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التاريخ : 2018/3/15

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السادة هيئة الأوراق المالية
السادة بورصة عمان

To: Jordan Securities Commission
Amman Stock Exchange

**Subject: Audited Financial
Statements for the fiscal
year ended 31/12/2017**

٢/١٥

الموضوع : البيانات المالية السنوية المدققة للسنة
المنتهية في 2017/12/31

Attached the Audited Financial
Statements of (IBN- AL Haytham
Hospital Co.) for the fiscal year
ended 31/12/2017

مرفق طيه نسخة من البيانات المالية المدققة لشركة
(مستشفى ابن الهيثم) عن السنة المالية المنتهية
في 2017/12/31

Kindly accept our high
appreciation and respect

وتفضلوا بقبول فائق الاحترام...

Dr. Ahmad Abu - Khadijeh
Vice Chairman of the Board
General Manager

الدكتور أحمد عبد الله أبو خديجة
نائب رئيس مجلس الإدارة - المدير العام

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

Financial Statements
as of December 31, 2017

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, 2017, 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, 2017, 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.

Other Matters

The financial statements of the Company as of December 31, 2016 were audited by another auditor who issued an unqualified report on March 5, 2017.

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.

• **Impairment of receivables**

Due to the estimated nature of the allowance for impairment. The management assesses the impairment in the value of the receivables through the use of assumptions and estimates and, because of their importance, is considered an important audit risk. A provision for impairment is recognized against doubtful receivables.

The audit procedures included the:

Our audit procedures included examining the control measures used by the Company to collect receivables. The adequacy of the provision for impairment in respect of receivables was examined by assessing the management assumptions and taking into account the available external information about the risk of the future accounts. We have also evaluated the adequacy of the Company's disclosures about the estimates Mission to access the provision against doubtful receivables (Note 9).

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
February 7, 2018

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

Statement of Financial Position as of December 31 , 2017

	<u>Note</u>	<u>2017</u> JD	<u>2016</u> JD
<u>Assets</u>			
<u>Non-current Assets</u>			
Property , plant & equipments - net	5	17,921,559	19,043,173
Investments in associates	6	807,132	914,958
Financial assets at fair value through comprehensive income	7	3,806,925	4,481,934
Total Non-current assets		22,535,616	24,440,065
<u>current Assets</u>			
Inventory	8	1,466,486	1,495,654
Accounts receivable & cheques under collection - net	9	6,457,055	6,565,626
Due from related parties	28A	348,475	302,621
Other debit balances	10	306,198	267,426
Cash on hand and at banks	11	260,733	358,463
Total Current Assets		8,838,947	8,989,790
Total Assets		31,374,563	33,429,855
<u>Owner's Equity and liabilities</u>			
<u>Owner's Equity</u>			
Capital	12	20,000,000	20,000,000
Stock premium	13	1,911,328	1,911,328
Statutory reserve	14	1,053,622	1,053,622
Voluntary reserve	15	78,853	78,853
Fair value reserve for the financial assets	16	(1,333,915)	(558,132)
Retained Earning at the end of the year	17	(455,832)	1,348,259
Total Owner's Equity		21,254,056	23,833,930
<u>Current Liabilities</u>			
Credit banks	18	6,483,807	6,141,723
accounts payable and posted dated cheques	19	2,807,272	2,682,585
Due to related parties	28B	38,230	4,079
Other credit balances	20	791,198	767,538
Total current liabilities		10,120,507	9,595,925
Total Owner's Equity and liabilities		31,374,563	33,429,855

