

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**

**PUBLIC SHAREHOLDING COMPANY**

**CONSOLIDATED FINANCIAL STATEMENTS**

**31 DECEMBER 2024**

## **INDEPENDENT AUDITOR'S REPORT**

**To the shareholders of the Consultant and Investment Group Company – Public Shareholding Company**  
**Amman – Jordan**

### **Report on the Audit of the Consolidated Financial Statements**

#### **Opinion**

We have audited the consolidated financial statements of the Consultant and Investment Group Company - Public Shareholding Company (the “Company”) and its subsidiary (the “Group”) which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards, are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants’ *International Code of Ethics for Professional Accountants* (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Jordan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. 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 consolidated financial statements for the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter provided in that context .

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

<b>1. Revenue Recognition</b>	
Disclosures that relate to revenue recognition are included in note (19) to the consolidated financial statements. Disclosures that relate to material accounting policies of revenue recognition are included in note (2-4) to the consolidated financial statements.	
<b>Key audit matter</b>	<b>How the key audit matter was addressed</b>
The Group focuses on revenues as a key performance metric which may create an incentive for revenue to be recognized before the sale is completed and may result in overstating recognized revenues. The Group's revenues amounted to JD 22,458,305 for the year ended 31 December 2024. This was considered as a key audit matter.	The audit procedures included evaluating the Group's revenue recognition accounting policies in accordance with International Financial Reporting Standard (15). We performed an understanding of the Group's internal control system over revenue recognition, including the main internal control elements within the revenue recognition cycle. We also selected a sample before and after the end of the fiscal year to assess whether revenue was recognized during the correct period. We have also performed detailed analytical procedures for the gross margin on a monthly basis. We also selected and tested a representative sample of journal entries from the revenue accounts. The audit approach was also based on automated internal control systems on revenues, and accordingly, control procedures for information technology systems were designed with the help of our specialized team in information technology.

## 2. Expected credit losses provision for trade receivable

Disclosures that relate to trade receivables are included in note (9) to the consolidated financial statements. Disclosures that relate to the material accounting policies of trade receivables are included in note (2-4) to the consolidated financial statements.

### Key audit matter

The net trade receivables balance amounted to JD 6,213,599 as at 31 December 2024 representing 13.4% of the Group's total assets.

The Group has applied the simplified approach of International Financial Reporting Standard (9) (financial instruments) for the recognition of the expected credit losses on the trade receivable and calculating the expected credit losses for the lifetime of the receivables. The Group has performed a detailed study that is based on the Group's historical credit loss experience, adjusted for forward-looking factors and economic environment. Due to the significance of trade receivables and due to the fact that the provisions require a high level of uncertain judgments as required by IFRS (9), this was considered as key audit matter.

### How the key audit matter was addressed

Our audit procedures included the following:

- Assessing and understanding the Group's policy followed in calculating the provision in comparison with the requirement of International Financial Reporting Standard (9).
- Verifying the inputs and information used in the expected credit losses framework.
- We assessed the relevancy and reasonableness of estimates and judgements used by management in calculating the provision for expected credit losses.

## **Other information included in the Group's 2024 annual report**

Other information consists of the information included in the Group's 2024 Annual Report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information. The Group's 2024 Annual Report is expected to be made available to us after the date of this auditor's report. Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB), and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 consolidated 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 Group'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exist, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period, and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

The Group maintains proper books of accounts which are in agreement with the consolidated financial statements.

The partner in charge of the audit resulting in this auditor's report was Ali Hasan Samara; license number 503.

Amman – Jordan  
27 March 2025

**ERNST & YOUNG**  
Amman - Jordan

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
<b><u>Assets</u></b>			
<b>Non-current assets -</b>			
Property and equipment	4	28,408,527	17,722,841
Projects under construction	5	1,768,168	11,026,329
Investment properties	6	2,735,044	2,735,044
Right of use assets	7	587,853	838,537
Deferred tax assets	18	632,725	548,725
		<u>34,132,317</u>	<u>32,871,476</u>
<b>Current assets -</b>			
Medicine and medical supplies	8	1,578,077	1,455,679
Trade receivables – Net	9	6,213,599	4,708,305
Other debit balances	10	4,087,376	1,186,123
Checks under collection	11	16,150	33,286
Cash on hand and bank balances	12	265,682	304,523
		<u>12,160,884</u>	<u>7,687,916</u>
<b>Total assets</b>		<u>46,293,201</u>	<u>40,559,392</u>
<b><u>Equity and Liabilities</u></b>			
<b>Shareholders' equity -</b>			
Paid-in capital	1, 13	20,000,000	20,000,000
Statutory reserve	13	1,076,429	911,074
Retained earnings		2,380,058	1,150,618
<b>Total equity</b>		<u>23,456,487</u>	<u>22,061,692</u>
<b>Liabilities -</b>			
<b>Non-current liabilities -</b>			
Long-term lease liabilities	7	326,394	550,523
Long-term liabilities against finance lease contracts – Net	14	8,310,195	9,152,632
Long-term Murabaha facilities	15	32,040	96,749
		<u>8,668,629</u>	<u>9,799,904</u>
<b>Current liabilities -</b>			
Short-term lease liabilities	7	332,960	370,000
Short-term liabilities against finance lease contracts – Net	14	1,972,085	1,639,306
Short-term Murabaha facilities	15	2,389,221	264,892
Contingent liabilities provision	16	1,161,196	1,051,790
Account payables and other credit balances	17	7,995,249	5,147,373
Income tax provision	18	317,374	224,435
		<u>14,168,085</u>	<u>8,697,796</u>
<b>Total liabilities</b>		<u>22,836,714</u>	<u>18,497,700</u>
<b>Total equity and liabilities</b>		<u>46,293,201</u>	<u>40,559,392</u>

The attached notes from 1 to 32 form part of these consolidated financial statements



**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
Operating revenues	19	22,458,305	19,331,196
Cost of operating revenues	20	(16,263,568)	(14,688,065)
<b>Gross profit</b>		<b>6,194,737</b>	<b>4,643,131</b>
General and administrative expenses	21	(3,271,967)	(2,916,009)
Finance costs		(748,406)	(282,886)
Interest on lease liabilities	7	(51,066)	(70,511)
Contingent liabilities provision	16	(214,996)	(300,000)
Provision for expired and near expiry goods	8	(78,548)	-
Expected credit losses provision	9	(400,000)	-
Marketing expense		(198,410)	(112,087)
Other income – net	22	422,348	211,018
<b>Profit for the year before income tax</b>		<b>1,653,692</b>	<b>1,172,656</b>
Income tax	18	(258,897)	(336,110)
<b>Profit for the year</b>		<b>1,394,795</b>	<b>836,546</b>
Other comprehensive income items		-	-
<b>Total comprehensive income for the year</b>		<b>1,394,795</b>	<b>836,546</b>
		JD/Fils	JD/Fils
<b>Basic and diluted earnings per share, from the profit for the year</b>	24	<b>0/070</b>	<b>0/042</b>

