



Nutridar Plc. Co.

The 30th Annual Report



of the Board of Directors and the financial
statements for the year ending on
December 31, 2024

www.nutridar.com



جلالة الملك عبدالله الثاني بن الحسين
HM King Abdullah II bin Al-Hussein



سمو الأمير الحسين بن عبدالله الثاني
HRH Prince Al Hussein bin Abdullah II

Nutrīdar Plc. Co.

**The 30th Annual Report
Of the Board of Directors
And the consolidated financial statements
for the year ending on December 31/12/2024**

Board of Directors

Chairman of the Board of Directors

Pharmacist Al-Mouthana Nabih Al-Nabulsi

Vice Chairman of Board of Directors

Dar Al Dawa Development and Investment Company\ Pharmacist Osama
Mohamed Yaish

Members

Dar Al Dawa Development and Investment Company\ It is represented
Engineer Mohannad Akram Jerab
Mr. Osama Munir Fattaleh
Pharmacist Khaled Abed Al Hameed Harb
Mr. Issam Mansour Ahmad Al Sangalawi till 20/10/2024
Mr. Ra'ed Khaleel Ibrahim Abunil from 20/10/2024

Account auditors

Ernst & Young "Jordan"

Chairman of the Board of Directors Speech

M/S Members of the board of directors

M/S Shareholders

Greetings,

Another year has passed, bringing with it more achievements and challenges we managed to face thanks to the efforts of our team and our continuous work towards achieving our shared goals. It is my pleasure to present to you the annual report of Nutridar Company PLC for the financial year 2024, which summarizes the Company's most prominent results throughout the year and highlights our most important activities, achievements, and financial results.

The Company witnessed outstanding and exceptional performance during the year where we continued our journey with flexibility and great care to achieve our aspirations and strategic objectives. Our net sales for the year 2024 amounted to 15,009,291 Dinars, an increase of 9.50% compared to 2023, including 9,325,000 local sales, an increase of 33% compared to the previous year.

Despite the ongoing impact of geopolitical events in surrounding countries which resulted in tangible challenges at all levels, locally, internationally, and regionally, Nutridar Company continued to operate with high efficiency in addressing these intertwined challenges. We were able to handle the increase in shipping costs, maintain the stability of our operations, and take the necessary measures to continue delivering our products efficiently and with quality.

As part of the Company's ongoing pursuit of excellence in healthcare field, we participated in Jordanian pediatric conferences which bring together physicians from various Arab and foreign countries to learn about the latest medical and scientific developments in pediatrics. This comes as part of our commitment to ensuring better health for our children during breastfeeding and childhood stage.

On the other hand, in order to achieve our goals and continue our success, we have been able to develop new and better working methods. Therefore, in 2024, we upgraded the refrigeration units in our factory, contributing to energy savings, and introduced new equipment in our laboratories to ensure the highest quality standards.

As part of our efforts to expand and grow, the Company has achieved remarkable progress, ranking third among companies in the pharmaceutical sector in terms of growth. We also participated in prominent international exhibitions in the food industry, allowing us to access new markets and strengthen our regional and international standing

Finally, I would like to extend my sincere thanks and appreciation to all those who have contributed to our continued success, the members of the Board and Executive Management and the Company's employees, who have exerted great efforts and contributed significantly to this achievement. I also extend my gratitude to our esteemed shareholders and the General Assembly for their valuable trust. We believe that what we achieved would not have been possible without the commitment of all Company members to hard work and continuous work to achieve our shared vision. We assure you that our Company will continue to strive for excellence, despite the challenges we may face in the future, God willing.

May God make us prosper.

Al-Mouthana Nabih Al-Nabulsi



Board of Directors Report

1. A. The Company's main activities:

Nutrīdar PLC activity in the production and marketing of infant and baby formula, baby food, baby tea, and baby vitamins. Nutrīdar PLC produces its products under different brands: "Sahha", "Prima", "Bebelait".

B. Geographical location of the Company:

- **The Factory:** The factory building is located in Na'ur area on a land owned by the Company, with an area of about eighteen thousand seven hundred six square meters, 20 km from the Capital Amman near Dar Al Dawa Company's factories. The factory building includes production halls and warehouses for storing raw materials, packing and packaging materials, and ready-made materials, in addition to the Company's administrative, financial, technical and other departments.
- **Sales and Marketing Department:** Located in Amman.

C. Number of employees: The number of the Company's employees reached 120 employees as of December 31, 2024, distributed as follows:

- **Factory:** The number of its employees reached 94 employees.
- **Sales and Marketing Department:** The number of its employees reached 26 employees.

D. Size of the Company's capital investment: The volume of capital investment amounted to (11,615,912 Jordanian Dinars).

2. Description of the Company's affiliates, the nature of their business and their fields of activity:

There are no Company's affiliates.

3. Board of Directors and Senior Management Member

A. Board of Directors members and a biography of each of them

1. Chairman of the Board of Directors: Pharmacist Al-Mouthana Nabih Hasan Al-Nabulsi, born in 1964. He obtained a bachelor's degree in pharmacy from the University of Massachusetts, USA in 1986 and a master's degree in business administration from Northeastern University, USA in 1988. He is the chairman of Dar Al Dawa Veterinary and Agricultural Industrial Company Board of Directors and Vice Chairman of Nabih Nabulsi Drug Store Board of Directors. He was appointed a member of the Company's Board of Directors on 18/7/2007, then the Vice chairman of the Board on 16/02/2008.

2. Vice Chairman of Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Pharmacist Osama Mohammad Murtada Yaish, born in 1963. He obtained a bachelor's degree in pharmacy in 1985 from the University of Massachusetts, and Higher Diploma in Management in 1995 between Copenhagen University and University of London, and Higher Diploma in High Performance Leadership in 2007 from Wharton School of the University of Pennsylvania, CEO high performance leadership diploma in 2014 from International development Institute in Lausanne- Switzerland, He is the Vice Chairman of the Board of Dar Al Dawa Development and Investment Company, Vice Chairman of the Board of Petra Drug Store and Director of Board of Al Dar Al Urdonieh for Investment Company & He has long experience in the management of pharmaceutical companies in the Middle East and Africa. He was appointed a representative of Dar Al Dawa Development and Investment Company on 19/12/2018.

3. Member of the Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Mr. Osama Munir Awad Fattaleh, born in 1966, He obtained a bachelor's degree in computer science in 1987, member of the Board of Directors of Invest Bank and member of the Board of Directors of The Company of Jordanian Free & Development Zones. He was appointed as a representative of Dar Al Dawa Development and Investment Company on 08/11/2021.

4. Member of the Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Engineer Mohannad Akram Abdullatif Jerab, born in 1978. He obtained a bachelor's degree in industrial engineering in 1999 and master's degree in industrial engineering in 2000 from Loughborough University – UK, He is Board of Directors member at Dar Al Dawa Development and Investment Company, Board of Directors member at Al Jazeera Sudanese Jordanian Bank, Vice chairman of the Board of Directors of the Arab Hotels Company (Millennium) and an executive member of it in Palestine, Board of Directors member at Jerusalem Real Estate Company - Palestine, Board of Directors member and Vice-chairman of the Board of Trustees of the Arab Company for Science and Culture (Qassioun University / Syria). He was appointed as a representative of Dar Al Dawa Development and Investment Company on 19/12/2018.

5. Member of the Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Pharmacist. Khaled Abedalhameed Mahmoud Harb, born in 1966, He obtained a bachelor's degree in Pharmacy and Pharmaceutical Science in 1990 from Medical University of Sofia - Bulgaria and master's degree in Business Administration from the American University of Beirut, Over 30 Years of Experience in The Pharmaceutical Industry, Holding Leadership Positions in The Middle East, North Africa, And East Europe. Chief Executive officer of Dar Al Dawa Development and Investment Company & member of the Board of Directors of The Jordanian Association of Pharmaceutical Manufacturers, And he is a member of the College of Pharmacy Council at Al-Zarqa University. He was appointed as a representative of Dar Al Dawa Development and Investment Company on 31/07/2022.

6. Member of the Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Mr. Issam Mansour Ahmad Al Sangalawi, born in 1966, He obtained a bachelor's degree in Accounting from Yarmouk University- Jordan, member of the Board of Directors of Dar Al Dawa Development and Investment Company. He was appointed as a representative of Dar Al Dawa Development and Investment Company on 27/07/2023 till 20/10/2024.

7. Member of the Board of Directors/ Representative of Dar Al Dawa Development and Investment Company: Mr. Ra'ed Khaleel Ibrahim Abunil, born in 1968, He obtained a bachelor's degree in Accounting Science 2006 from Petra University- Jordan, member of the Board of Directors of Dar Al Dawa Development and Investment Company. He was appointed as a representative of Dar Al Dawa Development and Investment Company on 20/10/2024.

B. Names and ranks of the Senior Management and a biography of each of them.

1. Managing Director: Engineer Haidar Zubaidi, born in 1977. He obtained a bachelor's degree in Chemical Engineering from the University of Surrey in Britain in 1999 and a master's degree in Chemical Engineering from McGill University in Canada in 2001. He has more than twenty three years of experience in managing industrial companies. He was appointed in the Company on 2/7/2013.

4. Names of significant shareholders and number of shares held by each of them:

| Shareholder's name | No. of Shares in 2024 | Ratio to capital | No. of Shares in 2023 | Ratio to capital | Nationality |
|---|-----------------------|------------------|-----------------------|------------------|-------------|
| DarAl Dawa Development and Investment Company | 10,503,246 | %90.42 | 10,503,246 | %90.42 | Jordanian |

5. The competitive position of the Company:

A. Sector of its activity:

The Company managed to maintain its competitive edge in many of the markets where it operates. It ranked second in the Jordanian market in terms of the number of sold units according to the global statistics of the Institute of Mathematical Statistics (IMS) among the largest international companies in this field. The Company is currently selling its products in 12 foreign markets and it works on finding clients in new markets according to the approved business model.

