

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY

PUBLIC SHAREHOLDING COMPANY

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

30 SEPTEMBER 2025

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

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Dar Al Dawa Development and Investment Public Shareholding Company (the "Company") and its subsidiaries (the "Group") which comprise the interim condensed consolidated statement of financial position as at 30 September 2025 and the related interim condensed consolidated statement of income, and the interim condensed consolidated statement of comprehensive income for the three and nine month periods then ended, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the nine month period then ended and its explanatory notes. The Board of Directors is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

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

Conclusion

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

Amman – Jordan
30 October 2025

ERNST & YOUNG
Amman - Jordan

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2025

	Notes	30 September 2025 JD (Unaudited)	31 December 2024 JD (Audited)
ASSETS			
NON-CURRENT ASSETS -			
Property, plant and equipment	3	32,327,043	31,070,538
Projects in progress		1,048,842	324,299
Intangible assets		4,346,539	4,571,853
Investment in an associate		1,835,730	1,961,043
Right of use assets		268,341	377,173
Financial assets at fair value through other comprehensive income		4,362	4,177
Deferred tax assets		2,996,330	2,190,061
		<u>42,827,187</u>	<u>40,499,144</u>
CURRENT ASSETS -			
Inventories		24,695,940	25,780,184
Trade receivables and other current assets		44,529,299	37,999,305
Amount due from related parties	5	2,964,459	2,124,357
Restricted bank balances	6	2,098,295	2,087,353
Cash and balances at banks	6	21,481,696	15,575,516
		<u>95,769,689</u>	<u>83,566,715</u>
Net assets held for sale		95,057	95,057
		<u>95,864,746</u>	<u>83,661,772</u>
TOTAL ASSETS		<u>138,691,933</u>	<u>124,160,916</u>
EQUITY AND LIABILITIES			
EQUITY			
PARENT COMPANY'S SHAREHOLDERS' EQUITY -			
Paid-in capital		35,000,000	35,000,000
Advance payments on capital increase		6,806,555	-
Statutory reserve		10,000,000	10,000,000
Voluntary reserve		1,992,003	1,992,003
Special reserve		1,268,624	1,268,624
Other reserves		309,465	309,465
Foreign currency translation differences		(7,816,364)	(8,033,785)
Fair value reserve		(257,865)	(257,865)
Retained earnings		11,736,395	8,852,095
		<u>59,038,813</u>	<u>49,130,537</u>
Non-controlling interests		603,755	571,414
NET EQUITY		<u>59,642,568</u>	<u>49,701,951</u>
LIABILITIES			
NON-CURRENT LIABILITIES -			
Long-term bank loans	7	2,684,070	-
Long-term lease liabilities		189,615	284,899
End of service indemnity provision		287,057	467,474
		<u>3,160,742</u>	<u>752,373</u>
CURRENT LIABILITIES -			
Due to banks	6	21,402,676	17,217,093
Revolving loans	8	25,373,520	26,690,762
Bank loans instalments maturing within a year	7	4,022,115	1,769,944
Lease liabilities		91,877	174,957
Trade payables and other current liabilities		20,467,700	22,662,052
Other provisions		3,958,670	4,444,774
Income tax provision	9	565,907	740,852
		<u>75,882,465</u>	<u>73,700,434</u>
Liabilities directly related to assets held for sale		6,158	6,158
		<u>75,888,623</u>	<u>73,706,592</u>
TOTAL LIABILITIES		<u>79,049,365</u>	<u>74,458,965</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>138,691,933</u>	<u>124,160,916</u>