The attached notes from 1 to 32 form part of these consolidated financial statements

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Paid-in capital	Statutory reserve	Retained earnings	Total
	JD	JD	JD	JD
<b>For the year ended 31 December 2024 -</b>				
Balance as at 1 January	20,000,000	911,074	1,150,618	22,061,692
Total comprehensive income for the year	-	-	1,394,795	1,394,795
Transferred to statutory reserve	-	165,355	(165,355)	-
Balance as at 31 December	<u>20,000,000</u>	<u>1,076,429</u>	<u>2,380,058</u>	<u>23,456,487</u>
<b>For the year ended 31 December 2023 -</b>				
Balance as at 1 January	20,000,000	793,808	431,338	21,225,146
Total comprehensive income for the year	-	-	836,546	836,546
Transferred to statutory reserve	-	117,266	(117,266)	-
Balance as at 31 December	<u>20,000,000</u>	<u>911,074</u>	<u>1,150,618</u>	<u>22,061,692</u>

The attached notes from 1 to 32 form part of these consolidated financial statements

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2024**

	Notes	2024 JD	2023 JD
<b><u>OPERATING ACTIVITIES</u></b>			
Profit for the year before tax		1,653,692	1,172,656
<b>Adjustments for:</b>			
Finance costs		748,406	282,886
Interest on lease liabilities	7	51,066	70,511
Depreciation of property and equipment	4	1,252,434	1,118,877
Depreciation on right-of-use assets	7	301,679	306,757
Contingent liabilities provision	16	214,996	300,000
Expected credit losses provision	9	400,000	-
Provision for expired and near expiry goods	8	78,548	-
Employees' vacations provision	17	47,521	41,512
End-of-service indemnity provision	17	24,668	24,036
<b>Working capital changes:</b>			
Medicine and medical supplies		(200,946)	37,360
Trade receivables – net		(1,905,294)	(745,636)
Other debit balances		(32,817)	70,919
Checks under collection		17,136	28,127
Accounts payable and other credit balances		(136,747)	508,331
Paid from contingent liabilities provision	16	(105,590)	-
Paid from employees' vacations provision	17	(14,792)	(24,900)
Paid from end-of-service indemnity provision	17	(3,281)	-
<b>Net cash flows from operating activities before income tax</b>		<b>2,390,679</b>	<b>3,191,436</b>
Paid from income tax provision	18	(249,958)	(491,527)
<b>Net cash flows from operating activities</b>		<b>2,140,721</b>	<b>2,699,909</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Purchases of property and equipment	4	(1,044,068)	(937,403)
Addition to projects under construction	5	(1,635,891)	(2,508,280)
<b>Net cash flows used in investing activities</b>		<b>(2,679,959)</b>	<b>(3,445,683)</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Liabilities against finance lease contracts – Net		(509,658)	1,082,935
Murabaha facilities – net		2,059,620	361,641
Finance costs paid		(686,335)	(282,886)
Paid from lease liabilities	7	(363,230)	(286,312)
<b>Net cash flows from financing activities</b>		<b>500,397</b>	<b>875,378</b>
Net (decrease) increase in cash and cash equivalents		(38,841)	129,604
Cash and cash equivalents at the beginning of the year		304,523	174,919
<b>Cash and cash equivalents at the end of the year</b>	12	<b>265,682</b>	<b>304,523</b>

The attached notes from 1 to 32 form part of these consolidated financial statements

**(1) GENERAL**

The Consultant and Investments Group Company (Istishari Hospital) was established and registered on 7 November 1995, as a Public Shareholding Company number (299). The Company's paid-in capital was JD 8,000,000. It was increased during the prior years in phases to become JD 20,000,000. The Company's offices are located in Wadi Saqra, P.O Box 840431 Amman 11184 The Hashemite Kingdom of Jordan.

The principal activities of the Company are industrial construction, commercial agencies, investment in commercial and financial projects, establishment and management of health and construction projects, real estate, residential, urban or industrial, commercial markets of all kinds and related services.

The consolidated financial statements were approved by the Board of Directors on 24 March 2025.

**(2) BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES**

**(2-1) BASIS OF PREPARATION**

The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standard Board ("IASB").

The consolidated financial statements have been prepared on a historical cost basis.

The consolidated financial statements are presented in Jordanian Dinars ("JD") which is the functional currency of the Group.

**(2-2) CHANGES IN ACCOUNTING POLICY**

The accounting policies used in the preparation of the consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended 31 December 2023 except for the adoption of new standards effective as at 1 January 2024 as shown below:

**Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback**

The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments had no material impact on the Group's consolidated financial statements.

### **Amendments to IAS 1 - Classification of Liabilities as Current or Non-current**

The amendments to IAS 1 specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right

That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, an entity is required to disclose when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments had no material impact on the Group's consolidated financial statements.

### **Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7**

The amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:

Disclosures clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments had no material impact on the Group's consolidated financial statements.

## **(2-3) BASIS OF CONSOLIDATION**

The consolidated financial statements include the financial statements of the Company and its subsidiary under its control, and control is achieved when the Company is exposed to the variable returns resulting from its investment in the subsidiary or has rights in such returns, and is able to influence such returns through its authority over the subsidiary, and transactions, balances, revenues and expenses between the Company and the Subsidiary are excluded. The subsidiary included in the consolidated financial statements are as follows:

	Capital	Main activity	Ownership Percentage
	JD		%
Al Motamaizah for Hospital Management Co.	15,000	Hospital services and import of medical devices and supplies	100

Control is achieved when a group has rights in variable returns resulting from its association with the investee company and has the ability to influence these returns through its ability to control the investee company. The investee company is controlled only when the following is achieved:

- The Group's control over the investee company (existing rights that give the Group the ability to direct the relevant activities of the investee company).
- Display of the group or its rights in the variable returns resulting from its association with the investee company.
- The ability to exercise control over the investee company and influence its returns.

Where the Group owns less than a majority of voting rights or similar rights in the investee company, the Group shall take into account all relevant facts and circumstances to determine whether it has control over the investee company, including:

- Contractual arrangements with other voting rights holders in the investee company.
- Rights resulting from other contractual arrangements.
- Current voting rights and possible voting rights of the group.

The Group reassesses whether it controls the investee company and if there are circumstances or facts indicating a change in one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. The assets, liabilities, expenses and revenue of the subsidiary are consolidated into the Group's consolidated financial statements from the date the Group obtains control over the subsidiaries and ceases when the Group loses control of the subsidiary.

