

شركة المجموعة الاستثمارية
الاستثمارية المساهمة العامة المحدودة

الرقم : 2018/93/13/5
التاريخ : 2018/6/5

للمرضع
م. بورصة عمان

السادة هيئة الأوراق المالية المحترمين

م. السيد عبد الله
السيد عمر

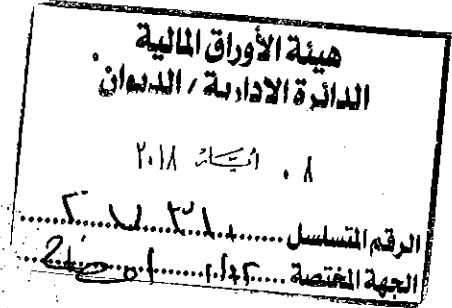
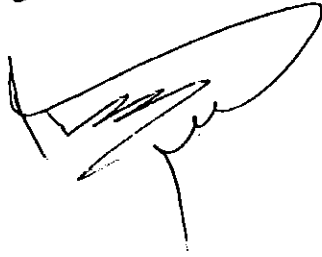
تحية طيبة وبعد

مرفق طيه البيانات المالية باللغة الانجليزية للربع الاول لعام 2018 حتى تاريخ 2018/3/31
لشركة المجموعة الاستثمارية الاسثمارية المساهمة العامة المحدودة.

وتفضلوا بقبول فائق الاحترام

المدير العام

الدكتور موسى صالح



THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN

CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE THREE
MONTHS ENDED MARCH 31, 2018
TOGETHER WITH REVIEW REPORT

THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN
MARCH 31, 2018

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Review Report

AM/ 81586

To the Chairman and Members of the Board of Directors
The Consultant and Investment Group Company
(A Public Limited Shareholding Company)
Amman – Jordan

Introduction

We have reviewed the accompanying condensed interim statement of financial position of The Consultant and Investment Group Company (A Public Limited Shareholding Company) as of March 31, 2018 and the related condensed interim statements of income and comprehensive income, changes in Shareholders' equity, and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and fair presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review nothing has come to our attention indicating that the accompanying condensed interim financial statements for the Consultant and Investment Group Company are not prepared in accordance with International Accounting Standard No. (34) related to Interim Financial Reporting.

Other Matter

The condensed interim financial statements for the period ended March 31, 2017 that are shown for comparison purposes in the condensed interim statements of income and comprehensive income, changes in Shareholders' equity, and cash flows were reviewed by us to which we issued our qualified opinion dated April 27, 2017.

The accompanying condensed interim financial statements are a translation of the original financial statements which are in the Arabic language, to which reference should be made.

Explanatory Paragraph

The Company's fiscal year ends on December 31 of each year. However, the condensed interim financial statements have been prepared for management purposes, and for the Jordan Securities Commission's requirements.

Amman - Jordan
April 30, 2018


Deloitte & Touche (M.E.) – Jordan
Deloitte & Touche (M.E.)
ديلويت آند توش (الشرق الأوسط)
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THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

		March 31, 2018 (Reviewed not Audited)	December 31, 2017
	Note	JD	JD
<u>NON-CURRENT ASSETS:</u>			
Property and equipment - net	4	15,981,756	15,540,821
Investment in unconsolidated subsidiary	5	15,000	15,000
Projects under construction	6	190,793	90,918
Advance payments to purchase medical equipments		1,124,604	1,417,751
Deferred tax assets	11/a	-	2,775
Total Non-Current Assets		<u>17,312,153</u>	<u>17,067,265</u>
<u>CURRENT ASSETS:</u>			
Medicine and medical supplies		1,404,605	1,237,094
Accounts receivable - net	7	2,078,246	2,035,750
Other debit balances	8	722,093	446,260
Checks under collection - short term		48,588	24,965
Cash on hand and at banks		<u>2,236,148</u>	<u>3,085,648</u>
Total Current Assets		<u>6,489,680</u>	<u>6,829,717</u>
TOTAL ASSETS		<u>23,801,833</u>	<u>23,896,982</u>
<u>SHAREHOLDERS' EQUITY AND LIABILITIES</u>			
<u>SHAREHOLDERS' EQUITY:</u>			
Paid-up capital		13,500,000	13,500,000
Statutory reserve		362,012	362,012
Retained earnings		1,107,360	1,107,360
Profit for the period		<u>241,361</u>	<u>-</u>
Total Shareholders' Equity		<u>15,210,733</u>	<u>14,969,372</u>
<u>LIABILITIES:</u>			
<u>NON-CURRENT LIABILITIES:</u>			
Long-term liabilities against finance lease contract	9	<u>3,315,696</u>	<u>3,402,212</u>
Total Non-Current Liabilities		<u>3,315,696</u>	<u>3,402,212</u>
<u>CURRENT LIABILITIES:</u>			
Accounts payable		997,370	1,145,186
Short-term liabilities against finance lease contracts	9	623,721	623,721
Provision for claims		401,785	401,785
Other credit balances	10	3,185,910	3,354,706
Income tax provision	11/b	<u>66,618</u>	<u>-</u>
Total Current Liabilities		<u>5,275,404</u>	<u>5,525,398</u>
TOTAL LIABILITIES		<u>8,591,100</u>	<u>8,927,610</u>
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		<u>23,801,833</u>	<u>23,896,982</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED
INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM
AND WITH THE ACCOMPANYING REVIEW REPORT.

