



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 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 in the C-0 Auditorium at the Company’s registered office at Sector H-8/4, Islamabad on Saturday, June 15, 2024 at 1100 hours to transact the following business:

ORDINARY BUSINESS

1. To confirm the minutes of the 37th Annual General Meeting of the Company held on October 27, 2023.
2. To elect Ten (10) directors as fixed by the Board U/s 159 (1) of the Companies Act, 2017 for a period of three years commencing from June 15, 2024. The names of the retiring directors are Dr. Habib Ur Rahman, Dr. Manzoor H. Qazi, Mr. Muhammad Zahid, Mr. Qasim Farooq Ahmad, Dr. Samea Kauser Ahmad, Syed Ilyas Ahmed, Prof. Dr. Shoab Ahmed Khan, Dr. Mohammad Naseem Ansari, Mr. Javed K. Siddiqui and Dr. Ioan P. Cleaton-Jones.

SPECIAL BUSINESS

3. To consider and, if deemed fit, approve with or without modification, the following special resolution by the shareholders:

“RESOLVED that the Company be and is hereby authorized and approved to make further additional investment of Rs. 1.606 billion in the paid up capital of Shifa National Hospital Faisalabad (Pvt.) Limited (“SNHF”), a subsidiary of the Company, over a period of three (3) years from the date of approval of this resolution, besides already approved invested equity of Rs. 1,582,279,120/-, 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 this resolution 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 Authorized Person to give full effect to this resolution.

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 this resolution to all relevant parties including the shareholders of the Company.

FURTHER RESOLVED that this resolution 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



**Islamabad
May 23, 2024**

**MUHAMMAD NAEEM
Company Secretary**

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 June 13, 2024:

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 June 13, 2024, after the necessary verification, will be provided a Zoom video-link by the Company via return email. The login facility will remain open on the date of EOGM 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 June 08, 2024 to June 15, 2024 (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 Friday, June 07, 2024 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) Election of Directors

As resolved by the Board through a resolution dated April 25, 2024 that the number of directors to be elected shall be ten, hence, in compliance with the provisions of Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019, election of directors will be held within the following categories;

S. No.	Categories	Number of Vacancies
1	Female Director(s)	1
2	Independent Directors	3
3	Other Directors	6

Any member who seeks to contest an election to the office of Directors, whether he is a retiring director or otherwise, shall file with the Company at its registered office not later than 14 days before the date of the above said meeting;

- Notice of his/her intention to offer himself/herself for election as a Director under Section 159(3) of the Companies Act, 2017 (the “Act”), selecting any one category stated below in which he/ she intends to contest, in accordance with the amendments by the SECP in Regulation 7A of the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the “CCG Regulations”), through S.R.O. 906(I)/2023 dated 07-07-2023;
 - a) Independent Director
 - b) Female Director
 - c) Other Director
- Consent to act as Director on signed appendix to Form 9 of Companies Regulations 2024 under Section 167 of the Act,

along with copy of valid CNIC/ Passport, taxpayer registration certificate.

- A detailed profile along with official address (for placement on the Company's website) as required under SECP's SRO 1196 (1)/ 2019 dated October 03, 2019.
- Signed declaration to the effect that he/ she is aware of the duties and powers of directors under the Companies Act, 2017, Memorandum and Articles of Association of the Company, Rule Book of the Pakistan Stock Exchange and the Listed Companies (Code of Corporate Governance) Regulations, 2019 and other relevant laws and regulations.
- A declaration in respect of being;
 - a) Compliant with all the applicable laws and regulations including without limiting the requirements of the CCG Regulations and eligibility criteria as set out in the Act, to act as director of the listed company.
 - b) not ineligible to become Director of a listed company under Section 153 & 177 of the Act or any other applicable law.
 - c) not serving as director, including as an alternate director, in more than seven (7) listed companies simultaneously.
 - d) aware of the duties of the directors under the Companies Act, 2017, the Memorandum and Articles of Association of the Company and Listing Regulations of the Pakistan Stock Exchange.

- In case of person contesting as independent director, he/ she shall also submit a declaration that he/ she qualifies the criteria of eligibility and independence notified under the Companies Act, 2017 and rules and regulations issued thereunder.
- The candidates are requested to read the relevant provisions/ requirements relating to the Election of Directors, as stipulated in the Act and CCG Regulations, the applicable laws and regulations and ensure the compliance with the same in letter and spirit.

v) 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(I)/2022 dated December 05, 2022, members will be allowed to exercise their right to vote for

- special business in the EOGM and
- election of directors, where the number of contestants are more than the number of directors to be elected

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 mobile 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 June 12, 2024, 09:00 a.m. and shall close on June 14, 2024 at 5:00 p.m. Members can cast their votes any time during this period. Once the vote on a resolution has been casted 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 chairman@shifa.com.pk one day before the Extraordinary General Meeting i.e. on June 14, 2024, during working hours. The signature on the ballot paper shall match with the signature on CNIC.

vi) Change of Address

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

vii) 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

viii) 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. Additionally, the Company is not permitted to distribute gifts in any form to its shareholders in its meetings as per Section 185 of Companies Act, 2017.

