

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Financial Statements
as of December 31, 2020

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

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Independent Auditors' Report

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To the Shareholder of
Ibn- Al Haytham Hospital Co
Public Shareholding Company
Amman- The Hashemite Kingdom of Jordan

Report on the Audit of the Financial Statements

Opinion

We have audited the Accompanying financial statements of **Ibn- Al Haytham Hospital Co. (Public Shareholding Company)**, which comprise the statement of financial position as at December 31, 2020, and the statements of comprehensive income, changes in owner's equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS)

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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. 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 of the current period. 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.



Application of IFRS No. (15) “Revenue from Contracts with Customers”

-The Company recognized revenue of JD 11,079,90 for the year ended December 31, 2020 (JD 14,442,280 for the year 2019).

- The Company recognizes revenue through five steps, as mentioned in IFRS (15) revenues from contacts with customers and these steps require using judgment from the management.

- We considered this as a key audit matter as there is a risk that revenue may be misstated due to management’s override of controls, judgement involved in estimating the performance obligation and the assistant of variable considerations, represent mainly governmental customer’ rejection rates and that the timing and amount of revenue recognized in a financial period can have a material effect on the Company’s financial performance.

The audit procedures included the:

- Considering the appropriateness of revenue recognition as per the Company’s policies and assessing compliance IFRS (15) “Revenue from contracts with customers”.
- Testing the design and effectiveness of internal controls implemented by the Company through the revenue cycle.
- Testing sample of sales transactions taking place at either side of the statement of financial position date to assess whether the revenue was recognized in the correct period.
- Evaluating the discounts for the key customers, by re-calculating the discounts awarded based on the contractual terms.
- Performing analytical audit on revenue based on trends of monthly sales and profiting margins.
- Reviewed the adequacy of the Company’s disclosures Note(4,22).

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditors’ report thereon. We expected that we will give the annual report after our report. 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 when its 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. 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. We have nothing to report in this regard.

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 IFRS, 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.

Auditors' 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 auditors' 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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 auditors' 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 has proper accounting records which are, in all material respects, consistent with the accompanying financial statements, accordingly, we recommend approving these financial statements by the general assembly.

Al- Abbasi & Partners Co.

Nabil M. Obeidat
License 877



Amman in
March 30, 2021

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
Amman - The Hashemite Kingdom of Jordan

Statement of Financial Position as of December 31 , 2020

	Note	2020 JD	2019 JD
<u>Assets</u>			
<u>Non-current Assets</u>			
Property , plant & equipments - net	5	15,187,435	16,375,806
Projects under construction	6	1,625,068	1,338,641
Investments in associates	7	744,940	693,391
Financial assets at fair value through comprehensive income	8	3,775,068	3,398,458
Total Non-current assets		21,332,511	21,806,296
<u>current Assets</u>			
Inventory	9	3,008,448	1,788,822
Accounts receivable & cheques under collection - net	10	5,396,858	4,773,264
Due from related parties	29a	677,060	553,140
Other debit balances	11	710,390	970,582
Cash on hand and at banks	12	394,060	278,974
Total Current Assets		10,186,816	8,364,782
Total Assets		31,519,327	30,171,078
<u>Owner's Equity and liabilities</u>			
<u>Owner's Equity</u>			
Capital	13	20,000,000	20,000,000
Stock premium	14	1,911,328	1,911,328
Statutory reserve	15	1,445,544	1,248,790
Voluntary reserve	16	78,853	78,853
Fair value reserve for the financial assets	17	(1,373,334)	(1,809,172)
Accumulated (loss) at the end of the year	18	406,849	(687,905)
Total Owner's Equity		22,469,240	20,741,894
<u>Current Liabilities</u>			
Credit banks	19	2,529,584	2,782,330
accounts payable and posted dated cheques	20	5,339,432	5,704,656
Due to related parties	29b	34,070	140
Income Tax provision	21	222,524	117,467
Other credit balances	22	924,477	824,591
Total current liabilities		9,050,087	9,429,184
Total Owner's Equity and liabilities		31,519,327	30,171,078

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)
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Statement of comprehensive Income For The Year Ended December 31,2020

