moh'd Ali Kurdi. Noting that this distribution contract was a continuation of a promotion and distribution contract that had been concluded before changing the legal status of Hayat to a public shareholding in the year 2005. It is not possible to determine the value of this contracting because it is variable and subject to supply and demand, competition and unpredictable tenders' awards.

- Hayat has been distributing its products in the Iraqi market since the year 2000 through Iraqi companies that member Mowaffaq Abdulaziz Ismael owns part of or has interests in. The value of this contracting cannot be determined as it is variable, and is subject to supply and demand, competition and unpredictable tender's awards and bid referrals.
- In the year 2018, Hayat concluded a consulting contract with pharmacist, Dr. Farah Maher Al-Kurdi, to obtain her services in the field of business development and marketing, with a value of JD 45 per working hour. This contract was made for continuity, as she previously held the position of Business Development and Marketing Manager, and its total value cannot be determined due to the changing number of working hours from time to time.

Twenty-one: The company's contribution to serving the local community and environment

a. Hayat's contribution to environment protection:

Hayat contributes to environmental protection through its commitment to the following:

- Disposing of all hazardous industrial waste in accordance with environmental law and standard operating procedures, and coordinating with official entities licensed by the Ministry of Environment.
- Treating wastewater properly and in accordance with environmental law.
- Recycling waste and paper through specialized recycling facilities.
- Implementing procedures and operating methods that prevent pollution of the surrounding environment by equipping all air treatment units with special filters that meet international standards and prevent dust from being released from materials during manufacturing processes into the surrounding environment.
- Moving towards green energy by becoming a partner in "Al Shams Renewable Energy Company," established by the Amman Chamber of Industry, where electricity will be generated using solar energy. This aligns with Hayat's commitment to using alternative energy as part of its environmental policy.

b. Hayat's contribution to the local community:

Since its inception, Hayat has been committed to serving the local community by implementing the concept of Environmental and Social Governance (ESG). This approach aims to achieve sustainability in Hayat's operations through responsible investment. Hayat has contributed to numerous initiatives, including but not limited to:

- Creating new job opportunities for members of the local community.
- Procuring resources and supplies from local businesses, thereby contributing to the economic development of these small communities.
- Participating in free medical days.

c. Hayat's contribution to national development:

- Providing equal employment opportunities for men and women and ensuring equal pay to promote gender diversity.
- Providing a supportive, safe, and inclusive work environment for women by implementing policies and procedures that protect their rights from any violation, harassment, or discrimination.
- Supporting the education and personal development of company employees by providing a conducive environment and adequate facilities for those wishing to pursue further education alongside their employment with the company.
- Training university students for employment purposes, aiming to prepare them for the job market and cultivate greater skills and competencies that will enhance worker productivity and build robust economies in the long term.

- Collaborating through membership with non-profit organizations such as the Crown Prince Foundation, the Charitable Drug Bank, and INJAZ, a non-profit organization dedicated to creating economic opportunities for Jordanian youth.

The value of direct financial contributions to local community service and development:

No.	Name of the organization receiving the donation	Value (JD)
1	Injaz Foundation	7,081.500
2	Charity Drug Bank	10,000.00
	Total	17,081.500

إقرار من مجلس الإدارة

1. يقر مجلس إدارة الشركة بعدم وجود أي أمور جوهرية قد تؤثر على استمرارية الشركة خلال السنة المالية التالية
2. يقر مجلس الإدارة بمسؤوليته عن إعداد البيانات المالية وتوفير نظام رقابة فعال في الشركة.

رئيس مجلس الإدارة

السيد عمر محمد شحرور

عضو مجلس الإدارة

السيد عزت عز الدين كتحدا

عضو مجلس الإدارة

السيد سليم وليم كراشة

نائب رئيس مجلس الإدارة/ المدير العام

السيد/ لاني ماهر محمد الكردي

عضو مجلس الإدارة

الدكتور موفق عبد العزيز اسماعيل

عضو مجلس الإدارة

للمبذلاتية رعدة محمد الكردي

عضو مجلس الإدارة

شركة الإكسير للاستثمار

ممثلها السيد وليد فؤاد شحادة

3. نقر نحن الموقعين أدناه بصحة ودقة واكتمال المعلومات والبيانات الواردة في التقرير السنوي عن العام 2025.

رئيس مجلس الإدارة

السيد عمر محمد شحرور

المدير العام

السيد/ لاني ماهر محمد الكردي

المدير المالي المكلف

السيد محمود أحمد عطافه

Governance Report

Hayat has implemented the corporate governance instructions for listed public shareholding companies for the year 2017, approved by the Jordanian Securities Commission board of commissioners' decision No. (146/2017) dated May 22, 2017, as follows:

a. Information and details related to the implementation of the provisions of these instructions and the rules of corporate governance in the company:

As of the early years of its foundation, Hayat Pharmaceutical Industries Co's management worked to establish rules, policies, and controls governing its operations and regulating how the company is managed and directed. This was meant to ensure the preservation of stakeholders' rights, reduce corruption and risks, maximize benefits, and achieve long-term goals by laying the foundation for a bright future for Hayat within a framework of professionalism, responsibility, and good governance. After the company's legal status changed to that of a public shareholding company in 2005, and despite its non-mandatory nature at the time, Hayat was keen to implement the good governance guidelines issued by regulatory bodies, activating and integrating them into its approved policies and procedures.

These steps stemmed from Hayat's management's belief in the importance of governance and its role in achieving stability by balancing the diverse interests of stakeholders, enhancing trust between the company, investors, customers, and the community, improving operational efficiency, and assisting in the adoption of sustainability and growth strategies. When governance became mandatory with the issuance of the Corporate Governance Rules and Instructions for Listed Public Shareholding Companies in 2017, the Board of Directors immediately documented its commitment to sound governance, transforming it into a comprehensive reference guide to help the company comply with best practices in both letter and spirit. The Board adopted comprehensive policies, short-, medium-, and long-term strategies, and implementation plans to transform governance from a mere term and requirement into a deeply rooted culture that frames all decisions, directions, and practices at all administrative and functional levels within the company.

The Board of Directors was keen to provide training for its members and attract specialized consultants capable of supporting the executive management through its various subcommittees. This enabled management to perform its duties effectively and achieve the aspirations of the Board, shareholders, and stakeholders.

The Board of Directors held its meetings regularly and at frequent intervals, as needed. Seven meetings were held during 2025, and all members attended, with the exception of a few unforeseen absences for which excuses were accepted by the Board. It is worth noting that no member missed three consecutive meetings. The Board's subcommittees also maintained their regular meeting schedule. The Audit Committee held four meetings, reviewing the financial reports, statements, and disclosures for each quarter and submitting its recommendations regarding financial analysis, expenses, cash flows, and internal audit. It also discussed sales and markets from a financial perspective and submitted its recommendations to the Board of Directors. The Governance and Risk Committees each held two meetings, during which they discussed and analyzed all aspects of risks associated with Hayat's operations, both current and anticipated. They also reviewed the risk management plan and tools to ensure alignment with Hayat's financial and operational strategy, and examined governance guidelines to verify the company's compliance. Furthermore, they proposed tools for implementing these guidelines and explored ways to enhance the company's ability to adhere to them. The Nominations and Remuneration Committee held five meetings, working closely with Hayat's Human Resources department to monitor its performance and ensure it remained on track to achieve Hayat's strategic objectives. All members of these committees attended all of these meetings.

