

**NUTRI DAR**

**PUBLIC SHAREHOLDING COMPANY**

**INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**30 JUNE 2024**



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**REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS  
TO THE BOARD OF DIRECTORS OF NUTRI DAR COMPANY  
PUBLIC SHAREHOLDING COMPANY**

**AMMAN - JORDAN**

**Introduction**

We have reviewed the accompanying interim condensed financial statements of Nutri Dar Company - Public Shareholding Company (the "Company") as at 30 June 2024 comprising of the interim condensed statement of financial position as at 30 June 2024 and the related interim condensed statement of comprehensive income, interim condensed statement of changes in equity and interim condensed statement of cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and 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 the financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

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

Amman – Jordan  
29 July 2024

**ERNST & YOUNG**  
Amman - Jordan

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION**  
**As At 30 JUNE 2024**

	<u>Notes</u>	30 June 2024 JD (Unaudited)	31 December 2023 JD (Audited)
<b><u>ASSETS</u></b>			
<b>Non-current assets -</b>			
Property, plant and equipment	4	2,621,589	2,685,631
Deferred tax assets	8	443,946	499,808
		<u>3,065,535</u>	<u>3,185,439</u>
<b>Current assets -</b>			
Inventories		2,728,672	3,221,756
Other current assets		3,604,506	2,943,071
Trade receivables		3,217,762	3,231,306
Cash on hand and at banks	5	913,670	798,545
		<u>10,464,610</u>	<u>10,194,678</u>
<b>Total Assets</b>		<u><u>13,530,145</u></u>	<u><u>13,380,117</u></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity for shareholders -</b>			
Paid-in capital	7	11,615,912	11,615,912
Statutory reserve		661,017	661,017
Voluntary reserve		1,002	1,002
Accumulated losses		(5,318,710)	(5,554,815)
<b>Net equity</b>		<u>6,959,221</u>	<u>6,723,116</u>
<b>Liabilities</b>			
<b>Current liabilities -</b>			
Bank overdraft	5	115,121	-
Short-term revolving loans	6	2,997,702	3,255,581
Trade payables		3,101,809	2,921,408
Other current liabilities		356,292	480,012
<b>Total liabilities</b>		<u>6,570,924</u>	<u>6,657,001</u>
<b>Total equity and liabilities</b>		<u><u>13,530,145</u></u>	<u><u>13,380,117</u></u>

The attached notes from 1 to 12 form part of these interim condensed financial statements

**NUTRI DAR COMPANY – PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Notes	For the three months ended 30 June		For the six months ended 30 June	
		2024	2023	2024	2023
		JD	JD	JD	JD
Sales	9	3,689,308	3,320,078	6,568,162	6,355,933
Cost of sales	9	(2,876,051)	(2,738,138)	(5,153,473)	(5,059,053)
<b>Gross profit</b>	9	813,257	581,940	1,414,689	1,296,880
Selling and distribution expenses		(319,865)	(251,887)	(591,477)	(516,423)
Administrative expenses		(190,377)	(192,760)	(385,076)	(393,197)
Research and development expenses		(17,033)	(13,339)	(36,502)	(42,558)
Foreign currency exchange profit (loss)		1,926	(22,543)	25,957	(99,388)
Other income		2,981	6,378	4,372	8,032
<b>Net operating profit before tax and finance cost</b>		290,889	107,789	431,963	253,346
Finance cost		(68,864)	(63,797)	(139,996)	(111,595)
<b>Profit for the period before income tax</b>		222,025	43,992	291,967	141,751
Income tax expense for the period	8	(50,016)	(8,800)	(55,862)	(28,350)
<b>Profit for the period</b>		172,009	35,192	236,105	113,401
Add: Other comprehensive income items		-	-	-	-
<b>Total comprehensive income for the period</b>		172,009	35,192	236,105	113,401
		Fils/JD	Fils/JD	Fils/JD	Fils/JD
<b>Basic and diluted earnings per share attributable to the Company's shareholders</b>	10	0/015	0/003	0/020	0/010

The attached notes from 1 to 12 form part of these interim condensed financial statements

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Paid-in capital	Statutory reserve	Voluntary reserve	Accumulated losses	Total
	JD	JD	JD	JD	JD
<b>For the six months ended 30 June 2024 -</b>					
Balance as at 1 January	11,615,912	661,017	1,002	(5,554,815)	6,723,116
Total comprehensive income for the period	-	-	-	236,105	236,105
<b>Balance as at 30 June 2024</b>	<u>11,615,912</u>	<u>661,017</u>	<u>1,002</u>	<u>(5,318,710)</u>	<u>6,959,221</u>
<b>For the six months ended 30 June 2023 -</b>					
Balance as at 1 January	11,615,912	682,430	1,002	(5,300,981)	6,998,363
Total comprehensive income for the period	-	-	-	113,401	113,401
<b>Balance as at 30 June 2023</b>	<u>11,615,912</u>	<u>682,430</u>	<u>1,002</u>	<u>(5,187,580)</u>	<u>7,111,764</u>