Chairman of the Board of Directors

General Manager

THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF INCOME
AND OTHER COMPREHENSIVE INCOME
(REVIEWED NOT AUDITED)

	Note	For the Three Months Ended March 31,	
		2018	2017
		JD	JD
Operating revenue	12	3,934,869	3,658,839
Cost of revenue	13	<u>(2,907,763)</u>	<u>(2,631,560)</u>
Gross profit		1,027,106	1,027,279
General and administrative expenses	14	(659,100)	(661,368)
Finance costs		(100,639)	(89,579)
Other revenue - net	15	<u>43,387</u>	<u>53,696</u>
Profit for the period before Tax		310,754	330,028
Income tax	11/c	<u>(69,393)</u>	<u>(66,005)</u>
Profit for the Period / Total Comprehensive Income for the Period		<u><u>241,361</u></u>	<u><u>264,023</u></u>
Earnings per share from the profit for the period - Basic and diluted	16	<u><u>0.018</u></u>	<u><u>0.027</u></u>

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Chairman of the Board of Directors

General Manager

THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)

AMMAN - JORDAN

CONDENSED INTERIM STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(REVIEWED NOT AUDITED)

	Paid-up Capital	Statutory Reserve	Retained Earnings		Profit for the Period	Total
			Realized	Unrealized		
	JD	JD	JD	JD	JD	JD
<u>For the Three Months Ended March 31, 2018</u>						
Balance at the beginning of the period	13,500,000	362,012	1,104,585	2,775	-	14,969,372
Total comprehensive income for the period	-	-	-	-	241,361	241,361
Balance at the End of the Period	<u>13,500,000</u>	<u>362,012</u>	<u>1,104,585</u>	<u>2,775</u>	<u>241,361</u>	<u>15,210,733</u>
<u>For the Three Months Ended March 31, 2017</u>						
Balance at the beginning of the period	9,825,362	275,503	326,009	190,792	-	10,617,666
Total comprehensive income for the period	-	-	-	-	264,023	264,023
Balance at the End of the Period	<u>9,825,362</u>	<u>275,503</u>	<u>326,009</u>	<u>190,792</u>	<u>264,023</u>	<u>10,881,689</u>

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED
INTERIM FINANCIAL STATEMENTS AND SHOULD BE READ WITH THEM
AND WITH THE ACCOMPANYING REVIEW REPORT.

THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN
CONDENSED INTERIM STATEMENT OF CASH FLOWS
(REVIEWED NOT AUDITED)

