



RISING STRONGER

FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2025



Shifa
International
Hospitals Ltd.



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COMPANY INFORMATION

Board of Directors

Dr. Habib Ur Rahman	Chairman
Dr. Zeeshan Bin Ishtiaque	CEO
Dr. Manzoor H. Qazi	Director
Mr. Qasim Farooq Ahmad	Vice Chairman
Dr. Samea Kauser Ahmad	Director
Syed Ilyas Ahmed	Director
Dr. Mohammad Naseem Ansari	Independent Director
Dr. Ioan Philippe Cleaton-Jones	Director
Shah Naveed Saeed	Independent Director
Dr. Mohammad Salim Khan	Independent Director
Mr. Taimoor Shah	Director

Audit Committee

Shah Naveed Saeed	Chairman
Dr. Manzoor H. Qazi	Member
Dr. Samea Kauser Ahmad	Member
Syed Ilyas Ahmed	Member

Human Resource & Remuneration Committee

Dr. Mohammad Naseem Ansari	Chairman
Dr. Habib Ur Rahman	Member
Dr. Zeeshan Bin Ishtiaque	Member
Dr. Manzoor H. Qazi	Member
Syed Ilyas Ahmed	Member
Mr. Qasim Farooq Ahmad	Member

Corporate Governance & Nominations Committee

Dr. Manzoor H. Qazi	Chairman
Dr. Zeeshan Bin Ishtiaque	Member
Dr. Samea Kauser Ahmad	Member
Dr. Ioan Philippe Cleaton-Jones	Member

Risk Management Committee

Mr. Qasim Farooq Ahmad	Chairman
Dr. Mohammad Naseem Ansari	Member
Mr. Taimoor Shah	Member
Dr. Mohammad Salim Khan	Member

Chief Operating Officer

Mr. Taimoor Shah

Chief Medical Officer

Dr. Khawaja Junaid Mustafa

Chief Financial Officer

Mr. Shams Ur Rehman Abbasi

Company Secretary

Mr. Muhammad Naeem

Head of Internal Audit

Mr. Muhammad Saeed

Auditors

M/s BDO Ebrahim & Co.
Chartered Accountants

Legal Advisor

M/s Bashir Ahmad Ansari & Company

Share Registrar

M/s Corplink (Private) Limited
Wings Arcade, 1-K, Commercial,
Model Town, Lahore

Registered Office

Sector H-8/4, Islamabad

Bankers

Meezan Bank Limited
Al Baraka Bank (Pakistan) Limited
Bank Alfalah Limited
United Bank Limited
Habib Bank Limited
Faysal Bank Limited
MCB Bank Limited
First Habib Modaraba
Dubai Islamic Bank Limited
Bank Al Habib Limited

DIRECTORS' REVIEW

IN THE NAME OF ALLAH, THE MOST BENEVOLENT, THE MOST GRACIOUS

Dear Shareholders,

The Board of Directors is delighted to present the Condensed Interim Unconsolidated and Consolidated Financial Statements of the Company, covering the nine months' period ended on March 31, 2025. The key financial highlights are given below:

Financial Highlights	PKR in million Nine months period ended March 31,					
	2025	2024	Change %	2025	2024	Change %
	UNCONSOLIDATED			CONSOLIDATED		
Net revenue	20,872	17,803	17%	20,872	17,793	17%
Other income	283	152	86%	254	182	40%
Profit before levies and income tax	3,312	1,757	89%	3,251	1,743	87%
Profit for the period	1,883	1,066	77%	1,794	1,026	75%
Earnings per share (Rs.)	29.79	16.87	77%	28.71	16.62	73%

During the period under review, the Company demonstrated strong operational resilience and a strategic focus, leading to a 17% increase in revenue and a 77% rise in net earnings. This performance was primarily driven by significant revenue growth, supported by rigorous cost control measures and a steadfast commitment to improving operational efficiency and maintaining prudent financial management. Additionally, the finance costs declined significantly by 21% as a result of strategic debt repayments, further strengthening overall profitability. Consequently, earnings per share increased by 77%, rising to Rs. 29.79 from Rs. 16.87 in the corresponding period of the previous year.

The Company's performance during the period highlights its commitment to operational excellence, financial discipline, and strategic execution. With strong earnings growth, robust liquidity, and a solid financial position, the Company is well-positioned to continue delivering long-term value to its shareholders.

Strategic Developments

To optimize operational efficiency and enhancing group synergies, the Company has merged its wholly owned subsidiary, Shifa Neuro Sciences Institute Islamabad (Private) Limited, with effect from March 25, 2025, upon the submission of scheme of amalgamation and requisite documents to the Securities and Exchange Commission of Pakistan (SECP).

Future Outlook

Despite the prevailing macroeconomic and political uncertainties, the Company remains focused on driving long-term growth through strategic leadership, technological integration, and a patient-centric strategy.

Key focus areas include:

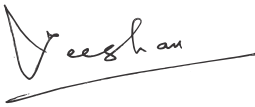
Our strategic priorities going forward include:

- Expanding and upgrading healthcare infrastructure to elevate patient experience and improve clinical outcomes
- Accelerating investment in advanced medical technologies and driving digital transformation across operations
- Reinforcing financial robustness and nurturing long-term strategic alliances

Our long-term vision continues to revolve around delivering exceptional patient care, achieving operational excellence, and creating enduring value for all stakeholders.

Acknowledgement

The Board would like to express its heartfelt gratitude to the consultants, senior management, employees, customers, and strategic partners for their exceptional dedication and contributions. We also thank the Government authorities, suppliers, banks, and shareholders for their ongoing support and cooperation, which has been essential to the Company's sustained growth and success.

On behalf of the Board of Directors,**DR. ZEESHAN BIN ISHTIAQUE**

Chief Executive Officer

Islamabad

April 26, 2025

**DR. MANZOOR H. QAZI**

Director

ڈائریکٹرز کا جائزہ

شروع کرتا ہوں اللہ کے نام سے جو بڑا مہربان نہایت رحم کرنے والا ہے۔

معزز حصص داران،

بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2025 کو ختم ہونے والے نو ماہ کی مدت کا احاطہ کرتے ہوئے کمپنی کے انضمام کردہ اور انفرادی عبوری مالیاتی نتائج کا خلاصہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ اہم مالیاتی نکات درج ذیل ہیں:

(پاکستانی روپے بلین میں) 31 مارچ کو ختم ہونے والے نو ماہ						مالیاتی جھلکیاں
2025	2024	تبدیلی فیصد	2025	2024	تبدیلی فیصد	
انضمام کردہ			انفرادی			
20,872	17,803	17%	20,872	17,793	17%	خالص آمدن
283	152	86%	254	182	40%	دیگر آمدن
3,312	1,757	89%	3,251	1,743	87%	منافع قبل از لیویز اور انکم ٹیکس
1,883	1,066	77%	1,794	1,026	75%	رواں سال نو ماہ کا منافع
29.79	16.87	77%	28.71	16.62	73%	فی شیئر آمدنی (روپے)

جائزہ شدہ مدت کے دوران، کمپنی نے مضبوط عملی چلک اور حکمت عملی پر مبنی توجہ کا مظاہرہ کیا، جس کے نتیجے میں آمدنی میں 17 فیصد اضافہ اور خالص منافع میں 77 فیصد اضافہ ہوا۔ یہ کارکردگی بنیادی طور پر نمایاں آمدنی کے اضافے، سخت لاگت کنٹرول اقدامات، عملی کارکردگی کو بہتر بنانے اور محتاط مالی نظم و نسق کے عزم کی بدولت حاصل ہوئی۔ مزید برآں، قرضوں کی ادائیگی کی حکمت عملی کے نتیجے میں مالی اخراجات میں 21 فیصد نمایاں کمی واقع ہوئی، جس سے مجموعی منافع میں مزید بہتری آئی۔ نتیجتاً، فی حصص آمدنی میں 77 فیصد اضافہ ہوا اور یہ گزشتہ سال کی اسی مدت میں 16.87 روپے سے بڑھ کر 29.79 روپے ہو گئی۔