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
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 - ELECTION OF DIRECTORS

The term of office of the current directors of the Company will expire on June 14, 2024. In accordance with Section 159(1) of the Companies Act, 2017, the board of directors has fixed the number of directors to be elected at the EOGM as ten (10) to hold the office of director for a period of three (03) years commencing from June 15, 2024.

Section 166(3) of the Companies Act, 2017 requires that a statement of material facts annexed to the notice of the general meeting called upon for the purpose of election of directors shall include the justification for choosing independent directors.

The Company is required to have independent directors in its board in accordance with the Listed Companies (Code of Corporate Governance) Regulations 2019. The Company shall ensure that independent directors are elected in the same manner as other directors in terms of the provisions of Sections 159 of the Companies Act, 2017. The independent directors will be chosen after exercising due diligence by applying the following criteria;

- (a) Appropriate competencies, diversity, skill, knowledge, and experience; and

- (b) Names appearing in the data bank maintained by the Pakistan Institute of Corporate Governance duly authorized by the SECP and in accordance with the Companies (Manner and Selection of Independent Directors) Regulations 2018.

The directors chosen shall not have direct or indirect interest in the business of the Company, other than as shareholders and are eligible to contest the election of directorship.

AGENDA ITEM NO. 3 - INFORMATION RELATING TO 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	Subsidiary with 61% shareholding
(iii)	Earnings/ (loss) per share in Rupee(s) for the last three years	In Re. 2023 – (0.054) (Unaudited) 2022 – (0.026) 2021 – (0.139)
(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 on the basis of its latest financial	Included below*

	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	Construction Works Started on February 01, 2022. If additional investment is approved the works will resume in First Quarter of the Financial Year 2025. Expected Completion Date: June 2026
	(III) time by which such project shall become commercially operational	Financial Year 2027
	(IV) expected time by which the project shall start paying return on investment; and	Year 6 of operations
	(V) funds invested or to be invested by the promoters, sponsors, associated company or associated undertaking distinguishing between cash and non-cash	Cash: Rs. 1,582,279,120 Funds to be invested: Rs. 1,605,995,360 besides already approved invested amount of Rs. 1,582,279,120 by the Shareholders in the

	amounts;	AGM held on October 27, 2018.
	General Disclosures	
(i)	Maximum amount of investment to be made	Rs. 3,188,274,480 (Including already invested amount of Rs. 1,582,279,120)
(ii)	Purpose, benefits likely to accrue to the investing company and its members from such investment and period of investment	Expansion, Profitability, Dividend within 6 years of investment.
(iii)	Sources of funds to be utilized for investment and where the investment is intended to be made using borrowed funds,-	Available Funds & Internally Generated 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 to the proposed investment	The Company will sign management & operation agreement with SNHF
(v)	Direct or indirect interest of directors, sponsors, majority shareholders and their relatives, if any, in the associated company or	Following will have interest:- a. The Company has equity interest and nomination of directors on the Board of Shifa National Hospitals

	associated undertaking or the transaction under consideration;	<p>(Pvt.) Limited.</p> <p>b. Dr. Habib Ur Rahman, Dr. Manzoor H. Qazi and Dr. Samea Kauser Ahmad are also nominee directors of the Company in Shifa National Hospital Faisalabad (Pvt.) Limited</p> <p>Besides 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:</p> <ul style="list-style-type: none"> - Land Acquired - Planning Completed - Design Prepared - All relevant approvals taken - Building Works in progress. 	
(vii)	Any other important details necessary for the members to understand the transaction;	Max Investment Required	Rs. 3,188,274,480
		Approval Available	Rs. 1,582,279,120
		Balance Approval required	Rs. 1,605,995,360

		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	158,227,912 At present 318,827,448 After Approval	
(iv)	Number of securities and percentage thereof held before and after the proposed investment	Before: 158,227,912 - 61% After: 318,827,448 - 60%	
(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 31-03-2024

Statement of Financial Position	<u>Rupees</u>
Non Current Assets	2,869,094,617
Current Assets	111,701,402
Share Capital & Reserves	2,874,116,171
Non Current Liabilities	-
Current Liabilities	106,679,848
Profit & Loss Account	
Other Income	7,959,599
Operating Cost	(16,955,511)
(Loss) / Profit Before Tax	(8,995,912)
Provision for Taxation	(1,605,594)
(Loss) / Profit After Tax	(10,601,506)

The directors have approved the recommendations of the due diligence report and the due diligence report shall be made available for inspection in the Extraordinary General Meeting of the Company scheduled to be held on June 15, 2024 as required under Regulation 3(3) of Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2017.



