



# SHIFA INTERNATIONAL HOSPITALS LIMITED

INVESTORS' BRIEF

DATE: NOV 16, 2023

# SHIFA INTERNATIONAL HOSPITALS LIMITED

- ❑ Shifa International Hospitals Limited, H-8/4, Islamabad is quaternary care center.
- ❑ Shifa takes pride in being the only first private and one of three JCI hospitals of Pakistan. JCI is the gold seal in global quality healthcare service delivery.
- ❑ Shifa is the only hospital listed on Pakistan Stock Exchange.
- ❑ International Finance Corporation (IFC) is one of the major shareholders of SIHL having 12% shareholding.





# Operational Performance

# PRINCIPAL ACTIVITIES, DEVELOPMENT & PERFORMANCE



## Partial Acquisition of eSHIFA (SIHT)

- ❑ A significant milestone in expanding our care services was the partial acquisition and integration of eShifa (Shifa Integrated Healthcare Technologies) by Shifa International Hospitals Limited. This has allowed Shifa to continue in its mission “Healthcare with Compassion for all” to provide care services throughout the region via telemedicine facilities and expand diagnostic services.

## Shift to Electronic Medical Records (EMR)

- ❑ The hospital began its complete shift to Electronic Medical Record (EMR). All of SIH OPDs started converting to electronic systems during this financial year after hospital-wide deployment of new EMR modules.

## Clinical Research Trials

- ❑ Shifa Clinical Research Center (SCRC) has been revamped and expanded within last financial year to increase the number of trials at the hospital. It received subsequent review and accreditations from relevant authorities including DRAP. Our aim is to provide clinical trials that are based on the Pakistani population to minimize clinical risks and to meet our ever-evolving healthcare requirements.

## Electronic Complaints Management System (eCMS)

- ❑ SIH introduced an electronic Complaint Management System (CMS), as a testament to our patient-centered approach. This allows SIH to track & respond to all patient complaints & queries in real-time.



## **Chemo Daycare Expansion**

- ❑ Chemo daycare services have been expanded to better serve the rising catchment of cancer patients.

## **Gastro OPD Expansion**

- ❑ The expansion involved development of new revenue-generating clinical space with 8 doctor rooms and waiting area for 35 persons, along with all associated requirements.

## **Surgical Clinic Expansion**

- ❑ Surgical services at SIH are aimed to expand to better deliver quality care across a wide range of surgical specialties under the supervision of a multidisciplinary team and a collaborative approach to quality patient care.

## **Medical Oncology Clinic Expansion**

- ❑ Medical Oncology Clinic expansion has been undergone with an emerging and potentially significant increase in cancer disease in Pakistan. This expansion with the addition of 04 consultant's rooms and associated services has led to accommodate growing oncology patients in the hospital including breast cancer, skin cancer, lung cancer, colon cancer, prostate cancer, and lymphoma.

## **Nephrology OPD Clinic Expansion**

- ❑ SIH strives to provide unparalleled clinical services ranging from procedures, i.e., renal biopsy to therapeutic modalities. In this regard, nephrology OPD has been relocated to vacated neurology clinic area and shifted to Dar-ul-Shifa.



## Extension of ER Pediatrics Unit

- ❑ ER Pediatrics Unit has undergone significant expansion to serve young patients and their families in a more effective way.

## Multidisciplinary Tumor Board

- ❑ The expansion involved development of new Multidisciplinary Tumor Board enhanced by integrating several additional specialties including Neurosurgery and Urology. Through an online booking and case discussion module, SIHL aims to provide the best care to patients with complex oncological multi-modality requirements including, radiation, medical and surgical oncology.

## Commissioning of Dar-ul-Shifa IPD Services

- ❑ The operationalization of Dar-ul-Shifa (Shifa Neurosciences Institute) on the basement and ground floors was successfully completed. The Outpatient Department (OPD) setting at Dar-ul-Shifa Neurosciences has greatly facilitated patients in several ways.
- ❑ With the newly introduced specialty of Medical Genetics, patients with genetic disorders and their families will be facilitated with ease of access.
- ❑ IPD Services with 16 beds in private ward configuration has been initiated in Dar-ul-Shifa (Shifa Neurosciences Institute) for neuro patients and interrelated specialties.