جائزہ شدہ مدت کے دوران کمپنی کی کارکردگی نے عملی مہارت، مالی نظم و ضبط اور حکمت عملی پر مبنی عمل درآمد کے عزم کو اجاگر کیا۔ خالص آمدنی میں مضبوط اضافہ، مستحکم نقدی دستیابی، اور مضبوط مالی پوزیشن کے ساتھ، کمپنی طویل مدتی بنیادوں پر اپنے حصص داران کی قدر کو مزید فراہم کرنے کے لیے بہتر طور پر تیار ہے۔

حکمت عملی کے تحت ترقیاتی اقدامات

عملی کارکردگی کو بہتر بنانے اور گروپ کی ہم آہنگی کو بڑھانے کے لیے، کمپنی نے اپنی مکمل ملکیتی ذیلی کمپنی "شفاء نیوروسائنسز انسٹیٹیوٹ اسلام آباد (پرائیویٹ) لمیٹڈ کو 25 مارچ 2025 سے مؤثر انداز میں ضم کر دیا ہے، یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) میں اسکیم آف املگامیشن اور دیگر مطلوبہ دستاویزات جمع کرانے کے بعد عمل میں آیا۔

مستقبل کی حکمت عملی

معاشی اور سیاسی غیر یقینی صورتحال کے باوجود، کمپنی اپنی توجہ طویل مدتی ترقی پر مرکوز رکھے ہوئے، مضبوط قیادت، نئی ٹیکنالوجی کے انضمام اور مریضوں کو ترجیح دینے والی حکمت عملی پر توجہ ہے۔

اہم توجہ کے شعبے درج ذیل ہیں:

- طبی ڈھانچے کو وسعت دینا اور اپ گریڈ کرنا تاکہ مریضوں کے طبی نتائج کو بہتر بنایا جاسکے۔
 - جدید طبی ٹیکنالوجیز میں سرمایہ کاری کو تیز کرنا اور آپریشنز میں ڈیجیٹل تبدیلی کو فروغ دینا۔
 - مالی استحکام کو مزید مضبوط کرنا اور طویل مدتی اسٹریٹجک شراکت داریوں کو فروغ دینا۔
- ہماری طویل مدتی سوچ بدستور شاندار مریض نگہداشت کی فراہمی، عملی مہارت کے حصول، اور تمام اسٹیک ہولڈرز کے لیے پائیدار قدر کی تخلیق کے گرد گھومتی ہے۔

اعتراف

بورڈ اپنے ملازمین، سینئر انتظامیہ، کنسلٹنٹس اور اسٹریٹجک شراکت داروں کی شاندار محنت اور تعاون پر دلی شکر یہ ادا کرتا ہے۔ ہم حکومت کے اداروں، فراہم کنندگان، بینکوں اور حصص داران کا بھی مسلسل حمایت اور تعاون پر شکریہ ادا کرتے ہیں، جو کمپنی کی مسلسل ترقی اور کامیابی کے لیے ناگزیر رہا ہے۔

بورڈ آف ڈائریکٹرز کی جانب سے

ڈاکٹر منظور ایچ قاضی
ڈائریکٹر

Dr. Zahid

ڈاکٹر ذیشان بن اشتیاق

چیف ایگزیکٹو آفیسر

اسلام آباد

26 اپریل 2025

CONDENSED INTERIM
UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2025

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
SHARE CAPITAL AND RESERVES			
Authorised share capital			
100,000,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid up capital		632,144	632,144
Capital reserves			
Share premium		2,738,888	2,738,888
Surplus on revaluation of property, plant and equipment		941,103	920,827
Revenue reserves			
Unappropriated profit		9,418,235	7,624,157
		13,730,370	11,916,016
NON - CURRENT LIABILITIES			
Long term financing - secured	5	894,688	579,756
Deferred liabilities		387,971	389,394
Lease liabilities		512,224	526,907
		1,794,883	1,496,057
CURRENT LIABILITIES			
Trade and other payables		4,790,128	4,044,057
Unclaimed dividend		49,663	44,730
Markup accrued		27,963	23,858
Provision for income tax		210,917	-
Current portion of long term financing - secured	5	267,778	495,195
Current portion of lease liabilities		182,603	266,739
		5,529,052	4,874,579
		21,054,305	18,286,652
CONTINGENCIES AND COMMITMENTS			
	6		

The annexed notes 1 to 17 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
NON - CURRENT ASSETS			
Property, plant and equipment	7	8,605,622	6,837,904
Intangible assets		39,990	40,780
Investment property - at cost		720,292	720,292
Long term investments - at cost	8	4,143,543	5,060,970
Long term deposits		120,922	113,937
		13,630,369	12,773,883
CURRENT ASSETS			
Stores, spare parts and loose tools		205,290	220,034
Stock in trade		1,063,410	1,041,866
Trade debts	9	2,138,974	1,346,189
Loans and advances		212,182	157,457
Deposits, prepayments and other receivables		94,640	185,398
Markup accrued		15,101	4,102
Other financial assets		995,384	202,566
Tax refunds due from the government (net of provision)		-	225,780
Cash and bank balances		2,698,955	2,129,377
		7,423,936	5,512,769
		21,054,305	18,286,652


 DIRECTOR


 CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Nine months period ended		Three months period ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	Note	(Rupees in '000')			
Revenue - net	10	20,872,117	17,803,104	6,948,721	5,783,320
Other income		282,895	152,428	108,716	37,612
Operating costs		(17,421,934)	(15,804,776)	(5,867,271)	(5,145,259)
Finance costs		(267,173)	(338,497)	(80,465)	(106,735)
Expected credit losses		(154,390)	(55,589)	(101,554)	(18,001)
Profit before levies and income tax		3,311,515	1,756,670	1,008,147	550,937
Income tax		(1,428,388)	(690,289)	(438,705)	(229,199)
Profit for the period		1,883,127	1,066,381	569,442	321,738
Earnings per share - basic and diluted (Rupees)	11	29.79	16.87	9.01	5.09

The annexed notes 1 to 17 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Nine months period ended		Three months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000')			
Profit for the period	1,883,127	1,066,381	569,442	321,738
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period	1,883,127	1,066,381	569,442	321,738

The annexed notes 1 to 17 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un- appropriated profit	Total
	(Rupees in '000')				
Balance as at July 01, 2023 (Audited)	632,144	2,738,888	936,615	6,511,963	10,819,610
Total comprehensive income					
Profit for the period	-	-	-	1,066,381	1,066,381
Other comprehensive income - net of tax	-	-	-	-	-
Realisation of revaluation surplus on Disposal of assets	-	-	(4,284)	4,284	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(8,628)	8,628	-
Distribution to owners					
Dividend-final 2023 @ Rs. 1.5 per share	-	-	-	(94,822)	(94,822)
Balance as at March 31, 2024	632,144	2,738,888	923,703	7,496,434	11,791,169
Balance as at July 01, 2024 (Audited)	632,144	2,738,888	920,827	7,624,157	11,916,016
Total comprehensive income					
Profit for the period	-	-	-	1,883,127	1,883,127
Other comprehensive income - net of tax	-	-	-	-	-
Merger reserve (refer note 1.1)	-	-	28,730	60,533	89,263
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(8,454)	8,454	-
Distribution to owners					
Dividend-final 2024 @ Rs. 2.5 per share	-	-	-	(158,036)	(158,036)
Balance as at March 31, 2025	632,144	2,738,888	941,103	9,418,235	13,730,370