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Shifa International Hospitals Ltd

Sector : H-8/4, Islamabad - Pakistan

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E-mail: secretary@shifa.com.pk

Website: www.shifa.com.pk

UNCONFIRMED

**MINUTES OF THE 37TH ANNUAL GENERAL MEETING (AGM)
OF SHIFA INTERNATIONAL HOSPITALS LIMITED
HELD ON OCTOBER 27, 2023 AT 1100 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 / Chairman	4705-15632
2	Dr. Manzoor H. Qazi / Director	4705-15631
3	Dr. Zeeshan Bin Ishtiaque / CEO	4916 & 5264-156641
4	Mr. Qasim Farooq Ahmad / Vice Chairman	4719 & 4705-8291
5	Dr. Samea K. Ahmad /Director	150 & 4705-93982
6	Syed Ilyas Ahmed / Independent Director	4442
7	Dr. Mohammad Naseem Ansari / Independent Director (through Video Link)	3350-130183 & 4705-85097
8	Mr. Javed K. Siddiqui / Independent Director (through Video Link)	4815
9	Mr. Taimoor Shah / Chief Operating Officer	5264-27082
10	Dr. Fatima Zohra Ahmad	4835, 1826-21642 & 4705-93905
11	Dr. Mazhar Ali Mufti	307-90906 & 4705-9679

12	Dr. Danyal Hassan	3015
13	Mr. Samiulla Sharief	004, 146, 4644, 4645 & 4646
14	Dr. Mohammad Salim Khan	4705-78300
15	Dr. Munir Iqbal Malik	10629-433444
16	Mr. Faqir Muhammad	2972
17	Mr. Mozammil Iqbal	6452-45493
18	Mr. Hassan Azam Shibli	5264-82748
19	Ms. Rehana Gill	2982
20	Mr. Barkhudar	4462
21	Muhammad Aslam Qureshi	2988
22	Syed Nayyar Ali Zaidi	307-77630
23	Muhammad Asim Altaf	4705-105614
24	Mr. Imran Ali	4577 & 4915
25	Nawazish Rasool Chaudhry	10629-406929
26	Dr. Rehana Sayeed & Khawaja Sayeed Ahmad	4705-109446
27	Muhammad Hammad Khan	10629-70485
28	Abdul Tayyab	14837-1721
29	Shahna Tayyab	1826-78246
30	Abdul Jawad Khan	14837-1960
31	Muhammad Waqar Hussain	14837-2265
32	Mr. M. Tariq Baig	6122-127183
33	Mr. Shakir Zamir Siddiqi	2428
34	Zahra Jabeen Anwar	14837-8726
35	Syed Mudassar Ahmad Bukhari	10629-371305
36	Sarwat Jabeen (through Video Link)	6452-57373
37	Mrs. Kulsoom Z. Ahmad through Dr. Samea Kauser Ahmad	74, 1826-21550 & 4705-91792
38	Dr. Mohammad Ahmad Bilal through Dr. Samea Kauser Ahmad	1826-21410 & 4705-8282

39	Management Committee of Tameer-e-Millat Foundation through Dr. Samea Kauser Ahmad	4559, 4705-10896 & 7419-13148
40	Management Committee of Shifa Foundation through Dr. Manzoor H. Qazi	4412, 4519, 4705-10895 & 7419-13189
41	Shifa Tameer-e-Millat University through Dr. Manzoor H. Qazi	4827 & 6684-297567
42	SIHL Empoyees' Gratuity Fund through Dr. Zeeshan Bin Ishtiaque	4824
43	International Finance Corporation through Mr. Ameet Kumar (Video Link)	547-8404
44	CDC - Trustee Atlas Stock Market Fund through Mr. Yasir Salamat	5959-27
45	CDC - Trustee Atlas Islamic Stock Fund through Mr. Yasir Salamat	9449-25
46	CDC - Trustee Apf-Equity Sub Fund through Mr. Yasir Salamat	10603-21
47	CDC - Trustee Apif - Equity Sub Fund through Mr. Yasir Salamat	10900-25
48	CDC - Trustee Atlas Islamic Dedicated Stock Fund through Mr. Yasir Salamat	17681-26

Leave of absence was granted to Mr. Muhammad Zahid and Dr. Shoab Ahmed Khan, Directors, who could not attend the meeting due to personal commitments/engagements.