Profit and loss and every other item of comprehensive income is charged to the shareholders' equity in the parent company and the rights of non-controlling parties, even if this results in a deficit in the equity balance of the non-controlling parties. If necessary, the financial statements of subsidiary are amended to align their accounting policies with the Group's accounting policies. Assets, liabilities, equity, income, expenses, profits and losses relating to transactions between the Group and its subsidiary are eliminated.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognition of assets (including goodwill) and liabilities of the subsidiary
- Derecognition of the rights of non-controlling parties
- Derecognition of foreign currency translation reserves
- Recognition of the fair value of the amounts received
- Recognition of the fair value of the investment held in the subsidiary
- Recognition of profits or losses resulting from the loss of control
- Reclassification of the company's share previously recorded in other comprehensive income items to profit and loss

#### **(2-4) MATERIAL ACCOUNTING POLICIES INFORMATION**

##### **Property and equipment**

Property, plant and equipment are stated at cost, net of accumulated depreciation and any impairment value. Maintenance and repair expenses are recognized in the consolidated statement of comprehensive income.

Depreciation (except for land) is computed on a straight-line basis over the estimated useful lives of assets at the following annual rates:

	<u>%</u>
Buildings and main constructions	2
Medical devices and equipment	10-20
Furniture, office equipment, and decorations	12
Computers and electronic devices	12-33
Vehicles	15
Elevators and other buildings	10-20
Solar cells	15

Properties and equipment are depreciated according to the above rates, excluding fully depreciated properties and equipment.

When the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount, and the impairment is being recognized in the consolidated statement of comprehensive income.

The useful life and depreciation method are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

Properties and equipment are excluded when they are sold or when there are no future economic benefits from them, and any gains or losses from such exclusion are included in the consolidated statement of comprehensive income.

### **Projects in progress**

Projects in progress are stated at cost. This includes the cost of construction, equipment and direct costs. Projects in progress are not depreciated until they are ready for use.

### **Investment properties**

Investment properties are measured on the date of acquisition at cost less accumulated depreciation and impairment in value (if any).

### **Leases**

#### **Group as a lessee**

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### **Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment testing.



### **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate.

The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

### **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to some of its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **Significant judgement in determining the lease term of contracts with renewal option.**

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has the option, under some of its leases to lease the assets for additional terms. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew.

That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

The Group included the renewal period as part of the lease term for leases of plant and machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

### **Group as a lessor**

Operating lease revenues are recognized as other income in the consolidated statement of comprehensive income on a straight- line basis over the lease term.

### **Trade receivables**

Trade receivables are stated at original invoice amount less expected credit losses provision. The Group applies the simplified approach and calculates the expected credit losses provision for receivables. According to this approach, the Group does not monitor changes in customers' credit risks, but at the date of the consolidated financial statements it calculates a provision for expected credit losses over the life of the receivables. The Group has prepared a table of expected credit losses ratios according to the historical experience of credit losses, taking into account future factors related to debtors and the economic environment. Receivables are written off when there is no possibility of recovery.

### **Medicine and medical supplies**

Inventories are stated at the lower of cost and net realizable value. Cost is determined by using the weighted-average method for the pharmacy stores and for all other stores. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

### **Cash and cash equivalents**

Cash and cash equivalents consist of cash-on-hand, bank balances, and checks under collection with an original maturity of three months or less with no risk of change in their value.

### **Accounts payable and accruals**

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

### **Provisions**

Provisions are recognized when the Group has a present obligation (legal or constructive) arising from a past event and the costs to settle the obligation are both probable and able to be reliably measured.

### **Loans**

After initial recognition, loans are measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the consolidated statement of comprehensive income when the liabilities are paid as well as through the effective interest rate method (EIR) amortization method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Finance costs are recognized in the consolidated statement of comprehensive income.

### **Revenue recognition**

Revenue is recognized in accordance with the five steps model of IFRS (15) which includes the identification of the contracts, price, and performance obligation within the contract.

Revenue is recognized when the Group satisfies the performance obligation. The Group concludes the revenues from patient treatment services and issuance of the invoices at a point on time. Hence, Medical treatment revenues are recognized as the service is provided in which performance obligation is satisfied.

Other revenues are recognized on an accrual basis.

### **Finance costs**

Direct borrowing costs related to the acquisition, construction or production of an asset that necessarily requires a long period to become ready for its intended use or sale are capitalized as part of the costs of that asset. Other borrowing costs are expensed in the period in which they are incurred. Borrowing costs consist of interest and other costs incurred by the Group in connection with obtaining loans.

### **Income tax**

The Group provides for income tax in accordance with the Income Tax law No.(34) of 2014 and its amendments enacted in the Hashemite Kingdom of Jordan and in accordance with IAS (12) which states that deferred tax is provided for temporary differences, at each reporting date, between tax basis of assets and liabilities and their carrying amounts for financial reporting purposes.

### **Impairment of financial assets**

The adoption of IFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing IAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

IFRS 9 requires the Group to record an allowance for ECL for all debt instruments measured at amortized cost.

For all debt instruments, the Group has applied the standard's simplified approach and has calculated ECL based on lifetime expected credit losses. The Group has established a provision matrix that is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

### **Impairment of non-financial assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset.

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used.

### **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or,
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 - Quoted unadjusted market prices in active markets for identical assets or liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

#### **Current versus non-current classification**

The Group presents assets and liabilities in consolidated statement of financial position based on current/non-current classification.

An asset as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period ; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period

Or

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

#### **Foreign currencies**

Transactions in foreign currencies are recorded at the rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the consolidated statement of financial position date. All differences are taken to the consolidated statement of comprehensive income.

#### **Offsetting**

Offsetting between financial assets and financial liabilities and presenting the net amount on the consolidated statement of financial position is performed only when there are legally-enforceable rights to offset, the settlement is on a net basis, or the realization of the assets and satisfaction of the liabilities is simultaneous.

### **Contingent Assets and Liabilities**

Contingent liabilities are not recognized in the consolidated financial statements but are disclosed when the possibility of an outflow of resources is remote.

A contingent asset is not recognized in the consolidated financial statements but are disclosed when an inflow of resources is possible.

### **(3) SIGNIFICANT ESTIMATES AND ASSUMPTIONS**

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions as well as fair value changes reported in equity. In particular, considerable judgment by management is required in the estimation of the amount and timing of future cash flows when determining the level of provisions required. 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 changes in such provisions.