	<u>Note</u>	<u>2020</u> JD	<u>2019</u> JD
Revenues	2	11,079,970	14,442,280
Cost of Revenue	24	(5,705,089)	(8,929,280)
Gross Profit Margin		5,374,881	5,513,000
General & administrative expenses	25	(2,923,977)	(3,408,254)
Depreciation		(822,995)	(966,070)
Finance Commisions & expenses		(179,581)	(281,590)
Company's share of associates profit	7	5,634	(24,237)
Other revenues	26	468,584	528,835
Profit of the year before tax		1,922,546	1,361,684
Income tax	21	(362,711)	(107,154)
National contribution account		(18,135)	(5,354)
Profit of the year		1,541,700	1,249,176
<u>Other comprehensive income items</u>			
Change in fair value reserve		376,610	(113,657)
Change in fair value reserve - associates co		59,228	(47,048)
Total Comprehensive income		1,977,538	1,088,471
		JD	JD
Basic and diluted per share	27	0.077	0.062

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)
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Statement of Changes in Owners Equity For The Year Ended December 31,2020

	Capital		Issue premium	Statutory reserve	Voluntary reserve	Fair value reserve	Accumulated (loss) at the end of the year		Total
	JD	JD					JD	JD	
Balance as of Jan 1, 2020	20,000,000	1,911,328	1,248,790	78,853	(1,809,172)	(687,905)	20,741,894		
prior years expenses & tax	-	-	-	-	-	(250,192)	(250,192)		
Adjusted opening balance	20,000,000	1,911,328	1,248,790	78,853	(1,809,172)	(938,097)	20,491,702		
Profit of the year after tax	-	-	-	-	-	1,541,700	1,541,700		
change in fair value reserve	-	-	-	-	435,838	-	435,838		
Total Comprehensive income	-	-	-	-	435,838	1,541,700	1,977,538		
Transfer to statutory reserve	-	-	196,754	-	-	(196,754)	-		
Balance as of Dec 31, 2020	20,000,000	1,911,328	1,445,544	78,853	(1,373,334)	406,849	22,469,240		
Balance as of Jan 1, 2019	20,000,000	1,911,328	1,119,372	78,853	(1,648,467)	(1,407,622)	20,053,464		
prior years expenses & tax	-	-	-	-	-	(400,041)	(400,041)		
Adjusted opening balance	20,000,000	1,911,328	1,119,372	78,853	(1,648,467)	(1,807,663)	19,653,423		
Profit of the year after tax	-	-	-	-	-	1,249,176	1,249,176		
change in fair value reserve	-	-	-	-	(160,705)	-	(160,705)		
Total Comprehensive income	-	-	-	-	(160,705)	1,249,176	1,088,471		
Transfer to statutory reserve	-	-	129,418	-	-	(129,418)	-		
Balance as of Dec 31, 2019	20,000,000	1,911,328	1,248,790	78,853	(1,809,172)	(687,905)	20,741,894		

- The fair value reserve is a result of changes in the fair value of the owners equity instruments that valued at the fair value through the comprehensive income statement items, In accordance with the instructions of the Securities Commission It is prohibited to dispose of the credit balance of such change by dividends or capitalization or amortization the accumulated loss or any way of acting

- also , Dividends to shareholders are excluded from the balance of the negative balance (debit) to calculate the change in fair value for the owners equity instruments that valued at the fair value through the comprehensive income statement items

Accompanying notes form integral part of this statement

Ibn-Alhaytham Hospital Co (P.S.C)
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Statement of Cash Flows For The Year Ended December 31, 2020

	<u>Note</u>	<u>2020</u>	<u>2019</u>
		JD	JD
<u>Cash flows from operating activities</u>			
Profit of the year before tax		1,922,546	1,361,684
prior years (expenses & tax)		(250,192)	(400,041)
Depreciation		1,702,531	2,027,255
Company's share of associates profit		(5,634)	24,237
Financial Expenses		179,581	246,798
Net operating profit before changes in working		3,548,832	3,259,933
<u>(Increase) decrease in current assets</u>			
Accounts receivable & cheques under collection - net		(710,758)	314,074
Due from related parties		(123,920)	(153,769)
Inventory		(1,219,626)	(293,508)
Other debit balances		260,192	(474,982)
<u>Increase (decrease) in current liabilities</u>			
accounts payable and posted dated cheques due to related Parties		(365,224)	3,067,822
Other credit balances		33,930	(682)
		168,916	124,007
Net cash Resulting from operating activities before tax		1,592,342	5,842,895
Paid Income tax	20	(257,654)	-
Net cash Resulting from operating activities		1,334,688	5,842,895
<u>Cash flows from investing activities</u>			
Changes of property, plant and equipment	5	(514,161)	(1,571,357)
Projects under construction		(286,427)	(1,338,641)
Dividends from associates		13,313	33,345
Investment in associate company		-	(40,000)
Net cash flows (used in) investing activities		(787,275)	(2,916,653)
<u>Cash Flows from Financing Activities</u>			
Credit banks		(252,746)	(2,668,054)
Financial Expenses		(179,581)	(246,798)
Net cash flows (used in) investing activities		(432,327)	(2,914,852)
Net increase in cash balances		115,086	11,390
Cash balances at beginning of year		278,974	267,584
Cash balances at end of year		394,060	278,974