In 2025, the Board also established a Strategy Committee to enhance Hayat's long-term direction by formulating and reviewing its strategies, anticipating changes in the market, technology, and industry, and supporting the Board with specialized analyses and recommendations focused on Hayat's future. This committee will provide a clear vision and roadmap for growth and expansion, improving the quality of decision-making and resource allocation, enhancing the Board's ability to monitor strategic risks, strengthening governance and transparency, and monitoring plan implementation, performance measurement, and course

correction when necessary. The ultimate goal is to achieve sustainable growth and maintain Hayat's competitiveness.

The Board selected four of its members to serve on this committee, tasking them with developing a charter that defines its objectives and operational mechanisms. The committee is scheduled to commence its work at the beginning of 2026, enabling it to utilize the 2025 financial and non-financial results to study and analyze the current situation. This will allow it to develop ambitious yet realistic and applicable strategic directions that align with Hayat's needs and help it achieve its long-term objectives, in accordance with the Board's vision.

On another front, and based on the Board's belief in the importance of environmental, social and governance sustainability and its role in enhancing Hayat's ability to achieve long-term growth while reducing risks by improving resource efficiency and reducing costs in the long run, enhancing reputation and confidence among investors, customers and regulatory bodies, in addition to facilitating access to financing and attracting investments, supporting compliance with international legislation and requirements, and raising Hayat's readiness to adapt to future changes, in a way that achieves sustainable value for shareholders and society, the Board began during 2025 to enhance its capabilities in the field of environmental, social and governance sustainability through participation in introductory and training activities, programs and workshops in preparation for starting to work on institutionalizing the application of sustainability rules in the company starting from next year.

B. Names of the current and resigned members of the Board of Directors during the year:

The current board of directors of Hayat was elected at the eighteenth ordinary general assembly meeting, held on 14/April/2022, where the below were elected:

Current Board Members	Position	Executive / Non Executive	Independent / Non Independent	Membership Status
1. Omar Moh'd Shahrour	Chairman	Non-executive	Independent	Existing
2. Maher Moh'd Ali Al-Kurdi	Vice-Chairman	Executive	Non-independent	Existing
3. Mowafak Abdulaziz Ismael	Member	Non-executive	Non-independent	Existing
4. Raghda Moh'd Ali Al-Kurdi	Member	Non-executive	Non-independent	Existing
5. Izzat Izzeddin Mustafa Katkhuda	Member	Non-executive	Non-independent	Existing
6. Ammar Khaldoun Abdulfattah Malhas *	Member	Non-executive	Independent	Resigned
7. Salim William Salim Karadsheh **	Member	Non-executive	Independent	Existing
8. Ixir Investment Co. LLC Represented by Walid Fuad Shihadeh	Member	Non-executive	Independent	Existing

* Up until 28/April/2025.

** As of 29/April/2025.

Considering that, as shown above, the following resignations of Board of Directors memberships occurred during the year 2025:

Name	Position	Resignation Date
Ammar Khaldoun Abdulfattah Malhas	Member	28/April/2025

And the following appointments to Board of Directors memberships occurred during the year 2025:

Name	Position	Resignation Date
Salim William Salim Karadsheh	Member	29/April/2025

c. Names of the representatives of the legal board members:

Representatives of the legal board members	Executive Capacity	Independency	Status
Walid Fuad Shihadeh (representative for Ixir Investment Co. LLC)	Non-executive	Independent	Existing

d. Executive positions in the company and the names of people who occupy them:

Name	Position
Maher Moh'd Ali Al-Kurdi	Managing Director

e. Other board memberships held by Board Members:

Board Members	Membership in other boards of directors of public shareholding companies
1. Omar Moh'd Shahrour	Capital Bank of Jordan (Member)
2. Maher Moh'd Ali Al-Kurdi	None
3. Mowafak Abdulaziz Ismael	None
4. Raghda Moh'd Ali Al-Kurdi	None
5. Izzat Izzeddin Mustafa Katkhuda	None
6. Ammar Khaldoun Abdulfattah Malhas *	Al-Amal for Financial Investments (Member)
7. Salim William Salim Karadsheh **	None
8. Ixir Investment Co. LLC Represented by Walid Fuad Shihadeh	None

* Up until 28/April/2025.

** As of 29/April/2025.

f. The Corporate Governance Liaison Officer:

Ms. Abeer Saeed Al-Dinah performs the functions of the Governance Liaison Officer.

g. Board Committees:

According to governance instructions, four committees emerge from Hayat's board of directors: the Audit Committee, the Governance Committee, the Nominations and Remunerations Committee, and the Risk Management Committee.

The Board also formed a new committee during the year 2025, which is the Strategy Committee, and selected for it four of its members, who were tasked with developing a charter for the committee that defines its objectives and working mechanism, with the committee to begin its work at the beginning of the next year, 2026.

All committees' structure, chairpersons and members have been defined in accordance with governance instructions and subsequent circulars, and the responsibilities of each committee and its working procedures were defined in detail through the Compliance Guide which was prepared in accordance to the Instructions of Governance for Public Shareholding Companies, and was approved by the Board of Directors on 15/April/2018.

The committees were re-formulated after the election of the new Board of Directors on 14/April/2022.

h. The Audit Committee:

The Audit Committee consists of the following gentlemen:

Members	Membership	Education	Financial & Accounting Experience
Mr. Omar Shahrour	Board Chairman Committee Chairperson	Bachelor's degree in Accounting Master of Business Administration	Held senior financial positions in several companies in the industrial sector, most notably the financial management of the Nuqul Group for more than 13 years
Dr. Mowafak Al-Bajari	Board Member Committee Member	MSc in Biochemistry and Immunology	Held senior management positions in several companies in the medical and pharmaceutical sector
Mr. Walid Shihadeh	Board Member Committee Member	Bachelor of Pharmacy	Held senior management positions in several companies in the pharmaceutical and cosmetics sector

i. Other Board Committees:

In addition to the Audit Committee, the Board of Directors have the following other committees:

Committee	Members	Membership
Governance	Mr. Walid Shihadeh Mr. Izzat Katkhuda Mr. Ammar Malhas* Mr. Salim Karadsheh **	Chairperson Member Member Member
Nominations & Remunerations	Ms. Raghda Kurdi Mr. Walid Shihadeh Mr. Ammar Malhas * Mr. Salim Karadsheh **	Chairperson Member Member Member
Risk Management	Mr. Omar Shahrour Mr. Izzat Katkhuda Mr. Maher Kurdi	Chairperson Member Member Member
Strategy	Mr. Omar Shahrour Mr. Salim Karadsheh ** Mr. Izzat Katkhuda Mr. Maher Kurdi	Member Member Member Member

* Up until 28/April/2025.

** As of 29/April/2025.

j. Board committees' meetings:

During the year 2025, the board committees held their meetings as follows:

- Audit Committee:

Member	Membership	1 st Meeting 23.02.2025	2 nd Meeting 28.04.2025	3 rd Meeting 21.07.2025	4 th Meeting 21.10.2025	Total
Mr. Omar Shahrour	Chairperson	✓	✓	✓	✓	4
Dr. Mowafak Ismail	Member	✓	✓	✓	✓	4
Mr. Walid Shihadeh	Member	✓	✓	✓	✓	4

- Nominations & Remunerations Committee:

Member	Membership	1 st Meeting 05.02.2025	2 nd Meeting 27.04.2025	3 rd Meeting 02.09.2025	4 th Meeting 22.09.2025	5 th Meeting 07.12.2025	Total
Ms. Raghda Kurdi	Chairperson	✓	✓	✓	✓	✓	5
Mr. Walid Shihadeh	Member	✓	✓	✓	✓	✓	5
Mr. Ammar Malhas *	Member	✓	✓	x	x	x	2
Mr. Salim Karadsheh **	Member	x	x	✓	✓	✓	3

* Up until his resignation on 28/April/2025.