B. Its main markets: Local market, Levant & Africa.

C. Its market share:

| Description | Transaction ration of total sales |
|-----------------|-----------------------------------|
| Local sales | 62% |
| Exporting sales | 38% |

6. Degree of dependence on specific suppliers or key clients locally and externally.
Suppliers / or key clients:

| No. | Supplier | Transaction ratio of total purchase |
|-----|---------------------------------|-------------------------------------|
| 1 | Isingy Company – France | 44% |
| 2 | SAPIN – Kingdom of Saudi Arabia | 13% |

7. A. Governmental protection or the privileges enjoyed by the Company or any of its products under laws, regulations.... etc..

There is no government protection or privileges enjoyed by the Company or any of its products under laws and regulations ... etc.

B. Patents or preferential rights:

There are no patents or preferential rights obtained by the Company.

8. A. Decisions issued by the government, international organizations, or others having material impact on the Company's business, products, or competitiveness:

There are no decisions issued by the government, international organizations or others having material impact on the Company's work, products, or competitiveness.

B. Application of international quality standards in the Company:

The Company applies international quality standards and constantly looks for excellence through creativity and innovation to provide products in conformity with the highest international standards and specifications. The Company also seeks to achieve success and customer satisfaction by providing unique products. This could be achieved through sincere cooperation between all parties and the involvement of employees. By complying with the stringent requirements of the Good Manufacturing Practices (GMP), hazard analysis & critical control points (HACCP), and state of the art management, planning and control systems.

We at Nutridar PLC Company work with great determination and creativity to develop and improve our systems to achieve strategic plans and maintain the core values of the company.

The company holds the following certificates:

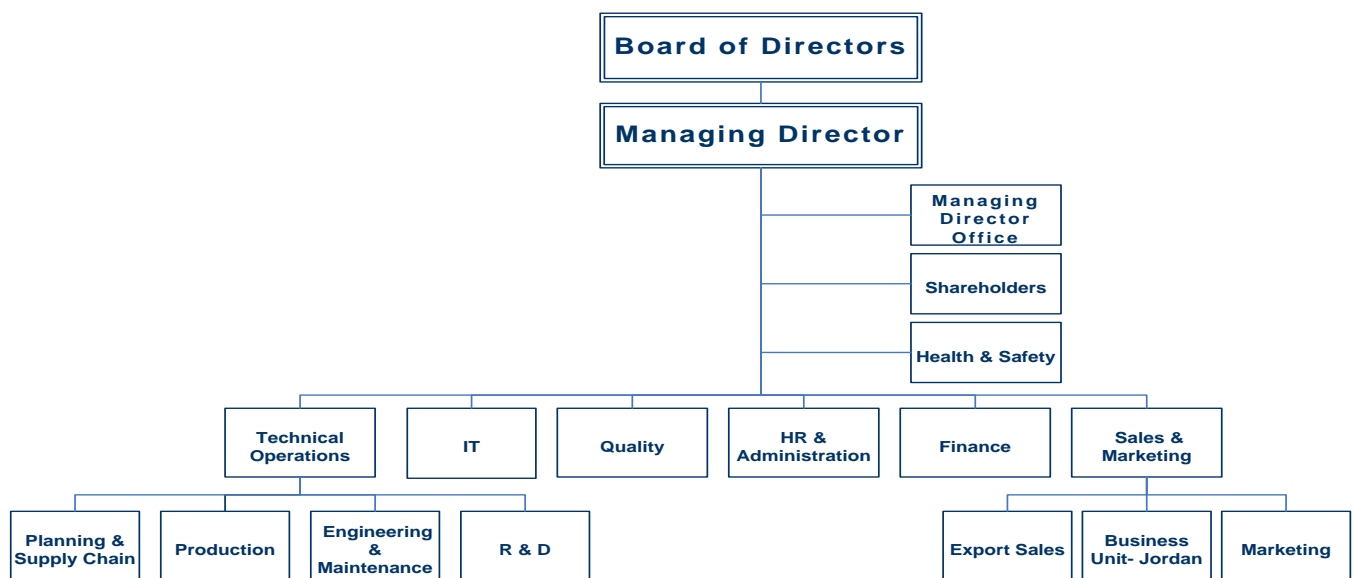
1. Good Manufacturing Practices (GMP) certificate.
2. ISO 9001: 2015 Quality Management Certificate.
3. Hazard Analysis & Critical Control Points (HACCP) Certificate.
4. Food Safety Management Systems Certificate ISO 22000: 2005.
5. Halal Certificate for cereal infant foods (Cereals) for our trademarks (Sahha & Prima).
6. A recognition and appreciation letter for the Company's application of the requirements of the ISO 26000 social responsibility specification requirements ISO 26000.

9. Human Resources:

- The Company attaches utmost importance to human resource development and training. It has automated all human resource management and development systems, such as the employee onboarding program, talent management, performance appraisal, job succession, and development and training system to improve employees' competencies. To maintain high-efficiency operations, the Company has assigned a number of its employees to attend training programs that meet both the Company's and employee's needs. Mena Mobile Application has also been activated where the employees can inquire about all their job and personal information, apply to vacation and leave, evaluate performance and development plans related to the employees, and submit any suggestions or complaints to the Management. All employees have been trained on how to use the Application.
- The Company provides health insurance for all employees and their families with first-class benefits, and the insurance contract is renewed annually with the King Hussein Cancer Center.
- The Company dedicates a blood donation day in cooperation with the Blood Bank at the Jordanian Ministry of Health. This is in line with the Company's core values of giving and supporting national efforts and social solidarity by providing a sufficient stock of blood units to assist patients in all hospitals in the Kingdom.
- The Company is keen to develop public safety and occupational health systems, which will positively reflected on the employees and the Company in terms of reducing accidents and injuries and deepening the culture of public safety among employees.

- The Company is keen to improve the health of its employees by performing annual medical examinations within the Company for all employees, each according to the nature of their work, to prevent potential occupational diseases.
- The Company holds awareness workshops within the Company with a number of leading institutions in Jordan in various fields. A lecture on mental health was held in cooperation with the King Hussein Cancer Center, and an information protection awareness lecture was held in cooperation with the National Cyber Security Center. In addition, an awareness lecture was also held by the Social Security Fund to raise awareness of insurance rights and occupational health and safety.

A. The organizational structure of the Company.



B. Number of company employees and their qualifications.

| Academic qualification | Number of employees in Jordan |
|---|-------------------------------|
| Master | 3 |
| Bachelor | 54 |
| Diploma | 14 |
| General secondary education certificate | 45 |
| Vocational training center | 4 |
| Total number of employees | 120 |

C. Qualification and training programs for Company employees:

| Training Courses | # |
|--|-----|
| Leadership & Managerial Skills | 1 |
| Delegation, Coaching and Mentoring Skills | 2 |
| Operations Management | 1 |
| Communication Skills | 4 |
| Time & Stress Management | 6 |
| Strategic pricing of products and services based on financial data | 1 |
| Quality Management System Audit & Root Cause Analysis | 1 |
| Risk-Based Approach in Process Validation and Cleaning Validation | 9 |
| Validation of Analytical Chemical Methods | 1 |
| Effective incident investigation & energy based hazards determination | 1 |
| Letter of credit and international contracts- Incoterms 2020 | 3 |
| Public Speaking Skills | 4 |
| Basic and Intermediate Excel | 17 |
| English Language | 12 |
| Product Knowledge | 2 |
| Key Account Management | 1 |
| Curio Talent Management System | 2 |
| ISO14001:2015 Environmental Management System | 1 |
| Risk Assessment | 3 |
| The impact of risk assessment in reducing work accidents | 3 |
| Good Manufacturing Practice (GMP) | 26 |
| Lunching of Food Handlers Health Manual in Food Establishments | 2 |
| Guidelines for QA & QC & GMP in Pharmaceutical Industry | 1 |
| Safety In workplace | 105 |
| First Aids Training | 30 |
| Industrial Control Course | 1 |
| Diesel generators Seminar | 1 |
| HVAC Systems design for cleanrooms | 2 |
| Preventive and corrective Maintenance | 8 |
| Sample Preparation and Particle Sizing in industry and research | 1 |
| The impact of investing in human capital to achieve excellence | 1 |
| Six steps to success | 1 |
| Creative thinking & innovation | 1 |
| Awareness of occupational safety and health regulations and instructions of 2023 | 2 |
| Benefits and rights in the Social Security law | 17 |
| Recruiting and attracting trainees and new employees | 1 |
| Problem solving & decision making | 9 |
| Bacterial counting and PCR detection tests in microbiology laboratories | 1 |

10. The risks the Company may be exposed to.

- Any changes in customs laws and regulations in the exporting countries may negatively affect the Company's export sales.
- The political and security situation in the region negatively affects the Company's export sales.
- Fluctuations in the exchange rate of the Euro to the Dinar.

11. A. Achievements of the Company during the financial year:

- Applying the business model and sales policy approved by the BOD, in addition to automating many of the Company's vital departments.
- The Company's IT Department has completed the upgrade of the Oracle E-Business Suite system and its Oracle Database 19c database to the latest available version.
- Completion of the Computer System Validation requirements for Oracle EBS 12.2.
- Completion of the integration requirements with the Jordanian National Invoicing System for the Income and Sales Tax Department.
- The Company achieved an increase in sales. Its net sales for 2024 amounted to JoD 15,009,291, an increase of 9.50% over 2023, despite the challenges posed by rising shipping costs and raw material prices due to prevailing global conditions, including the impact of wars.

B. Significant events that happened to the company.

There are no significant events occurred to the Company during the financial year.

12. The financial impact of non-recurring operations occurred during the financial year and do not fall within the main activity of the Company.

There is no financial impact of non-recurring operations occurred during the financial year and do not fall within the main activity of the Company.

