

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

**FINANCIAL STATEMENTS  
TOGETHER WITH INDEPENDENT AUDITOR'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2025**

DAR AL AMAN FOR ISLAMIC FINANCE COMPANY  
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FINANCIAL STATEMENTS  
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# INDEPENDENT AUDITOR'S REPORT

## 31 December 2025

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

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Dar Al Aman for Islamic Finance Company "The Company" which comprise of:

- The statement of financial position as at 31 December 2025.
- The statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended.
- 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 2025, its' financial performance and its' cash flows for the year then ended in accordance with IFRS accounting standereds as issued by the intrnational accounting sandeerds board (IFRS accounting standerds).

#### 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" Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with this Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Material Uncertainty Related to Going Concern

We draw attention to Note (19) and (20) to the financial statements which indicate that it indicates that the company's activity still almost halted during the year 2025. Additionally, in year 2026, the company decided to stop all financing activities, 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 the Note shows the Company's actions and its future plan to counter that. Our opinion has not been modified in respect of this matter.



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

31 December 2025

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

### Emphasis of Matter

We draw attention to Note (17) to the financial statements and as stated in the company's lawyer letter, the credit portfolio includes facilities that were granted without tangible guarantees to a group of customers that reached JD 5.5 million. The Company has filed a complaint to the Integrity and Anti-Corruption Commission against these customers and against some of the Company's previous employees, where the case was transferred to the competent court. There are also no cases filed against the company, our opinion has not been modified in respect of this matter.

### 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 of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the "Material Uncertainty About Going Concern" paragraph, we have determined the matter below to be the key audit matter to be communicated in our report.

#### Financial Assets at Amortized Cost

##### Key Audit Matter

The ECL provision of financial assets at amortized cost was amounted to approximately JD 6 million and 900 thousand as at 31 December 2025 which represents 76% of the total financing receivables, and the determination of the existence of impairment and an estimate of the provision required in accordance with the expected credit loss model and in accordance with IFRS (9) requires a great degree of diligence and professional judgment.

##### Related Notes

Refer to Note (6) of the accompanying financial statements.

##### Audit Response

The audit procedures included an understanding of the nature of the receivables portfolio and the procedures used to collect them and reviewing the reasonableness of the estimation made by the management using an expert in the calculation of the allowance in accordance with IFRS (9), whom we met and discussed the findings with. Also, we reviewed the ages of those receivables, all the lawsuits, correspondences, and subsequent collections, if any. As a result, we evaluated the sufficiency of this provision and the related disclosures.



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

31 December 2025

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

### Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of 2025 but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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, 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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### 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, 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 process.



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

31 December 2025

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

### 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 exists, 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.



## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

31 December 2025

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

### Auditor's Responsibilities for the Audit of the Financial Statements -Continued

We communicated with those charged with governance regarding other matters, the planned scope, timing of the audit, and significant audit findings, including any significant deficiencies in the internal control that have been identified during our audit.

We also provided those in charge of the governance with a statement that we have complied with relevant ethical requirements regarding independence and informed them of all relationships and other matters that may reasonably be thought to affect our independence, in addition to preventive procedures, if any.

From the matters communicated with those in charge of governance, we determined if any of 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 reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

The Company maintains proper accounting records, and the audited financial statements and the financial information stated in the board of directors' report are in agreement therewith, we recommend the general assembly to approve them.

Samman & Co.



Ahmad Ramahi  
License No. (868)



26 March 2026  
Amman - Jordan

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

Statement of financial position  
As at 31 December 2025

	Note	2025 JD	2024 JD
<b>ASSETS</b>			
Cash and deposit at bank		859,533	3,454,087
Financial assets at fair value through profit or loss		17,816	17,816
Financial assets at amortized cost	(6)	1,687,423	1,567,558
Other receivables	(7)	99,722	66,708
Property and equipment	(8)	235,700	241,150
Properties seized against debts	(9)	1,441,900	1,548,664
Deferred tax assets	(14)	1,444,887	1,444,887
<b>TOTAL ASSETS</b>		<b>5,786,981</b>	<b>8,340,870</b>
<b>LIABILITIES AND SHAREHOLDERS EQUITY</b>			
<b>LIABILITIES</b>			
Other payables	(10)	662,841	234,622
<b>SHAREHOLDERS EQUITY</b>			
Subscribed capital	(11)	5,000,000	16,000,000
Statutory reserve		207,789	206,000
Voluntary reserve		251	387,302
Accumulated losses		(83,900)	(8,487,054)
<b>NET SHAREHOLDERS EQUITY</b>		<b>5,124,140</b>	<b>8,106,248</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS EQUITY</b>		<b>5,786,981</b>	<b>8,340,870</b>