The annexed notes 1 to 17 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		March 31, 2025	March 31, 2024
	Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and income tax		3,311,515	1,756,670
Adjustment of non-cash income and expense	12	1,533,478	1,549,238
Operating cash flows before changes in working capital		4,844,993	3,305,908
Changes in working capital:			
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		12,317	8,983
Stock-in-trade		(21,544)	(163,031)
Trade debts		(866,322)	(659,105)
Loans and advances		(54,725)	(38,322)
Deposits, prepayments and other receivables		(10,373)	48,988
Increase / (decrease) in current liabilities:			
Trade and other payables		547,900	(484,248)
		(392,747)	(1,286,735)
Cash generated from operations		4,452,246	2,019,173
Finance costs paid		(178,346)	(311,044)
Income tax paid		(1,001,841)	(526,361)
Payment to SIHL Employees' Gratuity Fund Trust		(174,868)	(196,656)
Compensated absences paid		(68,113)	(55,285)
Payment to defined contribution plan		(74,676)	(62,988)
Net cash generated from operating activities		2,954,402	866,839
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment (PPE)		(951,188)	(489,714)
Outlay against long term investments		(780,094)	(350,000)
(Investment) / encashment of other financial assets - net		(500,000)	150,000
Proceeds from disposal of PPE		5,297	4,537
Proceeds from disposal of investment property		-	26,000
Markup received		117,424	50,143
Dividend received		50,926	16,975
Increase in long term deposits		(9,156)	(5,756)
Net cash used in investing activities		(2,066,791)	(597,815)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing - repayments		(431,706)	(662,764)
Proceeds from long term financing		519,221	202,444
Payment of lease liabilities		(279,126)	(247,866)
Dividend paid		(153,103)	(80,203)
Net cash used in financing activities		(344,714)	(788,389)
Net increase / (decrease) in cash and cash equivalents		542,897	(519,365)
Cash and cash equivalents at beginning of the period		2,132,377	2,219,433
Effect of exchange rate changes on cash and cash equivalents		2,342	(27,842)
Cash and cash equivalents of amalgamated company	1.1	283,902	-
Cash and cash equivalents at end of the period	13	2,961,518	1,672,226

The annexed notes 1 to 17 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

1 STATUS AND NATURE OF BUSINESS

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

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

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

1.1 Merger / amalgamation of Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad) with and into the Company

The board of directors of the Company and SNS Islamabad, in their respective meetings held on February 22, 2025, and February 24, 2025, approved the merger / amalgamation of SNS Islamabad with and into the Company in accordance with the provisions of Section 284 of the Companies Act, 2017. The Company has filed scheme of amalgamation along with requisite documentation to Securities and Exchange Commission of Pakistan (SECP) on March 25, 2025, which is also the effective date of amalgamation. The Company has adopted the predecessor method of accounting for the merger of SNS Islamabad as per relevant guidelines issued by SECP to account for common control transactions.

Accordingly, on March 25, 2025, the Company recorded in its books the assets and liabilities transferred from SNS Islamabad at their respective carrying values, after eliminating all intercompany balances and transactions without paying any consideration. The process for the transfer of title of bank accounts of SNS Islamabad is currently in process. The difference in the value of net assets acquired as a result of merger and cost of investment of the Company has been recognized as a "Merger reserve" directly within equity in the financial statements. Furthermore, the items appearing in the statement profit or loss and the statement of comprehensive income of SNS Islamabad are incorporated prospectively from the effective date of merger / amalgamation into the financial statements of the Company. Consequently, these financial statements do not reflect the results of SNS Islamabad for the period before the merger transaction occurred and the corresponding amounts for the previous year presented are not restated.

The Company in due course shall initiate the process of updating the relevant public land records, with the relevant authorities, of the land and building that was previously under the ownership of SNS Islamabad. Moreover, the Company as successor in interest of SNS Islamabad will be impleaded, in the place of SNS Islamabad, in the pending civil appeal filed by the Capital Development Authority (CDA) before the Islamabad High Court against the order of dismissal of earlier suit filed by CDA wherein objections were raised on the transfer of said property in the name of SNS Islamabad via registered sale deed.

Detail of carrying amount of amalgamated SNS Islamabad's assets and liabilities as on merger date are as follows:

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	(Rupees in '000')
Assets	
Non-current assets	
Property	1,024,115
Investment property	503,681
	1,527,796
Current assets	
Investment - at amortized cost	259,563
Markup accrued	110
Cash and bank balances	24,339
	284,012
Total assets	1,811,808
Liabilities	
Current liabilities	
Security deposit	20,278
Accrued liabilities	2,509
Taxation - net	2,237
Total liabilities	25,024
Net assets	1,786,784
Adjusted against cost of investment in amalgamated company	1,697,521
Merger reserve	89,263

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

- 2.2** These condensed interim unconsolidated financial statements are un-audited and are being submitted to the members in accordance with the requirements of Section 237 of the Companies Act, 2017 (the Act) and the listing regulations of Pakistan Stock Exchange. These condensed interim unconsolidated financial statements do not include all of the information required for annual unconsolidated financial statements, and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended June 30, 2024. Comparative condensed interim unconsolidated statement of financial position is extracted from annual unconsolidated financial statements as of June 30, 2024, whereas comparative condensed

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

interim unconsolidated statement of profit or loss, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated statement of changes in equity and condensed interim unconsolidated statement of cash flows are extracted from un-audited condensed interim unconsolidated financial statements for the nine months period ended March 31, 2024.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim unconsolidated financial statements and financial risk management policy are the same as those applied in preparation of unconsolidated audited financial statements of the Company for the year ended June 30, 2024.

3.1 Changes in accounting standards, interpretation and pronouncements

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

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

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

There are certain amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2024. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim unconsolidated financial statements.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

4.2 Judgements and estimates made by the management in the preparation of these condensed interim unconsolidated financial statements are the same as those that were applied to the annual audited unconsolidated financial statements as at and for the period ended June 30, 2024.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
5 LONGTERM FINANCING - SECURED			
From islamic banks			
Syndicated Islamic Finance Facility	5.1	-	142,857
Diminishing Musharakah Facility-1	5.2	115,028	78,250
Diminishing Musharakah Facility-2	5.3	-	83,333
Diminishing Musharakah Facility-3	5.4	469,130	577,390
Diminishing Musharakah Facility-4	5.5	459,454	-
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	5.6	38,759	69,647
Deferred income - Government grant		1,636	5,341
		40,395	74,988
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	5.7	16,447	22,245
Deferred income - Government grant		1,973	4,073
		18,420	26,318
From conventional banks			
Refinance Facility to Combat COVID-19 (RFCC)	5.8	53,546	78,486
Deferred income - Government grant		6,493	13,329
		60,039	91,815
	5.9	1,162,466	1,074,951
Less: current portion shown under current liabilities			
From islamic banks		227,739	447,822
From conventional banks		40,039	47,373
		267,778	495,195
		894,688	579,756

5.1 This represented the syndicated Islamic finance facility, arranged and lead by Meezan Bank Limited, obtained on profit rate basis at 3 months KIBOR plus 0.85% per annum. The facility with sanctioned limit of Rs. 2,000 million has been fully repaid on August 22, 2024. The financing was secured by pari passu charge of Rs. 2,667 million on all present and future Company's movable fixed assets and land/building located at H-8/4, Islamabad. Meezan Bank Limited has the custody of original ownership documents of the Company's land located at H-8/4 Islamabad.