## BUSINESS DECISIONS FOR THE NEXT FINANCIAL YEAR



- ❑ Clinical expansion in various areas will continue in the next financial year with inclusion of new Consultants, extension of existing services and introduction of specialized services (Genetics and Lung Transplant) for our patients. Moreover, the hospital has continued to expand its outreach services with the help of **eSHIFA** and ensures that our services are available to patients regardless of where they reside.
- ❑ The hospital will continue to renovate its OPD areas and improve patient flow throughout the facility. The hospital will continue its working on the trajectory of electronic records, with a planned release of IPD EMR to strengthen care for our admitted patients. The overall synergy we hope to achieve will greatly impact patient experience.
- ❑ Expansion of in-patient facilities will be ongoing at **Dar ul Shifa**. For services outside the hospital, SIH continues to partner with **eSHIFA** to ensure that we are able to provide our patients with multiple sites of access to healthcare facilities. Consolidation of some of these facilities, for example **F-11 Medical Center** with **G-10 Medical Center**, further allows us to improve on outcomes and ensure that all our modalities of care are located under one roof.

# ENERGY CONSERVATION



## ❑ Renewable Energy Production

SIH has installed a PV solar system for generating electricity through renewable energy source as Islamabad has an enormous potential to receive solar radiation throughout the year. This system's total volume is 900 KW and is an effort towards energy decarbonization and environmental sustainability.

## ❑ Energy Monitoring System

Energy Management System has been successfully commissioned to analyze, monitor and optimize energy process, assess energy system in real-time and ensure that the system is running in the best condition with optimized energy balance.

## ❑ Electricity Conservation through Waste Heat Recovery Boilers

To limit the dependency on conventional fuel sources and embrace environmental stewardship, SIH is utilizing the unexploited Heat Energy from Gensets. During power generation from Gas Gensets, heat energy is recovered by transforming the dissipated heat energy from flue gas stream of gas generators into steam via waste Heat Recovery Boilers. The inexhaustible waste energy source significantly reduces gas emissions and eventually results in resource recovery.

# ENVIRONMENTAL PROTECTION MEASURES



## ❑ Environmental Monitoring and Legal Compliance

- a. Ongoing environmental monitoring as per Self-Monitoring and Reporting Tool (SMART) Program, EPA, compliance with National Environmental Quality Standards, (NEQS) and guideline is ensured for Indoor Air Quality, Stack Emission Monitoring, Drinking Water Analysis, (Potable/Non-Potable), Wastewater Analysis, Legionella, Distilled Water, Ash Analysis, and Surface Swab
- b. Boilers Inspection as per requirement
- c. Radiation Safety Inspection: Implementation of regulatory Requirements
- d. Inspection of Electrical Installation
- e. Monthly Waste Report Submission to Pak-EPA

## ❑ In-house Environmental Monitoring

Indoor Air Quality monitoring is conducted on a periodic basis throughout the hospital for parameters including Temperature, Humidity, Oxygen Level, Lower Exposure Limits (LEL), CO<sub>2</sub>, CO, Light Levels, Noise Levels, Formaldehyde, and TVOC.

Moreover, the Electrical Conductivity, Salinity, TDS, and Microbial Water Quality of potable and RO-processed water are analyzed to ensure patients, staff, attendants, and visitors safety.

Indoor ambient air parameters that are maintained according to ASHRAE (American Society of Heating, Refrigerating, and Air Conditioning Engineers) standards include air changes per hour (ACH) and cubic feet per minute (CFM).

# ENVIRONMENTAL PROTECTION MEASURES



## ❑ Water Conservation

SIH is dedicated to promoting sustainable water management and usage by adopting effective water conservation practices. In this regard, a Reject Water Treatment System has been installed to treat the concentrate generated by the Drinking Water Treatment System. This setup enables the treatment of water up to a volume of 170 m<sup>3</sup>/month.