Judgments estimates and assumptions in the consolidated financial statements are detailed below:

- A provision is booked for trade receivables based on basis and assumptions approved by the Group's management to estimate the required provision in according with International Financial Reporting Standard No. (9).
- International Financial Reporting Standard No. (16) requires the Company to make judgments and estimates that affect the measurement of the right to use assets and lease contract liabilities. The Group's management estimates the factors that affect the measurement of the right to use assets and related liabilities, taking into account all factors related to the option to extend or renew lease contracts. It should be noted that management conducts tests to determine whether the contract involves a lease. Additionally, management uses estimates to determine the appropriate discount rate for measuring lease contract liabilities.
- Income tax expense is calculated and charged for the year in accordance with laws and regulation and IFRS. Deferred tax assets and liabilities and income tax provision is calculated accordingly.
- The Group's management periodically reviews the useful lives of property and equipment in order to calculate the annual depreciation expense on the general conditions of the property and equipment and estimate the future useful lives accordingly. Impairment losses of property and equipment are recognized as expense in the consolidated statement of comprehensive income.
- The Group's Management derecognises property and equipment based on estimating the net book value of disposed assets.
- A provision will be established against litigations where the Group is the defendant based on a legal study provided by the Group's legal consultant which will determine the risk that may occur. These studies are reviewed periodically.

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(4) PROPERTY AND EQUIPMENT**

	Land*	Buildings and main constructions	Medical Devices and Equipment	Furniture, office Equipment, and decorations	Computers and electronic devices	Transportation	Elevators and Other Buildings	Solar cells	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>2024</b>									
<b>Cost -</b>									
As at 1 January 2024	7,884,731	9,290,533	13,534,261	2,406,939	2,205,836	196,072	1,127,147	2,287,784	38,933,303
Additions	-	-	449,073	377,086	125,909	-	-	92,000	1,044,068
Transferred from projects under construction (note 5)	-	10,894,052	-	-	-	-	-	-	10,894,052
As at 31 December 2024	<u>7,884,731</u>	<u>20,184,585</u>	<u>13,983,334</u>	<u>2,784,025</u>	<u>2,331,745</u>	<u>196,072</u>	<u>1,127,147</u>	<u>2,379,784</u>	<u>50,871,423</u>
<b>Accumulated depreciation -</b>									
As at 1 January 2024	-	2,889,251	11,313,158	2,045,966	1,926,762	196,072	1,127,147	1,712,106	21,210,462
Deprecation charge for the year	-	234,570	502,258	98,231	86,171	-	-	331,204	1,252,434
As at 31 December 2024	<u>-</u>	<u>3,123,821</u>	<u>11,815,416</u>	<u>2,144,197</u>	<u>2,012,933</u>	<u>196,072</u>	<u>1,127,147</u>	<u>2,043,310</u>	<u>22,462,896</u>
<b>Net book value -</b>									
As at 31 December 2024	<u>7,884,731</u>	<u>17,060,764</u>	<u>2,167,918</u>	<u>639,828</u>	<u>318,812</u>	<u>-</u>	<u>-</u>	<u>336,474</u>	<u>28,408,527</u>
<b>2023</b>									
<b>Cost -</b>									
As at 1 January 2023	7,884,731	9,290,533	12,854,729	2,234,572	2,062,911	196,072	1,127,147	2,287,784	37,938,479
Additions	-	-	679,532	114,946	142,925	-	-	-	937,403
Transferred from projects under construction (note 5)	-	-	-	57,421	-	-	-	-	57,421
As at 31 December 2023	<u>7,884,731</u>	<u>9,290,533</u>	<u>13,534,261</u>	<u>2,406,939</u>	<u>2,205,836</u>	<u>196,072</u>	<u>1,127,147</u>	<u>2,287,784</u>	<u>38,933,303</u>
<b>Accumulated depreciation -</b>									
As at 1 January 2023	-	2,695,349	10,867,622	1,979,648	1,853,523	196,072	1,114,085	1,385,286	20,091,585
Deprecation charge for the year	-	193,902	445,536	66,318	73,239	-	13,062	326,820	1,118,877
As at 31 December 2023	<u>-</u>	<u>2,889,251</u>	<u>11,313,158</u>	<u>2,045,966</u>	<u>1,926,762</u>	<u>196,072</u>	<u>1,127,147</u>	<u>1,712,106</u>	<u>21,210,462</u>
<b>Net book value -</b>									
As at 31 December 2023	<u>7,884,731</u>	<u>6,401,282</u>	<u>2,221,103</u>	<u>360,973</u>	<u>279,074</u>	<u>-</u>	<u>-</u>	<u>575,678</u>	<u>17,722,841</u>

\* As stated in (note 14), the Group signed a financial lease agreement on 28 July 2016, to finance the purchase of a land - plot number (1284) from the International Islamic Arab Bank. This was done by transferring the plot of land to the International Islamic Arab Bank and then leasing it back with Ijarah Muntahia Bittamleek.

- Fully depreciated property and equipment amounted to JD 13,772,886 as of 31 December 2024 (as of 31 December 2023: JD 12,552,305).

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

Depreciation expense was allocated in the consolidated statement of comprehensive income as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Cost of operating revenues (note 20)	1,109,598	994,597
General and administrative expenses (note 21)	142,836	124,280
	<u>1,252,434</u>	<u>1,118,877</u>

**(5) PROJECTS UNDER CONSTRUCTION**

This item represents the work completed and the amounts due and paid to contractors by the Group as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Hospital's main building expansion project *	1,768,168	11,026,329
	<u>1,768,168</u>	<u>11,026,329</u>

\* The total estimated cost to complete the Hospital's main building expansion project is JD 1,677,284 as of 31 December 2024 and is expected to be completed during 2025.

Movement on projects under construction as of 31 December is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance as at 1 January	11,026,329	11,310,514
Additions	1,635,891	2,508,280
Transferred to investment properties (note 6)	-	(2,735,044)
Transferred to property and equipment (note 4)	(10,894,052)	(57,421)
Balance as at 31 December	<u>1,768,168</u>	<u>11,026,329</u>

**(6) INVESTMENT PROPERTIES**

Movement on investment properties as of 31 December is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance at the beginning of the year	2,735,044	-
Transferred from projects under construction (note 5) *	-	2,735,044
Balance at the end of the year	<u>2,735,044</u>	<u>2,735,044</u>

\*This item represents the amounts transferred from projects under construction, which represent two plots of land no. 1028 and 954 in Wadi Saqra Basin no. 18 through Ijarah Muntahia Bittamleek (note 14) for the purpose of leasing them; therefore, these transferred amounts were reclassified under the investment properties item.

The fair value of investment properties as of 31 December 2024 amounted to JD 2,556,090 based on the valuation received from accredited appraisers.