13. The time series of realized profits or losses, dividends, net shareholders' equity, and securities prices

| Description | 2024 JD | 2023 JD | 2022 JD | 2021 JD | 2020 JD |
|------------------------------------|------------|------------|------------|------------|------------|
| Realized profits (losses) | 658,543 | 97,753 | 99,131 | 260,408 | 79,709 |
| Distributed profits | None | None | None | None | None |
| Net shareholders' equity | 7,381,660 | 6,723,116 | 6,625,363 | 6,526,232 | 6,272,833 |
| Share price at the end of the year | 0.70 | 0.76 | 0.75 | 2.23 | 1.83 |

14. Analyzing the Company's financial position and the results of its business during the financial year.

| No. | Financial ratio | 2024 | 2023 |
|-----|------------------------------|------------|------------|
| 1 | Total profit ratio | 22.91% | %20.06 |
| 2 | Net profit (loss) ratio | 4.4% | %0.7 |
| 3 | Current ratio | 1.66 times | 1.53 times |
| 4 | Liquidity ratio | 1.23 times | 1.05 times |
| 5 | Stock turnover | 3.60 times | 3.72 times |
| 6 | Accounts receivable turnover | 5.36 times | 4.34 times |
| 7 | Accounts payable turnover | 3.60 times | 3.72 times |
| 8 | Return on equity | 8.9% | 1.5% |
| 9 | Return on investment | 5.7% | 0.8% |

15. Significant future developments and the future plan of the Company for at least one coming year and expectations of the board of directors for business results of the company.

- Increasing the Company's market share in the local market and expanding its presence in foreign markets through innovative marketing strategies.
- Focus on entering new markets by signing new agreements with new agents in various markets.
- Launching new products in the market which will have a significant impact on increasing the Company's sales.
- Developing human resources through advanced training programs, in addition to adopting the state-of-the-art available technologies and applying the highest professional standards to ensure the highest levels of performance and quality.
- The Board of Directors has developed strategic plans for the year 2025, with expectations of significant sales growth and increased profits in line with the established plans. Furthermore, the Board has adopted new advanced technological solutions to improve operational efficiency and reduce costs.

16. Audit fees for the financial year.

The fees for the Company's auditors, Ernst & Young, amounted to Fifteen thousand Four hundred and fifty Jordanian dinars only, excluding sales tax. Their work is limited to the usual annual auditing and they have no other work.

17. A. Number of securities issued by the Company and owned by Board of Director members and relatives of Board of Directors members.

- **A statement of the number of securities owned by natural and legal members of the Board of Directors, their representatives, their posts and nationalities.**

| Name | Post | Nationality | No. of shares | No. of shares | Controlled company | Controlled company |
|--|-------------------------------------|-------------|---------------|---------------|--------------------|--------------------|
| | | | 2024 | 2023 | 2024 | 2023 |
| Pharmacist Al-Mouthana Nabih Hasan Al-Nabulsi | Chairman of Board of Directors | Jordanian | 27,340 | 27,340 | None | None |
| DarAl Dawa Development and Investment Company represents it/ | Vice-chairman of Board of Directors | Jordanian | 10,503,246 | 10,503,246 | None | None |
| Pharmacist Osama Mohammad Murtada Yaish / representative of Dar Al Dawa for Development and Investment Company | | Jordanian | 24,922 | 24,922 | None | None |
| Engineer Mohannad Akram Abdullatif Jerab / representative of Dar Al Dawa Company | Member | Jordanian | 0 | 0 | None | None |
| Mr. Osama Munir Awad Fattaleh/ Representative of Dar Al Dawa Company | Member | Jordanian | 0 | 0 | None | None |
| Pharmacist Khaled Abedalhameed Mahmoud Harb/ Representative of Dar Al Dawa Company | Member | Jordanian | 0 | 0 | None | None |
| *Mr. Issam Mansour Ahmad Al Sangalawi / Representative of Dar Al Dawa Company | Member | Jordanian | 0 | 0 | None | None |
| *Mr. Ra'ed Khaleel Ibrahim Abunil / Representative of Dar Al Dawa Company | Member | Jordanian | 0 | 0 | None | None |

- **There are no companies controlled by any of the Board members relatives.**

* Mr. Ra'ed Khaleel Abunil has been appointed as a replacement for Mr. Issam Al Sangalawi effective from 20/10/2024.

- **Number of securities owned by the relatives of the natural and legal members of the Board of Directors (wife and minor children) and their nationalities.**

There are no securities owned by the relatives of the natural and legal members of the Board of Directors, knowing that all of them are of the Jordanian nationality.

B. Number of securities issued by the Company and owned by senior management executives and relatives of senior management executives.

- **Number of securities owned by senior management executives, their posts and nationalities.**

| Name | Post | Nationality | No. of shares 2024 | No. of shares 2023 | Controlled companies 2024 | Controlled companies 2023 |
|------------------------------------|-------------------|-------------|--------------------|--------------------|---------------------------|---------------------------|
| Engineer Haidar Fuad Kazem Zubaidi | Managing Director | Jordanian | 0 | 0 | None | None |

- **Number of securities owned by relatives of senior management executives (wife and minor children) and their nationalities.**

There are no securities owned by relatives of senior management executives, knowing that all of them are of Jordanian nationality.

- **Companies controlled by senior management executives and their relatives.**

There are no companies controlled by senior management executives, nor any of their relatives.

18. A. The benefits and rewards of the Chairman and members of the Board of Directors during the fiscal year, including all sums he received in terms of wages, remunerations, salaries and bonuses, in addition to the sums paid as travel and transportation expenses inside and outside the Kingdom.

| No. | Name | Post | Total annual salaries | Annual transportation allowance | Annual rewards | Annual travel allowance | Total annual benefits in JD |
|--------------|----------------------------------|-------------------------------|-----------------------|---------------------------------|----------------|-------------------------|-----------------------------|
| 1 | Ph. Al-Mouthana Nabih Al-Nabulsi | Chairman of Board of Director | 0 | 2,100 | 5,000 | 0 | 7,100 |
| 2 | Ph. Osama Mohammad Yaish | Board Member | 0 | 1,800 | 4,286 | 0 | 6,086 |
| 3 | Eng. Mohannad Akram Jerab | Board Member | 0 | 2,100 | 5,000 | 0 | 7,100 |
| 4 | Mr. Osama Munir Fattaleh | Board Member | 0 | 1,800 | 4,286 | 0 | 6,086 |
| 5 | Ph. Khaled Abedalhameed Harb | Board Member | 0 | 2,100 | 5,000 | 0 | 7,100 |
| 6 | *Mr. Issam Mansour Al Sangalawi | Board Member | 0 | 1,500 | 3,571 | 0 | 5,071 |
| 7 | * Mr. Ra'ed Khaleel Abunil | Board Member | 0 | 600 | 1,429 | 0 | 2,029 |
| Total | | | | | | | 40,572 |

* Mr. Ra'ed Khaleel Abunil has been appointed as a replacement for Mr. Issam Al Sangalawi effective from 20/10/2024.

* The above benefits and rewards will be paid during the year 2025.

B. The benefits and rewards of the senior management executives during the fiscal year, including all sums he received in terms of wages, remunerations, salaries and bonuses, in addition to the sums paid as travel and transportation expenses inside and outside the Kingdom.

The senior management persons shown in the table below were paid a sum of (159,684.00) Jordanian Dinar during the fiscal year as benefits and allowances for their work.

| Name | Post | Total annual salaries | Annual transportation allowance | Annual rewards | Annual travel allowance | Total annual benefits in JD |
|------------------------------------|-------------------|-----------------------|---------------------------------|----------------|-------------------------|-----------------------------|
| Engineer Haidar Fuad Kazem Zubaidi | Managing Director | 129,684 | 0 | 30,000 | 0 | 159,684.00 |

* The above rewards will be paid during the year 2025.

19. Donations and grants paid by the Company during the fiscal year.

Nutrīdar contributes in provision of support to the local community in form of in rem donations to the families in need, where total paid donations in 2024 was in the amount of (28,447) Jordanian Dinars as infant milk and Charitable assistance.

| NO. | Donations Type | Donations To | Amount/ JD |
|--------------|--|---------------------------------------|---------------|
| 1 | In rem donations (infant milk) | Jordan Hashemite Charity Organization | 27,947 |
| 2 | In rem donations (charitable assistance) | Local Community & National Aid Fund | 500 |
| Total | | | 28,447 |

20. Contracts, projects and engagements entered into by the Company with subsidiary, sister or associate companies, or the Chairman of the Board of Directors, Board members, the general manager, or any employee of the Company or their relatives.

There are no contracts, projects and engagements entered into by the Company with subsidiary, sister or associate companies, or the Chairman of the Board of Directors, Board members, the general manager, or any employee of the Company or their relatives.

21. The Company's contribution to the environment protection and local community service.

A. The Company's contribution to the environment protection:

- The company entered into contract with a specialized company for recycling the waste resulting from manufacturing processes for recycling and using the same in other industries.
- Signing an agreement with a specialized company to transport hazardous materials and recycle office paper to reduce the volume of waste generated by the Company.
- The company implements ISO 26000 Social Responsibility principles as the company has received a certificate of recognition of ISO 26000 implementation from ISO- Geneva.
- Use of renewable energy sources by establishing solar cells project for electricity consumption rationalizations and mitigating the CO2 emissions.

B. The Company's contribution to the local community service:

- The Company in coordination with Na'ur Employment Directorate gives the employment priority to the people of the region, which reflects a good impact on the local community.
- The Company is committed to train the Jordanian universities and colleges students, as the practical training is of the most important elements to qualify them to achieve professional success in the future.
- Organizing free medical days in pharmacies and schools as part of the Company's social responsibility initiatives to support community health and strengthen relationships with customers and the local community.
- Enhancing cooperation with academic institutions to support practical education by welcoming students to the factory's facilities.

22. The Board of Directors of the Company declares that there are no material matters that may affect the continuity of the Company during the next financial year.
23. the Board of Directors acknowledges its responsibility for preparing the financial statements and for providing an effective control system in the Company.

