



شفا انٹرنیشنل ہسپتال اسلام آباد

Shifa International Hospitals Ltd

Sector : H-8/4, Islamabad - Pakistan

Tel : 051-8464227 Fax : 051-4863192

E-mail: secretary@shifa.com.pk

Website: www.shifa.com.pk

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given that pursuant to the order of the Hon'ble Islamabad High Court dated February 26, 2026, in Companies Original No. 02 of 2026, an Extraordinary General Meeting (the "**EOGM**") of the members of Shifa International Hospitals Limited will be held on April 01, 2026 at 1100 hours at its registered office located at Pitras Bukhari Road, Sector H-8/4, Islamabad, to transact the following business:

Special Business:

1. To consider, and, if thought fit, to pass, with or without modifications, the below mentioned resolutions for, inter alia, amalgamation of entire undertaking, including all assets, liabilities and obligations, of Shifa Medical Center Islamabad (Pvt.) Limited (the "**SMCI or Petitioner No. 1**") into Shifa International Hospitals Limited (the "**SIHL or Petitioner No. 2**") in terms of a Scheme of Amalgamation filed with the Hon'ble Islamabad High Court, prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017, (the "**Scheme**") and approved by the Board of Directors of SIHL on October 25, 2025, as follows:

the Scheme envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

along with ancillary matters thereto, in accordance with the Scheme of Arrangement filed with the Hon'ble Islamabad High Court, Islamabad, as approved by the Board of Directors of the Petitioner No. 1.

The resolution to be passed by the requisite majority of members of SIHL under Section 279 to 283 and 285(8) of the Companies Act, 2017 (the "**Companies Act**") is as under:

“RESOLVED THAT the Scheme of Arrangement filed with the Hon'ble Islamabad High Court, Islamabad, prepared under the provisions of Section 279

to 283 and 285(8) of the Companies Act, as approved by the Board of Directors and circulated to the members of Shifa International Hospitals Limited (the “**SIHL or Petitioner No. 2 or Company**”) for inter alia, amalgamation of entire undertaking, including all assets, liabilities and obligations, of Shifa Medical Center Islamabad (Pvt.) Limited (the “**SMCI or Petitioner No. 1**”) into SIHL in terms of a Scheme of Amalgamation filed with the Hon’ble Islamabad High Court, prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017, (the “**Scheme**”) and approved by the Board of Directors of SIHL on October 25, 2025, as follows:

the Scheme envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

along with ancillary matters thereto, placed before the meeting for consideration and approval, be and hereby approved and adopted, along with any modifications, amendments required, or conditions imposed by the Hon'ble Islamabad High Court, Islamabad.”

FURTHER RESOLVED THAT Dr. Zeeshan Bin Ishtiaque, Chief Executive Officer of the Company and/or any officer of the Company duly authorized by him in this regard be and are hereby singly authorized to complete any or all necessary corporate, legal and regulatory compliances and formalities to give effect to the above, including to sign execute, deliver, and issue, on behalf of the Company, all such notices, documents, forms, instruments and other papers of any nature whatsoever that may be required in connection with the above resolution(s), and to complete regulatory requirements, including the filing of required documents with the Hon'ble Islamabad High Court to effectuate the Scheme of Arrangement in accordance with Section 279 to 283 and 285 of the Companies Act.”

As per the order of the Hon'ble Islamabad High Court, Mr. Uzair Shafie Esq., is appointed Chairman for the EOGM of SIHL. Copies of the (a) the statement under Section 134(3) of the Companies Act setting out the material facts; (b) Statement under Section 281 of the Companies Act, 2017; and (c) Scheme of Arrangement are being circulated to the members along with this notice of the EOGM.

By Order of the Board



MUHAMMAD NAEEM
Company Secretary

ISLAMABAD
March 10, 2026

NOTES:

i) Participation in the EOGM via physical presence or through video-conferencing:

The shareholders intending to participate in the meeting via video link are hereby requested to share following information at muhammad.naeem@shifa.com.pk at the earliest but not later than 48 hours before the time of EOGM i.e. before 11:00 a.m. on March 30, 2026:

Name of Shareholder	CNIC No.	Folio No./ CDC Account No.	Mobile No.*	Email Address*

**Shareholders are requested to provide their active mobile number and email address to ensure timely communication.*

Members who are registered on or before March 30, 2026, after the necessary verification, will be provided a Zoom video-link by the Company via return email. The login facility will remain open from 1055 hours till the end of the meeting.

ii) Closure of Share Transfer Books:

The share transfer books of the Company will remain closed from March 25, 2026 to April 01, 2026 (both days inclusive). No transfer will be accepted for registration during this period. Transfers received in order at the share registrar's office of the Company i.e. M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore, by the close of business on Tuesday, March 24, 2026 will be considered as being in time for the purpose to attend and vote at the meeting.

iii) Appointment of Proxy:

A member entitled to attend and vote at this meeting is entitled to appoint another member as his/her proxy to attend and vote for him/her. Proxies in order to be effective must be received at the registered office of the Company at Sector H-8/4, Islamabad, not less than 48 hours before the time of holding the meeting. Proxy form is attached with the notice.

CDC Account holders will further have to follow the under mentioned guidelines as laid down in Circular 1 dated January 26, 2000 issued by the Securities and Exchange Commission of Pakistan.

Guidelines for Central Depository Company of Pakistan ('CDC') Investor Account Holders:

For appointing proxies

- a. In case of individuals, the account holders or sub account holders whose registration details are uploaded as per regulations, shall submit the proxy form as per the above requirements. The proxy form shall be witnessed by two persons whose names, addresses and CNIC numbers shall be mentioned on the proxy form. Copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- b. In case of corporate entities, the Board of Directors' resolution / power of attorney with specimen signature of the person nominated to represent and vote on behalf of the corporate

entity, shall be submitted (unless it has not been provided earlier) along with proxy form to the Company.

iv) Procedure for Voting for Special Agenda Items

It is hereby notified that pursuant to the Companies (Postal Ballot) Regulations, 2018 and its amendments, members will be allowed to exercise their right to vote for special business in the EOGM in accordance with the condition mentioned in the aforesaid regulations. The Company shall provide its members with the following options for voting:

a. E-Voting Procedure

- Details of the e-voting facility will be shared through an e-mail with those members of the Company who have valid cell numbers/ e-mail addresses available in the register of members of the Company within due course.
- The web address, login details, will be communicated to members via email from the web portal of M/s Corplink (Private) Limited (being the e-voting service provider).
- Identity of the Members intending to cast vote through e-Voting shall be authenticated through electronic signature or authentication for login.
- E-Voting facility will start from March 29, 2026, 09:00 a.m. and shall close on March 31, 2026 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution is cast by a Member, he / she shall not be allowed to change it subsequently.

b. Postal Ballot

The members shall ensure that duly filled and signed ballot paper along with copy of Computerized National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, Shifa International Hospitals Limited, Sector H-8/4, Islamabad or email at uzair.shafie@live.com one day before the Extraordinary General Meeting i.e. on March 31, 2026, during working hours. The signature on the ballot paper should match with the signature on CNIC.

v) Change of Address:

Members are requested to notify any change in their registered addresses immediately.

vi) Video Conference Facility

In accordance with Section 132(2) of the Companies Act, 2017 if the Company receives consent from members holding in aggregate 10% or more shareholding residing in a geographical location to participate in the meeting through video conference at least 7 days prior to the date of Extraordinary General Meeting, the Company will arrange video conference facility in that city subject to availability of such facility in that city.

To avail this facility please submit such request to the Company Secretary at:

Shifa International Hospitals Limited, Sector H-8/4, Islamabad

vii) Statutory Code of Conduct at EOGM

Section 215 of the Companies Act, 2017 and Regulation 55 of the Companies Regulations 2024, state the Code of Conduct of Shareholders, as follows:

Shareholders are not permitted to exert influence or approach the management directly for decisions which may lead to creation of hurdles in the smooth functioning of management. The law states that Shareholders shall not bring material that may cause threat to participants or premises where the EOGM is being held, confine themselves to the agenda items covered in the notice of EOGM and shall not conduct themselves in a manner to disclose any political affiliation or offend religious susceptibility of other members.

viii) Prohibition on Grant of Gifts at the Meeting

The Securities and Exchange Commission of Pakistan (the “SECP”), through its Circular 2 of 2018, dated February 9, 2018 read with SRO 452(I) of 2025, has strictly prohibited companies from providing gifts or incentives, in lieu of gifts (tokens / coupons / lunches / takeaway packages) in any form or manner, to shareholders at or in connection with general meetings. Under Section 185 of the Act, any violation of this directive is considered an offense, and companies failing to comply may face penalties.

ix) Deposit of Physical Shares into Central Depository:

Pursuant to Section 72 of the Companies Act, 2017 and directive issued by SECP vide its letter No. CSD/ED/Misc./2016-639-640 dated March 26, 2021, every existing listed company shall be required to replace its physical shares with book-entry form in a manner as may be specified and from the date notified by the SECP, within a period not exceeding four years from the commencement of the Act i.e. May 30, 2017.

In view of the aforesaid requirement, the shareholders having physical shares are requested to open their CDC sub-account with any of the brokers or investors account directly with CDC to convert their physical shares into book entry form as soon as possible.

For any query/information, the shareholders may contact the Company and/or the Share Registrar at the following addresses/contact numbers:

Company’s Registered Office

M/s Shifa International Hospitals Limited
Sector H-8/4, Islamabad.
Ph. No. +92-51-8464227

Share Registrar’s Office

M/s Corplink (Pvt.) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore.
Ph. No. +92-42-35916714

STATEMENT OF MATERIAL FACTS UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017

Company Original No. 02 of 2026 has been filed in the Hon`ble Islamabad High Court, Islamabad under Section 279 to 283 and 285(8) of the Companies Act, 2017 (the “*Companies Act*”) for sanction of and for passing other orders in respect of the Scheme of Arrangement (the “**Scheme or Scheme of Arrangement**”) between the Shifa Medical Center Islamabad (Pvt.) Limited (the “**SMCI or Petitioner No. 1**”) and Shifa International Hospitals Limited (the “**SIHL or Petitioner No. 2**”) for the amalgamation of entire undertaking of the SMCI and simultaneous transfer of the same to SIHL.

In the proceedings, the Court has directed the convening of meetings of the members of the Petitioner Nos 1 and 2 seeking their agreement to the Scheme. All capitalized terms, unless defined herein shall have the same meaning as provided in the Scheme of Arrangement.

Subject to the sanction of the Scheme of Arrangement by the Islamabad High Court: (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2; (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

The Scheme would be beneficial for the Petitioner Nos. 1 and 2 and their respective members for, *inter alia*, the following reasons:

- (a) The Petitioners through the merger will simplify the corporate structure by eliminating redundant administrative layers and inter-company relationships. The Petitioner No.2’s oversight, resources, and streamlined management will ensure that operations are more efficient, costs associated with maintaining separate entities are reduced, and compliance processes are simplified. The merger will also consolidate resources, enabling better asset utilization, improved financial reporting through unified statements, and centralized management of liabilities. Direct control over operations will enhance decision-making and productivity, while the single entity structure will facilitate future growth, ease capital raising, and strengthen market presence, ensuring the entity is well-positioned for expansion and long-term success.
- (b) The merger will not only provide Petitioner No. 2’s management with access to a broader range of external funding options at competitive rates but also offer greater assurance to existing and potential creditors. With a larger equity and asset base, Petitioner No. 2 will be better positioned to pursue growth opportunities and undertake larger projects.
- (c) The increased size of Petitioner No. 2 resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

The Proposed merger, along with all ancillary and related matters thereto, shall be effective by way of the Scheme of Arrangement in accordance with the provisions of Section 279 to 283 and 285(8) of the Companies Act.

No director of the SMCI or SIHL has any interest, whether directly or indirectly, except to the extent of their shareholding held by them in the respective company (including as nominee directors) and, for the executive directors, their employment within the respective company. The directors are also interested to the extent of benefits (and remuneration where applicable), as per the policy of the respective company and applicable laws. Save as aforesaid, the effect of this Scheme of Arrangement on the interests of the directors does not differ from the interests of the other members of SIHL and SMCI, except to the extent stated herein.

A copy of the Scheme of Arrangement is available for inspection to any person entitled to attend the Extraordinary General meeting, at the registered office of SIHL, situated at Pitras Bukhari Road, Sector H-8/4, Islamabad, free of cost, during normal business hours. Furthermore, in accordance with Section 282(2) of the Companies Act, a copy of the Scheme of Arrangement, statement under Section 281 of the Companies Act, read with statement of material facts under Section 134(3) of the Companies Act has been enclosed with the notice of meeting circulated to the members of SMCI.

In view of the above, the Board of Directors of SIHL has approved and recommended the Scheme of Arrangement, along with the arrangements stipulated thereunder, which have been described above.

**STATEMENT UNDER SECTION 281 OF THE COMPANIES ACT, 2017,
READ WITH CLAUSE 3(B) OF THE GUIDELINES ON MERGERS AND
AMALGAMATIONS ISSUED BY THE SECP**

Company Original No. 02 of 2026 has been filed in the Islamabad High Court under Sections 279 to 282 and 285(8) of the Companies Act, 2017 (the “**Companies Act**”) read with Rules 777 to 781 and 953 to 956 of the Sindh Chief Court Rules (Original Side) as adopted by the Islamabad High Court under Section 8 of the Islamabad High Court Act, 2010, and Rules 19, 20, 55 to 58 of the Companies (Court) Rules, 1997 for sanction of and for passing other orders in respect of the Scheme of Amalgamation among Shifa International Hospitals Limited (the “**SIHL**” or “**Petitioner No. 2**”) and Shifa Medical Center Islamabad (the “**SMCI**” or “**Petitioner No. 1**”). In the proceedings, the Court has directed to convening the meetings of members of the SIHL and SMCI for sanctioning the Scheme of Arrangement (the “**Scheme**” or “**Scheme of Arrangement**”). A copy of the Scheme is provided with this statement.

The accompanying notice convenes the meetings of members of SIHL as directed by the Court.

The sanctioning of the Scheme and the making of other appropriate orders in connection therewith will be considered by the Court after the Scheme is agreed to by the requisite majority at the meetings being convened for this purpose under the order of the Court, by the members of SIHL and SMCI.

SHIFA INTERNATIONAL HOSPITALS LIMITED-MEMBERS MEETING:

“RESOLVED THAT the Scheme of Arrangement filed with the Hon’ble Islamabad High Court, Islamabad, prepared under the provisions of Section 279 to 283 and 285(8) of the Companies Act, as approved by the Board of Directors and circulated to the members of Shifa International Hospitals Limited (the “**SIHL or Petitioner No. 2 or Company**”) for inter alia, amalgamation of entire undertaking, including all assets, liabilities and obligations, of Shifa Medical Center Islamabad (Pvt.) Limited (the “**SMCI or Petitioner No. 1**”) into SIHL in terms of a Scheme of Amalgamation filed with the Hon’ble Islamabad High Court, prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017, (the “**Scheme**”) and approved by the Board of Directors of SIHL on October 25, 2025, as follows:

the Scheme envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

along with ancillary matters thereto, placed before the meeting for consideration and approval, be and hereby approved and adopted, along with any

modifications, amendments required, or conditions imposed by the Hon'ble Islamabad High Court, Islamabad.”

FURTHER RESOLVED THAT Dr. Zeeshan Bin Ishtiaque, Chief Executive Officer of the Company and/or any officer of the Company duly authorized by him in this regard be and are hereby singly authorized to complete any or all necessary corporate, legal and regulatory compliances and formalities to give effect to the above, including to sign execute, deliver, and issue, on behalf of the Company, all such notices, documents, forms, instruments and other papers of any nature whatsoever that may be required in connection with the above resolution(s), and to complete regulatory requirements, including the filing of required documents with the Hon'ble Islamabad High Court to effectuate the Scheme of Arrangement in accordance with Section 279 to 283 and 285 of the Companies Act.”

SHIFA MEDICAL CENTER ISLAMABAD-MEMBERS MEETING:

“RESOLVED THAT the Scheme of Arrangement filed with the Hon’ble Islamabad High Court, Islamabad, prepared under the provisions of Section 279 to 283 and 285(8) of the Companies Act, as approved by the Board of Directors and circulated to the members of Shifa Medical Center Islamabad (Pvt.) Limited (the **“SMCI or Petitioner No. 1 or Company”**) for inter alia, amalgamation of entire undertaking, including all assets, liabilities and obligations, of SMCI into Shifa International Hospitals Limited (the **“SIHL or Petitioner No. 2”**) in terms of a Scheme of Amalgamation filed with the Hon’ble Islamabad High Court, prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017, (the **“Scheme”**) and approved by the Board of Directors of SMCI on November 04, 2025, as follows:

the Scheme envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

along with ancillary matters thereto, placed before the meeting for consideration and approval, be and hereby approved and adopted, along with any modifications, amendments required, or conditions imposed by the Hon'ble Islamabad High Court, Islamabad.