** Was appointed as a board member on 29/April/2025 and as a committee member on 23/June/2025.

- Governance Committee:

Member	Membership	1 st Meeting 04.02.2025	2 nd Meeting 22.09.2025	Total
Mr. Walid Shihadeh	Chairperson	✓	✓	2
Mr. Izzat Katkhuda	Member	✓	✓	2
Mr. Ammar Malhas *	Member	✓	x	1
Mr. Salim Karadsheh **	Member	x	✓	1

* Up until his resignation on 28/April/2025.

** Was appointed as a board member on 29/April/2025 and as a committee member on 23/June/2025.

- Risk Committee:

Member	Membership	1 st Meeting 17.12.2025	2 nd Meeting 20.07.2025	Total
Mr. Omar Shahrour	Chairperson	✓	✓	2
Mr. Izzat Katkhuda	Member	✓	✓	2
Mr. Maher Kurdi	Member	✓	✓	2

- **Strategy Committee:**

The Strategy Committee was established on June 23, 2025, with the understanding that it would commence its work in 2026 after the results of the 2025 year were fully assessed. Therefore, the committee did not hold any meetings in 2025. The committee members will adopt the committee's charter and elect a chairperson at their first meeting, which will be held at the beginning of 2026. The committee consists of the following members:

Member	Membership
Mr. Omar Shahrour	Member
Mr. Salim Karadsheh *	Member
Mr. Izzat Katkhuda	Member
Mr. Maher Kurdi	Member

* Was appointed as a board member on 29/April/2025 and as a committee member on 23/June/2025.

k. Audit Committee meetings with the external auditor:

During the year 2025, the Audit Committee held four meetings with the external auditor in the absence of any of the executive management members or their representatives.

l. Board meetings:

During the year 2025, the Board of Directors held seven meetings as shown below, noting that the members who were absent from some meetings were absent with an excuse accepted by the board, and no member was absent from three consecutive meetings:

Meeting No	1	2	3	4	5	6	7	Total
Meeting Date	24/2/2025	29/4/2025	23/6/2025	23/7/2025	23/9/2025	23/10/2025	18/12/2025	
Omar Shahrour	✓	✓	✓	✓	✓	✓	✓	7
Maher Kurdi	✓	✓	✓	✓	✓	✓	✓	7
Mowafak AbdulAziz	✓	✓	x	✓	✓	✓	✓	6
Raghda Kurdi	✓	✓	✓	✓	✓	✓	✓	7
Ammar Malhas *	✓	x	x	x	x	x	x	1
Salim Karadsheh **	x	x	✓	✓	✓	✓	✓	5
Izzat Katkhuda **	✓	✓	✓	✓	✓	✓	✓	7
Walid Shehadeh	✓	✓	x	✓	x	✓	✓	5

* Up until 28/April/2025.

** As of 29/April/2025.

Note that the Secretary of the Board attended all meetings of the Board of Directors and its committees.

Chairman of the Board of Directors
Omar Moh'd Shahrour

**HAYAT PHARMACEUTICAL INDUSTRIES
COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

**CONSOLIDATED FINANCIAL STATEMENTS AND
INDEPENDENT CERTIFIED PUBLIC
ACCOUNTANT'S REPORT
FOR THR YEAR ENDED DECEMBER 31, 2025**

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT CERTIFIED
PUBLIC ACCOUNTANT'S REPORT
FOR THE YEAR ENDED DECEMBER 31, 2025

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INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT'S REPORT

To the Shareholders
Hayat Pharmaceutical Industries Company
(Public Shareholding Company)

Report on Auditing the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Hayat Pharmaceutical Industries Company (P.L.C), which comprise the consolidated statement of financial position as of December 31, 2025, the related consolidated statements of comprehensive income, consolidated statement of shareholders' equity and consolidated statements of cash flows, for the year then ended, and notes to the consolidated financial statements and a summary of significant accounting policies and other explanatory information.

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated statement of financial position of Hayat Pharmaceutical Industries Company. (P.L.C) as of December 31, 2025, and its consolidated financial performance and consolidated cash flows for the year then ended, in accordance with International Financial Reporting Standards.

Basis for Opinion

We conduct our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in Auditor's Responsibilities for the audit of the consolidated financial statements. We are independent of the Company in accordance with International Standard Board Code of Ethics for Professional Accountants ("the code"), and we have fulfilled our other ethical responsibilities in accordance with the code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide basis for our audit opinion.

Key Auditing Matters

Basic auditing matters, according to our professional judgment, are matters that had the significant importance in our auditing procedures that we performed to the consolidated financial statement. The basic auditing matters have been addressed in our auditing workflow to the consolidated financial statements as we do not express separate opinions.

Key Audit Matters	The following is a description of our auditing procedures
Inventory According to International Financial Reporting Standards, the Company must ascertain that the value of inventory is reported based on the lower of cost or net realizable value and determining the impairment of inventory (if any), and ascertaining that there is no slow moving inventory which influence the net realizable value note (8).	Inventory The auditing procedures included the procedures of inspecting and ascertaining the existence of inventory that has been recorded in the Company's books in the warehouses, and ascertaining that the existing inventory in the warehouses, which belongs to the Company has been recorded up until the date of preparation of the consolidated financial statements. The Company ascertains that the recorded inventory is recorded based on the lower of cost or net realizable value considering that the cost of finished goods and good in process are determined based on the FIFO, which include the cost of materials, labors, and a percentage of indirect industrial expenses. The raw materials and spare parts are reported based on cost which is also deremined based on the FIFO note (8).

Key Audit Matters	The following is a description of our auditing procedures
<p>Property and Equipment</p> <p>In accordance with the International Financial Reporting Standards, the Company has to review the useful life and depreciation method and perform an impairment test to the reported amount of property and equipment in the financial position. In case of any impairment indications in the recoverable amount, the losses are calculated according to the impairment method in which the Company determines the impairment in property and equipment by using assumptions and evaluations (if any). Regarding this, it is considered a key audit matter note (4).</p>	<p>Property and Equipment</p> <p>The audit procedures included studying the control procedures used in the process of verifying existence and completeness, reviewing the purchase and sale of assets during the year, ensuring the calculation process of depreciation expense, reconciling the inventory in terms of existence, and ensuring that property and equipment are productive and there is no impairment in the value at which they appear. This was done through evaluating management's assumptions while taking into account available external information regarding the risks of impairment of property and equipment. We also focused on the adequacy of the company's disclosures regarding property and equipment, Note (4).</p>
<p>Accounts Receivable and Checks Under Collections</p> <p>According to International Standards on Auditing, the Company should review the process of calculation of impairment of accounts receivable provision. The company assesses the impairment of accounts receivable, and regarding its importance, it is considered one of the significant audit risks and the expected credit losses account has been recognized note (9).</p>	<p>Accounts Receivable and Checks Under Collections</p> <p>The audit procedures included the control procedures used by the company over the process of collecting accounts receivable and checks under collection, and verifying the balances of a sample of customer receivables through receiving direct confirmations. The adequacy of the recorded impairment provision against accounts receivable was studied, through evaluating management's assumptions while taking into account available external information regarding the risks of term receivables. We also evaluated the adequacy of the company's disclosures regarding the significant estimates in reaching the impairment provision for accounts receivable, Note (9).</p>

Other Information

The management is responsible for other information, which includes other information reported in the annual report, but not included in the consolidated financial statements and our audit report on it.