Chairman of Board of Directors
Ph. Al-Mouthana Nabih Hasan Al-Nabulsi



Chairman of Board of Directors
Ph. Osama Mohamed Murtada Yaish



Member
Eng. Mohannad Akram Abdullatif Jerab



Member
Mr. Osama Munir Awad Fattaleh



Member
Ph. Khaled Abedalhameed Mahmoud Harb



Member
Mr. Ra'ed Khaleel Ibrahim Abunil



24. We, the undersigned, acknowledge the correctness, accuracy, and completeness of the information and data contained in the annual report

| Chairman of Board of Directors | Managing Director | Senior Accounting Section Head |
|---|---|---|
| Ph. Al- Mouthana Nabih Hasan Al-Nabulsi | Eng. Haidar Fuad Kazem Zubaidi | Rami Mohammad Majid Al-Kilani |
|  |  |  |

Allah is the Arbiter of Success

Governance Report

Nutrīdar Company affirms its deep commitment to applying the highest standards of governance in accordance with the best approved standards and practices, with a focus on full compliance with the regulations and instructions issued by the Jordan Securities Commission. The Company places transparency, disclosure, and accountability atop its priorities to ensure the protection of shareholders' rights and enhance the confidence of stakeholders. This commitment reflects the Company's keenness to achieve advanced levels of transparency and excellence in performance, which enhances its position in the market and ensures the continuity of its success and excellence in a work environment characterized by integrity and fairness.

A. Information and details related to the application of the provisions of these directives and the corporate governance rules in the Company.

This report aims to provide shareholders with a detailed and comprehensive overview of Nutrīdar Company's governance policies and practices, highlighting the Company's compliance with the principles and requirements set by Jordan Securities Commission. The report provides a comprehensive summary of the Company's compliance with the Instructions of Corporate Governance for Shareholding Listed Companies for the year 2017, with a focus on how these rules and regulations are implemented to enhance transparency and integrity.

Nutrīdar Company affirms its full and strict commitment to all directives issued by Jordan Securities Commission. This commitment translates into enhanced transparency practices, establishing fairness in dealing with all parties, and fully guaranteeing shareholders' rights. The Company adopts advanced strategic approach to implementing governance requirements, reflecting its ongoing efforts to improve its internal systems and advance the level of disclosure and transparency. This approach demonstrates the Company's commitment to achieving outstanding corporate performance that aligns with best practices in the field of governance.

- The company is managed by a Board of Directors consisting of six members, according to the Company's regulations. They are elected by voting method by the General Assembly.
- All Board of Directors members are non-executive.
- The Board of Directors assumes the duties of managing the Company for a period of four years, starting from the date of their election.
- The Board of Directors represents all shareholders and exerts the necessary professional care in the management of the Company and works with integrity and transparency to achieve the interests of the Company and its goals and objectives.
- The post of Chairman of the Board of Directors is not combined with any other executive post in the Company, and no relative of the Chairman of the Board of Directors occupies the post of General Manager of the Company.
- The Board of Directors member has sufficient experience and knowledge of administrative matters and is familiar with the regulations related to the rights and duties of the Board of Directors.

B. Names of current and resigning members of the Board of Directors during the year, and determining whether the member is executive or non-executive, independent or non-independent.

| Board of Directors members | Member status | | Resigned during the year |
|--|---------------|--|--------------------------|
| Dar Al Dawa Development and Investment Company | Legal | Independent / non-executive member (*Five seats) | None |
| Pharmacist Al-Mouthana Nabih Hasan Al-Nabulsi | Natural | Independent / Non-Executive | |

C. Names of representatives of the Board of Directors legal members and determining whether the representative is executive or non-executive, independent or non-independent.

| Representatives of Board of Directors members | Representative status | Status |
|--|--|-------------------------|
| Pharmacist Osama Muhammad Yaish\ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Current member |
| Engineer Mohannad Akram Jerab\ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Current member |
| Mr. Osama Munir Fattaleh\ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Current member |
| Pharmacist Khaled Abedalhameed Harb\ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Current member |
| Mr. Issam Mansour Ahmad Al Sangalawi \ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Till 20/10/2024 |
| Mr. Ra'ed Khaleel Ibrahim Abunil \ Representative of Dar Al Dawa Company | Non-executive & Non-independent member | Appointed on 20/10/2024 |

D. Executive positions in the Company and the position holder.

| Executive positions | Post holder |
|---------------------|------------------------------------|
| Managing Director | Engineer Haidar Fuad Kazem Zubaidi |

E. All memberships of Boards of Directors held by Board of Directors member in public joint-stock companies, if any.

There are no other memberships for board members in public joint-stock companies.

F. The name of the corporate governance liaison officer.

Mrs. Ola Hamdi Abdel Hamid Al-Masri / Technical Operations Director, Secretary of the Board of Directors.

G. The names of the Board of Directors Committee.

- The Audit Committee
- Nomination and Remuneration Committee
- Risk Management Committee
- Governance Committee

H. Names of the Head and members of the Audit Committee, and a summary of their qualifications and experiences related to financial or accounting matters.

| Name | Membership | Qualifications | Experiences |
|--|-------------------|--|--|
| Pharmacist Osama Mohamed Murtada Yaish | Head of committee | Bachelor of Pharmacy, Higher Diploma in Management and Higher Diploma in High Performance Leadership | <ul style="list-style-type: none"> - Vice-chairman of the Board of Directors of Dar Al Dawa Company. - Vice-chairman of Board of Directors of Petra Drug Store. - Director of Board of Al Dar Al Urdonieh for Investment Company. - He has long experience in the management of pharmaceutical companies in the Middle East and Africa |
| Pharmacist Al- Mouthana Nabih Hasan Al-Nabulsi | Committee member | Bachelor of Pharmacy Master's degree in Business Administration | <ul style="list-style-type: none"> - Chairman of Dar Al Dawa Veterinary and Agricultural Industrial Company Board of Directors. - Vice-chairman of the Board of Directors of Nabih Nabulsi Drug Store. |
| Mr. Osama Munir Awad Fattaleh | Committee member | Bachelor of computer science | <ul style="list-style-type: none"> - Member of the Board of Directors of Invest Bank - Member of the Board of Directors of The Company of Jordanian Free & Development Zones |

I. Name of the Chairman and members of the Nomination and Remuneration Committee, the Governance Committee, and the Risk Management Committee.

Nomination and Remuneration Committee

| Name | Membership |
|---|-------------------|
| Pharmacist Osama Mohamed Murtada Yaish | Head of committee |
| Engineer Mohannad Akram Abdullatif Jerab | Committee member |
| Pharmacist Khaled Abedalhameed Mahmoud Harb | Committee member |

Risk Management Committee

| Name | Membership |
|--|-------------------|
| Pharmacist Al- Mouthana Nabih Hasan Al-Nabulsi | Head of committee |
| Engineer Haidar Fuad Kazem Zubaidi | Committee member |
| Mrs. Ola Hamdi Abdel Hamid Al-Masri | Committee member |

Governance Committee

| Name | Membership |
|---|-------------------|
| Engineer Mohannad Akram Abdullatif Jerab | Head of committee |
| Pharmacist Khaled Abedalhameed Mahmoud Harb | Committee member |
| * Mr. Issam Mansour Ahmad Al Sangalawi | Committee member |
| *Mr. Ra'ed Khaleel Ibrahim Abunil | Committee member |

* Mr. Issam Mansour Ahmad Al Sangalawi committee member till 27/10/2024 and Mr. Ra'ed Khaleel Ibrahim Abunil committee member from 27/10/2024.

J. Number of meetings of each committee during the year and the list of present members.

• **Audit committee**

The Audit Committee held five meetings during the year. Below are the members who attended each meeting:

| Committee Members | First Meeting 14/02/2024 | Second meeting 21/03/2024 | Third meeting 25/04/2024 | Fourth meeting 25/07/2024 | Fifth meeting 27/10/2024 | No. of attendance |
|----------------------------|-----------------------------|------------------------------|-----------------------------|------------------------------|-----------------------------|----------------------|
| Ph. Osama Yaish | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Ph. Al-Mouthana Al-Nabulsi | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |
| Mr. Osama Fattaleh | ✓ | ✓ | ✓ | ✓ | ✓ | 5 |

• **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee held two meetings during the year. Below are the members who attended each meeting:

| Committee Members | First Meeting 14/08/2024 | Second meeting 30/12/2024 | No. of attendance |
|---------------------|-----------------------------|------------------------------|-------------------|
| Ph. Osama Yaish | ✓ | ✓ | 2 |
| Eng. Mohannad Jerab | ✓ | ✓ | 2 |
| *Ph. Khaled Harb | ✓ | ✓ | 2 |

• **Risk Management Committee**

The Risk Management Committee held two meetings during the year. Below are the members who attended each meeting:

| Committee Members | First Meeting 29/08/2024 | Second meeting 16/10/2024 | No. of attendance |
|-----------------------------|-----------------------------|------------------------------|-------------------|
| Ph. Al- Mouthana Al-Nabulsi | ✓ | ✓ | 2 |
| Eng. Haidar Al-Zubaidi | ✓ | ✓ | 2 |
| Mrs. Ola Al-Masri | ✓ | ✓ | 2 |

• **Governance Committee**

The Governance Committee held two meetings during the year. Below are the members who attended each meeting:

| Committee Members | First Meeting 25/07/2024 | Second meeting 27/10/2024 | No. of attendance |
|---------------------------|----------------------------------|------------------------------|-------------------|
| Eng. Mohannad Jerab | ✓ | ✓ | 2 |
| Ph. Khaled Harb | ✓ | ✓ | 2 |
| *Mr. Issam Al Sangalawi | ✓ | - | 1 |
| *Mr. Ra'ed Khaleel Abunil | committee member from 27/10/2024 | | |

* Mr. Issam Mansour Ahmad Al Sangalawi committee member till 27/10/2024 and Mr. Ra'ed Khaleel Ibrahim Abunil committee member from 27/10/2024.

