

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

**INTERIM FINANCIAL STATEMENTS  
TOGETHER WITH REVIEW REPORT  
FOR THE THREE MONTHS ENDED 31 MARCH 2022**

DAR AL AMAN FOR ISLAMIC FINANCE COMPANY  
(LIMITED PUBLIC SHAREHOLDING)  
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## REVIEW REPORT

31 March 2022

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

### Introduction

We have reviewed the interim statement of financial position of Dar Al Aman for Islamic Finance Company (Limited Public Shareholding) as at 31 March 2022 and the interim statement of profit or loss and other comprehensive income, the interim statement of changes in equity and the interim 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 financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim 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

The accumulated losses of the Company represent 38% of the capital. Also, the granting of funds remains suspended since 2017 until the date of the interim financial statements, also, the Company is facing difficulties in selling some lands and completing financial settlements with the owners of troubled loans. These events or circumstances are considered an indication of a material uncertainty that may cast significant doubt on the Company's ability to continue.



Phone: +962-6-581-6033  
Fax: +962-6-581-6657  
[www.bdo.com.jo](http://www.bdo.com.jo)  
[info@bdo.com.jo](mailto:info@bdo.com.jo)

Samman & Co.  
Public Accountants & Business Advisors  
P.O. Box 922564  
Amman 11192, Jordan  
25 Um Metawee Al Aslameyeh St. Jandaweel

## REVIEW REPORT (Continued)

31 March 2022

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 financial statements do not present fairly from all material respects the interim financial position for the Company as at 31 March 2022 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 2022  
Amman - Jordan



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

Interim statement of financial position

	<u>Note</u>	<u>31 March 2022</u>	<u>31 December 2021</u>
		JD	JD
<b><u>ASSETS</u></b>			
Cash at banks		392,677	306,682
Financial assets at fair value through profit or loss		35,632	42,591
Financial assets at amortized cost	(4)	4,307,234	4,384,845
Other debit balances		105,175	98,511
Investment in associate company		98,270	98,270
Property and equipment		256,272	257,824
Properties seized against debts		2,563,405	2,563,405
Deferred tax assets		2,846,631	2,846,631
<b>TOTAL ASSETS</b>		<b>10,605,296</b>	<b>10,598,759</b>
<b><u>LIABILITIES AND SHAREHOLDERS EQUITY</u></b>			
<b><u>LIABILITIES</u></b>			
Other credit balances		409,674	386,363
<b><u>SHAREHOLDERS EQUITY</u></b>			
Subscribed capital		16,000,000	16,000,000
Statutory reserve		122,605	122,605
Voluntary reserve		220,512	220,512
Accumulated losses		(6,147,495)	(6,130,721)
<b>Net Equity</b>		<b>10,195,622</b>	<b>10,212,396</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>		<b>10,605,296</b>	<b>10,598,759</b>

The interim financial statements on pages [1] to [6] were approved and authorized for issue by the Board of Directors on 27 April 2022 and were signed by:

  
Dr. Farooq Mohammad Murad  
Deputy chairman of the board

  
Nabil Muzuk  
Acting Chief Executive Officer

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

Interim statement of profit or loss and other comprehensive income  
For the three months ended 31 March 2022

	<u>2022</u>	<u>2021</u>
	JD	JD
Revenues - net	6,455	8,215
Other revenues	57,171	70
Valuation losses of financial assets at fair value through profit or loss	(6,959)	(15,828)
Employees benefits expenses	(28,444)	(30,655)
Administrative expenses	<u>(44,997)</u>	<u>(37,681)</u>
Total comprehensive loss for the period	<u>(16,774)</u>	<u>(75,879)</u>
Loss per share for the period JD / share	(0.0010)	(0.0047)

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

Interim statement of changes in equity  
For the three months ended 31 March 2022

	Subscribed capital	Statutory reserve	Voluntary reserve	Accumulated losses	Total
	JD	JD	JD	JD	JD
<u>2022</u>					
1 January 2022	16,000,000	122,605	220,512	(6,130,721)	10,212,396
Comprehensive loss for the period	-	-	-	(16,774)	(16,774)
31 March 2022	16,000,000	122,605	220,512	(6,147,495)	10,195,622
<u>2021</u>					
1 January 2021	20,000,000	122,605	220,512	(9,706,046)	10,637,071
Losses amortization	(4,000,000)	-	-	4,000,000	-
Comprehensive loss for the period	-	-	-	(75,879)	(75,879)
31 March 2021	16,000,000	122,605	220,512	(5,781,925)	10,561,192

