

**Arab International Company for  
Education and Investment  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan**

**Consolidated financial statements  
As of December 31, 2021**

**Arab International Company for  
Education and Investment  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan**

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Independent Auditors' Report

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To the Shareholders of

The Arab International Company for Education and Investment

Public Shareholding Company

Amman- The Hashemite Kingdom of Jordan

Report on the Audit of the Financial Statements

**Opinion**

We have audited the Accompanying consolidated financial statements of **The Arab International Company for Education and Investment (Public Shareholding Company)**, which comprise the statement of consolidated financial position as at December 31, 2021, and the statements of consolidated comprehensive income, consolidated changes in owner's equity and consolidated cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, and with the exception of the effect of what we mentioned on the basis of the qualified opinion the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company as at December 31, 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS)

**Basis for qualified Opinion**

**Subsidiary company (Ibn Al-Haitham Hospital Company)**

We did not verify the cost of the materials used in the operation amounting to JD 3,302,711 (contained in Note No. 27) as a result of errors in its calculation in the used warehouse system, and the statement of goods for the end of the period extracted from the system does not match the trial balance as on December 31, 2021, and Inventory statements for end-of-term merchandise have been prepared manually, matching the actual inventory quantities and purchase invoices, with a difference of JD 1,032,272 that was entered in the income statement.

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.



-Cash dividends were distributed to shareholders in the amount of 3,240,000 dinars (at the separate level of the company) and 3,130,422 Jordanian dinars (at the consolidated level of the company) without the approval of the company's general assembly on distribution, the approval of the general assembly will be obtained for distribution at the meeting of the general assembly for the budget for the year 2021.

-The company's financial statements as on December 31, 2020 were audited by another auditor, who issued an unqualified report on it on March 30, 2021.

### **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 of the current period. 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.

#### **• Legal Cases and Contingent Liabilities**

In the normal courses of business, contingent liabilities may arise from legal cases held against the company or from governmental fines.

The amounts involved are potentially significant and the application of IFRS to determine the amount, if any, to be provided as a liability, require from management judgments and estimates, accordingly the determination of liabilities is considered a key audit matter.

The disclosure relative to legal and contingent liabilities is summarized respectively in Notes (31, 32) to the consolidated financial statements.

#### **• Record of university tuition and medical services revenues**

• With reference to the accounting policy, revenue recognition The company's university fees revenue & medical services for the year ended December 31, 2021 amounted to JD 32,419,080

- Revenue is one of the essential indicators to measure performance, and this entails the existence of risks inherent in the process of revenue recognition. By proving

#### **The audit procedures included the:**

Our audit procedures include the assessment of the Company's internal controls to determine the liabilities and the review of correspondence with the regulatory parties and the Company's external

legal consultants on all significant legal cases and discussions with the Company's external legal consultant when necessary.

In addition, we obtained formal opinion from the Company's external legal consultant for all significant litigation, analysed correspondence with regulators, and monitored the procedures followed to obtain information from third parties. We also assessed the disclosures made by the Company.

#### **The audit procedures included the:**

- Evaluate the suitability of the company's policy for revenue recognition based on IFRS 15 (Revenue from contracts with customers)
- Evaluate the design, implementation and testing of the operational efficiency of the internal control systems related to the management's procedures related to the control over revenue recognition. Test a sample of the recorded revenue transactions and compare it with the supporting documents to verify the presence of the registered revenue
  - Testing a sample of the recorded



revenue more than its value, educational and medical revenue is recognized when these services are provided.

- In view of the intrinsic value of the university and medical premium income recorded as well as the risks inherent in the process of revenue recognition, the recognition of university and medical premium income was considered an important audit matter.

revenue transactions and comparing it with the supporting documents to verify the existence of the recorded revenue and to assess whether the revenue recognition took place in the correct period. The suitability of the disclosures used in the financial statements

- Evaluation of discounts for major customers, by recalculating the discounts granted according to the contractual terms.
- Conducting an analytical review of revenue based on sales trends and profit margins.
- Conducting an analytical study of revenues based on the number of students and approved fees for the educational process and based on sales trends and profit margins for the medical science, to judge the reasonableness of the amount of revenue included in the attached financial statements.
- The appropriateness of the disclosures used in the financial statements.

### **Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon. We expected that we will give the annual report after our report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information when its available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditors' Responsibilities for the Audit of the 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 auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists,

We are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or



conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the 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 communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

The Company has proper accounting records which are, in all material respects, consistent with the accompanying consolidated financial statements, accordingly, we recommend approving these consolidated financial statements by the general assembly after considerate what we mentioned in the basis of the qualified opinion..

**Obeidat & alsalih**

**Nabil M. Obeidat**  
**License 877**



**Amman in**  
**March 24, 2022**

**Arab International Company for  
Education and Investment**  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan  
Statement of consolidated financial position  
As of December 31, 2021

	Note	2021	2020
		JD	JD
<b><u>Assets</u></b>			
<b><u>Non - current assets</u></b>			
Investments in associates	6	41,983,717	41,922,671
Property, plant & equipments - net	7	42,594,764	45,898,588
Projects under construction	8	3,209,145	2,702,692
Intangible assets - net	9	7,761	3,754
Cheques under collection & notes receivable -long term	10	26,482	65,389
Financial assets at fair value through comprehensive income st.	11	204,668	146,938
The right to use assets	12	29,389	58,778
<b>Total non - current assets</b>		<b>88,055,926</b>	<b>90,798,810</b>
<b><u>Current assets</u></b>			
Cash on hand and at banks	13	6,440,760	5,610,978
Students receivable - net	14	10,054,366	7,376,035
Cheques under collection & notes receivable - short term	10	208,582	853,197
Due from related parties - net	33 A	1,317,300	1,485,518
Financial assets at fair value through income statement	15	375,667	325,809
Medical and non-medical supplies warehouse	16	1,696,623	3,408,434
Other debit balances - net	17	2,589,395	3,108,661
<b>Total current assets</b>		<b>22,682,693</b>	<b>22,168,632</b>
<b>Total assets</b>		<b>110,738,619</b>	<b>112,967,442</b>

**The accompanying notes form from (1) To (40) is an integral part of these statements**

**Arab International Company for  
Education and Investment**  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan  
Statement of consolidated financial position  
As of December 31, 2021

	Note	2021 JD	2020 JD
<b><u>Owners' equity and liabilities</u></b>			
<b><u>Owners' equity</u></b>			
Paid up capital	18	40,500,000	40,500,000
Shares owned by a subsidiary	18	(3,711,949)	(3,711,949)
Statutory reserve	18	10,125,000	10,125,000
Fair value reserve	18	1,623,444	852,421
Retained earnings	18	26,296,551	25,939,447
<b>Total owners' equity (due to shareholders)</b>		<b>74,833,046</b>	<b>73,704,919</b>
Minority interests	18	10,767,597	11,189,457
<b>Total owners' equity</b>		<b>85,600,643</b>	<b>84,894,376</b>
<b><u>Non-current liabilities</u></b>			
Provision for end of service indemnity	19	345,024	299,205
Deffered cheques - long term	20	571,821	-
Loans - long term	22	229,206	688,563
Rent contracts' liabilities - long term	12	-	15,653
<b>Total non-current liabilities</b>		<b>1,146,051</b>	<b>1,003,421</b>
<b><u>Current liabilities</u></b>			
Banks overdraft	21	5,401,821	5,490,831
Loans - short term	22	4,161,022	6,691,848
Accounts payable		4,369,374	3,971,005
Rent contracts' liabilities - short term	12	15,653	29,313
Deffered cheques - short term	20	761,354	2,446,674
Due to related parties	33 C	137,951	118,237
Unearned revenues	23	2,493,589	2,295,621
Students refundable deposits		253,865	272,882
Income tax provision	24	538,211	1,169,195
Other credit balances	25	5,859,085	4,584,039
<b>Total current liabilities</b>		<b>23,991,925</b>	<b>27,069,645</b>
<b>Total owners' equity and liabilities</b>		<b>110,738,619</b>	<b>112,967,442</b>

The accompanying notes form from (1) To (40) is an integral part of these statements

**Arab International Company for  
Education and Investment  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan**

**Statement of consolidated comprehensive income  
for the year ended December 31, 2021**

	Note	2021 JD	2020 JD
Net revenues	26	32,419,080	30,856,975
Operating expenses	27	(20,771,684)	(19,080,071)
<b>Gross profit margin</b>		<b>11,647,396</b>	<b>11,776,904</b>
General & administrative expenses	28	(5,485,247)	(4,900,374)
Inventory differences		(1,032,272)	-
Company's share of associates profit	6 C	330,662	744,483
Unrealized gains (loss) from financial assets at fair value through income		49,858	(11,669)
Finance expenses		(766,579)	(511,729)
Receivables & employees impairment debts	14 , 17	(375,416)	(171,914)
Other revenues	29	965,283	701,379
<b>Profit for the year before tax</b>		<b>5,333,685</b>	<b>7,627,080</b>
Income tax	24	(1,235,802)	(1,505,444)
<b>Profit for the year</b>		<b>4,097,883</b>	<b>6,121,636</b>
<b><u>Due to</u></b>			
Shareholders		4,387,058	5,353,869
Minority interests		(289,175)	767,767
<b>Total</b>		<b>4097883.108</b>	<b>6121636.093</b>
<b><u>Add: other comprehensive income items</u></b>			
Net changes in fair value for financial assets through comprehensive income statement		621,023	1,572,883
(Losses) from selling financial assets - associates companies		(10,078)	-
<b>Total comprehensive income for the year</b>		<b>4,708,828</b>	<b>7,694,519</b>
<b><u>Due to</u></b>			
Shareholders		4,998,003	6,926,752
Minority interests		(289,175)	767,767
<b>Total</b>		<b>4,708,828</b>	<b>7,694,519</b>
		<b>Fils/Dinar</b>	<b>Fils/Dinar</b>
<b>Basic and diluted earning per share</b>	30	<b>0.108</b>	<b>0.132</b>