K. Number of the Audit Committee meetings with the external auditor during the year.

The Audit Committee held one meeting with the external auditor in 2024 Without the presence of any of the senior management persons or their representatives.

L. Number of Board of Directors meetings during the year with and the list of present members.

The Board of Directors held (7) meetings during the year. Below are the members who attended for each meeting.

| Sessions | Present members | Absent |
|-----------------------------|---|------------------------|
| Session one 14/02/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab , pharmacist Khaled Harb and Mr. Issam Al Sangalawi. | Mr. Osama Fattaleh |
| Session two 21/03/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab , Mr. Osama Fattaleh, Mr. Issam Al Sangalawi and pharmacist Khaled Harb. | None |
| Session three 25/03/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab , Mr. Osama Fattaleh, Mr. Issam Al Sangalawi and pharmacist Khaled Harb. | None |
| Session four 25/04/2024 | Pharmacist Al-Mouthana Al-Nabulsi, Engineer Mohannad Jerab, Mr. Osama Fattaleh, Mr. Issam Al Sangalawi and pharmacist Khaled Harb. | pharmacist Osama Yaish |
| Session five 25/07/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab, Mr. Osama Fattaleh, Mr. Issam Al Sangalawi and pharmacist Khaled Harb. | None |
| Session six 27/10/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab, Mr. Osama Fattaleh, Mr. Ra'ed Abunil and pharmacist Khaled Harb. | None |
| Session Seven 30/12/2024 | Pharmacist Al-Mouthana Al-Nabulsi, pharmacist Osama Yaish, Engineer Mohannad Jerab, Mr. Osama Fattaleh, Mr. Ra'ed Abunil and pharmacist Khaled Harb. | None |

Chairman of Board of Directors
Al-Mouthana Al-Nabulsi



**NUTRIDAR COMPANY
(PUBLIC SHAREHOLDING COMPANY)**

**FINANCIAL STATEMENTS
31 DECEMBER 2024**

INDEPENDENT AUDITOR’S REPORT

To the Shareholders of Nutrīdar Public Shareholding Company

Amman – Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Nutrīdar Public Shareholding Company (the Company), which comprise the statement of financial position as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended 31 December 2024. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

| 1. Revenue Recognition | |
|---|---|
| Disclosures related to revenue recognition has been disclosed in note (14) to the financial statements. Disclosures related to the accounting policies of revenue recognition has been disclosed in note (2-3) to the financial statements | |
| Key Audit matter | How the key audit matter was addressed in the audit |
| <p>Revenues amounted to JD 15,009,291 as at 31 December 2024. The Company focuses on revenues as a key performance measure which may create an incentive for revenue to be recognized before delivering the goods and .may result in overstating revenues</p> <p>Revenues are recognized when the Company satisfies the performance obligations according to the contract with customers, when delivering the goods to the customers and issuing the invoice at a point in time</p> | <p>Our audit procedures included evaluating the Company's revenue recognition accounting policies in accordance with International Financial Reporting Standard No. (15). We tested the Company's controls over revenue recognition including the key entity level controls in the revenue cycle. We also selected a sample before and after the end of the financial year to assess whether revenues were .recognized in the correct period</p> <p>We have also performed analytical procedures for the gross margin on a monthly basis. We also selected and tested a representative sample of revenues journal entries..</p> |

2. Recoverability of accounts receivables

Disclosures related to accounts receivable has been disclosed in note (5) to the financial statements. Disclosures related to the accounting policies of accounts receivable has been disclosed in note (2-3) to the financial statements.

Key Audit matter

Net trade receivables amounted to JD 2,366,681 as at 31 December 2024, representing 17% of the Company's total assets.

The Company has applied the simplified approach of International Financial Reporting Standard No. (9) to record the expected credit losses on accounts receivable and calculate the expected credit losses over the life of the receivables. The Company has established a study based on historical credit loss experience, adjusted for forward-looking factors and economic environment.

Due to the significance of accounts receivable which requires performing material estimates and uncertainty based on International Financial Reporting Standard No. (9), this matter was considered a key audit matter.

How the key audit matter was addressed in the audit

Our audit procedures included the following:

- Evaluating the design and effectiveness of controls related to the provision for expected credit losses calculation.
- Understanding the Company's adopted policy to calculate the provisions in accordance with the requirements of International Financial Reporting Standard No.(9) .
- We tested the inputs and information used in the expected credit losses matrix.
- We assessed the reasonableness of estimates and judgements used by management in calculating the provision for expected credit losses.

Other information included in the Company's 2024 annual report

Other information consists of the information included in the Company's 2024 Annual Report other than the financial statements and our auditor's report thereon. Management is responsible for the other information. The Company's 2024 Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, 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 ISAs 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 decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 management.
- Conclude on the appropriateness of 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 exist, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

The Company maintains proper books of accounts which are in agreement with the financial statements.

The partner in charge of the audit resulting in this auditor's report was Ali Hassan Samara; license number 503.

Amman – Jordan
4 March 2024

ERNST & YOUNG
Amman - Jordan

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

| | Notes | 2024 JD | 2023 JD |
|--------------------------------------|-------|--------------------------|--------------------------|
| <u>ASSETS</u> | | | |
| Non-current Assets - | | | |
| Property, plant and equipment | 3 | 2,724,127 | 2,685,631 |
| Deferred tax assets | 13 | 337,024 | 499,808 |
| | | <u>3,061,151</u> | <u>3,185,439</u> |
| Current Assets - | | | |
| Inventories | 4 | 2,796,248 | 3,221,756 |
| Accounts receivable | 5 | 2,366,681 | 3,231,306 |
| Other current assets | 6 | 3,947,414 | 2,943,071 |
| Cash and bank balances | 7 | 1,731,882 | 798,545 |
| | | <u>10,842,225</u> | <u>10,194,678</u> |
| Total Assets | | <u><u>13,903,376</u></u> | <u><u>13,380,117</u></u> |
| <u>EQUITY AND LIABILITIES</u> | | | |
| Shareholders equity - | | | |
| Paid-in capital | 1,8 | 11,615,912 | 11,615,912 |
| Statutory reserve | 8 | 743,150 | 661,017 |
| Voluntary reserve | 8 | 1,002 | 1,002 |
| Accumulated losses | | (4,978,405) | (5,554,815) |
| Net Equity | | <u><u>7,381,659</u></u> | <u><u>6,723,116</u></u> |
| Liabilities - | | | |
| Current liabilities - | | | |
| Short-term revolving loans | 9 | 2,334,003 | 3,255,581 |
| Accounts payable | 10 | 3,473,248 | 2,921,408 |
| Other current liabilities | 12 | 714,466 | 480,012 |
| Total Liabilities | | <u><u>6,521,717</u></u> | <u><u>6,657,001</u></u> |
| Total Equity and Liabilities | | <u><u>13,903,376</u></u> | <u><u>13,380,117</u></u> |

The attached notes 1 to 25 form part of these financial statements

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2024

| | Notes | 2024 JD | 2023 JD |
|---|-------|------------------|------------------|
| Sales | 14 | 15,009,291 | 13,702,390 |
| Cost of sales | 15 | (11,571,084) | (10,953,183) |
| Gross profit | | 3,438,207 | 2,749,207 |
| Selling and distribution expenses | 16 | (1,304,826) | (1,128,000) |
| Administrative expenses | 17 | (900,645) | (787,012) |
| Research and development expenses | | (75,756) | (79,722) |
| Foreign currency differences gains (losses) | 18 | 25,230 | (89,349) |
| Provision for expected credit losses | 5 | (114,166) | (249,208) |
| Finance costs | | (259,117) | (267,076) |
| Other income | | 12,400 | 10,026 |
| Profit for the year before tax | | 821,327 | 158,866 |
| Income tax expense | 13 | (162,784) | (61,113) |
| Profit for the year | | 658,543 | 97,753 |
| Add: other comprehensive income items | | - | - |
| Total comprehensive income for the year | | 658,543 | 97,753 |
| | | Fils/JD | Fils/JD |
| Basic and diluted earnings per share attributable to equity holders of the Company | 19 | 0.057 | 0.008 |

The attached notes 1 to 25 form part of these financial statements

**NUTRIDAR PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CHANGES OF EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2024**

| | Paid-in capital | Statutory reserve | Voluntary reserve | Accumulated losses | Total |
|---------------------------------------|--------------------|----------------------|----------------------|-----------------------|------------------|
| | JD | JD | JD | JD | JD |
| 2024- | | | | | |
| Balance as at 1 January 2024 | 11,615,912 | 661,017 | 1,002 | (5,554,815) | 6,723,116 |
| Total comprehensive income | - | - | - | 658,543 | 658,543 |
| Transferred to statutory reserve | - | 82,133 | - | (82,133) | - |
| Balance as at 31 December 2024 | <u>11,615,912</u> | <u>743,150</u> | <u>1,002</u> | <u>(4,978,405)</u> | <u>7,381,659</u> |
| 2023- | | | | | |
| Balance as at 1 January 2023 | 11,615,912 | 645,130 | 1,002 | (5,636,681) | 6,625,363 |
| Total comprehensive income | - | - | - | 97,753 | 97,753 |
| Transferred to statutory reserve | - | 15,887 | - | (15,887) | - |
| Balance as at 31 December 2023 | <u>11,615,912</u> | <u>661,017</u> | <u>1,002</u> | <u>(5,554,815)</u> | <u>6,723,116</u> |