Accompanying notes form integral part of this statement

Notes to the Financial Statements

1- Incorporation

Ibn-Alhitham Hospital Co was established & registered as a Limited Liability company under number (3153) on **April 20,1993** , with a capital amounted (400,000 JD) divided to (400,000 share) and it was increased to amount to (20,000,000 JD)

The company has been converted into a public shareholding company and was registered under number (436) in accordance to approval of Ministry of Industry and Trade at May 10,2007

One of company's main objectives is to found and establish a hospital for general cases And especially ophthalmology,Otorhinolaryngology, Medicine and Neurosurgery and to Import a necessary medical equipment and supplies

The accompanying financial statements have been approved by the Board of Directors at its meeting held on **March 30, 2021** and are subject to the approval of the General Assembly of Shareholders

2- Basis of preparation

*** General**

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) and interpretations issued by the International Financial Reporting Standards Board (IFRIC)

The financial statements have been prepared accordingly Of the historical cost convention, except for financial assets and liabilities that are stated at fair value

The Jordanian Dinar is the currency of the presentation of the financial statements, which represents the Company's principal currency

3- Use of estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities . These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular , considerable judgement by management is required in the estimation of the amount and timing of future cash flows . 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 change in such provisions .

Management believe that the estimates are reasonable and are as follows :

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline , Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable . For individually significant amounts , this estimation is performed on an individual basis . Amounts which are not individually significant , but which are past due , are assessed collectively and a provision applied according to the length of time past due , based on historical recovery rates .

- Inventories are held at the lower of either cost or net realizable value . When inventories become old or obsolete , an estimate is made of their realizable value . For individually significant amounts this estimation is performed on an individual basis . Amounts which are not individually significant , but which are old or obsolete , are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence , based on historical selling prices.

- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits . Any impairment is taken to the statement of comprehensive income.

4- Significant accounting policies

The accounting polices 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 2019 except for the followings:

5- Changes in accounting policies

During the current period, the Company adopted the below new and amended International Financial Reporting Standards ("IFRS") and improvements to IFRS that are effective for periods beginning on 1 January 2020 :

- Amendments to the **IFRS** No. 3 "Business Combinations"
- Amendments to **IAS** 1 "Presentation of Financial Statements"
- Amendments to **IAS** 8 "Changes in accounting estimates and errors"
- Amendments to **IFRS** 7 "Financial Instruments: Disclosures"
- Amendments to **IFRS** 9 "Financial Instruments "

The adoption of new and revised IFRSs and improvements to IFRSs have no significant impact on the interim condensed financial statements

The following is a summary of the significant accounting policies used:

- Property, plant and equipment

Property & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates from 2-20 % .

An assets carrying amounts is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount , the impairment record in statement of comprehensive income .

The expected production life for assets is reviewed at end of the year , whenever ther are changes between the expected life and the estimated , the depreciation method is changed to depreciate on net book value based on the remaining production life after re-estimation from the year re-estimated on .

When there are no expected economic benifits from usage , that item will be written down immediately .

Notes to the Financial Statements

- **Investments in Associated Companies**

The investment in associated companies that the percentages of ownership is greater than 20% will be recorded at the equity method

- **Investments in financial assets at fair value through Comprehensive income statement**

Financial assets stated at fair value through comprehensive income are non derivative financial assets, the purpose of the acquisition is to keep them available for sale and not to trade or keep them until The differences in the change in fair value of financial assets carried at fair value are recorded through the statement of comprehensive income.

Financial assets stated at fair value through comprehensive income that is available to quoted market prices in active markets at fair value, net of accumulated impairment losses in the fair value appear.

Gains and losses arising from differences foreign currency debt instruments that bear interest within the specified financial assets at fair value through comprehensive income transfer register, while the registration of foreign exchange rate changes ownership of the tools included in the cumulative change in fair value in equity.

If the company did not adopt the recognition of the fair value changes of financial assets in equity instruments in the list of other comprehensive income must be an option then these assets are measured at fair value and recognize changes in fair value in the statement of comprehensive income.

Inventory

Books warehouse is stated at the cost , the cost is determined by using the moving average method .
spare parts warehouse is stated at the cost , the cost is determined by using the moving average

- **Accounts Receivables**

Accounts receivable are stated at their net realizable value net of a provision for doubtful accounts , bad debts were written off when identified and deducted from its stated provision and the collected amounts from debts are identified to revenues .