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2025	2024	2025	2024
		JD	JD	JD	JD
Revenues from contracts with customers	10	18,723,282	21,644,052	56,036,859	57,225,650
Cost of sales	10	(11,119,522)	(12,968,967)	(32,776,501)	(34,283,140)
Gross profit		7,603,760	8,675,085	23,260,358	22,942,510
Selling and marketing expenses		(3,255,692)	(3,757,513)	(10,785,023)	(11,104,033)
Administrative expenses		(2,334,342)	(1,773,789)	(5,754,901)	(4,807,550)
Research and development expenses		(431,087)	(443,181)	(1,106,015)	(981,655)
Provision for expected credit losses		(254,394)	(105,168)	(244,077)	(241,381)
Other expenses, net		(242,072)	(256,885)	(618,487)	(662,500)
Profit from operations		1,086,173	2,338,549	4,751,855	5,145,391
Group's share of results from an associate		(113,081)	30,175	(125,313)	113,514
Employee termination compensations		-	(14,209)	(133,892)	(65,020)
Interest income		177,923	200,368	546,371	567,685
Finance costs		(1,002,849)	(1,044,324)	(2,933,990)	(2,897,926)
Profit for the period before income tax		148,166	1,510,559	2,105,031	2,863,644
Income tax for the period	9	1,015,942	(220,606)	806,269	(367,094)
Profit for the period		1,164,108	1,289,953	2,911,300	2,496,550
Profit for the period attributable to:					
Equity holders of the Parent		1,165,143	1,232,280	2,884,300	2,398,810
Non-controlling interests		(1,035)	57,673	27,000	97,740
		1,164,108	1,289,953	2,911,300	2,496,550
		JD/Fils	JD/Fils	JD/Fils	JD/Fils
Basic and diluted earnings per share from the profit for the period attributable to the equity holders of the Parent	13	0/033	0/035	0/082	0/069

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

	For the three months ended 30 September		For the nine months ended 30 September	
	2025	2024	2025	2024
	JD	JD	JD	JD
Profit for the period	1,164,108	1,289,953	2,911,300	2,496,550
Add: Other comprehensive income items to be reclassified to statement of income in subsequent periods				
Foreign currency translation differences	(36,575)	26,022	222,762	(4,611)
Total comprehensive income for the period	1,127,533	1,315,975	3,134,062	2,491,939
Attributable to:				
Equity holders of the Parent	1,129,265	1,256,755	3,101,721	2,384,762
Non-controlling interests	(1,732)	59,220	32,341	107,177
	1,127,533	1,315,975	3,134,062	2,491,939

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

	Attributable to equity holders of the Parent											
	Advance payments on		Foreign currency translation differences			Fair value reserve		Retained earnings		Non-controlling interests		
	Paid-in capital	Statutory reserve	Voluntary reserve	Special reserve	Other reserves	JD	JD	JD	JD	JD	JD	
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	Net equity	
30 September 2025 -											JD	
Balance as at 1 January	35,000,000	-	10,000,000	1,992,003	1,268,624	309,465	(8,033,785)	(257,865)	8,852,095	49,130,537	571,414	49,701,951
Profit for the period	-	-	-	-	-	-	-	-	2,884,300	2,884,300	27,000	2,911,300
Other comprehensive income items net of tax	-	-	-	-	-	-	217,421	-	-	217,421	5,341	222,762
Total comprehensive income for the period	-	-	-	-	-	-	217,421	-	2,884,300	3,101,721	32,341	3,134,062
Advance payments on capital increase	-	6,806,555	-	-	-	-	-	-	-	6,806,555	-	6,806,555
Balance as at 30 September 2025	35,000,000	6,806,555	10,000,000	1,992,003	1,268,624	309,465	(7,816,364)	(257,865)	11,736,395	59,038,813	603,755	59,642,568
30 September 2024 -												
Balance as at 1 January	35,000,000	-	10,000,000	1,992,003	1,268,624	204,195	(7,662,908)	(257,865)	5,266,709	45,810,758	436,559	46,247,317
Profit for the period	-	-	-	-	-	-	-	-	2,398,810	2,398,810	97,740	2,496,550
Other comprehensive income items net of tax	-	-	-	-	-	-	(14,048)	-	-	(14,048)	9,437	(4,611)
Total comprehensive income for the period	-	-	-	-	-	-	(14,048)	-	2,398,810	2,384,762	107,177	2,491,939
Balance as at 30 September 2024	35,000,000	-	10,000,000	1,992,003	1,268,624	204,195	(7,676,956)	(257,865)	7,665,519	48,195,520	543,736	48,739,256