	Note	For the Three Months Ended March 31,	
		2018	2017
		JD	JD
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit before tax for the period		310,754	330,028
Adjustments:			
Depreciation of property and equipment	4	173,563	131,841
Finance costs		100,639	89,579
Employees' vacation provision no longer needed		(9,264)	-
Net Cash Flows from Operating Activities before Changes in Working Capital Items		575,692	551,448
(Increase) in medicine and medical supplies		(167,511)	(238,471)
(Increase) in accounts receivables		(42,495)	(90,063)
(Increase) in checks under collection		(23,623)	(30,573)
(Increase) in other debit balances		(275,833)	(182,874)
(Decrease) increase in accounts payable		(147,816)	279,157
(Decrease) increase in other credit balances		(156,332)	44,712
Net Cash Flows (used in) from Operating Activities before employees' vacation provision paid		(237,918)	333,336
Employees' vacation provision paid		(3,200)	-
Net Cash Flows (used in) from Operating Activities		(241,118)	333,336
CASH FLOWS FROM INVESTING ACTIVITIES:			
(Purchase) of property and equipment		(614,499)	(50,551)
Proceeds from sale of property and equipment		-	167
Projects under construction		(99,875)	(275,567)
Decrease in advance payments to purchase medical equipments		293,147	-
Decrease in deposit at bank		1,000,000	-
Net Cash Flows from (used in) Investing Activities		578,773	(325,951)
CASH FLOWS FROM FINANCING ACTIVITIES:			
(Decrease) increase in liabilities against finance lease contract		(86,516)	81,280
Finance costs paid		(100,639)	(89,579)
Net Cash Flows (used in) Financing Activities		(187,155)	(8,299)
Net Increase (Decrease) in Cash and Cash Equivalents		150,500	(914)
Cash and cash equivalents - beginning of the year		85,648	623,529
Cash on and cash equivalents - End of the Period	17	236,148	622,615

THE ACCOMPANYING NOTES CONSTITUTE AN INTEGRAL PART OF THESE CONDENSED
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AND WITH THE ACCOMPANYING REVIEW REPORT.

THE CONSULTANT AND INVESTMENT GROUP COMPANY
(PUBLIC LIMITED SHAREHOLDING COMPANY)
AMMAN - JORDAN
NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS
(REVIEWED NOT AUDITED)

1. General

- a- The Consultant and Investment Group Company (Al-Istishari Hospital) was established and registered on 7 November 1995 as a public limited shareholding company under No.(299) with a paid-up capital of JD (8) million.

The Company's capital was increased, in several stages in the past years, to JD 22 million, divided into 22 million shares at a par value of JD 1 each. During the year 2016, the Company decreased its capital to amortize accumulated losses, thus rendering capital at JD 9,825,362, divided into 9,825,362 shares at a par value of JD 1 each. In this regard, the Company completed the capital decrease procedures during the year 2016.

In its meeting held on July 17, 2016, the Company's Board of Directors approved issuance of 3,674,638 shares of the authorized shares of JD1 each, so that capital would become JD 13.5 million. Moreover, the Company completed the legal procedures for capital increase and obtained the required approvals during July 2017. So that capital has become JD 13.5 million after the last increase in July 4, 2017.

The Company's address is Wadi Saqra, P.O. Box 840431, Amman 11184-the Hashemite Kingdom of Jordan.

- b - The Company's objectives are the following:
- Carrying out industrial constructions, conducting commercial agencies, and investing in commercial and financial projects;
 - Setting up and managing health, real estate, housing, building, and industrial projects, as well as constructing commercial markets of all types along with their related services.
- c - The Company is exempted from income tax at a rate of 25% for ten years ending on September 22, 2016 according to Article (27) of the Investment Promotion Law No. (68) for the year 2003. The exemption has been extended to January 28, 2019.
- d - The condensed interim financial statements were approved by the Board of Directors on April 29, 2018.

2. Basis of Preparation of the Condensed Interim Financial Statements

- The accompanying condensed interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34 "Interim Financial Reporting".
- The condensed interim financial statements are prepared in accordance with the historical cost principle, except for certain financial assets and financial liabilities stated at fair value as of the date of the condensed interim financial statements.
- The condensed interim financial statements are stated in Jordanian Dinar, which is the financial currency of the Company.

- The accompanying condensed interim financial statements do not include all the information and disclosures required for the annual financial statements, which are prepared in accordance with International Financial Reporting Standards and must be read with the annual report of the Company as of December 31, 2017. In addition, the results of the Company's operations for the three months ended March 31, 2018 do not necessarily indicate the expected results for the year ending December 31, 2018.
- The accounting policies adopted in preparing the condensed interim financial statements is consistent with those applied in the year ended December 31, 2017 except for the effect of the adoption of the new and revised standards which are applied on or after the first of January of 2018 as follow:

a. New and revised IFRS in issue but not yet effective on the condensed interim Financial statements of the Company:

Annual Improvements to IFRS Standards 2014 – 2016 The improvements include the amendments on IFRS 1 and IAS 28 and they are effective for annual periods beginning on or after January 1, 2018.

Amendments to IFRS 2 Share Based Payment

The amendments are related to classification and measurement of share based payment transactions and they are effective for annual periods beginning on or after January 1, 2018.