**The accompanying notes form from (1) To (40) is an integral part of these statements**

**Arab International Company for  
Education and Investment**  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan  
Statement of consolidated owners' equity  
for the year ended December 31, 2021

Description	Capital	Shares owned by a subsidiary	Statutory reserve	Fair value reserve *	Retained earnings		Total retained earnings	Total owners' equity (due to shareholders)	Minority interests	Total
					Realized	Unrealized *				
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>For the year ended December 31, 2021</b>										
<b>Balance as of January 1, 2021</b>	<b>40,500,000</b>	<b>(3,711,949)</b>	<b>10,125,000</b>	<b>852,421</b>	<b>13,543,096</b>	<b>12,396,351</b>	<b>25,939,447</b>	<b>73,704,919</b>	<b>11,189,457</b>	<b>84,894,376</b>
Expenses, deductions and income tax for previous years	-	-	-	-	-	(739,454)	(739,454)	(739,454)	(193,419)	(932,873)
- Subsidiary and associates companies	-	-	-	-	-	-	-	-	-	-
<b>Adjusted opening balances</b>	<b>40,500,000</b>	<b>-</b>	<b>10,125,000</b>	<b>852,421</b>	<b>13,543,096</b>	<b>11,656,897</b>	<b>25,199,993</b>	<b>72,965,465</b>	<b>10,996,038</b>	<b>83,961,503</b>
Profit for the year	-	-	-	-	4,037,990	349,068	4,387,058	4,387,058	(289,175)	4,097,883
Net changes in fair value for financial assets through comprehensive income statement	-	-	-	621,023	-	-	-	621,023	-	621,023
Transferred from fair value reserve to retained earnings	-	-	-	150,000	(150,000)	-	(150,000)	-	-	-
(Losses) from selling financial assets - associates companies	-	-	-	-	-	(10,078)	(10,078)	(10,078)	-	(10,078)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>771,023</b>	<b>3,887,990</b>	<b>338,990</b>	<b>4,226,980</b>	<b>4,998,003</b>	<b>(289,175)</b>	<b>4,708,828</b>
Dividends paid to shareholders (note 18)	-	-	-	-	(3,130,422)	-	(3,130,422)	(3,130,422)	-	(3,130,422)
Minority interests	-	-	-	-	-	-	-	-	60,734	60,734
Earned dividends from associates	-	-	-	-	333,091	(333,091)	-	-	-	-
<b>Balance as of December 31, 2021</b>	<b>40,500,000</b>	<b>(3,711,949)</b>	<b>10,125,000</b>	<b>1,623,444</b>	<b>14,633,755</b>	<b>11,662,796</b>	<b>26,296,551</b>	<b>74,833,046</b>	<b>10,767,597</b>	<b>85,600,643</b>
<b>For the year ended December 31, 2020</b>										
<b>Balance as of January 1, 2020</b>	<b>40,500,000</b>	<b>-</b>	<b>10,125,000</b>	<b>(911,875)</b>	<b>12,564,497</b>	<b>12,032,845</b>	<b>24,597,342</b>	<b>74,310,467</b>	<b>-</b>	<b>74,310,467</b>
Prior years expenses	-	-	-	-	-	(32,169)	(32,169)	(32,169)	-	(32,169)
Prior years income tax	-	-	-	-	-	(125,598)	(125,598)	(125,598)	(124,596)	(250,194)
The effect of controlling the subsidiary company (Ibn Al-Haytham Hospital Company)	-	-	-	191,413	59,031	-	59,031	250,444	-	250,444
<b>Adjusted opening balances</b>	<b>40,500,000</b>	<b>-</b>	<b>10,125,000</b>	<b>(720,462)</b>	<b>12,623,528</b>	<b>11,875,078</b>	<b>24,498,606</b>	<b>74,403,144</b>	<b>(124,596)</b>	<b>74,278,548</b>
Profit for the year	-	-	-	-	4,540,826	813,043	5,353,869	5,353,869	767,767	6,121,636
Net changes in fair value for financial assets through comprehensive income statement	-	-	-	1,572,883	-	-	-	1,572,883	-	1,572,883
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,572,883</b>	<b>4,540,826</b>	<b>813,043</b>	<b>5,353,869</b>	<b>6,926,752</b>	<b>767,767</b>	<b>7,694,519</b>
Dividends paid to shareholders	-	-	-	-	(3,913,028)	-	(3,913,028)	(3,913,028)	-	(3,913,028)
Shares owned by a subsidiary	-	(3,711,949)	-	-	-	-	-	(3,711,949)	-	(3,711,949)
Minority interests	-	-	-	-	-	-	-	-	10,546,286	10,546,286
Earned dividends from associates	-	-	-	-	291,770	(291,770)	-	-	-	-
<b>Balance as of December 31, 2020</b>	<b>40,500,000</b>	<b>(3,711,949)</b>	<b>10,125,000</b>	<b>852,421</b>	<b>13,543,096</b>	<b>12,396,351</b>	<b>25,939,447</b>	<b>73,704,919</b>	<b>11,189,457</b>	<b>84,894,376</b>

The consolidated retained earnings include the company's share of the issue premium and the reserves held by the subsidiary in the amount of JD 1,753,096 (JD 987,833 against the issue premium, JD 725,678 against the compulsory reserve, JD 39,585 against the voluntary reserve) and it is not distributable to shareholders Except for the share premium and voluntary reserve.

In accordance with the instructions of Securities Commission , it is prohibited to dispose fair value reserve & Unrealized retained earnings through dividends to shareholders or capitalization or loss amortization or anything else .

**The accompanying notes form from (1) To (40) is an integral part of these statements**

**Arab International Company for  
Education and Investment**  
**Public shareholding company**  
**Amman - The Hashemite Kingdom of Jordan**  
**Statement of consolidated cash flows**  
**for the year ended December 31, 2021**

	Note	2021 JD	2020 JD
<b><u>Cash flows from operating activities</u></b>			
Profit for the year before tax		5,333,685	7,627,080
Expenses, deductions and income tax for previous years - Susiary (Ibn Alhaytham Hospital)		(388,400)	(250,194)
Depreciation & amortization	7 + 9	3,994,751	3,887,788
Depreciation of the right to use assets	12	29,389	29,389
Interests on rents contracts liabilities	12	3,402	5,872
Company's share of associates profit	6 C	(330,662)	(744,483)
Unrealized (gains) loss from financial assets at fair value through income statement		(49,858)	11,669
Capital losses (gains)		(4,600)	2,611
Receivables & employees impairment debts	14 + 17	375,416	171,914
Provision for end of service indemnity	19	45,819	51,662
Associates impairment	6 C	6,000	-
Finance expenses		766,579	511,729
<b>Operating income before changes in working capital</b>		<b>9,781,521</b>	<b>11,305,037</b>
<b><u>(Increase) decrease in current assets</u></b>			
Accounts receivable		(3,018,172)	(1,439,634)
Due from related parties		168,218	(722,429)
Cheques under collection & notes receivable		683,522	663,991
Medical and non-medical supplies warehouse		1,711,811	(1,211,415)
Other debit balances		483,691	731,491
<b><u>Increase (decrease) in current liabilities</u></b>			
Accounts payable		398,369	(745,923)
Deffered cheques		(1,113,499)	409,969
Due to related parties		19,714	(112,320)
Unearned revenues		197,968	(386,133)
Students refundable deposits		(19,017)	40,875
Paid from end of service idemnity	19	-	(2,235)
Other credit balances		1,275,045	380,833
<b>Net cash provided from operating activities before paid tax</b>		<b>10,569,171</b>	<b>8,912,107</b>
Paid tax	24	(1,866,786)	(1,489,635)
<b>Net cash provided from operating activities</b>		<b>8,702,385</b>	<b>7,422,472</b>

**The accompanying notes form from (1) To (40) is an integral part of these statements**

**Arab International Company for  
Education and Investment  
Public shareholding company  
Amman - The Hashemite Kingdom of Jordan  
Statement of consolidated cash flows  
for the year ended December 31, 2021**

	Note	2021 JD	2020 JD
<b><u>Cash flows from investing activities</u></b>			
Acquisitions of property , plant & equipments	7	(703,259)	(824,243)
Acquisitions of intangible assets	9	(5,800)	(330)
Proceeds from sales of property , plant & equipments		18,728	275
Paid on projects under construction		(506,453)	(421,115)
Proceeds from associates	6 C	333,091	291,750
<b>Net cash (used in) investing activities</b>		<b><u>(863,693)</u></b>	<b><u>(953,663)</u></b>
<b><u>Cash flows from financing activities</u></b>			
Dividends paid to shareholders	18	(3,130,422)	(3,913,028)
Banks overdraft		(89,010)	(3,075,989)
Loans		(2,990,183)	6,105,000
Rent contracts liabilities payments	12	(32,716)	(49,072)
Finance expenses		(766,579)	(511,729)
<b>Net cash (used in) financing activities</b>		<b><u>(7,008,910)</u></b>	<b><u>(1,444,818)</u></b>
<b>Net increase in cash</b>		<b>829,782</b>	<b>5,023,991</b>
Cash on hand and at banks at beginning of year		5,610,978	589,987
<b>Cash on hand and at banks at end of year</b>		<b><u><u>6,440,760</u></u></b>	<b><u><u>5,613,978</u></u></b>

**The accompanying notes form from (1) To (40) is an integral part of these statements**

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**1- Company's registration and objectives**

The **Arab International Company For Education And Investment** was established & registered as a public shareholding company under number (208) on **November 20, 1991** , the company operates its educational activities through the **Applied Science University** , which started teaching as of **October 13, 1991**.

One of company's main objectives is to found and establish a private university to accommodate students from jordan and abroad and prepare them as a specialists at the university level in the technological fields mainly inlaid with human and social studies that can contribute to meet the needs of the Kingdom and neighbouring arab countries .

It also aims to establish a number of centers and institutes for the rehabilitation of students enrolled to a leading positions in variuos scientific , training and performance fields .