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
PUBLIC SHAREHOLDING COMPANY
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

		For the nine months ended 30 September	
	Notes	2025	2024
		JD	JD
<u>OPERATING ACTIVITIES</u>			
Profit for the period before income tax		2,105,031	2,863,644
Adjustments for -			
Depreciation and amortization		2,962,851	2,715,476
Provision for expected credit losses		244,077	241,381
Group's share of results from an associate		125,313	(113,514)
End of service indemnity provision		124,417	126,025
Provision for expired and near expiry goods		783,686	144,903
Interest income		(546,371)	(567,685)
Finance costs		2,933,990	2,897,926
Working capital changes -			
Inventories		300,558	(4,664,425)
Related parties		(840,102)	361,556
Trade receivables and other current assets		(6,774,071)	(5,834,058)
Trade payables and other current liabilities		(2,194,352)	(1,678,428)
Other provisions paid		(486,104)	(788,978)
Income tax paid	9	(174,945)	(10,894)
End of service indemnity provision paid		(304,834)	(65,867)
Net cash flows used in operating activities		(1,740,856)	(4,372,938)
<u>INVESTING ACTIVITIES</u>			
Purchase of property, plant and equipment	3	(3,405,649)	(2,275,564)
Intangible assets		(10,894)	-
Interest income received		546,371	567,685
Projects in progress		(819,027)	(95,632)
Restricted bank balances		(10,942)	(10,496)
Net cash flows used in investing activities		(3,700,141)	(1,814,007)
<u>FINANCING ACTIVITIES</u>			
Loans paid		(2,595,274)	(3,396,877)
Loans proceeds		7,531,515	3,309,519
Revolving loans		(1,317,242)	5,457,341
Paid from lease liabilities		(148,473)	(135,460)
Advance payments on capital increase	4	6,806,555	-
Finance costs paid		(2,904,099)	(2,866,061)
Net cash flows from financing activities		7,372,982	2,368,462
Net increase (decrease) in cash and cash equivalents		1,931,985	(3,818,483)
Effect of exchange rate changes on cash and cash equivalents		(211,388)	(40,249)
Cash and cash equivalents at the beginning of the period		(1,546,520)	(3,279,363)
Cash and cash equivalents at the end of the period	6	174,077	(7,138,095)

The attached notes from 1 to 13 form part of these interim condensed consolidated financial statements

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

(1) GENERAL INFORMATION

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

The General Assembly of the Company resolved in its extraordinary meeting held on 24 April 2025 to approve an increase of the Company's authorized capital by JD 15,000,000, divided into 15,000,000 shares with a par value of JD 1 per share, for the authorized capital of the Company to become JD 50,000,000 after the increase, through a public subscription for the Company's shareholders. The process was completed subsequent to the date of these financial statements. The subscribed shares by shareholders amounted to 6,806,555 shares with a par value of JD 1 per share as at 30 September 2025. The Company recorded capital increase expenses amounting to JD 120,119 as prepaid expenses, to be subsequently deducted from retained earnings upon completion of the legal procedures for the capital increase.

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

The Company's headquarters is located in Na'ur, Amman – Hashemite Kingdom of Jordan.

These interim condensed consolidated financial statements were approved by the Company's Board of Directors on 28 October 2025.

(2) BASIS OF PREPARATION AND ACCOUNTING POLICIES

(2-1) BASIS OF PREPARATION

The interim condensed consolidated financial statements as at 30 September 2025 have been prepared in accordance with International Accounting Standard 34 (Interim Financial Reporting).

The Jordanian Dinar is the presentation currency of the interim condensed consolidated financial statements which represents the functional currency of the Company and the presentation currency of the Group.

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

The interim condensed consolidated financial statements do not contain all information and disclosures that are required for the annual financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), and should be read in conjunction with the Group's annual report as at 31 December 2024. Furthermore, the results of operations for the nine-month period ended 30 September 2025 do not necessarily reflect the expected results of the operations for the year ending 31 December 2025.