- **Accounts payable**

The accounts Payable and accrued amounts are recognized upon receipt of the goods by the company, whether billed by the supplier or not.

Provisions

Provisions are recognized when the Company has an obligation (legal or constructive) arising from a past event, and that the payment of the obligations is potential and its value can be measured reliably

- **Income tax**

Tax charges payable are calculated on the basis of taxable profits in accordance with Law No. 38 of 2018, and taxable profits differ from profits declared in the income statement because the declared profits include non-taxable revenues or expenses that are not downloadable in the fiscal year but rather in subsequent years or accumulated losses accepted Taxes or items that are not subject to or acceptable to download for tax purposes.

Revenue recognition

The revenue achieved upon signing the contract and the completion of the transfer of ownership to the buyer.

step 1 : Identify the contract with the customer	A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets standards for each contract that must be fulfilled.
step 2 : Identify performance obligations	A performance obligation is a promise in a contract with a customer to transfer a good or perform service to a customer
Step 3 : Determine the transaction price	The transaction price is the amount of the consideration that the company expects to obtain in exchange for transferring the goods or services promised by the customer, except for the amounts collected on behalf of third parties.
step 4: allocating the transaction price	For a contract that contains more than one performance obligation, the company distributes the transaction price to each performance obligation in an amount that specifies the amount of the amount of return that the company expects to obtain in return for fulfilling each performance obligation.
step 5 : recognition of revenue	The company generates revenue when or whenever it fulfills the performance obligation by transporting goods or implementing services promised to the customer under the contract.

Revenue is recognized when medical services are provided and bills are issued

Fair value

The closing price at the date of the financial statements in the financial markets represents the fair value of the current financial assets, and in the absence of equivalent prices for some financial assets, its fair value is estimated by comparing it with the current market value of a financial instrument very similar to it.

Offsetting

Offsetting of financial assets and financial liabilities is occurred and the net amount reported in the financial statements when the rights and legally enforceable right to offset the recognized amounts and the bank intends to either settle them on a net basis , or to realize the assets and settle the liability simultaneously

Foreign currency conversions

Foreign currency transactions are translated into Jordanian Dinars at the exchange rates prevailing at the date of transaction . Assets and liabilities expressed in foreign currencies are translated into Jordanian Dinars at the exchange rates prevailing as at the balance sheet date . Exchange differences arising from these translations are included in the statement of income .

5- Property, plant and equipment - Net

This item consists of :

	Lands		Buildings		Vehicles		Medical Equipments		Furniture		Office equipment		Computers		Machines and equipments		Signboard		Other assets		Total	
	JD		JD		JD		JD		JD		JD		JD		JD		JD		JD		JD	
Cost as of t january 1, 2020	5,381,711		12,629,084		472,724		19,386,512		1,038,760		976,414		737,915		111,652		26,277		107,469		40,868,518	
Additions during the year	-		-		39,080		184,114		76,438		15,203		170,980		6,906		14,655		21,645		529,021	
Deletion during the year	(8,015)		(28,657)		(59,374)		-		-		-		(3,895)		-		-		-		(99,941)	
Cost at December 31, 2020	5,373,696		12,600,427		452,430		19,570,626		1,115,198		991,617		905,000		118,558		40,932		129,114		41,297,598	
Accumulated Depreciation																						
balance as of january 1, 2020	-		7,479,047		468,007		14,403,335		842,878		745,339		438,938		53,772		22,164		39,232		24,492,712	
Additions during the year	-		618,152		11,414		855,946		60,614		62,366		79,386		11,758		1,023		1,872		1,702,531	
Deletion during the year	-		(25,709)		(59,371)		-		-		-		-		-		-		-		(85,080)	
balance as of December 31, 2020	-		8,071,490		420,050		15,259,281		903,492		807,705		518,324		65,530		23,187		41,104		26,110,163	
Net book value as of December 31, 2020	5,373,696		4,528,937		32,380		4,311,345		211,706		183,912		386,676		53,028		17,745		88,010		15,187,435	
Net book value as of December 31, 2019	5,381,711		5,150,037		4,717		4,983,177		195,882		231,075		298,977		57,880		4,113		68,237		16,375,806	

Notes to the Financial Statements

6- Projects under construction

The value of the projects under construction shown in the financial statements represents what was paid on the renewable energy project and it is expected that these projects will be completed during 2020

7- Investment in associated

This item consists of the following:

	Ownership rate		2020		2019	
			JD		JD	
International medical investment company *	2.2%		45,798		44,216	
Umama for investment and financial protfolio management	7.41%		699,142		649,175	
Applied for energy	40.0%		-		-	
Total			744,940		693,391	

* The above investments are classified as associated investments due to the strong influence of the investor on the financial and operational decisions made by the investor.

