



شفا انٹرنیشنل ہسپتال اسلام آباد

Shifa International Hospitals Ltd

Sector : H-8/4, Islamabad - Pakistan

Tel : 051-8464227 Fax : 051-4863192

Website: www.shifa.com.pk

NOTICE FOR EXTRAORDINARY GENERAL MEETING

Notice is hereby given that an Extraordinary General Meeting (EOGM) of the shareholders of Shifa International Hospitals Limited (the “**Company**”) will be held at the registered office (C-0 Auditorium) of the Company at Sector H-8/4, Islamabad on Thursday, May 18, 2023 at 1100 hours to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the 36th Annual General Meeting of the Company convened on October 28, 2022.

SPECIAL BUSINESS

2. To consider and approve the circulation of the annual audited financial statements of the Company to its members through QR enabled code and weblink in accordance with S.R.O. 389(I)/2023 dated March 21, 2023 issued by the Securities and Exchange Commission of Pakistan (SECP) under the Companies Act 2017, and to pass the ordinary resolution set out in the statement of material facts circulated to the members along with a copy of this Notice.
3. To approve and authorise the sale or otherwise disposing of all shares of Shifa Medical Center Islamabad (Pvt.) Limited held by Company (the “**SMCI Shares**”) and to pass the ordinary resolution set out in the statement of material facts circulated to the members along with a copy of this Notice.
4. To consider and, if deemed fit, approve with or without modification, the following special resolutions by the shareholders:

“**RESOLVED THAT**, the Company be and is hereby authorized and approved to utilise the entire amount of sale proceeds (or a portion thereof) from the sale of SMCI Shares to make an equity investment in its associated company, Shifa National Hospital Faisalabad (Private) Limited (“**SNHF**”).

FURTHER RESOLVED that, the Company be and is hereby authorized and approved to make further additional investment of Rs. 2,196,590,172/- in SNHF, besides already approved equity investment of Rs. 1,584,222,750/- by the Board and shareholders, in the wake of escalation in project cost.

FURTHER RESOLVED that, in relation to the investment by the Company in SNHF, the Company be and is hereby authorized and approved:

- (a) to enter into any agreements with SNHF and other shareholders of SNHF; and
- (b) make relevant filings and submissions with, or procure consents from, the SECP, CCP (if required), State Bank of Pakistan (if required) and any other regulatory bodies, in accordance with the applicable law.

FURTHER RESOLVED that, Dr. Zeeshan Bin Ishtiaque, Chief Executive Officer of the Company, (the “**Authorized Person**”) and/or any officer of the Company duly authorized by him in this regard, is hereby authorized to do, or authorize all such acts, matters and things as may be necessary for carrying out and giving full effect to these resolutions together with the execution of any other agreements, instruments, communications, certificates, notices, acknowledgements or other documents required or to be made or delivered by the Company under any of the instruments listed above or in relation therewith or as deemed necessary or desirable by the Authorised Person to give full effect to these resolutions.

FURTHER RESOLVED that, the Authorized Person and/or any officer of the Company duly authorized by him in this regard, is hereby authorized to provide a certified copy of these resolutions to all relevant parties including the shareholders of the Company.

FURTHER RESOLVED that, each of the aforesaid resolutions shall remain in full force and effect until it is revoked or amended by another resolution.”

The statement of material facts under section 134(3) of the Companies Act, 2017 and information required under Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017 is annexed with this notice.

By Order of the Board



MUHAMMAD NAEEM
Company Secretary

Islamabad
April 19, 2023

NOTES:

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

Securities & Exchange Commission of Pakistan through its Circular No. 4 dated February 15, 2021 has directed the listed companies to ensure the participation of members in General Meeting through electronic means as a regular feature in addition to holding physical meetings. Accordingly, the shareholders intending to participate in the meeting via video link are hereby requested to share following information with the Company Secretary office at the earliest but not later than 48 hours before the time of EOGM i.e. before 11:00 a.m. on May 16, 2023:

| 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 May 16, 2023, 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.