The financial statements from page [1] to [20] were approved and authorized for issue by the Board of Directors on 26 March 2026 and were signed on its behalf 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**

**Statement of profit or loss and other comprehensive income**  
**For the year ended 31 December 2025**

	<u>Note</u>	<u>2025</u>	<u>2024</u>
		JD	JD
Murabaha financing revenues - net		80,881	62,826
Murabaha revenues		153,603	25,346
Profits on sale of properties seized against debts	(9)	14,779	1,139,924
Expected credit losses for financial assets at amortized cost	(6)	51,403	(127,078)
Employees benefits expenses	(12)	(98,369)	(111,890)
Administrative expenses	(13)	<u>(184,405)</u>	<u>(155,177)</u>
<b>Profit for the year before income tax</b>		17,892	833,951
Income tax expense	(14)	<u>-</u>	<u>(552,655)</u>
<b>Comprehensive profit</b>		<u><u>17,892</u></u>	<u><u>281,296</u></u>
 Basic and diluted loss per share for the period JD / share	(15)	0.002	0.018

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

Statement of changes in equity  
For the year ended 31 December 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
Capital reduction - Note (11)	(3,000,000)	-	-	-	(3,000,000)
writing off accumulated losses - Note (11)	(8,000,000)	-	(387,051)	8,387,051	-
Comprehensive profit	-	-	-	17,892	17,892
Transfer to statutory reserve	-	1,789	-	(1,789)	-
At 31 December	5,000,000	207,789	251	(83,900)	5,124,140
<u>2024</u>					
At 1 January	16,000,000	122,605	220,512	(8,518,165)	7,824,952
Comprehensive profit	-	-	-	281,296	281,296
Transfer to statutory reserve	-	83,395	-	(83,395)	-
Transfer to voluntary reserve	-	-	166,790	(166,790)	-
At 31 December	16,000,000	206,000	387,302	(8,487,054)	8,106,248



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

Statement of cash flows  
For the year ended 31 December 2025

	Note	2025 JD	2024 JD
<b><u>Operating activities</u></b>			
Profit (loss) of the year before tax		17,892	833,951
<i>Adjustments for:</i>			
Depreciations & Amortizations	(8)	5,450	5,268
Expected credit losses for financial assets at amortized cost	(6)	(51,403)	127,078
		(28,061)	966,297
Financial assets at amortized cost		(68,462)	257,659
Properties seized against debts	(9)	106,764	1,994,233
Other receivables		(33,014)	18,579
Other payables		428,219	(439,490)
Net cash flows from operating activities		405,446	2,797,278
<b><u>Investing activities</u></b>			
Purchase of property and equipment	(8)	-	(1,000)
Net cash flows used in investing activities		-	(1,000)
<b><u>Financing activities</u></b>			
Capital reduction	(11)	(3,000,000)	-
Net cash flows used in financing activities		(3,000,000)	-
Net change in cash at banks during the year		(2,594,554)	2,796,278
Cash at banks - Beginning of the year		3,454,087	657,809
Cash at banks - Ending of the year		859,533	3,454,087
<b><u>Non-cash transactions</u></b>			
Investment properties versus debt	(9)	-	545,507

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

**Notes forming part of the financial statements  
For the year ended 31 December 2025**

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**1) General**

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

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

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

<u>Name</u>	<u>Position</u>
Mr. Mohammad Ahmad Musa Al-Azb	Chairman
Dr. Farooq Mohammad Murad Murad	Deputy Chairman
Al Al-Bayt University Represented by Prof. Dr. Osama Khaled Ibrahim Nusair	Board Member
Eng. Mohammad Ismael Mohammad Attieh	Board Member
Kefah Ahmad Moustafa AL - Maharmeh	Board Member
Saeed Mohammad Hasan Al-Masoud	Board Member

The financial statements for the year ended 31 December 2025 were approved by the Company's Board of Directors on 26 March 2026. These statements require the approval of the General Assembly of Shareholders.