Furthermore, the Sprinkler Irrigation system at SIH is playing a significant role in water conservation, achieving up to 40% water savings compared to conventional gravity flow systems.



## ❑ **Highest Employment Generator**

The role of Shifa International Hospital Islamabad (SIH) as a contributor to the social and economic well-being of the communities has been recognized by a nomination as the highest employment generator by the Islamabad Chamber of Commerce & Industry (ICCI). Honorable Dr. Arif Alvi (President, Islamic Republic of Pakistan) presented the award to Mr. Taimoor Shah (Chief Operating Officer, SIH) at the ICCI 5th Business Excellence Awards Ceremony held at Aiwan-e-Saddar, Islamabad on July 21st, 2022. As part of the evaluation, the ICCI award committee has rigorous criteria for reviewing and collecting data from credible sources, i.e., Ministry of Labour & Manpower, Government of Pakistan, to assess the outlook and impact of an organization as a leading employment generator.

## ❑ **Management Association of Pakistan (MAP)**

Shifa International Hospital has achieved the 9th consecutive Corporate Excellence Award in the healthcare sector by the Management Association of Pakistan (MAP). Executive Director, SIH received the award from Mr. Miftah Ismail former federal minister of finance, who was the chief guest of the 37th MAP Excellence Awards ceremony in Karachi.

## ❑ **Corporate Governance Award**

Shifa International Hospital won the award for having the best corporate governance practices in the healthcare sector Dr. Manzoor H. Qazi (ex-CEO SIH) on the occasion, reiterated the organization's commitment to providing quality healthcare and the latest medical technologies to the people of Pakistan.



## ❑ **Award by Institute for Safe Medication Practices (ISMP)**

Shifa International Hospital has been selected as a winner at The 25th Annual Cheers Awards by the Institute for Safe Medication Practices (ISMP) for using camera-assisted verification for chemotherapy admixture services while working with constrained funding. The pharmacy services team had to make sure that the right ingredients & their amounts were confirmed before being added to the final chemotherapy IV bag to adhere to ISMP's Targeted Medication Safety Best Practices for Hospitals. The group implemented a practical & cost-effective solution without adding to the hospital's financial burden. This successful project at Shifa International Hospital shows what healthcare institutions can do to minimize errors even if they cannot afford cutting-edge technology such as gravimetric analytical tools, barcodes, robotic applications, & IV workflow software.

## ❑ **Launching Ceremony of ID Verification Service**

Shifa International Hospital & National Database & Registration Authority (NADRA) inked an agreement on the provision of an identity verification solution that would authenticate the patients as well as donors of organ transplantation.

## AWARDS AND RECOGNITION

Awarded Highest Employment Generator by the Islamabad Chamber of Commerce & Industry (ICCI). Honorable Dr. Arif Alvi (President, Islamic Republic of Pakistan) presented the award to Mr. Taimoor Shah (Chief Operating Officer, SIH) at the ICCI 5th Business Excellence Awards Ceremony held at Aiwan-e-Saddar, Islamabad on July 21st, 2022



# AWARDS AND RECOGNITION



37<sup>th</sup> CORPORATE EXCELLENCE AWARDS 2022



Management Association of Pakistan

37<sup>th</sup> | CORPORATE EXCELLENCE AWARDS 2022  
Monday, October 3, 2022 | Karachi



# Financial Performance

# UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2023

(Rs. in million)

Particulars	2022-23	2021-22
Revenue - Net	19,721	16,198
Other income	617	637
Operating costs	(17,872)	(14,792)
Finance costs	(463)	(382)
Expected credit losses	(57)	(69)
<b>Profit before taxation</b>	<b>1,946</b>	<b>1,592</b>
Provision for taxation	(765)	(429)
<b>Profit after taxation</b>	<b>1,181</b>	<b>1,163</b>
<b>Earnings per share - Basic and Diluted- Rupees</b>	<b>18.69</b>	<b>18.39</b>