Besides above, from the management of the Company, Dr. Khawaja Junaid Mustafa Chief Medical Officer (CMO), Mr. Shams Ur Rehman Abbasi Chief Finance Officer (CFO), Mr. Muhammad Saeed Head of Internal Audit, Mr. Shuja Rauf General Manager, Corporate Business Department, Mr. Salman Shafiq General Manager Planning & Finance, Mr. Mohsin Qazi Director, Regulatory Affairs were also present along with representatives of the statutory auditors of the Company.

QUORUM

48 members attended the meeting representing 33,376,718 shares (52.80%) held by self, through proxies and video-link.

Dr. Habib-Ur-Rahman, Chairman presided over the meeting and welcomed the shareholders, directors, auditors and management of the Company to the 37th 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.

With the permission of Chair, Company Secretary read out the notice of the 37th Annual General Meeting of the shareholders of the Company.

ORDINARY BUSINESS

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

Under this agenda item, Company Secretary informed the participants that the minutes of the 36th Annual General Meeting (AGM) held on October 28, 2022 were sent to the shareholders alongwith the notice of instant AGM and have also been provided here. On the request of the Secretary the minutes of the 36th Annual General Meeting of the Company were taken as read.

He then invited comments on the minutes of the said AGM of the Company.

There being no comments on the minutes of the 36th Annual General Meeting, on the proposal of Mr. Hassan Azam Shibli (CDC A/c # 5264-82748) seconded by Dr. Mazhar Ali Mufti (CDC A/c # 307-90906 & 4705-9679), the said minutes were confirmed and following resolution was passed unanimously:

“RESOLVED that the minutes of the 36th Annual General Meeting of the Company held on October 28, 2022 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, 2023 together with the directors’ and auditors’ report thereon.

Under this agenda item the Company Secretary informed the members present that the Annual Audited Accounts (consolidated and unconsolidated) of the Company for the year ended June 30, 2023 together with the directors’ and auditors’ report thereon were shared with the members along with the notice of the AGM and were also made available on the Company’s website.

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 (CEO) to give a brief summary, share his thoughts and update the members on the performance of the Company. He then informed the members that upon the conclusion of the CEO's speech he will invite questions from the members and also explained the decorum to be followed during the question-and-answer session. He then invited the CEO to the podium.

The Chief Executive Officer started off with the name of Allah SWT and thanked & appreciated all the participants for attending this general meeting in person/virtually and briefed the members as under:

The CEO expressed gratitude for the opportunity to serve as the third CEO of the Company, following the legacy of visionary leaders such as Dr. Zaheer and Dr. Qazi. In acknowledging Dr. Zaheer's contributions, he described him as a visionary, exceptional leader, and one of the country's foremost entrepreneurs in medical sciences and education. Additionally, he spoke warmly about Dr. Qazi, emphasizing the roles of teacher, mentor, and fatherly figure. Above all, he highlighted Dr. Qazi's qualities as a good human being, believing that the Almighty guides all his endeavors.

He offered a retrospective look at the Company's accomplishments spanning 37 years. The organization progressed from a modest start to now boasting the finest medical staff in the country. The CEO underscored achievements like a top-notch postgraduate medical education program, the provision of quaternary care services, and holding accreditation from JCI while performing major surgeries and transplants. He highlighted the Company's crucial role as a beacon of hope and a substantial contributor to the nation's economy.

Acknowledging imperfections, the CEO admitted that decisions could have been better but stressed the ongoing nature of the journey. He then transitioned to the second part of his speech, discussing the importance of building a strong team. The CEO emphasized the need to surround oneself with towering personalities and shared the fundamental principles guiding the Company: pleasing Allah Almighty, prioritizing patients, and valuing people, including employees, vendors, partners, and investors. He introduced the concept of "management by measurement" as a key approach to effective decision-making.

Looking towards the future, the CEO outlined plans for expansion and enterprise accreditation standards to manage multiple facilities efficiently. He highlighted the significance of having structures and systems in place for remote management. In the third part of his speech, he delved into the complexity of the healthcare business, emphasizing the organization's unique ecosystem that

includes care, education, and research. He further added that the Company is going for enterprise accreditation standards of JCI.

Expressing gratitude to the investors, the CEO sought their continued support, guidance, and confidence for the organization's future endeavors. In conclusion, he thanked the participants, and the Company Secretary invited questions from the members, opening the floor for further discussion.

The Company Secretary thanked the CEO for sharing his mindful thoughts with the respected shareholders. He then opened the forum for question and answers and invited questions from the members.