Our opinion does not include these other information, and we do not express any assertion over it.

Regarding our audit on consolidated financial statements, Hayat Pharmaceutical Industries Company as of December 31, 2025, we are obliged to review these other information. While that, we consider the compatibility of these information with their consolidated financial statements or with the knowledge that we gained through audit procedure or seems to contain significant errors. If we detected based on our audit, the existence of significant errors in the information, we are obliged to report this fact. Regarding this, we have nothing to report.

Management and individuals responsible of governance about the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements. Hayat Pharmaceutical Industries Company as of December 31, 2025, in accordance with International Financial Reporting Standards. For such internal control, management is determined 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, the Management is responsible for assessing the Company'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 the management either intends to liquidate the Company, or to cease operations, or have no realistic alternative but to do so.

Responsibilities of management and those charged with governance for consolidated financial statement.

Certified Public Accountant Responsibility

Our objective is to obtain reasonable assurance about whether the Financial Statements are free from material misstatement, 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 International Standards on Auditing 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 decision of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the International Standards on Auditing, we exercise professional judgment 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the Going Concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company'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 Company 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.

We communicated with audit the Financial Management 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.

Legal Requirements Report

Hayat Pharmaceutical Industries Company (P.L.C). maintains well-organized accounting records, and the financial statements for the year ended December 31, 2025 align with those records. We recommend the General Assembly to approve them.

Modern Accountants

Walid M. Taha
License No. (703)

Amman - Jordan

February 25, 2026

Modern Accountants



HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

	Note	2025	2024
ASSETS			
Non-current assets			
Property and equipment	4	12,663,762	13,480,612
Construction under process		13,000	13,000
Intangible assets	5	224,696	194,792
Investment in affiliate company		10	10
Total non-current assets		12,901,468	13,688,414
current assets			
Prepaid expenses and other receivables	6	609,078	562,475
Materials, spare parts and samples - Net	7	437,120	496,158
Inventory in warehouse	8	2,175,021	3,052,926
Accounts receivable and checks under collection	9	11,738,919	10,651,500
Cash and cash equivalents	11	9,560,658	9,045,383
Total current assets		24,520,796	23,808,442
TOTAL ASSETS		37,422,264	37,496,856
LIABILITIES AND SHAREHOLDERS' EQUITY			
Shareholders' equity			
Share capital	1	9,500,000	9,500,000
Statutory reserve	12	4,778,437	4,497,915
Voluntary reserve	12	4,556,230	4,275,708
Retained earnings	13	12,227,982	12,570,974
Total shareholders' equity		31,062,649	30,844,597
Non Current liabilities			
Long-term loans	16	2,479,076	3,290,832
Total non current liabilities		2,479,076	3,290,832
Current liabilities			
Bank overdraft	15	63,725	135,021
Accrued expenses and other payables	14	1,850,016	1,609,296
Accounts payable		1,029,894	1,217,102
Current portion of long-term loans	16	936,904	400,008
Total current liabilities		3,880,539	3,361,427
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		37,422,264	37,496,856

The accompanying notes are an integral part of these consolidated financial statements

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

	Note	2025	2024
Sales	18	17,108,389	16,708,647
Cost of sales		(7,017,942)	(7,412,744)
Gross profit		10,090,447	9,295,903
Selling and marketing expenses	19	(4,100,032)	(3,345,683)
General and administrative expenses	20	(2,245,432)	(1,880,686)
Products development expenses		(853,929)	(698,674)
Damaged goods provision		(100,209)	(134,509)
Financial charges		(139,212)	(152,906)
Expected Credit Losses		(380,000)	-
Other revenues and expenses		568,590	489,463
Board of Directors' remunerations		(35,000)	(35,000)
Income before income tax		2,805,223	3,537,908
Provision for income tax and national contribution	17	(497,171)	(448,354)
INCOME FOR THE YEAR		2,308,052	3,089,554
Other comprehensive income:			
TOTAL COMPREHENSIVE INCOME		2,308,052	3,089,554
Earnings per share:			
Earnings per share JD / Share		0,24	0,33
Outstanding weighted average share		9,500,000	9,500,000

The accompanying notes are an integral part of these consolidated financial statements

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

	Share Capital	Statutory Reserve	Voluntary Reserve	Retained Earnings	Total
Balance as of January 1, 2024	9,500,000	4,144,124	3,921,917	11,756,502	29,322,543
Dividend	-	-	-	(1,567,500)	(1,567,500)
Comprehensive income for the year	-	-	-	3,089,554	3,089,554
Transfer to reserves	-	353,791	353,791	(707,582)	-
Balance as of December 31, 2024	9,500,000	4,497,915	4,275,708	12,570,974	30,844,597
Dividend	-	-	-	(2,090,000)	(2,090,000)
Comprehensive income for the year	-	-	-	2,308,052	2,308,052
Transfer to reserves	-	280,522	280,522	(561,044)	-
Balance as of December 31, 2025	9,500,000	4,778,437	4,556,230	12,227,982	31,062,649

The accompanying notes are an integral part of these consolidated financial statements

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

	2025	2024
OPERATING ACTIVITIES		
Profit for the year before income tax	2,805,223	3,537,908
Adjustments on profit before income tax:		
Depreciation and amortization	1,267,150	1,146,426
Financial charges	139,212	152,906
Damaged goods provision	100,209	134,509
Loss on sale of property and equipment	10,832	1,090
Profit from sale of property and equipment	(4,000)	(20,400)
Expected Credit Losses	380,000	-
Changes in operating assets and liabilities:		
Accounts receivable and checks under collection	(1,467,419)	(983,603)
Inventory in warehouse	777,696	(150,754)
Materials, spare parts and samples, Net	59,038	60,036
Prepaid expenses and other receivables	(46,603)	162,157
Accounts payable	(187,208)	141,723
Accrued expenses and other payables	259,251	(369,510)
Cash available from operating activities	4,093,381	3,812,488
Board of Directors' remuneration paid	(35,000)	(47,000)
Income tax paid	(480,702)	(484,813)
Net cash available from operating activities	3,577,679	3,280,675
INVESTING ACTIVITIES		
Purchase of intangible assets	(79,312)	(2,302)
Proceeds from sale of property and equipment	4,000	42,400
Purchase of property and equipment	(411,724)	(1,693,635)
Net cash used in investing activities	(487,036)	(1,653,537)
FINANCING ACTIVITIES		
Loan	(274,860)	1,835,296
Banks overdraft	(71,296)	52,899
Cash dividends paid	(2,090,000)	(1,567,500)
Financial charges paid	(139,212)	(152,906)
Net cash (used in) / available from financing activities	(2,575,368)	167,789
Net change in cash and cash equivalents	515,275	1,794,927
Cash and cash equivalents, January 1	9,045,383	7,250,456
Cash and cash equivalents, December 31	9,560,658	9,045,383
Non-cash item :		
Transferred from construction under process	-	107,868

The accompanying notes are an integral part of these consolidated financial statements

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

1. ORGANIZATION AND ACTIVITIES

Hayat Pharmaceutical Industries Company is a Jordanian Public Shareholding Company ("the Company") registered on October 19, 2005 under Commercial Registration No (371), it resulted from converting the legal status of the Company from a limited liability company to a public shareholding company on October 18, 2005, it had been registered in the limited liability Company's commercial register under No. (3516) on April 3, 1994. The declared and paid capital is JD 9,500,000 divided into 9,500,000 shares of JD 1 each.