Shareholders who wish to provide suggestions/comments on the agenda of the EOGM can email the Company at muhammad.naem@shifa.com.pk or WhatsApp at 0300-8590160.

ii) Closure of Share Transfer Books:

The share transfer books of the Company will remain closed from May 9, 2023 to May 18, 2023 (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 Monday, May 08, 2023 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 notified vide SRO 2192(1)12022 dated December 05, 2022, members will be allowed to exercise their right to vote for the 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 May 15, 2023, 09:00 a.m. and shall close on May 17, 2023 at 5:00 p.m. Members can cast their votes any time in 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 Computerised National Identity Card (CNIC) should reach the Chairman of the meeting through post on the Company's registered address, Shifa International Hospitals Limited, Pitras Bukhari Road, Sector H-8/4, Islamabad or email at chairman@shifa.com.pk one day before the Extraordinary General Meeting i.e. on May 17, 2023, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

v) Change of Address:

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

vi) 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
AS REQUIRED UNDER SECTION 134(3) OF THE COMPANIES ACT, 2017
AND INFORMATION REQUIRED UNDER COMPANIES (INVESTMENT IN
ASSOCIATED COMPANIES OR ASSOCIATED UNDERTAKINGS)
REGULATIONS, 2017

AGENDA ITEM NO. 2 - INFORMATION RELATING TO CIRCULATION OF ANNUAL AUDITED ACCOUNTS THROUGH QR ENABLED CODE AND WEBLINK

The Board of Directors has recommended that as per the requirements under S.R.O. 389(I)/ 2023 dated March 21, 2023, issued by the SECP, shareholders' approval be sought to circulate the annual audited financial statements and related documents (included in the Annual report) through QR enabled code and weblink which would be included in the notice of the Extraordinary General Meeting.

For this purpose it is proposed that the following ordinary resolution be passed at the Extraordinary General Meeting:

“**RESOLVED** that Company be and is hereby authorised and approved to circulate its annual audited financial statements and related documents (included in the annual report) to its members through a QR enabled code and weblink in accordance with S.R.O. 389(I)/2023 dated March 21, 2023 issued by the SECP.”

The directors are not interested in this business except as shareholders of the Company.

AGENDA ITEM NO. 3 - INFORMATION RELATING TO SALE OF SHARES OF SHIFA MEDICAL CENTER ISLAMABAD (PRIVATE) LIMITED

| Sr. # | Description | Information Required |
|-------|--|--|
| (i) | Name of the Subsidiary | Shifa Medical Center Islamabad (Private) Limited |
| (ii) | Cost and Book Value of the Investment in the Subsidiary | Rs. 1,356,170,010 |
| (iii) | Total Market Value of Subsidiary based on Value of the Shares of the Subsidiary Company a. In case of listed subsidiary: quoted price of shares of subsidiary on the day of decision of the board for disposal b. In case of non-listed subsidiary: value determined by a registered valuer, who is eligible to carry out such valuation along with name of the valuer | Rs. 3,409,321,000 E Y Ford Rhodes - Karachi |
| (iv) | Net worth of subsidiary as per latest | Rs. 2,491,510,706 |

| | | |
|-------|--|---|
| | audited financial statements and subsequent interim financial statements, if available | |
| (v) | Total consideration for disposal of investment in subsidiary, basis of determination of the consideration and its utilization | Rs. 3,409,321,000 Based upon EY Ford Rhodes - Karachi Funds to be utilized to cover cost escalation of SNHF Project. |
| (vi) | Quantitative and qualitative benefits expected to accrue to the members | The sale of SMCI is expected to realise proceeds more than the cost so far incurred on SMCI Project. Further, the sale proceeds may also be utilized in another project of the Company i.e. Hospital project of Shifa National Hospital Faisalabad (Pvt.) Limited (SNHF) at Faisalabad. SNHF, when completed will expand the Company's footprint, increase net wealth of the members and future dividend income. |
| (vii) | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration; | Following will have interest:- a. The Company has equity interest and nomination of directors on the Board of Shifa Medical Center Islamabad (Pvt.) Limited. b. Dr. Habib Ur Rahman, Dr. Manzoor H. Qazi and Mr. Muhammad Zahid are also nominee directors of the Company in Shifa Medical Center Islamabad (Pvt.) Limited Except for (b) above, directors, sponsors, majority shareholders and their relatives are not interested in this business except as shareholders of the Company. |

For approving the sale or otherwise disposing of all the shares of the Company in Shifa Medical Center Islamabad (Pvt.) Limited, a subsidiary company the Board of Directors have proposed and recommended that the following ordinary resolution be passed at the Extra Ordinary General Meeting:

“RESOLVED that the approval of members of the Company be and is hereby accorded for the disposal of all the shares of Shifa Medical Center Islamabad (Private) Limited (“SMCI”) held by the Company (the “SMCI Shares”) at the best possible price against

offers received from potential buyers giving due consideration to the valuation of SMCI done by the independent evaluator.

FURTHER RESOLVED that Board of Directors are hereby authorized to identify, shortlist and decide suitable buyers, pricing, timing and other modalities for the purposes of the sale of the SMCI Shares.