5.2 This represents the outstanding balance of long term Islamic finance facility obtained under Diminishing Musharakah basis from First Habib Modaraba of Rs. 166.22 million (June 2024: Rs. 119.10 million). Principal amount is repayable in 60 equal monthly instalments carrying profit rate at 3 months KIBOR plus 0.70% (June 2024: 3 months KIBOR plus 0.70%) per annum. The unavailed limit of this facility is nil (June 2024: nil). This also represented the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited, obtained on profit rate basis at 3 months KIBOR plus 0.80% per annum. The facility with sanctioned limit of Rs. 470.20 million has been fully repaid on September 30, 2024. The financing was secured by first exclusive charge of Rs. 781.3 million against equipment / machinery.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

- 5.3** This represented the long term Islamic finance facility obtained from Meezan Bank Limited, carrying profit rate at 3 months KIBOR plus 0.85% per annum. The facility with sanctioned limit of Rs. 500 million has been fully repaid on October 01, 2024. The financing was secured by first pari passu charge of Rs. 667 million on all present and future fixed assets of the Company.
- 5.4** This represents the outstanding balance of long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 2024: Rs. 577.40 million). Principal amount is repayable in 16 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.70% (June 2024: 3 months KIBOR plus 0.70%) per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed under the DM facility to be installed at the hospital located at H-8/4, Islamabad. However, the process for vacating the existing ranking charge is currently in process. The unavailed limit of this facility is nil (June 2024: nil).
- 5.5** This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 459.5 million (June 2024: nil). Principal amount is repayable in 16 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the Company. The unavailed limit of this facility is Rs. 140.5 million.
- 5.6** This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 2024: Rs. 200 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid by January 27, 2026 in 18 equal quarterly instalments with no profit rate. The financing is secured by first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the Company (excluding land and building). The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.
- 5.7** This represents the outstanding balance of long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.9 million (June 2024: Rs. 45.9 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid in 9 equal half yearly instalments with profit rate of 1% per annum. The facility is secured by exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.
- 5.8** This represents the outstanding balance of long term finance facility obtained from United Bank Limited of Rs. 185.2 million (June 2024: Rs. 185.2 million). Principal amount shall be repaid by September 14, 2026 in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the Company. The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of government grant.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees in '000')	
5.9 Movement during the period / year		
Balance at beginning of the period / year	1,074,951	1,740,409
Proceeds during the period / year	519,221	216,122
Repayment during the period / year	(431,706)	(881,580)
Balance at end of the period / year	1,162,466	1,074,951

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

6.1.1 The guarantees issued by bank in favour of Sui Northern Gas Pipelines Limited (SNGPL) and Imtiaz Group (SMC-Private) Limited of aggregate sum of Rs. 36.6 million (June 2024: Rs. 33.1 million) on behalf of the Company in its ordinary course of business.

6.1.2 The Company is facing claims and penalties amounting to Rs. 5.9 million (June 2024: Rs. 22.25 million). Against these claims the Company has paid Rs. 2.4 million (June 2024: Rs. 1.4 million) under protest. In compliance with the directions of the Islamabad High Court, Islamabad, (IHC) the Company has furnished a bank guarantee for Rs. 0.5 million (June 2024: Rs. 1.5 million) and, subsequent to the reporting period, submitted a pay order of Rs. 2 million to the IHC. These claims and penalties originated from ongoing legal proceedings and complaints currently under litigation before the Islamabad, Peshawar and Lahore High Courts and the Supreme Court of Pakistan. Furthermore, on June 06, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million against each Gulf Cooperation Council's (GCC) Approved Medical Center (GAMC), including SIHL on the allegations of engaging in non-competitive practices involving territorial division and equal allocation of customers among GAMCs. The Company, in conjunction with other GAMCs, is actively contesting this matter which is presently pending adjudication before the Supreme Court of Pakistan. The Company's management, based on advice from respective legal counsels, remains confident of favorable resolutions in the aforementioned matters.

6.2 Contingencies related to income tax and sales tax are as follows:

6.2.1 The tax authorities amended the assessments for the tax years 2012 to 2016, 2019, 2021 and 2023 under Section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance). They raised total tax demands of Rs. 648.7 million against these years. The Company, being aggrieved, appealed these amended assessments before the Commissioner Inland Revenue (Appeals) [CIR(A)] or the Appellate Tribunal Inland Revenue [ATIR], as applicable, on various dates from September 2018 to February 2025. These appeals are currently pending adjudication.

6.2.2 The tax authorities imposed taxes of Rs. 109.60 million, Rs. 178.40 million, Rs. 27.40 million, and Rs. 29.20 million under section 161/205 of the Ordinance for the tax years 2016, 2014, 2013, and 2012 respectively, based on alleged non-deduction of tax on payments. The Company, being aggrieved, appealed these assessments before the CIR(A). Regarding the tax year 2012, the CIR(A) deleted the assessment, while for the tax years 2013 and 2016, the assessment was set aside, and for the tax year 2014, the assessment was confirmed. The Company, still aggrieved, filed appeals for the tax years 2013, 2014, and 2016 before the ATIR. The appeals for the tax years 2013 and 2016 were filed on November 26, 2019 and June 06, 2023 respectively, and they are currently pending adjudication. Additionally, the ATIR has set aside the assessment for the tax year 2014 for denovo consideration.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

- 6.2.3** The tax authorities amended the assessments for the tax years 2012, 2013 and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Being aggrieved, the Company appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018 and these appeals are currently pending adjudication.
- 6.2.4** The tax authorities amended the assessments for the tax years 2014 and 2015 under section 221 of the Ordinance, resulting in an aggregate tax demand of Rs. 11.8 million. The Company, being aggrieved, filed appeals before the CIR (A). The CIR (A) remanded the assessments back to the ACIR. Both the Company and the tax department filed cross-appeals before the ATIR in January 2018, and these appeals are currently pending adjudication.
- 6.2.5** The tax authorities amended the assessment for the tax year 2014 and 2018 under section 177 of the Ordinance, resulting in a tax demand of Rs. 1,143.80 million and Rs. 42.40 million. Being aggrieved, for the tax year 2014, the Company appealed the assessment before the CIR (A). The CIR (A) annulled the assessment order, resulting in the deletion of the tax demand. The tax department filed an appeal before the ATIR on November 27, 2019, against the decision of the CIR (A), which is currently pending adjudication. For the tax year 2018, the Company appealed the assessment before the ATIR on July 24, 2024.
- 6.2.6** The tax authorities imposed sales tax under Section 11 of the Sales Tax Act, 1990, on the alleged non-payment of sales tax on sales of scrap, fixed assets, and cafeteria services for the tax years 2016 to 2020, raising total tax demands of Rs. 225.2 million for these years. Upon appeal, the ATIR deleted the sales tax charged on cafeteria services and fixed assets but confirmed the sales tax on scrap. Furthermore, for the tax years 2016 and 2020, the department has filed sales tax references before the High Court, which are currently pending adjudication.