**(7) RIGHT OF USE ASSETS AND LEASE LIABILITIES**

The Group has various lease contracts for medical clinics and nurses' housing. The Group's obligations under lease contracts are guaranteed by the lessor's ownership of the leased assets.

Set out below are the carrying amounts of right-of-use assets and lease obligations recognized and the movements during the year:

	Right of use assets JD	Lease contracts liabilities* JD
<b>As at 1 January 2024</b>	838,537	920,523
Additions	50,995	50,995
Depreciation for the year	(301,679)	-
Finance costs	-	51,066
Lease payments	-	(363,230)
<b>As at 31 December 2024</b>	<b>587,853</b>	<b>659,354</b>
<b>As at 1 January 2023</b>	751,597	742,627
Additions	393,697	393,697
Depreciation for the year	(306,757)	-
Finance costs	-	70,511
Lease payments	-	(286,312)
<b>As at 31 December 2023</b>	<b>838,537</b>	<b>920,523</b>

\* Details of lease contracts liabilities as at 31 December were as follows:

	Short term JD	Long term JD	Total JD
<b>2024</b>	332,960	326,394	659,354
<b>2023</b>	370,000	550,523	920,523

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(8) MEDICINE AND MEDICAL SUPPLIES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Main medicine warehouse	709,169	614,025
Pharmacy warehouse	186,824	151,106
Medical supplies warehouse	189,081	152,931
Departments and floors' warehouses	500,843	480,766
Medical spare parts warehouse	44,447	35,950
Other warehouses	26,261	20,901
	<u>1,656,625</u>	<u>1,455,679</u>
Provision for expired and near expiry goods	<u>(78,548)</u>	<u>-</u>
	<u><u>1,578,077</u></u>	<u><u>1,455,679</u></u>

Movement on the provision for expired and near expiry goods was as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance at 1 January	-	-
Provision for the year	<u>78,548</u>	<u>-</u>
Balance at 31 December	<u><u>78,548</u></u>	<u><u>-</u></u>

**(9) TRADE RECEIVABLES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Trade receivables	9,305,353	7,598,928
Allowed discount provision *	(78,778)	(277,647)
Excepted credit losses provision **	<u>(3,012,976)</u>	<u>(2,612,976)</u>
	<u><u>6,213,599</u></u>	<u><u>4,708,305</u></u>

\* This item represents the allowed discount provision for insurance companies on the financial claims submitted by the Group. The movement on the allowed discount provision as of 31 December is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance at 1 January	277,647	598,019
Reversal for the year – net	<u>(198,869)</u>	<u>(320,372)</u>
Balance at 31 December	<u><u>78,778</u></u>	<u><u>277,647</u></u>

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

\*\* Movement on the expected credit losses as of 31 December was as follows:

	2024	2023
	<u>JD</u>	<u>JD</u>
Balance at 1 January	2,612,976	2,592,052
Provision for the year	400,000	-
Transferred from expected credit losses provision for bank balances	-	20,924
Balance at 31 December	<u>3,012,976</u>	<u>2,612,976</u>

The aging of unimpaired trade receivables as of 31 December was as follows:

	Neither past due nor impaired	1-60 days	61 – 90 days	91 – 120 days	> 120 days	Total
	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>	<u>JD</u>
2024	1,839,714	1,688,275	806,757	801,061	4,169,546	9,305,353
2023	1,487,223	1,065,929	1,095,600	183,979	3,766,197	7,598,928

Based on the Group's management estimation, unimpaired receivables are expected to be fully recoverable. The Group does not obtain cash margins against these receivables.

**(10) OTHER DEBIT BALANCES**

	2024	2023
	<u>JD</u>	<u>JD</u>
Income and sales tax deposit	2,868,436	-
Payments for the purchase of medical devices	441,186	441,186
Accrued revenues – unissued patients' invoices	342,221	349,985
Advance payments to suppliers	320,784	320,766
Advance payments for the purchase of computer software	284,150	284,150
Prepaid expenses	181,886	70,121
Claims of patients' balance differences	127,676	127,676
Advance payments for the purchase of an electric generator	99,229	99,229
Refundable deposits	22,393	27,501
Others	351,656	417,750
	<u>5,039,617</u>	<u>2,138,364</u>
Provision of payments for the purchase of medical devices *	(441,186)	(441,186)
Provision of advance payments for the purchase of computer devices	(284,150)	(284,150)
Provision of claims of patients' balance differences	(127,676)	(127,676)
Provision of advance payments for the purchase of an electric generator	(99,229)	(99,229)
	<u>4,087,376</u>	<u>1,186,123</u>

\* During the previous years, the Group has recorded a provision for the entire balance of amounts paid to purchase some medical devices and other devices as they do not meet the required specifications, and the management was unable to determine the extent to which they can be utilized.

**(11) CHECKS UNDER COLLECTION**

	<u>2024</u>	<u>2023</u>
	JD	JD
Short-term checks under collection	<u>16,150</u>	<u>33,286</u>

**(12) CASH ON HAND AND BANK BALANCES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Cash on hand	39,423	43,651
Bank balances	220,265	243,705
Checks under collection matured within three month or less	<u>5,994</u>	<u>17,167</u>
	<u>265,682</u>	<u>304,523</u>

**(13) EQUITY**

**Paid in Capital -**

The authorized and paid-in capital amounted to JD 20,000,000 at par value of JD 1 each.

**Statutory reserve -**

The accumulated amounts of JD 1,076,429 as of 31 December 2024 represents 10% of the annual net profit before income tax transferred during the years in accordance with the Companies Law, and it is not distributable to shareholders. The Group may stop transferring amounts to the statutory reserve when the reserve balance reaches 25% of the authorized capital, but it is permissible, with the approval of the Company's general assembly, to continue deducting this annual percentage until this reserve reaches the equivalent of the Company's authorized capital.

**(14) LIABILITIES AGAINST FINANCE LEASE CONTRACTS**

This item represents liabilities against finance lease contracts granted to the Group by the International Arab Islamic Bank:

	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	JD	JD	JD	JD	JD	JD
Solar energy project *	254,464	647,634	902,098	254,356	807,573	1,061,929
Hospital expansion project **	855,892	3,597,421	4,453,313	1,170,478	3,183,351	4,353,829
Land purchase ***	882,909	4,065,140	4,948,049	261,911	5,182,888	5,444,799
	1,993,265	8,310,195	10,303,460	1,686,745	9,173,812	10,860,557
Less: Land relinquishment fees***	(21,180)	-	(21,180)	(47,439)	(21,180)	(68,619)
Total	1,972,085	8,310,195	10,282,280	1,639,306	9,152,632	10,791,938

\* The Group signed a financial lease agreement on 18 November 2018 to finance a solar energy project with a total value of JD 2,490,750. The lease yield rate was 2.5% annually, of which to be paid in 109 monthly instalments divided over 9 years of JD 22,851 per month. The financing was rescheduled in 2021 to make the final instalment on 18 August 2028.