FURTHER RESOLVED THAT Dr. Samea Kauser Ahmad, Chief Executive Officer of the Company and/or any officer of the Company duly authorized by her in this regard be and are hereby singly authorized to complete any or all necessary corporate, legal and regulatory compliances and formalities to give effect to the above, including to sign execute, deliver, and issue, on behalf of

the Company, all such notices, documents, forms, instruments and other papers of any nature whatsoever that may be required in connection with the above resolution(s), and to complete regulatory requirements, including the filing of required documents with the Hon'ble Islamabad High Court to effectuate the Scheme of Arrangement in accordance with Section 279 to 283 and 285 of the Companies Act.”

1. **BRIEF BACKGROUND OF THE COMPANIES / PARTIES INVOLVED IN THE SCHEME:**

SHIFA INTERNATIONAL HOSPITALS LIMITED:

The Petitioner No. 2 is a public limited company, listed on the Pakistan Stock Exchange (PSX), with its registered office situated at Pitras Bukhari Road, Sector H-8/4, Islamabad, Pakistan. Petitioner No. 2 has an authorized share capital of Rs. 1,000,000,000 divided into 100,000,000 ordinary shares of Rs.10 each. The Petitioner No. 2 has an issued and paid-up share capital of Rs. 632,143,830 divided into 63,214,383 ordinary shares of Rs.10 each. Petitioner No. 2 is involved in the business of operating and managing a tertiary care hospital and healthcare facilities.

SHIFA MEDICAL CENTER ISLAMABAD:

The Petitioner No.1 is a private limited company, with its registered office situated at Pitras Bukhari Road, Sector H-8/4, Islamabad, Pakistan. Petitioner No. 1 has an authorized share capital of Rs. 2,556,000,000, divided into 255,600,000 ordinary shares of Rs.10 each. The Petitioner No. 1 has an issued and paid-up share capital of Rs. 2,414,313,370 divided into 241,431,337 ordinary shares of Rs. 10 each. Petitioner No. 1 has not commenced commercial operations to date as its hospital project is in the construction phase; however, once it begins operations, it shall be involved in the business of providing in-patient and out-patient healthcare facilities including emergency services, surgery, paediatrics, orthopaedics, gynae/obs, ENT and eye, ICU, neonatal ICU, medical ICU, etc.

2. **OBJECT OF THE SCHEME OF ARRANGEMENT:**

The scheme of Arrangement envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

3. **BENEFITS OF THE SCHEME OF ARRANGEMENT:**

The Board of Directors of the Petitioner Nos. 1 and 2 have separately considered various options, ways and means available with the ultimate aim of optimizing the returns of respective shareholders of the three entities. However, the amalgamation of the Petitioner No. 1 into Petitioner No. 2 would be beneficial due to the various reasons:

- (a) The Petitioners through the merger will simplify the corporate structure by eliminating redundant administrative layers and inter-company relationships. The Petitioner No.2's oversight, resources, and streamlined

management will ensure that operations are more efficient, costs associated with maintaining separate entities are reduced, and compliance processes are simplified. The merger will also consolidate resources, enabling better asset utilization, improved financial reporting through unified statements, and centralized management of liabilities. Direct control over operations will enhance decision-making and productivity, while the single entity structure will facilitate future growth, ease capital raising, and strengthen market presence, ensuring the entity is well-positioned for expansion and long-term success.

- (b) The merger will not only provide Petitioner No. 2's management with access to a broader range of external funding options at competitive rates but also offer greater assurance to existing and potential creditors. With a larger equity and asset base, Petitioner No. 2 will be better positioned to pursue growth opportunities and undertake larger projects.
- (c) The increased size of Petitioner No. 2 resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

4. **APPROVALS:**

The Scheme of Arrangement has been approved by the respective Boards of Directors of SIHL and SMCI. The effective date (*as defined in the Scheme of Arrangement*) will be the date on which the certified copy of the Court's order sanctioning Scheme is filed with the Registrar of Companies, Securities and Exchange Commission of Pakistan.

5. **SANCTION BY THE HON'BLE COURT:**

The Scheme is subject to the sanction of the Hon'ble Islamabad High Court in its present form or with any modifications thereof or addition thereto and is also subject to any conditions, which the court may impose.

6. **SUMMARIZED OPERATING AND FINANCIAL PERFORMANCE FOR THE PAST FIVE YEARS AND CURRENT YEAR TO THE LATEST QUARTER:**

6.1. SHIFA INTERNATIONAL HOSPITALS LIMITED:

Shifa International Hospitals Limited						
	Half year ended	For the year ended June 30,				
	December 31, 2025	2025	2024	2023	2022	2021
UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION		Rs in '000'				
Shareholders' equity	15,608,368	14,306,619	11,916,016	10,819,610	9,649,971	8,488,687
Non-current liabilities	2,187,923	1,649,211	1,496,057	1,750,801	2,310,214	3,317,760
Current liabilities	6,141,615	5,475,152	4,874,579	5,892,382	5,251,868	4,886,521
Total equity and liabilities	23,937,906	21,430,982	18,286,652	18,462,793	17,212,053	16,692,968
Non-current assets	17,130,080	13,913,721	12,773,883	12,613,857	11,191,479	10,098,204
Current assets	6,807,826	7,517,261	5,512,769	5,848,936	5,699,621	5,996,707
Non-current assets held for sale	-	-	-	-	320,953	598,057
Total assets	23,937,906	21,430,982	18,286,652	18,462,793	17,212,053	16,692,968
UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS						
Revenue including other income	15,578,985	28,370,483	23,753,963	20,338,440	16,834,980	14,327,197
Operating costs	(12,627,243)	(23,737,514)	(20,944,954)	(17,872,504)	(14,791,977)	(12,899,400)
Profit before levies and income tax	2,675,341	4,134,716	2,256,177	1,946,201	1,591,502	963,893
Income tax expense / levies	(1,057,520)	(1,805,736)	(894,103)	(764,795)	(428,953)	(263,969)
Profit for the period / year	1,617,821	2,328,980	1,362,074	1,181,406	1,162,549	699,924

6.2. SHIFA MEDICAL CENTER ISLAMABAD (PVT.) LIMITED:

Shifa Medical Center Islamabad (Private) Limited						
	Half year ended	For the year ended June 30,				
	December 31, 2025*	2025	2024	2023	2022	2021
STATEMENT OF FINANCIAL POSITION		Rs in '000'				
Shareholders' equity	3,191,853	3,208,019	3,114,412	3,104,409	2,163,568	1,692,003
Non-current liabilities	-	-	-	-	2,448	995
Current liabilities	3,027	4,217	11,502	31,187	14,473	7,026
Total equity and liabilities	3,194,880	3,212,236	3,125,914	3,135,596	2,180,489	1,700,024
Non-current assets	3,103,953	3,112,640	2,798,103	2,788,536	1,658,008	1,194,831
Current assets	90,927	99,596	327,811	347,060	522,481	505,193
Total assets	3,194,880	3,212,236	3,125,914	3,135,596	2,180,489	1,700,024

STATEMENT OF PROFIT OR LOSS						
Other income	2,083	3,514	26,101	25,441	19,454	38,783
Operating costs	(16,726)	(55,651)	(35,004)	(32,096)	(24,020)	(19,640)
(Loss) / profit before levies and income tax	(16,055)	(82,405)	(8,903)	(6,655)	(4,566)	19,143
Income tax expense / levies	(110)	(20)	(1,415)	(3,156)	(1,658)	(2,358)
(Loss) / profit for the period / year	(16,165)	(82,425)	(10,318)	(9,811)	(6,224)	16,785

*The SMCI Half Yearly Accounts December 31, 2025, have not yet been approved by the Board of SMCI.

7. **INTEREST OF DIRECTORS:**

No director of the SMCI or SIHL has any interest, whether directly or indirectly, except to the extent of their shareholding held by them in the respective company (including as nominee directors) and, for the executive directors, their employment within the respective company. The directors are also interested to the extent of benefits (and remuneration where applicable), as per the policy of the respective company and applicable laws. Save as aforesaid, the effect of this Scheme of Arrangement on the interests of the directors does not differ from the interests of the other members of SIHL and SMCI, except to the extent stated herein.

8. **RISK FACTORS IN RELATION TO THE SCHEME OF ARRANGEMENT:**

There is no potential risk factors involved in the Amalgamation. In fact, through the consolidation of the business and operations of SIHL and SMCI, the Amalgamation will provide significant impetus to growth by permitting pooling of resources, enable synergies, reduce operational costs, achieve economies of scale, increase operational efficiencies, greater focus provides expansion opportunities in terms of investments with a consolidated business strategy. The overall risk profile of the shareholders of each of SMCI and SIHL will remain unchanged, if not improved, with the Scheme given the consolidated and diversified asset base

and stronger balance sheet. Accordingly, the Amalgamation is expected to present a positive outcome for all members and stakeholders of SIHL and SMCI.

9. **FINANCIAL STATEMENTS AFTER THE SCHEME OF ARRANGEMENT:**

9.1 SHIFA MEDICAL CENTER ISLAMABAD:

Under the Amalgamation, all assets, liabilities and obligations of SMCI shall be transferred to, merged with and vested in SIHL. Upon consummation of the Amalgamation in accordance with the terms of the Scheme, SMCI shall be dissolved without winding up.

9.2 SHIFA INTERNATIONAL HOSPITALS LIMITED:

Under the Amalgamation, all assets, liabilities and obligations of SMCI shall be transferred to, merged with and vested in SIHL.

10. **ACCOUNTING AND FINANCIAL REPORTING POLICIES FOR RECORDING OF THE SCHEME:**

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards in applicable in Pakistan comprise of:

- (a) International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- (b) Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017, differ from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017, have been followed.

11. **TAX CONSEQUENCE OF THE SCHEME OF ARRANGEMENT:**

No gain or loss shall be taken to arise under Section 97A of the Income Tax Ordinance 2001, therefore no tax consequence under the Scheme of Arrangement.

12. **EFFECT OF THE SCHEME OF ARRANGEMENT ON CREDITORS:**

All creditors (*including secured creditors*) of SMCI (*the Amalgamating Company*) (*as specified in the Scheme*) will become creditors of SIHL for the amounts owing and with the benefit of the same securities as would be subsisting against SMCI immediately before the Amalgamation and SIHL is obligated under the Scheme to discharge all such liabilities and to perform all such obligations of SMCI, as may be outstanding immediately before the Amalgamation as if they were originally the liabilities and obligations of SIHL. Accordingly, the rights and securities of the creditors of SMCI will not be affected on account of the Scheme.

13. **EFFECT OF THE SCHEME OF ARRANGEMENT ON SHAREHOLDING STRUCTURE AND NUMBERS OF SHARES TO BE ISSUED CONSEQUENT TO THE SCHEME OF ARRANGEMENT UNDER VARIOUS POSSIBLE VALUATION METHODS:**

SMCI (*the Amalgamating Company*) will be amalgamated into SIHL by transferring to, merging with and vesting in SIHL the entire undertaking, including all assets and liabilities and obligations, of SMCI (*the Amalgamating Company*) as a going concern in SIHL, and will stand dissolved without winding up; and the members of SMCI (*the Amalgamating Company*) will receive consideration for the Amalgamation in the form of shares in SIHL, wherein, in consideration for the transfer of the undertaking, SIHL will issue the shareholders of SMCI, shares (other than the shares held by SIHL itself in SMCI) in the ratio of 0.032 share of SIHL for every 1 share of SMCI.

Furthermore, the members of the SMCI shall be entitled to all rights as members of SIHL and in particular rights to attend and vote at general meetings. Accordingly, the Scheme shall not have any adverse impact on the members (*or any class thereof*) of the SMCI (*the Amalgamating Company*) and SIHL.

14. **VALUATION REPORT AND FAIRNESS OPINION:**

Grant Thornton Anjum Rahman Chartered Accountants, in terms of its letter dated 23 October 2025 (*attached with the Scheme of Arrangement*), has determined swap ratios for the Amalgamation under the Scheme in accordance with the valuation methodology and assumptions set out therein.

**BALLOT PAPER FOR VOTING THROUGH POST FOR POLL TO BE HELD ON
WEDNESDAY, APRIL 01, 2026 AT THE REGISTERED OFFICE (C-0 AUDITORIUM) OF THE
COMPANY AT SECTOR H-8/4, ISLAMABAD**

Designated email address of the Chairman at which the duly filled in ballot paper may be sent:

uzair.shafie@live.com

Name of shareholder/ joint shareholders	
Registered Address	
Number of shares held and Folio No.	
CNIC Number (Copy to be attached)	
<u>Additional Information and enclosures</u> (In case of representative of body corporate, corporation and Federal Government.)	

I/we hereby exercise my/our vote in respect of the following resolutions through postal ballot by conveying my/our assent or dissent to the following resolution by placing tick (√) mark in the appropriate box below (delete as appropriate);

Special Resolution

“RESOLVED THAT the Scheme of Arrangement filed with the Hon’ble Islamabad High Court, Islamabad, prepared under the provisions of Section 279 to 283 and 285(8) of the Companies Act, as approved by the Board of Directors and circulated to the members of Shifa International Hospitals Limited (the **“SIHL or Petitioner No. 2 or Company”**) for inter alia, amalgamation of entire undertaking, including all assets, liabilities and obligations, of Shifa Medical Center Islamabad (Pvt.) Limited (the **“SMCI or Petitioner No. 1”**) into SIHL in terms of a Scheme of Amalgamation filed with the Hon’ble Islamabad High Court, prepared under the provisions of Sections 279 to 282 and 285(8) of the Companies Act, 2017, (the **“Scheme”**) and approved by the Board of Directors of SIHL on October 25, 2025, as follows:

the Scheme envisages the following:

- (a) the transfer to, and vesting of the entire undertaking of Petitioner No. 1 to Petitioner No. 2;
- (b) in consideration for the transfer of the undertaking, Petitioner No. 2 will issue the shareholders of Petitioner No. 1, shares (other than the shares held by Petitioner No. 2 itself in Petitioner No. 1) in the ratio of 0.032 share of Petitioner No. 2 for every 1 share of Petitioner No. 1; and
- (c) the dissolution, without winding up, of Petitioner No. 1 automatically on the sanction of the Scheme.

along with ancillary matters thereto, placed before the meeting for consideration and approval, be and hereby approved and adopted, along with any modifications, amendments required, or conditions imposed by the Hon'ble Islamabad High Court, Islamabad.”

FURTHER RESOLVED THAT Dr. Zeeshan Bin Ishtiaque, Chief Executive Officer of the Company and/or any officer of the Company duly authorized by him in this regard be and are hereby singly authorized to complete any or all necessary corporate, legal and regulatory compliances and formalities to give effect to the above, including to sign execute, deliver, and issue, on behalf of the Company, all such notices, documents, forms, instruments and other papers of any nature whatsoever that may be required in

connection with the above resolution(s), and to complete regulatory requirements, including the filing of required documents with the Hon'ble Islamabad High Court to effectuate the Scheme of Arrangement in accordance with Section 279 to 283 and 285 of the Companies Act.”

Sr. No.	Nature and Description of resolutions	No. of ordinary shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1	Aforementioned Special Resolution			

Signature of shareholder(s)

Place: _____

Date: _____

NOTES:

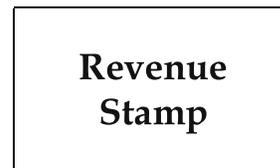
1. Duly filled postal ballot should be sent to Chairman (Mr. Uzair Shafie, Pitras Bukhari Road, Sector H-8/4, Islamabad) or through email at uzair.shafie@live.com
2. Copy of CNIC, NICOP/Passport No. (In case of foreigner) should be enclosed with the postal ballot form
3. Postal ballot forms should reach Chairman of the meeting till 5.00 p.m. March 31, 2026. Any postal ballot received after this date, will not be considered for voting.
4. Signature on postal ballot should match with signature on CNIC, NICOP/Passport (In case of foreigner).
5. Incomplete, unsigned, incorrect, defaced, torn, mutilated, over written ballot paper will be rejected.

FORM OF PROXY
Extraordinary General Meeting
Shifa International Hospitals Limited

I/ We _____ of _____ being a member(s) of Shifa International Hospitals Ltd. Folio No./CDC A/c No. _____ No. of Shares _____ hereby appoint _____ of _____ Folio No./CDC A/c No. _____ or failing him/her/ _____ of _____ Folio No./CDC A/c No. _____ who is a member of the Company as my/our proxy in my/our absence to attend and vote for me/us and on my/our behalf at the **Extraordinary General Meeting** of the Company to be held at **1100 hours on Wednesday, April 01, 2026**, and at any adjournment thereof.