**2) Basis of preparation**

The principal accounting policies adopted in the preparation of the financial statements are set out in Note (4) to the financial statements. The policies have been consistently applied to all the years presented, unless otherwise stated.

The financial statements are presented in JD, which is also the functional currency. Amounts are rounded to the nearest JD.

These financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs) as adopted by the Jordanian laws.

The preparation of financial statements in compliance with adopted IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in Note (3) to the financial statements.

*Basis of measurement*

The financial statements have been prepared on a historical cost basis, except for the financial assets at fair value through profit or loss and investment in associate company, the details of which are disclosed in their accounting policies.



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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**Changes in accounting policies**

**a) New standards, interpretations and amendments adopted from 1 January 2025:**

The following amendments are effective for the period beginning 1 January 2025:

- Lack of exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates);

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

These amendments had no effect on the financial statements of the company.

The following illustrative examples have been issued during 2025 with no effective date:

- Illustrative examples on reporting uncertainties in financial statements:

On 28 November 2025, the IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements. The illustrative examples are accompanying materials to IFRS Accounting Standards and do not have an effective date. The IASB had issued a near-final staff draft of the illustrative examples in July 2025. The Company has considered these illustrative examples in its preparation of the consolidated financial statements and no additional disclosures or changes in presentation were considered necessary.

**b) New standards, interpretations and amendments not yet effective:**

There are a number of amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to the *Classification and Measurement of Financial Instruments* (Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments Disclosures*)
- *Contracts Referencing Nature -dependent Electricity* (Amendments to IFRS 9 and IFRS 7).

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 *Presentation and Disclosure in Financial Statements*
- IFRS 19 *Subsidiaries without Public Accountability: Disclosures*.

The Company is currently assessing the effect of these new accounting standards and amendments.



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the consolidated financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include:

- Categorisation and sub-totals in the statement of profit or loss,
- Aggregation/disaggregation and labelling of information,
- Disclosure of management-defined performance measures.

The company does not expect to be eligible to apply IFRS 19.

### 3) Critical accounting estimates and judgments

The Company makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The following are some significant accounting estimates used in the preparation of the financial statements:

#### *Fair value measurement*

Inputs used in fair value measurement are categorized into different levels based on inputs provided and how observable they are (Fair value hierarchy):

level one: observable quoted prices (unadjusted) in active markets for assets or liabilities that Company can obtain.

level two: quoted prices are not available, but the fair value is based on observable market data and inputs are observable directly or indirectly for assets or liabilities.

level three: unobservable inputs for assets or liabilities.

The level of inputs used to determine the fair value measurement of financial assets at fair value through profit or loss is level one.

The level of inputs used to determine the fair value measurement of properties seized against debts is level two. The management estimates the impairment amount of properties seized against debt-based on recent evaluations by certified external evaluators for the purpose of calculating any impairment. The impairment is reviewed periodically.

#### *Property and equipment*

The company reviews the estimated useful life of property and equipment and the depreciation method to verify that it reflects the used economic benefits and in case there is a difference it will be treated as changes in estimates (in the year of change and subsequent years).

#### *Legal proceedings*

The Company reviews outstanding legal cases following developments in the legal proceedings and at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors that should be taken into consideration regarding the provisions are the nature of the proceedings and the actions taken (especially in the period between the date of the financial statements and the date of issuance of these statements). And the opinion of a legal advisor on similar lawsuits in addition to the management decision on how to respond.



*Income tax*

The Company is subject to income tax and significant judgment is required in determining the provision for income taxes. During the ordinary course of business, there are transactions and calculations for which the ultimate tax determination is uncertain. As a result, the Company recognizes tax liabilities based on estimates of whether additional taxes and interest will be due.

*Expected credit loss of financial assets at amortized cost*

The Company recognized the expected credit losses of the financial assets using the general approach according to IFRS (9), which requires the management to use important estimates and assumptions as disclosed in the accounting policy of the financial instruments in Note (4) to the financial statements.