* The company's share of the associated business results is recorded and registration stops when the investment's value becomes zero in the company's books (note that the associated net rights as of December 31, 2019 were negative).

The following is a summary of the movement on the value of investment in associates

	2020		2019	
	JD		JD	
Balance at the beginning of the year	693,391		758,021	
Company's share of associates profit	5,634		(24,237)	
Change in fair value reserve - associates co	59,228		(47,048)	
Capital increase - Applied energy	-		40,000	
Dividends - Alomana' Company	(13,313)		(33,345)	
Balance at end of year	744,940		693,391	

The following table summarizes the financial statements of investments in associates:

Activity	2020			Company's share of associates profit
	Assets	Liabilities	Revenues	
	JD	JD	JD	JD
International medical investment company *	2,844,932	644,228	-	(2,482)
Umama for investment and financial protfolio management	10,638,994	1,249,752	412,504	8,116
Applied for energy (2019)	1,691,863	2,205,465	-	-
Total	15,175,789	4,099,445	412,504	5,634
	2019			Company's share of associates profit
Activity	Assets	Liabilities	Revenues	
	JD	JD	JD	JD
International medical investment company	2,801,684	672,896	1,633	(1,365)
Umama for investment and financial protfolio management	10,056,014	1,327,403	698,470	17,128
Applied for energy	1,691,863	2,205,465	1,985,716	(40,000)
Total	14,549,561	4,205,764	2,685,819	(24,237)

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8- Investments in financial assets at fair value through Comprehensive income statement

This item consists of the following:

	<u>2020</u>	<u>2019</u>
	JD	JD
<u>Inside Jordan</u>		
Listed financial assets	3,766,644	3,390,034
Unlisted financial assets	8,424	8,424
Total	<u>3,775,068</u>	<u>3,398,458</u>

There are shares that held by the Securities Depository Center for the purpose of membership in the boards of directors of companies with 65,000 share

9- Inventory

This item consists of the following:

	<u>2020</u>	<u>2019</u>
	JD	JD
Medical and Pharmacy material	1,212,707	656,786
Operation and clinics material	1,147,659	591,404
Non-medical matrial and stationary warehous	105,492	258,065
Laps material	542,590	282,567
Total	<u>3,008,448</u>	<u>1,788,822</u>

10- Account Receivables and Cheques under collection

A- This item consists of the following:

	<u>2020</u>	<u>2019</u>
	JD	JD
Medical Receivables	7,293,581	7,716,660
Trade Receivables	906,560	600,722
Personal Receivables for Doctors	328,283	288,845
Inpatients Receivable	111,580	100,096
Legal Cases Receivables	100,900	100,900
Returned cheques	156,490	159,987
Cheuques under collection	26,766	20,049
Total	<u>8,924,160</u>	<u>8,987,259</u>
Provision for impairment	<u>(3,527,302)</u>	<u>(4,213,995)</u>
Net	<u>5,396,858</u>	<u>4,773,264</u>

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B- Transactions occurred on the provision for Doubetful Receivables during the year were as follows :

	<u>2020</u>	<u>2019</u>
	JD	JD
Beginning balance	4,213,995	5,087,334
Additions for the year	-	-
Additions for the year	(686,693)	(873,339)
Ending Balance	3,527,302	4,213,995

11- Other debit balances - Net

This item consists of the following:

	<u>2020</u>	<u>2019</u>
	JD	JD
Prepaid expenses	6,628	41,690
Accrued Revenue	274,058	470,513
Refundable Deboisit	73,938	73,938
Refundable Checks - Applied Energy	177,579	177,579
Employees receivables	102,710	163,058
Other debit balances	75,477	43,804
Total	710,390	970,582

12- Cash on hand and at banks

This item consists of the following:

	<u>2020</u>	<u>2019</u>
	JD	JD
General Cash	27,198	57,293
Cash at the banks	366,862	221,681
Total	394,060	278,974

13- Capital

The paid-up capital and unauthorized amounted to 20,000,000 Jordanian dinars, divided into 20,000,000 shares, the par value per share is JD one shares) value per share of nominal dinars).