\*\* The Group signed manufacturing contracts 5 September 2019 for the expansion of the fourth and fifth floors of the Istishari Hospital with a total value of JD 1,694,812. The loan was rescheduled during 2024 to be repaid in 94 monthly instalments, the last instalment will be due on October 28, 2032. An annual manufacturing margin of 2.36%.

\*\*\* This item includes liabilities related to financial leasing contracts for the purchase of land as detailed below:

- 1) The Group signed a financial lease agreement 28 July 2016 to finance the purchase of land no. (1284) from the Islamic International Arab Bank. The Bank acquired the land and then re-leased it to the Group (note 4). As a result, the Group incurred transfer fees of JD 426,951 which were paid to the Amman Land Registry and recorded as a liability to be amortized over the life of the facility.

The lease term is set at 108 months over 9 years, paid monthly from 31 August 2017. The monthly instalment was JD 55,931. The financing was rescheduled, and the monthly instalment amounted to JD 50,691 for a year from 31 May 2022. Also, the financing was rescheduled, so the monthly instalment amounted to JD 51,872 for a year from 31 May 2023. the financing was rescheduled, so the monthly instalment amounted to JD 51,718 for a year from 31 May 2024. The yield rate for the first year was 6.5% of the principal financing amount, while the variable margin for the first year was 1%.

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

- 2) During 2022, the Group signed financial leasing agreements to purchase the two plots of land No. (954) and (1028) in Wadi Saqra Basin No. 18 with the Islamic International Arab Bank, provided that the lease period is 120 months divided into 10 years, and to be paid monthly starting from 30 November 2023. the financing was rescheduled, the monthly instalment amounted to JD 35,060 for a year from 30 November 2024. The rate of the return for the first year was 6.2% of the original financing value (note 6).

The Group's liabilities under the financial lease contracts are secured by the lessor's ownership of the leased assets.

The annual payments of the loan installments and their due dates are as follows:

Year	JD
2025	1,993,265
2026	1,834,531
2027	1,889,974
2028	1,851,517
2029 and after	2,734,173
	<u>10,303,460</u>

**(15) MURABAHA FACILITIES**

	2024			2023		
	Short-term	Long-term	Total	Short-term	Long-term	Total
	JD	JD	JD	JD	JD	JD
Murabaha finance facilities	<u>2,389,221</u>	<u>32,040</u>	<u>2,421,261</u>	<u>264,892</u>	<u>96,749</u>	<u>361,641</u>
	<u>2,389,221</u>	<u>32,040</u>	<u>2,421,261</u>	<u>264,892</u>	<u>96,749</u>	<u>361,641</u>

This item represents facilities granted to the Group from the Islamic International Arab Bank as the Group signed in 2024 Murabaha financing agreements with the Islamic International Arab Bank for up to JD 1,000,000 at a Murabaha rate of 6.8% to finance the purchase of medications. These facilities are repaid in monthly instalments. The first payment was due on 30 October 2024, and the final payment is due on 18 May 2025.

On 3 March 2024, the Group signed a restricted investment agency agreement (Murabaha for the purchase of assets) with the Islamic International Arab Bank for financing purposes amounted to JD 2,100,000 at a Murabaha rate of 10.08% annually. The amount is to be repaid in 12 equal monthly installments, with the first installment due on 18 August 2024, and the final installment will be due on 14 January 2025.

On 5 June 2024, the Group signed a restricted investment agency agreement (Murabaha for the purchase of assets) with the Islamic International Arab Bank for financing purposes amounted to JD 360,000. The first installment is due on 14 January 2025, and the final installment will be due on 12 February 2026.

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(16) CONTINGENT LIABILITIES PROVISION**

This item represents a provision to meet contingent future liabilities. The movement on the provision for contingent liabilities as of 31 December is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance as at 1 January	1,051,790	751,790
Provision for the year	214,996	300,000
Paid during the year	(105,590)	-
Balance as at 31 December	<u>1,161,196</u>	<u>1,051,790</u>

**(17) ACCOUNT PAYABLES AND OTHER CREDIT BALANCES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Trade payables	2,946,956	2,995,656
Post-dated checks - in Favor of the Income and Sales Tax Department	2,868,436	-
Shareholder's deposits	207,272	208,524
Provision for employees' vacation *	279,381	246,652
Accrued expenses and salaries	917,529	716,060
Accrued interest expense	105,334	43,263
Lawsuits provision	21,069	21,069
Contractor retentions for electro-mechanical works	86,550	86,550
Stamps expense	59,490	59,490
Social security contribution	148,049	124,861
End-of-service indemnity provision **	113,848	92,461
Income and sales tax deposits	17,905	21,916
Others	223,430	530,871
	<u>7,995,249</u>	<u>5,147,373</u>

\* Movement on the employees' vacation provision as of 31 December is as follows:

	<u>2024</u>	<u>2023</u>
	JD	JD
Balance as at 1 January	246,652	230,040
Provision for the year (note 21)	47,521	41,512
Paid during the year	(14,792)	(24,900)
Balance as at 31 December	<u>279,381</u>	<u>246,652</u>

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

\*\* Movement on the end-of-service indemnity provision is as follows:

	2024	2023
	JD	JD
Balance as at 1 January	92,461	68,425
Provision for the year (note 21)	24,668	24,036
Paid during the year	(3,281)	-
Balance as at 31 December	<u>113,848</u>	<u>92,461</u>

**(18) INCOME TAX PROVISION**

**Deferred tax asset –**

The details of this item are as follows:

	2024			31 December		
	Amounts			2024	2023	
	Balance as at the beginning of the year	Amounts released	Amounts added	Balance as at the end of the year	Deferred Tax	Deferred Tax
	JD	JD	JD	JD	JD	JD
Included accounts						
Expected credit losses provision	2,612,976	-	400,000	3,012,976	632,725	548,725
	<u>2,612,976</u>	<u>-</u>	<u>400,000</u>	<u>3,012,976</u>	<u>632,725</u>	<u>548,725</u>

The movement on deferred tax assets was as follows:

	2024	2023
	JD	JD
Balance as at the beginning of the year	548,725	697,181
Added during the year	84,000	4,394
Released during the year	-	(152,850)
Balance as at the end of the year	<u>632,725</u>	<u>548,725</u>



**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**Income tax provision –**

The movement on the income tax provision is as follows:

	2024	2023
	JD	JD
Balance as at the beginning of the year	224,435	528,308
Income tax for the year	342,897	187,654
Paid during the year	(249,958)	(491,527)
Balance as at the end of the year	<u>317,374</u>	<u>224,435</u>