The first question was raised by Dr. Khawaja Sayeed Ahmad (CDC A/c # 4705-109446) whereby he asked the reason to convene the meeting on a Friday.

The Company Secretary replied that the as per statutory requirements the AGM is to be held within 120 days from the close of the Financial Year therefore, the companies are obliged to hold AGMs by October 28 of every year. He further said that due to some unavoidable circumstances the meeting is being held today i.e. on Friday, October 27, 2023 however in future we will Insha Allah look at the possibility of holding general meetings on a day other than Friday.

At this juncture Mr. Hassan Azam Shibli said that it is always a pleasure, privilege and honor to be here in the AGM of Shifa Hospital, a center of excellence and a symbol of pride being one of the top most hospitals of the country which conforms with international standards. Before presenting his question, he also took the opportunity to thank Dr. Qazi, the former CEO, for his contribution and the achievements of the hospital under his able guidance. He also appreciated the Chief Executive's Message in the Annual Report and for setting a Hadith of the Holy Prophet Sallallahu alayhi wa alehi wa sallam, such a high standard, as the organisation's guiding principle. He also asked that everyone join him in a prayer that the Almighty give the strength and sincerity so that the Hadith of the Holy Prophet is implemented in its true spirit.

Mr. Shibli before asking question said that the purpose of the questions, as an individual shareholder, is a humble effort to know more about the Company, its financial affairs and operating results and not an effort to spread any kind of negativity. He then said that the operating cost also increased in tandem with the increase in revenue whereas the Company's profit before taxation increased by 22% which seems mainly due to other income and appears to be the result of gain on foreign currency deposit - a persistent pattern since the investment made by IFC. He further said that the net profit increased by only 2% and the profitability of the Company for the last five years is static which is not a good

sign for the Company and being capital intensive in nature, its necessitated equipment becomes obsolete in a short span of time. He then asked his question that if there are any aggressive steps that the organization is taking to improve its bottom line and pay outs.

The CEO thanked Mr. Shibli for his kind words which meant a lot and in reply to his question stated we don't know whether we will be able to improve our bottom line in future for the following reasons:

- a. The current policy rate is unprecedentedly high, never seen during the last two decades
- b. The imposition of increased rate of super tax
- c. Inflation and utility costs have sky rocketed
- d. Devaluation of the Rupee, which from one aspect has given us some benefit but unfortunately every item from the simplest suture to the most complicated equipment is pegged to the dollar
- e. Escalation in fuel prices etc.

He said that we do not have any control on any of these factors. He further said that the option of doing more is always there and we are putting our best efforts but the prevailing uncertain situation and happening of untoward events are beyond our control. Therefore, we can't promise positive outcomes in these circumstances. He further added that we are both capital intensive and human resource intensive industry and in such dire situation it is always a challenge to retain our qualified, trained and highly skilled human resource in a time where we are experiencing record brain drain. The CEO then also informed the members that there were certain decisions that were made together collectively in which it was understood that there is a saturation in our existing facilities and moving forward we have to move outside existing facilities. However, because of the price escalations the projects that were being pursued are facing delayed. He added that we had to make difficult decisions such as selling off the Islamabad F11 project, which was intimated to the members, and continuing the Faisalabad project.

He agreed with Mr. Shibli's assessment, acknowledging the imperative to address profitability. Currently, he said that the team is actively working to enhance cost-effectiveness, optimize utilization, and improve efficiency, all while striving to increase patient numbers. Recognizing the patients as end-users, entire impact of cost-increase cannot be passed on to the end-users. While he couldn't make promises due to the challenging circumstances, he assured that the intention and determination exist to give their best effort. Mr. Shibli's points were acknowledged as valid. Subsequently, he invited Mr. Shams, the CFO, to contribute any specific points to the discussion.

Mr. Shams, the CFO, thanked Mr. Shibli for his pertinent questions and replied that most of the issues have been explained by Dr. Zeeshan with respect to the factors that have impeded the financial performance of the Company in particular taxation which includes the imposition of super tax at 10% from 4% effective from the financial year 2023, certain sales tax exemptions for teaching hospitals have been withdrawn, withdrawal of exemptions on certain import duties which have significantly impacted the cost of doing business. He also corrected that exchange gain during the current year is not the only contributing factor for bottom line. He then pointed out that profit before taxation has increased by 22% and the main reason for reduction in net profit is increase in taxation. He further added that though there are foreign exchange gains on the one side but on the other side they have also resulted into the extra tax levy. He added that if these two factors are excluded then the bottom line growth would have been 13 to 14 % instead of 2%. Mr. Shams informed the members when correlating these figures with our volume, despite facing various challenges, there is a significant growth in volume across almost all specialties. He added that supply chain disruption due to restriction on import and not timely opening of LCs and other macroeconomic changes increased the cost of doing business, however, the positive side is that in terms of volume in OPD visits IPD admission, Lab and radiology tests have grown by 8% to 14%.