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

(2-2) CHANGES IN ACCOUNTING POLICIES

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

Lack of exchangeability - Amendments to IAS 21

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

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. Early application is permitted, with disclosure required. When applying the amendments, the Group cannot restate comparative information.

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

(2-3) BASIS OF CONSOLIDATION

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

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

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

* Al-Nahda for Financial Investments is under liquidation.

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

*** Dar Al-Dawa Advanced Company was established in the Kingdom of Saudi Arabia in 2025 as a Limited Liability Company.

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

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

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

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

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

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

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

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
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The effect of a change in ownership in the subsidiary that does not result in a loss of control is recorded. When you lose control of the affiliate, the group will:

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

(3) PROPERTY, PLANT AND EQUIPMENT

The Group purchased property, plant and equipment during the nine-months period ended 30 September 2025 with a cost of JD 3,405,649 (30 September 2024: JD 2,275,564).

(4) SHAREHOLDER'S EQUITY

Paid-in Capital

The Company's authorized and paid-in capital is JD 35,000,000 with a nominal value of JD 1 per share as at 30 September 2025.

Advance payments on capital increase

The General Assembly of the Company resolved in its extraordinary meeting held on 24 April 2025, to increase the authorized capital of the Company by JD 15,000,000, divided into 15,000,000 shares, each with a par value of JD 1, for the authorized capital of the Company to become JD 50,000,000, through a public subscription for the Company's shareholders, the subscribed shares by the shareholders amounted to 6,806,555 shares, each with a par value of JD 1. Subsequent to the date of the interim condensed consolidated financial statements, the public subscription for the Company's shareholders was completed, resulting in an increase in the subscribed and paid-in capital by JD 12,186,707, bringing the total subscribed and paid-in capital to JD 47,186,707, with a par value of JD 1 per share. the number of unsubscribed shares related to the subscription rights amounted to 2,813,293 shares.

Statutory reserve

The accumulated amounts of JD 10,000,000 as of 30 September 2025 represent the amounts transferred from the annual net profits before income tax at a rate of 10% during the years in accordance with the Companies Law, and it is not distributable to shareholders. The Group may stop transferring amounts to the statutory reserve when the reserve balance reaches 25% of the authorized capital, but it is permissible, with the approval of the Company's general assembly, to continue deducting this annual percentage until this reserve reaches the equivalent of the Company's authorized capital.

DAR AL DAWA DEVELOPMENT AND INVESTMENT COMPANY
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Voluntary reserve

The accumulated amounts in this account represent the amounts transferred from the annual net profits before income tax at a rate not exceeding 20% during the years and it is distributable to shareholders.

Special reserve

The accumulated amounts in this account represent the amounts transferred from the annual net profits before income tax at a rate not exceeding 5% during the years, and it is distributable to shareholders, the special reserve is to be used for the purposes determined by the Board of Directors.

Other reserves

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

Foreign currency exchange differences

The accumulated amounts in this account amounting to JD 7,816,364 represent the foreign currency translation differences resulting from the translation of the financial statements of foreign subsidiaries.

(5) RELATED PARTIES BALANCES AND TRANSACTIONS

Related parties represent the major shareholders, the associate, the members of the Board of Directors, and the companies in which they are principal shareholders. The prices and terms of these transactions are approved by the Group's management.

Below is a summary of the balances with related parties included in the interim condensed consolidated statement of financial position:

	30 September 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Amounts due from related parties:		
Zakaria Hawash (Partner in Medi Pharma International)	1,879,005	1,879,005
Al Mufeed Trading – United Arab Emirates (Company owned by a board member)	993,803	126,359
Dar Al Dawa Veterinary Industries Limited Liability Company (Associate)	91,651	118,993
	<u>2,964,459</u>	<u>2,124,357</u>
 Advance payments from customers:	 30 September 2025 JD (Unaudited)	 31 December 2024 JD (Audited)
Dara Group for Health (Company owned by a shareholder with significant influence)	<u>2,714,227</u>	<u>8,244,223</u>