The attached notes from 1 to 12 form part of these interim condensed financial statements

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**INTERIM CONDENSED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 JUNE 2024 (UNAUDITED)**

	Notes	For the six months ended 30 June	
		2024	2023
		JD	JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the period before tax		291,967	141,751
<b>Adjustments for-</b>			
Depreciation		122,046	119,313
Finance costs		139,996	111,595
Recoveries from slow moving provision		-	(8,493)
<b>Working capital changes-</b>			
Inventories		493,084	(963,652)
Trade receivables		13,544	(706,360)
Other current assets		(661,435)	(1,137,233)
Trade payables		180,401	1,030,381
Other current liabilities		(123,720)	238,792
<b>Net cash flows from (used in) operating activities</b>		<u>455,883</u>	<u>(1,173,906)</u>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchase of property, plant and equipment	4	(58,004)	(21,602)
Projects in progress		-	(37,419)
<b>Net cash flows used in investing activities</b>		<u>(58,004)</u>	<u>(59,021)</u>
<b><u>FINANCING ACTIVITIES</u></b>			
Proceeds from short-term revolving loans		4,352,160	4,311,745
Repayment of short-term revolving loans		(4,610,039)	(3,212,801)
Bank interest payments		(139,996)	(111,595)
<b>Net cash flows (used in) from financing activities</b>		<u>(397,875)</u>	<u>987,349</u>
<b>Net increase (decrease) in cash and cash equivalents</b>		4	(245,578)
Cash and cash equivalents at the beginning of the period		798,545	1,504,164
<b>Cash and cash equivalents at the end of the period</b>	5	<u>798,549</u>	<u>1,258,586</u>

The attached notes from 1 to 12 form part of these interim condensed financial statements

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 JUNE 2024 (UNAUDITED)**

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**(1) GENERAL**

Nutri Dar Company (the "Company") was established as a public shareholding company on 29 September 1994. The Company's paid in capital is JD 11,615,912 divided into 11,615,912 shares at par value of JD 1 each.

The Company is 90.40% owned by Dar Al Dawa Development and Investment Public Shareholding Company, and its financial statements are consolidated with the financial statements of the Parent Company.

The Company's headquarters is located in Amman, Naour Area – Samir Al-Rifai Street, P.O. Box 9192, Amman – 11191 – The Hashemite Kingdom of Jordan.

The Company's main activities are producing food and infant milk and importing all its required raw materials. In addition to manufacturing, marketing, and selling food supplements and drug cosmetics, retail and wholesale of infant food supplies.

The interim condensed financial statements were approved by the Board of Directors on 25 July 2024.

**(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The interim condensed financial statements as at 30 June 2024 are prepared in accordance with International Accounting Standard No. (34), ("Interim Financial Reporting").

The interim condensed financial statements have been prepared under the historical cost basis.

The interim condensed financial statements are presented in Jordanian Dinars (JD), which represents the Company's functional currency.

The interim condensed financial statements do not contain all information and disclosures required for the financial statements prepared in accordance with International Financial Reporting Standards and should be read in conjunction with the Company's annual report as of 31 December 2023. Furthermore, the results of the six months period ended 30 June 2024 do not necessarily reflect the expected of the results that may be expected for the financial year ending 31 December 2024.

**(3) CHANGES IN ACCOUNTING POLICIES**

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2023, except for the adoption of new standards effective as of 1 January 2024:

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The transition rules clarify that an entity is not required to provide the disclosures in any interim periods in the year of initial application of the amendments. Thus, the amendments had no impact on the Company's interim condensed financial statements.

### **Amendments to IFRS 16: Lease Liability in a Sale and Leaseback**

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

The amendments had no impact on the Company's interim condensed financial statements.

### **Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced whereby an entity must disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no impact on the Company's interim condensed financial statements.

## **(4) PROPERTY, PLANT AND EQUIPMENT**

During the six months period ended 30 June 2024, the Company purchased property and equipment at a cost of JD 58,004 (30 June 2023: JD 21,602)



**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
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**(5) CASH ON HAND AND AT BANKS**

	30 June 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	7,200	7,200
Cash at banks	906,470	791,345
	<u>913,670</u>	<u>798,545</u>

For the purpose of the interim condensed statement of cash flows, cash and cash equivalents comprise the following:

	For the six months period ended 30 June 2024	
	30 June 2024	30 June 2023
	JD	JD
	(Unaudited)	(Unaudited)
Cash bank balances	913,670	1,396,110
Less: bank overdraft *	(115,121)	(137,524)
	<u>798,549</u>	<u>1,258,586</u>

\* Due to bank represents the utilized amount of the credit facility represented by an overdraft ceiling from Arab bank amounting to USD 750,000 (JD 531,750) at an annual interest rate of SOFR + 2%.