The Company's principal activity is producing human and veterinary medicines in all its forms and medical stickers and stockings, in addition to the production of medical supplies, body care lotions, cosmetics, sutures and initiating marketing campaigns as well as import and export operations.

The Company is headquartered in Amman.

2. New and Amended International Financial Reporting Standards

Standards and interpretations issued but not yet effective	Effective date
Amendments to International Financial Reporting Standards (IFRS) No. 7 and No. 9 – Amendments related to the classification and measurement of financial instruments.	January 1, 2026
Annual Improvements to International Accounting Standards, Volume 11.	January 1, 2026
Amendments to IFRS 9 and IFRS 7 – Power Purchase Agreements (PPAs).	January 1, 2027
International Financial Reporting Standard (IFRS) 18 – Presentation and Disclosure in Financial Statements.	January 1, 2027
International Financial Reporting Standard (IFRS) 19 – Subsidiaries without Public Accountability.	January 1, 2027
IFRS 10 and International Accounting Standard (IAS) 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.	Available for optional application – effective date deferred indefinitely

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statement of the Company in the period of initial application.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Preparation of the Consolidated Financial Statements

The consolidated financial statements have been prepared, in accordance with International Financial Reporting Standards (IFRS).

Basis of Preparation

The consolidated financial statements are presented in Jordanian Dinar (JD) as this is the currency in which the majority of the Company's transactions are recorded.

The consolidated financial statements have been prepared on a historical cost principle. However, financial assets and financial liabilities are stated at fair value. The following is a summary of significant accounting policies applied by the Company:

Financial Statements Consolidation Basis

The consolidated financial statements incorporate the financial statements of Hayat Pharmaceutical Industries Company (P.L.C) and the subsidiaries controlled by the Company (Subsidiary Company).

Control is achieved when the Company has:

- Ability to exert power over the investee
- Exposure, or rights, to variable returns from its involvement with the investee
- Ability to exert power over the investee to affect the amount of the investor's returns

The Company 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 described in the accounting policy for subsidiaries above.

When the Company has less than a majority of the voting in any of the investees, the Company shall have control over the investee when the voting rights sufficient to give it the ability to direct relevant activities of the investee individually.

When the Company reassesses whether or not it controls an investee, it considers all the relevant facts and circumstances which includes:

- Size of the holding relative to the size and dispersion of other vote holders
- Potential voting rights, others vote-holders, and other parties
- Other contractual rights
- Any additional facts and circumstances that may indicate that the company has, or does not have, the current ability to direct the activities related to the time needed to make decisions, including how to vote at previous shareholder's meetings.

The consolidation process begins when the Company achieves control on the investee enterprise (subsidiary), while that process stops when the Company loses control of the investee (subsidiary). In particular, income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated income statement, and the consolidated comprehensive income statement from the effective date of acquisition and up to the effective date, which it loses control of the subsidiary company.

The profit or loss and each component of other comprehensive income divided to the owners of the parent and to the non-controlling interests, total comprehensive income to the owners of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balances.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the Parent Company.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
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Profit or loss and each component of other comprehensive income are attributed to the owners of the company and to the non-controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the company and to the non-controlling interests even if this results in non-controlling interest having a deficit balance.

Whenever necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by the parent company.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The consolidated financial statements as of December 31, 2025, include the financial statements of the following subsidiaries:-

Subsidiary	Country of Incorporation and Operation	Join Years	Ownership Interest (%)	Principal Activity
Hayat Health Care International Company L.T.D	Hashemite Kingdom of Jordan	2013	100%	Import, export and trade agencies

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that results in reclassifying the Company's financial assets. During the current financial year and previous accounting period, there was no change in the business model under which the Company holds financial assets; therefore, no reclassifications were made.

Impairment

IFRS 9 replaces the "incurred loss" model in IAS 39 with an expected credit loss model (ECLs). The Company recognizes loss allowance for expected credit losses on the following financial instruments that are not measured at FVTPL:

- Cash and bank balances;
- Trade and other receivables;
- Due from related party.

With the exception of purchased or originated credit-impaired (POCI) financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12 Month ECL lifetime ECL that results from those default events on the financial instrument that are possible within 12 months after the reporting date (referred to as stage 1); or
- Full lifetime ECL, i.e. lifetime ECL that results from all possible default events over the life of the financial instruments, (referred to as stage 2 and stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company has selected to measure loss allowances of cash and bank balances, trade and other receivables, and due from a related party at an amount equal to lifetime ECLs.

ECLs are probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows to the Company under the contract and the cash flows that the Company expects to receive arising from weighting of multiple future economic scenarios. Discounted at the asset's EIR.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

Loss allowance for financial investments measured at amortized costs are deducted from gross carrying amount of assets. For debt securities measured at FVTOCI, the loss allowance is recognized in the OCI, instead of reducing the carrying amount of the asset.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue costs or effort. This includes both quantitative and qualitative information and analysis based on the Company's previous experience, and on the available credit score including forward-looking information.

For certain categories of financial assets, assets that are assessed not to be impaired individually, in addition, assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio, as well as observable changes in national or local economic conditions that correlate with default on receivables.

Impairment losses related to cash and bank balances, trade and other receivables and due from a related party, are presented separately in the statement of income and other comprehensive income.

The Company considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of the grade of the investment.

Measurement of ECL

The Company employs statistical models for ECL calculations. ECLs are a probability-weighted estimate of credit losses. For measuring ECL under IFRS 9, the key input would be the term structure of the following variables.

- Probability of Default (PD);
- Loss Given Default (LGD); and
- Exposure at Default (EAD).

These parameters will be derived from our internally developed statistical models and other historical data. They will be adjusted to reflect forward-looking information.

Credit-Impaired Financial Assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial assets have occurred. Credit-impaired financial assets are referred to stage 3 assets. At each reporting date, the Company assesses whether financial assets carried at amortized costs and debt securities at FVTOCI at credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact in the estimated future cash flows of the financial asset have occurred.

Derecognition of Financial Assets

The Company derecognizes 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 Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

**HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)**

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

On derecognition of a financial asset that is classified as FVTOCI, the cumulative gain or loss previously accumulated in the cumulative changes in fair value of securities reserve is not reclassified to profit or loss, but is reclassified to retained earnings.

Presentation of allowance for ECL are presented in the financial information

Loss allowances for ECL are presented in the financial information as follows:

For financial assets measured at amortized cost (loans and advances, cash and bank balances): as a deduction from the gross carrying amount of the assets.

For debt instruments measured at FVTOCI, no loss allowance is recognized in the consolidated statement of financial position as the carrying amount is at fair value. However, the loss allowance is included as part of the revaluation amount in re-evaluation reserve and recognized in other comprehensive income.

Revenue Recognition

IFRS 15 "Revenue from contracts with customers" outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found across several standards and interpretation within IFRSs. It establishes a new five-step model that will apply to revenue arising from contracts with customers.

Other revenue is recognized on the accrual basis.