As witness my hand this _____ day of _____ 2026.

Signed by the said _____



(Signature must agree with the **SPECIMEN** signature registered with the Company)

Witnesses:

1 **Signature** _____
Name _____
Address _____

CNIC/Passport No. _____

2 **Signature** _____
Name _____
Address _____

CNIC/Passport No. _____

Important:

1. This form of Proxy, duly completed, signed and stamped must be deposited at the Company's Registered Office situated at Sector H-8/4 Islamabad, not less than 48 hours before the time of holding the meeting.
2. A Proxy must be a member of the Company. Notwithstanding the above, a non-member may be appointed as a proxy by a member participating in General Meetings through e-voting in the manner stipulated under the applicable laws.
3. If a member appoints more than one proxy and more than one instruments of proxy are deposited by a member with the Company, all such instruments of proxy shall be rendered invalid.
4. CDC account holder, sub account holder/shareholder may appoint proxy and the proxy must produce attested copy of his/her CNIC or original passport at the time of attending the meeting.

**AFFIX
CORRECT
POSTAGE**

The Company Secretary
Shifa International Hospitals Ltd.
Sector: H-8/4, Islamabad,
Pakistan.

پراکسی فارم
غیر معمولی اجلاس عام
شفا انٹرنیشنل ہسپتال لمیٹڈ

میں ازم ساکن شیئر ہولڈر شفا انٹرنیشنل ہسپتال لمیٹڈ
فولیو نمبر ای سی ڈی سی اکاؤنٹ نمبر شیئر کا شمار بذریعہ ہذا مقرر کرتا ہوں
..... ساکن فولیو نمبر ای سی ڈی سی اکاؤنٹ نمبر
یا اس کی عدم دستیابی پر ساکن فولیو نمبر ای سی ڈی سی اکاؤنٹ نمبر
..... جو کہ میری انہاری غیر موجودگی میں میرے انہارے پراکسی (نمائندے) کے طور پر کہنی کے غیر معمولی
اجلاس عام میں جو یکم اپریل 2026ء بروز بدھ دن 11:00 بجے یا اس کے التوا کی صورت میں منعقد ہوگا میں میری انہاری جگہ شرکت کرے گا اور
ووٹ استعمال کرے گا۔

ریجسٹرڈ
دستخط کہنی کے پاس موجود نمونہ
کے دستخط کے مطابق ہونا چاہئے

میں بطور گواہ اس دن 2026
دستخط مذکورہ بالا

گواہان:

1- دستخط نام
2- دستخط نام
پتہ پتہ
قومی شناختی کارڈ / پاسپورٹ نمبر قومی شناختی کارڈ / پاسپورٹ نمبر

خصوصی ہدایات:

- 1- یہ پراکسی فارم باقاعدہ طور پر مکمل کر کے، دستخط، گواہان اور مہر کے بعد اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے کہنی کے رجسٹرڈ دفتر واقع سیکٹر H-8/4، اسلام آباد پہنچ جانا چاہئے۔
- 2- ایک پراکسی کہنی کا ممبر ہونا ضروری ہے مذکورہ بالا کے باوجود، قابل اطلاق قوانین کے تحت طے شدہ طریقے سے ای دوجنگ کے ذریعے اجلاس عام میں حصہ لینے والے رکن کے ذریعے غیر رکن کو پراکسی کے طور پر مقرر کیا جاسکتا ہے۔
- 3- اگر ایک ممبر ایک سے زائد پراکسی یا پراکسی کے فارم کہنی کے پاس جمع کرواتا ہے تو ایسے تمام پراکسی کے فارم کو غیر قانونی تصور کیا جائے گا۔
- 4- سی ڈی سی اکاؤنٹ ہولڈر سب اکاؤنٹ ہولڈر / شیئر ہولڈرز اپنی پراکسی مقرر کرنے کا مجاز ہے۔ اس پراکسی کو اجلاس میں شرکت کے وقت اپنے اصل کیپیوٹر انڈیڈ قومی شناختی کارڈ یا اصل پاسپورٹ دکھانا لازمی ہوگا۔

**AFFIX
CORRECT
POSTAGE**

The Company Secretary
Shifa International Hospitals Ltd.
Sector: H-8/4, Islamabad,
Pakistan.

①

BEFORE THE HONOURABLE ISLAMABAD HIGH COURT
(Original Jurisdiction)

C.O. No. 02 of 2026

1. **SHIFA MEDICAL CENTRE ISLAMABAD,**
a company incorporated in Pakistan
and having its registered office at
Pitras Bukhari Road,
Sector H-8/4, Islamabad

For Private Use

28 FEB 2026
Examiner
Copy Supply Section
Islamabad High Court
Establishment

2. **SHIFA INTERNATIONAL HOSPITALS LIMITED,**
a company incorporated in Pakistan
whose registered office is at
Pitras Bukhari Road,
Sector H-8/4, Islamabad.

Versus

Petitioners

PUBLIC AT LARGE
SECURITIES & EXCHANGE COMMISSION OF PAKISTAN.

Respondents

**PETITION UNDER SECTION 279 TO 282 AND 285(8) OF THE COMPANIES ACT, 2017,
READ WITH ALL OTHER ENABLING PROVISIONS OF LAW**

Respectfully sheweth,

3741
25/2/26

1. That by means of a notification bearing S.R.O. No. 1351(I)/2023 published in the Official Gazette, in exercise of the powers conferred by sub-section (8) of section 285 of the Companies Act, 2017 (the "Act"), the Minister-in-Charge of the Federal Government has notified that the powers conferred on the Securities and Exchange Commission of Pakistan (the "SECP") under section 279 to 283 and 285 of the Act in respect of public interest companies, large sized companies and medium sized companies classified under the Third Schedule to the Act shall be exercised by the Company Bench of the High Court having jurisdiction under the Act. As per the said schedule both the Petitioners are large sized companies, thus, this Honourable Court has the jurisdiction to entertain this petition.



(A copy of the notification bearing SRO No. 1351(I)/2023 is attached as Annexure A)

ORDER SHEET.
IN THE ISLAMABAD HIGH COURT, ISLAMABAD.
JUDICIAL DEPARTMENT.

Companies Original No. 02/2026

Shifa Medical Centre Islamabad and another
Versus
Public at large, etc.

S. No. of order/proceedings	Date of order/proceedings	Order with signature of Judge and that of parties or counsel where necessary.
(01)	26.02.2026	Mr. Taimoor Aslam Khan, Advocate for petitioner.

Through this C.O., Petitioner No. 1, Shifa Medical Centre, Islamabad, and Petitioner No. 2, Shifa International Hospital, have prayed for the approval of an amalgamation scheme filed in terms of Sections 279 to 282 read with Section 285(8) of the Companies Act, 2017, whereby Petitioner No. 1, Shifa Medical Centre, Islamabad, intends to be amalgamated with Petitioner No. 2, Shifa International Hospitals Limited.

2. Learned counsel for the petitioners, inter alia, contends that the Board Resolutions are appended along with the NOCs of the secured creditors with this petition. He further contends that the majority shareholding of Shifa Medical Centre, amounting to 23 million, vests with Shifa International Hospitals Limited, as referred to at page 16 under the heading "Corporate Information." He also pointed out that the Scheme of Amalgamation/Arrangement has been appended at page 15 of the petition. Additionally, NOCs from the secured creditors have been appended; as such, the Board of Directors is the competent authority to approve the



Scheme of Arrangement under the law, who have passed the resolution accordingly.

3. Question raised needs consideration.

4. Let notice be issued to the SECP for 15.04.2026, through the Registrar, Company Bench, who shall direct the SECP to file a report after considering the Scheme of Arrangement filed by the petitioners, including any legal impediments, if applicable, to be raised before this Court in its report along with para-wise comments.

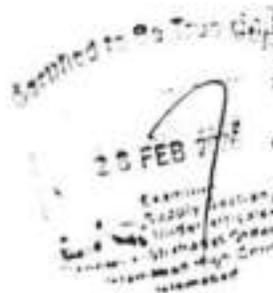
C.M. No. 01-2026.

This is an application in terms of Section 279 of the Companies Act, 2017, read with Rule 55 of the Companies (Court) Rules, 1997, wherein a request has been made for separate meetings of Petitioner No. 1 and Petitioner No. 2 under the chairmanship of Uzair Shafee, who shall preside over all the meetings of the respective petitioners. He shall convene the meetings within the next 45 days.

2. The petitioners are directed to issue notice of such meetings in two publications, one in Urdu and one in English, at their own cost, and submit a report to that effect on the next date of hearing.

C.M. No. 02-2026.

Notice. In the meanwhile, meeting of Creditors is dispensed with, as the secured creditors have already given their NOC, which are appended with the main petition.



C.M. No. 03-2026

Through this C.M., the applicants/petitioners have prayed for dispensation from the requirement to publish the petition in the Official Gazette and seek permission to publish the public notice in nationwide newspapers in English and Urdu, at the cost of the applicants.

2. Notice. In the meanwhile, the petitioners are directed to publish the notice in Urdu and English newspapers having countrywide circulation and for the time being publication in the Official Gazette is dispensed with.

Certified to be True Copy
28 FEB 2026
2. Signature
3. Seal
4. Stamp
5. Date
6. Place
7. Authority
8. Name of the Officer
9. Designation
10. Department
11. Office
12. City
13. State
14. Country
15. District
16. Sub-District
17. Taluk
18. Panchayat
19. Village
20. Post Office
21. Pin Code
22. Telephone No.
23. Fax No.
24. E-mail
25. Website
26. Mobile No.
27. Landline No.
28. Address
29. Contact No.
30. Email ID
31. Website
32. Social Media
33. Other


(MOHSIN AKHTAR KAYANI)
JUDGE

**SCHEME OF ARRANGEMENT
BETWEEN**

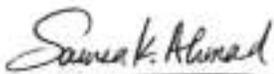
SHIFA INTERNATIONAL HOSPITALS LIMITED

AND

SHIFA MEDICAL CENTER ISLAMABAD (PVT) LIMITED

(AND THEIR RESPECTIVE MEMBERS)

Under Sections 279 to 282 of the Companies Act, 2017



Shifa Medical Center Islamabad



Shifa International Hospital Limited

ARTICLE – 1

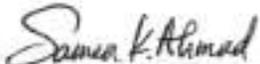
1. CORPORATE INFORMATION

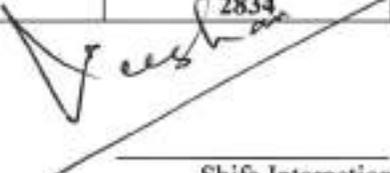
SHIFA MEDICAL CENTER ISLAMABAD (PRIVATE) LIMITED

		Number of ordinary shares of Rupees 10 each
Shareholders	: Shifa International Hospitals Limited	238,966,960
	Dr. Habib Ur Rahman	1
	Dr. Manzoor ul Haq Qazi	1
	Dr. Yasser Rehman	1,438,375
	Dr. Athar Niaz Rana	376,000
	Dr. Shahzad Khan Siddique	650,000
		<u>241,431,337</u>
Board of Directors	: Dr. Samea Kauser Ahmad	(Chairperson and Chief Executive Officer)
	Dr. Habib Ur Rahman	
	Dr. Manzoor H. Qazi	
	Mr. Taimoor Shah	
	Mr. Shams Ur Rehman Abassi	
Company Secretary	: Muhammad Naeem	
Registered Office	: Sector H-8/4, Islamabad	
Authorized Share Capital	: Rupees 2,556,000,000 divided into 255,600,000 ordinary shares of Rupees 10 each.	
Issued, Subscribed and Paid-up Capital	: Rupees 2,414,313,370 divided into 241,431,337 ordinary shares of Rupees 10 each fully paid.	

SHIFA INTERNATIONAL HOSPITALS LIMITED

	Categories of shareholders	Number of shareholders	Number of shares held of Rs. 10/ each
1	Charitable Trusts	13	12,094,424
2	Financial Institutions	4	11,503,178
3	Joint Stock Companies	19	370,222
4	Mutual Fund	40	5,418,924
5	Others	32	997,000
6	Insurance Companies	4	887,103
7	Investment Companies	1	29,500
8	Individuals	2721	31,914,032
	Total	2834	63,214,383


Samea K. Ahmad
Shifa Medical Centre Islamabad


Shifa International Hospital Limited

Board of Directors	:	Dr. Habib Ur Rahman	(Chairman)
		Dr. Zeeshan Bin Ishtiaque	(Chief Executive Officer)
		Dr. Mansoor H. Qazi	
		Mr. Qasim Farooq Ahmad	
		Dr. Samea Kauser Ahmad	
		Mr. Syed Ilyas Ahmed	
		Dr. Mohammad Naseem Ansari	(Independent Director)
		Dr. Ioan Philippe Cleaton-Jones	Director (nominee of International Finance Corporation)
		Mr. Shah Naveed Saeed	(Independent Director)
		Dr. M. Salim Khan.	(Independent Director)
		Mr. Taimoor Shah.	(Executive Director)
Company Secretary	:	Mr. Muhammad Naeem	
Registered Office	:	Sector H-8/, Islamabad	
Authorized Share Capital	:	Rupees 1,000,000,000 divided into 100,000,000 ordinary shares of Rupees 10 each.	
Issued, Subscribed and Paid-up Capital	:	Rupees 632,143,830 divided into 63,214,383 ordinary shares of Rupees 10 each fully paid.	

ARTICLE – 2

2. DEFINITIONS

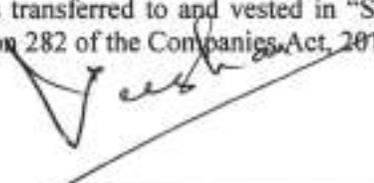
2.1. In this Scheme, unless the subject or context otherwise requires, the following expressions shall bear the meanings specified against them below:

“Act” means the Companies Act, 2017, or any statutory modification or re-enactment thereof for the time being in force.

“Companies” mean Shifa International Hospitals Limited (“SIHL”) and Shifa Medicinal Center Islamabad (Pvt.) Limited (“SMCI”) collectively.

“Completion Date” means the date on which this Scheme becomes operative pursuant to the provisions of Article 17 of this Scheme, and is the date on which the entirety of the “SMCI” stands transferred to and vested in “SIHL” by virtue of an Order of the Court under section 282 of the Companies Act, 2017.


 Samea K. Ahmad
 Shifa Medical Centre Islamabad


 Zeeshan Bin Ishtiaque
 Shifa International Hospital Limited

"Court" means the Islamabad High Court having jurisdiction under sections 279 to 282 of the Companies Act, 2017.

"Effective Date" means 1st July 2025 or such other date as may be approved by the Court.

"Encumbrances" mean (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrances of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including any right granted by a transaction which in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under the applicable laws; (ii) any proxy, power of attorney, voting trust agreement, interest, option, right of first refusal, transfer restrictions in favor of any person; and (iii) adverse claim as to possession or use.

"Existing" means existing, outstanding or in force immediately prior to the Completion Date.

"Merged Company" means SIHL as the surviving entity after the merger of SMCI and SIHL.

"SIHL" means Shifa International Hospital Limited, a listed public limited company having its registered office at Sector H-8, Islamabad.

"SMCI" means Shifa Medical Centre Islamabad (Pvt.) Limited, a private limited company having its registered office at Sector H-8, Islamabad.

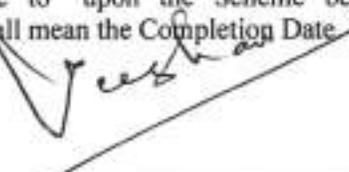
"Scheme" means this Scheme of compromises, arrangements and reconstruction in its present form with any modification thereof or addition thereto approved or condition imposed by the Court.

2.2. In this Scheme, unless the context otherwise requires:

- (a) References to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations;
- (b) The headings are inserted for ease of reference only and shall not affect the construction or interpretation of this Scheme;
- (c) References to one gender include all genders; and
- (d) Words in the singular shall include the plural and vice versa.

2.3. Any references in the Scheme to "upon the Scheme becoming effective" or "effectiveness of the Scheme" shall mean the Completion Date.