COMPANY DECLARED DIVIDEND @ 15% FOR THE YEAR ENDED JUNE 30, 2023

# PERFORMANCE HIGHLIGHTS



## Results of the corresponding fiscal years from July 1 to June 30

<b>Description</b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>	<b><u>2019-20</u></b>	<b><u>2020-21</u></b>	<b><u>2021-22</u></b>	<b><u>2022-23</u></b>
OPD Visits	368,605	397,386	331,299	326,000	378,011	418,096
IPD Visits	143,968	143,805	130,329	134,994	149,371	159,112
Revenue (Rs. In million)	10,271	11,754	12,152	14,220	16,198	19,721
Earning Per Share (Rs)	10.21	14.25	8.18	11.07	18.39	18.69

# UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

## AS ON JUNE 30, 2023

(Rs. in million)

<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
Property, plant and equipment	7,018	7,134
Intangible assets	42	53
Investment property – at cost	748	-
Long term investments - at cost	4,714	3,919
Long term deposits	92	85
Current assets	5,849	5,700
Non current asset held for sale	-	321
<b>Total Assets</b>	<b>18,463</b>	<b>17,212</b>
Equity	10,820	9,650
Non current liabilities	1,751	2,310
Current liabilities	5,892	5,252
<b>Total Equity and Liabilities</b>	<b>18,463</b>	<b>17,212</b>

# PERFORMANCE HIGHLIGHTS



## Results of the corresponding fiscal years from July 1 to June 30

<b>Description</b>	<b><u>2017-18</u></b>	<b><u>2018-19</u></b>	<b><u>2019-20</u></b>	<b><u>2020-21</u></b>	<b><u>2021-22</u></b>	<b><u>2022-23</u></b>
<b>Total Assets (Rs. In million)</b>	10,146	11,938	15,259	16,693	17,212	18,463
<b>Shareholder's Equity (Rs. In million)</b>	5,126	5,647	7,768	8,489	9,650	10,820
<b>Debt Equity ratio</b>	25:75	31:69	34:66	35:65	27:73	19:81
<b>Current ratio</b>	0.83	0.81	1.32	1.23	1.09	0.99

# CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2023

*(Rs. in million)*

	September 30, 2023	September 30, 2022
Net Revenue	5,941	4,742
Other income	55	212
Operating costs	(5,233)	(4,327)
Finance costs	(114)	(116)
Expected Credit Losses	(16)	(13)
<b>Profit before taxation</b>	<b>633</b>	<b>498</b>
Provision for taxation	(240)	(131)
<b>Profit after taxation</b>	<b>393</b>	<b>367</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	<b>6.23</b>	<b>5.81</b>

# FUTURE BUSINESS OUTLOOK



# FUTURE BUSINESS OUTLOOK



- ❑ In alignment with the mission and vision to provide the best healthcare services, the organization plans to attain Joint Commission International Enterprise Accreditation within the current calendar year. This goes above and beyond Shifa's current JCI Hospital Accreditation and further signifies the dedication of Shifa International Hospitals Ltd. to deliver optimum care.
  
- ❑ Our Operational Plan for the next financial year takes a more in-depth approach and focuses on the two most important pillars for holistic care; our patients and our people. In furtherance to this, multiple new quality indicators were added in clinical and managerial categories to emphasize the measurable aspects of optimum patient care and satisfaction.

# FUTURE BUSINESS OUTLOOK



- ❑ Coordination of care for patients is another area of focus, for which a collaborative approach with regional facilities is being developed through MoUs for safe patient transfers highlighting and ensuring compliance with standards of care during transitions. This step will prove to be highly beneficial for high-risk transfers of critical patients.
- ❑ As mentioned above, with upcoming Dar-ul-Shifa IPD additions Shifa is aiming to increase its capacity to cater to its patient base and continue fulfilling its role as a regional leader. Additionally, with renovation and revamping of our OPDs we aim to ensure that all of our patients are facilitated equally.