The company may, in order to acheive its objectives directly , carry out all the investment activities required by its business and its interest in selling, buying, owning, brokering , lending , borrowing , pledging and lending . The company may also have an interest to participate in any way in the bodies and institutions that cooperate to achieve its objectives in The Hashemite Kingdom of Jordan or outside .

The financial statements were approved by the board of directors at their meeting held on **March 24, 2022**, these financial statements needs subject to the approval of the general assembly of shareholders .

**2- Basis of preparation of financial statements**

The financial statements of the company have been prepared in accordance to International Financial Reporting Standards .

The financial statements have been prepared on historical cost except financial assets and liabilities which appears on fair value .

The financial statements are presented in Jordanian Dinars (JD) which is the company's functional and presentation currency .

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**3- Basis of consolidation of the financial statements**

- The condensed consolidated interim financial statements consist of assets , liabilities , revenues & expnses of **The Arab International Company for Education and Investments** and 2 subsidiary as follows :

<b>Company's name</b>	<b>Legal form</b>	<b>Date of control</b>	<b>Capital</b>	<b>Ownership rate</b>	<b>Company's share of subsidiary's profit</b>	<b>Investment's net book value</b>
		JD	JD	%	JD	JD
Ibn Alhaytham Hospital Co.	P.S.C	January 1,2021	20,000,000	50.201	415,856	10,795,654
Modern University of Jordan Medical Company	L.L.C	December 22, 2020	50,000	100.000	243,952	293,952

**- Summary for Subsidiary's Assets & Liabilities & Revenues & Profits :**

<b>Company's name</b>	<b>Assets</b>	<b>Liabilities</b>	<b>Revenues</b>	<b>Profit for the period</b>
	JD	JD	JD	JD
Ibn Alhaytham Hospital Co.	31,043,898	9,421,783	12,669,986	(580,683)
Modern University of Jordan Medical Company	5,334,746	5,040,794	243,952	243,952

Control realized when company has ability of control the financial and operation policies for subsidiaries for obtained benifets from its activities .

Subsidiaries' income results is being consolidated in statement of consolidated income from date of control up to stop that control on subsidiaries when the actual control on subsidiaries move to company or from company .

The financial statements for the mother company and subcidiaries are prepared for the period of the same accounting policies which used in the mother company (The Arab International Company for Education and Investments) , if subsidiary used differnet policies some adjusting must made on its financial statements to be applicable to the policies used in the mother company .

Minority interests represents part non owned by company from subsidiaries' owner's equity , minority interests stated in net company's assets as a separated item from shares owner's equity of the company .

**4- Use of estimates**

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of financial assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the revenues and expenses and the resultant provisions and particular, considerable judgement by management is required in the estimation of the amount and timing of future cash flows. Such estimates are necessarily based on assumptions about several factors involving varying degrees of judgment and uncertainty and actual results may differ, resulting in future change in such provisions.

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

- Management evaluates its investments for impairment on a regular basis where there is a prolonged decline, Management estimates the value of impairment and the same is charged in the statement of comprehensive income - An estimate of the collectible amount of trade accounts receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time past due, based on historical recovery rates.
- Inventories are held at the lower of either cost or net realizable value. When inventories become old or obsolete, an estimate is made of their realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of aging or obsolescence, based on historical selling prices.
- Management reviews periodically the tangible and intangible assets in order to assess the amortization and depreciation for the year based on the useful life and future economic benefits. Any impairment is taken to the statement of comprehensive income.

**5- Significant accounting policies**

Below used accounting policies in preparation of financial statements, these policies is applying in the years appear in financial statements.

**Changes in accounting policies**

Accounting policies followed in condensed interim financial statements' preparation for this period are consistent with the policies followed the last year, Except for the Company's application of the following Standards effective for annual periods beginning on 1 January 2020:

**A. The new standards, amendments and interpretations that have been applied by the company in the fiscal year beginning on January 1, 2021:**

- \* Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Standard Interest Rate Reform - Phase Two.
- \* Amendments to IFRS 16 Leases, Lease Concessions Related to Coronavirus.

**B. New standards, amendments and interpretations issued but not yet effective and not early applied. It is valid for annual periods beginning on January 1, 2022.**

- \* Amendments to International Financial Reporting Standard No. 3 - Business Groups.
- \* Amendments to International Accounting Standard No. 16 - Property, Equipment and Machinery.
- \* Amendments to IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

**It is valid for annual periods beginning on January 1, 2023.**

- \* Amendments to International Accounting Standard No. 1 - Presentation of Financial Statements - Classification of Liabilities.
- \* Deferred tax assets and liabilities arising from a single transaction - Amendments to IAS 12.
- \* Sale or contribution of assets between an investor and his subsidiary or joint venture - Amendments to International Financial Reporting Standard No. 10 and International Accounting Standard No. 28.

**The previous amendments and interpretations, as well as the non-effective standards, did not have a material impact on the university during the current or future year and on the expected future transactions.**

**Accounts receivable**

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

**Impairment of financial assets**

The company recognizes a provision for expected credit losses for all debt instruments that are not held at fair value through the statement of profit or loss. The expected credit losses are based on the difference between the contractual flows due in accordance with the contract and all the cash flows that the company expects to receive, it discounted when estimating the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit improvements that are part of the contractual terms (if any). The management of the company calculates the provision based on its historical experience in credit loss adjusted according to future factors of debtors and the economic environment.

**Medical and non-medical supplies warehouse**

Medical and non-medical supplies warehouse are stated at the lower of cost or net realizable value. The costs are stated accordance to the **Moving average** method .

**Investments in associates**

Associates companies are the companies which the company owned over **20%** to **50%** of its right to vote, the company has effect effective on its decisions bout financial and operation policeis.

Associates investments appear in financial statements at cost, in addition of company's share of changes in net assets according to equity method, the goodwill resulting of the associates investment record in account of associates investment and not amortize when exist of changes in associates owners' equity, that changes appear in owners' equity of the company.

When preparing separated financial statements for the company as independent establishment, the associates investment appear in fair value.

**Financial assets at fair value through income**

Variation of changes in fair value for financial assets is recording through income statements

Financial assets at fair value through income statement appear in fair value which had market prices in active markets.

**Financial assets at fair value through comprehensive income**

Financial assets at fair value through comprehensive income are non derivative financial assets, the purpose of the acquisition is to keep them available for sale and not to trade or keep them until maturity.

The differences in the change in fair value of financial assets carried at fair value are recorded through the statement of comprehensive income.

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

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

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

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**Offsetting**

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

**Property, plant & equipments**

Property, plant & equipments are recorded at cost and depreciated (except lands) over its estimated useful lives under the **straight line** method by using annual depreciation rates as follows:

<b>Buildings &amp; constructions</b>	<b>2-15</b>	<b>Educational &amp; clarification tools</b>	<b>20</b>
<b>Laboratory equipment &amp; office machines</b>	<b>15</b>	<b>Books &amp; periodicals</b>	<b>5</b>
<b>Furniture &amp; fixtures</b>	<b>2-15</b>	<b>Others</b>	<b>15-20</b>
<b>Tools &amp; equipments</b>	<b>15</b>	<b>Irrigation networks</b>	<b>20</b>
<b>Cars &amp; buses</b>	<b>10-15</b>	<b>Scientific research instrument - solar energy</b>	<b>10</b>
<b>Laboratory equipments</b>	<b>20</b>	<b>Power plant</b>	<b>10</b>

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

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

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

**Intangible assets**

Intangible assets, which have finite useful lives, are amortized over their useful lives. Amortization is recognized in the statement of income; however, intangible assets without definite useful lives should not be amortized and are required to be tested for impairment as of the date the financial statement. Impairment loss shall be recognized in the statement of income.

Intangible assets arising from company operation are not capitalized and should be recognized in the statement of income when incurred.

Intangible assets are assessed at each reporting date to determine whether there is any objective evidence that they are impaired as well as the useful lives of the intangible assets are annually reassessed and any adjustments raised are recognized in the subsequent events. The amortization expense is recognized in the statement of income on a straight line basis over the estimated useful life of each item of intangible assets. Intangible assets are stated at cost less accumulated amortization and any accumulated impairment loss. They are amortized annually of **20%**.

### **Projects under construction**

Projects under construction are recorded at cost which represents the contractual obligations of the company for the construction. Allocated costs directly attributable to the construction of the assets are capitalized. The projects under construction is transferred to the appropriate assets category and depreciated in accordance with the company's

### **The right to benefit from the assets**

The company recognizes the right to use the assets on the start date of the lease contract (the date on which the asset is usable), the right to use asset is recognized at cost, after deducting the accumulated depreciation and impairment losses, and the value is adjusted upon re-evaluation of the lease obligations.

The right-of-use principal cost includes the value of the recognized rental liability, in addition to the initial direct costs incurred, and lease payments made on or before the contract commencement date, less any incentives received related to the lease. In the event that the company is not certain of obtaining ownership of the leased asset at the end of the contract period, the value of the right to use the recognized asset is depreciated on a straight-line basis over the extent of the asset's productive work or the lease period, whichever is less. Right-of-use assets are subject to an impairment test.

### **Lease contract liabilities**

On the commencement date of the lease, the company recognizes lease obligations at the present value of the lease payments to be made during the term of the lease. Rent payments include fixed payments (which include payments that are in substance considered fixed lease payments) minus rent incentives payable, variable lease payments based on agreed indicators or rates according to contract terms, and amounts expected to be collected under residual value guarantees. The lease payments also include the value owed upon exercising the purchase option that the company is certain to exercise and the value of the lease termination fines, if the company intends to exercise the termination option in accordance with the terms of the contract.

Variable lease payments that are not based on agreed indicators or rates in accordance with the terms of the contract are recognized as expenses in the period in which the event or condition that leads to the payment of those amounts.

When calculating the present value of lease payments, for the purposes of discounting future lease payments, the company uses the borrowing rate at the commencement of the lease if the interest rate implicit in the lease is not determinable. Subsequently, the rental liability is increased by the amount of interest accrued and reduced by the amount of actual rental payments. In addition, the book value of the lease liability is re-measured if there is any amendment or change to the lease term, or when any change occurs to the payments in its content, which are considered fixed rental payments or when the valuation related to the purchase of the asset changes.