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

Transactions with related parties appearing in the interim condensed consolidated statement of income are as follows:

	For the nine months ended 30 September	
	2025	2024
	JD (Unaudited)	JD (Unaudited)
Sales to agents - Dara Group for Health (Company owned by a shareholder with significant influence)	7,757,053	11,636,108
Sales to agents - Al Mufeed Trading (Company owned by a board member)	5,528,602	4,804,148
Board of directors remuneration and transportation	18,705	64,100
Pharmaceutical studies expenses - Al Arabia for Pharmaceutical Research (Company owned by a board member)	7,050	-

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

	For the nine months ended 30 September	
	2025	2024
	JD (Unaudited)	JD (Unaudited)
Salaries and other benefits	1,246,059	1,100,597

(6) CASH AND BALANCES AT BANKS

Cash and balances at banks presented in the interim condensed consolidated statement of financial position represent the following:

	30 September 2025	31 December 2024
	JD	JD
	(Unaudited)	(Audited)
Cash on hand	21,593	132,169
Bank balances	10,072,731	4,414,992
Short-term deposits*	11,387,372	11,028,355
	21,481,696	15,575,516

* This item represents deposits with Arab Bank and Arab Banking Corporation, with an average interest rate of 5.75% – 6% for the period ended 30 September 2025 (31 December 2024: 6% – 6.25%), with maturities ranging from one to three months.

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

	30 September 2025	30 September 2024
	JD	JD
	(Unaudited)	(Unaudited)
Cash and balances at banks	21,481,696	15,292,172
Due to banks*	(21,402,676)	(22,525,324)
Cash and balances at banks – subsidiary under liquidation	95,057	95,057
	<u>174,077</u>	<u>(7,138,095)</u>

* Due to banks represent the facilities granted to the Group by several banks and in different currencies (Jordanian dinar, Algerian dinar, US dollar and Euro). The total ceilings granted as at 30 September 2025 were equivalent to JD 23,792,364, with an average interest rate ranging between 5.70% – 8.5% per annum (31 December 2024: a ceiling of JD 23,178,086 with an average interest rate ranging between 5.75% – 8.5%).

** Restricted bank balances amounting to JD 2,098,295 represent the cash deposited as a guarantee for increasing the overdraft facilities ceiling for Dar Al Dawa - Algeria with the Housing Bank for Trade and Finance – Algeria.

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(7) BANK LOANS

	Company name	Currency	30 September 2025 (Unaudited)		
			Short-term	Long-term	Total
			JD	JD	JD
Arab Bank (3)	Dar Al Dawa - Jordan	Jordanian Dinar	1,686,189	550,000	2,236,189
Arab Bank (5)	Dar Al Dawa - Algeria	Algerian Dinar	-	1,431,643	1,431,643
Housing Bank (2)	Dar Al Dawa - Jordan	Jordanian Dinar	941,176	402,427	1,343,603
Arab Bank (4)	Dar Al Dawa - Jordan	Jordanian Dinar	900,000	300,000	1,200,000
Jordan Ahli Bank	Dar Al Dawa - Jordan	US Dollar	354,675	-	354,675
Housing Bank (1)	Dar Al Dawa - Jordan	US Dollar	140,075	-	140,075
			4,022,115	2,684,070	6,706,185

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

* Interest rates on bank loans range between 3.5% to 8.5% as at 30 September 2025 (31 December 2024: 3.5% to 8.1%), depending on the loan's currency.

** The Company mortgaged the 9.8-dunum land of Medi Pharma International factory in Algeria to Societe Generale Bank – Algeria. The loan was fully settled during 2025, and the Company is still in the process of releasing the mortgage on the factory's land.