Saikat K. Ahmad
Shifa Medical Centre Islamabad


V. K. Sharma
Shifa International Hospital Limited

ARTICLE – 3

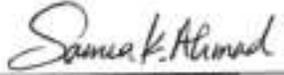
3. OBJECT OF THIS SCHEME

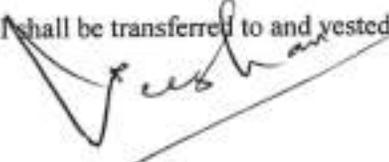
- 3.1. The principal object of this Scheme is to effect and achieve merger / amalgamation of “SMCI” into “SIHL” through the transfer and vesting in “SIHL” of the whole undertaking of “SMCI” (i.e., all the assets, rights, liabilities and obligations of every description of “SMCI”). In consideration of the transfer of the undertaking of SMCI to SIHL under this Scheme, SIHL shall issue fully paid ordinary shares of SIHL of Rupees 10 (ten) each to SMCI’s shareholders (i.e, the persons set out in SMCI’s register of members as of the Effective Date) in the share ratio of 0.032 share of Rs 10 (ten) of SIHL for every 1 shares of SMCI and with the shares held by SIHL in SMCI being cancelled.
- 3.2. The merger has the following potential benefits:
- (a) The parties through the merger will simplify the corporate structure by eliminating administrative layers and inter-company relationships. SIHL’s oversight, resources, and streamlined management will ensure that operations are more efficient, costs associated with maintaining separate entities are reduced, and compliance processes are simplified. The merger will also consolidate resources, enabling better asset utilization, improved financial reporting through unified statements, and centralized management of liabilities. Direct control over operations will enhance decision-making and productivity, while the single entity structure will facilitate future growth, ease capital raising, and strengthen market presence, ensuring the entity is well-positioned for expansion and long-term success.
 - (b) The merger will not only provide SIHL’s management with access to a broader range of external funding options at competitive rates but also offer greater assurance to existing and potential creditors. With a larger equity and asset base, SIHL will be better positioned to pursue growth opportunities and undertake larger projects.
 - (c) The increased size of SIHL resulting from the merger will bolster its capacity to absorb and manage risks inherent in the business environment. This heightened risk absorption capacity will contribute to greater stability and sustainability in operations over the long term, instilling confidence among its stakeholders.

ARTICLE – 4

4. TRANSFER OF UNDERTAKING

- 4.1. The entire undertaking of SMCI shall be transferred to and vested in SIHL and shall be inclusive of the following:

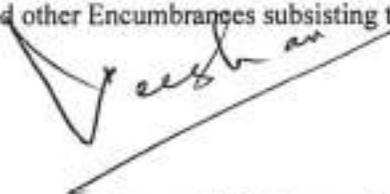

Samia K. Ahmad
Shifa Medical Centre Islamabad


Shifa International Hospital Limited

- (a) All assets and properties of SMCI, including, without limitation, properties of all kinds and by whatever title held and whether movable or immovable or tangible or intangible, leasehold assets, including but not limited to and without limiting the generality of the foregoing in particular:
- (i) Land measuring 3,333.33 sq yards, situated at Plot No. 5, F-11 Markaz, Islamabad;
 - (ii) All buildings owned or leased by SMCI shall stand transferred to SIHL;
 - (iii) all plant, machinery, equipment, tools, appliances, computer systems, software development, motor and other vehicles, furniture, fixture and fittings;
 - (iv) all tax credits, tax or other refunds; tax or tariff protections, concessions, remissions or exemptions;
 - (v) all stocks, stock-in-trade, stocks of fuel, inventory, raw materials, ingredients, packaging, office supplies, engineering spares, consumable stores, work in process, finished goods, as the case may be;
 - (vi) all contracts, agreements, trusts, leases, hires, rentals, sub-leases, tenancies, conveyances, grants, instruments of transfer, engagements, commitments and arrangements entered into by or subsisting in favour of SMCI which remain in whole or in part to be performed, inclusive of all rights and obligations of SMCI arising thereunder;
 - (vii) all actionable claims, book debts, trade and other debts or sums (including suppliers' credit notes) due, owing, accrued or payable to SMCI (whether or not invoiced and whether or not immediately due or payable), advances, deposits, prepayments and other receivables, loans made, investments (both short term and long term, including without limitation, investments in shares, debentures, debt instruments and other securities), cash in hand and at banks or other depositories;
 - (viii) all historical and current documents, customer lists, products and supplier lists, catalogues, literature, employee records, documents of title, sales targets, sale statistics, market share statistics, marketing surveys and reports, marketing research and any advertising or other promotional materials, and other accounting (including management accounting reports) and other financial data whether in hard copy or in computer held form (including, for avoidance of doubt, such media as microfilm and microfiche);

but the transfer and vesting of such assets and properties shall be subject to all mortgages and charges and other Encumbrances subsisting thereon.

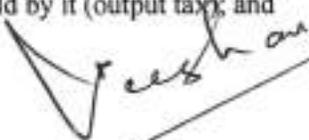

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Shifa International Hospital Limited

- (b) all connections, meters and other instalments owned by, or leased or licensed to SMCI for the supply of electricity, gas and water and the benefit of all payments and deposits made by or for the account of SMCI in connection therewith, listed in **Schedule A** hereto;
- (c) all rights, powers, authorities and privileges of SMCI, including all registrations, licenses, authorizations, permits, categories, sanctions, approvals and permissions concerning the investment in or carrying on of any business by SMCI and other activities carried on by SMCI or any part thereof;
- (d) all rights, title and interests of SMCI in technical data and know-how, industrial and technical information, trade secrets, confidential information, drawings, formulations, technical reports, operating and testing procedures, instruction manuals, raw material or production specifications, the results of research and development work, whether in hard copy or in computer held form (including for the avoidance of doubt, such media as microfilm and microfiche) and computer software;
- (e) all rights, title and interests of SMCI anywhere in the world and the goodwill in respect of any trademarks, service marks, trade names, trading styles, copyrights, designs, patents, inventions, secret processes, know-how and confidential information, including, without limitation, and licenses (inclusive of the benefits and burdens of such licenses) for the same, and any applications or the rights to apply for protection or registration of any of the same and any continuing, reissue, divisional and re-examination patent application;
- (f) the goodwill of SMCI in respect of all of its businesses and activities;
- (g) all other rights, powers, authorities and privileges of SMCI including, without limitation;
 - (i) all registrations, licenses, permits, categories, entitlements, authorizations, sanctions, permissions and approvals issued or granted by any government, governmental department or agency, or any statutory or local authority or any municipal corporation to SMCI; and
 - (ii) all concessions, entitlements, tariff protections and duty and tax exemptions and remissions; and
 - (iii) all credits and refunds on account of sales tax, customs duty, octroi and other duties, taxes, levies, fees, charges, or imposts paid on account of, or in connection with any properties, assets or materials comprised in the SMCI undertaking and inclusive of the right to adjust the amount of sales tax paid on the purchase acquisition or import thereof (input tax) against sales tax payable by SMCI on goods sold by it (output tax); and



 Shifa Medical Centre Islamabad



 Shifa International Hospital Limited

- (iv) all rights against third parties (including sub-contracts and any retention of title rights);
- (h) all licenses, permits and authorizations for the import or export of any plant, machinery, equipment, materials, goods, articles or things and all bills of entry, airway bills, bills of lading or other documents of title relating thereto and all letters of credit and other payment orders and all rights, titles, privileges, benefits, liabilities and obligations of SMCI arising thereunder or pursuant thereto in relation thereof;
- (i) all banking and other accounts maintained by SMCI with any bank, financial institution, customer, supplier, government department, including but not limited to, the collector of customs and other authorities, any agency supply any amenities to SMCI including all the credit and debit (as the case may be) balances in such accounts and any existing instructions, orders, directions, mandates, powers of attorneys, authorities, undertakings or consents given to SMCI in writing in relation to an account;
- (j) all debts and other liabilities and obligations of every kind and description of SMCI whether accrued or accruing or contingent or deferred and whether incurred solely or jointly with another or others including amounts owing to banks, financial institutions, non-banking finance companies and other creditors (related or unrelated) of SMCI;
- (k) all loans, advances, finances, leases and banking facilities provided to, or agreed to be provided to, SMCI inclusive of interest, mark up or other return and bank charges in respect thereof and any property of SMCI secured or encumbered in favour of such creditor shall continue to remain so encumbered;
- (l) all amounts owing (whether or not due for payment) or payable by SMCI in respect of the supply of goods, utilities and services to SMCI and which are unpaid at the Completion Date (including, without limitation, credit notes granted and advances received from suppliers or customers);
- (m) the liabilities of SMCI for payment of taxes, and the entitlements of SMCI to credit or refund of payments made for or in respect of any assessment or liability for taxes including advance tax collections;
- (n) the benefits of any policies of insurance issued to or otherwise available to SMCI;
- (o) the capital reserves, revenue reserves, unappropriated profits /accumulated losses of SMCI; and
- (p) the benefit of all capital allowances and tax losses.


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Shifa International Hospital Limited

ARTICLE – 5

5. CONTRACTS, DEEDS, BONDS AND OTHER INSTRUMENTS

“SHIL” shall undertake, pay, satisfy, discharge, perform and fulfill all debts, liabilities, contracts, engagements and obligations whatsoever of “SMCI” as at the Effective Date, and all contracts, deeds, bonds, agreements, powers of attorney, grants of legal representation and all other instruments of whatever kind subsisting or having effect immediately before the Effective Date to which “SMCI” may be a party or which shall be in favour of “SMCI” as they were before the transfer date and may be enforced or acted upon as fully and effectively as if instead of “SMCI”, “SIHL” had been a party thereto or as if the same had been issued by or in favour of “SIHL”.

ARTICLE – 6

6. LEGAL PROCEEDINGS

As of the Effective Date SMCI is not aware of any causes, suits or other judicial, quasi-judicial and/or administrative proceedings against it. All causes, suits, appeals, petitions/revisions or other judicial, quasi-judicial, and/or administrative proceedings to which SMCI may become a party will be continued, prosecuted and enforced in the same manner and to the same extent as they would or might have been continued, prosecuted and enforced by or against “SMCI” as if this Scheme had not been made, by or against “SIHL” the same shall not abate, be discontinued or be in any way prejudiced or affected by the provisions of this Scheme.

ARTICLE – 7

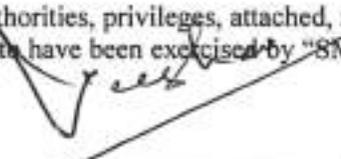
7. CONDUCT OF BUSINESS BY “SMCI”

7.1. “SMCI”, with effect from the Effective Date and up to the Completion Date:

- (a) Shall be deemed to have been carrying on and to be carrying on all business and activities relating to “SMCI” and shall hold and stand possessed of and shall be deemed to hold and stand possessed of all the estates, assets, rights, title, interest, authorities, contracts, investments and strategic decisions of “SMCI” for and on account of, and in trust for “SIHL”;
- (b) All profits and income accruing or arising from “SMCI” from operation and losses and expenditure arising or incurred (including taxes, if any, accruing or paid in relation to any profits or income) relating to the “SMCI” based on the financial statements shall, for all purposes, be treated as and be deemed to be the profits, income, losses or expenditures, as the case may be, of “SIHL”; and
- (c) Any of the rights, powers, authorities, privileges, attached, related or pertaining to the “SMCI” shall be deemed to have been exercised by “SMCI” for and on behalf



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Shifa International Hospital Limited

of, and in trust for and as an agent of "SIHL". Similarly, any of the obligations, duties and commitments attached, related or pertaining to the "SMCI" that have been undertaken or discharged by "SMCI" shall be deemed to have been undertaken or discharged for and on behalf of and as an agent for "SIHL".

- 7.2. With effect from the Effective Date and until the Completion Date, "SMCI" undertakes that it will preserve and carry on the business of "SMCI" with reasonable diligence and business prudence and shall not undertake financial commitments or sell, transfer, alienate, charge, mortgage, or encumber any of the undertaking or any part thereof save and except in each:
- (a) If the same is in its ordinary course of business as carried on by it as on the date of filing of this Scheme with the High Court; or
 - (b) If the same is expressly permitted by this Scheme; or
 - (c) If the prior written consent of the board of directors of "SIHL" has been obtained.
- 7.3. As and from the Effective Date and till the Completion Date:
- (a) All debts and liabilities, raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the Effective Date, whether or not provided in the books of "SMCI", and all debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations relating thereto which arise or accrue to "SMCI" regarding "SMCI" on or after the Effective Date in accordance with this Scheme, shall be deemed to be the debts and liabilities raised and used, liabilities and obligations incurred, duties and obligations of "SIHL" to which that "SMCI" is transferred.
 - (b) All assets and properties comprised in "SMCI" as on the date immediately preceding the Effective Date, whether or not included in the books of "SMCI", and all rights and privileges, benefits, entitlements, assets and properties etc. relating thereto, which are acquired by "SMCI" in relation to "SMCI", on or after the Effective Date, in accordance with this Scheme, shall be deemed to be the assets and properties of "SIHL" to which that "SMCI" is transferred.

ARTICLE – 8

8. STATUS OF STAFF, WORKMEN AND EMPLOYEES

As of the Effective Date, there are no active employees of SMCI.



Sameer K. Ahmad
Shifa Medical Centre Islamabad



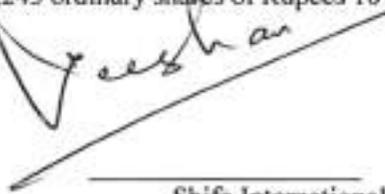
V. K. Mishra
Shifa International Hospital Limited

ARTICLE – 9

9. BASIS OF AMALGAMATION AND RECONSTRUCTION

- 9.1. Upon the Scheme becoming fully effective, in consideration of the transfer and vesting of the undertaking of “SMCI” into “SIHL” in terms of the Scheme, “SIHL” will subject to the provisions of the Scheme and without further act or deed or documents being required to be executed, registered or filed in respect of following:
- (a) The issued and paid-up share capital of PKR 2,389,669,620 divided into 238,966,962 ordinary shares of SMCI owned by SIHL and appearing in the books of SMCI be set off against the respective investment appearing in the books of SIHL.
 - (b) All other shareholders of SMCI shall be issued 0.032 share in SIHL for every 1 share in SMCI. This share swap ratio is based on the valuation report prepared by an accredited valuer in accordance with the applicable law.
 - (c) Each of the asset and liability of “SMCI” as per the respective audited accounts as on 30 June 2025, will form an asset or a liability of corresponding nature in the books of “SIHL”. Likewise, the accumulated losses of “SMCI” as on 30 June 2025, shall be adjusted against or reduce the profits of a corresponding nature of “SIHL”.
 - (d) As the ordinary shares of “SMCI” will be set off against respective investment of “SIHL” and other shareholders of SMCI shall be issued shares of SIHL therefore all ordinary share certificates issued by “SMCI” shall stand cancelled as on the Effective Date.
 - (e) To the extent permitted by applicable law, any fractional shares which arise on account of the issuance of SIHL shares to the shareholders of SMCI as consideration for the transfer of SMCI’s undertaking, will not be issued and instead all such fractional shares will be consolidated and disposed of as the board of directors of SIHL deems fit.
- 9.2. The ordinary shares of “SIHL” upon issue and allotment to the existing shareholders of SMCI, pursuant to this Scheme shall rank *pari passu* with the existing ordinary shares of “SIHL” in all respects and shall be entitled to all dividends declared after the Completion Date. For the purposes of clarification, the shareholders of SMCI shall not be entitled to any dividend issued by SIHL prior to the Completion Date.
- 9.3. Issued, subscribed and paid-up capitals of “SMCI” and “SIHL” were Rupees 2,414,313,370 and Rupees 632,144,000 respectively as on the Effective Date. After adjustment of shares of “SMCI” and allotment of ordinary shares by “SIHL” pursuant to this Scheme, total issued, subscribed and paid-up capital of “SIHL” shall be Rupees 632,932,430 divided into 63,293,243 ordinary shares of Rupees 10 each as on Effective Date.


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Shifa International Hospital Limited

ARTICLE – 10

10. MODIFICATIONS / AMENDMENTS TO THE SCHEME

- 10.1. "SMCI" and "SIHL" by their respective Directors may assent to any modification or amendment to the Scheme or agree to any terms and / or conditions which the Courts and / or any other authorities under law may deem fit to direct to impose or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise for implementing and / or carrying out the Scheme and do all acts, deed and things as may be necessary, desirable or expedient for putting the Scheme into effect.
- 10.2. For the purpose of giving effect to the Scheme or to any modification thereof, the Directors of "SIHL" are hereby authorized to give such directions and / or to take such steps as may be necessary or desirable including any directions for settling any question or doubt or difficulty whatsoever that may arise.

ARTICLE – 11

11. SCHEME CONDITIONAL ON APPROVAL / SANCTIONS

- 11.1. The Scheme is conditional on and subject to:
- (a) Approval of and agreement to the Scheme by the requisite majority of the respective members of of "SMCI" and "SIHL" as may be directed by the Court;
 - (b) Requisite resolution(s) under the applicable provision of the Companies Act, 2017 being passed by the shareholders of "SIHL" for any of the matters provided for or relating to the Scheme as may be necessary or desirable;
 - (c) Any other sanctions or approval of the appropriate authorities concerned, as may be necessary and appropriate by the respective board of directors of "SMCI" and "SHIL", being obtained and granted in respect of and of the matters for which such sanctions or approvals are required.