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

The company applies the exemption related to the recognition of short-term leases to some short-term leases (contracts with a duration of 12 months or less from the start date and does not include the option to purchase the asset). The company also applies the exemption related to leases for low-value assets to some leases for assets deemed to be of low value. Lease payments for short-term leases and low-value assets leases are recognized as expenses on a straight-line basis over the term of the lease.

### **Accounts payable & accrued amounts**

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

### **Fair value**

The close price at the financial statements date represent the fair value for current financial statement in international markets , in case if the prices are not available for some financial investments the fair value evaluated through the comparative with market current value to similar financial instrument .

In case if there is a financial assets to be unfesible measuring its fair value completely the cost & the amortizing cost shown , in case if there is alower in its fair value the lower value recording in statements of income.

The evaluations types aim to measure a fair value reflect market expectation , it take market positions and also any risks or expected benefits when reevaluated the financial instruments , when the fair value of financial instruments is not measured reliably it will record at cost after deducting any impairemnet of its value .

### **Date of financial assets recognized**

Purchases and sales financial assets are recognized on the trade date (the date on which the company commits its self to purchase or sell the assets) .

### **Revenues recognition**

The company generates revenue according to IFRS 15 using the following five-step model:

#### **The first step: determining the contract with the customer**

A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets standards for each contract that must be fulfilled.

#### **The second step: define performance obligations**

A performance obligation is a promise in a contract with a customer to transfer a good or perform service to a customer

#### **Step Three: Determine the transaction price**

The transaction price is the amount of the consideration that the company expects to receive in exchange for transferring the goods or services promised by the customer except for amounts collected on behalf of third parties.

#### **The fourth step: allocating the transaction price**

For a contract that contains more than a performance obligation, the company distributes the transaction price to each performance obligation in an amount that specifies the corresponding amount that the company expects to obtain in return for fulfilling each

#### **The fifth step: recognition of revenue**

The company generates revenue when or whenever it fulfills the performance obligation by transporting goods or implementing the services promised by the customer under the contract.

### **Educational services**

Tuition fees are recorded on registration date and the educational services revenues are recognized when the services are rendered.

### **Medical services**

Revenues from medical services are realized when medical services are provided and bills are issued.

### **Finance expenses & Interest revenues / expenses**

Finance expenses comprise interest expenses on borrowing. All borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying assets are recognized in the statement of income using the effective interest method.

Interest revenues / expenses are taken to income statement according to accrual basis.

**Dividends of securities gains**

The dividends of securities gains are recognized when declared by the general assembly of the companies invested in .

**Provisions**

Provisions are recognized when the company has a present legal or constructive obligation as a result of past events , it is probable that an outflow or resource will be required to settle the obligation , and a reliable estimate of the amount can be made . Where the company expect a provision to be reimbursed , for example under an insurance contract , the reimbursed is recognized as a seperate asset but only when the reimbursement is virtually certain .

**Income tax**

Accrued taxes expenses are calculated according to taxable gains in accordance to law (38) for the year **2018**, taxable gains are different from declared gains in income statement because declared gains include non-taxable revenues or non-reduction expenses at the current year but in coming years , or acceptable taxable accumulated loss , or non-taxable items or reducing for tax purposes .

Taxes are calculated according to decision tax rate in accordance with laws , systems and instructions .

**foreign currency translation**

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

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6- **Investments in associates**

A. This item consists of :

	<u>Number of shares</u>	<u>Ownership rate</u>	<u>Market value</u>	<u>2021</u>	<u>2020</u>
	Share	%	JD	JD	JD
<b><u>National</u></b>					
<b><u>Public shareholding companies (listed)</u></b>					
International Co. for Medical Investments	1,127,415	48.167	2,288,652	1,085,128	1,058,408
First Finance Co.	8,062,863	23	4,515,203	10,392,034	10,806,813
Jordanian Real Estate Co. for Development ***	5,582,601	16.181	2,679,649	6,601,965	5,718,444
Contempro Co. for Housing projects ***	580,924	8.334	435,693	654,601	642,458
<b>Total</b>			<b>9,919,197</b>	<b>18,733,728</b>	<b>18,226,123</b>
<b><u>Limited liability companies (unlisted)</u></b>					
Arab Int'l Food & Factories & Investments Co.	4,856,545	46.252	-	11,385,701	11,056,860
Ettihad Schools Co.	6,246,489	41.643	-	7,394,846	7,732,094
Alomana' for Investment & portfolio management	4,399,091	48.878	-	4,111,171	4,592,955
Trans World Information Technology Co.	45,810	44.911	-	357,771	308,139
Applied Energy Co. *	60,000	40	-	-	-
University Scientific Research Co.	-	-	-	-	6,000
Jordanian Consultative Center for Administrative Development & Capacity Building **	500	50	-	500	500
<b>Total</b>			-	<b>23,249,989</b>	<b>23,696,548</b>
<b>Total</b>				<b>41,983,717</b>	<b>41,922,671</b>

\* The company's share of associates business results is recorded, and the record stops when the investment's value become zero (in the company's records ( the net equity of associates as of **December 31, 2021** was negative).

\*\* The investments representative at cost according to not issueing financial statements.

\*\*\* The investments were classified above as associates due to the presence of indicators from the investor in influencing the financial and operating decisions of these companies.

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6- **Investments in associates - follow**

B. **The following summary of assets, liabilities, revenues and companys' share of associates P/L :**

	Activity	Assets JD	Liabilities JD	Revenues JD	Companys' share of associates P/L JD
<b><u>National</u></b>					
<b><u>Public shareholding companies (listed)</u></b>					
International Co. for Medical Investments	Trade	2,795,878	543,642	195,830	8,510
First Finance Co.	Finance	51,884,636	6,773,961	3,590,588	(18,405)
Jordanian Real Estate Co. for Development	Real-estate	37,637,649	1,375,832	1,107,616	59,341
Contempro Co. for Housing prjects	Real-estate	7,145,988	385,028	1,669,599	12,143
<b>Total</b>		<b>99,464,151</b>	<b>9,078,463</b>	<b>6,563,633</b>	<b>61,589</b>
<b><u>Limited liability companies (unlisted)</u></b>					
Arab Int'l Food & Factories & Investments Co.	Industry	24,726,950	110,714	573,555	162,579
Ettihad Schools Co.	Educational	24,851,192	7,093,586	4,725,081	40,310
Alomana' for Investment & portfolio management	Brokerage	11,245,408	1,332,136	404,856	64,325
Trans World Information Technology Co.	Programing	799,256	2,648	12,761	1,859
Applied Energy Co. *	Renewble energy	-	-	-	-
Jordanian Consultative Center for Administrative	Trainig	-	-	-	-
<b>Total</b>		<b>61,622,806</b>	<b>8,539,084</b>	<b>5,716,253</b>	<b>269,073</b>
<b>Total</b>		<b>161,086,957</b>	<b>17,617,547</b>	<b>12,279,886</b>	<b>330,662</b>

\* There is no financial information because the financial statements were not issued.

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6- **Follow - Investment in associates**

C. **The movement of investment in associates during the period as follow :**

	<u>2021</u>	<u>2020</u>
	JD	JD
<b>Balance beginning of the year</b>	<b>41,922,671</b>	<b>49,873,415</b>
Company's share of associates profit	330,662	744,483
Net changes in fair value for associates	624,027	1,640,111
Dividends received from associates	(333,091)	(291,750)
Expenses, deductions, and income taxes for previous years	(544,474)	(32,169)
Associates impairment	(6,000)	-
(Losses) from selling financial assets through comprehensive income	(10,078)	-
Transfer from associates to subsidiary	-	(10,011,419)
<b>Balance ending of the year</b>	<b><u>41,983,717</u></b>	<b><u>41,922,671</u></b>

D. For purposes of company's membership in the associates board of directors and other purposes for Security Depositary Center , the number of share reserved as follows:

		<u>2021</u>	<u>2020</u>
	No. of shares	Market Value	
	Share	JD	JD
Inernational Co. for Medical Investments	20,800	42,224	19,500
First Finance Co.	50,000	28,000	25,500
Jordanian Real Estate Co. for Development	5,000	2,400	1,800
<b>Total</b>		<b><u>72,624</u></b>	<b><u>46,800</u></b>

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7- **Property, plant & equipments - Net**

A. This item consists of the following :

	Lands	Buildings & constructions	Medical & Laboratory equipment & office machines	Furniture & fixtures	Scientific research instrument - solar energy	Cars & buses	Books & yearicals	Tools & equipments	Laboratory equipments	Educational & clarification tools	Power plant	Others	Irrigation networks	Parking	Leasehold improvements	Total
	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD	JD
<b>Cost</b>																
Balance beginning of the year	15,519,001	54,400,999	35,919,395	5,707,505	2,927,420	3,080,383	3,292,695	271,553	198,071	325,387	151,191	225,213	15,081	112,828	54,050	122,200,772
Additions for the year	-	180,908	465,325	35,352	5,699	1,450	11,427	820	-	-	-	2,278	-	-	-	703,259
Disposals for the year	-	-	(44,171)	(655)	-	(17,359)	-	-	-	-	-	-	-	-	-	(62,185)
Balance ending of the year	15,519,001	54,581,907	36,340,549	5,742,202	2,933,119	3,064,474	3,304,122	272,373	198,071	325,387	151,191	227,491	15,081	112,828	54,050	122,841,846
<b>Accumulated depreciations</b>																
Balance beginning of the year	-	33,306,357	29,854,581	5,245,842	1,353,971	2,923,763	2,591,981	254,914	121,510	324,936	151,184	117,129	15,074	40,942	-	76,302,184
Depreciations for the year	-	1,812,053	1,584,857	136,940	292,880	46,169	64,169	4,921	18,999	-	-	4,234	-	16,925	10,810	3,992,957
Disposals for the year	-	-	(30,417)	(284)	-	(17,358)	-	-	-	-	-	-	-	-	-	(48,059)
Balance ending of the year	-	35,118,410	31,409,021	5,382,498	1,646,851	2,952,574	2,656,150	259,835	140,509	324,936	151,184	121,363	15,074	57,867	10,810	80,247,082
<b>Book value as of December 31, 2021</b>	<u>15,519,001</u>	<u>19,463,497</u>	<u>4,931,528</u>	<u>359,704</u>	<u>1,286,268</u>	<u>111,900</u>	<u>647,972</u>	<u>12,538</u>	<u>57,562</u>	<u>451</u>	<u>7</u>	<u>106,128</u>	<u>7</u>	<u>54,961</u>	<u>54,050</u>	<u>42,594,764</u>
<b>Book value as of December 31, 2020</b>	<u>15,519,001</u>	<u>21,094,642</u>	<u>6,064,814</u>	<u>461,663</u>	<u>1,573,449</u>	<u>156,620</u>	<u>700,714</u>	<u>16,639</u>	<u>76,561</u>	<u>451</u>	<u>7</u>	<u>108,084</u>	<u>7</u>	<u>71,886</u>	<u>54,050</u>	<u>45,898,588</u>