14- Stock premium

premium account reperesent difference between from nominal value and share value Issued

Notes to the Financial Statements

15- Statutory reserve

The accumulated amounts in this account represent what has been diverted from the annual profit before The General Authority may, after exhausting the other reserves, decide at an extraordinary meeting ammortize its losses from the amounts accumulated in the Statutory Reserve Account and be reconstituted in accordance to law

16- Voluntary reserves

This item represents the accumulated amount appropriated at a rate of 20% of annual income before taxes , and it used in purpose detrmined by the Border of Directors

17- Fair value reserve

This ammount is represent the increas / (decreas) in the fair value for the financial assets at fair value through coprehensive income as following :

	<u>2020</u> JD	<u>2019</u> JD
Balance at the beginning of the year	(1,809,172)	(1,648,467)
Change Duruing the year	435,838	(160,705)
Balance at end of year	<u>(1,373,334)</u>	<u>(1,809,172)</u>

18- Retained Earning at the end of the year

This item consists of the following:

	<u>2020</u> JD	<u>2019</u> JD
Balance at the beginning of the year	(687,905)	(1,407,622)
prior years (expenses)	(250,192)	(400,041)
Profit for the year after income tax	1,541,700	1,249,176
Transfer to statutory reserve	(196,754)	(129,418)
Balance at end of year	<u>406,849</u>	<u>(687,905)</u>

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19- Banks Over Draft

This item consists of the following:

	Interest Rate	Facilities Limit	2020 JD	2019 JD
Arab bank	8.250%	5,000,000	-	-
Banak al Etihad	7.750%	2,000,000	2,529,584	697,995
AL rajihi Bank	7.500%	3,000,000	-	2,084,335
Total			2,529,584	2,782,330

The credit facility is to guarantee the name of the company

20- Accounts payable and posted dated cheques

This item consists of the following:

	2020 JD	2019 JD
Account Payable	3,585,987	4,149,712
Posted Dated Cheques	1,753,445	1,554,944
Total	5,339,432	5,704,656

21- Income Tax provision

The movement of provision Tax during the year as follows :

	2020 JD	2019 JD
Balance beginning of the year	117,467	10,313
Paid Income tax	(107,154)	-
Paid Income tax	(150,500)	-
Tax for the year *	362,711	107,154
Balance at the ending of the year	222,524	117,467

The company was terminated with the Income and Sales Tax Department until 2016

The annual estimate of 2017 - 2019 was presented within the legal period of the Income and

An income tax provision for the 2019 business results has been calculated by the company's tax

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22- Other credit balances

This item consists of the following:

	2020	2019
	JD	JD
Legal Cases	334,579	334,579
Company's share of associates profit	45,000	45,000
Income Tax Deposits	-	12,101
Employees payable	15,578	43,567
National contribution account	10,610	5,354
Social security deposits	2,515	70,281
Accrued expenses	66,656	85,285
Unearned rent	76,970	62,254
Shareholders' secretariats	66,178	66,178
Other	306,391	99,992
Total	924,477	824,591

23- Revenue

This item consists of the following:

	2020	2019
	JD	JD
Entrances, Surgeries and Clinics	7,843,898	8,417,660
Pharmacy	1,447,770	2,932,218
Laps	1,252,225	2,190,063
Radiology	1,140,678	2,005,372
Discount and settlement of insurance companies claims *	(604,601)	(1,103,033)
Total	11,079,970	14,442,280

The amount above represents the value of adjustments and discounts that occurred to the financial claims of insurance companies issued during the year 2020

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24- **Cost of Revenue**

This item consists of the following:

	2020	2019
	JD	JD
Salaries and wages	2,535,118	3,034,442
Company contribution in the social security	290,370	370,958
Medicine and medical and non-medical tools (Note 23b)	1,587,153	3,335,538
Depreciations	879,536	1,058,100
General Maintenance	54,055	308,632
Expenses of Anesthesia Convention	-	319,700
Consumables	72,475	168,647
Cleaning and other services	85,481	7,302
Stationary and Publication	19,763	52,730
Medical material and films printing	69,226	63,910
External tests	46,498	23,996
Health insurance	21,320	58,938
Governmental fees and registrations	1,018	2,910
Telephone and mail	2,737	2,858
fuels	-	28,341
Other	40,339	92,278
Total	5,705,089	8,929,280

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25- General and Administrative expenses

This item consists of the following:

	2020	2019
	JD	JD
Salaries and wages	1,411,238	1,675,718
Company contribution in the social security	6,468	154,824
Board of directors remunerations	45,000	45,000
Cleaning and other services	239,089	26,381
Electricity	543,642	857,651
Health insurance	29,134	53,502
Insurance	14,658	10,335
Telephone and mail	41,867	37,038
Water	35,036	14,620
Fule	111,478	187,568
General Maintenance	58,186	61,114
Governmental fees and registrations	84,486	76,845
Advertising	14,066	29,956
Professional and legal cases fees	44,093	31,678
Stationary and Publication	4,190	41,582
Travel and transportations	-	6,284
Groceries	-	5,261
Hospitality, conferences and donations	30,870	18,531
Research and consultancy fees	-	10,000
Others	95,050	64,366
Donations	73,431	-
Income tax paid on employees	41,995	-
Total	2,923,977	3,408,254