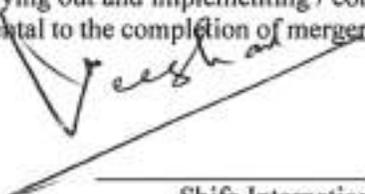
ARTICLE – 12

12. EXPENSES CONNECTED WITH THE SCHEME

All costs, charges and expenses of "SMCI" and "SHIL" respectively in relation to or in connection with the Scheme and of carrying out and implementing / completing the terms and provisions of the Scheme and / or incidental to the completion of merger / amalgamation of the



Sameer K. Ahmad
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said Undertakings of the "SMCI" in pursuance of the Scheme shall be borne and paid solely by "SIHL".

ARTICLE – 13

13. INTERESTS OF CUSTOMERS AND CREDITORS

This Scheme shall not in any manner affect the interest of any customer or creditor, the Merged Company shall be bound to carry out the terms and conditions connected herewith with the same legal effect and force as if this Scheme was not sanctioned.

ARTICLE – 14

14. SECURED CREDITORS

- 14.1. The secured creditors of SIHL, and their respective principal amounts outstanding as of 30 June 2025 are set out in **Schedule B**.
- 14.2. The secured creditors of SMCI, and their respective principal amounts outstanding as of 30 June 2025 are set out in **Schedule C**.

ARTICLE – 15

15. OUTSTANDING AMOUNTS

All amounts owing (whether or not due for payment) or payable by SMCI or SHIL and which are unpaid on the Completion Date in respect of the supply of goods, raw materials, utilities, and services (including, without limitation, credit notes granted, and advances received from suppliers or customers) to the extent arising exclusively or primarily in the ordinary course of business, shall be owned or paid by the Merged Company under this Scheme.

ARTICLE – 16

16. COMPLETION DATE OF SCHEME

The Scheme, although operative from the Effective Date, shall take effect finally upon and from the date on which the last of the sanctions or approvals or orders (as provided under Article 11 hereinabove) shall have been obtained, and such date shall be the Completion Date for the purpose of the Scheme.



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Shifa Medical Centre Islamabad



Shifa International Hospital Limited

ARTICLE – 17

17. APPLICATION TO THE COURT

“SMCI” and “SIHL” hereto shall, with all reasonable dispatch, make applications to the Court for sanctioning the Scheme and for dissolution of “SMCI” without winding up.

ARTICLE – 18

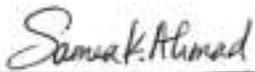
18. DISSOLUTION OF “SMCI”

Subject to an order being made by Court under Section 282 of the Companies Act, 2017, “SMCI”, shall, without winding up, stand dissolved from the date of allotment of shares by “SIHL” as per terms of the Scheme.

Scheme Date:

For Shifa Medical Centre Islamabad

For Shifa International Hospital Limited



Dr. Samea Kauser Ahmad
(Chief Executive Officer)



Dr. Zeeshan Bin Ishtiaque
(Chief Executive Officer)





Shifa Medical Centre Islamabad



Shifa International Hospital Limited

SCHEDULE A
(List of all SMCI connections)

IESCO

Sr.#

1. Reference #	27 14127 2650306 U
2. Customer ID	2140057446
3. Tariff	E-1ii(56)
4. Sanction Load (KVA)	135
5. Meter #	01422400012899
6. Sub Division	F-11 Sector
7. Division	Islamabad-II
8. Feeder	F-11 Markaz

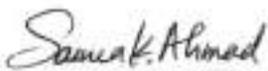

Shifa Medical Centre Islamabad


Shifa International Hospitals Limited

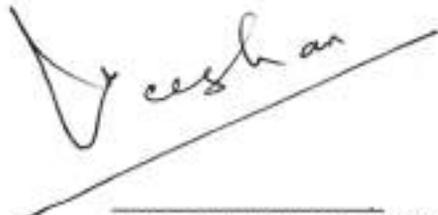
SCHEDULE B

(Secured creditors of Shifa International Hospitals Limited)

Serial #	Name of Financial Institution	Outstanding Balance as on 30 June 2025
		Rupees in '000'
1	Meezan Bank Limited	504,850
2	First Habib Modarba	105,964
3	Bank Alfalah Limited	433,043
4	Al Baraka Bank (Pakistan) Limited	14,765
5	United Bank Limited	49,987
6	Habib Bank Limited	-



Shifa Medical Centre Islamabad

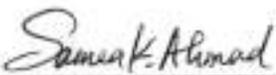


Shifa International Hospitals Limited

SCHEDULE C

(Secured creditors of Shifa Medical Center Islamabad (Private) Limited)

Serial #	Name of Financial Institution	Outstanding Balance as on 30 June 2025
		Rupees
1	Habib Bank Limited	-



Samia K. Ahmad
Shifa Medical Centre Islamabad



V. Kashan
Shifa International Hospitals Limited

October 23, 2025

Chief Executive Officer
Shifa International Hospitals Limited
Islamabad

**Grant Thornton Anjum
Rahman**

302 B, 3rd Floor,
Evacuee Trust Complex,
Aga Khan Road, F-5/1,
Islamabad, Pakistan.

Valuation Report for Determination of Share Swap Ratio

T +92 51 2271906

F +92 51 2273874

Dear Sir,

We refer to your request for a valuation exercise in connection with the proposed merger ("the Scheme") of Shifa Medical Centre Islamabad (Private) Limited (SMCI) with and into Shifa International Hospitals Limited (SIHL) under Sections 279 to 283 of the Companies Act, 2017.

We have carried out an independent valuation in accordance with internationally accepted valuation approaches, considering the financial position, operations, and relevant circumstances of both companies.

Based on our analysis as of September 30, 2025, the share swap ratio has been determined as follows:

1 share of SMCI = 0.032 shares of SIHL

This ratio represents a fair and equitable basis for the Scheme, derived from valuation approaches considered most relevant and reliable under the prevailing conditions.

This report has been prepared exclusively for the use of the management and shareholders of SIHL in connection with the Scheme and should not be relied upon for any other purpose without our prior written consent.

Yours faithfully,



Grant Thornton Anjum Rahman
Chartered Accountants



SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED FINANCIAL
STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED
DECEMBER 31, 2025

INDEPENDENT AUDITORS' REVIEW REPORT TO THE MEMBERS OF SHIFA INTERNATIONAL HOSPITALS LIMITED**Report on review of Condensed Interim Unconsolidated Financial Statements****Introduction**

We have reviewed the accompanying condensed interim unconsolidated statement of financial position of Shifa International Hospitals Limited ("the Company") as at December 31, 2025 and the related condensed interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows, and selected notes to the condensed interim unconsolidated financial statements for the six month period then ended (here in after referred to as the "interim unconsolidated financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim unconsolidated financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.





Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the company. Accordingly, the figures of the condensed interim unconsolidated statement of profit or loss and condensed interim unconsolidated statement of comprehensive income for the three months period ended December 31, 2025 have not been reviewed by us.

The engagement partner on the review resulting in this independent auditors review report is Atif Riaz.

ISLAMABAD

DATED: 24 Feb 2026

UDIN: RR2025100603migG7IKW


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025

	Unaudited December 31, 2025	Audited June 30, 2025		Unaudited December 31, 2025	Audited June 30, 2025
	————(Rupees in '000')————			————(Rupees in '000')————	
SHARE CAPITAL AND RESERVES			NON - CURRENT ASSETS		
Authorised share capital			Property, plant and equipment	9,134,220	8,618,241
100,000,000 (June 30, 2025: 100,000,000)			Intangible assets	37,778	43,052
ordinary shares of Rs. 10 each	1,000,000	1,000,000	Investment property - at cost	624,872	624,872
			Long term investments - at cost	6,971,093	4,522,553
Issued, subscribed and paid up capital	632,144	632,144	Long term advances	255,514	-
Capital reserves			Long term deposits	106,603	105,003
Share premium	2,738,888	2,738,888		17,130,080	13,913,721
Surplus on revaluation of property, plant and equipment	1,098,009	1,104,985			
Revenue reserves					
Unappropriated profit	11,139,327	9,830,602			
	15,608,368	14,306,619			
NON - CURRENT LIABILITIES			CURRENT ASSETS		
Long term financing - secured	968,516	833,419	Stores, spare parts and loose tools	223,985	224,161
Deferred liabilities	273,232	289,268	Stock in trade	937,576	959,987
Lease liabilities	946,175	506,524	Trade debts	2,313,210	1,461,456
	2,187,923	1,649,211	Loans and advances	113,486	138,025
			Deposits, prepayments and other receivables	178,668	196,244
			Markup accrued	14,156	19,219
			Other financial assets	1,056,347	1,006,355
			Cash and bank balances	1,970,398	3,511,814
				6,807,826	7,517,261
				23,937,906	21,430,982
CURRENT LIABILITIES					
Trade and other payables	5,481,196	4,865,657			
Unclaimed dividend	66,002	48,935			
Markup accrued	7,427	7,974			
Taxation - net	99,539	104,501			
Current portion of long term financing - secured	257,150	255,190			
Current portion of lease liabilities	230,301	192,895			
	6,141,615	5,475,152			
	23,937,906	21,430,982			
CONTINGENCIES AND COMMITMENTS					

The annexed notes 1 to 18 form an integral part of these condensed interim unconsolidated financial statements.

DIRECTOR
Playy by
BDO Ego

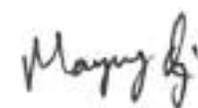
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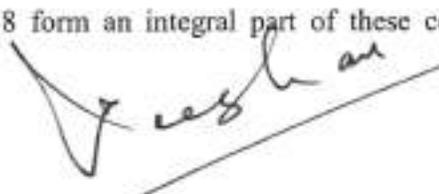
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SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS
(UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended		Three months period ended	
		December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
		————(Rupees in '000')————		————(Rupees in '000')————	
Revenue - net	10	15,386,641	13,923,394	7,771,133	6,862,026
Other income		192,344	174,180	96,476	130,038
Operating costs		(12,627,243)	(11,554,657)	(6,252,711)	(5,603,916)
Finance costs		(179,127)	(186,708)	(94,845)	(87,793)
Expected credit losses		(97,274)	(52,836)	(73,123)	(32,951)
Profit before levies and income tax		2,675,341	2,303,373	1,446,930	1,267,404
Levies		-	-	-	-
Profit before income tax		2,675,341	2,303,373	1,446,930	1,267,404
Income tax expense		(1,057,520)	(989,684)	(572,677)	(582,387)
Profit for the period		1,617,821	1,313,689	874,253	685,017
Earnings per share - basic and diluted (Rupees)	11	25.59	20.78	13.83	10.84

The annexed notes 1 to 18 form an integral part of these condensed interim unconsolidated financial statements.


DIRECTOR


CHIEF EXECUTIVE

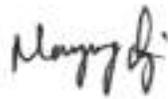

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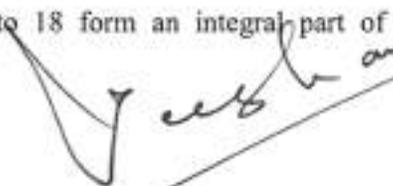
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SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Six months period ended		Three months period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	------(Rupees in '000')-----		------(Rupees in '000')-----	
Profit for the period	1,617,821	1,313,689	874,253	685,017
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period	<u>1,617,821</u>	<u>1,313,689</u>	<u>874,253</u>	<u>685,017</u>

The annexed notes 1 to 18 form an integral part of these condensed interim unconsolidated financial statements.


DIRECTOR

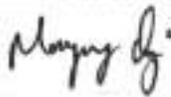

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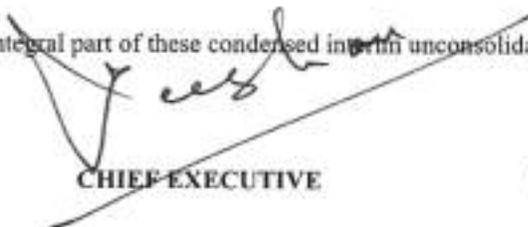

CHIEF FINANCIAL OFFICER

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un-appropriated profit	Total
	(Rupees in '000')				
Balance as at July 01, 2024 (Audited)	632,144	2,738,888	920,827	7,624,157	11,916,016
Total comprehensive income					
Profit for the period	-	-	-	1,313,689	1,313,689
Other comprehensive income - net of tax	-	-	-	-	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(5,636)	5,636	-
Distribution to owners					
Dividend-final 2024 @ Rs. 2.5 per share	-	-	-	(158,036)	(158,036)
Balance as at December 31, 2024	<u>632,144</u>	<u>2,738,888</u>	<u>915,191</u>	<u>8,785,446</u>	<u>13,071,669</u>
Balance as at July 01, 2025 (Audited)	632,144	2,738,888	1,104,985	9,830,602	14,306,619
Total comprehensive income					
Profit for the period	-	-	-	1,617,821	1,617,821
Other comprehensive income - net of tax	-	-	-	-	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(6,976)	6,976	-
Distribution to owners					
Dividend-final 2025 @ Rs. 5 per share	-	-	-	(316,072)	(316,072)
Balance as at December 31, 2025	<u>632,144</u>	<u>2,738,888</u>	<u>1,098,009</u>	<u>11,139,327</u>	<u>15,608,368</u>

The annexed notes 1 to 18 form an integral part of these condensed interim consolidated financial statements.


DIRECTOR


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

BDO & Co.

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	——(Rupees in '000')——	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	2,675,341	2,303,373
Adjustment of non-cash income and expense	1,084,120	963,268
Operating cash flows before changes in working capital	3,759,461	3,266,641
Changes in working capital		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	1,254	2,539
Stock-in-trade	22,411	74,270
Trade debts	(949,027)	(573,901)
Loans and advances	24,539	(33,727)
Deposits, prepayments and other receivables	17,576	10,693
(Decrease) / increase in current liabilities:		
Trade and other payables	(144,879)	618,762
	(1,028,126)	98,636
Cash generated from operations	2,731,335	3,365,277
Finance costs paid	(110,096)	(137,022)
Income tax paid	(1,086,960)	(618,880)
Payment to SIHL Employees' Gratuity Fund Trust	(116,842)	(144,220)
Compensated absences paid	(61,238)	(47,752)
Payment to defined contribution plan	(71,636)	(46,546)
Net cash generated from operating activities	1,284,563	2,370,857
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(516,879)	(705,314)
Addition to long term investments	(1,840,520)	(705,094)
Investment in other financial assets	-	(100,000)
Proceeds from disposal of property, plant and equipment	826	2,728
Markup received	110,705	65,718
Dividend received	-	50,926
Increase in long term advances	(255,514)	-
Increase in long term deposits	(1,600)	(7,237)
Net cash used in investing activities	(2,502,982)	(1,398,273)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - repayments	(136,667)	(364,645)
Proceeds from long term financing	253,724	286,375
Payment of lease liabilities	(150,998)	(183,175)
Dividend paid	(299,005)	(149,832)
Net cash used in financing activities	(332,946)	(411,277)
Net (decrease) / increase in cash and cash equivalents	(1,551,365)	561,307
Cash and cash equivalents at the beginning of the period	3,514,814	2,132,377
Effect of exchange rate changes on cash and cash equivalents	9,949	274
Cash and cash equivalents at the end of the period	1,973,398	2,693,958

The annexed notes 1 to 18 form an integral part of these condensed interim unconsolidated financial statements.

Maryam J.
DIRECTOR

[Signature]
CHIEF EXECUTIVE

[Signature]
CHIEF FINANCIAL OFFICER

BDO E/Co.

SHIFA INTERNATIONAL HOSPITALS LIMITED
NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

Shifa International Hospitals Limited (the Company / SIHL) was incorporated in Pakistan on September 29, 1987, as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017, on May 30, 2017), and converted into a public limited company on October 12, 1989. The shares of the Company are quoted on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at Sector H-8/4, Islamabad.

The principal activity of the Company is to establish and run medical centers and hospitals in Pakistan. The Company established its first hospital in 1993 in H-8/4, Islamabad, second hospital in 2011 in Faisalabad and another in 2014 in G-10/4, Islamabad. The Company is also running medical centers, lab collection points and pharmacies in different cities of Pakistan.

These condensed interim unconsolidated financial statements are separate financial statements of the Company, where as investments in subsidiaries and associates are stated at cost rather than on the basis of reporting results of the investees. Condensed interim consolidated financial statements are prepared separately.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34: 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim unconsolidated financial statements are unaudited and are being submitted to the members in accordance with the requirements of section 237 of the Companies Act, 2017 (the Act) and the listing regulations of the Pakistan Stock Exchange. The disclosures in these condensed interim unconsolidated financial statements do not include the information reported for full annual audited unconsolidated financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2025.