B. Depreciated cost of property, plant & equipments and still in uses JD **41,414,556** as of December 31, 2021 .

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**8- Projects under construction**

A. This item consists of the following :

	Date of expected completion	Completion rate %	2021 JD	2020 JD
Land scape project	Mar-24	35	228,609	228,609
University controlled camera project	Jun-22	90	325,187	325,187
Solar power project	Oct-22	75	2,356,695	2,147,726
Colleges laboratories equipping project	Feb-22	35-90	166,941	-
Other	Feb-22	35	3,600	-
Systems and software	Dec-22	50	126,943	-
Physical therapy project	-	-	1,170	1,170
<b>Total</b>			<b>3,209,145</b>	<b>2,702,692</b>

B. Total expected costs for projects under construction of JD **4,204,808** .

**9- Intangible assets - Net**

A. This item consists of the following :

<b><u>Computer software</u></b>	2021	2020
<b><u>Cost</u></b>	JD	
<b>Balance beginning of the year</b>	<b>710,468</b>	<b>710,138</b>
Additions for the year	5,800	330
<b>Balance ending of the year</b>	<b>716,268</b>	<b>710,468</b>
<b><u>Accumulated depreciations</u></b>		
<b>Balance beginning of the year</b>	<b>706,714</b>	<b>704,717</b>
Amortizations for the year	1,793	1,997
<b>Balance ending of the year</b>	<b>708,507</b>	<b>706,714</b>
<b>Net book value</b>	<b>7,761</b>	<b>3,754</b>

B. Amortized cost of intangible assets and still in use JD **704,799** as of **December 31, 2021**  
(JD **702,015** as of **December 31, 2020**) .

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10- **Cheques under collection & notes receivable**

A. This Item Consists of :

	2021		2020	
	Short term	Long term	Short term	Long term
	JD	JD	JD	JD
Cheques under collection (10 B)	208,582	26,482	279,502	65,389
Notes receivable	-	-	573,695	-
<b>Total</b>	<b>208,582</b>	<b>26,482</b>	<b>853,197</b>	<b>65,389</b>

B. Cheques under collection maturity date extend to **January 10,2024** .

11- **Financial assets at fair value through comprehensive income statement**

A. This item consists of :

	2021	2020
	JD	JD
<b><u>Local</u></b>		
<b><u>Public Shareholding Companies (listed)</u></b>		
Financial assets portfolio	192,010	138,514
<b><u>Limied liabilities Companies (un-listed)</u></b>		
Financial assets portfolio	12,658	8,424
<b>Fair value</b>	<b>204,668</b>	<b>146,938</b>

B. For the purposes of the membership of the subsidiary company (Ibn Al-Haytham Hospital Company) in the boards of directors of some of the invested companies (listed), the number of reserved shares of the owned shares amounted to **55,000** shares and a total market value of JD **30,400** .

C. The Company owns shares of **1,196,727** shares in Amanah Agricultural and Industrial Investments Company - a public joint stock company (an associate). The Company has created a provision for impairment in full value during the previous years.

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**12- The right to use assets & rent contracts liabilities**

**A. The movement of the right to use assets & rent contracts liabilities during the period as follow :**

	<b>The right to use assets</b>	<b>Rent contracts' liabilities</b>
	JD	JD
<b>Balance as of January 1, 2021</b>	<b>58,778</b>	<b>44,966</b>
Depreciation of the right to use assets	(29,389)	-
Interests on rents contracts liabilities	-	3,403
Payments/ payable	-	(32,716)
<b>Balance as of December 31, 2021</b>	<b>29,389</b>	<b>15,653</b>

**B. Rent contracts liabilities**

	<b>2021</b>	<b>2020</b>
	JD	JD
Rent contracts liabilities - short term	15,653	29,313
Rent contracts liabilities - long term	-	15,653
<b>Total</b>	<b>15,653</b>	<b>44,966</b>

**13- Cash on hand & at banks**

**A. This Item Consists of :**

	<b>2021</b>	<b>2020</b>
	JD	JD
Cash on hand	52,109	72,266
Current accounts at banks	1,124,107	485,861
Bank's deposits (note 13 B)	5,264,544	5,052,851
<b>Total</b>	<b>6,440,760</b>	<b>5,610,978</b>

**B. The average interest rate on deposits with banks is 4.6%, which is pegged on a monthly basis.**

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**14- Accounts receivable - net**

A. This Item Consists of :

	2021	2020
	JD	JD
Students receivable	3,406,211	3,361,889
Medical receivable	12,927,322	10,677,297
Trade receivable	1,044,161	906,560
Personal debts - doctors	279,715	328,283
Inpatient receivables	111,580	111,580
Cases debts	100,900	100,900
Returned checks	151,881	156,490
Others	-	116,366
<b>Total</b>	<b>18,021,770</b>	<b>15,759,365</b>
Deduct: due to doctors and companies (Note 14B)	(2,627,949)	(3,383,716)
Deduct: impairment debts (note 14 C)	(5,339,455)	(4,999,614)
<b>Net</b>	<b>10,054,366</b>	<b>7,376,035</b>

B. This item represents doctors' fees for uncollected receivables and suppliers' deposits for special patient supplies required at the request of the patient or the doctor and whose payment is linked to the actual collection of the corresponding receivables.

**C. The movement of impairment debts during the year as follow :**

	2021	2020
	JD	JD
<b>Balance beginning of the year</b>	<b>4,999,614</b>	<b>5,514,393</b>
Additions for the year	339,841	171,914
Disposals for the year (returned to income)	-	(686,693)
<b>Balance ending of the year</b>	<b>5,339,455</b>	<b>4,999,614</b>

**15- Financial assets at fair value through income statement**

This item consists of :

	Number of shares	2021	2020
	Share	JD	JD
<b><u>Local</u></b>			
<b><u>Public shareholding companies (Listed)</u></b>			
Al-Isra for education and investment Co.	106,081	351,128	301,270
<b><u>Public shareholding companies (Un-listed)</u></b>			
First national vegetable oil industries Co.	350,575	24,539	24,539
<b>Fair value</b>		<b>375,667</b>	<b>325,809</b>

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16- **Medical and non-medical supplies warehouse**

This Item Consists of :

	2021	2020
	JD	JD
Medicines and medical supplies	718,633	1,226,551
Operation and clinic supplies	401,866	1,147,659
Non-medical supplies and stationery	86,998	105,492
Laboratory material supplies	100,182	542,590
Other materials	113,208	124,532
Warehouse services and maintenance	172,825	147,673
Stationery and computer supplies warehouse	102,911	113,937
<b>Total</b>	<b>1,696,623</b>	<b>3,408,434</b>

17- **Other debit balances - net**

A. This item consists of :

	2021	2020
	JD	JD
Prepaid expenses	166,938	114,983
Refundable deposits	371,199	629,819
Employees & resigned receivable	254,467	272,768
Advanced payments & others (note 17 B)	931,437	833,018
Employees receivable - scholarship (note 17 C)	611,132	925,439
Other debit accounts	311,023	263,996
Deferred murabaha - Al Rajhi Bank (note 22 B , C)	82,769	105,000
Earned revenues	206,425	274,058
<b>Total</b>	<b>2,935,390</b>	<b>3,419,081</b>
Deduct : employees & others impairment debts (noe 17 D)	(345,995)	(310,420)
<b>Net</b>	<b>2,589,395</b>	<b>3,108,661</b>

B. **Details of advanced payments & others**

	2021	2020
	JD	JD
Advanced payments on solar energy project	530,000	530,000
Other advanced payments	303,018	432,957
<b>Total</b>	<b>833,018</b>	<b>962,957</b>

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- C. Employees receivables - scholarships represent the value of students' scholarships to study outside Jordan, which covers study bills, monthly salaries, travel tickets, health insurance, and others. These receivables are closed in scholarship and scientific research expenses based on the calculation of 2% of the university's revenues. Which were allocated by the Ministry of Higher Education for the purposes of scientific research, and these receivables are guaranteed by first-class mortgages in favor of the university, checks and bills of exchange covering the value of 150% of the value of the scholarships.

**D. The movement of employees & other impairment debts during the year as follow :**

	2021	2020
	JD	JD
<b>Balance beginning of the year</b>	<b>310,420</b>	<b>310,420</b>
Additions for the year	35,575	-
<b>Balance ending of the year</b>	<b>345,995</b>	<b>310,420</b>

**18- Owners' equity**

**- Capital**

Declared & Paid capital amounted of JD **40,500,000** distributed on **40,500,000** shares, of Nominal value for each share of one JD .

**- Shares owned by a subsidiary**

This item represents the cost of the shares owned by the subsidiary company (Ibn Al-Haytham Hospital Company) in the capital of the parent company (the Arab International Company for Education and Investment).

**- Statutory reserve**

This item represents the accumulated amounts appropriated at a rate of **10%** of annual income and prior years, the appropriation will stop when the statutory reserve amount equals the capital , it is not available for distribution to the shareholders, provided that deductions for statutory reserve account do not exceed **25%** of the paid up capital, and it can be used for amortization accumulated loss in accordance with the companies law. The board of directors in its meeting number **2/2013** held on **February 25, 2013** to stop deducting statutory reserve according to reached to **25%** of declared and paid up capital.