The attached notes 1 to 25 form part of these financial statements

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2024

| | <u>Notes</u> | <u>2024</u> JD | <u>2023</u> JD |
|---|--------------|--------------------|--------------------|
| <u>OPERATING ACTIVITIES</u> | | | |
| Profit for the year before tax | | 821,327 | 158,866 |
| Adjustments for: | | | |
| Depreciation | 3 | 247,456 | 238,516 |
| Finance costs | | 259,117 | 267,076 |
| Provision for expected credit losses | 5 | 114,166 | 249,208 |
| Working capital changes: | | | |
| Inventories | | 425,508 | (1,774,290) |
| Accounts receivable | | 750,459 | (400,131) |
| Other current assets | | (1,004,343) | (61,427) |
| Accounts payable | | 551,840 | (39,571) |
| Other current liabilities | | 234,454 | (61,158) |
| Net cash flows from (used in) operating activities | | <u>2,399,984</u> | <u>(1,422,911)</u> |
| <u>INVESTING ACTIVITIES</u> | | | |
| Purchase of property, plant and equipment | 3 | (285,952) | (217,173) |
| Net cash flows used in investing activities | | <u>(285,952)</u> | <u>(217,173)</u> |
| <u>FINANCING ACTIVITIES</u> | | | |
| Proceeds from short-term revolving loans | | 8,837,782 | 9,059,253 |
| Repayments of short-term revolving loans | | (9,759,360) | (7,857,712) |
| Bank interest payments | | (259,117) | (267,076) |
| Net cash flows (used in) from financing activities | | <u>(1,180,695)</u> | <u>934,465</u> |
| Net increase (decrease) in cash and cash equivalents | | 933,337 | (705,619) |
| Cash and cash equivalents at 1 January | | 798,545 | 1,504,164 |
| Cash and cash equivalents at 31 December | 7 | <u>1,731,882</u> | <u>798,545</u> |

The attached notes 1 to 25 form part of these financial statements

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

(1) GENERAL

NutriDar Public Shareholding Company (the “Company”) was established 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 as at 31 December 2024, and 2023.

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 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 financial statements were approved by the Board of Directors on 25/02/2025 and require the approval of the General Assembly.

(2.1) BASIS OF PREPARATION

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

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

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

(2.2) CHANGES IN ACCOUNTING POLICIES

The accounting policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2023 except for the adoption of new amendments on the standards effective as of 1 January 2024 shown below:

Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback

The amendments in IFRS 16 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 recognise 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 financial statements.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

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

The amendments to IAS 1 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, an entity is required to 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 financial statements.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures 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 amendments had no impact on the Company's financial statements.

2.3) MATERIAL ACCOUNTING POLICIES

Property, Plant and Equipment

Property and equipment are stated, net of accumulated depreciation and an impairment losses. Property and equipment (excluding land and projects under construction) are depreciated when they are ready for use on a straight-line basis over their expected useful life at annual rates as follows:

| | <u>Depreciation Rate</u> |
|------------------------------------|--------------------------|
| | % |
| Buildings | 2-3 |
| Hangers | 5 |
| Machinery, equipment and furniture | 7-10 |
| Computers | 20 |
| Vehicles | 10 |
| Leasehold improvements | 20 |
| Solar system | 10 |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

The assets useful lives and methods of depreciation are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

The carrying value of property, plant and equipment is reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. When such indicators exist and when the carrying value exceeds the recoverable amount, the value of property, plant and equipment is written down to its recoverable amount and an allowance for impairment is recorded in the statement of comprehensive income.

When property and equipment are sold or retired, any gain or loss resulting from their disposal is included in the statement of comprehensive income.

Accounts Receivable

Accounts receivables are stated at original invoice amount less any provision for any uncollectible amounts related to expected credit losses (ECL). The Company applies a simplified approach in calculating ECLs that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment in accordance with International financial reporting standard No (9).

Inventories

Inventories are valued at the lower of cost or net realizable value.

Cost is calculated for as follows:

Raw materials and spare parts – purchase cost on First-In First-Out (FIFO) basis.

Finished goods and work in progress – cost of direct materials, direct labour, and indirect manufacturing overheads.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Company's management prepares an annual study on the age of the inventory, and based on that, it is classified into slow-moving inventory, and a corresponding provision is recognized in proportion to the age of this inventory from the date of purchase.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and bank balances and short-term deposits with original maturities of three months or less, so that does not include risk of change in value.

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.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
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Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and the costs to settle the obligation are both probable and able to be reliably measured.

Loans

All loans and borrowings are initially recognized at fair value less directly attributable transaction costs. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortized cost using the effective interest method. Other financing costs are recorded as expense in the periods incurred.

Income Tax

Income tax is calculated in accordance with the Income Tax Law number (34) for the year 2014 and its subsequent amendments, and in accordance with IAS (12). As this standard state that deferred taxes resulting from the difference between the tax value of assets and liabilities and their carrying amounts be recorded.

The accrued income tax expenses is calculated based on taxable income. The taxable income differs from the accounting income reported in the statement of comprehensive income, because the accounting income contains expenditures and revenues that are not tax deductible in the current year but are deductible in future years, or deductible accumulated losses or any other deductible items for tax purposes.

Income tax expenses represent current income taxes and deferred taxes.

Deferred taxes are the taxes that are expected to be paid or recovered as a result of temporary differences between the value of assets or liabilities in the financial statements and the value on which the tax profit is calculated. Deferred taxes are calculated using the liability method in the statement of financial position and deferred taxes are calculated according to the tax rates that are expected to be applied upon the settlement of the tax liability or the realization of the deferred tax assets.

Offsetting

Financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Revenues and expenses recognition

Revenue from contracts from the sale of goods is recognized at the time the control is transferred, generally when the goods are delivered. The Company considers whether there are any other promises in the contract which represents separate performance obligations to which a portion of the transaction price must be allocated. The Company is the primary party to its revenue contracts, as it retains control over the goods before they are transferred to the customers.

Other revenues are recognized on an accrual basis.

Expenses are recognized on an accrual basis.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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Research and Development

Research and development expenses are charged to the statement of comprehensive income. Development expenses are not capitalized due to not meeting the criteria mentioned in IAS 38 as a result of uncertainties inherent in the development stage.

Foreign Currencies

Foreign currency transactions during the year are recorded using exchange rates that are in effect at the dates of the transactions. Assets and liabilities denominated in foreign currencies are translated to Jordanian Dinar using the prevailing exchange rates at year-end. Foreign exchange gains or losses are reflected in the statement of comprehensive income.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms (if present).

The Company has established a provision calculation that is based on its historical credit loss experience adjusted for forward-looking factors specific to the debtors and the economic environment based on the simplified approach in calculating ECLs in accordance with International Financial Reporting Standards No (9).

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an assets or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely

independent of those from other assets or Company of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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Current versus non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/ non-current classification. An asset is current when:

- It is expected to be realised or intended to be sold or consumed in the normal operating cycle
It is held primarily for the purpose of trading
- It is expected to be realised within twelve months after the reporting period or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period of the financial statement dates.

All other assets are classified as non-current assets.

A liability is current when:

- It is expected to be settled in the normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period of the financial statements date, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period of the financial statements date

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

(2.4) USE OF ESTIMATES

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions. Considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ resulting in future changes in such provisions.

- The Company's management estimates the useful life for property and equipment for the purpose of calculating depreciation considering the expected useful life of these assets. Management reviews the remaining book value and useful life annually. Future depreciation expense is adjusted if management believes that the remaining useful life of the assets differs from previous estimations.
- The provision for expected credit losses on accounts receivables is reviewed according to the simplified approach and within the principles and assumptions approved by the company's management to estimate the provision to be formed in accordance with the requirements of international financial reporting standards.
- The current year is charged with its related income tax expense in accordance with the laws, regulations and accounting standards. Deferred tax assets and liabilities and the necessary tax provision are calculated and recorded.
- The Company's management prepares an annual study on the age of the inventories, and based on that, they are classified into slow-moving inventories, and a provision is recorded for these inventories in proportion to their age from the date of purchase.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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(3) PROPERTY, PLANT AND EQUIPMENT

The details of this item is as follows:

| 2024 - | <u>Land</u> | <u>Buildings and hangers</u> | <u>Machinery, equipment and furniture</u> | <u>Computers</u> | <u>Vehicles</u> | <u>Leasehold improvements</u> | <u>Solar system</u> | <u>Total</u> |
|-----------------------------------|----------------|------------------------------|---|------------------|-----------------|-------------------------------|---------------------|-------------------|
| | JD | JD | JD | JD | JD | JD | JD | JD |
| Cost - | | | | | | | | |
| As at 1 January 2024 | 217,211 | 4,045,392 | 5,425,505 | 186,677 | 143,855 | 23,250 | 498,471 | 10,540,361 |
| Additions | | 3,995 | 277,597 | 1,284 | - | 3,076 | - | 285,952 |
| As at 31 December 2024 | <u>217,211</u> | <u>4,049,387</u> | <u>5,703,102</u> | <u>187,961</u> | <u>143,855</u> | <u>26,326</u> | <u>498,471</u> | <u>10,826,313</u> |
| Accumulated depreciation - | | | | | | | | |
| As at 1 January 2024 | - | 2,261,999 | 5,046,163 | 185,806 | 110,212 | 23,250 | 227,300 | 7,854,730 |
| Depreciation for the year | - | 123,050 | 70,821 | 955 | 6,977 | 410 | 45,243 | 247,456 |
| As at 31 December 2024 | <u>-</u> | <u>2,385,049</u> | <u>5,116,984</u> | <u>186,761</u> | <u>117,189</u> | <u>23,660</u> | <u>272,543</u> | <u>8,102,186</u> |
| Net book value - | | | | | | | | |
| As at 31 December 2024 | <u>217,211</u> | <u>1,664,338</u> | <u>586,118</u> | <u>1,200</u> | <u>26,666</u> | <u>2,666</u> | <u>225,928</u> | <u>2,724,127</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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| 2023 - | Land | Buildings and hangers | Machinery, equipment and furniture | Computers | Vehicles | Leasehold improvements | Solar system | Total |
|---------------------------------|----------------|------------------------------|---|------------------|-----------------|-------------------------------|---------------------|-------------------|
| | JD | JD | JD | JD | JD | JD | JD | JD |
| Cost - | | | | | | | | |
| As at 1 January 2024 | 217,211 | 4,040,614 | 5,213,110 | 186,677 | 143,855 | 23,250 | 498,471 | 10,323,188 |
| Additions | - | 4,778 | 212,395 | - | - | - | - | 217,173 |
| As at 31 December 2023 | <u>217,211</u> | <u>4,045,392</u> | <u>5,425,505</u> | <u>186,677</u> | <u>143,855</u> | <u>23,250</u> | <u>498,471</u> | <u>10,540,361</u> |
| Accumulated depreciation | | | | | | | | |
| - | | | | | | | | |
| As at 1 January 2023 | - | 2,139,195 | 4,989,873 | 180,509 | 101,330 | 23,250 | 182,057 | 7,616,214 |
| Depreciation for the year | - | 122,804 | 56,290 | 5,297 | 8,882 | - | 45,243 | 238,516 |
| As at 31 December 2023 | <u>-</u> | <u>2,261,999</u> | <u>5,046,163</u> | <u>185,806</u> | <u>110,212</u> | <u>23,250</u> | <u>227,300</u> | <u>7,854,730</u> |
| Net book value - | | | | | | | | |
| As at 31 December 2023 | <u>217,211</u> | <u>1,783,393</u> | <u>379,342</u> | <u>871</u> | <u>33,643</u> | <u>-</u> | <u>271,171</u> | <u>2,685,631</u> |