Accompanying notes form integral part of this statement

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

Statement of comprehensive Income For The Year Ended December 31,2017

	<u>Note</u>	<u>2017</u> JD	<u>2016</u> JD
Revenues	21	14,770,729	15,747,218
Cost of Revenue	22	<u>(10,802,077)</u>	<u>(10,665,766)</u>
Gross Profit Margin		3,968,652	5,081,452
General & administrative expenses	23	(3,546,636)	(3,755,687)
Provision for doubtful debts		(625,110)	(100,000)
Legal provision		(92,830)	(30,000)
Impairment for project under construction		-	(100,000)
Depreciation		(852,666)	(843,770)
Finance Commisions & expenses		(386,331)	(341,435)
Company's share of associates profit		39,613	16,629
Other revenues	24	<u>609,390</u>	<u>683,356</u>
Profit of the year before tax		(885,918)	610,545
Income tax	B 20	<u>-</u>	<u>(134,000)</u>
Profit of the year		<u>(885,918)</u>	<u>476,545</u>
<u>Other comprehensive income items</u>			
Change in fair value reserve		(775,783)	(1,302,824)
gains from sale financial assets		-	(76)
Total Comprehensive income		<u>(1,661,701)</u>	<u>(826,355)</u>
		JD	JD
Basic and diluted per share	27	<u>(0.044)</u>	<u>0.024</u>

Accompanying notes form integral part of this statement

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

Statement of Changes in Owners Equity For The Year Ended December 31,2017

	Capital	Issue premium	Statutory reserve	Voluntary reserve	Fair value reserve	Retained earnings	Total
	JD	JD	JD	JD	JD	JD	JD
Balance as of Jan 1, 2017	20,000,000	1,911,328	1,053,622	78,853	(558,132)	1,348,259	23,833,930
prior years expenses	-	-	-	-	-	(118,173)	(118,173)
Adjusted opening balance	20,000,000	1,911,328	1,053,622	78,853	558,132-	1,230,086	23,715,757
(loss) of the year	-	-	-	-	-	(885,918)	(885,918)
change in fair value reserve	-	-	-	-	(775,783)	-	(775,783)
Total Comprehensive income	-	-	-	-	(775,783)	(885,918)	(1,661,701)
Dividends paid (Note 17)	-	-	-	-	-	(800,000)	(800,000)
Balance as of Dec 31, 2017	20,000,000	1,911,328	1,053,622	78,853	(1,333,915)	(455,832)	21,254,056
Balance as of Jan 1, 2016	20,000,000	1,911,328	992,567	78,853	744,692	1,932,845	25,660,285
Profit of the year after tax	-	-	-	-	-	476,545	476,545
change in fair value reserve	-	-	-	-	(1,302,824)	-	(1,302,824)
Total Comprehensive income	-	-	-	-	(1,302,824)	476,545	(826,279)
Transfer to statutory reserve	-	-	61,055	-	-	(61,055)	-
Dividends paid (Note 17)	-	-	-	-	-	(1,000,000)	(1,000,000)
gains from sale financial assets	-	-	-	-	-	(76)	(76)
Balance as of Dec 31, 2016	20,000,000	1,911,328	1,053,622	78,853	558,132-	1,348,259	23,833,930

- 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

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

Statement of Cash Flows For The Year Ended December 31, 2017

	<u>Note</u>	<u>2017</u> JD	<u>2016</u> JD
<u>Cash flows from operating activities</u>			
(Loss) Profit of the year before tax		(885,918)	610,545
prior years (expenses)		(118,173)	-
Depreciation		2,469,000	2,581,639
Loss for sale of property and equipment		-	869
Provision for doubtful debts		625,110	100,000
Impairment for project under construction		-	100,000
Company's share of associates profit		(39,613)	(16,554)
Financial Expenses		386,331	341,435
Net operating profit before changes in working		2,436,737	3,717,934
<u>(Increase) decrease in current assets</u>			
Accounts receivable & cheques under collection - net		(516,540)	(1,404,140)
Due from related parties		(45,854)	(236,635)
Inventory		29,168	(88,568)
Other debit balances		(38,772)	47,323
<u>Increase (decrease) in current liabilities</u>			
accounts payable and posted dated cheques		124,687	(343,042)
due to related Parties		34,151	(86,097)
Other credit balances		124,171	(711,189)
Net cash Resulting from operating activities before tax		2,147,748	895,586
Paid Income tax	20	(100,511)	(110,177)
Net cash Resulting from operating activities		2,047,237	785,409
<u>Cash flows from investing activities</u>			
Changes of property, plant and equipment		(1,347,386)	(492,768)
Dividends from associates		46,666	46,667
Investment in associate company		-	(10,000)
Financial Expenses		(386,331)	(341,435)
Net cash flows (used in) investing activities		(1,687,051)	(797,536)
<u>Cash Flows from Financing Activities</u>			
Credit banks		342,084	4,157,231
Loans		-	(3,000,000)
Dividends paid	17	(800,000)	(1,000,000)
Net cash flows (used in) investing activities		(457,916)	157,231
Net (decrease) increase in cash balances		(97,730)	145,104
Cash balances at beginning of year		358,463	213,359
Cash balances at end of year		260,733	358,463