Critical Accounting Judgments and Key Sources of Estimation Uncertainty

The preparation of consolidated financial statements requires management to make judgments estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated financial statements, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty, were the same as those that applied to the audited annual financial consolidated statements.

Critical judgments in applying the Company's accounting policies in respect of IFRS 9

Business Model Assessment:

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Company determines the business model at a level that reflects how its financial assets were managed together to achieve a particular business objective. This assessment includes judgments reflecting all relevant evidence, including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. Monitoring is part of the Company's continues assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and a prospective change to the classification of those assets.

Significant Increase of Credit Risk

ECLs are measured as an allowance equal to 12-month ECL for stage1 assets, or lifetime ECL assets for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

Establishing Groups of Assets with Similar Credit Risk Characteristics

When ECLs are measured on a collective basis, the financial instruments of the Company are collected on the basis of shared risk characteristics (e.g., instrument type, credit risk grade, collateral type, date of initial recognition, remaining term to maturity, industry, geographic location of the borrower, etc.). The Company monitors the appropriateness of the credit risk characteristics on an ongoing basis to assess whether they continue to be similar. This is required in order to ensure that should credit risk characteristics change there is appropriate re-segmentation of the assets. This may result in new portfolios being created or assets moving to an existing portfolio that better reflects the similar credit risk characteristics of that group of assets. Re-segmentation of portfolios and movement between portfolios is more common when there is a significant increase in credit risk (or when that significant increase reverses) and so assets move from 12-month to lifetime ECLs, or vice versa, but it can also occur within portfolios that continue to be measured on the same basis of 12 month or lifetime ECLs, but the amount of the ECLs changes because the credit risk of the portfolios differ.

Models and Assumptions Used

The Company uses various models and assumptions in measuring fair value of financial assets, as well as in estimating ECL. Judgment is applied in identifying the most appropriate model for each type of asset, as well as for determining the assumptions used in these models, including assumptions that relate to key drivers of credit risk.

Key Sources of Estimation Uncertainty in Respect of IFRS 9

The following are key estimations that the management has used in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in consolidated financial statements.

Establishing the number and relative weightings of forward-looking scenarios for each type of product /market determining the forward-looking information relevant to each scenario. When measuring ECL, the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Probability of Default

PD constitutes a key input in measuring ECL. PD is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions, and expectations of future conditions.

Loss Given to Default

LGD is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Sales

Sales are recognized upon delivery of goods to customers and issuing invoice.
Sales revenues are stated net of trade or quantity discounts.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

Expenses

Selling and marketing expenses principally comprise of costs incurred in the distribution and sale of the Company's products. All other expenses are classified as general and administrative expenses.

General and administrative expenses include direct and indirect costs which are not specifically part of production costs as required under International Accounting Standards. Allocations between general and administrative expenses and cost of sales are made on a consistent basis when required.

Cash and Cash Equivalents

Cash and cash equivalents include cash, demand deposits, and highly liquid investments with original maturities of three months or less.

Accounts Receivable

Accounts receivable are recorded at the original amount less a provision for any uncollectible amount. An estimate for doubtful debts is made when collection of the full amount is no longer probable.

Accounts Payable and Accruals

Liabilities are recognized for amounts to be paid in the future for services or goods received, whether billed by the supplier or not.

Inventories

Finished goods and work in process are stated at the lower of cost or net realizable value. Cost is determined, for finished goods and work in process, on a First In First Out cost basis which includes the cost of materials, labor and a specified percentage of indirect overheads. Raw material, work in process, spare parts, and other inventories are stated at cost, determined by using a First In First Out cost basis.

Sectoral Report

The business sector represents a collection of assets and operation engaged together in providing product or services subjected to risks and returns that are different from those of other business sectors, which are measured according to the reports that are used by the executive director and the main decision-makers in the Company.

A geographical segment is associated in providing products in a particular economic environment and is subject to risks and returns that are differed from those sectors to work in economic environment.

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, and when intends to settle them on a net basis, or assets are realized and liabilities settled simultaneously.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation. Expenditure on maintenance and repairs are expensed. Depreciation is provided over the estimated useful lives of the applicable assets using the straight-line method. The estimated rates of depreciation of the principal classes of assets are as follows:

	<u>Annual Depreciation Rate</u>
Buildings	2% - 10%
Equipment and machinery	10% - 20%
Electromechanics	10%
Vehicles	10%
Furniture and decoration	10% - 20%

Useful lives and the depreciation method are reviewed periodically to make sure that the method and depreciation period appropriate with the expected economic benefits of property and equipment.

Impairment test is performed to the value of the property and equipment that appears in the consolidated statement of financial position, when any events or changes in circumstances shows that this value is non-recoverable.

In case of any indication to the low value, impairment losses are calculated according to the policy of the low value of the assets.

At any subsequent exclusion of property and equipment, the value of gains or losses resulting recognized, which represents the difference between the net proceeds of exclusion and the value of the property and equipment that appears in the consolidated statement of financial position, Gross Profit and loss.

Provisions

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

The amount recognised as provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flow estimated to settle the present obligation, 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.

Income Tax

The Company is subject to a temporary Income Tax Law and its subsequent amendments and the regulations issued by the Income Tax Department in the Hashemite Kingdom of Jordan and provided on an accrual basis. Income Tax is computed based on adjusted net income. According to International Accounting Standard No. (12), the Company may have deferred taxable assets resulting from the differences between the accounting value and tax value of the assets and liabilities related to the provisions. These assets are not shown in the financial statements as they are considered immaterial.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED DECEMBER 31, 2025
(EXPRESSED IN JORDANIAN DINAR)

Foreign Currency Transaction

Foreign currency transaction are translated into Jordanian Dinars at the rates of exchange prevailing at the time of the transactions. Monetary assests and liabilities denominated in foreign currencies at the consolidated financial position are translated at the exchange rates prevailing at that date. Gains and losses from settlement and translation of foreign currency transactions are included in the consolidated comprehensive income statement.

Construction Under Process

all the assets under construction that the entity is spending until they are ready to operat, and until the completion all the expenses are classified in the financial position as projects under construction, and when completed all the expenses are capitalized and transferred to the fixed assets.

Intangible Assets

Intangible assets are shown at cost after deducting the accumulated amortization. Intangible assets are represented by research and development work for the Company's activities.

HAYAT PHARMACEUTICAL INDUSTRIES COMPANY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)
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4. PROPERTY AND EQUIPMENT

2025:	Lands *	Buildings	Equipment and Machinery	Electromechanic	Vehicles	Furniture and Decoration	Total
Cost:							
Balance as of January 1	1,879,381	6,797,445	7,051,325	4,011,623	269,090	662,293	20,671,157
Additions	-	16,225	311,202	8,720	15,700	59,877	411,724
Disposal	-	-	(37,686)	-	(11,650)	-	(49,336)
Balance as of December 31	1,879,381	6,813,670	7,324,841	4,020,343	273,140	722,170	21,033,545
Accumulated depreciation:							
Balance as of January 1	-	1,521,622	3,710,297	1,513,137	136,906	308,583	7,190,545
Depreciation	-	145,254	584,140	402,302	20,889	65,157	1,217,742
Disposal	-	-	(26,854)	-	(11,650)	-	(38,504)
Balance as of December 31	-	1,666,876	4,267,583	1,915,439	146,145	373,740	8,369,783
Book value as of December 31	1,879,381	5,146,794	3,057,258	2,104,904	126,995	348,430	12,663,762
2024:							
Cost:							
Balance as of January 1	1,879,381	6,578,801	5,712,540	3,912,524	252,240	640,709	18,976,195
Additions	-	218,644	1,352,526	99,099	109,650	21,584	1,801,503
Disposal	-	-	(13,741)	-	(92,800)	-	(106,541)
Balance as of December 31	1,879,381	6,797,445	7,051,325	4,011,623	269,090	662,293	20,671,157
Accumulated depreciation:							
Balance as of January 1	-	1,381,405	3,231,700	1,119,717	190,303	246,984	6,170,109
Depreciation	-	140,217	493,092	393,420	15,559	61,599	1,103,887
Disposal	-	-	(14,495)	-	(68,956)	-	(83,451)
Balance as of December 31	-	1,521,622	3,710,297	1,513,137	136,906	308,583	7,190,545
Book value as of December 31	1,879,381	5,275,823	3,341,028	2,498,486	132,184	353,710	13,480,612

* There is a mortgage on the lands owned by the Company in exchange for a loan from Cario Amman Bank.