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Comparative condensed interim unconsolidated statement of financial position is extracted from the annual audited unconsolidated financial statements as of June 30, 2025, whereas the comparative condensed interim unconsolidated statement of profit or loss, the condensed interim unconsolidated statement of comprehensive income, the condensed interim unconsolidated statement of changes in equity and the condensed interim unconsolidated statement of cash flows are extracted from the unaudited condensed interim unconsolidated financial statements for the six months period ended December 31, 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim unconsolidated financial statements are the same as those applied in preparation of annual audited unconsolidated financial statements of the Company for the year ended June 30, 2025.

3.1 Changes in accounting standards, interpretation and pronouncements

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Company during the period. However, the amendments do not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

b) Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2025. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

4.1 The preparation of condensed interim unconsolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates, and assumptions.

However, management believes that the change in the outcome of judgments, estimates, and assumptions would not have a material impact on the amounts disclosed in these condensed interim unconsolidated financial statements.

4.2 Judgments and estimates made by the management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to the annual audited unconsolidated financial statements as at and for the year ended June 30, 2025.

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		Unaudited December 31, 2025	Audited June 30, 2025
	Note	——(Rupees in '000')——	
5 LONG TERM FINANCING - SECURED			
From Islamic banks and non-banking financial institution			
Diminishing Musharakah Facility-1	5.1	89,765	105,964
Diminishing Musharakah Facility-2	5.2	360,869	433,043
Diminishing Musharakah Facility-3	5.3	586,356	475,986
Diminishing Musharakah Facility-4	5.4	143,035	-
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	5.5	5,764	28,003
Deferred income - Government grant		38	861
		5,802	28,864
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	5.6	9,100	13,249
Deferred income - Government grant		744	1,516
		9,844	14,765
From conventional bank			
Refinance Facility to Combat COVID-19 (RFCC)	5.7	28,095	45,339
Deferred income - Government grant		1,900	4,648
		29,995	49,987
	5.8	1,225,666	1,108,609
Less: current portion shown under current liabilities			
From Islamic banks and non banking financial institution		229,055	219,528
From conventional bank		28,095	35,662
		257,150	255,190
		968,516	853,419

5.1 This represents the outstanding balance of the long term Islamic finance facility obtained under the Diminishing Musharakah basis from First Habib Modaraba of Rs. 161.90 million (June 30, 2025: Rs. 161.90 million). The principal amount is repayable in 60 equal monthly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The unavailed limit of this facility is nil (June 30, 2025: nil).

5.2 This represents the outstanding balance of the long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 30, 2025: Rs. 577.40 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed

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under the Diminishing Musharakah facility to be installed at the hospital located at H-8/4, Islamabad. The unavailed limit of this facility is nil (June 30, 2025: nil).

- 5.3 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 586.36 million (June 30, 2025: Rs. 475.90 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the Company. The unavailed limit of this facility is Rs. 13.64 million (June 30, 2025: Rs. 124.10 million).
- 5.4 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 143.03 million (June 30, 2025: nil). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 400 million on all present and future fixed assets of the Company. The unavailed limit of this facility is Rs. 156.97 million (June 30, 2025: nil).
- 5.5 This represents the outstanding balance of a long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 30, 2025: Rs. 200 million) for the purpose of import/purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by January 27, 2026, in 18 equal quarterly instalments with no profit rate. The financing is secured by the first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the Company (excluding land and building). The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.
- 5.6 This represents the outstanding balance of the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.90 million (June 30, 2025: Rs. 45.90 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by December 15, 2026, in 9 equal half-yearly instalments with a profit rate of 1% per annum. The facility is secured by an exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.
- 5.7 This represents the outstanding balance of the long term finance facility obtained from United Bank Limited of Rs. 185.20 million (June 30, 2025: Rs. 185.20 million). The principal amount shall be repaid by September 14, 2026, in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by the first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the Company. The unavailed limit of this facility is nil

13/05/2025

(June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.

	Unaudited December 31, 2025	Audited June 30, 2025
	——(Rupees in '000')——	
5.8 Movement during the period		
Balance at the beginning of the period	1,108,609	1,074,951
Proceeds during the period	253,724	537,704
Repayment during the period	(136,667)	(504,046)
Balance at the end of the period	<u>1,225,666</u>	<u>1,108,609</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There are no significant changes in the status of contingencies as reported in note 14 to the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2025 except for the following:

- 6.1.1 The guarantee issued by the bank in favour of Sui Northern Gas Pipelines Limited (SNGPL) and Intiaz Group (SMC-Private) Limited of aggregate sum of Rs. 39.05 million (June 30, 2025: Rs. 36.60 million) on behalf of the Company in its ordinary course of business.
- 6.1.2 The Company is facing claims and penalties amounting to Rs. 3.9 million (June 30, 2025: Rs. 5.9 million). The Company successfully defended a claim of Rs. 2 million. The Hon'ble Supreme Court of Pakistan has allowed the Company's appeal and set aside the decree requiring payment of the said amount. In compliance with earlier directions of the Islamabad High Court (IHC), a pay order of Rs. 2 million had been deposited with the Deputy Registrar, IHC. An application has been filed for recovering the said amount. Against the remaining claims of Rs. 3.9 million, the Company has made payments under protest amounting to Rs. 2.4 million and in compliance with IHC direction furnished a bank guarantee of Rs. 0.5 million. These matters continue to be contested before the Islamabad, Peshawar and Lahore High Courts and the Supreme Court of Pakistan. The Company's management, based on advice from respective legal counsels, remains confident of favorable resolutions in the aforementioned matters.

Furthermore, on June 06, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million on each Gulf Cooperation Council Approved Medical Centers, including the Company, for alleged non-competitive practices. During the period under review the Competition Appellate Tribunal (CAT), through its order dated August 11, 2025, reduced the penalty to Rs. 2 million. Notwithstanding the CAT's order, on August 12, 2025 the CCP, without notice and contrary to the procedure prescribed under the Competition Act, 2010, attached the Company's bank accounts and recovered Rs. 4.01 million, i.e. twice the penalty determined by the CAT. Subsequently, the CCP refunded Rs. 2.01 million.

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6.1.3 The tax authorities amended the assessments for tax years 2012 to 2016, 2019, 2021, and 2023 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance), creating an aggregate tax demand of Rs. 648.70 million. Aggrieved by these orders, the Company preferred appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] and/or the Appellate Tribunal Inland Revenue (ATIR), as applicable, on various dates between September 2018 and February 2025. The ATIR, vide Order Nos. ITA 1883-1884(IB)/2018 dated August 20, 2025 and November 27, 2025, adjudicated the cross appeals for tax years 2013 and 2014, whereas the appeals for the remaining years are currently pending adjudication. Being aggrieved with the order of the ATIR for the tax year 2013 and 2014, the Company filed a reference before Islamabad High Court on November 07, 2025, on the issues not decided in favor of the Company which is pending adjudication.

6.1.4 The tax authorities amended the assessments for the tax years 2012, 2013 and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Being aggrieved, the Company appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018. The ATIR, vide orders dated August 20, 2025, dismissed departmental appeals for the tax year 2012, 2013, 2015 and 2016. For the tax year 2017, being aggrieved with the order of the ATIR, the Company filed a reference before Islamabad High Court on November 07, 2025, on the issues not decided in favor of the Company which is pending adjudication.

Management is confident that the above disallowances and levies do not hold merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and these matters will ultimately be decided in favor of the Company. Accordingly, no provision has been made in respect of above in these condensed interim unconsolidated financial statements.

	Unaudited December 31, 2025	Audited June 30, 2025
Note	————(Rupees in '000')————	
6.2 Commitments		
Capital expenditure contracted	328,819	160,117
Letters of credit	98,484	-
7 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	7.1 7,507,617	7,603,143
Capital work in progress	7.2 610,212	464,357
Right-of-use assets	7.3 1,016,391	550,741
	<u>9,134,220</u>	<u>8,618,241</u>

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		Unaudited December 31, 2025	Audited June 30, 2025
	Note	————(Rupees in '000')————	
7.1 Operating fixed assets			
Written down value (WDV) at the beginning of the period		7,603,143	5,878,386
Additions	7.1.1	371,024	895,740
Revaluation surplus during the period		-	181,216
Assets of amalgamated company		-	1,527,796
		<u>7,974,167</u>	<u>8,483,138</u>
WDV of disposals		(71)	(2,817)
WDV of assets written off		(2,202)	(15,266)
Depreciation for the period		(464,277)	(861,912)
WDV at the end of the period		<u>7,507,617</u>	<u>7,603,143</u>
7.1.1 Additions to operating fixed assets			
Building on leasehold land		-	26,272
Biomedical equipment		233,581	667,045
Air conditioning equipment and machinery		15,193	11,847
Electrical and other equipment		25,304	29,067
Furniture and fittings		11,078	8,698
Computer installations		51,562	65,753
Vehicles		34,306	87,058
		<u>371,024</u>	<u>895,740</u>
7.2 Capital work in progress			
Balance at the beginning of the period		464,357	336,589
Addition during the period		167,791	580,049
Written off during the period		-	(60,443)
Transferred to operating fixed assets		(21,936)	(391,838)
Balance at the end of the period	7.2.1	<u>610,212</u>	<u>464,357</u>
7.2.1 Capital work in progress			
Civil work		223,584	212,638
Installation of equipment		386,628	251,719
		<u>610,212</u>	<u>464,357</u>

BDOE Co.

	Unaudited December 31, 2025	Audited June 30, 2025
Note	——(Rupees in '000')——	
7.3 Right-of-use assets		
Balance at the beginning of the period	550,741	622,929
Additions during the period	558,477	210,241
Terminated during the period	-	(53,846)
Depreciation for the period	(92,827)	(228,583)
Balance at the end of the period	<u>1,016,391</u>	<u>550,741</u>

8 LONG TERM INVESTMENTS - AT COST

In subsidiary companies (unquoted):

Shifa Development Services (Private) Limited (SDSPL)	8.1	9,966	9,966
Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad)	8.2	3,188,195	2,137,373
Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad)	8.3	2,982,898	1,660,180

In associated companies (unquoted):

Shifa CARE (Private) Limited (SCPL)	8.4	45,001	45,001
SIHT (Private) Limited	8.5	800,000	725,000
		<u>7,026,060</u>	<u>4,577,520</u>

Less: accumulated impairment loss

Shifa Development Services (Private) Limited (SDSPL)	9,966	9,966
Shifa CARE (Private) Limited (SCPL)	45,001	45,001
	<u>54,967</u>	<u>54,967</u>
	<u>6,971,093</u>	<u>4,522,553</u>

8.1 This represents investment in 1,650,000 (June 30, 2025: 1,650,000) fully paid ordinary shares of Rs. 10 each of SDSPL. The above investment in ordinary shares represents 55% (June 30, 2025: 55%) shareholding in SDSPL held by the Company.

8.2 This represents investment in 318,819,487 (June 30, 2025: 213,737,338) fully paid ordinary shares of Rs. 10 each of SNH Faisalabad. The above investment in ordinary shares represents 60% (June 30, 2025: 60%) shareholding in SNH Faisalabad held by the Company. Furthermore, the allotment of 54,492,250 ordinary shares was completed after the reporting date.

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- 8.3 This represents investment in 238,966,962 (June 30, 2025: 135,617,001) fully paid ordinary shares having face value of Rs. 10 each of SMC Islamabad including 103,349,961 shares acquired from minority shareholders at a price of Rs. 15.74 per share during the period. Consequently, the Company's total shareholding in SMC Islamabad increased to 99% (June 30, 2025: 56%).
- 8.4 This represents investment in 4,500,050 (June 30, 2025: 4,500,050) fully paid ordinary shares of Rs. 10 each of SCPL. The above investment in ordinary shares represents 50% (June 30, 2025: 50%) shareholding in SCPL held by the Company.
- 8.5 This represents investment in 2,500,500 (June 30, 2025: 2,266,077) fully paid ordinary shares of Rs. 100 each of SIHT. The above investment in ordinary shares represents 50% (June 30, 2025: 45.30%) shareholding in SIHT held by the Company.

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	——(Rupees in '000')——	
9 TRADE DEBTS			
Unsecured - considered good			
Related party - Shifa Foundation		41,767	17,789
Others		2,608,649	1,737,544
		<u>2,650,416</u>	<u>1,755,333</u>
Less: allowance for expected credit losses (ECL)	9.1	337,206	293,877
		<u>2,313,210</u>	<u>1,461,456</u>
9.1 Movement of allowance for expected credit losses			
Balance at the beginning of the period		293,877	241,147
Add: expected credit losses		97,274	52,730
Less: bad debts written off		53,945	-
Balance at the end of the period		<u>337,206</u>	<u>293,877</u>

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Unaudited			
Six months period ended		Three months period ended	
December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
----- (Rupees in '000') -----		----- (Rupees in '000') -----	

10 REVENUE - NET

Inpatients	9,827,933	8,678,648	5,137,009	4,293,088
Outpatients	5,239,331	4,924,089	2,478,156	2,414,237
Other services	448,082	420,531	226,858	203,955
	<u>15,515,346</u>	<u>14,023,268</u>	<u>7,842,023</u>	<u>6,911,280</u>
Less: discount	<u>73,629</u>	<u>52,285</u>	<u>43,409</u>	<u>26,102</u>
Less: sales tax	<u>55,076</u>	<u>47,589</u>	<u>27,481</u>	<u>23,152</u>
	<u>128,705</u>	<u>99,874</u>	<u>70,890</u>	<u>49,254</u>
	<u><u>15,386,641</u></u>	<u><u>13,923,394</u></u>	<u><u>7,771,133</u></u>	<u><u>6,862,026</u></u>

Unaudited	
Six months period ended	
December 31, 2025	December 31, 2024

11 EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the period (Rupees in '000')	<u>1,617,821</u>	<u>1,313,689</u>
Weighted average number of ordinary shares in issue (Number)	<u>63,214,383</u>	<u>63,214,383</u>
Earnings per share - basic and diluted (Rupees)	<u>25.59</u>	<u>20.78</u>

11.1 There is no dilutive effect on the basic earnings per share of the Company.

Unaudited	
Six months period ended	
December 31, 2025	December 31, 2024
----- (Rupees in '000') -----	

12 ADJUSTMENT OF NON-CASH INCOME AND EXPENSE

Depreciation / amortisation	557,104	542,393
Amortisation on intangible assets	5,274	527
Expected credit losses	97,274	52,836
Property, plant and equipment written off	2,202	11,729
Gain on disposal of property, plant and equipment	(755)	(1,666)
Provision for compensated absences	81,557	54,237
Provision for defined contribution plan	88,823	61,635

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Unaudited	
Six months period ended	
December 31, 2025	December 31, 2024
----- (Rupees in '000') -----	

Provision for bonus for employees	169,646	147,382
Provision for gratuity	70,529	53,150
(Reversal) / charged of provision for slow moving stores	(1,078)	1,910
Gain on investments and bank deposits	(155,634)	(147,299)
Gain on foreign currency translation	(9,949)	(274)
Finance costs	179,127	186,708
	<u>1,084,120</u>	<u>963,268</u>

13 CASH AND CASH EQUIVALENTS

Investment in Term Deposit Receipt (TDR) - at amortised cost	3,000	3,000
Cash and bank balances	1,970,398	2,690,958
	<u>1,973,398</u>	<u>2,693,958</u>

14 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2025. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2025. The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

15 RELATED PARTY TRANSACTIONS

The related parties comprise of subsidiaries, associates, directors, major shareholders, key management personnel, the SIHL Employees' Gratuity Fund Trust and the entities over which directors are able to exercise influence.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

Related party transactions are based on pricing policy approved by the board of directors of the Company. Transactions and balances with the related parties are given below:

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Unaudited	
Six months period ended	
December 31, 2025	December 31, 2024
----- (Rupees in '000') -----	

Transactions:

Shifa Foundation

(Related party by virtue of common directorship)

Revenue from medical and other services earned by the Company	29,736	11,087
Revenue from rent earned by the Company	720	675
Acquisition of 234,423 (December 31, 2024: 468,840) ordinary shares of SIHT (Private) Limited	75,000	150,000

Tameer-e-Millat Foundation

(Related party by virtue of common directorship)

Supplies provided to the Company	35,437	50,439
Other services provided to the Company	12,726	14,012
Rental services received / earned by the Company	7,996	6,243

Shifa Tameer-e-Millat University

(Related party by virtue of common directorship)

Revenue from medical and other services earned by the Company	14,175	15,025
Revenue from rent earned by the Company	1,755	2,128
Other services provided to the Company	49,098	41,565
Expenses paid and reimbursed to the Company	835	2,909

SIHT (Private) Limited

(Associate and common directorship)