Accompanying notes form integral part of this statement

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

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 February 7, 2018 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.

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

Notes to the Financial Statements

- 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 policies used in the preparation of the financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2016 except for the followings:

A- New and amended standards adopted by the Group:

The following standards have been adopted by the company the first time for the financial year beginning on 1 January 2017, which had material on the financial statements of the company.

- Amendments to IAS 7 - ' Statement of cash flows' . The amendment requires additional disclosures about changes in liabilities arising from financing activities.
- Amendments to IAS 12 - 'Income taxes' which explains the recognition of deferred tax assets for unrealised losses.

B- New standards and interpretations not yet adopted

The following new standards, new interpretations and amendments to standards and interpretation have been issued but are not effective for the financial year beginning 1 January 2017 and have not been early adopted:

- IFRS 9, ' Financial instruments' addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted.
- IFRS 15, ' Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. The standard is effective for annual periods beginning on or after 1 January 2018 and earlier application is permitted.
- IFRS 16, ' Leases' which will replace IAS 17 'Leases'. The standard requires the lessee to book future lease commitments for all lease contracts including " rights to use assets". The standard is effective for annual periods beginning on or after 1 January 2019 and early adoption is permitted if IFRS 15 is also adopted.

The application of the new amendments did not have significant impact on the financial position, financial performance or disclosures of the Group.

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

Notes to the Financial Statements

The following is a summary of the significant accounting

- 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 .

- 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 assetsat 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 maturity.

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 method .

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
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Notes to the Financial Statements

- 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

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

Revenue recognition

The revenue achieved upon providing the medical services and issue the invoice

Income tax

Taxes owed expenses are calculated on the

Provision is made for the calculation of income tax under the tax rates established in accordance with the temporary income tax law No. 34 of 2014 and its subsequent amendments

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 .

Ibn-Alhaytham Hospital Co (P.S.C)
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Notes to the Financial Statements

-5 Property, plant and equipment - Net

This item consists of :

	Lands	Buildings	Vehicles	Medical Equipment's	Furniture	Office equipment	Computers	Machines and equipments	Signboard	Other assets	Total
	JD	JD	JD		JD	JD	JD	JD	JD	JD	JD
Cost as of t january 1, 2017	4,497,118	12,538,408	499,908	17,329,547	882,137	690,137	326,240	31,785	22,052	41,727	36,859,059
Additions during the year	693,186	62,981	-	436,850	53,537	26,502	1,135	72,245	205	745	1,347,386
Cost at December 31, 2017	5,190,304	12,601,389	499,908	17,766,397	935,674	716,639	327,375	104,030	22,257	42,472	38,206,445
Accumulated Depreciation											
balance as of january 1, 2017	-	5,387,860	394,606	10,511,350	636,016	562,682	257,463	14,357	18,678	32,874	17,815,886
Additions during the year	-	670,225	38,320	1,603,615	66,198	51,388	23,008	11,200	908	2,138	2,469,000
balance as of December 31, 2017	-	6,058,085	432,926	12,116,965	702,214	614,070	280,471	25,557	19,586	35,012	20,284,886
Net book value as of December 31, 2017	5,190,304	6,543,304	66,982	5,649,432	233,460	102,569	46,904	78,473	2,671	7,460	17,921,559
Net book value as of December 31, 2016	4,497,118	7,150,548	105,302	6,818,197	246,121	127,455	68,777	17,428	3,374	8,853	19,043,173