**(6) SHORT-TERM REVOLVING LOANS**

The details of this item is as below:

	Interest Rate	Currency	Limit	30 June 2024	31 December 2023
			JD	JD	JD
				(Unaudited)	(Audited)
Arab Bank	SOFR + 2%	USD	1,063,500	609,088	899,799
ABC Bank	SOFR three months + 2.4%	USD	3,013,250	2,388,614	2,355,782
			<u>4,076,750</u>	<u>2,997,702</u>	<u>3,255,581</u>

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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**(7) EQUITY**

**Paid in capital -**

The Company's authorized capital amounted to JD 11,615,912 shares at par value of JD 1 per share. The Company's subscribed and paid-in capital amounted to is JD 11,615,912 divided into 11,615,912 shares at par value of JD 1 per share.

**Statutory reserve -**

As required by the Jordanian Companies Law, this account balance represents the transfers from the annual profit before income tax at a rate of 10%. The amounts transferred to this reserve should not exceed 25% of the Company's paid-in capital and it is not available for distribution to the shareholders.

**Voluntary reserve -**

The amount accumulated in this reserve represents the transfers from net income before income tax at a maximum of 20% throughout the years. This reserve is available for distribution to the shareholders.

**(8) INCOME TAX**

Income tax has been calculated for the period ended 30 June 2024 and for the period ended 30 June 2023 in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The Company is subject to 20% income tax rate in addition to 1% national contribution tax.

The Company reached a final settlement with the Income and Sales Tax Department till the year 2017. The Company submitted its tax returns for the years 2018 to 2023 within the legal period but it has not been reviewed by the Income and Sales Tax Department up to the date of these interim condensed financial statements.

The movement on the income tax in the interim condensed statement of comprehensive income is as follows:

	30 June 2024 JD (Unaudited)	30 June 2023 JD (Unaudited)
Income tax expense for the period	-	-
Amortization of deferred tax assets	(55,862)	(28,350)
	<u>(55,862)</u>	<u>(28,350)</u>

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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The movement on deferred tax assets is as follows:

	30 June 2024 JD (Unaudited)	31 December 2023 JD (Audited)
Balance as at 1 January	499,808	560,921
Additions during the period/year	-	20,495
Less: Released during the period/year	(55,862)	(81,608)
	<u>443,946</u>	<u>499,808</u>

**(9) BUSINESS SEGMENTS INFORMATION**

The Company is organized for administrative purposes, whereby sectors are measured according to the reports used by the CEO and the primary decision-maker of the Company, through the geographical distribution of sales. Sales, cost of sales, and total gross profit are allocated according to geographic regions as follows:

	Levant and Iraq JD	Gulf And Yemen JD	Africa JD	Total JD
<b>For the six months ended 30 June 2024 (Unaudited)</b>				
Revenues from contracts with customers	5,762,084	438,698	367,380	6,568,162
Cost of sales	(4,391,194)	(447,113)	(315,166)	(5,153,473)
Gross Profit (loss)	<u>1,370,890</u>	<u>(8,415)</u>	<u>52,214</u>	<u>1,414,689</u>

**For the six months ended 30 June 2023 (Unaudited)**

Revenues from contracts with customers	5,596,000	284,025	475,908	6,355,933
Cost of sales	(4,305,930)	(314,955)	(438,168)	(5,059,053)
Gross Profit (loss)	<u>1,290,070</u>	<u>(30,930)</u>	<u>37,740</u>	<u>1,296,880</u>

**(10) EARNINGS PER SHARE**

	For the first six months ended 30 June	
	2024 JD (Unaudited)	2023 JD (Unaudited)
Profit for the period (JD)	236,105	113,401
Weighted average number of shares (share)	<u>11,615,912</u>	<u>11,615,912</u>
Basic and diluted earnings per share for the period (JD/Fils)	<u>0/020</u>	<u>0/010</u>

**NUTRI DAR COMPANY - PUBLIC SHAREHOLDING COMPANY**  
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**(11) RELATED PARTY BALANCES AND TRANSACTIONS**

Related parties represent major shareholders, directors and key management personnel of the Company, and entities controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

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

	30 June 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
<b>Due from related parties:</b>		
Dar Al Dawa – Algeria (Sister Company)	2,980,512	2,980,512
Less: Provision for expected credit losses	(2,980,512)	(2,980,512)
	<u>-</u>	<u>-</u>

Compensation of key management personnel of the Company is as follows:

	For the six months ended 30 June	
	2024	2023
	JD	JD
	(Unaudited)	(Unaudited)
Salaries and other benefits	<u>64,942</u>	<u>83,414</u>

**(12) CONTINGENT LIABILITIES**

On the date of the interim condensed financial statements, the Company has the following contingent liabilities:

	30 June 2024	31 December 2023
	JD	JD
	(Unaudited)	(Audited)
Letters of guarantee	<u>60,660</u>	<u>60,009</u>