Amendments to IFRS 4 Insurance Contracts

The amendments relating to the different effective dates of IFRS 9 and the forthcoming new insurance contracts standard and they are effective for annual periods beginning on or after January 1, 2018.

IFRIC 22 Foreign Currency Transactions and Advanced Consideration

The interpretation addresses foreign currency transactions or parts of transactions where:

- there is consideration that is denominated or priced in a foreign currency;
- the entity recognises a prepayment asset or a deferred income liability in respect of that consideration, in advance of the recognition of the related asset, expense or income; and
- the prepayment asset or deferred income liability is non-monetary.

Amendments to IAS 40 Investment Property

These amendments show when the entity shall transfer (reclass) a property including investments under process or development to, or from, investment property.

IFRS 15 Revenue from Contracts with Customers

In May 2014, IFRS 15 was issued which established a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. IFRS 15 will supersede the current revenue recognition guidance including IAS 18 *Revenue*, IAS 11 *Construction Contracts* and the related interpretations when it becomes effective.

The core principle of IFRS 15 is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer.
- Step 2: Identify the performance obligations in the contract.
- Step 3: Determine the transaction price.
- Step 4: Allocate the transaction price to the performance obligations in the contract.
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation.

Under IFRS 15, an entity recognises when (or as) a performance obligation is satisfied, i.e. when 'control' of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in IFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by IFRS 15.

IFRS 15 may be adopted retrospectively, by restating comparatives and adjusting retained earnings at the beginning of the earliest comparative period. – Alternatively, IFRS 15 may be adopted as of the application date on January 1, 2018, by adjusting retained earnings at the beginning of the first reporting year (the cumulative effect approach).

Amendments to IFRS 15 *Revenue from Contracts with Customers*

The amendments are to clarify three aspects of the standard (identifying performance obligations, principal versus agent considerations, and licensing) and to provide some transition relief for modified contracts and completed contracts.

Amendments to IFRS 7 *Financial Instruments: Disclosures*

The amendments are related to disclosures about the initial application of IFRS 9.

IFRS 7 *Financial Instruments: Disclosures*

The amendments are related to disclosures about the initial application of IFRS 9. The amendments are effective when IFRS (9) is first applied.

b. Amendments effective on the condensed interim financial statements of the Company

IFRS 9 *Financial Instruments*

IFRS 9 issued in November 2009 introduced new requirements for the classification and measurement of financial assets. IFRS 9 was subsequently amended in October 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in November 2013 to include the new requirements for general hedge accounting. Another revised version of IFRS 9 was issued in July 2014 mainly to include a) impairment requirements for financial assets and b) limited amendments to the classification and measurement requirements by introducing a 'fair value through other comprehensive income' (FVTOCI) measurement category for certain simple debt instruments.

A finalised version of IFRS 9 which contains accounting requirements for financial instruments, replacing IAS 39 *Financial Instruments: Recognition and Measurement*. And a new version of the new standard includes the requirements of recognition, measurement, impairment and hedge accounting.

The final version of IFRS 9 relating to financial instruments was replaced which relates to the credit loss model incurred in accordance with IAS 39 *Financial Instruments: Recognition and Measurement*, replacing a model for expected credit losses. The Standard includes a business model for debt instruments, loans, financial liabilities, financial guarantee contracts, deposits and receivables, but does not apply to equity instruments.

The Company calculated the initial impact of the International financial reporting standard (IFRS 9), as it is not material, it has not been reversed in the attached condensed interim financial statements, noting that the impact will be recalculated accurately during the year.

In case there is a low credit risk to the financial asset at the date of initial application of IFRS (9), the credit risk relating to the financial asset is considered to have not been changed substantially since its initial recognition.

In accordance with IFRS 9 Financial Instruments the expected credit losses are recognized at an early date in accordance with IAS 39.

The revised version of IFRS 9 (2014) (Financial Instruments) includes a classification mechanism for financial assets and liabilities. IFRS 9 requires all financial assets to be classified based on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

There is no material difference in the classification of financial assets and liabilities arising from the adoption of IFRS 9 for the year 2014.

3. Using Estimates

Preparation of the condensed interim financial statements and application of the accounting policies require the Company's management to perform estimates and judgments that affect the amounts of the financial assets and liabilities and disclosures on contingent liabilities. These estimates and judgments impact revenues, expenses, and provisions. In particular, this requires from the Company's management to issue significant judgments for estimating the amounts of future cash flows and their timing. These estimates are necessarily based on several assumptions and factors with varying degrees of consideration and uncertainty. Actual results may differ from estimates due to the changes arising from the conditions and circumstances of those estimates in the future.