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

Interim statement of cash flows  
For the three months ended 31 March 2022

	<u>2022</u>	<u>2021</u>
	JD	JD
<b><u>Operating activities</u></b>		
Loss of the period before tax	(16,774)	(75,879)
<i>Adjustments for:</i>		
Depreciation and amortization	1,552	1,810
Valuation losses of financial assets at fair value through profit or loss	6,959	15,828
	<u>(8,263)</u>	<u>(58,241)</u>
Financial assets at amortized cost	77,611	115,356
Other debit balances	(6,664)	38,795
Other credit balances	23,311	2,696
<b>Net cash flows from operating activities</b>	<b><u>85,995</u></b>	<b><u>98,606</u></b>
<b><u>Investing activities</u></b>		
Purchase of property and equipment	-	(284)
Proceeds from sales of properties seized against debts	-	68,160
<b>Net cash flows from investing activities</b>	<b><u>-</u></b>	<b><u>67,876</u></b>
<b><u>Financing activities</u></b>		
Loans	-	(125,000)
<b>Net cash flows from financing activities</b>	<b><u>-</u></b>	<b><u>(125,000)</u></b>
<b>Net change in cash and cash equivalents during the period</b>	<b>85,995</b>	<b>41,482</b>
Cash and cash equivalents - Beginning of the period	<u>306,682</u>	<u>39,824</u>
<b>Cash and cash equivalent - Ending of the period</b>	<b><u><u>392,677</u></u></b>	<b><u><u>81,306</u></u></b>

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

**Notes forming part of the interim financial statements  
For the three months ended 31 March 2022**

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**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 Hasan Al-Masoud	Chairman
Dr. Farooq Mohammad Murad Murad Aal Al-Bayt University represented by Omar Falah Bakhit Al-Atin	Deputy chairman
Al-Rifaiat Investment and Real Estate Development Company represented by Mohammed Taha alaaseem Al-Harabsheh	Board Member
Eng. Mohammad Ismael Mohammad Attieh	Board Member
Kefah Ahmad Mostafa Maharmeh	Board Member
Mohammad Ahmad Musa Al-azb	Board Member

**2) Basis of preparation**

The interim financial statements have been prepared in accordance with IAS (34) "Interim Financial Reporting" and in accordance with local standard. 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 2021 annual report.

**3) Significant accounting policies**

The Company has applied the same accounting policies and methods of computation in its interim financial statements as in its 2021 annual financial statements.

The preparation of interim financial statements in accordance with Standard (34) "Interim Financial Reporting" requires the use of significant and limited accounting estimates, and it also requires management to use its own estimates in the process of applying the Company's accounting policies.

None of the new standards, interpretations and amendments have any material impact on the interim financial statements.

*Use of estimates and assumptions*

There are no material changes to the nature and values of the estimates and assumptions used in the 2021 financial statements.

Notes forming part of the interim financial statements (Continued)  
For the three months ended 31 March 2022

4) Financial assets at amortized cost

	<u>31 March 2022</u>	<u>31 December 2021</u>
	JD	JD
Finance receivables	15,315,934	15,400,526
Deduct: Deferred revenue from financing contracts	<u>(18,755)</u>	<u>(24,148)</u>
	15,297,179	15,376,378
Deduct:		
Expected credit loss provision	(10,424,542)	(10,424,542)
Suspended revenues	<u>(565,403)</u>	<u>(566,991)</u>
	<u><u>4,307,234</u></u>	<u><u>4,384,845</u></u>

Finance receivables represented by the following:

	<u>31 March 2022</u>			<u>31 December 2021</u>
	<u>Finance receivables</u>	<u>Deferred revenue</u>	<u>Net finance receivables</u>	<u>Net finance receivables</u>
	JD	JD	JD	JD
Murabaha financing	11,946,586	(18,755)	11,927,831	12,007,030
Long term financing sale	<u>3,369,348</u>	-	<u>3,369,348</u>	<u>3,369,348</u>
	<u><u>15,315,934</u></u>	<u><u>(18,755)</u></u>	<u><u>15,297,179</u></u>	<u><u>15,376,378</u></u>