26- Other Revenue

This item consists of the following:

	2020	2019
	JD	JD
Rent revenue	194,198	207,984
Acquied Discount revenue	114,140	11,683
Share Dividens	137,809	209,898
Other	22,437	99,270
Total	468,584	528,835

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27- Earnings Per Share

This item consists of the following:

	2020	2019
	JD	JD
Profit of the year after tax	1,541,700	1,249,176
The weighted average number of shares	20,000,000	20,000,000
Basic and diluted, earnings per share	0.077	0.062

The reduced per share from the year profit is equal to the basic share from the year profit.

28- Segment Information

the main company objective is provide a medical services and investing in company, Following is a breakdown of the segment information for the business segments:

				2020	2019
	The main activity	shares	others	Total	Total
	JD	JD	JD	JD	JD
Revenue	11,079,970	5,634	468,584	11,554,188	14,971,115
<u>other segment</u>					
Capital expenditure	514,161	-	-	514,161	1,571,357
Depreciation	1,702,531	-	-	1,702,531	2,027,255

				2020	2019
	The main activity	shares	others	Total	Total
	JD	JD	JD	JD	JD
<u>Assets And Liability</u>					
Assets	26,605,259	4,520,008	394,060	31,519,327	30,171,078
Liabilities	9,045,732			9,045,732	9,429,184

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29- Entitlement analysis of assets and liabilities

the following table shows the analysis of assets and liabilities according to the expected period of recovery and settlement :

	2020		
	for year	more than one year	Total
	JD	JD	JD
<u>Assets</u>			
<u>Non-current Assets</u>			
Property , plant & equipments - net	-	15,187,435	15,187,435
Projects under construction	1,625,068	-	1,625,068
Investments in associates	-	744,940	744,940
Financial assets at fair value through comprehensive income	-	3,775,068	3,775,068
Inventory	3,008,448	-	3,008,448
Accounts receivable & cheques under collection - net	5,396,858	-	5,396,858
Due from related parties	677,060	-	677,060
Other debit balances	710,390	-	710,390
Cash on hand and at banks	394,060	-	394,060
Total Assets	11,811,884	19,707,443	31,519,327
<u>Current Liability</u>			
Credit banks	2,529,584	-	2,529,584
accounts payable and posted dated cheques	5,339,432	-	5,339,432
Due to related parties	34,070	-	34,070
Income Tax provision	222,524	-	222,524
Other credit balances	924,477	-	924,477
Total current liabilities	9,050,087	-	9,050,087
Net	2,761,797	19,707,443	22,469,240

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The analysis of maturity of assets and liabilities

2019

	for year	more than one year	Total
<u>Assets</u>			
<u>Non-current Assets</u>			
Property , plant & equipments - net	-	16,375,806	16,375,806
Projects under construction	-	1,338,641	1,338,641
Investments in associates	-	693,391	693,391
Financial assets at fair value through comprehensive income	-	3,398,458	3,398,458
Inventory	1,788,822	-	1,788,822
Accounts receivable & cheques under collection - net	4,773,264	-	4,773,264
Due from related parties	553,140	-	553,140
Other debit balances	970,582	-	970,582
Cash on hand and at banks	278,974	-	278,974
Total Assets	8,364,782	21,806,296	30,171,078
<u>Current Liability</u>			
Credit banks	2,782,330	-	2,782,330
accounts payable and posted dated cheques	5,704,656	-	5,704,656
Due to related parties	140	-	140
Other credit balances	942,058	-	942,058
Total current liabilities	9,429,184	-	9,429,184
Net	(1,064,402)	21,806,296	20,741,894

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30- Transactions with related parties

Related parties represent key shareholders, associates, directors and companies with principal owners. The prices and terms of these transactions are approved by the Company's management.