Management believes that the estimates in the condensed interim financial statements are reasonable, and consistent with the estimates used at the end of 2017 except for the estimates used to calculate the impact of IFRS 9 – Financial Instruments, in which expected impairment was calculated according to the simplified approach.

4. Property and Equipment - Net

- Additions to property and equipment during the three-month period ended March 31, 2018 amounted to JD 614,499 (JD 50,551 as of March 31, 2017).
- During the three-month period ended March 31, 2018, the Company disposed property and equipment with a net book value of JD zero (JD 167 as of March 31, 2017).
- The depreciation expense of property and equipment for the three-month period ended March 31, 2018 amounted to JD 173,563 (JD 131,841 for the three-month period ended March 31, 2017).

5. Investment in Unconsolidated Subsidiary

This item represents the investment in the Mutamaiyzah Hospital Management Company established for managing hospitals in the region on September 15, 2011 with an authorized and paid capital of JD 15,000. Moreover, this investment has not been included in the Company's financial statements for the period ended March 31, 2018, as the subsidiary company has not conducted any commercial activities nor commenced the purposes for which it was founded until the date of the financial statements, and due to the immateriality of its assets and liabilities.

6. Projects under Construction

This item represents the following projects:

1. Solar project: The Company incurred an amount of around JD 41 thousand as of March 31, 2018 representing project design expenses (around JD 41 thousand as of March 31, 2017). The Project is expected to be completed during 2018 for a total cost of JD 2.5 million.
2. Expansion of the main building of the hospital project: The project completion percentage was 1% as of March 31, 2018 and December 31, 2017 for costs of JD 150 thousand. The project is expected to be completed during 2019 for a total costs of JD 3 million.

7. Accounts Receivable – Net

This item consists of the following:

	March 31, 2018	December 31, 2017
	JD	JD
Accounts receivable	2,861,655	2,819,159
<u>Less:</u> Approved discount	(310,084)	(310,084)
Provision for doubtful debts *	(473,325)	(473,325)
	<u>2,078,246</u>	<u>2,035,750</u>

- * The movement on the provision for doubtful debts during the period / year is as follows:

	For the Three Months Ended March 31, 2018	For the Year Ended December 31, 2017
	JD	JD
Balance at the beginning of the period / year	473,325	4,334,300
Debt written off**	-	(140,044)
Debts settled during the period / year (collected)	-	(220,450)
Transferred to off statement of financial position***	-	(3,500,481)
Balance at the End of the Period / Year	<u>473,325</u>	<u>473,325</u>

- ** The Board of Directors approved writing off these balances during the year.

- *** According to the Board of Directors' decision in their meeting held on December 21, 2017, receivables of JD 3,500,481 were transferred to off-statement of financial position items. Moreover, a fully covered provision has been taken for these receivables.

8. Other Debit Balances

This item consists of the following:

	March 31, 2018	December 31, 2017
	JD	JD
Earned revenue - unissued patients' invoices	428,099	187,369
Claim on patients' deposits*	127,676	127,676
Advance payments for purchase of computer programs	284,150	284,150
Advance payments for purchase of an electric generator	99,229	99,229
Prepared expenses	186,197	148,010
Refundable deposits	38,850	38,850
Outstanding billings	-	17,229
Other	68,946	54,801
	<u>1,233,147</u>	<u>957,314</u>
<u>Less:</u> Provision for Payments of purchasing computer programs	(284,150)	(284,150)
Provision for payments of purchasing an electric generator	(99,228)	(99,228)
Provision for patients' deposits difference*	<u>(127,676)</u>	<u>(127,676)</u>
	<u>722,093</u>	<u>446,260</u>

* This item represents claims for patients' deposits and their related provision to settle the difference in the patients' deposits debit account.