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
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Notes to the Financial Statements

6- Investment in associated

This item consists of the following:

	Ownership rate	2017 JD	2016 JD
International medical investment company	2.2%	64,572	68,970
Umana for investment and financial protofolio management	7.41%	732,560	835,988
Applied for energy	40.0%	10,000	10,000
Total		807,132	914,958

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

This item consists of the following:

	2017 JD	2016 JD
<u>Inside Jordan</u>		
Listed financial assets	3,806,925	4,481,934
Total	3,806,925	4,481,934

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

8- Inventory

This item consists of the following:

	2017 JD	2016 JD
Medical and Pharmacy material	598,980	540,549
Operation and clines material	678,884	801,754
Non-medical matrial and stationary warehous	90,591	85,772
Laps material	98,031	67,579
Total	1,466,486	1,495,654

Ibn-Alhaytham Hospital Co (P.S.C)
Public Shareholding Company
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9- Account Receivables and Cheques under collection

A- This item consists of the following:

	2017	2016
	JD	JD
Medical Receivables	8,573,871	7,745,467
Trade Receivables	576,790	451,295
Personal Receivables for Doctors	430,981	417,276
Inpatients Receivable	78,810	511,540
Legal Cases Receivables	100,900	100,900
Returned cheques	178,892	151,334
Cheques under collection	123,954	172,720
Total	10,064,198	9,550,532
Provision for Doubetful Receivables	(3,607,143)	(2,984,906)
Net	6,457,055	6,565,626

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

	2017	2016
	JD	JD
Beginning balance	2,984,906	2,884,906
Additions for the year	625,110	100,000
Additions for the year	(2,873)	-
Ending Balance	3,607,143	2,984,906

10- Other debit balances - Net

This item consists of the following:

	2017	2016
	JD	JD
Prepaid expenses	77,467	99,944
Refundable Debosit	56,239	46,669
Employees receivables	148,760	119,313
Other debit balances	23,732	1,500
Total	306,198	267,426

11- Cash on hand and at banks

This item consists of the following:

	2017	2016
	JD	JD
General Cash	55,767	127,493
Cash at the banks	204,966	230,970
Total	260,733	358,463

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12- 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).

13- Stock premium

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

14- Statutory reserve

The accumulated amounts in this account represent what has been diverted from the annual profit before tax increased by 10% during the year and prior years in accordance with the Companies Act and is not available for distribution to shareholders

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 low

15- Voluntary reserves

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

16- Fair value reserve

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

	2017	2016
	JD	JD
Balance at the beginning of the year	(558,132)	744,692
Change Duruing the year	(775,783)	(1,302,824)
Balance at end of year	(1,333,915)	(558,132)

17- Retained Earning at the end of the year

This item consists of the following:

	2017	2016
	JD	JD
Balance at the beginning of the year	1,348,259	1,932,845
prior years (expenses)	(118,173)	-
Dividends paid *	(800,000)	(1,000,000)
Profit for the year after income tax	(885,918)	476,545
Realized gains from sale financial aassets	-	(76)
Transfer to statutory reserve	-	(61,055)
Balance at end of year	(455,832)	1,348,259

* At its meeting held on 24 Apprel 2017, the General Assembly decided to Approve to the distribution of cash dividends of 7% of the capital at a value of JD 800,000

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18- Banks Over Draft

This item consists of the following:

	Interest Rate	Facilities Limit	2017	2016
Arab bank	8.250%	2,000,000	988,033	-
Banak al Etihad	7.750%	4,000,000	2,988,818	6,141,723
AL rajihi Bank	7.500%	3,000,000	2,500,000	-
Arab Islamic Bank			6,956	-
Total			6,483,807	6,141,723

19- Accounts payable and posted dated cheques

This item consists of the following:

	2017 JD	2016 JD
Account Payable	2,777,272	2,682,585
Posted Dated Cheques	30,000	-
Total	2,807,272	2,682,585

20- Other credit balances

a- This item consists of the following:

	2017 JD	2016 JD
Legal Cases	334,579	241,749
Income Tax Deposits	33,194	28,000
Employees payable	15,686	14,098
Income Tax provision (20b)	10,313	110,824
Board of director Award	-	45,000
Social security deposits	63,891	63,818
Accrued expenses	63,613	50,924
Unearned rent	130,168	119,515
Shareholders Deposites	-	54,242
Doctors deposits	29,407	21,585
Other	110,347	17,783
Total	791,198	767,538

b- **The movement of provision Tax during the year as follows :**

	2017 JD	2016 JD
Balance beginning of the year	110,824	121,482
tax for the year	-	134,000
tax Paid Half yearly	(100,511)	(110,177)
tax Paid during the year	-	(34,481)
Balance at the ending of the year	10,313	110,824

- The company was terminated with the Income and Sales Tax Department until 2015
- The annual estimate of 2016 was presented within the legal period of the Income and Sales Tax Department and has not yet been reviewed

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21- Revenue

This item consists of the following:

	2017	2016
	JD	JD
Entrances, Surgeries and Clinics	7,732,940	9,328,909
Pharmacy	3,045,343	2,144,206
Laps	2,110,387	2,152,669
Radiology	1,882,059	2,121,434
Total	14,770,729	15,747,218

22- Cost of Revenue

A- This item consists of the following:

	2017	2016
	JD	JD
Salaries and wages	2,924,320	3,184,054
Company contribution in the social security	378,480	367,333
Medicine and medical and non-medical tools (Note 22b)	4,843,368	4,307,100
Depreciations	1,616,334	1,737,869
General Maintenance	348,576	406,788
Consumables	250,773	182,691
Cleaning and other services	47,137	82,120
Stationary and Publication	67,935	85,268
Medical material and films printing	101,283	115,701
External tests	68,570	91,246
Hospitality, conferences and donations	57,770	30,527
Vehicles Insurance	2,070	-
Health insurance	57,191	43,933
Governmental fees and registrations	8,448	16,918
Training	22,431	-
Travel and transportations	2,405	1,440
Telephone and mail	3,200	3,508
fuels	1,786	9,270
Total	10,802,077	10,665,766

B- Medicine and medical and non-medical tools

Medicine - cost of goods sold	2,287,856	2,400,504
Medical Supply - cost of goods sold	1,946,600	1,248,475
Non-medical supply - cost of goods sold	223,755	297,528
Laps - cost of goods sold	385,157	360,593
Total	4,843,368	4,307,100

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23- General and Administrative expenses

This item consists of the following:

	2017	2016
	JD	JD
Salaries and wages	1,338,326	1,386,912
Company contribution in the social security	150,651	179,231
Cleaning and other services	50,900	58,848
Electricity	1,203,582	1,285,816
Health insurance	69,370	66,383
Insurance	13,448	15,220
Telephone and mail	21,855	45,831
Water	49,102	62,850
Fule	217,060	158,250
General Maintenance	76,501	82,965
Governmental fees and registrations	114,611	61,995
Advertising	15,175	15,660
Professional and legal cases fees	18,397	46,386
Stationary and Publication	43,870	61,917
Travel and transportations	27,112	18,025
Board Of directors award	-	45,000
Groceries	28,230	33,828
Hospitality, conferences and donations	30,768	43,938
Research and consultancy fees	12,729	33,447
Others	64,949	53,185
Total	3,546,636	3,755,687

24- Other Revenue

This item consists of the following:

	2017	2016
	JD	JD
Rent revenue	275,140	247,618
Acquied Discount revenue	11,555	68,749
Share Dividens	280,631	280,765
Other	42,064	86,225
Total	609,390	683,357

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25- Earnings Per Share

This item consists of the following:

	2017	2016
	JD	JD
Profit of the year after tax	(885,918)	476,545
The weighted average number of shares	20,000,000	20,000,000
Basic and diluted, earnings per share	<u>(0.044)</u>	<u>0.024</u>

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

26- 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:

	The main activity	shares	others	2017	2016
	JD	JD	JD	Total	Total
	JD	JD	JD	JD	JD
Revenue	14,770,729	39,613	609,390	15,419,732	16,447,203
<u>other segment</u>					
Capital expenditure	1,347,386	-	-	1,347,386	504,771
Depreciation	2,469,000	-	-	2,469,000	2,581,639
 <u>Assets And Liability</u>					
Assets	26,499,773	4,614,057	260,733	31,374,563	33,429,855
Liabilities	10,120,507	-	-	10,120,507	9,595,925

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27- 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 :

	2017		
	for year	more than one year	Total
	JD	JD	JD
<u>Assets</u>			
<u>Non-current Assets</u>			
Property , plant & equipments - net	-	17,921,559	17,921,559
Investments in associates	-	807,132	807,132
Financial assets at fair value through comprehensive income	-	3,806,925	3,806,925
Inventory	1,466,486		1,466,486
Accounts receivable & cheques under collection - net	6,457,055	-	6,457,055
Due from related parties	348,475	-	348,475
Other debit balances	306,198	-	306,198
Cash on hand and at banks	260,733	-	260,733
Total Assets	8,838,947	22,535,616	31,374,563
<u>Current Liability</u>			
Credit banks	6,483,807	-	6,483,807
accounts payable and posted dated cheques	2,807,272	-	2,807,272
Due to related parties	38,230	-	38,230
Other credit balances	791,198	-	791,198
Total current liabilities	10,120,507	-	10,120,507
Net	(1,281,560)	22,535,616	21,254,056

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The analysis of maturity of assets and liabilities

	2016		
	for year	more than one year	Total
<u>Assets</u>	JD	JD	JD
<u>Non-current Assets</u>			
Property , plant & equipments - net	-	19,043,173	19,043,173
Investments in associates	-	914,958	914,958
Financial assets at fair value through comprehensive income		4,481,934	4,481,934
Inventory	1,495,654	-	1,495,654
Accounts receivable & cheques under collection	6,565,626	-	6,565,626
Due from related parties	302,621	-	302,621
Other debit balances	267,426	-	267,426
Cash on hand and at banks	358,463	-	358,463
Total Assets	8,989,790	24,440,065	33,429,855
<u>Current Liability</u>			
Credit banks	6,141,723	-	6,141,723
accounts payable and posted dated cheques	2,682,585	-	2,682,585
Due to related parties	4,079	-	4,079
Loans	-	-	-
Other credit balances	767,538	-	767,538
Total current liabilities	9,595,925	-	9,595,925
Net	(606,135)	24,440,065	23,833,930

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28- 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 transactions	Nature of relationship	2017 JD	2016 JD
Arab international for education and investme	Sister	Medical services	304,685	261,887
Etihad School	Sister	Medical services	32,345	34,067
AL-Omana'a for Investment and financial portfolio management	Sister	Medical services	2,658	134
Trans world information technology	Sister	Medical services	-	103
Arab international food factories co	Sister	Medical services	1,427	1,217
First Finance	Sister	Medical services	2,640	703
Jordanian real estate co. for development	Sister	Medical services	4,720	4,510
Total			348,475	302,621

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

	Nature of transactions	Nature of relationship	2017 JD	2016 JD
International Co for Medical Investment	Sister	Medical services	36,838	2,339
Trans world information technology	Sister	Medical services	1,392	1,740
Total Assets			38,230	4,079

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

	2017 JD	2016 JD
Salaries and bonus	230,339	194,825

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29- 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

Credit risk is the risk that may arise from the default or inability of debtors and other parties to meet their obligations to the Company.

The company believes that it is not exposed to the risk of collection because its transactions are in cash, and the company maintains balances and deposits with leading banking institutions.

- 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 financial

- 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.

- 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

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31- Contingent Liabilities

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

	<u>2017</u>	<u>2016</u>
	JD	JD
Banks Guarantees	<u>88,000</u>	<u>88,000</u>

32- legal

ther is a court cases against the company ammounted at 675,090 JD as of December 31,2017 (December 31,2016 ammounted 330,190 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.

33- 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

34- Comparative

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