**4) Accounting policies**

**Revenues**

Mudaraba investments are recorded in the statement of profit or loss according to the accrual basis. Revenues resulting from Murabaha are recognized using the Declining Murabaha method over the period of the Murabaha contract. The distributed profits are recorded upon realization (approved by the General Assembly of Shareholders) in the statement of profit or loss. Commissions are recognized in the statement of profit or loss.

**Foreign currencies**

Transactions entered into by the Company in a currency other than the currency of the primary economic environment in which they operate (functional currency- Jordanian Dinar) are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the reporting date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are recognized immediately in the statement of profit or loss. Non-monetary assets and liabilities recognized at cost are translated at rates ruling at the date of transaction, where non-monetary items recognized at fair value translated at rates of valuation date, valuation of profit or loss are recognized as part of the intended fair value.

**Financial Assets**

Financial assets are classified at initial recognition in one of the following categories:

- Amortized cost.
- Fair value through profit or loss.
- Fair value through other comprehensive income.

*Financial Assets at amortized cost*

The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics and if it meets both of the following conditions:

1. It's held within a business model whose objective is to hold assets for collection of future cash flows;
2. It arises from its contractual terms, on specified dates, principal, and Murabaha.

Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

These assets are subsequently measured and Murabaha income at amortized cost is recognized using the effective Murabaha method (Declining Murabaha) for the duration of the Murabaha contract. Amortized cost is reduced by impairment losses, if any  
The Murabaha income, investment income on Mudaraba, foreign exchange gains and losses and impairment and gains or losses on disposal of financial assets are recognized in profit or loss. The Non-Islamic income, gains, expenses and losses (if any) are recognized in a special account in the statement of financial position in other credit balances, where they are disbursed or donated in accordance with decisions of the Board of Directors and the Shari'a Supervisory Board.

*Expected credit loss*

The Company recognizes the expected credit losses of financial assets classified at amortized cost using the general approach according to IFRS (9) and it classifies the portfolio to three stages based on the expected credit loss as follows:

Stage	Classification	Basis of calculation	Company's evaluation
First stage	Credit risk has not increased significantly since the initial recognition	Recognise 12-month expected credit loss from the date of the financial statements	Consider all customers have undue payments and/or have due payments for a period not exceed 30 days in this stage
Second stage	Credit risk that increased significantly after the initial recognition	Recognise lifetime expected losses being calculated based on the gross amount of the financial asset	Consider all customers have due payments for a period exceeding 30 days but not exceeding 90 days in this stage
Third stage	A significant indication of impairment in the financial asset at the reporting date	Recognise lifetime expected losses being calculated based on the gross amount of the financial asset	Consider all customers have due payments for a period exceeding 90 days

The following methods are used to calculate the provision:

First: The probability of default (PD) of the loans classified within stage 1 was calculated by historical data for the last 5 years of defaults for each portfolio. For the second stage, the probability of default (PD) of the entire debt lifetime was calculated by converting the portfolio's probability of default to a default for the entire lifetime of the debt considering the number of remaining years of debt expiry and economic indicators (unemployment / inflation). As for the third stage, 100% was determined as a probability of default (PD) for all debts classified within this stage.

Second: Five models were prepared, and the weighted weights were used to calculate the loss given default (LGD) as follows:

Stages	Default Loss %
First stage	20
Second stage	40
Third stage	60 - 85



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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Third: the present value of the expected payments as well as the guarantees, their expenses and depreciation and the period of time to liquidate the guarantee were calculated. Net cash flows from the guarantees were calculated, but the expected cash flows of a number of default customers were excluded based on the management's estimation of their situation.

In each financial period, the Company evaluates the credit rating of financial assets at amortized cost. A financial asset's credit rating is impaired when one or more events have a negative impact on the estimated future cash flows of the financial instrument.

Provisions of the financial assets measured at amortized cost are deducted from the total carrying amount of the financial asset. Losses of other financial assets are recognized in profit or loss.

Financial assets at amortised cost include cash, bank deposits, receivables from financing activities and other receivables as shown in the statement of financial position. Cash and cash equivalents include cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

*Financial assets at fair value through profit or loss*

The Company measures all financial assets that are not classified at amortized cost or fair value through other comprehensive income at fair value through the profit or loss. These assets are initially recognized at fair value. These assets subsequently measured at fair value. Net gains and losses, including any Murabaha or dividend income, are recognized in profit or loss.