a- The following is the transaction that Due on related Parties

	Nature of	Nature of relationship	2020	2019
	of		JD	JD
Arab international for education and investment	Sister	Medical services	44,495	267,830
Etihad School	Sister	Medical services	-	29,714
AL-Omana'a for Investment and financial portfolio management	Sister	Medical services	4,173	4,808
Arab international food factories co	Sister	Medical services	1,577	1,577
Applied Energy Company	Sister	Medical services	618,962	237,515
First Finance	Sister	Medical services	1,190	-
International Co for Medical Investment	Sister		6,663	7,161
Trans world information technology	Sister		-	33
Jordanian real estate co. for development	Sister	Medical services	-	4,502
Total			677,060	553,140

b- The following is the transaction that Due to related Parties

	Nature of	Nature of relationship	2020	2019
	of		JD	JD
Etihad School	Sister	Medical services	33,850	-
Jordanian real estate co. for development	Sister	Medical services	220	-
First Finance	Sister		140	140
Total Assets			34,210	140

c- The following is a summary of the benefits of management of the company

	2020	2019
	JD	JD
Salaries and bonus	228,328	239,186

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31- Risk management

The company follows various risk management financial policies within a specific strategy. The company manages risk control and control and optimizes the strategic distribution of both financial assets and financial liabilities. Risks include interest rates, credit risk, foreign currency risk.

The Company follows the financial hedging policy for both financial assets and financial liabilities whenever required, which is the hedge relating to future foreseeable risks

- Market risk

Market risk is the risk that the fair value or cash flows of a financial instrument will fluctuate due to changes in market prices such as interest rates, stock prices and currency prices. Market risk arises as a result of open positions in interest and currency returns and equity investments. These risks are monitored in accordance with specific policies and procedures and through committees And market risk, including interest rate risk, exchange rate risk and the risk of changes in share prices.

Market risk is measured and controlled by sensitivity analysis

- Credit risks

These risks arise from cash, cash equivalent, bank deposits in financial institutions and receivables treatments which may cause defaults from parties to pay their commitments.

As for financial institutions, the Company treats with solid and reputable institutions.

As for receivables, the management has a credit policy with limits and there is an ongoing following up procedures to collect matured amounts. The management believes that the credit risk the Company exposed to is low.

- Foreign currency risk

Most of the company's transactions are in Jordanian Dinars and US Dollars. The dinar is pegged to a fixed rate with the US Dollar, and therefore the impact of currency risk is not significant to the

- Fair value of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash in hand and at banks, receivables and other receivables. Financial liabilities consist of accounts payable, bank loans, loans and other credit balances. The fair values of financial instruments are not materially different from the value The books for these tools.

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- Liquidity risks

Liquidity risk is the risk that the Company will not be able to provide the necessary funding to meet its obligations on due dates. In order to prevent these risks, the management diversifies sources of finance, manages assets and liabilities, adjusts their terms and maintains sufficient cash and cash equivalents and negotiable securities

The Company monitors its liquidity requirements on a monthly basis and ensures that sufficient funds are available to meet any liabilities as they arise. The Company also manages liquidity risk by ensuring that banks have cash available to cover undiscounted financial liabilities, which are mostly credit balances to customers.

The table below shows the distribution of financial liabilities (not discounted) based on the remaining contractual maturity and current market interest rates

	2020		
	Less than three months.	From three months to 12 months	Total
	JD	JD	JD
Credit banks	2,529,584	-	2,529,584
accounts payable and posted dated cheques	5,339,432	-	5,339,432
Due to related parties	34,070	-	34,070
Income Tax provision	222,524	-	222,524
Other credit balances	924,477	-	924,477
Total	9,050,087	-	9,050,087
	2019		
	Less than three months.	From three months to 12 months	Total
	JD	JD	JD
Credit banks	2,782,330	-	2,782,330
accounts payable and posted dated cheques	5,704,656	-	5,704,656
Due to related parties	140	-	140
Other credit balances	942,058	-	942,058
Total	9,429,184	-	9,429,184

32- Capital management

The main objective of the Company's capital management is to ensure that appropriate capital ratios are maintained in a manner that supports the Company's activity and maximizes equity.

The Company manages the capital structure and makes necessary adjustments in light of changes in working conditions. The Company did not make any changes to the objectives, policies and procedures related to capital structure during the current and previous financial year.

The items included in the capital structure consist of paid up capital, issue premium, voluntary reserve, voluntary reserve and retained earnings totaling JD 23,842,574 as of December 31, 2020 against JD 22,551,066 as of December 31, 2019

-33 Contingent Liabilities

At the date of financial statements there was contingent liabilities represented of :

	<u>2020</u>	<u>2019</u>
	JD	JD
Banks Guarantees	<u>88,000</u>	<u>88,000</u>

34- legal

ther is a court cases against the company ammounted at456,865 JD as of December 31,2020 (December 31,2019 ammounted 1,141,470 JD The management of the company and the legal counsel of the company, the potential outcome of these issues will be in favor of the company and that the provision is sufficient to meet any potential obligations.

35- Events after the reporting period :

There have been no material events occurring after the reporting date that require adjustments to or disclosure in the financial statements

36- Comparative

Some of comparative figures have reclassified – when needed – to confirm with current year’s figures.