FURTHER RESOLVED that, for the purposes of the SMCI Shares, the Company be and is hereby authorized to do the following:

- (a) the execution of a share sale and purchase agreement by and between the Company and the prospective buyers;
- (b) the filing of a pre-merger clearance application with the Competition Commission of Pakistan (CCP) (if applicable); and
- (c) the making of relevant filings and submissions with, or procure consents from, the Securities and Exchange Commission of Pakistan (SECP), CCP, State Bank of Pakistan (if required) and any other regulatory bodies, in accordance with the applicable law.

FURTHER RESOLVED that, Dr. Zeeshan Bin Ishtiaque, the Chief Executive Officer of the Company, be and is hereby authorized to take and do, and/or cause to be taken or done, any/all necessary actions, deeds and things which are or may be necessary for giving effect to the aforesaid resolutions and to do all acts, matters, deeds, and things which are necessary, incidental and/or consequential to the disposal of the subsidiary of the Company as above, as and when required at the time of disposal, including but not limited to negotiating, signing and executing any necessary agreements/documents, and any ancillary matters thereto”

AGENDA ITEM NO. 4 - INFORMATION RELATING TO INVESTMENT OF SALE PROCEEDS AND ADDITIONAL INVESTMENT IN ASSOCIATED COMPANY, SHIFA NATIONAL HOSPITAL FAISALABAD (PRIVATE) LIMITED

| Sr. # | Description | Information Required |
|-------|---|---|
| (i) | Name of the associated company or associated undertaking | Shifa National Hospital Faisalabad (Private) Limited |
| (ii) | Basis of relationship | 60% owned subsidiary |
| (iii) | Earnings/ (loss) per share in Rupee(s) for the last three years | Year 1 – (0.03) Year 2 – (0.14) Year 3 – (8.86) |
| (iv) | Break-up value per share, based on latest audited financial statements | Rs. 11.06/- |
| (v) | Financial position, including main items of statement of financial position and profit and loss account | Included below* |

| | | |
|-------|--|--|
| | on the basis of its latest financial statements | |
| (vi) | In case of investment in relation to a project of associated company or associated undertaking that has not commenced operations, following further information, namely: | |
| | (I) description of the project and its history since conceptualization | Date of Incorporation February 28, 2019 |
| | (II) starting date and expected date of completion of work; | Start date: February 01, 2022 Expected Completion Date: December, 2024 |
| | (III) time by which such project shall become commercially operational | Financial Year 2025 |
| | (IV) expected time by which the project shall start paying return on investment; and | Year 8 of operations |
| | (V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash amounts; | Cash: Rs. 1,582,279,120 Funds to be invested: Rs. 2,198,533,802 besides already approved amount of Rs. 1,943,630 by the Shareholders in the AGM held on October 27, 2018. |
| | General Disclosures | |
| (i) | Maximum amount of investment to be made | Rs. 3,780,812,922 |
| (ii) | Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment | Expansion, Profitability, Dividend within 8 years of investment. |
| (iii) | Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,- | Sale Proceeds from sale of Shifa Medical Center Islamabad (Pvt.) Limited and Available Funds. |
| | (I) justification for investment through borrowings; | N/A |
| | (II) detail of collateral, guarantees provided and assets pledged for obtaining such funds; and | N/A |
| | (III) cost benefit analysis; | N/A |
| (iv) | Salient features of the agreement(s), if any, with associated company or associated undertaking with regards | The Company will sign management & operation agreement with SNHF |