**Financial liabilities**

The Company has not classified any financial liabilities in financial liabilities at fair value through the profit or loss. The financial liabilities are as follow:

*Other payables*

Other payables are initially recognized at fair value and subsequently carried at amortized cost using the effective Murabaha method.

**Properties seized against debts**

Properties seized against debts is recognized in the statement of financial position at the lower of value in which they have been transferred or at fair value individually. Any impairment is recognized as a loss in profit or loss. Profit from revaluation is recognized to the extent that does not exceed the previously recorded impairment losses in profit or loss.

**Property and equipment**

Items of property and equipment are initially recognized at cost. In addition to the purchase price, cost includes directly attributable costs that set the asset in a condition that enables it to achieve the purpose which it was purchased for. Depreciation is not applicable on lands and depreciation on projects under construction does not commence until they are complete and available for use. Depreciation is provided on all other items of property and equipment so as to write off their carrying value by the estimated useful life. It is provided at the following rates:

<u>Asset</u>	<u>Depreciation %</u>
Office	2
Cars	20
Computer, hardware and softwares	10-25



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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When the recoverable amount for assets is less than its book value, they will be written down to their recoverable amount. The impairment loss is recorded in the statement of profit or loss. Any gain or loss arising on derecognition of the asset calculated as the difference between the net disposal proceeds and the carrying amount of the assets is included in the statement of profit or loss in the period in which the asset is derecognized.

**Capital**

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of financial liability or financial asset, the Company's ordinary shares are classified as equity instruments.

**Employees Benefits**

The Company's contribution to the defined employee's benefit schemes are recognized in the profit or loss in the year to which it relates.

**Provisions**

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risk and uncertainties surrounding the obligation. When some or all the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

**Deferred tax**

Deferred tax assets and liabilities are recognized where the carrying amount of an asset or liability in the statement of financial position differs from its tax base. Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilized.

**Dividends**

Dividend income from investments is recognized when Shareholders are entitled to receive payment of dividends upon approval by the General Assembly of Shareholders.

**5) Financial Instruments - Risk Management**

The Company is exposed through its operations to the following risks:

- Credit risk
- Market risk
- Liquidity risk

In common with all other businesses, the Company is exposed to risks that arise from its use of financial instruments. This note describes the Company objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Company exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them unless otherwise stated in this note.



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

(I) Principal financial instruments

The principal financial instruments used by the Company, from which financial instrument risk arises, are as follows:

- Financial assets at fair value through profit or loss.
- Financial assets at amortized cost.
- Others.
- Cash and deposits at banks
- Other credit balances.

(II) Financial instruments by category

	2025	2024
	JD	JD
<u>Financial assets at amortized cost</u>		
Financial assets at amortized cost	1,687,423	1,567,558
Cash and deposits at banks	859,533	3,454,087
Others	33,639	23,439
	<u>2,580,595</u>	<u>5,045,084</u>
<u>Financial assets at fair value</u>		
Financial assets at fair value through profit or loss	17,816	17,816
	<u>2,598,411</u>	<u>5,062,900</u>
<u>Financial liabilities at amortized cost</u>		
Other payables	<u>75,726</u>	<u>88,541</u>

(III) Financial instruments not measured at fair value

A financial instrument not measured at fair value includes cash and deposit at banks, financial assets at amortized cost, others, and other payables.

Due to their nature, the carrying value of the financial instruments above approximates their fair value.

General objectives, policies and procedures

The Board has overall responsibility for the determination of the Company's risk management objectives and policies, whilst retaining ultimate responsibility for determination and implementation of these objectives and policies. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Company competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company is exposed to this type of risk mainly from financial assets at amortized cost. The Company follows the policy of obtaining facilities granted or tangible guarantees to reduce credit risk.

There are credit concentrations of approximately JD 5 million granted to the 8 largest customers as of 31 December 2025, representing 59% of the finance receivables after deducting deferred revenue (31 December 2024, approximately JD 6 million representing 67% of finance receivables after deducting deferred revenue).

Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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Credit risk also arises from cash and deposits at banks, and financial assets. The Company deals with banks with a suitable credit rating.

