

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

**INTERIM CONDENSED FINANCIAL STATEMENTS
TOGETHER WITH REVIEW REPORT
FOR THE SIX MONTHS ENDED 30 JUNE 2025**

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

30 June 2025

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

Introduction

We have reviewed the interim condensed statement of financial position of Dar Al Aman for Islamic Finance Company (Limited Public Shareholding) as at 30 June 2025 and the interim condensed statement of profit or loss and other comprehensive income, the interim condensed statement of changes in equity, the interim condensed statement of cash flows for the six months then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with IAS 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

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

Material Uncertainty Related to Going Concern

As mentioned in Note No. (6) to the interim condensed financial statements, which indicates that the Company's accumulated losses amounted to approximately JD 8.4 million, representing 52% of the capital, and that the Company's activity is still almost suspended. These events or circumstances are considered an indication of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern, as the note shows the Company's actions and its future plans to counter that. Our conclusion has not been modified in respect to this matter.

REVIEW REPORT (CONTINUED)



30 June 2025

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements do not present fairly, in all material respects, the interim condensed financial position of Dar Al Aman for Islamic Finance Company as at 30 June 2025, and its interim financial performance and its interim cash flows for the six-month period then ended, in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".

Samman & Co.



Ahmad Ramahi
License No. (868)

30 July 2025
Amman - Jordan

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

Interim condensed statement of financial position
As at 30 June 2025

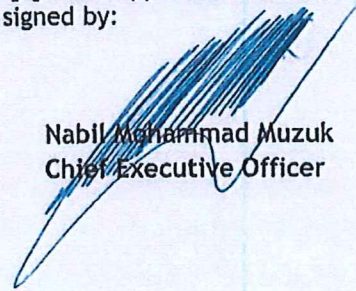
	Note	30 June 2025 (Un audited) JD	31 December 2024 (Audited) JD
<u>Assets</u>			
Cash at banks		104,449	154,087
Deposits at banks		3,094,000	3,300,000
Financial assets at fair value through statement of profit or loss		17,816	17,816
Financial assets at amortized cost	(4)	1,864,947	1,567,558
Other receivables		132,518	66,708
Property and equipment		238,426	241,150
Properties seized against debts	(5)	1,159,130	1,159,130
Investment property - land		389,534	389,534
Deferred tax assets		1,444,887	1,444,887
Total assets		8,445,707	8,340,870
<u>Liabilities and shareholders equity</u>			
<u>Liabilities</u>			
Other payables		226,875	234,622
<u>Shareholders equity</u>			
Subscribed capital		16,000,000	16,000,000
Statutory reserve		206,000	206,000
Voluntary reserve		387,302	387,302
Accumulated losses		(8,374,470)	(8,487,054)
Net shareholders equity		8,218,832	8,106,248
Total liabilities and shareholders equity		8,445,707	8,340,870

The interim condensed financial statements on pages [1] to [8] were approved and authorized for issue by the Board of Directors on 30 July 2025 and were signed by:

Dr. Farooq Mohammad Murad
Deputy chairman of the board



Nabil Mohammad Muzuk
Chief Executive Officer



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

Interim condensed statement of profit or loss and other comprehensive income
For the six months ended 30 June 2025

	2025		2024	
	At 1 April to 30 June	At 1 January to 30 June	At 1 April to 30 June	At 1 January to 30 June
	JD	JD	JD	JD
Net revenues	20,404	30,215	17,771	43,681
Other revenues	86,885	103,339	6,839	9,925
Expected credit losses for financial assets at amortized cost	108,588	108,588	-	-
Revaluation (losses) profit of financial assets at fair value through profit or loss	-	-	(771)	-
Employees benefits expenses	(26,963)	(54,068)	(26,947)	(53,998)
Administrative expenses	(38,253)	(75,490)	(33,462)	(64,674)
Comprehensive profit (comprehensive loss) for the period	<u>150,661</u>	<u>112,584</u>	<u>(36,570)</u>	<u>(65,066)</u>
Profit (loss) per share of the period - JD / share		0.0070		(0.004)

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

Interim condensed statement of changes in equity
For the six months ended 30 June 2025

	Subscribed capital	Statutory reserve	Voluntary reserve	Accumulated losses	Total
	JD	JD	JD	JD	JD
<u>2025</u>					
At 1 January	16,000,000	206,000	387,302	(8,487,054)	8,106,248
Comprehensive profit for the period	-	-	-	112,584	112,584
At 30 June	<u>16,000,000</u>	<u>206,000</u>	<u>387,302</u>	<u>(8,374,470)</u>	<u>8,218,832</u>
<u>2024</u>					
At 1 January	16,000,000	122,605	220,512	(8,518,165)	7,824,952
Comprehensive loss for the period	-	-	-	(65,066)	(65,066)
At 30 June	<u>16,000,000</u>	<u>122,605</u>	<u>220,512</u>	<u>(8,583,231)</u>	<u>7,759,886</u>

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

Interim condensed statement of cash flows
For the six months ended 30 June 2025

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		JD	JD
<u>Operating activities</u>			
Profit (Loss) of the period		112,584	(65,066)
<i>Adjustments for:</i>			
Expected credit losses for financial assets at amortized cost		(108,588)	-
Depreciations		<u>2,724</u>	<u>2,625</u>
		6,720	(62,441)
Financial assets at amortized cost	(4)	(188,801)	717,775
Other receivables		(65,810)	(2,232)
Other payables		<u>(7,747)</u>	<u>10,493</u>
Net cash flows (used in) from operating activities		<u>(255,638)</u>	<u>663,595</u>
 <u>Investing activities</u>			
Properties seized against debts	(5)	<u>-</u>	<u>(478,248)</u>
Net cash flows used in investing activities		<u>-</u>	<u>(478,248)</u>
 Net change in cash at bank during the period		(255,638)	185,347
Cash at bank - beginning of the period		<u>3,454,087</u>	<u>657,809</u>
Cash at bank - ending of the period		<u><u>3,198,449</u></u>	<u><u>843,156</u></u>