| | | | | | | | | | | |
|---------------------------|--|--|-------------------------|-------------------|--------------------|-------------------|---------------------------|-------------------|--------------------|-------------------|
| | to the proposed investment | | | | | | | | | |
| (v) | Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or associated undertaking or the transaction under consideration; | <p>Following will have interest:-</p> <p>a. The Company has equity interest and nomination of directors on the Board of Shifa National Hospitals (Pvt.) Limited.</p> <p>b. Dr. Habib Ur Rahman, Dr. Manzoor H. Qazi and Mr. Muhammad Zahid are also nominee directors of the Company in Shifa National Hospital Faisalabad (Pvt.) Limited</p> <p>Except for (b) above, directors, sponsors, majority shareholders and their relatives are not interested in this business except as shareholders of the Company.</p> | | | | | | | | |
| (vi) | In case any investment in associated company or associated undertaking has already been made, the performance review of such investment including complete information/justification for any impairment or write offs; and | <p>Investment of Rs. 1,582,279,120 made in SNHF</p> <p>Project Status: Land Acquired Design Prepared All relevant approvals taken Building Works in progress.</p> | | | | | | | | |
| (vii) | Any other important details necessary for the members to understand the transaction; | <table border="1"> <tr> <td>Max Investment Required</td> <td>Rs. 3,780,812,922</td> </tr> <tr> <td>Approval Available</td> <td>Rs. 1,584,222,750</td> </tr> <tr> <td>Balance Approval required</td> <td>Rs. 2,196,590,172</td> </tr> <tr> <td>Investment to date</td> <td>Rs. 1,582,279,120</td> </tr> </table> | Max Investment Required | Rs. 3,780,812,922 | Approval Available | Rs. 1,584,222,750 | Balance Approval required | Rs. 2,196,590,172 | Investment to date | Rs. 1,582,279,120 |
| Max Investment Required | Rs. 3,780,812,922 | | | | | | | | | |
| Approval Available | Rs. 1,584,222,750 | | | | | | | | | |
| Balance Approval required | Rs. 2,196,590,172 | | | | | | | | | |
| Investment to date | Rs. 1,582,279,120 | | | | | | | | | |
| | Additional Disclosures | | | | | | | | | |
| (i) | Maximum price at which securities will be acquired; | Par Value | | | | | | | | |
| (ii) | In case the purchase price is higher than market value in case of listed securities and fair value in case of unlisted securities, justification thereof | N/A | | | | | | | | |
| (iii) | Maximum number of securities to be acquired | 378,081,292 | | | | | | | | |

| | | |
|------|---|---|
| (iv) | Number of securities and percentage thereof held before and after the proposed investment | Before: 60% After: 55% |
| (v) | Current and preceding twelve weeks' weighted average market price where investment is proposed to be made in listed securities; | N/A |
| (vi) | Fair value determined in terms of sub-regulation (1) of regulation 5 for investments in unlisted securities. | Shares of SNHF will be offered to the Company at Par Value. |

***(v) Financial position, including main items of statement of financial position and profit and loss account on the basis of its latest financial statements**

As of 31-12-2022

| Statement of Financial Position | <u>Rupees</u> |
|--|----------------------|
| Non Current Assets | 2,148,511,569 |
| Current Assets | 262,669,289 |
| Share Capital & Reserves | 2,369,157,961 |
| Non Current Liabilities | 17,931,770 |
| Current Liabilities | 24,091,127 |
| | |
| Profit & Loss Account | |
| Other Income | 13,967,209 |
| Operating Cost | (23,452,290) |
| (Loss) / Profit Before Tax | (9,485,081) |
| Provision for Taxation | (1,764,024) |
| (Loss) / Profit After Tax | (11,249,105) |



شفا انٹرنیشنل ہسپتال اسلام آباد

Shifa International Hospitals Ltd

Sector : H-8/4, Islamabad - Pakistan

Tel : 051-8464227 Fax : 051-4863192

Website: www.shifa.com.pk

UNCONFIRMED

**MINUTES OF THE 36TH ANNUAL GENERAL MEETING (AGM)
OF SHIFA INTERNATIONAL HOSPITALS LIMITED
HELD ON OCTOBER 28, 2022 AT 1030 HOURS
AT THE REGISTERED OFFICE OF THE COMPANY**

PRESENT:

Following directors/shareholders were present in the meeting personally, through proxy and video-link:

| Sr. No. | Name of the Shareholders/Representatives | Folio & CDC A/c # |
|----------------|---|-------------------------------|
| 1 | Dr. Habib Ur Rahman | 4705-15632 |
| 2 | Dr. Manzoor H. Qazi | 4705-15631 |
| 3 | Mr. Muhammad Zahid | 002, 0221, 0222 & 4362 |
| 4 | Mr. Qasim Farooq Ahmad | 4719 & 4705-8291 |
| 5 | Dr. Samea K. Ahmad | 150 & 4705-93982 |
| 6 | Syed Ilyas Ahmed (through video-link) | 4442 |
| 7 | Dr. Muhammad Naseem Ansari | 3350-130183 & 4705-85097 |
| 8 | Dr. Fatima Z. Ahmad | 4835, 1826-21642 & 4705-93905 |
| 9 | Syed Muneer Hussain (through video-link) | 6122-87593 |
| 10 | Mr. Kamal A. Khan | 43 |
| 11 | Dr. Zeeshan Bin Ishtique | 5264-156641 |
| 12 | Dr. Danyal Hassan | 3011 |
| 13 | Mr. Afzaal Ahmad | 4397 |
| 14 | Muhammad Aslam Qureshi | 2988 |
| 15 | Al-Huda International Welfare Foundation (through video-link) | 4705-118864 |