**Market risk**

Market risk arises from the Company's use of Murabaha bearing, tradable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in Murabaha rates (Murabaha rate risk), foreign exchange rates (currency risk), or other market factors (another price risk).

*Murabaha price risks*

Murabaha price risk is the risk related to the change in the value of financial instruments due to changes in Murabaha market rates. Moreover, the Company continuously manages the exposure to Murabaha price risk. It evaluates different options such as financing, renewing current positions, and carrying out alternative financing.

*Currency risk*

Currency risk arises when the Company has financial transactions in a currency other than their functional currency. The Company is not exposed to this type of risk since it does not deal in foreign currencies in its activities.

*Other market price risks*

The Company is exposed to other market price risks due to its investments in financial assets at fair value through profit or loss. The maximum amount exposed to fair value fluctuations for these investments is JD Zero for the year 2025 compared to JD Zero for the year 2024.

**Liquidity risk**

Liquidity risk arises from the Company's management of working capital. It is the risk that the Company will encounter difficulty in meeting its financial obligations as they fall due.

**Capital Management**

The Company monitors "Adjusted capital" which comprises all components of equity (Subscribed capital, statutory reserve, voluntary reserve and accumulated losses).

The Company's objectives when maintaining capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

The Company manages its capital structure and makes adjustments to it in light of the changes in the economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets in order to reduce debt.



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

6) Financial assets at amortized cost

	2025	2024
	JD	JD
Finance receivables	9,148,065	9,049,919
Deduct:		
Deferred revenues	(42,333)	(4,372)
	9,105,732	9,045,547
Deduct:		
Expected credit loss provision	(6,912,762)	(6,964,165)
Suspended revenues	(505,547)	(513,824)
	1,687,423	1,567,558

The company has note receivables and cheques under collection, out of the financial position, at a value of approximately JD 11.837 million, against finance receivables as at 31 December 2025 (2024: approximately JD 11.046 million). Finance receivables in terms of types are as follows:

	2025		2024	
	Finance receivables	Deferred revenues	Net finance receivables	Net finance receivables
	JD	JD	JD	JD
Murabaha financing	9,148,065	42,333	9,105,732	9,045,547

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

	2025		2024	
	Amount	Expected loss	Amount	Expected loss
	JD	JD	JD	JD
First stage: from 0 to 30 days	958,177	17,319	259,911	2,618
Second stage: from 31 to 90 days	-	-	1,211,757	53,139
Third stage: more than 90 days	8,189,888	6,895,441	7,578,251	6,908,408
	9,148,065	6,912,760	9,049,919	6,964,165

The transaction on expected credit loss provision during the year is as follows:

	2025	2024
	JD	JD
At 1 January	6,964,165	8,810,855
Component during the year (return)	(51,403)	127,078
Execution of debts	-	(1,973,768)
At 31 December	6,912,762	6,964,165

Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

The transaction on deferred revenues during the year is as follows:

	2025	2024
	JD	JD
At 1 January	4,372	52,896
Deferred revenues during the year	110,565	7,274
Revenues during the year	(72,604)	(55,798)
At 31 December	42,333	4,372

The transaction on suspended revenue during the year is as follows:

	2025	2024
	JD	JD
At 1 January	513,824	520,852
Suspended revenues during the year	2,702	4,142
Deduct: Suspended revenues was recognized during the year	(10,979)	(11,170)
At 31 December	505,547	513,824

7) Other receivables

	2025	2024
	JD	JD
Others	43,749	37,646
Refundable deposits	23,139	23,139
Prepaid expenses	22,334	5,623
Employees receivables	10,500	300
	99,722	66,708



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

8) Property and equipment

	Office	Car	Computer hardwares and softwars	Total
	JD	JD	JD	JD
<u>Cost</u>				
At 1 January 2024	262,479	21,000	242,786	526,265
Additions	-	1,000	-	1,000
At 31 December 2024	262,479	22,000	242,786	527,265
At 31 December 2025	262,479	22,000	242,786	527,265
<u>Accumulated Depreciation</u>				
At 1 January 2024	17,061	21,000	242,786	280,847
Depreciation	5,250	18	-	5,268
At 31 December 2024	22,311	21,018	242,786	286,115
Depreciation	5,250	200	-	5,450
At 31 December 2025	27,561	21,218	242,786	291,565
<u>Net Book Value</u>				
At 1 January 2024	245,418	-	-	245,418
At 31 December 2024	240,168	982	-	241,150
At 31 December 2025	234,918	782	-	235,700

9) Properties seized against debts

This item represents the lands that has been acquired by the company against non-performing financing receivables that have been recognized by seizure by the judicial courts in addition to the legal rules and registration expenses thereof. The current value has reached up to 1,181 million Jordanian dinars according to reviews of real estate experts.