Share in revenue earned and other services provided by the Company	451,269	359,332
Expenses paid and reimbursed to the Company	2,596	2,479
Other services provided to the Company	-	3,544

Shifa National Hospital Faisalabad (Private) Limited

(Subsidiary and common directorship)

Investment made by the Company in 105,082,149 (December 31, 2024: 55,509,426) ordinary shares	1,050,822	555,094
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	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	----- (Rupees in '000') -----	
Shifa Neuro Sciences Institute Islamabad (Private) Limited (Amalgamated company)		
Rent paid by the Company	-	62,547
Dividend income received by the Company	-	50,926
Shifa Cooperative Housing Society Limited (Related party by virtue of common directorship)		
Plot maintenance charges paid by the Company	1,065	785
SIHL Employees' Gratuity Fund Trust		
Payments made by the Company	116,842	144,220
Remuneration including benefits and perquisites of key management personnel		
	369,876	250,927
	Unaudited	Audited
	December 31,	June 30,
	2025	2025
	----- (Rupees in '000') -----	
Balances (unsecured):		
Shifa Foundation - receivable	41,767	17,789
Tameer-e-Millat Foundation - payable	7,120	4,186
Shifa Tameer-e-Millat University - payable	83,106	42,798
SIHT (Private) Limited - receivable	59,466	59,898
SIHL Employees' Gratuity Fund Trust - payable	56,416	102,728

16 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O 1278(I)/2024 dated August 15, 2024:

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	Unaudited December 31, 2025 ————(Rupees in '000')————	Audited June 30, 2025								
Financing as per islamic mode										
Long term financing (including current portion)	<u>1,195,670</u>	<u>1,058,622</u>								
Short term shariah compliant investments										
Investment in Mutual Fund - at fair value through profit or loss	<u>1,053,347</u>	<u>1,003,355</u>								
Shariah compliant bank balances										
Bank balances	<u>1,545,860</u>	<u>2,442,121</u>								
	<table border="1"> <thead> <tr> <th colspan="2" style="text-align: center;">Unaudited</th> </tr> <tr> <th colspan="2" style="text-align: center;">Six months period ended</th> </tr> <tr> <th style="text-align: center;">December 31, 2025</th> <th style="text-align: center;">December 31, 2024</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">————(Rupees in '000')————</td> </tr> </tbody> </table>		Unaudited		Six months period ended		December 31, 2025	December 31, 2024	————(Rupees in '000')————	
Unaudited										
Six months period ended										
December 31, 2025	December 31, 2024									
————(Rupees in '000')————										
Shariah compliant revenue										
Revenue - net	<u>15,386,641</u>	<u>13,923,394</u>								
Dividend earned on shariah compliant investments										
Dividend income from subsidiary	<u>-</u>	<u>50,926</u>								
Profit earned from shariah compliant bank balances										
Profit on bank balances	<u>99,362</u>	<u>73,122</u>								
Exchange gain earned from actual currency										
Exchange gain	<u>9,949</u>	<u>274</u>								
Profit paid on islamic mode of financing										
Long term financing	<u>61,941</u>	<u>81,478</u>								
Source and detailed breakup of other income										
Shariah compliant										
Un-realised gain on investments at fair value through profit or loss	<u>49,992</u>	<u>17,829</u>								
Others	<u>125,317</u>	<u>149,884</u>								

BDO&Co.

Unaudited	
Six months period ended	
December 31, 2025	December 31, 2024
----- (Rupees in '000') -----	

Non-Shariah compliant

Profit on bank balances	6,280	5,422
Others	10,755	1,045

Relationship with sharia compliant financial institutions / takaful operators

Name	Relationship
Al Baraka Bank (Pakistan) Limited	Funded facility and bank balance
Meezan Bank Limited	Funded / Non-funded facility and bank balance
Habib Bank Limited	Funded / Non-funded facility and bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
Faysal Bank Limited	Bank balance
Bank Alfalah Limited	Funded facility and bank balance
First Habib Modaraba	Funded facility
EFU General Insurance Limited	Takaful
Jubilee General Insurance Company Limited	Takaful

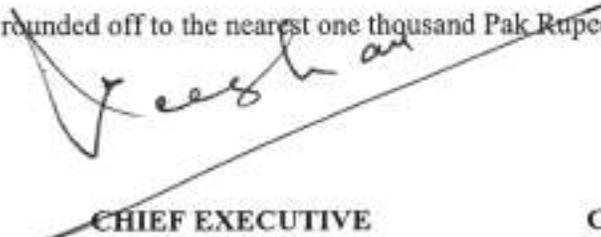
17 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements have been approved and authorised for issue by the board of directors of the Company on February 21, 2026.

18 GENERAL

18.1 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, no major reclassification has been made during the period.

18.2 Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.

 DIRECTOR BDO & Co.	 CHIEF EXECUTIVE	 CHIEF FINANCIAL OFFICER
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Shifa International Hospitals Ltd.

شفا انٹرنیشنل ہسپتال لمیٹڈ اسلام آباد

SHIFA INTERNATIONAL HOSPITALS LIMITED

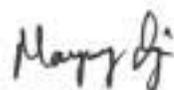
Condensed Interim **CONSOLIDATED** FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED

DECEMBER 31, 2025

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Note	Six months period ended		Three months period ended	
		December 31,	December 31,	December 31,	December 31,
		2025	2024	2025	2024
		(Rupees in '000')		(Rupees in '000')	
Revenue - net	11	15,386,641	13,923,394	7,771,133	6,862,026
Other income		214,573	154,359	106,894	96,335
Operating costs		(12,660,974)	(11,602,251)	(6,274,685)	(5,647,755)
Finance costs		(179,906)	(180,647)	(95,612)	(85,118)
Expected credit losses		(98,686)	(52,836)	(73,123)	(32,951)
Share of (loss) / profit of associate		(2,459)	10,549	(1,805)	5,225
Profit before levies and income tax		2,659,189	2,252,568	1,432,802	1,197,762
Levies		-	(3,197)	-	(1,446)
Profit before income tax		2,659,189	2,249,371	1,432,802	1,196,316
Income tax expense		(1,060,196)	(1,006,585)	(575,349)	(591,040)
Profit for the period		1,598,993	1,242,786	857,453	605,276
Attributable to:					
Equity holders of Shifa International Hospitals Limited		1,602,044	1,264,764	860,801	621,167
Non-controlling interest		(3,051)	(21,978)	(3,348)	(15,891)
		1,598,993	1,242,786	857,453	605,276
Earnings per share - basic and diluted (Rupees)	12	25.34	20.01	13.62	9.83

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.


DIRECTOR

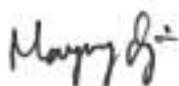

CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Six months period ended		Three months period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in '000')		(Rupees in '000')	
Profit for the period	1,598,993	1,242,786	857,453	605,276
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period	1,598,993	1,242,786	857,453	605,276
Attributable to:				
Equity holders of Shifa International Hospitals Limited	1,602,044	1,264,764	860,801	621,167
Non-controlling interest	(3,051)	(21,978)	(3,348)	(15,891)
	<u>1,598,993</u>	<u>1,242,786</u>	<u>857,453</u>	<u>605,276</u>

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.



DIRECTOR



CHIEF EXECUTIVE

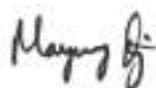


CHIEF FINANCIAL OFFICER

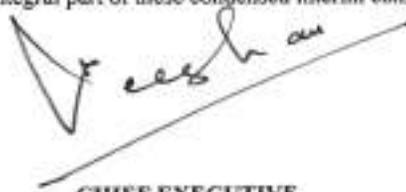
SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un - appropriated profit	Non - controlling interest (NCI)	Total
(Rupees in '000')						
Balance as at July 01, 2024 (Audited)	632,144	2,738,888	2,021,310	7,118,684	2,470,891	14,981,917
Total comprehensive income						
Profit / (loss) for the period	-	-	-	1,264,764	(21,978)	1,242,786
Other comprehensive income - net of tax	-	-	-	-	-	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(11,631)	11,631	-	-
NCI recognised during the period					385,743	385,743
Distribution to owners						
Dividend-final 2024 @ Rs. 2.5 per share	-	-	-	(158,036)	-	(158,036)
Balance as at December 31, 2024	<u>632,144</u>	<u>2,738,888</u>	<u>2,009,679</u>	<u>8,237,043</u>	<u>2,834,656</u>	<u>16,452,410</u>
Balance as at July 01, 2025 (Audited)	632,144	2,738,888	2,355,123	9,203,864	2,967,066	17,897,085
Total comprehensive income						
Profit / (loss) for the period	-	-	-	1,602,044	(3,051)	1,598,993
Other comprehensive income - net of tax	-	-	-	-	-	-
Equity adjustment on acquisition of NCI	-	-	393,344	(593,229)	(1,426,844)	(1,626,729)
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(12,224)	12,224	-	-
NCI recognised during the period	-	-	-	-	713,933	713,933
Distribution to owners						
Dividend-final 2025 @ Rs. 5 per share	-	-	-	(316,072)	-	(316,072)
Balance as at December 31, 2025	<u>632,144</u>	<u>2,738,888</u>	<u>2,736,243</u>	<u>9,908,831</u>	<u>2,251,104</u>	<u>18,267,210</u>

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.



DIRECTOR



CHIEF EXECUTIVE

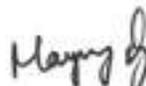


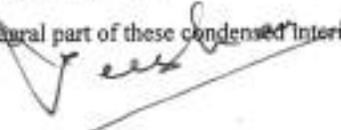
CHIEF FINANCIAL OFFICER

SHIFA INTERNATIONAL HOSPITALS LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	2,659,189	2,252,568
Adjustment of non-cash income and expense	1,077,370	959,948
Operating cash flows before changes in working capital	3,736,559	3,212,516
Changes in working capital:		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	1,254	2,539
Stock in trade	22,411	74,270
Trade debts	(949,027)	(573,901)
Loans and advances	24,347	214,534
Deposits, prepayments and other receivables	16,617	4,812
Increase / (decrease) in current liabilities:		
Trade and other payables	43,052	514,639
	(841,346)	236,893
Cash generated from operations	2,895,213	3,449,409
Finance costs paid	(110,126)	(137,245)
Income tax paid	(1,090,533)	(643,289)
Payment to SIHL Employees' Gratuity Fund Trust	(116,842)	(144,220)
Compensated absences paid	(61,238)	(47,752)
Payment to defined contribution plan	(71,636)	(46,546)
Net cash generated from operating activities	1,444,838	2,430,357
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(1,518,786)	(862,692)
Addition to long term investments	(75,000)	(150,000)
Encashment of other financial assets - net	627	37,848
Proceeds from disposal of property, plant and equipment	826	2,728
Markup received	129,880	92,676
Increase in long term advances	(480,349)	(260,445)
Increase in long term deposits	(1,701)	(8,021)
Net cash used in investing activities	(1,944,503)	(1,147,906)
CASH FLOWS FROM FINANCING ACTIVITIES		
Non-controlling interest (NCI)	713,933	385,743
Payment against acquisition of NCI	(714,699)	-
Long term financing - repayments	(136,667)	(364,645)
Proceeds from long term financing	553,724	286,375
Payment of lease liabilities	(150,998)	(120,628)
Dividend paid	(299,005)	(149,832)
Net cash (used in) / generated from financing activities	(33,712)	37,013
Net (decrease) / increase in cash and cash equivalents	(533,377)	1,319,464
Cash and cash equivalents at the beginning of the period	3,809,140	2,383,305
Effect of exchange rate changes on cash and cash equivalents	9,949	274
Cash and cash equivalents at the end of the period	3,285,712	3,703,043

The annexed notes 1 to 19 form an integral part of these condensed interim consolidated financial statements.


DIRECTOR


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER

SHIFA INTERNATIONAL HOSPITALS LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

Shifa International Hospitals Limited (the Group) comprises of Shifa International Hospitals Limited (SIHL / parent company) and its subsidiaries, Shifa National Hospital Faisalabad (Private) Limited, Shifa Medical Center Islamabad (Private) Limited and Shifa Development Services (Private) Limited.

SIHL was incorporated in Pakistan on September 29, 1987, as a private limited company under the Companies Ordinance, 1984 (repealed with the enactment of the Companies Act, 2017, on May 30, 2017), and converted into a public limited company on October 12, 1989. The shares of the SIHL are quoted on the Pakistan Stock Exchange Limited. The registered office of the SIHL is situated at Sector H-8/4, Islamabad. The principal activity of SIHL is to establish and run medical centers and hospitals in Pakistan. The SIHL established its first hospital in 1993 in H-8/4, Islamabad, its second hospital in 2011 in Faisalabad and another in 2014 in G-10/4 Islamabad. The SIHL is also running medical centers, lab collection points and pharmacies in different cities of Pakistan.

Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad) was incorporated in Pakistan on February 28, 2019. The principal line of business of the SNH Faisalabad is to establish, run, control, manage and operate tertiary / quaternary care hospitals, including diagnostic centers, clinics, laboratories, operation theaters, dental clinics, and healthcare centers, and provide all healthcare and surgical-related facilities for different diseases, inpatient and outpatient services and treatment of viral, bacterial, and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of the SNH Faisalabad is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad.

Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad) was incorporated in Pakistan on February 28, 2019. The principal line of business of the SMC Islamabad is to establish, run, control, manage and operate facilities providing ambulatory services, including day care surgeries, diagnostic centers, clinics, laboratories, operation theaters, dental clinics, healthcare centers and provide all healthcare and surgical-related facilities for different diseases, inpatient and outpatient services, and treatment of viral, bacterial, and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of the SMC Islamabad is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad.

Shifa Development Services (Private) Limited (SDSPL) was incorporated in Pakistan on December 18, 2014. The principal activity of SDSPL is to provide consulting services relating to healthcare facilities, medical staff, human resources, architectural designing, procurement, hospital quality and project management services. The registered office of SDSPL is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad. The investment in SDSPL has been fully impaired due to financial constraints and uncertainty regarding the SDSPL's ability to continue as a going concern.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34: 'Interim Financial Reporting' issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2 These condensed interim consolidated financial statements are unaudited and are being submitted to the members in accordance with the requirements of section 237 of the Companies Act, 2017 (the Act) and the listing regulations of the Pakistan Stock Exchange. The disclosures in these condensed interim consolidated financial statements do not include the information reported for full annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended June 30, 2025. Comparative condensed interim consolidated statement of financial position is extracted from the annual audited consolidated financial statements as of June 30, 2025, whereas the comparative condensed interim consolidated statement of profit or loss, the condensed interim consolidated statement of comprehensive income, the condensed interim consolidated statement of changes in equity and the condensed interim consolidated statement of cash flows are extracted from the unaudited condensed interim consolidated financial statements for the six months period ended December 31, 2024.

3 BASIS OF CONSOLIDATION

These condensed interim consolidated financial statements include the financial statements of SIHL and its subsidiaries, SMC Islamabad 99% owned (June 30, 2025: 56% owned), SNH Faisalabad 60% owned (June 30, 2025: 60% owned) and SDSPL 55% owned (June 30, 2025: 55% owned).

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim consolidated financial statements are the same as those applied in preparation of annual audited consolidated financial statements of the Group for the year ended June 30, 2025.

4.1 Changes in accounting standards, interpretation and pronouncements

a) Amendments to published accounting and reporting standards which became effective during the period:

There were certain amendments to accounting and reporting standards which became mandatory for the Group during the period. However, the amendments do not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

b) Amendments to published accounting and reporting standards that are not yet effective:

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 01, 2025. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

5 ACCOUNTING ESTIMATES AND JUDGEMENTS

- 5.1 The preparation of condensed interim consolidated financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

However, management believes that the change in outcome of judgments, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim consolidated financial statements.

- 5.2 Judgments and estimates made by the management in the preparation of these condensed interim consolidated financial statements are the same as those that were applied to the annual audited consolidated financial statements as at and for the year ended June 30, 2025.