| | | |
|----|--|--------------|
| 16 | Sana Aslam | 4894 |
| 17 | Babur Zahiruddin | 4705-7472 |
| 18 | Faqir Muhammad | 2972 |
| 19 | M. Abid Latif | 6452-106808 |
| 20 | Mr. Hassan Azam | 5264-82748 |
| 21 | Abdul Jawad Khan | 14837-1960 |
| 22 | Zafran Aziz | 4705-85703 |
| 23 | Mehmood Mirza | 6452-85309 |
| 24 | Muhammad Ali Kazmi | 6452-69600 |
| 25 | Asim Altaf | 4705-105614 |
| 26 | Imtiaz Sarwar | 10629-16652 |
| 27 | Muhammad Hammad Khan | 10629-70485 |
| 28 | M. Akram Bhatti | 3459-10524 |
| 29 | Ch. Tanveer Akhtar | 3270 |
| 30 | Naeem Sarwar | 5587-22091 |
| 31 | Mr. Tahir Mehmood | 6621-99887 |
| 32 | Syed Muneeb Ahmad | 4483 |
| 33 | Mr. Imran Ali | 4577 |
| 34 | Inayat Ullah Khan | 3459-50686 |
| 35 | M. Tariq Baig | 6122-127183 |
| 36 | Abdul Tayyab Khan | 14837-1721 |
| 37 | Shahana Tayyab | 1826-78246 |
| 38 | Mozammil Iqbal | 6452-45493 |
| 39 | Nawazish Rasool Chaudhry | 10629-406929 |
| 40 | Syed Farhan Shakeel (through video-link) | 307-142616 |
| 42 | Mr. Barkhudar | 4462 |
| 43 | Malik Abdul Ghaffar | 1665 |
| 44 | Rehana Gill | 2982 |
| 45 | Noshaba Gul | 2913 |
| 46 | Syed Mudassar Ahmad Bukhari | 10629-371305 |

Leave of absence was granted to Mr. Shafquat Ali Chaudhary, Dr. Shoab Ahmed Khan and Mr. Javed K. Siddiqui, Directors, who could not attend the meeting due to personal commitments/engagements.

Besides above, from the management side of the Company, Dr. Zeeshan Bin Ishtiaque Chief Medical Officer (CMO), Mr. Taimoor Shah Chief Operating Officer (COO), Mr. Shams Ur Rehman Abbasi Chief Finance Officer (CFO), Mr. Muhammad Saeed Head of Internal Audit, Mr. Muhammad Aslam General Manager Corporate Business Department, Mr. Zarshad General Manager Facility Management Division, Mr. Salman Shafiq General Manager Planning & Finance and Mr. Afzaal Ahmad Chief of Protocol & Regulatory Affairs were also present along with representatives of the auditors.

QUORUM

46 members attended the meeting representing 22,908,276 shares (36.24 %) held by self and through proxies.

Dr. Habib-Ur-Rahman, Chairman presided over the meeting and welcomed the shareholders, directors, auditors and management of the Company to the 36th Annual General Meeting (AGM) of the Company.

The quorum being present Chairman called the meeting to order.

The proceedings commenced with the recitation from Holy Quran by Mr. Shahbaz Yaqoob.

With the permission of Chair, Company Secretary read out the notice of the 36th Annual General Meeting of the shareholders of the Company.

ORDINARY BUSINESS:

1- To confirm the minutes of the Annual General Meeting of the Company held on October 28, 2021.

Under this agenda item, Company Secretary informed the participants that the minutes of 35th Annual General Meeting held on October 28, 2021 were sent to the shareholders alongwith the notice of instant AGM. On the request of the Secretary the Notice of the 36th Annual General Meeting of the Company minutes were taken as read

He then invited comments on the minutes of the said Annual General Meeting of the Company.

Dr. Babur Zaheeruddin (Folio No. CDC 4705-7472) pointed out that the names of Mr. Abdul Tayyab Khan (Folio No. CDC 14837-1721) and Ms. Rehana Gill (Folio No. 2982) are missing in the participants' detail mentioned in the minutes of the last Annual General Meeting. However, subsequently it was found that they were mentioned in the list of participants of the last meeting.

There being no other comments on the minutes of the 35th Annual General Meeting, on the proposal from Mr. Afzaal Ahmad (Folio No. 4397) seconded by Mr. Abdul Jawad Khan (Folio No. CDC 14837-1960), the said minutes were confirmed and following resolution was passed unanimously:

“RESOLVED that the minutes of the Annual General Meeting of the Company held on October 28, 2021 be and are hereby confirmed and the Chairman is authorized to sign the same.”