The movement in real estate expropriated against debts is as follows:

	2025	2024
	JD	JD
At 1 January	1,548,664	2,997,390
Acquired during the year	-	545,507
Sold during the year	(106,764)	(1,994,233)
At 31 December	1,441,900	1,548,664

Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

10) Other payables

	2025	2024
	JD	JD
Board of Directors transportation	36,550	47,392
Cash collateral against financing receivables	35,280	35,561
Accrued expenses	3,896	5,588
<b>Total financial liabilities at amortized cost</b>	<b>75,726</b>	<b>88,541</b>
Shareholders deposits	434,855	6,665
Customers deposits	137,614	124,634
Others	14,646	14,782
	<b>662,841</b>	<b>234,622</b>

The carrying value of other payables classified as financial liabilities measured at amortized cost approximates fair value.

11) Equity

*Capital*

The authorized and subscribed capital is (5) million JD divided into (5) million shares where the value is one JD per share.

The company's General Assembly, in its extraordinary meeting held on May 18, 2025, decided to offset a portion of the accumulated losses using the company's capital and the voluntary reserve balance, so that the company's capital after offsetting the accumulated losses would be 8 million Jordanian dinars. The procedures were completed with the Ministry of Industry, Trade and Supply on July 15, 2025.

The company's General Assembly, in its extraordinary meeting held on August 18, 2025, decided to reduce the capital by returning a portion of it as surplus cash, so that the capital would become 5 million Jordanian dinars. The procedures were completed with the Ministry of Industry, Trade and Supply on September 25, 2025

*Statutory reserves*

The amounts accumulated in this item represent the annual profits transferred before income tax and fees at a rate of 10% over the years, and it is not distributable. However, the General Authority, after exhausting the other reserves, may decide in an extraordinary meeting to extinguish its losses from the amounts accumulated in the mandatory reserve account, provided that it is rebuilt. The company can stop transferring the mandatory reserve amounts when its balance reaches 25% of the authorized capital. However, with the approval of the company's general assembly, it is permissible to continue deducting this annual percentage until this reserve reaches the amount of the company's authorized capital.

*Voluntary reserves*

The amounts accumulated in this item represent the annual profits transferred before income tax and fees at a rate of 20% over the years. The optional reserve is used for the purposes decided by the Board of Directors, and the General Authority has the right to distribute it in full or any part of it as dividends to shareholders.



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

*Accumulated losses*

This item contains only profits, losses and dividends.

Based on the Extraordinary General Assembly's decision dated May 18, 2025, it was decided to offset a portion of the accumulated losses, amounting to approximately 8 million Jordanian dinars, by reducing the company's capital and the voluntary reserve balance, thus reducing the accumulated losses to 100,000 Jordanian dinars. The procedures were completed with the Ministry of Industry, Trade and Supply on July 15, 2025.

12) Employee's benefits expenses

	2025	2024
	JD	JD
Salaries, wages and bonuses	86,360	100,360
Social security	7,191	6,891
Health insurance and treatment	4,818	4,639
	<u>98,369</u>	<u>111,890</u>

13) Administrative expenses

	2025	2024
	JD	JD
Professional and consulting fees	71,735	44,514
Board of Directors transportation	33,342	42,000
Judicial expenses	26,463	26,317
Subscriptions and fees	24,614	16,318
Sharia supervisory board	8,597	10,660
Depreciation	5,450	5,268
Maintenance and cleaning	2,685	3,046
Electricity and water	1,708	1,639
Others	9,811	5,415
	<u>184,405</u>	<u>155,177</u>

14) Income Tax

The income tax shown in the statement of profit or loss and other comprehensive income represents the amount that was reduced from deferred tax assets as a result of writing off some old debts, as shown in Note No. (6) to the financial statements.