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

		Un-audited March 31, 2025	Audited June 30, 2024
		(Rupees in '000')	
Note			
6.3	Commitments		
	Capital expenditure contracted	92,201	294,233
	Letters of credit	-	521,187
7	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	7.1 7,534,313	5,878,386
	Capital work in progress	7.2 506,596	336,589
	Right of use assets	7.3 564,713	622,929
		8,605,622	6,837,904

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
		(Rupees in '000')	
Note			
7.1	Operating fixed assets		
	Written down value at beginning of the period / year	5,878,386	5,806,346
	Additions	7.1.1 781,180	916,205
	Assets of amalgamated company	1.1 1,527,796	-
		8,187,362	6,722,551
	Written down value of disposals	(2,815)	(1,998)
	Written down value of assets written off	(13,346)	(7,168)
	Depreciation for the period / year	(636,888)	(834,999)
	Written down value at end of the period / year	7,534,313	5,878,386
7.1.1	Additions to operating fixed assets		
	Building on leasehold land	26,272	41,844
	Leasehold improvements	-	120,026
	Biomedical equipment	589,825	378,065
	Air conditioning equipment and machinery	11,847	3,623
	Electrical and other equipment	23,952	68,274
	Furniture and fittings	6,351	16,845
	Computer installations	47,628	220,552
	Construction equipment	-	607
	Vehicles	75,305	66,369
		781,180	916,205
7.2	Capital work in progress		
	Balance at beginning of the period / year	336,589	636,751
	Additions during the period / year	555,316	45,757
	Transferred to operating fixed assets	(385,309)	(345,919)
	Balance at end of the period / year	7.2.1 506,596	336,589
7.2.1	Capital work in progress		
	Construction work	270,309	243,714
	Installation of equipment in progress	236,287	92,875
		506,596	336,589
7.3	Right of use assets		
	Balance at beginning of the period / year	622,929	574,644
	Additions during the period / year	181,579	293,287
	Terminated during the period / year	7.3.1 (53,845)	(299)
	Depreciation for the period / year	(185,950)	(244,703)
	Balance at end of the period / year	564,713	622,929

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

- 7.3.1** Pursuant to the merger / amalgamation disclosed in note 1.1, the right of use asset amounting to Rs. 49.8 million and the corresponding lease liability of Rs. 77.9 million, related to a building leased from SNS Islamabad, have been derecognized. Consequently, a net gain of Rs. 28.1 million has been recorded in other income.

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
8	LONG TERM INVESTMENTS - AT COST		
	In subsidiary companies (unquoted):		
Shifa Development Services (Private) Limited (SDSPL)	8.1	9,966	9,966
Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad)	8.2	-	1,697,521
Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad)	8.3	2,137,373	1,582,279
Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad)	8.4	1,356,170	1,356,170
	In associated companies (unquoted):		
Shifa CARE (Private) Limited (SCPL)	8.5	45,001	45,001
SIHT (Private) Limited (SIHT)	8.6	650,000	425,000
		4,198,510	5,115,937
	Less: accumulated impairment loss		
Shifa Development Services (Private) Limited (SDSPL)		9,966	9,966
Shifa CARE (Private) Limited (SCPL)		45,001	45,001
		54,967	54,967
		4,143,543	5,060,970

- 8.1** This represents investment in 1,650,000 (June 2024: 1,650,000) fully paid ordinary shares of Rs. 10 each of SDSPL. The above investment in ordinary shares represents 55% (June 2024: 55%) shareholding in SDSPL held by the Company. The impairment loss of Rs. 9.96 million was recorded in the prior year in view of financial difficulties faced by SDSPL due to which it may not be able to continue its business.
- 8.2** Prior to the merger as disclosed in note 1.1, the Company held 169,752,100 fully paid ordinary shares of Rs. 10 each, representing 100% of SNS Islamabad's share capital. Post-merger, the investment of Rs. 1,697.5 million has been fully adjusted against SNS Islamabad's net assets.
- 8.3** This represents investment in 213,737,338 (June 2024: 158,227,912) fully paid ordinary shares of Rs. 10 each of SNH Faisalabad. The above investment in ordinary shares represents 60% (June 2024: 61%) shareholding in SNH Faisalabad held by the Company.
- 8.4** This represents investment in 135,617,001 (June 2024: 135,617,001) fully paid ordinary shares of Rs. 10 each of SMC Islamabad. The above investment in ordinary shares represents 56% (June 2024: 56%) shareholding in SMC Islamabad held by the Company.
- 8.5** This represents investment in 4,500,050 (June 2024: 4,500,050) fully paid ordinary shares of Rs. 10 each of SCPL. The above investment in ordinary shares represents 50% (June 2024: 50%) shareholding in SCPL held by

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

the Company. During the prior year, impairment loss of Rs. 45 million was recorded in view of on going financial difficulties faced by SCPL due to which it may not be able to continue its business.

- 8.6** This represents investment in 2,031,657 (June 2024: 1,328,397) fully paid ordinary shares of Rs. 100 each of SIHT. The above investment in ordinary shares represents 40.6% (June 2024: 29.5%) shareholding in SIHT held by the Company.

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees in '000')	
9 TRADE DEBTS		
Unsecured - considered good		
Related party - Shifa Foundation	20,017	7,137
Others	2,433,641	1,580,199
	2,453,658	1,587,336
Less: allowance for expected credit losses (ECL)	314,684	241,147
	2,138,974	1,346,189

	Un-audited			
	Nine months period ended		Three months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000')			
10 REVENUE - NET				
Inpatient	13,105,154	11,192,482	4,426,505	3,669,734
Outpatient	7,314,151	6,175,671	2,390,061	1,984,865
Other services	604,636	598,360	184,105	170,249
	21,023,941	17,966,513	7,000,671	5,824,848
Less: discount	83,634	99,504	31,349	22,680
Less: sales tax	68,190	63,905	20,601	18,848
	151,824	163,409	51,950	41,528
	20,872,117	17,803,104	6,948,721	5,783,320

	Un-audited	
	March 31, 2025	March 31, 2024
11 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the period (Rupees in '000')	1,883,127	1,066,381
Weighted average number of ordinary shares in issue (Number in '000')	63,214	63,214
Earnings per share - basic and diluted (Rupees)	29.79	16.87

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Un-audited	
		March 31, 2025	March 31, 2024
	Note	(Rupees in '000')	
12	ADJUSTMENT OF NON-CASH INCOME AND EXPENSE		
Depreciation / amortisation on tangible assets		822,838	804,418
Amortisation on intangible assets		790	790
Expected credit losses		154,390	55,589
Property, plant and equipment written off		13,346	3,097
Gain on disposal of tangible assets		(2,482)	(2,660)
Loss on disposal of investment property		-	2,166
Gain on termination of right of use assets		(29,976)	-
Provision for compensated absences		102,684	83,459
Provision for defined contribution plan		91,258	79,595
Provision for bonus for employees		231,141	133,207
Provision for gratuity		94,725	112,138
Charged / (reversal) of provision for slow moving stores		2,427	(1,483)
Profit on bank deposits		(128,313)	(51,047)
Gain on investments		(84,181)	(57,385)
Impairment loss on remeasurement of long term investment		-	21,015
(Gain) / loss on foreign currency translation		(2,342)	27,842
Finance costs		267,173	338,497
		1,533,478	1,549,238
13	CASH AND CASH EQUIVALENTS		
Investment in Term Deposit Receipts - at amortised cost		3,000	3,000
Investment in Treasury Bills - at amortised cost	1.1	259,563	-
Cash and bank balances		2,698,955	1,669,226
		2,961,518	1,672,226

14 RELATED PARTY TRANSACTIONS

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

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company. The Company considers its chief executive officer, chief financial officer, company secretary, directors and departmental heads to be its key management personnel. There are no transactions with key management personnel other than their terms of employment / entitlement.