2- To receive, consider and adopt the Annual Audited Accounts (consolidated and unconsolidated) of the Company for the year ended June 30, 2022 together with the directors’ and auditors’ report thereon.

Under this agenda item the Company Secretary presented before the meeting the Annual Audited Accounts (consolidated and unconsolidated) of the Company for the year ended June 30, 2022 together with the directors’ and auditors’ report thereon.

At the request of the members present both these reports were taken as read.

The Company Secretary then informed the members that following the tradition of the Company he will request the Chief Executive Officer to give a brief summary and update the members on the performance of the Company over the previous financial year.

The Chief Executive Officer thanked & appreciated all the participants for attending this general meeting in person/virtually and briefed the members as under:

- During the year under review, the times were very uncertain and the Company passed through a difficult phase due to the political and economic situation in the country with high inflation and significant increase in utility costs.
- Despite the uncertainty and difficult time, the Company, by the Grace of Allah Almighty and the management’s untiring hard work has performed well
- Uncertainties like deteriorating political & economic situation in the Country are major challenges that the Company might have to face.
- A water treatment plant has been commissioned that will cater to the needs of clean water for the Hospital.
- For the facilitation of patients, the Hospital has started operations of certain clinics on Sundays.
- Pakistan was severely affected by floods this year and the Hospital along with Shifa Foundation, under their commitment to give back to society, have significantly contributed in helping out and rehabilitating the flood affectees.
- The Company is also actively involved in IT solutions for the medical and healthcare industry which will be beneficial for healthcare providers and the public.
- Due to the rupee devaluation and rising inflation we are facing escalation in the cost of the commissioning of F-11 Islamabad Hospital and Faisalabad Hospital, the projects of the subsidiaries of the Company namely Shifa Medical Center Islamabad (Pvt.) Limited and Shifa National Hospital Faisalabad (Pvt.) Limited. As of now we are deliberating on different options and will revert to the shareholders accordingly.

- The Company remains focused and undeterred on its committed journey towards excellence.

The Chairman then opened the forum for questions/observations on the Annual Audited Accounts of the Company for the year under review.

Mr. Hassan Azam Shibbli (CDC A/c No. 5264-82748) started by appreciating all the social work that the Hospital along with the social arms of the Hospital are carrying out plus the steps and efforts that have been adopted for protecting the environment. He then continued by saying that the Hospital has invested in many projects and in subsidiaries but unfortunately the financials do not reflect any gains or benefit generated from these ventures and that the data contained in "Six years at a glance" have not shown any improvement.

Dr. Habib Ur Rahman replied by saying that during the last two years, as everyone may be aware, COVID-19 severely impacted the economy and the Company's operations were also affected which was a significant factor and therefore the Company could not perform as per our projections. He said that, however, we are striving to overcome the negative impact of COVID-19 on the operations of the Company by focusing on cost cutting and working on the optimal utilization of the facilities being offered to the patient. He then informed that building and managing hospitals is not an easy venture which requires a lot of investment and it takes several years before returns are realized, however, the alternative to that is to seek other avenues within the existing setup.

Mr. Hassan Azam Shibbli in reply to Dr. Habib Ur Rahman stated that the external factors are understandable and keeping in view the setbacks that the Company faced over the last year the Company should create a surplus fund which may be invested by introducing the most advanced and latest healthcare facilities.

Dr Habib Ur Rahman replied that the Hospital is aware and is looking at other avenues.

Mr. Hassan Azam Shibbli then asked about the steps the Company is taking to increase the volume of its business which according to him is on decline, decreasing the receivables and the replacement of fully depreciated assets of the Company as they might be attracting huge maintenance cost. He also thanked the Company by saying that the Company has always replied to the shareholders in detail and addressed the issues of the shareholders in a manner that satisfies the queries of the shareholders. He added that he is hopeful that these few questions that he has in mind will also be answered.

The CFO first of all appreciated the very valid questions asked in a professional manner by Mr. Hassan. While replying to his query regarding receivables he said that due to increase in the panel business the receivables might have increased but our Corporate Business Development Department actively works for the recovery from the panel companies. Regarding volumes, he quoted the percentage increase in areas of services like OPD, surgeries, radiology as reflected in the annual audited accounts for the year ended June 30, 2022 and condensed interim financial statements of the Company for the period ended September 30, 2022. He further said that resultantly the revenue of the Company has also increased. In connection with the question related to fully depreciated assets he informed that our operations team along with the biomedical team assess the functioning of the fully depreciated equipment and recommend to replace the equipment if quality treatment is compromised or may entail high maintenance cost. He further informed that many of the equipment are being maintained by our trained and professional staff of Biomedical Department.