The cost of fully depreciated property and equipment as at 31 December 2024 amounted to JD 5,148,220 (2023: JD 4,999,395)

Depreciation is allocated as follows:

| | 2024 | 2023 |
|---|----------------|----------------|
| | JD | JD |
| Cost of sales (note 15) | 224,070 | 212,515 |
| Selling and distribution expenses (note 16) | 5,324 | 4,600 |
| Administrative expenses (note 17) | 18,062 | 21,401 |
| | <u>247,456</u> | <u>238,516</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

(4) INVENTORIES

| | 2024 | 2023 |
|---------------------------------------|------------------|------------------|
| | JD | JD |
| Raw materials and packaging | 927,523 | 1,735,899 |
| Finished goods | 1,886,757 | 1,495,849 |
| Advertising materials | 12,585 | 20,620 |
| Work in progress | - | 5 |
| | 2,826,865 | 3,252,373 |
| Provision for slow-moving inventories | (30,617) | (30,617) |
| | <u>2,796,248</u> | <u>3,221,756</u> |

The movements on the provision for slow-moving inventories were as follows:

| | 2024 | 2023 |
|----------------------------|---------------|---------------|
| | JD | JD |
| Balance as at 1 January | 30,617 | 39,110 |
| Recoveries during the year | - | (8,493) |
| Balance as at 31 December | <u>30,617</u> | <u>30,617</u> |

(5) ACCOUNTS RECEIVABLE

| | 2024 | 2023 |
|--|------------------|------------------|
| | JD | JD |
| Local sales receivables | 2,572,709 | 2,482,727 |
| Foreign sales receivables | 804,421 | 2,009,280 |
| | 3,377,130 | 4,492,007 |
| Less: provision for expected credit losses | (1,010,449) | (1,260,701) |
| | <u>2,366,681</u> | <u>3,231,306</u> |

Movements in the provision for expected credit losses were as follows:

| | 2024 | 2023 |
|----------------------------|------------------|------------------|
| | JD | JD |
| As at 1 January | 1,260,701 | 1,011,493 |
| Provision for the year | 114,166 | 249,208 |
| Provision no longer needed | (364,418) | - |
| As at 31 December | <u>1,010,449</u> | <u>1,260,701</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
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As at 31 December, the aging of accounts receivable was as follows:

| | <i>Neither past due nor impaired</i> | <i>1-30 Days</i> | <i>91-180 days</i> | <i>181-270 days</i> | <i>271-360 days</i> | <i>More than 361 days</i> | <i>Total</i> |
|------|--|----------------------|------------------------|-------------------------|-------------------------|-------------------------------|--------------|
| | JD | JD | JD | JD | JD | JD | JD |
| 2024 | 1,257,233 | 416,993 | 183,739 | 122,078 | 55,847 | 330,791 | 2,366,681 |
| 2023 | 1,897,906 | 689,195 | 195,859 | 73,804 | 183,796 | 190,746 | 3,231,306 |

The Company does not obtain any guarantees against these receivables. Thus, they are not guaranteed.

(6) OTHER CURRENT ASSETS

| | 2024 | 2023 |
|-------------------------------|------------------|------------------|
| | JD | JD |
| Cheques under collection | 2,964,199 | 2,056,478 |
| Due from sales tax department | 921,988 | 822,782 |
| Advances to suppliers | 22,084 | 29,196 |
| Prepaid expenses | 20,274 | 22,868 |
| Employees' receivables | 13,234 | 6,525 |
| Cash deposits | 1,331 | 1,821 |
| Others | 4,304 | 3,401 |
| | <u>3,947,414</u> | <u>2,943,071</u> |

(7) CASH AND BANKS BALANCES

| | 2024 | 2023 |
|---------------|------------------|----------------|
| | JD | JD |
| Cash on hand | 7,200 | 7,200 |
| Bank balances | <u>1,724,682</u> | <u>791,345</u> |
| | <u>1,731,882</u> | <u>798,545</u> |

(8) EQUITY ATTRIBUTABLE TO EQUITY HOLDERS

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 100% of the Company's paid-in capital and it is not available for distribution to the shareholders.

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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Voluntary reserve -

This account balance represents transfers from profit before tax at a percentage of 20% throughout the years and is available for distribution to the shareholders.

(9) SHORT –TERM REVOLVING LOANS

| | Rate | Currency | 31 December 2024 | | 31 December 2023 | |
|---|----------------------|----------|------------------|------------------|------------------|------------------|
| | | | Ceiling | Utilized amount | Ceiling | Utilized amount |
| Arab Bank (purchases financing) | 2% + 3 months SOFR | USD | 1,063,500 | - | 1,063,500 | 899,799 |
| ABC Bank (purchases financing and LC's) | 2.2% + 3 months SOFR | USD | 3,013,250 | 2,334,003 | 3,013,250 | 2,355,782 |
| | | | <u>4,076,750</u> | <u>2,334,003</u> | <u>4,076,750</u> | <u>3,255,581</u> |

(10) ACCOUNTS PAYABLE

| | 2024 JD | 2023 JD |
|------------------------|------------------|------------------|
| Local trade payables | 351,734 | 451,784 |
| Foreign trade payables | 3,121,514 | 2,469,624 |
| | <u>3,473,248</u> | <u>2,921,408</u> |

(11) RELATED PARTIES 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 and transactions with related parties were as follows:

Statement of financial position:

| Due from a related party | Relationship | 2024 JD | 2023 JD |
|--------------------------------------|----------------|-------------|-------------|
| Dar Al Dawa – Algeria | Sister Company | 2,980,512 | 2,980,512 |
| Provision for expected credit losses | | (2,980,512) | (2,980,512) |
| | | <u>-</u> | <u>-</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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Statement of comprehensive income:

Compensation of key management personnel of the Company (salaries and other benefits) is as follows:

| | 2024 JD | 2023 JD |
|--------------------------------|------------|------------|
| Salaries and other benefits | 159,684 | 129,684 |
| Board of director's incentives | 40,572 | - |

(12) OTHER CURRENT LIABILITIES

| | 2024 JD | 2023 JD |
|-----------------------------|------------|------------|
| Accrued expenses | 290,355 | 76,484 |
| Sales contracts liabilities | 219,431 | 181,892 |
| Advances from customers | 142,029 | 91,771 |
| Other provisions | 48,000 | 48,000 |
| Shareholders' deposits | 14,640 | 35,379 |
| Social security deposits | - | 24,812 |
| End of service provision | - | 21,664 |
| Others | 11 | 10 |
| | 714,466 | 480,012 |

(13) INCOME TAX

Income tax provision was calculated for the years ended 31 December 2024 and 31 December 2023 in accordance with the Income Tax Law No. (34) for the year 2014 and its amendments. The Company is subject to a statutory income tax rate of 20% in addition to a 1% National Contribution tax.

The Company obtained a final tax clearance from the Income and Sales Tax Department up to 2019. The Company submitted its tax returns for the years from 2020 up to 2023. The Income and Sales Tax Department did not review the Company's records until the date of preparation of the financial statements.

Amounts presented in the statement of comprehensive income are as follows:

| | 2024 JD | 2023 JD |
|---------------------------------|------------|------------|
| Income tax expense for the year | - | - |
| Change in deferred tax assets | (162,784) | (61,113) |
| Income tax expense for the year | (162,784) | (61,113) |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
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Reconciliation of accounting profit with taxable profit:

| | 2024 JD | 2023 JD |
|--|------------|------------|
| Accounting profit | 821,327 | 158,866 |
| Add: non-deductible expenses | 282,207 | 249,208 |
| Less: non-deductible income | (477,986) | - |
| Taxable profit | 625,548 | 408,074 |
| Less: accumulated losses from prior years | (625,548) | (408,074) |
| Income tax expense | - | - |
| Statutory income tax and social contribution rate | 21% | 20% |
| Effective income tax rate and social contribution rate | - | - |

Movement on the deferred tax assets was as follows:

| | 2024 JD | 2023 JD |
|------------------------------------|----------------|----------------|
| Balance as at 1 January | 499,808 | 560,921 |
| Additions during the year | - | 20,495 |
| Less: released during for the year | (131,365) | (81,608) |
| Less: prior year taxes | (31,419) | - |
| | <u>337,024</u> | <u>499,808</u> |