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

Notes forming part of the interim condensed financial statements
For the six months ended 30 June 2025

1) General

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

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

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

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

2) Basis of preparation

The interim condensed financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting" and in compliance with the applicable local laws and regulations. These statements do not include all disclosures required in a complete set of annual financial statements and should be read in conjunction with the Company's 2024 annual financial statements.

3) Accounting policies

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

Effective amendments for the period beginning on 1 January 2025.

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

On 15 August 2023, the International Accounting Standards Board (IASB) issued an amendment titled "*Lack of Exchangeability*", which amended IAS 21 - The Effects of Changes in Foreign Exchange Rates (the Amendments).

These amendments apply to annual reporting periods beginning on or after 1 January 2025. The amendments introduce requirements to assess whether a currency is exchangeable into another currency. If it is determined that the currency lacks exchangeability, the entity is required to estimate the spot exchange rate. The amendments also introduce additional disclosure requirements when an entity estimates the spot exchange rate due to a lack of exchangeability.

Notes forming part of the interim condensed financial statements (Continued)
For the six months ended 30 June 2025

Prior to these amendments, IAS 21 did not contain explicit requirements for determining the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

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

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

4) Financial assets at amortized cost

	30 June 2025 (Un audited)	31 December 2024 (Audited)
	JD	JD
Finance receivables	9,286,854	9,049,919
Deduct:		
Deferred revenues on financing contracts	(58,581)	(4,372)
	9,228,273	9,045,547
Deduct:		
Expected credit loss provision	(6,855,577)	(6,964,165)
Suspended revenues	(507,749)	(513,824)
	1,864,947	1,567,558

The company has notes receivables and cheques under collection out of the financial position with a value of approximately JD 11,792 million for financing receivables as at 30 June 2025 (2024: amounted to approximately JD 11,046 million).

Financing receivables in terms of type are as follows:

	30 June 2025 (Un audited)		31 December 2024 (Audited)
	Finance receivables	Defferred revenues	Net finance receivables
	JD	JD	JD
Murabaha financing	9,286,854	58,581	9,228,273

Notes forming part of the interim condensed financial statements (Continued)
For the six months ended 30 June 2025

Analysis of financing receivables aging based on expected credit loss for each stage are as follow:

	30 June 2025	31 December 2024
	Amount	Amount
	JD	JD
First stage: from 0 to 30 days	957,979	259,911
Second stage: from 31 to 90 days	-	1,211,757
Third stage: more than 90 days	8,328,875	7,578,251
	<u>9,286,854</u>	<u>9,049,919</u>

The movement in the expected credit losses provision is as follows:

	30 June 2025	31 December 2024
	(Un audited)	(Audited)
	JD	JD
Balance at the beginning of the period / year	6,964,165	8,810,855
Reversal of unused provision for the period/year	(108,588)	-
Credit losses during the period / year	-	127,078
Execution of debts	-	(1,973,768)
Balance at the end of the period / year	<u>6,855,577</u>	<u>6,964,165</u>

5) Properties seized against debts

This item represents the value of lands that have been acquired by the company against non-performing financing receivables, which have been recognized through judicial possession orders issued by the competent courts. The amount also includes the related legal fees and registration expenses. The fair value of these properties has reached approximately JD 1.590 million according to the latest valuations conducted by real estate experts

6) Accumulated losses and the Company's future plan

The Company's board of directors decided during 2017 to suspend all types of financing. In 2018, the Board of Commissioners of the Securities Commission decided to transfer trading in the Company's shares to the unlisted stock market. In addition, the accumulated losses of the Company amounted to JD (8,374,470) as of the date of the interim financial position, which represents 52% of the capital.

The Company took several steps to confront this, and the requirements of the Securities Commission were fulfilled. The Company's shares were re-traded in the second market (listed companies) on 21 July 2020. The Company's management is also looking forward to improving its financial position in the coming period, as it began granting new financing during the year 2025, with 10 financings totaling JD 698,349, and during the year 2024, with 15 financings totaling JD 828,632. Efforts are ongoing to collect outstanding debts by conducting the necessary settlements and reconciliations in order to find solutions for distressed clients and reduce the severity of defaults in the credit portfolio. The Company is also seeking to liquidate the plots of land it owns and generate returns for shareholders. It is noted that during 2024, the Company sold two plots of land that had been seized against debts, namely Plot No. (74),

Notes forming part of the interim condensed financial statements (Continued)
For the six months ended 30 June 2025

7) Subsequent Events

Based on the resolution of the Extraordinary General Assembly dated 18 May 2025, it was decided to write off part of the accumulated losses in the amount of JD (8,387,054) out of the total accumulated losses of JD (8,487,054). This was executed through a reduction in the Company's capital and the balance of the voluntary reserve, resulting in a remaining accumulated loss balance of JD (100,000). Accordingly, the Company's capital after the write-off became JD (8,000,000). The procedures were completed at the Ministry of Industry, Trade, and Supply on 15 July 2025.