Dr. Inayatullah Khan (Folio No. CDC 3459-50686) rather than asking questions relevant to the agenda of the meeting, started to pass comments that were of a personal nature. He was informed by the Company Secretary to only ask questions that are pertinent to the agenda and was also requested to maintain the decorum of the meeting. Dr. Inayat however continued with personal comments to which other shareholders commented that if he has any concerns of a personal nature or grievances this is not the forum to address them. The shareholders were of the view that he should approach or pursue the matter in the proper and appropriate forum for its redressal.

Dr. Babur Zahiruddin appreciated the Chairman and the Chief Executive Officer's approach for maintaining a calm and peaceful environment despite the disturbance created by Dr. Inayatullah and he also commented that they are proud that the Hospital has such patient, cool minded and mature leadership.

Dr. Babur Zahiruddin' queries/comment/suggestions were as under:

- i. The Company's performance is not reflected by the share price.
- ii. Being associated with the Company for many years, I have seen tremendous development and maturity in the Company's corporate abilities.
- iii. Dividends being given by the Company to shareholders are very low and the Company should consider increasing the quantum of dividends in the future.

He then appreciated the commitment, dedication and hard work of the Company in managing the business through very tough economic and uncertain times. He was hopeful that Shifa will continue paving the way towards excellence.

There being no question/query from any other shareholder on the proposal of Mr. Abdul Tayyab Khan seconded by Ms. Rehana Gill Annual Audited Accounts of the Company for the year ended June 30, 2022 together with the auditors' and directors' reports thereon were unanimously approved and adopted and the following resolution was passed by the members unanimously:

"RESOLVED that the Annual Audited Accounts (Consolidated and Unconsolidated) of the Company for the year ended June 30, 2022 together with the auditors' report thereon and the directors' report to the members be and are hereby approved and adopted."

- 3- To approve final cash dividend of Rs. 1.50 per share i.e. 15 % as recommended by the Board of Directors. It is in addition to the interim cash dividend of Rs. 1.50 per share already paid to the shareholders, thus making a total cash dividend of Rs. 3 per share i.e. 30% for the year ended June 30, 2022.**

Under this agenda item, Company Secretary informed that the Board of Directors of the Company has recommended final cash dividend of Rs. 1.50 per share i.e. 15% to the shareholders whose names appear in the shareholders' register at the close of business on October 20, 2022.

After some discussion and deliberation, on the proposal of Dr. Babur Zahiruddin seconded by Mr. Afzaal Ahmad, the meeting unanimously resolved as under:

"RESOLVED that a final cash dividend of Rs. 1.50 per share as recommended by the Board of Directors in addition to the interim cash dividend of Rs. 1.50 per share already paid to the shareholders, be and is hereby approved for the year ended June 30, 2022."

- 4- To appoint auditors for the year ending June 30, 2023 and to fix their remuneration.**

Company Secretary informed the members that the auditors of the Company M/s Grant Thornton Anjum Rehman, Chartered Accountants whose representatives are present in the meeting shall stand retired upon the conclusion of this AGM.

The Company Secretary then informed the members that both Audit Committee and Board of the Company have recommended to appoint M/s BDO Ebrahim and Co., Chartered Accountants as auditors of the Company for the year ending June 30, 2023 at an annual remuneration of Rs. 2.61 million excluding sales tax and out of pocket expenses.

Mr. Hassan Shibli, Dr. Babur and other shareholders applauded the recommendations of the audit committee and board regarding change of auditors of the Company.

He then invited comments/queries on the appointment of M/s BDO Ebrahim and Co., Chartered Accountants as the auditors of the Company.

There being no other question/observation, on the proposal of Mr. Hassan Azam seconded by Mr. Afzaal Ahmed, members approved the appointment of M/s BDO Ebrahim and Co., Chartered Accountants, as the auditors of the Company for the year ending June 30, 2023 and following resolution was passed unanimously:

“RESOLVED that M/s BDO Ebrahim & Co., Chartered Accountants, be and are hereby appointed as the auditors of the Company for the year ending June 30, 2023 at an annual remuneration as recommended by Audit Committee and Board of Directors of the Company.”

At this juncture, Dr. Habib Ur Rahman appreciated the professionalism manifested by M/s Grant Thornton Anjum Rehman, Chartered Accountants, while carrying out the audits of the Company and said that our existing auditors are highly professional and soft spoken. He again thanked the engagement partner & his associate and said that it was a pleasure working with them.

He also thanked the shareholders, directors and management for attending the AGM of the Company.

There being no other business to transact, meeting concluded with vote of thanks to the Chair.