(14) SALES

| | 2024 JD | 2023 JD |
|-----------------------------|-------------------|-------------------|
| Local sales | 9,352,074 | 7,079,757 |
| Foreign sales | 5,737,485 | 6,706,760 |
| Total sales | 15,089,559 | 13,786,517 |
| Sales returns and discounts | (80,268) | (84,127) |
| Net sales | <u>15,009,291</u> | <u>13,702,390</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
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15) COST OF SALES

| | <u>2024</u> | <u>2023</u> |
|--|--------------------------|--------------------------|
| | JD | JD |
| Raw materials as at 1 January | 1,735,899 | 907,741 |
| Purchases of raw materials during the year | 9,642,093 | 11,157,665 |
| Less: raw materials as at 31 December | (927,523) | (1,735,899) |
| Raw materials used in production | <u>10,450,469</u> | <u>10,329,507</u> |
| Work in progress as at 1 January | 5 | 4,298 |
| Less: Work in progress as at 31 December | - | (5) |
| Manufacturing expenses* | <u>1,511,518</u> | <u>1,563,699</u> |
| Production cost | <u>1,511,523</u> | <u>1,567,992</u> |
| Finished goods as at 1 January | 1,495,849 | 551,533 |
| Less: Finished goods as at 31 December | <u>(1,886,757)</u> | <u>(1,495,849)</u> |
| Cost of sales | <u><u>11,571,084</u></u> | <u><u>10,953,183</u></u> |

* The details of operating expenses are as follows:

| | <u>2024</u> | <u>2023</u> |
|------------------------------------|------------------|------------------|
| | JD | JD |
| Salaries, wages and other benefits | 899,472 | 884,365 |
| Depreciation (note 3) | 224,070 | 212,515 |
| Electricity, water and fuel | 98,995 | 141,875 |
| Indirect materials | 86,826 | 109,830 |
| Maintenance | 71,151 | 86,357 |
| Factory insurance | 29,738 | 30,673 |
| Laboratory materials | 49,953 | 54,744 |
| Others | 51,313 | 43,340 |
| | <u>1,511,518</u> | <u>1,563,699</u> |

(16) SELLING AND DISTRIBUTION EXPENSES

| | <u>2024</u> | <u>2023</u> |
|------------------------------------|------------------|------------------|
| | JD | JD |
| Salaries, wages and other benefits | 609,440 | 631,306 |
| Advertising and marketing | 508,942 | 334,326 |
| Free samples | 108,170 | 119,090 |
| Donations | 27,947 | - |
| Office expenses | 22,155 | 19,535 |
| Travel and transportation | 21,645 | 18,658 |
| Depreciation (note 3) | 5,324 | 4,600 |
| Others | 1,203 | 485 |
| | <u>1,304,826</u> | <u>1,128,000</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2024

(17) ADMINISTRATIVE EXPENSES

| | 2024 | 2023 |
|------------------------------------|----------------|----------------|
| | JD | JD |
| Salaries, wages and other benefits | 694,148 | 582,098 |
| Professional fees | 46,030 | 57,062 |
| Board of director's incentives | 40,572 | - |
| Subscriptions | 37,641 | 38,677 |
| Depreciation (note 3) | 18,062 | 21,401 |
| Free samples | 11,943 | 28,451 |
| Travel and transportation | 9,077 | 8,154 |
| Postage and telephone | 5,916 | 6,256 |
| Hospitality | 2,804 | 1,525 |
| Meeting expenses | 381 | 1,030 |
| Donations | - | 8,354 |
| Others | 34,071 | 34,004 |
| | <u>900,645</u> | <u>787,012</u> |

(18) FOREIGN EXCHANGE DIFFERENCES

| | 2024 | 2023 |
|---|---------------|-----------------|
| | JD | JD |
| Foreign exchange revaluation gains (losses) | 91,904 | (22,395) |
| Foreign exchange losses | (66,674) | (66,954) |
| | <u>25,230</u> | <u>(89,349)</u> |

(19) EARNINGS PER SHARE

| | 2024 | 2023 |
|--|----------------|----------------|
| | JD | JD |
| Profit for the year attributable to shareholders of the Company (JD) | 658,543 | 97,753 |
| Weighted average number of outstanding shares (share) | 11,615,912 | 11,615,912 |
| | <u>JD/Fils</u> | <u>JD/Fils</u> |
| Basic and diluted earnings per share attributable to shareholders of the Company | <u>0.057</u> | <u>0.008</u> |

NUTRIDAR PUBLIC SHAREHOLDING COMPANY
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(20) SEGMENT 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:

| For the year ended 31 December 2024 | Levant and Iraq JD | The Arab Gulf and Yemen JD | Africa JD | Europe JD | Total JD |
|--|-------------------------------|---------------------------------------|----------------------|----------------------|---------------------|
| Sales | 12,877,158 | 558,669 | 1,573,464 | - | 15,009,291 |
| Cost of sales | (9,697,166) | (565,887) | (1,308,031) | - | (11,571,084) |
| Gross profit | <u>3,179,992</u> | <u>(7,218)</u> | <u>265,433</u> | <u>-</u> | <u>3,438,207</u> |
| Other information | | | | | |
| Depreciation | 212,305 | 9,211 | 25,940 | - | 247,456 |
| Finance costs | 222,308 | 9,645 | 27,164 | - | 259,117 |
| For the year ended 31 December 2023 | Levant and Iraq JD | The Arab Gulf and Yemen JD | Africa JD | Europe JD | Total JD |
| Sales | 11,361,803 | 952,824 | 1,328,057 | 59,706 | 13,702,390 |
| Cost of sales | (8,712,931) | (998,650) | (1,186,702) | (54,900) | (10,953,183) |
| Gross profit | <u>2,648,872</u> | <u>(45,826)</u> | <u>141,355</u> | <u>4,806</u> | <u>2,749,207</u> |
| Other information | | | | | |
| Depreciation | 197,774 | 16,470 | 23,117 | 1,155 | 238,516 |
| Finance costs | 221,455 | 18,572 | 25,885 | 1,164 | 267,076 |

(21) CONTINGENCIES

Letters of guarantee -

As at the financial statements date, the Company has the following contingent liabilities:

| | 2024 JD | 2023 JD |
|----------------------|--------------------|--------------------|
| Letters of guarantee | <u>68,591</u> | <u>60,009</u> |

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(22) RISK MANAGEMENT

Interest Rate Risk -

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk on its assets and liabilities which are bearing variable interest rate such as short-term revolving loans.

The sensitivity of the statement of comprehensive income is the effect of the assumed changes in interest rates on the Company's profit for one year, based on the floating rate financial assets and financial liabilities held at 31 December.

The following table summarizes the sensitivity analysis for the possible changes in interest rates as of 31 December with all other variable held constant.

| | <u>Increase in interest rate</u> % | <u>Effect on profit for the year</u> JD |
|-------------|---|--|
| 2024 | | |
| Currency | | |
| USD | 1 | (23,340) |
| 2023 | | |
| Currency | | |
| USD | 1 | (32,566) |

The effect of decreases in interest rate is expected to be equal and opposite to the effect of the increases shown above.

Credit Risk

Credit risk is the risk that the debtor or related parties and other parties will default on their contractual obligations to the Company. The Company is exposed to credit risk from its operating activities (accounts receivable) and financing activities including balances at banks and other financial instruments.

The Company seeks to limit its credit risk with respect to customers by setting credit limits for customers and monitoring outstanding receivables and with respect to banks by only dealing with reputable banks.

The Company sells its products to a large number of customers. The largest customer accounts for 9% of total accounts receivable as at 31 December 2024 (2023: 11%).

Liquidity Risk

Liquidity risk is the risk that the Company will not meet its obligations under its financial liabilities based on contractual maturity dates. The Company decrease these risks by ensuring availability of funds from its shareholders.

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The Company limits its liquidity risk by ensuring bank facilities are available.

The table below summarizes the maturities of the Company's (undiscounted) financial liabilities at as 31 December based on contractual payment dates and current market interest rates.

| | Less than a year JD | More than a year JD | Total JD |
|----------------------------|---------------------------|---------------------------|-------------|
| 2024 | | | |
| Short-term revolving loans | 2,593,120 | - | 2,593,120 |
| Accounts payables | 3,473,248 | - | 3,473,248 |
| Other current liabilities | 524,437 | - | 524,437 |
| Total | 6,590,805 | - | 6,590,805 |
| 2023 | | | |
| Short-term revolving loans | 3,522,657 | - | 3,522,657 |
| Accounts payable | 2,921,408 | - | 2,921,408 |
| Other current liabilities | 318,577 | - | 318,577 |
| Total | 6,762,642 | - | 6,762,642 |

Currency Risk

Most of the Company's transactions are in Jordanian Dinars, US Dollars and Euro. Jordanian Dinar exchange rate is fixed against the US Dollar (USD 1/41 JD).

The table below indicates the Company's foreign currency exposure at 31 December 2024, as a result of its monetary assets and liabilities. The table shows the effect of a reasonably possible change of the JD currency rate against the Euro, with all other variables held constant, on the statement of comprehensive income.

| Currency | Increase/ decrease in foreign currency rate to the JD % | Effect on profit for the year before tax JD |
|-------------|---|--|
| 2024 | | |
| Euro | 5 | (180,489) |
| 2023 | | |
| Euro | 5 | (69,498) |

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(23) CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it maintains appropriate capital ratios in order to support its business and maximize shareholders' value.

The Company manages capital structure and makes necessary adjustments in light of changes in working conditions. The Company has not made any changes to the capital structure objectives, policies and procedures during the current year and the previous year. The items included in the capital structure consist of paid-in capital, reserves and accumulated losses with net amount of JD 7,381,659 as at 31 December 2024 (2023: JD 6,723,116).

(24) FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments consist of financial assets and financial liabilities.

Financial assets consist of cash and bank balances, accounts receivable, and some other current assets. Financial liabilities consist of short-term revolving loans, accounts payables and some other current liabilities.

The fair values of financial instruments are not materially different from their carrying values.

(25) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments
- The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI)

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only. The Company is currently not intending to early adopt the Amendments.

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Lack of exchangeability – Amendments to IAS 21

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to 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 entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the Company's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the Company's financial statements.