The income tax for the year shown in the consolidated statement of comprehensive income consists of the following:

	2024	2023
	JD	JD
Income tax for the year	342,897	187,654
Released from deferred tax assets	-	152,850
Added from deferred tax assets	(84,000)	(4,394)
	<u>258,897</u>	<u>336,110</u>

The reconciliation between the accounting profit and taxable income:

	2024	2023
	JD	JD
Accounting profit	1,653,692	1,172,656
Less: non-taxable revenues	(817,488)	(735,560)
Add: non-deductible expenses	765,733	456,504
Taxable profit	<u>1,601,937</u>	<u>893,600</u>
Income tax expense for the year	342,897	187,654
Add: released from deferred tax assets	-	152,850
Less: added from deferred tax assets	(84,000)	(4,394)
	<u>258,897</u>	<u>336,110</u>
Statutory income tax rate	21%	21%
Effective income tax rate	15,66%	28,66%

Income tax provision for the years ended at 31 December 2024 and 2023 was calculated in accordance with the Income Tax Law No. (34) of 2014 and its amendments. The income tax rate for the Group is 20% in addition to a 1% National Contribution tax.

## Tax Returns:

### The Consultant and Investment Group Company

The Income and Sales Tax Department audited the tax returns for the years between 2016-2022, the Company reached a final settlement with the Income and Sales Tax Department up to the year 2022. During 2021, the Income and Sales Tax Department referred to the declarations for the years between 2016-2018 and issued a preliminary decision for JD 1,266,786 of claims against the Group. The Group's management objected to the decision and filed a lawsuit against the Income and Sales Tax Department and a final ruling for the lawsuit was issued during the year 2024 by the Jordanian Court of Cassation, and the ruling was in favor of the Income and Sales Tax Department for an amount of JD 1,266,786. During 2024 the Group was granted a tax exemption by the Settlement and Reconciliation Committee of the Income and Sales Tax Department on penalties and interest imposed on the Group. This exemption was conditional upon the submission of post-dated checks covering the full outstanding amount. Accordingly, the Group issued 144 checks amounting to JD 2,998,303, this amount includes tax returns for the years between 2016-2018, in addition to the interest and penalties related to this amount, the remaining amount were classified under income and sales tax deposit (note 10). The Company filed its tax return for the Income and Sales Tax Department for the year 2023. The Income and Sales Tax Department did not review the Company's accounting records up to the date of these consolidated financial statements. In the opinion of the management and their tax consultant, the provision recognized by the Group is sufficient.

### Al Motamaizah for Hospital Management Co (Subsidiary)

The Company reached a final settlement with the Income and Sales Tax Department up to the year 2023. The Company filed its tax return for the Income and Sales Tax Department for the year 2023, The Income and Sales Tax Department did not review the Company's accounting records up to the date of these consolidated financial statements.

## **(19) OPERATING REVENUES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Medical supplies revenue	5,359,767	4,380,192
Pharmacy revenue	5,277,185	4,238,985
Medical procedures revenue	3,860,439	3,868,031
Residency revenue	1,926,096	1,650,174
Other departments revenue	6,034,818	5,193,814
	<u>22,458,305</u>	<u>19,331,196</u>

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(20) COST OF OPERATING REVENUES**

	<u>2024</u>	<u>2023</u>
	JD	JD
Salaries, wages and other benefits	5,798,311	5,511,287
Medicines and medical supplies	5,304,066	4,285,951
Consumables	1,184,954	1,052,584
Depreciation of properties and equipment (note 4)	1,109,598	994,597
Social security	634,221	579,277
Electricity and water	447,776	321,739
Food	417,668	381,963
Cleaning	339,942	311,497
Fuel	222,324	195,587
Right-of-use assets depreciation (note 7)	297,590	302,668
Cafeteria expenses	131,072	116,953
Maintenance	80,938	275,890
Government fees	79,124	157,153
Incinerator expenses	67,327	36,134
Property taxes	45,748	37,137
Government stamps	24,243	8,432
Others	78,666	119,216
	<u>16,263,568</u>	<u>14,688,065</u>

**(21) GENERAL AND ADMINISTRATIVE EXPENSE**

	<u>2024</u>	<u>2023</u>
	JD	JD
Salaries, wages and other benefits	1,392,326	1,352,028
Maintenance	245,267	236,733
Insurance	207,981	183,640
Legal fees	165,637	38,183
Social security	164,418	160,518
Right-of-use assets depreciation (note 7)	4,089	4,089
Depreciation of properties and equipment (note 4)	142,836	124,280
Professional and consulting fees	131,981	140,391
Security and protection	112,586	65,464
Advertising and promotions	57,027	48,176
Employees vacations expenses (note 17)	47,521	41,512
Mail and phone	38,421	44,003
Recruiting fees	35,137	37,774
Employees' end-of-service expenses (note 17)	24,668	24,036
Stationery expenses	19,147	24,381
Computer and software expense	11,877	21,302
Others	471,048	369,499
	<u>3,271,967</u>	<u>2,916,009</u>

**THE CONSULTANT AND INVESTMENT GROUP COMPANY**  
**PUBLIC SHAREHOLDING COMPANY**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**31 DECEMBER 2024**

**(22) OTHER INCOME – NET**

	<u>2024</u> JD	<u>2023</u> JD
Clinics' revenues	213,071	117,666
Cars' parking lot revenues	82,746	73,181
Other revenues	<u>126,531</u>	<u>20,171</u>
	<u>422,348</u>	<u>211,018</u>

**(23) RELATED PARTY TRANSACTIONS AND BALANCES**

Related party transactions represent transactions with major shareholders, the subsidiary, directors and key management personnel of the Group. Pricing policies and terms of the transactions with related parties are approved by the Group's management.

The following is a summary of compensations (salaries, allowances and other benefits) of key management personnel of the Group:

	<u>2024</u> JD	<u>2023</u> JD
Salaries and other benefits	<u>186,000</u>	<u>186,000</u>

**(24) BASIC AND DILUTED EARNINGS PER SHARE FROM THE PROFIT FOR THE YEAR**

	<u>2024</u>	<u>2023</u>
Profit for the year (JD)	1,394,795	836,546
Weighted average number of outstanding shares during the year (share)	20,000,000	20,000,000
	<u>JD/Fils</u>	<u>JD/Fils</u>
Basic and diluted earnings per share, from the profit for the year	<u>0/070</u>	<u>0/042</u>

Diluted earnings per share were not calculated as there were no outstanding shares.

**(25) CONTINGENT LIABILITIES**

**Letters of guarantees –**

The Group has outstanding letters of guarantees with an amount of JD 94,288 as at 31 December 2024 (31 December 2023: JD 84,038) against cash margins with an amount of JD 13,943 (31 December 2023: JD 12,406).