Related party transactions are based on arm's length between the parties as per pricing policy approved by the board of directors of the SIHL. Transactions and balances with the related parties are given below:

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Un-audited	
	March 31, 2025	March 31, 2024
	(Rupees in '000')	
Transactions:		
Shifa Foundation		
(Related party by virtue of common directorship)		
Revenue from medical and other services earned by the Company	17,457	9,477
Rent expense paid by and reimbursed to the Company	1,013	1,018
Acquisition of 703,260 (March 2024: 1,093,972) ordinary shares of SIHT (Private) Limited	225,000	350,000
Tameer-e-Millat Foundation		
(Related party by virtue of common directorship)		
Supplies provided to the Company	66,804	75,976
Other services provided to the Company	21,071	26,258
Rental services received / earned by the Company	10,403	4,742
Shifa Tameer-e-Millat University		
(Related party by virtue of common directorship)		
Revenue from medical and other services earned by the Company	17,975	22,294
Revenue from rent earned by the Company	3,192	2,902
Other services provided to the Company	62,565	72,001
Expenses paid by and reimbursed to the Company	1,963	2,113
SIHT (Private) Limited		
(Associate and common directorship)		
Revenue from medical services earned by the Company	535,796	428,317
Expenses paid by and reimbursed to the Company	3,472	4,176
Other services provided to the Company	3,544	19,540
Shifa Development Services (Private) Limited		
(Subsidiary and common directorship)		
Revenue from rent earned by the Company	-	1,096
Shifa Medical Centre Islamabad (Private) Limited		
(Subsidiary and common directorship)		
Corporate shared services provided by the Company	-	5,132
Shifa National Hospital Faisalabad (Private) Limited		
(Subsidiary and common directorship)		
Investment made by the Company in 55,509,426 ordinary shares	555,094	-
Corporate shared services provided by the Company	-	5,132
Shifa Cooperative Housing Society Limited		
(Related party by virtue of common directorship)		
Plot maintenance charges paid by the Company	2,571	905

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

Shifa CARE (Private) Limited

(Associate and common directorship)

Corporate shared services provided by the Company

SIHL Employees' Gratuity Fund Trust

Payments made by the Company

Remuneration including benefits and perquisites of key management personnel

Un-audited	
March 31, 2025	March 31, 2024
(Rupees in '000')	
-	1,924
174,868	196,656
372,928	256,101
Un-audited March 31, 2025	Audited June 30, 2024
(Rupees in '000')	
20,017	7,137
10,835	7,285
37,317	31,566
41,402	30,329
-	20,278
52,591	132,734

Balances (unsecured):

Shifa Foundation - receivable

Tameer-e-Millat Foundation - payable

Shifa Tameer-e-Millat University - payable

SIHT (Private) Limited - receivable

Shifa Neuro Sciences Institute Islamabad (Private) Limited -
receivable

SIHL Employees' Gratuity Fund Trust - payable

15 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited unconsolidated financial statements for the year ended June 30, 2024. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited unconsolidated financial statements of the Company for the year ended June 30, 2024. The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim unconsolidated financial statements have been approved and authorised for issue by the board of directors of the Company on April 26, 2025.

17 GENERAL

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2025



CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
SHARE CAPITAL AND RESERVES			
Authorised share capital			
100,000,000 ordinary shares of Rs. 10 each		1,000,000	1,000,000
Issued, subscribed and paid up capital		632,144	632,144
Capital reserves			
Share premium		2,738,888	2,738,888
Surplus on revaluation of property, plant and equipment		2,004,638	2,021,310
Revenue reserves			
Unappropriated profit		8,792,427	7,118,684
		14,168,097	12,511,026
NON - CONTROLLING INTEREST		2,835,624	2,470,891
NON - CURRENT LIABILITIES			
Long term financing - secured	6	894,688	579,756
Deferred liabilities		387,971	389,394
Lease liabilities		512,224	483,396
		1,794,883	1,452,546
CURRENT LIABILITIES			
Trade and other payables		4,803,250	4,168,270
Unclaimed dividend		49,663	44,730
Markup accrued		27,963	23,858
Provision for income tax		169,581	-
Current portion of long term financing - secured	6	267,778	495,195
Current portion of lease liabilities		182,603	146,911
		5,500,838	4,878,964
		24,299,442	21,313,427
CONTINGENCIES AND COMMITMENTS	7		

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


CHIEF EXECUTIVE

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
NON - CURRENT ASSETS			
Property, plant and equipment	8	14,384,232	13,860,258
Intangible assets		39,375	39,375
Investment property - at cost		720,292	720,292
Long term investments	9	660,267	424,045
Advances to suppliers and contractors		260,445	-
Long term deposits		133,818	126,050
		16,198,429	15,170,020
CURRENT ASSETS			
Stores, spare parts and loose tools		205,290	220,034
Stock in trade		1,063,410	1,041,866
Trade debts	10	2,138,974	1,346,189
Loans and advances		240,424	454,495
Deposits, prepayments and other receivables		109,452	175,459
Markup accrued		15,101	4,383
Other financial assets		1,490,853	484,991
Tax refunds due from the government (net of provision)		-	258,787
Cash and bank balances		2,837,509	2,157,203
		8,101,013	6,143,407
		24,299,442	21,313,427


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Nine months period ended		Three months period ended	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Note		(Rupees in '000')			
	11	20,872,117	17,792,842	6,948,721	5,768,510
Revenue - net					
Other income		253,792	181,619	99,433	51,181
Operating costs		(17,473,085)	(15,843,641)	(5,870,823)	(5,136,530)
Finance costs		(259,055)	(322,366)	(78,408)	(101,836)
Expected credit losses		(154,390)	(55,699)	(101,554)	(18,110)
Share of profit / (loss) of associates		11,222	(9,978)	673	(3,766)
Profit before levies and income tax		3,250,601	1,742,777	998,042	559,449
Income tax		(1,456,504)	(719,392)	(446,731)	(239,446)
Profit for the period - continuing operations		1,794,097	1,023,385	551,311	320,003
Profit for the period - discontinued operations - net of tax		-	2,520	-	704
Profit for the period		1,794,097	1,025,905	551,311	320,707
Attributable to:					
Equity holders of SIHL					
Continuing operations		1,815,107	1,047,866	550,343	323,407
Discontinued operations		-	2,520	-	704
		1,815,107	1,050,386	550,343	324,111
Non-controlling interest					
Continuing operations		(21,010)	(24,481)	968	(3,404)
Discontinued operations		-	-	-	-
		(21,010)	(24,481)	968	(3,404)
		1,794,097	1,025,905	551,311	320,707
Earnings per share - basic and diluted (Rupees)					
Continuing operations		28.71	16.58	8.71	5.12
Discontinued operations		-	0.04	-	0.01
	12	28.71	16.62	8.71	5.13

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Nine months period ended		Three months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000')			
Profit for the period	1,794,097	1,025,905	551,311	320,707
Other comprehensive income for the period - net of tax	-	-	-	-
Total comprehensive income for the period	1,794,097	1,025,905	551,311	320,707
Attributable to:				
Equity holders of SIHL				
Continuing operations	1,815,107	1,047,866	550,343	323,407
Discontinued operations	-	2,520	-	704
	1,815,107	1,050,386	550,343	324,111
Non-controlling interest				
Continuing operations	(21,010)	(24,481)	968	(3,404)
Discontinued operations	-	-	-	-
	(21,010)	(24,481)	968	(3,404)
	1,794,097	1,025,905	551,311	320,707