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5. INTANGIBLE ASSETS

The details of intangible assets:

	2025	2024
Beginning balance January 1	194,792	235,029
Additions *	79,312	2,302
Intangible assets amortization **	(49,408)	(42,539)
Ending balance December 31	224,696	194,792

* This amount represents payments for research and development work.

** The transactions on the total amortization of intangible assets during the year is as follows:

	2025	2024
Balance as of January 1	(88,803)	(46,264)
Intangible assets amortization	(49,408)	(42,539)
Balance as of December 31	(138,211)	(88,803)

6. PREPAID EXPENSES AND OTHER RECEIVABLES

	2025	2024
Prepaid expenses and other receivables	132,766	162,801
Advance payments to suppliers	355,036	261,506
Refundable deposits	43,406	43,406
Due to Employees	77,870	94,762
	609,078	562,475

7. MATERIALS, SPARE PARTS AND SAMPLES - NET

	2025	2024
Chemical materials	18,643	63,049
Spare parts	237,065	257,286
Damaged materials	21,918	46,707
Consumable materials	124,809	135,148
Samples	56,603	40,675
Damaged goods provision *	(21,918)	(46,707)
	437,120	496,158

* Net balance of damaged goods provision:

	2025	2024
Balance January 1	46,707	77,210
Addition during the year	100,209	134,509
Transfer	-	-
Damaging goods	(124,998)	(165,012)
Balance December 31	21,918	46,707

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8. INVENTORY IN WAREHOUSE

	2025	2024
Raw materials and packaging	1,520,505	2,258,785
Work in process	95,470	222,391
Finished goods	559,046	571,750
	<u>2,175,021</u>	<u>3,052,926</u>

9. ACCOUNTS RECEIVABLE

	2025	2024
Trade receivables	3,687,976	3,244,150
Due from related parties - (Note - 10)	6,952,062	5,764,473
Checks for collection from related parties (Note – 10)	1,620,078	1,728,090
Checks for collection from customers	818,366	874,350
Expected credit losses **	(1,339,563)	(959,563)
	<u>11,738,919</u>	<u>10,651,500</u>

* Net balance of expected credit losses:

	2025	2024
Beginning balance	959,563	959,563
Provision for the year	380,000	-
Ending balance	<u>1,339,563</u>	<u>959,563</u>

10. RELATED PARTY TRANSACTIONS

During the year, the Company sold pharmaceuticals to Al Kurdi Pharmaceutical Warehouse amounting to JOD 7,672,571 (2024: JOD 7,841,930), representing approximately 45% of the Company's net sales. The outstanding balance due from them as at the financial statements date amounted to JOD 6,952,062 (2024: JOD 5,764,473), while the balance of cheques under collection amounted to JOD 1,620,078.

Al Kurdi Pharmaceutical Warehouse is recognized as one of the company's distributors in the Kingdom.

During the year, the Company recorded the following bonuses for the members of the Board of Directors:

	2025	2024
Bonuses	35,000	35,000
Transportation Allowance	70,000	12,000
	<u>105,000</u>	<u>47,000</u>

Below is a summary of the benefits (salaries, bonuses and other benefits) of senior management:

	2025	2024
Salaries and bonuses	<u>512,829</u>	<u>480,804</u>

11. CASH AND CASH EQUIVALENTS

	2025	2024
Cash on hand	3,693	2,606
Cash at banks	3,172,759	3,484,591
Cash Deposits with Banks	6,384,206	5,558,186
	<u>9,560,658</u>	<u>9,045,383</u>

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12. RESERVES

Statutory Reserve

In accordance with the Companies Law in the Hashemite Kingdom of Jordan and the Company's Article of Association, the Company has established a statutory reserve by appropriation a 10% of net income until the reserve equals 25% of the capital. However, the Company may, with the approval of the General Assembly, to continue to deduct this annual ratio until this reserve is equal to the stated capital of the Company in full. This reserve is not available for dividend distribution.

Voluntary Reserve

In accordance with the Companies Law in the Hashemite Kingdom of Jordan and the Company's Article of Association, the Company can establish a voluntary reserve by appropriation of not more than 20% of net income. Board of directors have deducted 10% of net income during the year. This reserve is available for dividends distribution after approval from the Company's General Assembly.

13. DIVIDENDS

	2025	2024
Retained earnings	12,227,982	12,570,974
Less: unearned retained earnings	-	-
Realized retained earnings	12,227,982	12,570,974
Less: fair value reserve	-	-
Dividends	12,227,982	12,570,974

At its Ordinary General Assembly meeting held on April 9, 2025, the Company resolved to approve the distribution of cash dividends to shareholders at a rate of 22% of the Company's share capital for the year 2024.

14. ACCRUED EXPENSES AND OTHER PAYABLES

	2025	2024
Accrued expenses	634,290	618,701
Due to Sales and income tax	41,505	71,092
Income tax - (Note - 17)	344,021	327,552
Due to social security	41,638	36,382
Board of Directors' remuneration	105,000	47,000
End of service allowance	280,000	100,000
Miscellaneous provisions	325,244	337,357
Other accounts payable	78,318	71,212
	1,850,016	1,609,296

15. BANKS OVERDRAFT

This item represents the followings:

The amount of facilities obtained from the Arab Bank up to JD 700,000 with an interest rate of 9.125% and 0.375% commission rate. The commission paid and the interest calculated on the daily debit balance of the account and credited to the customer monthly. The commission of different kinds, paid or credited to the account in advance.

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16. LOANS

1. The Company a loan from Cairo Amman Bank in the amount of JOD 2,000,000 to finance capital obtained expenditures and the Company's local and foreign purchases. The loan is repayable in 66 installments of JOD 33,334 each, except for the final installment, and bears interest at 3.25%. The loan includes a grace period of six months and is secured by a mortgage bond over the factory land.
2. The Company obtained a loan from Cairo Amman Bank in the amount of JOD 1,700,000 to finance capital expenditures and the Company's local and foreign purchases. The loan is repayable in 60 installments of JOD 28,334 each, except for the final installment, and bears interest at 2.70%. The loan includes a grace period of 24 months. The drawdown and utilization period extends over 24 months, during which JOD 1,116,000 had been utilized as of the financial statement date.
3. The Company obtained a loan from Cairo Amman Bank in the amount of JOD 1,300,000 to finance capital expenditures and the Company's local and foreign purchases. The loan is repayable in 60 installments of JOD 28,334 each, except for the final installment, and bears interest at 2.70%. The loan includes a grace period of 24 months. The drawdown and utilization period extends over 24 months, during which JOD 1,300,000 had been utilized as of the financial statement date.