**Legal claims against the Group –**

In addition to what is disclosed in note (18) to the consolidated financial statements regarding the decision to impose an additional income tax on the Group for the years between 2016-2020 and its related litigation where the Group has recorded a provision against this claim, the Group is defendant in a number of lawsuits in the ordinary course of business with an amount of JD 27,373 (2023: JD 93,382). The Group management and its legal counsel believe that the provision taken against these is adequate to meet any obligations that may arise and no need to book additional provision against these lawsuits.

**(26) SEGMENT OPERATIONS**

**Information about the Group's Business segment**

The Group operates in a single operational activity, which consists of providing medical care services.

**Geographical Distribution Information**

The Group primarily operates in the Hashemite Kingdom of Jordan and does not have any activities outside it.

**(27) OFFSETTING**

There are amounts due to doctors of JD 5.4 million as of 31 December 2024 (JD 5.2 million as of 31 December 2023), of which amounts due for more than two years amounting to around JD 3.2 million. The Hospital pays these amounts to the doctors once collected from the insurance companies on behalf of the doctors, without any legal obligation to do so; thus, the doctors' due amounts appeared as offsetting accounts in the Group's consolidated financial statements.

**(28) RISK MANAGEMENT**

**Interest rate risk –**

The Groups is exposed to interest rate risk on its financial liabilities that carry interest such as finance against lease liabilities.

The sensitivity of the consolidated statement of comprehensive income is the effect of the assumed changes in interest rates on the Group's profit for one year, based on the floating rate and financial liabilities.

The following table illustrates the sensitivity of the consolidated statement of comprehensive income to reasonably possible changes in interest rates, with all other variables held constant.

<b>2024 -</b>	<u>Increase in interest rate (Basis points)</u>	<u>Effect on profit for the year JD</u>
JOD	100	(127,035)
<b>2023 -</b>	<u>Increase in interest rate (Basis points)</u>	<u>Effect on profit for the year JD</u>
JOD	100	(111,536)

The effect of decrease in interest rate is expected to be equal and opposite to the effect shown above.

**Credit risk -**

Credit risk is the risk that debtors and other parties will fail to discharge an obligation towards the Group.

The Group believes it is not exposed to significant credit risk as it sets credit limits to its customer and monitors the outstanding receivable regularly. The Group maintains its balance in reputable financial institutions.

The trade receivable from the top ten customers represents 45% of gross receivables as of 31 December 2024 (2023: 48%). The Group provides its services to a large number of customers.

### Liquidity risk -

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due.

The Group limits its liquidity risk by ensuring funding is available through proceeds from bank facilities.

The table below summarizes the maturities of the Group's (undiscounted) financial liabilities based on contractual payment dates and current market interest rates.

<b>As at 31 December 2024</b>	Less than one year JD	Over one year JD	Total JD
Accounts payable and other credit balances	7,641,937	-	7,641,937
Liabilities against finance contracts and Murabaha facilities	4,844,791	9,139,039	13,983,830
Lease liabilities	362,990	336,594	699,584
<b>Total</b>	<b>12,849,718</b>	<b>9,475,633</b>	<b>22,325,351</b>

  

<b>As at 31 December 2023</b>	Less than one year JD	Over one year JD	Total JD
Accounts payable and other credit balances	4,774,209	-	4,774,209
Liabilities against finance contracts and Murabaha facilities	2,381,187	9,199,894	11,581,081
Lease liabilities	399,600	594,565	994,165
<b>Total</b>	<b>7,554,996</b>	<b>9,794,459</b>	<b>17,349,455</b>

### Currency risk -

Most of the Group's transactions are in Jordanian Dinars and U.S. Dollars. The Jordanian Dinar exchange rate is fixed against the U.S. Dollar (USD 1/41 for each 1 JD).

## **(29) FAIR VALUE MEASUREMENT**

Financial instruments consist of financial assets and financial liabilities.

Financial assets consist of cash and bank balances, checks under collection, trade receivable, and some other debit balances. Financial liabilities consist of trade payables and liabilities against finance lease contracts, Murabaha facilities, lease obligation, and some other credit balances.

The fair values of financial instruments are not materially different from their carrying values.

**(30) CAPITAL MANAGEMENT**

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise equity.

The Group manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made to the objectives, policies or processes during the current year and prior year.

Capital comprises of paid in capital, statutory reserve and retained earnings is measured at JD 23,456,487 as at 31 December 2024 (2023: JD 22,061,692).

**(31) STANDARDS ISSUED BUT NOT YET EFFECTIVE**

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

**Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7**

In May 2024, the IASB issued Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments (the Amendments). The Amendments include:

- A clarification that a financial liability is derecognised on the 'settlement date' and introduce an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date.
- Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed.
- Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments.

The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, with an option to early adopt the amendments for classification of financial assets and related disclosures only.

The amendments are not expected to have a material impact on the consolidated financial statements of the Group.



### **Contracts Referencing Nature-dependent Electricity — Amendments to IFRS 9 and IFRS 7**

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to address the accounting and disclosure requirements for contracts referencing nature-dependent electricity, such as wind, solar, and hydro power. These amendments aim to provide clearer guidance on the classification, measurement, and recognition of these contracts, which are inherently variable due to their dependence on natural conditions. The changes seek to improve the consistency and comparability of financial statements by clarifying whether such contracts should be treated as financial instruments or executory contracts and how they should be measured. Additionally, the amendments enhance disclosure requirements to provide greater transparency about the risks and financial impacts associated with these contracts, thereby offering users more relevant and reliable information. This initiative supports the global transition to renewable energy by addressing the unique accounting challenges posed by nature-dependent electricity contracts.

The Amendments are effective for annual periods starting on or after 1 January 2026. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the consolidated financial statements of the Group.

### **Lack of exchangeability – Amendments to IAS 21**

In August 2023, the IASB issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Early adoption is permitted, but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information.

The amendments are not expected to have a material impact on the consolidated financial statements of the Group.

### **IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations, whereof the first three are new.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.

In addition, narrow-scope amendments have been made to IAS 7 Statement of Cash Flows, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after 1 January 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

This standard will result in new presentation of the consolidated income statement with some new required totals, in addition to the disclosure of management-defined performance measures.

### **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

In May 2024, the IASB issued IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.

IFRS 19 will become effective for reporting periods beginning on or after 1 January 2027, with early application permitted.

The amendments are not expected to have a material impact on the consolidated financial statements of the Group.

### **(32) COMPARATIVE FIGURES**

The Group reclassified some of 2023 balances to correspond with 2024 presentation with no impact on profit or equity for the year ended 2023.