Mr. Shibli then asked that Shifa has a diversified board of directors but being a labor intensive industry with more than 5,300 employees, the board should consider including an HR Professional as a member of the Board which would add value.

Dr. Habib replied by stating that it is a good proposal but his perception about this matter is different. He added that soon after the Company was incorporated we pledged that the Board will not interfere in the day to day management as accountability can only be there if the management have fully authority and responsibility to run the operations in line with the strategic decisions made by the governance. He added that as a result, we found ourselves fighting our urges of involvement in management and coming back to the question the answer is putting in place the best professional team running the HR Department and not to interfere in it. He said that he is the Chairman of the Company but he never recommended any person for hiring at the Company so that the management may not be influenced and now he can safely say that not a single person in the hospital is even remotely related to him. He added that the policy at the Board level is that there is a Human Resource Committee for the compensation of the senior executives and we keep an eye on who is being hired because the standard of meritocracy is what makes an organization and we are very grateful to Allah Almighty that in our conscience the Board does not interfere. He further

added that IT is a very crucial area and having two highly qualified and experienced IT professionals on the Board has helped us find the future direction. He hoped that his differing reply is acceptable.

Mr. Shibli then drew attention to page 25 on the annual report on risks and opportunities in which one of the risks is related to obsolete technology threat. He then said that assets worth Rs. 2 billion are fully depreciated out of the total fixed assets of the Company whereas the Company spent on account of repair and maintenance Rs. 642 million and Rs. 851 million in the year 2022 and 2023 respectively. He added that this may be considered as a suggestion or a question that increase in revenue and bottom line is very important for Shifa as the status at which it stands it is extremely important that it has the latest state of the art equipment.

The CEO replied that the reason why we say that we live in an oasis is because there is a difference in the systems outside the premises and inside the premises. He added that his hats off to the biomedical and facilities departments and the best professionals involved because despite the fact that bio medical equipment is fully depreciated they are still running it while still meeting the best possible standards and maintaining them. He then added that on the part related to high repair and maintenance costs, the SLAs of the equipment is in dollars and as the dollar appreciates it significantly impacts the repair and maintenance cost as they rise as well. He added that we have a good practice in place which is if we have to purchase an equipment before it goes to the purchase committee there has to be a feasibility in place and we have to go through certain process and steps. He added that the problem we face is that today when the vendor quotes a price it does not stand valid due to the rapid change in exchange rates, like an MRI if it was worth Rs. 20 crores previously, it costs many times more now. He added that the point is that these are the challenges we are facing and we are thinking about out of the box solutions such as revenue sharing models but again it has to make business sense for the patients, the vendors and the hospital as well. He then asked Mr. Taimoor Shah, COO, to share his views as well.

The COO replied that we try our level best to get the maximum benefit possible from the equipment and with regards to the high repair and maintenance costs, this is not due to break downs but as earlier mentioned by the CEO it is because of the SLAs that are priced in dollars and includes preventative maintenance as well. He added that secondly the risk of obsolete technology forces us to think outside the box as well because the traditional model is usually to take a loan and purchase the equipment but are there other models as well. He added that the economic situation has also forced the vendors to look at other models and one of the biggest examples is that of the solar plant. He further told that if it were to be bought outright there would have been a very heavy cost but with an

alternate model the organization did not incur any capital cost. He added that likewise by looking at and applying alternate purchasing models we are mitigating this risk. He apprised that the risk has been identified and it is being addressed as much as possible in the current reality.

Mr. Shibli appreciated that the Company's liquidity management is very good which is a welcome sign. He then asked that the status of a dispute with a property dealer referring to Note 16.1 of the Financials. He further added that he is not pleased to see that the Company is investing in real estate because with the high level professionals working in the organization there are several different business avenues that the Company can diversify into including Pharma which he has emphasized previously as well.