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**- Fair value reserve**

Fair value reserve represents of Decrease or increase of financial assets fair value as follows :

	2021 JD	2020 JD
<b>Balance at beginning of the year</b>	<b>852,421</b>	<b>(911,875)</b>
Change during the year	621,023	1,572,883
Transferred from fair value reserve to retained earnings	150,000	-
The effect of controlling the subsidiary company (Ibn Al-Haytham Hospital Company)	-	191,413
<b>Balance at ending of the year</b>	<b>1,623,444</b>	<b>852,421</b>

**- Retained earnings**

**The movement of retained earnings during the year as follow :**

	2021 JD	2020 JD
<b>Balance at begginig of the year</b>	<b>25,939,447</b>	<b>24,597,342</b>
Expenses, deductions and income tax for previous years - Susidiary and associates companies	(739,454)	(157,767)
The effect of controlling the subsidiary company	-	59,031
<b>Adjusted openning balances</b>	<b>25,199,993</b>	<b>24,498,606</b>
Profit for the year after tax	4,387,058	5,353,869
Transferred from fair value reserve to retained earnings	(150,000)	-
(Losses) from selling financial assets - associates companies	(10,078)	-
Dividends paid to shareholders	(3,130,422)	(3,913,028)
<b>Balance at ending of the year</b>	<b>26,296,551</b>	<b>25,939,447</b>
<b><u>It's distributed as follows:</u></b>		
Retained earnings from realized profit	14,633,755	13,543,096
Retained earnings from unrealized profit	11,662,796	12,396,351
<b>Retained earnings at ending of the year</b>	<b>26,296,551</b>	<b>25,939,447</b>

**- Minority interests**

This item represents the minority interests from the equity in the subsidiary company. The minority interests are shown in the consolidated income statement as a separate item and in the consolidated financial position as a separate item from the equity of the company's shares.

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19- **End of service idemnity**

**The movement of end of service idemnity during the year as follow :**

	2021	2020
	JD	JD
<b>Balance beginning of the year</b>	<b>299,205</b>	<b>249,778</b>
Additions for the year	45,819	51,662
Disposals for the year (paid)	-	(2,235)
<b>Balance ending of the year</b>	<b>345,024</b>	<b>299,205</b>

20- **Deffered cheques**

A. This Item Consists of :

	2021	2020
	JD	JD
Short term	761,354	2,446,674
Long term	571,821	-
<b>Total</b>	<b>1,333,175</b>	<b>2,446,674</b>

B. Deffered checks maturity date extend to **December 31, 2023** .

C. Deffered checks represent the value of payments to the associate company (Applied Energy Company) to pay part of the company's share in the renewable energy project wich mentioned in projects under construction.

21- **Banks overdraft**

A. This item consists of :

	Facilities limit	Interest rate	2021	2020
	JD	%	JD	JD
<b><u>Parent company</u></b>				
Arab bank	3,250,000	-	-	2,170,533
Ittihad bank	5,000,000	7	5,027,372	2,000,375
Arab bank	750,000	7.13	78,087	65,750
<b><u>Subsidiary (Ibn Al-Haitham Hospital Company)</u></b>				
Ittihad bank	2,000,000	6.75	296,362	1,254,173
<b>Total</b>			<b>5,401,821</b>	<b>5,490,831</b>

B. Arab bank facilities due date of **May 27, 2022**

C. The facilities of Bank Al Etihad are due on **October 31, 2022** for the parent company and on **July 25, 2023** for the subsidiary company.

D. All facilities had been given to company through company's name gurantee .

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**22- Loans**

A. This Item Consists of :

	2021		2020	
	Short term	Long term	Short term	Long term
	JD	JD	JD	JD
<b><u>Parent company</u></b>				
Al-Rajhi Bank (22B)	6,105,000	-	6,105,000	-
<b><u>Subsidiary (Ibn Al-Haitham Hospital Company)</u></b>				
Al-Rajhi Bank (22C)				
Ittihad bank (22 D)				
<b>Total</b>	<b>6,105,000</b>	<b>-</b>	<b>6,105,000</b>	<b>-</b>

- B. The parent company obtained three loans from Al-Rajhi Bank on **November 15, 2021, November 28, 2021** and **December 28, 2021**, respectively, with a total value of JD **2,499,980** , in return for selling goods to the customer on credit. The loans are due on **February 15, 2022** and **February 28, 2022** and **March 28, 2022**, respectively, and profits of JD **42,750** were calculated for the three loans as deferred profits (note 17).
- C. The subsidiary company (Ibn Al-Haytham Hospital Company) obtained a loan from Al-Rajhi Bank on **December 20, 2021**, with a value of JD **1,212,728**, in return for selling goods to the customer on credit. The loan is due in **one** payment on **June 30, 2022**, and profits have been calculated With a value of JD **40,019** dinars as deferred profits (note 17), the loan was granted with a guarantee in the name of the company.
- D. The subsidiary company (Ibn Al-Haytham Hospital Company) obtained two loans from Bank Al-Etihad on **December 8, 2019** at a value of JD **648,396** and on **May 19, 2020** with a value of JD **1,002,539**, respectively. The first loan is due on **July 31, 2024**, and the second loan is due on **June 30, 2022**, and The first loan is repaid in **57** monthly installments of **13,012** dinars starting on **December 31, 2019**, and the second loan is repaid according to **27** monthly installments of **42,398** dinars starting on **May 30, 2020**, and the loans were obtained with the guarantee of the company's name.

**23- Unearned revenues**

This item consists of :

	2021	2020
	JD	JD
Tuition fees and others	1,571,220	1,310,794
Revenue of credit hours & students transfer fees (note 26)	868,585	906,356
Others	53,784	78,471
<b>Total</b>	<b>2,493,589</b>	<b>2,295,621</b>

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24- **Income tax provision**

A. **The movement of income tax provision during the period as follow :**

	<u>2021</u>	<u>2020</u>
	JD	JD
<b>Balance beginning of the year</b>	<b>1,169,195</b>	<b>1,153,386</b>
Tax of the year (note 24 C)	1,235,802	1,505,444
Paid tax during the year	(1,635,322)	(1,074,081)
Semi annual income tax paid	(231,464)	(415,554)
<b>Balance ending of the year</b>	<b><u>538,211</u></b>	<b><u>1,169,195</u></b>

- B. Income tax has been accepted for the **parent company** for the end of **2018** within the sampling system, and self-assessment statements for income tax for the years **2019** and **2020** have been submitted and have not yet been reviewed by the Income and Sales Tax Department.  
Income tax was settled for the **subsidiary company (Ibn Al-Haitham Hospital Company)** until the end of **2018**, and self-assessment statements for the years **2019** and **2020** were submitted, and they have not yet been reviewed by the Income and Sales Tax Department.

C. **The following is the distribution of income tax for the year:**

	<u>2021</u>	<u>2020</u>
	JD	JD
The parent company (Arab International Company for Education and Investment)	1,196,481	1,124,598
Subsidiary company (Ibn Al-Haitham Hospital Company)	-	380,846
Subsidiary company (Jordan University Medical Company)	39,321	-
<b>Total income tax</b>	<b><u>1,235,802</u></b>	<b><u>1,505,444</u></b>

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25- **Other credit balances**

This item consists of :

	2021	2020
	JD	JD
Due to shareholders	1,243,122	1,287,320
Cases provision (note 32)	2,199,480	2,196,042
Due to Libyan Patients Doctors	1,505,976	-
Due to social security, income tax & sales tax	206,097	146,323
Due to others	206,806	424,983
Provision for remuneration of members of the Boards of Directors	60,000	105,000
Accrued expenses	84,490	102,400
Vacations provision	189,726	106,794
Provision for first & second yearly salary & special contract	16,626	52,947
Employees & resigned payable	139,096	161,990
Contractors retentions	7,666	240
<b>Total</b>	<b>5,859,085</b>	<b>4,584,039</b>

26- **Net revenues**

This item consists of :

	2021	2020
	JD	JD
<b><u>Parent company</u></b>		
Credit hours fees	15,511,983	15,886,237
Services & students transfers fees	5,031,375	4,619,143
Registration fees & others	512,068	384,570
<b>Total</b>	<b>21,055,426</b>	<b>20,889,950</b>
Deduct: unearned revenues (note 23)	(868,585)	(906,356)
<b>Net parent company revenues</b>	<b>20,186,841</b>	<b>19,983,594</b>
<b><u>Subsidiary (Ibn Al-Haitham Hospital Company)</u></b>		
Admission, operations and clinics	7,516,432	7,637,309
pharmacy	2,139,009	1,447,770
laboratory	1,938,997	1,252,225
rays	1,779,944	1,140,678
<b>Total</b>	<b>13,374,382</b>	<b>11,477,982</b>
Deduct: Discount and settlement of insurance company claims	(1,142,143)	(604,601)
<b>Net subsidiary revenues</b>	<b>12,232,239</b>	<b>10,873,381</b>
<b>Total Revenues</b>	<b>32,419,080</b>	<b>30,856,975</b>

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27- **Operating expenses**

A. This item consists of :

	2021	2020
	JD	JD
Employees costs (note 27 B)	10,731,398	10,908,885
Teaching, research, scholarship and students activities needs	1,347,008	1,100,909
Depreciations & amortizations	2,911,853	3,033,751
Medical insurance	-	21,320
Water, electricity & fuel	525,221	656,901
College accreditation fees	220,161	211,705
Maintenance	286,568	179,128
Insurance and licenses	229,458	478,804
Stationary, printing and computers' needs	88,251	89,320
Advertising, newspapers & magazines	132,338	86,966
Entertainment & donations	44,372	70,067
Cleaning services and cleaning materials	471,479	201,226
Communications and post & internet	35,771	62,143
Trustees board transportations	51,000	51,000
Professional fees & dues	87,033	83,510
Others	26,456	69,084
Used medicines and medical and non-medical supplies	3,302,711	1,587,153
Consumables and kitchen expenses	93,437	72,475
Medical materials, printing and film development	134,809	69,226
External medical examinations	52,360	46,498
<b>Total</b>	<b>20,771,684</b>	<b>19,080,071</b>