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Share capital	Share premium	Surplus on revaluation of property, plant and equipment	Un- appropriated profit	Non- controlling interest (NCI)	Total
	(Rupees in '000')					
Balance as at July 01, 2023 (Audited)	632,144	2,738,888	2,032,194	5,991,558	2,500,388	13,895,172
Total comprehensive income						
Profit / (loss) for the period	-	-	-	1,050,386	(24,481)	1,025,905
Other comprehensive income - net of tax	-	-	-	-	-	-
Realisation of revaluation surplus on disposal of assets	-	-	(4,284)	4,284	-	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(13,792)	13,792	-	-
Distribution to owners						
Dividend-final 2023 @ Rs. 1.5 per share	-	-	-	(94,822)	-	(94,822)
Balance as at March 31, 2024	632,144	2,738,888	2,014,118	6,965,198	2,475,907	14,826,255
Balance as at July 01, 2024 (Audited)	632,144	2,738,888	2,021,310	7,118,684	2,470,891	14,981,917
Total comprehensive income						
Profit / (loss) for the period	-	-	-	1,815,107	(21,010)	1,794,097
Other comprehensive income - net of tax	-	-	-	-	-	-
Transfer of revaluation surplus on property, plant and equipment in respect of incremental depreciation / amortisation	-	-	(16,672)	16,672	-	-
NCI recognised during the period	-	-	-	-	385,743	385,743
Distribution to owners						
Dividend-final 2024 @ Rs. 2.5 per share	-	-	-	(158,036)	-	(158,036)
Balance as at March 31, 2025	632,144	2,738,888	2,004,638	8,792,427	2,835,624	17,003,721

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		March 31, 2025	March 31, 2024
	Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before levies and income tax		3,250,601	1,742,777
Adjustment of non-cash income and expense	13	1,532,116	1,498,531
Operating cash flows before changes in working capital		4,782,717	3,241,308
Changes in working capital:			
(Increase) / decrease in current assets:			
Stores, spare parts and loose tools		12,317	8,983
Stock in trade		(21,544)	(163,031)
Trade debts		(866,322)	(659,105)
Loans and advances		214,071	(51,565)
Deposits, prepayments and other receivables		(14,847)	65,366
Discontinued operations		-	(37,148)
Increase / (decrease) in current liabilities:			
Trade and other payables		439,320	(520,217)
		(237,005)	(1,356,717)
Cash generated from operations		4,545,712	1,884,591
Finance cost paid		(178,576)	(311,071)
Income tax paid		(1,036,047)	(556,143)
Payment to SIHL Employees' Gratuity Fund Trust		(174,868)	(196,656)
Compensated absences paid		(68,113)	(55,248)
Payment to defined contribution plan		(74,676)	(62,988)
Net cash generated from operating activities		3,013,432	702,485
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment (PPE)		(1,174,150)	(507,752)
Outlay against long term investments		(225,000)	(350,000)
(Investment) / encashment of other financial assets - net		(461,035)	228,995
Proceeds from disposal of PPE		5,297	18,642
Proceeds from disposal of investment property		-	26,000
Markup received		162,893	74,548
Increase in advances to suppliers and contractors		(260,445)	-
Increase in long term deposits		(9,940)	(5,155)
Net cash used in investing activities		(1,962,380)	(514,722)
CASH FLOWS FROM FINANCING ACTIVITIES			
Non-controlling interest		385,743	-
Long term financing - repayments		(431,706)	(662,764)
Proceeds from long term financing		519,221	202,444
Payment of lease liabilities		(186,040)	(161,134)
Dividend paid		(153,103)	(80,203)
Net cash generated from / (used in) financing activities		134,115	(701,657)
Net increase / (decrease) in cash and cash equivalents		1,185,167	(513,894)
Cash and cash equivalents at beginning of the period		2,383,305	2,446,115
Effect of exchange rate changes on cash and cash equivalents		2,342	(27,842)
Cash and cash equivalents at end of the period	15	3,570,814	1,904,379

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


CHIEF EXECUTIVE


DIRECTOR


CHIEF FINANCIAL OFFICER

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

1 STATUS AND NATURE OF BUSINESS

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

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

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

Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad) was incorporated in Pakistan on February 28, 2019. The principal line of business of the SMC Islamabad is to establish, run, control, manage and operate facilities providing ambulatory services including day care surgeries, diagnostic centers, clinics, laboratories, operation theaters, dental clinics, healthcare centers and provide all healthcare and surgical related facilities of different diseases, inpatient and outpatient services and treatment of viral, bacterial and chronic diseases and all other related services thereof, subject to permission from relevant authorities, if required. The registered office of the SMC Islamabad is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad. The board of directors of the SIHL had previously decided to divest the SIHL's entire shareholding in its subsidiary, SMC Islamabad. However, due to the significant downturn in the real estate market caused by current economic conditions, the sale has become less viable. As a result, in a meeting held on August 07, 2024, the board of directors of SMC Islamabad instructed its management to explore various feasible options other than the sale.

Shifa Development Services (Private) Limited (SDSPL) was incorporated in Pakistan on December 18, 2014. The principal activity of SDSPL is to provide consulting services relating to healthcare facility, medical staff, human resource, architectural designing, procurement, hospital quality and project management services. The registered office of SDSPL is situated at Shifa International Hospitals Limited, Sector H-8/4, Islamabad. During the prior year, impairment loss on entire investment was recorded in view of ongoing financial difficulties faced by SDSPL due to which it may not be able to continue its business.

1.1 Merger / amalgamation of Shifa Neuro Sciences Institute Islamabad (Private) Limited (SNS Islamabad) with and into the SIHL

The board of directors of the SIHL and SNS Islamabad, in their respective meetings held on February 22, 2025, and February 24, 2025, approved the merger / amalgamation of SNS Islamabad with and into the SIHL in accordance with the provisions of Section 284 of the Companies Act, 2017. The SIHL has filled scheme of amalgamation along with requisite documentation to Securities and Exchange Commission of Pakistan (SECP) on March 25, 2025, effective date of amalgamation. Accordingly, SNS Islamabad stand merged into the SIHL with effect from March 25, 2025.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

3 BASIS OF CONSOLIDATION

These condensed interim consolidated financial statements include the financial statements of SIHL and its subsidiaries, SMC Islamabad 56% owned (June 2024: 56% owned) and SNH Faisalabad 60% owned (June 2024: 61% owned) and SDSPL 55% owned (June 2024: 55% owned) and SNS Islamabad (June 2024: 100% owned) which has been merged into parent company as disclosed in note 1.1.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of these condensed interim consolidated financial statements and financial risk management policy are the same as those applied in preparation of consolidated audited financial statements of the Group for the year ended June 30, 2024.

4.1 Changes in accounting standards, interpretation and pronouncements

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

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

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

There are certain amendments to the accounting and reporting standards that will be mandatory for the Group's annual accounting periods beginning on or after July 01, 2024. However, these amendments will not have any significant impact on the financial reporting of the Group and, therefore, have not been disclosed in these condensed interim consolidated financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

5 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

5.2 Judgements and estimates made by the management in the preparation of these condensed interim consolidated financial statements are the same as those that were applied to the annual audited consolidated financial statements as at and for the year ended June 30, 2024.

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
6 LONG TERM FINANCING - SECURED			
From islamic banks			
Syndicated Islamic Finance Facility	6.1	-	142,857
Diminishing Musharakah Facility-1	6.2	115,028	78,250
Diminishing Musharakah Facility-2	6.3	-	83,333
Diminishing Musharakah Facility-3	6.4	469,130	577,390
Diminishing Musharakah Facility-4	6.5	459,454	-
Islamic Refinance Facility to Combat COVID -19 (IRFCC)	6.6	38,759	69,647
Deferred income - Government grant		1,636	5,341
		40,395	74,988
Islamic Refinance Facility to Combat COVID-19 (IRFCC)	6.7	16,447	22,245
Deferred income - Government grant		1,973	4,073
		18,420	26,318
From conventional banks			
Refinance Facility to Combat COVID-19 (RFCC)	6.8	53,546	78,486
Deferred income - Government grant		6,493	13,329
		60,039	91,815
	6.9	1,162,466	1,074,951
Less: current portion shown under current liabilities			
From islamic banks		227,739	447,822
From conventional banks		40,039	47,373
		267,778	495,195
		894,688	579,756