9. Liabilities against Finance Lease Contract

This item consists of the following:

	March 31, 2018	December 31, 2017
	JD	JD
Liabilities against short-term finance lease contract - Islamic International Arab Bank	671,160	671,160
Short-term land ownership transfer fees	(47,439)	(47,439)
	<u>623,721</u>	<u>623,721</u>
Liabilities against long-term finance lease contract - Islamic International Arab Bank	3,616,143	3,714,519
Long-term land ownership transfer fees	(300,447)	(312,307)
	<u>3,315,696</u>	<u>3,402,212</u>
	<u>3,939,417</u>	<u>4,025,933</u>

The finance lease contract signed on July 28, 2016 relates to the purchase of Land No. (1284) from the Islamic International Arab Bank through selling the land to the Islamic International Arab Bank and leasing it as lease-to-own. Consequently, the Company incurred ownership transfer fees of JD 426,951, paid to Amman Land Registry. This amount has been recorded as a contra liability account and will be amortized over the loan term.

The lease contract is for 108 months, divided into 9 lease years. Moreover, the lease amount will be paid starting from August 31, 2017 in monthly installments of JD 55,931 each.

The lease return for the first year stood at 6.5% of the lease principal. Moreover, the varied margin for the first year is 1%, and the lease return amount was JD 69,420 as of March 31, 2018.

According to the finance lease contracts, the Company's liabilities are guaranteed by the lessor's ownership of the leased properties and comprehensive insurance thereon. The fair value of the finance lease contracts approximates their carrying amount.

10. Other Credit Balances

This item consists of the following:

	March 31, 2018	December 31, 2017
	JD	JD
Shareholders' deposits-fractional shares	148,657	153,277
Employees' vacation provision *	194,189	206,653
Accrued salaries and expenses	205,944	177,930
Provision for potential claims	62,829	62,829
Electromechanical contractors' retentions	86,237	86,550
Patients' deposits	-	68,019
Stamp fees deposits	69,495	69,495
Social security deposits	81,437	76,563
Temporary deposits	1,822	-
Outstanding billings	503	-
End-of-service indemnity provision **	57,758	53,594
Postponed checks	2,176,349	2,301,909
Income tax deposits	19,486	20,735
Other	81,204	77,152
	<u>3,185,910</u>	<u>3,354,706</u>

- * The movement on the provision for employees' vacation during the Period/year is as follows:

	March 31, 2018	December 31, 2017
	JD	JD
Balance at the beginning of the period /year	206,653	182,207
<u>Add:</u> Additions during the period / year	-	60,554
<u>Less:</u> Paid during the period / year	(3,200)	(36,108)
<u>Less:</u> Provision no longer needed during the period / year	(9,264)	-
Balance at the end of the period /year	<u>194,189</u>	<u>206,653</u>

- ** The movement on the provision for end-of-service during the period / year is as follows:

	March 31, 2018	December 31, 2017
	JD	JD
Balance at the beginning of the period / year	53,594	37,256
<u>Add:</u> Additions during the period / year	4,164	33,339
<u>Less:</u> Paid during the period / year	-	(17,001)
Balance at the End of the Period / Year	<u>57,758</u>	<u>53,594</u>

11. Income Tax

a. Deferred Tax Assets

A settlement has been reached with the Income and Sales Tax Department for the years from 2012 till 2014.

- The Company's income is taxable at 20%.

- b. Income tax provision
 - The movement on the income tax provision is as follows:

	March 31, 2018	December 31, 2017
	JD	JD
Balance at the beginning of the period / year	-	31,222
Tax expense for the period / year	66,618	-
Tax paid during the period / year *	-	(31,222)
Balance at the End of the Period / Year	66,618	-

- * During the year 2017, the Tax Court of First Instance issued a decision obligating the Company to pay JD 31,222 to the Income and Sales Tax Department, representing tax on imported services.

- c. Income tax in the statement of income and other comprehensive income is as follows:

	2018	2017
	JD	JD
Income tax for the period	66,618	-
Deferred tax assets amortized for the period	2,775	66,005
	69,393	66,005

A final settlement has been reached with the Income and Sales Tax Department until the end of the year 2014. Moreover, the tax returns for the years 2015, 2016 and 2017 have been submitted and the due taxes paid. However, these returns have not been reviewed by the Income and Sales Tax Department yet. In the opinion of the management and its tax consultant, the tax provisions are adequate, and no additional provisions are needed in this regard.