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(8) Revolving Loans

	Company name	Currency	30 September 2025 (Unaudited)		31 December 2024 (Audited)	
			Ceiling	Utilized Balance	Ceiling	Utilized Balance
			JD	JD	JD	JD
Arab Bank	Dar Al Dawa – Jordan	US Dollar	9,926,000	8,453,519	12,053,000	12,045,617
Housing Bank	Dar Al Dawa – Jordan	US Dollar	7,799,000	5,052,266	7,799,000	7,718,051
Arab Banking Corporation	Dar Al Dawa – Jordan	US Dollar	5,033,900	3,584,381	3,261,400	3,234,184
Bank of Jordan	Dar Al Dawa – Jordan	US Dollar	3,545,000	3,544,427	-	-
Arab Banking Corporation	Nutridar	US Dollar	3,013,250	1,754,846	3,013,250	2,334,003
Jordan Ahli Bank	Dar Al Dawa – Jordan	US Dollar	3,545,000	2,665,040	-	-
Arab Bank	Nutridar	US Dollar	1,063,500	231,834	1,063,500	-
Arab Jordan Investment Bank	Dar Al Dawa – Jordan	US Dollar	2,836,000	87,207	2,836,000	1,358,907
			<u>36,761,650</u>	<u>25,373,520</u>	<u>30,026,150</u>	<u>26,690,762</u>

* Interest rates on bank loans range between 5.4% and 6.5% as at 30 September 2025 (31 December 2024: between 7.1% and 7.4%).

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(9) INCOME TAX PROVISION

The Company calculated the income tax provision for the periods ended 30 September 2025 and 2024 in accordance with Income Tax Law No. (34) of 2014 and its amendments.

Dar Al Dawa Development & Investment Company - Parent Company

The Company submitted its tax declaration for the years 2023 and 2024, the Income and Sales Tax Department did not review the Company's records up until the date of preparing these interim condensed consolidated financial statements.

The Income and Sales Tax Department has reviewed the Company's records for the years 2021 and 2022, however, its final report has not yet been issued.

The Company obtained a final clearance from the Income and Sales Tax Department until the year 2020 except for the year 2017 where the Income and Sales Tax Department reviewed the Company's records for the year 2017, the Company did not accept the approved amount of accumulated losses by the Income and Sales Tax Department in the amount of JD 960,547, therefore the Company registered a lawsuit for objection with the Tax Appeal Court, and the court issued a final decision on 23 June 2025, that approved an accumulated losses amount of JD 10,207,813, which represents the entire amount of the Company's tax loss for the year 2017.

Nutridar Public Shareholding Company

The Company submitted its tax declaration for the years from 2022 up to 2024, and the Income and Sales Tax Department did not review the Company's records as at the date of these interim condensed consolidated financial statements.

The Company submitted its tax declarations for the years 2020 and 2021 within the legal deadline, which were reviewed by the Income and Sales Tax Department, and issued an assessment. However, the Company did not agree with the approved amount of accumulated losses of JD 430,144, where the Company's management requested the approval of accumulated losses in the amount of JD 713,086, therefore the Company has registered a lawsuit with the Tax Court of First Instances. The case is still under review by the court until the date of this interim condensed consolidated financial statement.

The Company obtained a final clearance from the Income and Sales Tax Department until 2019.

Al Dar Jordan Investment Company

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

The Company obtained a final clearance from the Income and Sales Tax Department until the year 2023.

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Dar al Dawa – Romania

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

The Company obtained a final clearance from the Tax Authority in Romania until 2021.

Dar al Dawa - Algeria

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

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

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

The movement on the income tax provision was as follows:

	30 September 2025 JD (Unaudited)	31 December 2024 JD (Audited)
Balances as at the beginning of the period / year	740,852	347,302
Income tax expense for the period / year	-	399,737
Prior years tax	-	31,419
Income tax paid	(174,945)	(37,606)
Balances as at the end of the period / year	565,907	740,852

The income tax for the period presented in the interim condensed consolidated statement of income comprises the following:

	30 September 2025 JD (Unaudited)	30 September 2024 JD (Unaudited)
(Additions) releases from deferred tax assets	(806,269)	367,094
	(806,269)	367,094

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(10) SEGMENT REPORTING OF SALES

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

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

For the nine months ended 30 September 2025 (Unaudited):