B. **Employees costs (operating)**

This item consists of :

	2021	2020
	JD	JD
Salaries, wages and bonuses	9,613,219	9,781,753
Company's share of social security	1,097,059	1,089,943
Medical insurance	5,699	-
Clothes & protective materials	4,054	11,177
End of service indemnity	11,367	26,012
<b>Total</b>	<b>10,731,398</b>	<b>10,908,885</b>

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28- **General and administrative expenses**

A. This item consists of :	2021	2020
	JD	JD
Employees costs (note 28 B)	2,732,369	2,199,549
Boards of directors bonus provision	60,000	105,000
Transportations of members of the boards of directors	63,000	63,000
Rents	-	13,250
Maintenance	50,840	60,951
Board of directors transportations	196,533	101,476
Governmental fees & licenses	10,425	14,471
Advertising, newspapers, magazines & travel	4,024	8,349
Stationary, printing and computers' needs	44,029	48,187
Communications and post & internet	149,339	247,809
Entertainment , cleaning & donations & others	731,509	692,247
Water, electricity & fuel	8,524	4,109
Insurance and licenses	1,082,898	854,037
Cleaning services and materials	209,587	239,089
Professional fees and cases	103,379	213,589
Depreciations & amortizations	29,389	29,389
Depreciation of the right to use assets	3,402	5,872
Interests on rents contracts liabilities	6,000	-
Associates impairment	5,485,247	4,900,374
<b>Total</b>	<b>1,004,539</b>	<b>1,034,027</b>

B. **Employees costs (administrative)**

This item consists of :	2021	2020
	JD	JD
Salaries , wages and bonuses	2,358,975	1,958,655
Company's share of social security	152,331	22,615
Medical insurance	29,402	29,134
Income tax	157,209	163,495
End of service indemnity	34,452	25,650
<b>Total</b>	<b>2,732,369</b>	<b>2,199,549</b>

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29- **Other revenues**

This item consists of :

	2021	2020
	JD	JD
Booths rent revenues	1,347	24,804
Universitys' facilities net revenues	57,880	11,598
Cources net revenues	96,205	117,085
Others	159,244	90,958
Capital gains (losses)	4,600	(2,611)
End of scholarship revenues / claims	153,211	20,107
Returned from provision of first and second salary	36,734	100,730
Dividends	21,378	27,357
Rent revenues	125,138	194,198
Earned discount revenue	27,849	114,140
Banks' interests revenues	281,697	3,013
<b>Total</b>	<b>965,283</b>	<b>701,379</b>

30- **Basic and diluted earning per share**

This item consists of :

	2021	2020
	JD	JD
Profit of the period after tax (JD)	4,387,058	5,353,869
Weighted average shares (share)	40,500,000	40,500,000
<b>Basic and diluted earning per share</b>	<b>0.108</b>	<b>0.132</b>

The diluted earning per share is equal to the basic earning per share .

31- **Contingent liabilities**

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

	2021	2020
	JD	JD
Banks guarantees	2,099,850	1,850,876
Deduct: Banks' gurantees deposits	(245,650)	(250,326)
<b>Total</b>	<b>1,854,200</b>	<b>1,600,550</b>

**It is distributed as follows:**

Parent company	1,824,539	1,586,489
Subsidiary (Ibn Al-Haitham Hospital Company)	29,661	14,061
<b>Total</b>	<b>1,854,200</b>	<b>1,600,550</b>

**32- Legal situation**

**There are cases filed by the patent company against others** with a value of JD 1,840,962 , and these include cases filed against the Ministry of Higher Education and Scientific Research and the subject of which is to prevent a claim to pay an amount of JD 1,626,256, given that this amount is in excess of the percentage allocated for the purposes of scientific research and delegation for previous years. The company transferred it to the Scientific Research Fund.

**There are cases filed by third parties against the parent company** with a value of 1,181,519 Jordanian dinars, including a case worth one million Jordanian dinars, filed by the plaintiff Azmi Shaaban in his personal capacity against Amana Agricultural Investments Company and its board members, where he lent the company an amount of one million Jordanian dinars (JD 1,260,000 inclusive of profits). The first installment of it has been paid, with a value of JD 252,000 , leaving the amount of JD 1,008,000 . The Arab International Company for Education and Investment is one of the members of the company's board of directors, and the members of the board have signed a guarantee to pay the installments of the value of the loan granted to the company, and the member is the representative of the company. Arab International for Education and Investment has exceeded the limits of his mandate to represent the company on the board. The Court of First Instance issued a decision dismissing the case on behalf of the Arab Company for Education and Investment and obligating the company's representative in the council in his personal capacity and as a trust company to an amount of JD 748,000 (the rest of the claim was rejected because the plaintiff does not have the right to lend to Murabaha), and the decision was appealed and The decision of the Court of Appeal was issued to obligate the Arab International Company for Education and Investment and the Amana Company and its board members and to invest in the amount, and then the decision was distinguished by the Arab International Company for Education and Investment. The Court of Cassation issued its decision to overturn the decision of the Court of Appeal and return the case to the Court of Appeal, and the Court of Appeal issued its decision to rescind the decision, nullify the procedures and return the file to the Court of First Instance. And the members of the board of directors paid the sum of JD 748,000 and the rest of the claim was returned, and then the decision was appealed from the plaintiff, Azmi Shaaban. And on **March 16, 2022**, the Court of Appeal issued a decision rejecting the appeal submitted and approving the decision of the Court of First Instance of Rights of Oman, which included the dismissal of the case by the Arab International Company for Education and Investment.

As for the rest of the cases facing the company, most of them are labor issues. In the opinion of the company's legal advisor, the outcome of these issues will be in favor of the company, and sufficient provisions have been made for them in the financial statements.

**There are cases filed by third parties against the subsidiary company (Ibn Al-Haytham Hospital Company)** with a value of JD 346,393 and **lawsuits filed by the subsidiary company (Ibn Al-Haytham Hospital Company) against third parties** with a value of JD 466,545.

In the opinion of the company's management and the company's legal advisor, the likely outcome of these cases will be in the interest of the company, and that the provision made in the books is sufficient to meet any potential obligations.

A provision for cases of JD 2,199,480 has been allocated against the cases filed above, according to the percentages set by the company's lawyer (note 25).

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**33- Related parties transactions**

Related parties include key shareholders , key management personnel , key managers , associates and subsidiaries and controlled companies . The company's management has approved the pricing policies and terms of transactions with related parties.

**A. Details of due from related parties appear on financial position - net**

	Type of transaction	2021 JD	2020 JD
<b><u>Associates</u></b>			
Applied Energy Co.	Finance	1,076,803	1,283,554
International Co. for Medical Investments	Exp. & insu.	182,857	189,413
Jordanian Consultative Center for Administrative Development & Capacity Building	Finance	86,500	86,500
Amana Company for Agricultural and Industrial Investments	Finance	33,917	33,917
University Scientific Research Co.	Finance	-	8,132
Arab Int'l Food & Factories & Investments Co.	Exp. & insu.	9,207	7,168
Jordanian Real Estate Co. for Development	Exp. & insu.	7,152	195
Alomana Company for Investment and Portfolio Management	Mediation and insu.	-	5,189
Ettihad Schools Co.	Exp. & insu.	41,282	-
<b>Total</b>		<b>1,437,718</b>	<b>1,614,068</b>
Deduct : related parties impairment debts (note 33 B)		(120,418)	(128,550)
<b>Net</b>		<b>1,317,300</b>	<b>1,485,518</b>

**B. The movement of end of related parties impairment debts during the year as follow :**

	2021 JD	2020 JD
<b>Balance beginning of the year</b>	<b>128,550</b>	<b>128,550</b>
Disposals for the year (closed to provision)	(8,132)	-
<b>Balance ending of the year</b>	<b>120,418</b>	<b>128,550</b>

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**C. Details of due to related parties appear on financial position**

	Type of transaction	2021 JD	2020 JD
<b><u>Associates</u></b>			
Trans World Information Technology Co.	S. wares & insu.	86,783	88,556
First Finance Co.	Expenses & insu.	8,216	6,885
Haman Real Estate Company	Rents	17,299	16,358
Ettihad Schools Co.	Expenses & insu.	-	6,438
Alomana Company for Investment and Portfolio Management	Mediation and insu.	25,653	-
<b>Total</b>		<b>137,951</b>	<b>118,237</b>

**D. Details of related parties balances appear on statement of income**

	Type of transaction	2021 JD	2020 JD
<b><u>Associates</u></b>			
First Finance Co.	Health ins. Revenue:	1,102	797
Alomana Company for Investment and Portfolio Management	Health ins. Revenue:	1,490	1,943
Alomana Company for Investment and Portfolio Management	Rent revenues	-	15,400
Alomana Company for Investment and Portfolio Management	Dividends	-	13,333
Ettihad Schools Co.	Health ins. Revenue:	33,016	42,735
Arab Int'l Food & Factories & Investments Co.	Dividends	162	675
International Co. for Medical Investments	Health ins. Revenue:	-	1,008
<b>Total</b>		<b>35,770</b>	<b>75,891</b>

**E. Wages , allowances and other benefits for senior executive managements :**

	2021 JD	2020 JD
Wages & other benefits	1,240,655	1,217,748

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34- **Sectors classification**

The company has several sectors as described below and are strategic in the company. Strategic departments provide different products and services, and are managed separately because they require different technical and marketing strategies.

Information relating to the result of each sector is included in the report below. Performance is measured based on the profit segment before tax, as reported in internal management reports reviewed by the company's management. The profit of the segment is used to measure performance where management believes that this information is most important in evaluating the results of certain segments relating to other entities operating within these segments.

When providing information on geographical basis, segment revenue is based on the geographical location of the customers and the segment's assets are based on the geographical location of the assets.