The CEO replied that there is a confidence and trust of the people who deal or are associated with Shifa and this confidence does not stem from the fact that every decision made at Shifa has been the right decision. He added that this trust and confidence exists because Shifa is transparent, honest and we have a culture of accountability and this inspires confidence in professionals that they can do something meaningful in this country. He added that there is also a culture in which the professionals can raise their voice and raise red flags about things that are incorrect and they will be addressed in the same spirit. Returning to the question the CEO stated that our vendors are our partners and we are also actively working on not only reducing our receivables but also our payables because we believe in that partnership making it a win-win situation. Moreover, he added that by working towards building this partnership it allows us to explore different possibilities and models with them. He then explained that we are actively working on the receivables and are also looking at different strategies such that they make sense in today's current economic environment so effort is in place to see if the existing models need to be revisited. He added that similarly we are also looking at strategies to improve our inventory management and it is imperative that we maintain a balance in ensuring that we do not place ourselves in a precarious position of not having inventory versus it making financial sense. On investment in real estate the CEO replied that the culture we have in this organization is that we can raise questions even before the board with the full faith that they will be addressed on merit. Moreover, he said, at that point in time the decision to invest in real estate taken was perhaps the best decision at that time. But, he said that hindsight is always 6/6 and we can always state that if something else was done, it would have been better. On note 16.1 the CEO replied that there is a company with whom we had an agreement on the basis of which they were managing the land project and a process was in place defining different responsibilities including due diligence, however, they failed to carry out their obligations and did not follow the due process they were supposed to follow. He added that at this point we are exploring all options

including legal options on how to address the issue. He concluded by saying that we believe that it is always good to learn lessons from what we have done previously and try not to repeat those mistakes in future.

Mr. Shibli, then drawing attention to page number 86 of the report on value addition asked about the Company's initiative towards Corporate Social Responsibility (CSR) as the figures did not reflect much value addition and it is his humble submission that being an investor and shareholder of Shifa his investment be part of CSR activities and secondly he asked that the Company consider improving its dividend payouts.

The CEO replied that it is heartening to hear this comment from him in terms of CSR as mostly shareholders will ask that dividend payouts be increased as opposed to spending profits towards CSR, so he is extremely glad to hear that the shareholders of Shifa desire the promotion of CSR activities. He added that the Company, since its founding fathers, has always carried out this mission which is based on several arms, one is the commercial which is Shifa Hospital and the others are the social arms which include Shifa Foundation in healthcare, Tameer-e-Millat in education and also Shifa Tameer-e-Millat University all under the Shifa Family. He further added that over a period of time we have always been working towards best practices which include carrying out transactions at arms' length even among these organisations. He further added that we have also learnt that every organization should work independently according to potential and resources while maintaining the best practices. He also informed that the investors should rest assured that by contributing to Shifa their contributions become part of the ecosystem in Shifa which includes the social arms. On dividends, the CEO concurred that Mr. Shibli is right and Shifa being a business it must create value for everyone including shareholders. He also added that there is an initiative in place by which we will reach out to our investors and the shares department is doing a wonderful job maintaining the relationship and addressing queries and problems faced by the investors. He added that it is being taken a step further by establishing an investor relations department within Shifa where we can proactively work with the investors and shareholders to see what are their needs and to manage their expectations.

Mr. Shibli thanked the CEO for his detailed, eloquent and excellent answers and concluded by saying that the combination of old and young in the Board and Management is an excellent combination which will definitely lead to a success story and prayed with well wishes for Shifa.

The Company Secretary thanked Mr. Shibli for his comments and pertinent questions which give an opportunity of learning for everyone.

There being no other question, on the proposal of Mr. Hassan Azam Shibli seconded by Dr. Mazhar Ali Mufti, the Annual Audited Accounts (Consolidated and Unconsolidated) of the Company for the year ended June 30, 2023 together with the auditors' report thereon and the directors' report to the members were approved and following resolution was passed unanimously

“RESOLVED that the Annual Audited Accounts (Consolidated and Unconsolidated) of the Company for the year ended June 30, 2023 together with the auditors' report thereon and the directors' report to the members be and are hereby approved and adopted.”

3- To approve the payment of cash dividend @ Rs. 1.50 per share for the year ended June 30, 2023.

Under this agenda item, Company Secretary informed that the Board of Directors of the Company has recommended cash dividend of Rs. 1.50 per share, i.e. 15%, for the year ended June 30, 2023 to the shareholders whose names appear in the shareholders' register at the close of business on October 19, 2023.

After some discussion and deliberation, on the proposal of Mr. Shibli seconded by Mr. Tayyab (CDC A/c # 14837-1721), the members unanimously resolved as under:

“RESOLVED that a cash dividend of Rs. 1.50 per share as recommended by the Board of Directors be and is hereby approved for the year ended June 30, 2023.”

4- To appoint auditors for the year ending June 30, 2024. The Audit Committee and Board of Directors, have recommended the name of retiring auditors M/s BDO Ebrahim & Co., Chartered Accountants to be reappointed as auditors of the Company.