	Levant and Iraq JD	Arabian Gulf and Yemen JD	Africa JD	Europe and Asia JD	Total JD
Net sales	27,343,500	14,062,637	14,617,960	12,762	56,036,859
Cost of sales	(15,608,831)	(7,633,602)	(9,527,941)	(6,127)	(32,776,501)
Gross profit	11,734,669	6,429,035	5,090,019	6,635	23,260,358

	Medicine JD	Food & infant formula JD	Eliminations JD	Total JD
Net sales	50,204,620	11,755,296	(5,923,057)	56,036,859
Cost of sales	(30,662,740)	(9,005,463)	6,891,702	(32,776,501)
Gross profit	19,541,880	2,749,833	968,645	23,260,358

	Jordan JD	Algeria JD	Total JD
Other information:			
Depreciation and amortization	(2,250,083)	(712,768)	(2,962,851)
Finance costs	(2,149,708)	(784,282)	(2,933,990)
Provision for expected credit losses	(135,813)	(108,264)	(244,077)
Group's share of results from an associate	(125,313)	-	(125,313)
Interest income	546,371	-	546,371

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For the nine months ended 30 September 2024 (Unaudited):

	Levant and Iraq JD	Arabian Gulf and Yemen JD	Africa JD	Europe and Asia JD	Total JD
Net sales	28,817,103	17,182,933	11,212,852	12,762	57,225,650
Cost of sales	(17,996,284)	(9,387,916)	(6,893,057)	(5,883)	(34,283,140)
Gross profit	10,820,819	7,795,017	4,319,795	6,879	22,942,510

	Medicine JD	Food & infant formula JD	Eliminations JD	Total JD
Net sales	57,094,148	10,661,887	(10,530,385)	57,225,650
Cost of sales	(33,335,610)	(8,417,516)	7,469,986	(34,283,140)
Gross profit	23,758,538	2,244,371	(3,060,399)	22,942,510

	Jordan JD	Algeria JD	Total JD
Other information:			
Depreciation and amortization	(2,256,593)	(458,883)	(2,715,476)
Finance costs	(2,161,785)	(736,141)	(2,897,926)
Provision for expected credit losses	(241,381)	-	(241,381)
Group's share of results from an associate	113,514	-	113,514
Interest income	567,685	-	567,685

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

As at 30 September 2025 (Unaudited)

	Jordan JD	Algeria JD	KSA JD	Tunisia JD	Romania JD	Eliminations JD	Total JD
Total assets	132,655,239	36,783,300	725,877	22,264	573,052	(32,067,799)	138,691,933
Total liabilities	57,586,304	38,875,407	2,791,166	46,451	1,587,533	(21,837,496)	79,049,365

As at 31 December 2024 (Audited)

	Jordan JD	Algeria JD	KSA JD	Tunisia JD	Romania JD	Eliminations JD	Total JD
Total assets	121,874,741	40,792,898	175,611	22,264	573,052	(39,277,650)	124,160,916
Total liabilities	52,839,667	40,911,834	362,698	46,451	1,587,533	(21,289,218)	74,458,965

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(11) CONTINGENT LIABILITIES

As at the date of the interim condensed consolidated financial statements, the Group has contingent liabilities as follows:

	30 September 2025	31 December 2024
	JD	JD
Contingent Liabilities:	(Unaudited)	(Audited)
Letters of credit	416,603	762,362
Bank guarantees	16,136,626	16,463,548
Bills of collection	521,108	2,521,037
Government guaranteed loans	2,679,062	761,352

(12) LAWSUITS HELD AGAINST THE GROUP

There are lawsuits filed against the Group in the amount of JD 5,363,942 as of 30 September 2025 (31 December 2024: JD 5,345,989) within the normal activity of the Group, and in the opinion of the management and its legal advisor, the Group is not expected to incur material obligations in respect of these cases.

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

	30 September 2025	30 September 2024
	(Unaudited)	(Unaudited)
Profit for the period (JD)	2,884,300	2,398,810
Weighted average number of shares during the period (Share)	35,000,000	35,000,000
	JD/Fils	JD/Fils
Basic and diluted earnings per share from the profit for the period	0/082	0/069