The company operates its activities in major operating segments, which comprise of education and Medical & investments and others.

The company operated its activities inside of JORDAN.

	2021			
	<u>Main activity</u>	<u>Investments</u>	<u>Others</u>	<u>Total</u>
	JD	JD	JD	JD
Revenues	32,419,080	380,520	965,283	33,764,883
<b><u>Assets &amp; liabilities</u></b>				
Assets	61,733,807	42,564,052	6,440,760	110,738,619
Liabilities	-	-	25,137,976	25,137,976
<b><u>Other sectors informations</u></b>				
Capital expenses	-	-	703,259	703,259
Depreciations	-	-	3,994,751	3,994,751

  

	2020			
	<u>Main activity</u>	<u>Investments</u>	<u>Others</u>	<u>Total</u>
	JD	JD	JD	JD
Revenues	30,856,975	744,483	701,379	32,302,837
<b><u>Assets &amp; liabilities</u></b>				
Assets	64,961,046	42,395,418	5,610,978	112,967,442
Liabilities	-	-	28,073,066	28,073,066
<b><u>Other sectors informations</u></b>				
Capital expenses	-	-	824,243	824,243
Depreciations	-	-	3,887,788	3,887,788

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**35- Assets & liabilities accrual analysis**

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

	2021	
	Until 1 year	More than 1
	year	year
	JD	JD
	JD	JD
<b><u>Assets</u></b>		
<b><u>Non - current assets</u></b>		
Investments in associates	-	41,983,717
Property, plant & equipments - net	-	42,594,764
Projects under construction	-	3,209,145
Intangible assets - net	-	7,761
Cheques under collection & notes receivable -long term	-	26,482
Financial assets at fair value through comprehensive income st.	-	204,668
The right to use assets	29,389	-
<b>Total non - current assets</b>	<b>29,389</b>	<b>88,026,537</b>
<b><u>Current assets</u></b>		
Cash on hand and at banks	6,440,760	-
Accounts receivable - net	10,054,366	-
Cheques under collection & notes receivable - short term	208,582	-
Due from related parties	1,317,300	-
Financial assets at fair value through income statement	375,667	-
Medical and non-medical supplies warehouse	1,696,623	-
Other debit balances - net	2,589,395	-
<b>Total current assets</b>	<b>22,682,693</b>	<b>-</b>
<b>Total assets</b>	<b>22,712,082</b>	<b>88,026,537</b>
<b><u>Current liabilities</u></b>		
Banks overdraft	5,105,459	296,362
Accounts payable	4,369,374	-
Rent contracts' liabilities - short term	15,653	-
Due to related parties	137,951	-
Unearned revenues	2,493,589	-
Students refundable deposits	253,865	-
Income tax provision	538,211	-
Other credit balances	910,507	4,948,578
<b>Total current liabilities</b>	<b>13,824,609</b>	<b>5,244,940</b>
<b><u>Non-current liabilities</u></b>		
Provision for end of service indemnity	-	345,024
Loans	761,354	571,821
Deffered cheques	4,161,022	229,206
<b>Total non-current liabilities</b>	<b>4,922,376</b>	<b>1,146,051</b>
<b>Net</b>	<b>3,965,097</b>	<b>85,600,643</b>

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**35- Follow - Assets & liabilities accrual analysis**

This item consists of the following :

	2020		
	Until 1 year	More than 1	Total
	JD	year	JD
		JD	JD
<b><u>Assets</u></b>			
<b><u>Non - current assets</u></b>			
Investments in associates	-	41,922,671	41,922,671
Property, plant & equipments - net	-	45,898,588	45,898,588
Projects under construction	-	2,702,692	2,702,692
Intangible assets - net	-	3,754	3,754
Cheques under collection & notes receivable -long term	-	65,389	65,389
Financial assets at fair value through comprehensive income st.	-	146,938	146,938
The right to use assets	-	58,778	58,778
<b>Total non - current assets</b>	-	<b>90,798,810</b>	<b>90,798,810</b>
<b><u>Current assets</u></b>			
Cash on hand and at banks	5,610,978	-	5,610,978
Accounts receivable - net	7,376,035	-	7,376,035
Cheques under collection & notes receivable - short term	853,197	-	853,197
Due from related parties	1,485,518	-	1,485,518
Financial assets at fair value through income statement	325,809	-	325,809
Medical and non-medical supplies warehouse	3,408,434	-	3,408,434
Other debit balances - net	3,108,661	-	3,108,661
<b>Total current assets</b>	<b>22,168,632</b>	-	<b>22,168,632</b>
<b>Total assets</b>	<b>22,168,632</b>	<b>90,798,810</b>	<b>112,967,442</b>
<b><u>Current liabilities</u></b>			
Banks overdraft	5,490,831	-	5,490,831
Accounts payable	3,971,005	-	3,971,005
Rent contracts' liabilities - short term	29,313	15,653	44,966
Due to related parties	118,237	-	118,237
Unearned revenues	2,295,621	-	2,295,621
Students refundable deposits	272,882	-	272,882
Income tax provision	1,169,195	-	1,169,195
Other credit balances	1,100,677	3,483,362	4,584,039
<b>Total current liabilities</b>	<b>14,447,761</b>	<b>3,499,015</b>	<b>17,946,776</b>
<b><u>Non-current liabilities</u></b>			
Provision for end of service indemnity	-	299,205	299,205
Loans	2,446,674	-	2,446,674
Deffered cheques	6,691,848	688,563	7,380,411
<b>Total non-current liabilities</b>	<b>9,138,522</b>	<b>987,768</b>	<b>10,126,290</b>
<b>Net</b>	<b>(1,417,651)</b>	<b>86,312,027</b>	<b>84,894,376</b>

36- **Risk management**

**Interest price risk**

Company is facing interest price risks on its assets and liabilities because the company having deposits and facilities at banks .

**Credit risks**

These risks rise from receivables & others treatments which may cause defaults from parties to pay their commitments.

The management believes that there are no credit risk facing the company because there are no any receivables or material balances at banks .

**Liquidity risks**

Liquidity risks represents of inability making sure of facilities availability to performance its obligations in due dated.

The following schedule summarizes distribution of financial liabilities (non-discounted) as of **December 31, 2021** based on remaining period for contractual entitlement :

	2021			
	Less than	From 3	From 1 to	Total
	3 months	months to	5 years	
	JD	1 year	JD	JD
Banks overdraft	-	5,105,459	296,362	5,401,821
Accounts payable	-	4,369,374	-	4,369,374
Rent contracts' liabilities	-	15,653	-	15,653
Due to related parties	-	137,951	-	137,951
Unearned revenues	-	2,493,589	-	2,493,589
Students refundable deposits	-	253,865	-	253,865
Income tax provision	-	538,211	-	538,211
Other credit balances	-	910,507	4,948,578	5,859,085
Provision for end of service indemnity	-	-	345,024	345,024
Deffered cheques	-	761,354	571,821	1,333,175
Loans	-	4,161,022	229,206	4,390,228
<b>Total</b>	<b>-</b>	<b>18,746,985</b>	<b>6,390,991</b>	<b>25,137,976</b>

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36- **Follow - Risk management**

**Follow - Liquidity risks**

2020				
	Less than 3 months	From 3 months to 1 year	From 1 to 5 years	Total
	JD	JD	JD	JD
Banks overdraft	-	5,490,831	-	5,490,831
Accounts payable	-	3,971,005	-	3,971,005
Rent contracts' liabilities	-	29,313	15,653	44,966
Due to related parties	-	118,237	-	118,237
Unearned revenues	-	2,295,621	-	2,295,621
Students refundable deposits	-	272,882	-	272,882
Income tax provision	-	1,169,195	-	1,169,195
Other credit balances	-	1,100,677	3,483,362	4,584,039
Provision for end of service indemnity	-	299,205	-	299,205
Deffered cheques	-	2,446,674	-	2,446,674
Loans	-	6,691,848	688,563	7,380,411
<b>Total</b>	-	<b>23,885,488</b>	<b>4,187,578</b>	<b>28,073,066</b>

The company managed its finance risks through keeping reserves and has continuous control on actual cash flows, also complying the timing of both assets with liabilities and the management believe there is no liquidity risks.

**Liquidity as of financial statements as follows :**

	2021	2020
	JD	JD
Current assets	22,682,693	22,168,632
Current liabilities	(23,991,925)	(27,069,645)
<b>Deficit of working capital</b>	<b>(1,309,232)</b>	<b>(4,901,013)</b>

Managemnet of the company create available financial resources when needed and through the company's operation, based on that the management foresees no issues in meeting the current liabilities when these liabilities due at least for the twelve months.

**Currencies risks**

Most of company's transactions was in Jordanoan Dinars , so the effect of currencies risks is not material to financial statements .

**37- Subsequent events**

There are no subsequent events may have material affects to financial position .

**38- Capital management**

Main objective of capital management is to insure keeping capital ratio appropriate to support company's activity and maximizing Shareholders equity .

Company managing capital structure and making needs adjustments according to ganges in work conditions ,the company structuring capital by decrease it because of no needs for this amount currently .

The items include in capital structure represents of paid capital & shares owned by subsidiary & statutory reserve & retained earnings totaling of JD **73,209,601** as of December **31, 2021** opposite of JD **72,852,498** as of **December 31, 2020**.

**39- The impact of the Corona virus (Covid-19) outbreak on the company**

In light of the continuing impact of the Coronavirus (Covid-19) on the global economy and various business sectors, and the accompanying restrictions and measures imposed by the Jordanian government, the company's operational activities have been affected by these events.

The extent and duration of these effects are not defined and depend on future developments that cannot be accurately predicted at the present time, such as the rate of spread of the virus and the effectiveness of measures taken to contain it. In light of the current economic turmoil, it is not possible to make reliable estimates about the impact of the virus until the date of approval of the financial statements. Future developments may affect the company's future results, cash flows, and financial condition.

**40- Comparative figures**

Some of the comparative figures have been reclassified to suit the classification of the current fiscal year figures. The reclassification and did not result in any impact on the profit or property rights of the previous year.