FEEDBACK FROM CEO

The Chief Executive Officer shared the feedback received from the shareholders that the Company’s meetings are professionally structured and all members are provided time to raise their queries before the Board as well as Management. The shareholders were pleased that their queries were addressed in an appropriate and satisfactory manner. The shareholders appreciated the Management for recommending the change of statutory auditors, as was desired by the shareholders in the previous Annual General Meeting of the Company which according to them demonstrates the Company’s firm belief and devotion for transparency.

FORM OF PROXY
Extraordinary General Meeting
Shifa International Hospitals Limited

I/We _____
of _____

being a member 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 Thursday May 18, 2023, and at any adjournment thereof.

As witness my hand this _____ day of _____ 2023.

Signed by the said _____

Revenue Stamp

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

Witnesses:

1. **Signature** _____ 2. **Signature** _____

Name _____ Name _____

Address _____ Address _____

CNIC/Passport No. _____ CNIC/Passport No. _____

Important:

1. This form of Proxy, duly completed, signed and stamped must be deposited at the Company's Registered Office, Sector H-8/4 Islamabad, not less than 48 hours before the time of holding the meeting.
2. 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.
3. 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 / ہم..... ساکن.....
 شیئرز ہولڈرز شفا انٹرنیشنل ہسپتال لمیٹڈ فوئیونمبر / سی ڈی سی اکاؤنٹ نمبر.....
 بذریعہ ہذا تقرر کرتا ہوں..... ساکن.....
 فوئیونمبر / سی ڈی سی اکاؤنٹ نمبر..... یا اس کی عدم دستیابی پر.....
 ساکن..... فوئیونمبر / سی ڈی سی اکاؤنٹ نمبر.....
 جو کہ میری / ہماری غیر موجودگی میں میرے / ہمارے پراکسی (نمائندے) کے طور پر کمپنی کے غیر معمولی اجلاس عام میں جو 18 مئی 2023 بروز
 جمعرات دن 11:00 بجے یا اس کے التوا کی صورت میں منعقد ہوگا میں میری / ہماری جگہ شرکت کرے گا اور ووٹ استعمال کرے گا۔



میں بطور گواہ اس..... دن..... 2023.....
 دستخط مذکورہ بالا.....

دستخط کمپنی کے پاس موجود نمونہ کے دستخط
 کے مطابق ہونا چاہئے)

گواہان:

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

خصوصی ہدایات :

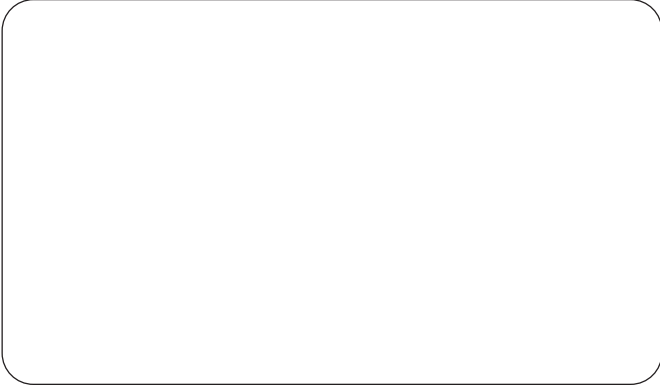
- 1- یہ پراکسی فارم باقاعدہ طور پر مکمل کر کے، دستخط، گواہان اور مہر کے بعد اجلاس کے انعقاد سے کم از کم 48 گھنٹے پہلے کمپنی کے رجسٹرڈ دفتر واقع سیکٹر H-8/4، اسلام آباد پہنچ جانا چاہیئے۔
- 2- اگر ایک ممبر ایک سے زائد پراکسی یا پراکسی کے فارم کمپنی کے پاس جمع کرواتا ہے تو ایسے تمام پراکسی کے فارم کو غیر قانونی تصور کیا جائے گا۔
- 3- سی ڈی سی اکاؤنٹ ہولڈر، سب اکاؤنٹ ہولڈرز / شیئرز ہولڈرز اپنی پراکسی مقرر کرنے کا مجاز ہے۔ اس پراکسی کو اجلاس میں شرکت کے وقت اپنے کمپیوٹرائزڈ قومی شناختی کارڈ کی کاپی یا اصلی پاسپورٹ دکھانا لازمی ہوگا۔

AFFIX
CORRECT
POSTAGE

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

BOOK POST

Under Certificate of Posting



If undelivered please return to:

Shares Department



شفا انٹرنیشنل ہسپتال اسلام آباد
Shifa International Hospitals Ltd.
Sector : H-8/4, Islamabad - Pakistan