Company Secretary informed the members that both Audit Committee and Board of the Company have recommended to reappoint M/s BDO Ebrahim and Co., Chartered Accountants as auditors of the Company for the year ending June 30, 2024 at the same annual remuneration of Rs. 2.61 million excluding sales tax and out of pocket expenses. Further, he informed that other certifications whenever required, shall be charged separately.

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 question/observation, on the proposal of Mr. Shibli seconded by Mr. Tayyab, the members approved the reappointment of M/s BDO Ebrahim and Co., Chartered Accountants, as the auditors of the Company for the year ending June 30, 2024 and following resolution was passed unanimously:

“RESOLVED that M/s BDO Ebrahim & Co., Chartered Accountants, be and are hereby reappointed as the auditors of the Company for the year ending June 30, 2024 at the existing annual remuneration set in the previous year.”

SPECIAL BUSINESS

- 5- 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.

Under this agenda item the Company Secretary informed the members that this agenda is pursuant to a notification from the SECP March 21, 2023 stating that Public listed companies are allowed to circulate the annual balance sheet and profit and loss account, auditor's report and directors report, etc. ("annual audited financial statements") to its members through QR enabled code and weblink subject to the fulfilment of certain conditions which includes obtaining approval of the shareholders in the general meeting to circulate the annual audited financial statements to its members through QR enabled code and weblink.

He informed the members that in order to obtain the approval of the shareholders the procedures as laid out in the Postal Ballot Regulations have been followed. He added that the members present are to vote if they have not already voted through e-voting facility or postal ballot. He then read out the resolution and asked the members if they vote “For” the resolution by a show of hands. The members present voted unanimously in favour of the resolution.

The votes cast by poll, e-voting and postal ballot were counted and the Chairman announced the result of the vote as follows:

Total number of votes casted:	33,389,597
Number of votes casted in favour:	33,389,578
Number of votes casted against:	19
Percentage of votes casted in favour:	99.99%

The resolution was passed as follows:

“RESOLVED that Company be and is hereby authorized 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 Securities and Exchange Commission of Pakistan.”

There being no other business to transact, the Chairman thanked all the members for their participation and the meeting concluded.

FEEDBACK FROM CEO

Reflecting on the shareholders' meeting, the CEO was pleased with positive feedback on meeting structure and open communication. Shareholders expressed satisfaction with effective liquidity management and efficient handling of assets, showcasing the Company's commitment to transparency and prudent financial practices.

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 Saturday June 15, 2024, and at any adjournment thereof.
As witness my hand this _____ day of _____ 2024.
Signed by the said _____

Revenue Stamp

(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. _____
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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 his/her original 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..... شیئر ہولڈر شفا انٹرنیشنل ہسپتال لمیٹڈ
، فلیو نمبر / سی ڈی سی اکاؤنٹ نمبر..... شیئر زکا شمار..... بذریعہ ہذا تقرر کرتا
ہوں..... ساکن..... فلیو نمبر / سی ڈی سی اکاؤنٹ نمبر..... یا
اس کی عدم دستیابی پر..... ساکن..... فلیو نمبر / 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 15 جون 2024 بروز ہفتہ 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۔

ریونیو مہر

میں بطور گواہ اس..... دن..... 2024.....
دستخط مذکورہ بالا.....

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

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 کمپنی کے رجسٹرڈ دفتر واقع سیکٹر 8/H-8، اسلام آباد پہنچ جانا چاہئے۔
- 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 ہولڈر / شیئر ہولڈر اپنی پراکسی مقرر کرنے کا مجاز ہے۔ اس پراکسی کو اجلاس میں شرکت کے وقت اپنے اصل کمپیوٹرائزڈ قومی شناختی کارڈ یا اصل پاسپورٹ دکھانا لازمی ہوگا۔

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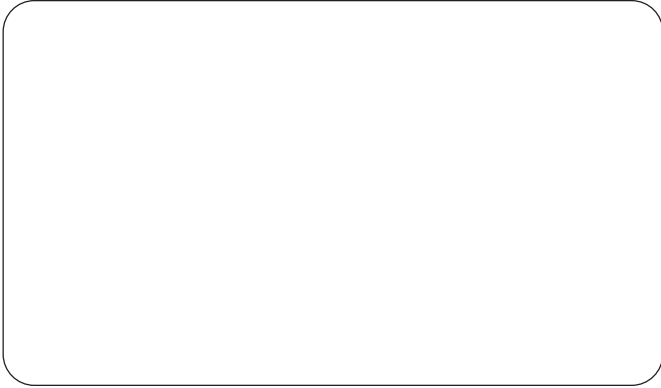
The Company Secretary
Shifa International Hospitals Ltd.
Sector: H-8/4, Islamabad,
Pakistan.

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شفہ انٹرنیشنل ہسپتال اسلام آباد

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