6 LONG TERM FINANCING - SECURED	Note	Unaudited	Audited
		December 31, 2025	June 30, 2025
		(Rupees in '000')	
From Islamic banks and non-banking financial institution			
Diminishing Musharakah Facility-1	6.1	89,765	105,964
Diminishing Musharakah Facility-2	6.2	360,869	433,043
Diminishing Musharakah Facility-3	6.3	586,356	475,986
Diminishing Musharakah Facility-4	6.4	143,035	-
Diminishing Musharakah Facility-5	6.5	300,000	-
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	6.6	5,764	28,003
Deferred income - Government grant		38	861
		5,802	28,864
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	6.7	9,100	13,249
Deferred income - Government grant		744	1,516
		9,844	14,765
From conventional bank			
Refinance Facility to Combat COVID-19 (RFCC)	6.8	28,095	45,339
Deferred income - Government grant		1,900	4,648
		29,995	49,987
	6.9	1,525,666	1,108,609
Less: current portion shown under current liabilities			
From Islamic banks and non banking financial institution		229,055	219,528
From conventional bank		28,095	35,662
		257,150	255,190
		1,268,516	853,419

- 6.1 This represents the outstanding balance of the long term Islamic finance facility obtained under the Diminishing Musharakah basis from First Habib Modaraba of Rs. 161.90 million (June 30, 2025: Rs. 161.90 million). The principal amount is repayable in 60 equal monthly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The unavailed limit of this facility is nil (June 30, 2025: nil).
- 6.2 This represents the outstanding balance of the long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 30, 2025: Rs. 577.40 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed under the Diminishing Musharakah facility to be installed at the hospital located at H-8/4, Islamabad. The unavailed limit of this facility is nil (June 30, 2025: nil).
- 6.3 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 586.36 million (June 30, 2025: Rs. 475.90 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the SIHL. The unavailed limit of this facility is Rs. 13.64 million (June 30, 2025: Rs. 124.10 million).
- 6.4 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 143.03 million (June 30, 2025: nil). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 400 million on all present and future fixed assets of the SIHL. The unavailed limit of this facility is Rs. 156.97 million (June 30, 2025: nil).

6.5 This represents the outstanding balance of the long term Islamic finance facility obtained from Habib Bank Limited (HBL) amounting to Rs. 1,200 million (June 30, 2025: nil) for ongoing capital expenditures (local & imports) of SNH Faisalabad. The principal amount is repayable in 16 equal quarterly instalments with a profit rate of 3 months KIBOR plus 0.75% per annum. The facility is secured by a first hypothecation charge of Rs. 1,600 million over all current and fixed assets of the SNH Faisalabad (excluding land and building). In addition, an equitable mortgage charge of Rs. 1,600 million over the project land and building situated in Faisalabad with 25% margin and a token registered mortgage of Rs. 0.125 million.

Under this arrangement, the SNH Faisalabad is restricted from paying any dividend during financial year ending June 30, 2027 and June 30, 2028. Thereafter, in case of breach of financial covenants, any declaration or payment of dividend shall be subject to prior approval of HBL.

6.6 This represents the outstanding balance of a long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 30, 2025: Rs. 200 million) for the purpose of import/purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by January 27, 2026, in 18 equal quarterly instalments with no profit rate. The financing is secured by the first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the SIHL (excluding land and building). The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.

6.7 This represents the outstanding balance of the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.90 million (June 30, 2025: Rs. 45.90 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by December 15, 2026, in 9 equal half-yearly instalments with a profit rate of 1% per annum. The facility is secured by an exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.

6.8 This represents the outstanding balance of the long term finance facility obtained from United Bank Limited of Rs. 185.20 million (June 30, 2025: Rs. 185.20 million). The principal amount shall be repaid by September 14, 2026, in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by the first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the SIHL. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in '000')	
6.9 Movement during the period / year		
Balance at the beginning of the period / year	1,108,609	1,074,951
Proceeds during the period / year	553,724	537,704
Repayment during the period / year	(136,667)	(504,046)
Balance at the end of the period / year	<u>1,525,666</u>	<u>1,108,609</u>

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

There are no significant changes in the status of contingencies as reported in note 15 to the annual audited consolidated financial statements of the Group for the year ended June 30, 2025 except for the following:

7.1.1 The guarantee issued by the bank in favour of Sul Northern Gas Pipelines Limited (SNGPL) and Imtiaz Group (SMC-Privtae) Limited of aggregate sum of Rs. 39.05 million (June 30, 2025: Rs. 36.60 million) on behalf of the SIHL in its ordinary course of business. Additionally, a bank guarantee amounting to Rs. 44.50 million (June 30, 2025: Rs. 44.50 million) has been issued in favour of the Capital Development Authority (CDA) to secure obligations under the ICT Building Control Regulations – 2020 (Amended 2023) on behalf of SMC Islamabad.

7.1.2 The SIHL is facing claims and penalties amounting to Rs. 3.9 million (June 30, 2025: Rs. 5.9 million). The SIHL successfully defended a claim of Rs. 2 million. The Hon'ble Supreme Court of Pakistan has allowed the SIHL's appeal and set aside the decree requiring payment of the said amount. In compliance with earlier directions of the Islamabad High Court (IHC), a pay order of Rs. 2 million had been deposited with the Deputy Registrar, IHC. An application has been filed for recovering the said amount. Against the remaining claims of Rs. 3.9 million, the SIHL has made payments under protest amounting to Rs. 2.4 million and in compliance with IHC direction furnished a bank guarantee of Rs. 0.5 million. These matters continue to be contested before the Islamabad, Peshawar and Lahore High Courts and the Supreme Court of Pakistan. The SIHL's management, based on advice from respective legal counsels, remains confident of favorable resolutions in the aforementioned matters.

Furthermore, on June 6, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million on each Gulf Cooperation Council Approved Medical Centers, including the SIHL, for alleged non-competitive practices. During the period under review the Competition Appellate Tribunal (CAT), through its order dated August 11, 2025, reduced the penalty to Rs. 2 million. Notwithstanding the CAT's order, on August 12, 2025 the CCP, without notice and contrary to the procedure prescribed under the Competition Act, 2010, attached the SIHL's bank accounts and recovered Rs. 4.01 million, i.e. twice the penalty determined by the CAT. Subsequently, the CCP refunded Rs. 2.01 million.

7.1.3 The tax authorities amended the assessments for tax years 2012 to 2016, 2019, 2021, and 2023 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance), creating an aggregate tax demand of Rs. 648.70 million. Aggrieved by these orders, the SIHL preferred appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] and/or the Appellate Tribunal Inland Revenue (ATIR), as applicable, on various dates between September 2018 and February 2025. The ATIR, vide Order Nos. ITA 1883-1884(IB)/2018 dated August 20, 2025 and November 27, 2025, adjudicated the cross appeals for tax years 2013 and 2014, whereas the appeals for the remaining years are currently pending adjudication. Being aggrieved with the order of the ATIR for the tax year 2013 and 2014, SIHL filed a reference before Islamabad High Court on November 07, 2025, on the issues not decided in favor of the SIHL which is pending adjudication.

7.1.4 The tax authorities amended the assessments for the tax years 2012, 2013 and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Being aggrieved, the SIHL appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018. The ATIR, vide orders dated August 20, 2025, dismissed departmental appeals for the tax year 2012, 2013, 2015 and 2016. For the tax year 2017, being aggrieved with the order of the ATIR, the SIHL filed a reference before Islamabad High Court on November 7, 2025, on the issues not decided in favor of the SIHL which is pending adjudication.

Management is confident that the above disallowances and levies do not hold merit and the related amounts have been lawfully claimed in the income and sales tax returns as per the applicable tax laws and these matters will ultimately be decided in favor of the SIHL. Accordingly, no provision has been made in respect of above in these condensed interim consolidated financial statements.

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
7.2 Commitments			
Capital expenditure contracted		1,645,190	746,897
Letters of credit		245,389	-
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	10,231,492	10,336,360
Capital work in progress	8.2	5,252,731	4,104,969
Right-of-use assets	8.3	1,016,392	550,742
		<u>16,500,615</u>	<u>14,992,071</u>
8.1 Operating fixed assets			
Written down value (WDV) at the beginning of the period / year		10,336,360	9,871,120
Additions	8.1.1	371,024	895,975
Revaluation surplus during the period / year		-	506,447
		<u>10,707,384</u>	<u>11,273,542</u>
WDV of disposals		(71)	(2,817)
WDV of assets written off		(2,202)	(15,266)
Depreciation for the period / year		(473,619)	(919,099)
WDV at the end of the period / year		<u>10,231,492</u>	<u>10,336,360</u>
8.1.1 Additions to operating fixed assets			
Building on leasehold land		-	26,272
Biomedical equipment		233,581	667,045
Air conditioning equipment and machinery		15,193	11,847
Electrical and other equipment		25,304	29,067
Furniture and fittings		11,078	8,698
Computer installations		51,562	65,988
Vehicles		34,306	87,058
		<u>371,024</u>	<u>895,975</u>
8.2 Capital work in progress			
Balance at the beginning of the period / year		4,104,969	3,480,040
Additions during the period / year		1,169,698	1,077,210
Written off during the period / year		-	(60,443)
Transferred to operating fixed assets		(21,936)	(391,838)
Balance at the end of the period / year	8.2.1	<u>5,252,731</u>	<u>4,104,969</u>
8.2.1 Capital work in progress			
Civil work		4,866,103	3,853,250
Installation of equipment		386,628	251,719
		<u>5,252,731</u>	<u>4,104,969</u>
8.3 Right-of-use assets			
Balance at the beginning of the period / year		550,742	509,098
Additions during the period / year		558,477	210,241
Terminated during the period / year		-	(4,044)
Depreciation for the period / year		(92,827)	(164,553)
Balance at the end of the period / year		<u>1,016,392</u>	<u>550,742</u>

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in '000')	
9 LONG TERM INVESTMENTS		
SIHT (Private) Limited - Associated company (unquoted)		
Balance at the beginning of the period / year	740,157	424,045
Investment made during the period / year	75,000	300,000
Share in (loss) / profit for the period / year	(2,459)	16,112
Balance at the end of the period	<u>812,698</u>	<u>740,157</u>

This represents investment in 2,500,500 (June 30, 2025: 2,266,077) fully paid ordinary shares of Rs. 100 each of SIHT. The above investment in ordinary shares represents 50% (June 30, 2025: 45.30%) shareholding in SIHT held by the SIHL.

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in '000')	
10 TRADE DEBTS		
Unsecured - considered good		
Related party - Shifa Foundation	41,767	17,789
Others	2,610,448	1,739,343
	<u>2,652,215</u>	<u>1,757,132</u>
Less: allowance for expected credit losses (ECL)	10.1	339,005
	<u>2,313,210</u>	<u>1,461,456</u>
10.1 Movement of allowance for expected credit losses		
Balance at the beginning of the period / year	295,676	242,946
Add: expected credit losses	97,274	52,730
Less: bad debts written off	53,945	-
Balance at the end of the period / year	<u>339,005</u>	<u>295,676</u>

	Unaudited		Unaudited	
	Six months period ended		Three months period ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
	(Rupees in '000')		(Rupees in '000')	
11 REVENUE - NET				
Inpatients	9,827,933	8,678,648	5,137,009	4,293,088
Outpatients	5,239,331	4,924,089	2,478,156	2,414,237
Other services	448,082	420,531	226,858	203,955
	<u>15,515,346</u>	<u>14,023,268</u>	<u>7,842,023</u>	<u>6,911,280</u>
Less: discount	73,629	52,285	43,409	26,102
Less: sales tax	55,076	47,589	27,481	23,152
	<u>128,705</u>	<u>99,874</u>	<u>70,890</u>	<u>49,254</u>
	<u>15,386,641</u>	<u>13,923,394</u>	<u>7,771,133</u>	<u>6,862,026</u>

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
12 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the period (Rupees in '000')	1,602,044	1,264,764
Weighted average number of ordinary shares in issue (Number)	63,214,383	63,214,383
Earnings per share - basic and diluted - (Rupees)	25.34	20.01
12.1 There is no dilutive effect on the basic earnings per share of the Group.		
13 ADJUSTMENT OF NON-CASH INCOME AND EXPENSE		
Depreciation / amortisation	566,446	535,900
Amortisation on intangible assets	4,922	-
Expected credit losses	98,686	52,836
Property, plant and equipment written off	2,202	11,729
Gain on disposal of property, plant and equipment	(755)	(1,666)
Provision for compensated absences	81,557	54,237
Provision for defined contribution plan	88,823	61,635
Provision for bonus for employees	169,646	147,382
Provision for gratuity	70,529	53,150
(Reversal) / charged of provision for slow moving stores	(1,078)	1,910
Share of loss / (profit) of associate	2,459	(10,549)
Gain on investment and bank deposits	(176,024)	(126,989)
Gain on foreign currency translation	(9,949)	(274)
Finance costs	179,906	180,647
	<u>1,077,370</u>	<u>959,948</u>
14 CASH AND CASH EQUIVALENTS		
Investments - at amortized cost	1,048,289	777,834
Cash and bank balances	2,237,423	2,925,209
	<u>3,285,712</u>	<u>3,703,043</u>
15 FINANCIAL RISK MANAGEMENT AND FAIR VALUES		
<p>The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2025. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the annual audited consolidated financial statements of the Group for the year ended June 30, 2025. The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.</p>		
16 RELATED PARTY TRANSACTIONS		
<p>The related parties comprise of associates, directors, major shareholders, key management personnel, SIHL Employees' Gratuity Fund Trust and the entities over which directors are able to exercise influence. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group. The Group considers its Chief Executive Officer, Chief Financial Officer, Company Secretary, Directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.</p> <p>Related party transactions are based on the pricing policy approved by the board of directors of the SIHL. Transactions and balances with the related parties are given below:</p>		

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
Transactions:		
Shifa Foundation		
(Related party by virtue of common directorship)		
Revenue from medical and other services earned by the SIHL	29,736	11,087
Revenue from rent earned by the SIHL	720	675
Acquisition of 234,423 (December 31, 2024: 468,840) ordinary shares of SIHT (Private) Limited	75,000	150,000
Tameer-e-Millat Foundation		
(Related party by virtue of common directorship)		
Supplies provided to the SIHL	35,437	50,439
Other services provided to the SIHL	12,726	14,012
Rental services received / earned by the SIHL	7,996	6,243
Shifa Tameer-e-Millat University		
(Related party by virtue of common directorship)		
Revenue from medical and other services earned by the SIHL	14,175	15,025
Revenue from rent earned by the SIHL	1,755	2,128
Other services provided to the SIHL	49,098	41,565
Expenses paid and reimbursed to the SIHL	835	2,909
SIHT (Private) Limited		
(Associate and common directorship)		
Share in revenue earned and other services provided by the SIHL	451,269	359,332
Expenses paid and reimbursed to the SIHL	2,596	2,479
Other services provided to the SIHL	-	3,544
Shifa Cooperative Housing Society Limited		
(Related party by virtue of common directorship)		
Plot maintenance charges paid by the SIHL	1,065	785
SIHL Employees' Gratuity Fund Trust		
Payments made by the SIHL	116,842	144,220
Remuneration including benefits and perquisites of key management personnel	369,876	250,927
	Unaudited	Audited
	December 31,	June 30,
	2025	2025
	(Rupees in '000')	
Balances (unsecured):		
Shifa Foundation - receivable	41,767	17,789
Tameer-e-Millat Foundation - payable	7,120	4,186
Shifa Tameer-e-Millat University - payable	83,106	42,798
SIHT (Private) Limited - receivable	59,466	59,898
SIHL Employees' Gratuity Fund Trust - payable	56,416	102,728

17 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Following information has been disclosed as required under amended part I clause VII of Fourth Schedule to the Companies Act, 2017 as amended via S.R.O 1278(I)/2024 dated August 15, 2024:

	Unaudited December 31, 2025	Audited June 30, 2025
	(Rupees in '000')	
Financing as per Islamic mode		
Long term financing (including current portion)	1,495,671	1,058,621
Short term shariah compliant investments		
Investment in Mutual Fund - at fair value through profit or loss	1,053,347	1,003,355
Shariah compliant bank balances		
Bank balances	1,812,725	2,691,664
	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
Shariah compliant revenue		
Revenue - net	15,386,641	13,923,394
Profit earned from shariah compliant bank balances		
Profit on bank balances	99,362	74,597
Exchange gain earned from actual currency		
Exchange gain	9,949	274
Profit paid on Islamic mode of financing		
Long term financing	62,690	81,478
Source and detailed breakup of other income		
Shariah compliant		
Un-realised gain on investments at fair value through profit or loss	49,992	17,829
Others	127,156	100,898
Non-Shariah compliant		
Un-realised gain on investments at fair value through profit or loss	1,217	3,750
Profit on bank balances	7,641	5,422
Interest income on treasury bills	17,812	25,392
Others	10,755	1,068

Relationship with sharia compliant financial institutions / takaful operators

Name	Relationship
Al Buraka Bank (Pakistan) Limited	Funded facility and Bank balance
Meezan Bank Limited	Funded / Non-funded facility and Bank balance
Habib Bank Limited	Funded / Non-funded facility and Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
Faysal Bank Limited	Bank balance
Bank Alfalah Limited	Funded facility and Bank balance
First Habib Modaraba	Funded facility
EFU General Insurance Limited	Takaful
Jubilee General Insurance Company Limited	Takaful

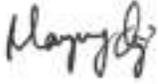
18 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements have been approved and authorized for issue by the board of directors of the SIHL on February 21, 2026.

19 GENERAL

19.1 Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.

19.2 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, no major reclassification has been made during the period.



DIRECTOR



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