17. INCOME TAX

The change in income tax provision as December 31 as follows :

	2025	2024
Balance at January 1	327,552	364,011
Payments during the year	(480,702)	(484,813)
Provision for the year	497,171	448,354
Balance at December 31	344,021	327,552

Income Tax in the statement of comprehensive income represents the following:

	2025	2024
Income tax on the current year's profit	497,171	448,354
	497,171	448,354

A summary on the adjustment of the accounting profit and the tax profit:

	2025	2024
Accountiing Profit	2,805,223	3,537,908
Add: non-deductible expenses	1,140,209	531,509
Deduct: non-deductible revenues	-	-
Deduct: deductible revenues (prior years)	(563,312)	(1,019,388)
Taxable Income	3,382,120	3,050,029
Income tax	676,424	610,005
Tax industrial sector encourgments	(213,074)	(192,151)
Total Income Tax	463,350	417,854
National contribution	33,821	30,500
Total Income Tax and National Contribution	497,171	448,354
Income tax rate	20%	20%
National contribution rate	1%	1%

The Company has finalized its tax position with the Income and Sales Tax Department up to the end of 2021, in addition to the year 2024. As for the years 2022 and 2023, self-assessment tax returns have been submitted, and the audit procedures are still ongoing as of the date of preparing the consolidated financial statements.

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18. SALES

	2025	2024
Local sales	7,672,571	7,841,930
Export sales	9,435,818	8,866,717
	<u>17,108,389</u>	<u>16,708,647</u>

19. SELLING AND MARKETING EXPENSES

	2025	2024
Marketing expenses	3,663,752	2,709,681
Salaries and wages	135,079	116,649
Fees, licenses, and subscriptions	61,892	159,408
Governmental expenses	68,327	47,527
Depreciation	18,101	18,101
Transportation	75,509	93,224
Travel and transfers	12,179	54,309
Professional fees	3,340	86,166
Mail, telegraph, and telephone	161	481
Electricity	53,488	57,005
Miscellaneous	8,204	3,132
	<u>4,100,032</u>	<u>3,345,683</u>

20. GENERAL AND ADMINISTRATIVE EXPENSES

	2025	2024
Salaries and wages	1,397,764	1,257,031
Depreciation	114,039	107,248
Mail, telegraph and telephone	9,964	9,710
Fees, licenses and subscriptions	47,862	41,658
Water, electricity and fuel	108,313	126,840
Transportation	44,697	42,157
Maintenance	29,832	39,192
Hospitality and staff food	40,452	46,204
Staff training	70,000	12,000
Cleaning	14,742	18,954
Donations	23,910	7,967
Safety and security	40,024	40,065
Stationary and printing	28,441	18,260
Professional fees	59,466	65,812
Insurance	188,106	10,726
Miscellaneous	27,820	36,862
	<u>2,245,432</u>	<u>1,880,686</u>

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21. CONTINGENCIES

Legal status of the company

Summary of Cases Filed by the Company Against Others:

The Company has initiated legal proceedings against other parties, with claims totaling JD 106,060.

22. FINANCIAL TOOL

Management of Share Capital Risks

The Company manages its capital to make sure that the Company will continue when it takes the highest return by the best limit for debts and shareholders' equity balances. The Company's strategy has not changed since 2024.

Structuring of Company's capital includes the owner's equity in the Company, which includes share capital, reserves, and retained earnings as it listed in the changes in consolidated shareholders' equity statement.

Debt Ratio

The Board of Directors is reviewing the share capital structure periodically. As a part of this reviewing, the Board of Directors consider the cost of share capital and the risks that is related in each faction from capital and debt factions. The Company's capital structure includes debts from the borrowing. The Company does not determine the highest limit of the debt rate and it does not expect increase in the typical debt rate during the year 2026.

Debt rate as at the year end is as following:

	2025	2024
Debts	3,479,705	3,825,861
Owners' equity	31,062,649	30,844,597
Debt / owners' equity rate	11%	12%

Management of the Financial Risks

The Company's activities might be exposing mainly to the following financial risks:

Management of the Foreign Currencies Risks

The Company does not exposed to significant risks related with the foreign currencies changing, and there is no need to effective management for this exposure.

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Management of the Interest Price Risks

The risks related to the interest rate mainly resulting from the money borrowings in changeable (float) interest rates and from short-term deposits in fixed interest rates.

Sensitivity of the statement of comprehensive income is impacted of the assumed possible changes in prices of interest on the profit of the Company for one year, and it is calculated based on the financial liabilities which carry variable interest rates at the end of the year.

The following table shows sensitivity of the consolidated statement of comprehensive income for possible reasonable changes in interest rates as of December 31 with all other impacting variables constant:

<u>Currency</u>	<u>Increase in interest rate</u>	<u>The impact on the profit of the year</u>	
JD		<u>2025</u>	<u>2024</u>
	0.5%	- 17,399	- 19,130

<u>Currency</u>	<u>Decrease in interest rate</u>	<u>The impact on the profit of the year</u>	
JD		<u>2025</u>	<u>2024</u>
	0.5%	+ 17,399	+ 19,130

Credit Risk Management

The credit risks represented if one part of the financial instruments contracts has not obligated to pay the contractual obligations and cause of that the Company is exposing financial losses. However, there are no contracts with any other parts so the Company does not expose to different types of the credit risks. The significant credit exposed for any parts or group of parts that have a similar specification have been disclosed in note No.10. The Company classify the parts which have similar specifications as a related parties, except the amounts which are related to the cash money. Credit risks that are resulting from the cash money are specific because the parts that are dealing with it are local banks which have good reputations and controlled by control parties.

The listed amounts in the consolidated financial data represents the highest credit risk exposer to trade and other accounts recievable, cash and cash equivalents.

Management of Liquidity Risks

Board of Directors is responsible managing liquidity risk to manage the cash requirements, short, medium and long term liquidity. The Company managed the liquidity risks through controlling the future cash flows that evaluated permanently and correspond the due dates of cash assets and liabilities.

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The following table represents the contractual eligibilities to non-derivative financial liabilities.

The table has prepared on the non-deducted cash flows for the financial liabilities basis, according to the early due dates that may required from the Company to pay or receive.
The table below contains cash flows for major amounts and interests.

	Interest Rate	Year or Less	More than a Year	Total
2025 :				
Instruments without interest		2,879,911	-	2,879,911
Instruments with interest	%4.25-9.625 %	1,000,629	2,479,076	3,479,705
Total		3,880,540	2,479,076	6,359,616
2024 :				
Instruments without interest		2,826,398	-	2,826,398
Instruments with interest	%4.25-9.625%	535,029	3,290,832	3,825,861
Total		3,361,427	3,290,832	6,652,259

23. SEGMENT REPORTING

The Company works in the following segments of the producing human and veterinary medicines in all its forms and medical stickers and stockings, in addition to the production of medical supplies, body care lotions, cosmetics, sutures and initiating marketing campgains, as well as import and export operations business operating within one geographic sector which is the Hashemite Kingdom of Jordan.

24. APPROVAL OF FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Company management on February 25, 2026 and have been authorized for issuance by the Board of Directors.

25. COMPARTIVE FIGURES

Certain 2024 figures have been reclassified to conform with the presentation for the year ended December 31, 2025.