The balance of deferred tax assets represents what was calculated in previous years for the temporary tax difference resulting from the provision for expected credit losses using a ratio of 24% (income tax rate) and 4% (national contribution rate).

The details of deferred tax assets related to the provision for expected credit losses for financial assets at amortised cost were as follows:

Movement in the allowance for expected credit losses				Deferred tax assets at December 31	
At 1 January 2025	Component during the year	Execution of debts	At 31 December 2025	2025	2024
JD	JD	JD	JD	JD	JD
6,964,165	(51,403)	-	6,912,762	<u>1,444,887</u>	<u>1,444,887</u>

Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

The transaction in deferred tax assets is as follows:

	2025	2024
	JD	JD
At 1 January	1,444,887	1,997,542
Reducing the portion related to writing off receivables - Note (6)	-	(552,655)
<b>Balance 31 December</b>	<b>1,444,887</b>	<b>1,444,887</b>

The company does not recognize an additional of deferred tax assets whether on the additional provision for expected credit losses or on the acceptable taxable accumulated losses because the company don't be probable provides taxable profits in the future can be used against those items according to the requirements of the International Accounting Standards number (12) "Income Tax".

The company is committed to submitting income tax returns (self-assessment statements) to the Income and Sales Tax Department regarding the company's annual business results, and there is no need to allocate an income tax provision because the company has taxable losses.

The company's income tax has been settled until the year 2021, and the sales tax has been settled with the Income and Sales Tax Department until the year 2020.

15) Basic and diluted (loss) income per share of the year loss-JD/share

	2025	2024
	JD	JD
Comprehensive profit	17,892	281,296
Weighted average number of shares	7,194,471	16,000,000
	0.002	0.018

16) Related Parties

The senior management personnel are those who have the authority and responsibility to plan, supervise and control the activities of the Company. The salaries and benefits of the senior management are as follows:

	2025	2024
	JD	JD
Salaries and other benefits	41,500	50,000
Board of Directors transportation	33,342	42,000
	74,842	92,000



Notes forming part of the financial statements (Continued)  
For the year ended 31 December 2025

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**17) Lawsuits**

As stated in the Company's lawyer letter the credit portfolio includes facilities that were granted without tangible guarantees to a group of customers reached to JD 5.5 million. The Company has filed a complaint to the Integrity and Anti-Corruption Commission against these customers and against some of the Company's previous employees where the case was transferred to the competent court. There are also no cases filed against the Company.

**18) Segment reporting**

There is no segment analysis because the Company's activities have been suspended since 2017. However, in accordance with the decisions of the Board of Directors, several financings were exceptionally granted during the year 2025 amounting to 849 thousand Jordanian dinars, most of which was financing the purchase of motors and factory spare parts in Jordan.

**19) 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.

The Company completed the requirements of the Securities Commission, and the company's shares were re-traded in the second market (listed companies) on July 21, 2020. The company's management is also looking forward to improving the company's financial situation in the coming period, as it began granting new financing during 2024, totaling JD 829 and during 2025, totaling JD 849 while continuing the efforts made to collect its debts by making the necessary settlements and reconciliations to find solutions for distressed customers and reduce the severity of the severe default in the credit portfolio. The company also seeks to liquidate the plots of land it owns and achieve benefits for shareholders, noting that during 2024, the company sold two lands, as shown in Note No. (9) to the financial statements. Additionally, during 2025, the company sold one plot of land and partially offset accumulated losses against the company's capital and optional reserve, as shown in Note No. (11) to the financial statements.

**20) Subsequent Events**

The company's General Assembly in extraordinary meeting decided on 18 January 2026, to changing the company's name to "Dar Al-Aman Investment Company," updating the Articles of Incorporation and the company's rules, and removing all parts of the Articles of Incorporation that allow for direct financing of consumer goods, durable goods, and real estate according to Islamic Sharia. The clause regarding the management of the company amended so that a board of directors consisting of five members will undertake all administrative, financial, judicial, and other affairs, replacing the previous structure of seven members. On 26 January 2026, the Ministry of Industry, Trade, and Supply completed the procedures.