12. Operating Revenue

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Room fees	393,709	429,177
Medical supplies	944,056	834,333
Medical procedures	913,760	927,430
Pharmacy	709,252	690,094
Other departments	974,092	777,805
	3,934,869	3,658,839

13. Cost of Revenue

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Salaries and fringe benefits	947,526	927,277
Social security	123,526	117,756
Medicine and medical supplies	819,616	837,208
Electricity and water	218,132	167,430
Cleaning	73,158	77,214
Maintenance	61,608	60,133
Food	61,557	62,871
Consumables	265,918	159,426
Cafeteria expense	5,216	5,918
Fuel	54,256	43,185
Rent	79,537	3,500
Government Stamps	6,876	4,959
Incendiary expense	9,933	9,980
Real estate tax	5,180	20,241
Depreciation	142,354	98,999
Government fees	23,401	17,342
Other	9,969	18,121
	<u>2,907,763</u>	<u>2,631,560</u>

14. General and Administrative Expenses

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Salaries, wages, and benefits	348,682	230,238
Social security	39,293	26,374
End-of-service indemnity	4,164	10,004
Rent	7,590	87,205
Computer and program expense	1,038	6,890
Stationery and printing	15,945	14,569
Recruitment expense	7,135	8,955
Depreciation	31,209	32,842
Security and sentry	15,034	13,572
Maintenance	60,976	84,966
Professional fees	9,150	6,953
Insurance	23,830	37,316
Advertisements and subscriptions	7,190	8,156
Postage and telephone	7,123	8,928
Legal fees	25,430	18,254
Board transportation	10,500	10,500
Other	44,811	55,646
	<u>659,100</u>	<u>661,368</u>

15. Other Revenue - Net

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Rent	58,663	15,501
Bad debt provision no longer needed	-	7,120
Car park income	13,996	13,088
Other (expense) revenue - net	(29,272)	17,987
	<u>43,387</u>	<u>53,696</u>

16. Earnings per Share - Basic and Diluted

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Income for the period	<u>241,361</u>	<u>264,023</u>
	Share	Share
Weighted average number of shares	<u>13,500,000</u>	<u>9,825,362</u>
	JD/Share	JD/Share
Earnings per share for the period relating to the Company's shareholders-Basic and diluted	<u>0.018</u>	<u>0.027</u>

17. Cash and Cash Equivalent

This item consists of the following:

	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Cash on hand and at banks	2,236,148	622,615
<u>Less:</u> Deposit maturing after more than three months	(2,000,000)	-
	<u>236,148</u>	<u>622,615</u>

18. Related Party Transactions and Balances

The following are the details of balances and transactions with related parties:

<u>Condensed Interim Statement of Income Items:</u>	For the Three Months Ended March 31,	
	2018	2017
	JD	JD
Executive management's salaries and benefits	76,500	63,750
Board of Directors' transportation	10,500	10,500

19. Operating Sectors

a. Information about the Company's Activities

The Company conducts one type of activity- i.e. provision of medical care.

b. Geographical Distribution

The Company's activities are mainly in the Hashemite kingdom of Jordan with no activities abroad.

20. Lawsuits against the Company

Lawsuits against the Company amounted to JD 124,527 as of March 31, 2018 (JD 124,527 as of December 31, 2017). In the opinion of the Company's management and its legal advisor, most of these lawsuits are going to be ruled in favor of the Company.

- There are lawsuits filed by the Company against others of JD 8,321,663 as of March 31, 2018 (JD 8,278,724 December 31, 2017). The lawsuits are still pending at the courts.
- A case was filed by the Company at the Tax Court of First Instance under No. 1176/2017 on October 12, 2017. The case relates to preventing sales tax on patients services of JD 129,867, for the years 2013 and 2014, including service tax, fine twice the tax amount, and penalties. In the opinion of the Company's, management and tax advisor, there is no need to take a provision for this lawsuit because the imposed amount is unlawful and is based on incorrect judgements by the Income Tax and Sales Department.

21. Contingent Liabilities

The Company had contingent liabilities at the date of the condensed interim statement of financial position as follows:

- Performance guarantees of JD 34,000 with cash margins of JD 30,400.
- Solar power projects of JD 2,460,000 related to the Murabaha investment of the International Islamic Arab Bank.
- Main hospital building expansion with a total cost of JD 2,951,000.
- Contingent liabilities against unpaid shares in the capital of Madrid Housing and Real Estate Company Ltd of JD 30,000.

22. Fair Value Levels

The Company's management believes that the book value of financial assets and liabilities is close to their fair value.

23. Contra Accounts

Accounts receivable are stated net after deducting an amount of JD 3,109,731 representing doctors' fees, whereby the hospital collects these fees on behalf of doctors with no legal obligation. Consequently, this amount is shown as a contra account in the condensed interim financial statements.