

**DAR AL AMAN FOR ISLAMIC FINANCE COMPANY
(LIMITED PUBLIC SHAREHOLDING)
AMMAN - JORDAN**

**INTERIM CONDENSED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
FOR THE THREE MONTHS ENDED 31 MARCH 2025**

**DAR AL AMAN FOR ISLAMIC FINANCE COMPANY
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REVIEW REPORT

31 March 2025

To The Management of Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Introduction

We have reviewed the interim condensed statement of financial position of Dar Al Aman for Islamic Finance Company (Limited Public Shareholding) as at 31 March 2025 and the interim condensed statement of profit or loss and other comprehensive income, the interim condensed statement of changes in shareholding equity, the interim condensed statement of cash flows for the three months then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with IAS (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Material Uncertainty Related to Going Concern

As mentioned to in Note No. (6) to the interim condensed financial statements, which indicates that the Company's accumulated losses amounted to approximately JD 8.5 million, which represents 53% of the capital, also the Company's activity is still almost suspended. These events or circumstances are considered an indication of a material uncertainty that may cast significant doubt on the Company's ability to continue as the note shows the Company's actions and its future plans to counter that. Our conclusion has not been modified in respect to this matter.

REVIEW REPORT (CONTINUED)

31 March 2025

To the Management of Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Conclusion

Based on our review, nothing has come to our attention that causes us believe that the interim condensed financial statements do not present fairly from all material respects the interim condensed financial position for Dar Al Aman for Islamic Finance Company as at 31 March 2025 and its interim financial performance and its interim cash flows for the three months then ended in accordance with IAS (34) "Interim Financial Reporting".

Samman & Co.



Ahmad Ramahi
License No. (868)

28 April 2025
Amman - Jordan

Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Interim condensed statement of financial position
As at 31 March 2025

	Note	31 March 2025 (Unaudited) JD	31 December 2024 (Audited) JD
<u>ASSETS</u>			
Cash at banks		32,774	154,087
Deposits at banks		3,300,000	3,300,000
Financial assets at fair value through statement of profit or loss		17,816	17,816
Financial assets at amortized cost	(4)	1,617,973	1,567,558
Other receivables		88,673	66,708
Property and equipment		239,789	241,150
Properties seized against debts	(5)	1,159,130	1,159,130
Investment property - Land		389,534	389,534
Deferred tax assets		1,444,887	1,444,887
TOTAL ASSETS		8,290,576	8,340,870
<u>LIABILITIES AND SHAREHOLDERS EQUITY</u>			
<u>LIABILITIES</u>			
Other payables		222,405	234,622
<u>SHAREHOLDERS EQUITY</u>			
Subscribed capital		16,000,000	16,000,000
Statutory reserve		206,000	206,000
Voluntary reserve		387,302	387,302
Accumulated losses		(8,525,131)	(8,487,054)
NET SHAREHOLDERS EQUITY		8,068,171	8,106,248
TOTAL LIABILITIES AND SHAREHOLDERS EQUITY		8,290,576	8,340,870

The interim condensed financial statements on pages [1] to [7] were approved and authorized for issue by the Board of Directors on 28 April 2025 and were signed by:

Dr. Farooq Mohammad Murad
Deputy chairman of the board



Nabil Mohammad Muzuk
Chief Executive Officer



Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Interim condensed statement of profit or loss and other comprehensive income
For the three months ended 31 March 2025

	<u>2025</u>	<u>2024</u>
	JD	JD
Net Revenues	9,811	25,910
Other revenues	16,454	3,857
Employees benefits expenses	(27,105)	(27,051)
Administrative expenses	<u>(37,237)</u>	<u>(31,212)</u>
Comprehensive loss for the period	<u><u>(38,077)</u></u>	<u><u>(28,496)</u></u>
Loss per share of the period JD / share	(0.0024)	(0.0018)

Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Interim condensed statement of changes in shareholders equity
For the three months ended 31 March 2025

	Subscribed capital	Statutory reserve	Voluntary reserve	Accumulated losses	Total
	JD	JD	JD	JD	JD
<u>2025</u>					
At 1 January	16,000,000	206,000	387,302	(8,487,054)	8,106,248
Comprehensive loss for the period	-	-	-	(38,077)	(38,077)
At 31 March	<u>16,000,000</u>	<u>206,000</u>	<u>387,302</u>	<u>(8,525,131)</u>	<u>8,068,171</u>
<u>2024</u>					
At 1 January	16,000,000	122,605	220,512	(8,518,165)	7,824,952
Comprehensive loss for the period	-	-	-	(28,496)	(28,496)
At 31 March	<u>16,000,000</u>	<u>122,605</u>	<u>220,512</u>	<u>(8,546,661)</u>	<u>7,796,456</u>

Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Interim condensed statement of cash flows
For the three months ended 31 March 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		JD	JD
<u>Operating activities</u>			
Loss of the Period		(38,077)	(28,496)
<i>Adjustments for:</i>			
Depreciations & Amortizations		1,361	1,313
Profits for financial assets at fair value through the statement of profit or loss		-	(771)
		(36,716)	(27,954)
Financial assets at amortized cost	(4)	(50,415)	566,832
Other receivables		(21,965)	(5,438)
Other payables		(12,217)	11,278
Net cash flows (used in) from operating activities		<u>(121,313)</u>	<u>544,718</u>
<u>Investing activities</u>			
Properties seized against debts	(5)	-	(478,249)
Net cash flows used in investing activities		<u>-</u>	<u>(478,249)</u>
Net change in cash and cash equivalents during the period		(121,313)	66,469
Cash and cash equivalents - beginning of the period		<u>3,454,087</u>	<u>657,809</u>
Cash and cash equivalents - ending of the period		<u><u>3,332,774</u></u>	<u><u>724,278</u></u>

Dar Al Aman for Islamic Finance Company
(Limited Public Shareholding)
Amman - Jordan

Notes forming part of the interim condensed financial statements
For the three months ended 31 March 2025

1) General

Dar Al Aman for Islamic Finance Company (previously: Al Israa for Islamic Finance and Investment Company) was established on 20 April 2008 as a Limited Public Shareholding Company in the Register of Public Shareholding Companies under No. (451).

The Company's main objectives are financing consumable products and financing real estate in accordance with the provisions of Islamic Sharia. The address of the company in Amman - Abdullah Ghosheh Street - Al Hussein Complex.

The following are the names of the Board of Director's members:

<u>Name</u>	<u>Position</u>
Saeed Mohammad Al-Masoud	Chairman
Dr. Farooq Mohammad Murad	Deputy chairman
Al Al-Bayt University represented by Osama Khaled Nusser	Board Member
Al-Rifaiat Investment and Real Estate Development Company represented by Mohammed Taha Al-Harabsheh	Board Member
Eng. Mohammad Ismael Mohammad Attieh	Board Member
Kefah Ahmad Mustafa Al-Maharmeh	Board Member
Mohammad Mousa Ahmad Al-Azab	Board Member

2) Basis of preparation

The interim condensed financial statements have been prepared in accordance with IAS (34) "Interim Financial Reporting" and in accordance with local standards. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the 2024 annual report.

3) Accounting policies

The accounting policies adopted in preparing the interim condensed financial statements are consistent with those applied for the year ended 31 December 2024, except for the following amendments which apply for the first time in 2025. However, not all are expected to impact the company as they are either not relevant to the company's activities or require accounting which is consistent with the company's current accounting policies.

The following new amendments are effective for the period beginning 1 January 2025:

- *Lack of exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates).*

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments).

These Amendments are applicable for annual reporting periods beginning on or after 1 January 2025. The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency. The Amendments also introduce additional disclosure requirements when an entity estimates a spot exchange rate because a currency is not exchangeable into another currency.

Notes forming part of the interim condensed financial statements (Continued)
For the three months ended 31 March 2025

IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

When applying the Amendments, an entity is not permitted to restate comparative information.

These Amendments have had no material effect on the interim condensed financial statements

4) Financial assets at amortized cost

	31 March 2025 (Unaudited)	31 December 2024 (Audited)
	JD	JD
Finance receivables	9,107,633	9,049,919
Deduct:		
Deferred revenues on financing contracts	(13,802)	(4,372)
	9,093,831	9,045,547
Deduct:		
Expected credit loss provision	(6,964,165)	(6,964,165)
Suspended revenues	(511,693)	(513,824)
	1,617,973	1,567,558

The company has notes receivables and cheques under collection out of the financial position with a value of approximately JD 11,287 million for financing receivables as at 31 March 2025 (2024: amounted to approximately JD 11,046 million).

Financing receivables in terms of type are as follows:

	31 March 2025 (Unaudited)			31 December 2024 (Audited)
	Finance receivables	Deferred revenues	Net finance receivables	Net finance receivables
	JD	JD	JD	JD
Murabaha financing	9,107,633	13,802	9,093,831	9,045,547

5) Properties seized against debts

This item represents the lands that has been acquired by the company against non-performing financing receivables that have been recognized by seizure by the judicial courts in addition to the legal rules and registration expenses thereof. The fair value has reached up to JD 1.590 million according to reviews of real estate experts.

6) Accumulated losses and the Company's future plan

The Company's board of directors decided during 2017 to suspend all types of financing. In 2018, the Board of Commissioners of the Securities Commission decided to transfer trading in the Company's shares to the unlisted stock market, in addition to that the accumulated losses of the Company amounted to JD (8,525,131) as of the financial position date, which represents 53% of the capital.

The company took several steps to confront this, and the requirements of the Securities Commission were completed, and the company's shares were re-traded in the second market (listed companies) on July 21, 2020. The company's management is also looking forward to improving the company's financial situation in the coming period, as it began granting new financing during the year 2025, one financing, totaling JD 147,109. And during the year 2024 15 financing totaling JD 828,632 While continuing the efforts made to collect its debts by making the necessary settlements and reconciliations to find solutions for distressed customers and reduce the severity of the severe default in the credit portfolio. The company also seeks to liquidate the plots of land owned by it and achieve benefits for shareholders, noting that during the year 2024 the company has sold two lands properties seized against debts Plot No. (74) Umm Rajum Basin No. (8) and plot No .(98) al Taher Basin No. (16) as shown in Note No. (5) to the interim condensed financial statements.