6.1 This represented the syndicated Islamic finance facility, arranged and lead by Meezan Bank Limited, obtained on profit rate basis at 3 months KIBOR plus 0.85% per annum. The facility with sanctioned limit of Rs. 2,000 million has been fully repaid on August 22, 2024. The financing was secured by pari passu charge of Rs. 2,667 million on all present and future SIHL's movable fixed assets and land/building located at H-8/4, Islamabad. Meezan Bank Limited has the custody of original ownership documents of the SIHL's land located at H-8/4 Islamabad.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

- 6.2** This represents the outstanding balance of long term Islamic finance facility obtained under Diminishing Musharakah basis from First Habib Modaraba of Rs. 166.22 million (June 2024: Rs. 119.10 million). Principal amount is repayable in 60 equal monthly instalments carrying profit rate at 3 months KIBOR plus 0.70% (June 2024: 3 months KIBOR plus 0.70%) per annum. The unavailed limit of this facility is nil (June 2024: nil). This also represented the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited, obtained on profit rate basis at 3 months KIBOR plus 0.80% per annum. The facility with sanctioned limit of Rs. 470.20 million has been fully repaid on September 30, 2024. The financing was secured by first exclusive charge of Rs. 781.3 million against equipment / machinery.
- 6.3** This represented the long term Islamic finance facility obtained from Meezan Bank Limited, carrying profit rate at 3 months KIBOR plus 0.85% per annum. The facility with sanctioned limit of Rs. 500 million has been fully repaid on October 01, 2024. The financing was secured by first pari passu charge of Rs. 667 million on all present and future fixed assets of the SIHL.
- 6.4** This represents the outstanding balance of long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 2024: Rs. 577.40 million). Principal amount is repayable in 16 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.70% (June 2024: 3 months KIBOR plus 0.70%) per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed under the DM facility to be installed at the hospital located at H-8/4, Islamabad. However, the process for vacating the existing ranking charge is currently in process. The unavailed limit of this facility is nil (June 2024: nil).
- 6.5** This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 459.5 million (June 2024: nil). Principal amount is repayable in 16 equal quarterly instalments carrying profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the SIHL. The unavailed limit of this facility is Rs. 140.5 million.
- 6.6** This represents the outstanding balance of long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 2024: Rs. 200 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid by January 27, 2026 in 18 equal quarterly instalments with no profit rate. The financing is secured by first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the SIHL (excluding land and building). The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.
- 6.7** This represents the outstanding balance of long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.9 million (June 2024: Rs. 45.9 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under State Bank of Pakistan IRFCC scheme. Principal amount shall be repaid in 9 equal half yearly instalments with profit rate of 1% per annum. The facility is secured by exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.
- 6.8** This represents the outstanding balance of long term finance facility obtained from United Bank Limited of Rs. 185.2 million (June 2024: Rs. 185.2 million). Principal amount shall be repaid by September 14, 2026 in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by first pari

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

passu charge of Rs. 267 million over fixed assets (excluding land and building) of the SIHL. The unavailed limit of this facility is nil. Since the financing under SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of government grant.

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees in '000')	
6.9 Movement during the period / year		
Balance at beginning of the period / year	1,074,951	1,740,409
Proceeds during the period / year	519,221	216,122
Repayment during the period / year	(431,706)	(881,580)
Balance at end of the period / year	1,162,466	1,074,951

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 The guarantees issued by bank in favour of Sui Northern Gas Pipelines Limited (SNGPL) and Imtiaz Group (SMC-Private) Limited of aggregate sum of Rs. 36.6 million (June 2024: Rs. 33.1 million) on behalf of the SIHL in its ordinary course of business. Additionally, a bank guarantee amounting to Rs. 44.50 million has been issued in favor of the Capital Development Authority (CDA) to secure obligations under the ICT Building Control Regulations – 2020 (Amended 2023) on behalf of SMC Islamabad.

7.1.2 The SIHL is facing claims and penalties amounting to Rs. 5.9 million (June 2024: Rs. 22.25 million). Against these claims the SIHL has paid Rs. 2.4 million (June 2024: Rs. 1.4 million) under protest. In compliance with the directions of the Islamabad High Court, Islamabad, (IHC) the SIHL has furnished a bank guarantee for Rs. 500,000 (June 2024: Rs. 1.5 million) and, subsequent to the reporting period, submitted a pay order of Rs. 2 million to the IHC. These claims and penalties originated from ongoing legal proceedings and complaints currently under litigation before the Islamabad, Peshawar and Lahore High Courts and the Supreme Court of Pakistan. Furthermore, on June 06, 2012, the Competition Commission of Pakistan (CCP) imposed a penalty of Rs. 20 million against each Gulf Cooperation Council's (GCC) Approved Medical Center (GAMC), including SIHL on the allegations of engaging in non-competitive practices involving territorial division and equal allocation of customers among GAMCs. The SIHL, in conjunction with other GAMCs, is actively contesting this matter which is presently pending adjudication before the Supreme Court of Pakistan. The SIHL's management, based on advice from respective legal counsels, remains confident of favorable resolutions in the aforementioned matters.

7.2 Contingencies related to income tax and sales tax are as follows:

7.2.1 The tax authorities amended the assessments for the tax years 2012 to 2016, 2019, 2021 and 2023 under Section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance). They raised total tax demands of Rs. 648.7 million against these years. The SIHL, being aggrieved, appealed these amended assessments before the Commissioner Inland Revenue (Appeals) [CIR(A)] or the Appellate Tribunal Inland Revenue [ATIR], as applicable, on various dates from September 2018 to February 2025. These appeals are currently pending adjudication.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

- 7.2.2** The tax authorities imposed taxes of Rs. 109.60 million, Rs. 178.40 million, Rs. 27.40 million, and Rs. 29.20 million under section 161/205 of the Ordinance for the tax years 2016, 2014, 2013, and 2012 respectively, based on alleged non-deduction of tax on payments. The SIHL, being aggrieved, appealed these assessments before the CIR(A). Regarding the tax year 2012, the CIR(A) deleted the assessment, while for the tax years 2013 and 2016, the assessment was set aside, and for the tax year 2014, the assessment was confirmed. The SIHL, still aggrieved, filed appeals for the tax years 2013, 2014, and 2016 before the ATIR. The appeals for the tax years 2013 and 2016 were filed on November 26, 2019 and June 06, 2023 respectively, and they are currently pending adjudication. Additionally, the ATIR has set aside the assessment for the tax year 2014 for denovo consideration.
- 7.2.3** The tax authorities amended the assessments for the tax years 2012, 2013 and from 2015 to 2017 under section 122(5) of the Ordinance. They raised an aggregate tax demand of Rs. 1,350.9 million. Being aggrieved, the SIHL appealed these assessments before the CIR(A). The CIR(A) annulled all the assessment orders, resulting in the deletion of the tax demand. Dissatisfied with the CIR(A)'s decision, the tax department filed an appeal before the ATIR on November 15, 2018 and these appeals are currently pending adjudication.
- 7.2.4** The tax authorities amended the assessments for the tax years 2014 and 2015 under section 221 of the Ordinance, resulting in an aggregate tax demand of Rs. 11.8 million. The SIHL, being aggrieved, filed appeals before the CIR (A). The CIR (A) remanded the assessments back to the ACIR. Both the SIHL and the tax department filed cross-appeals before the ATIR in January 2018, and these appeals are currently pending adjudication.
- 7.2.5** The tax authorities amended the assessment for the tax year 2014 and 2018 under section 177 of the Ordinance, resulting in a tax demand of Rs. 1,143.80 million and Rs. 42.40 million. Being aggrieved, for the tax year 2014, the SIHL appealed the assessment before the CIR (A). The CIR (A) annulled the assessment order, resulting in the deletion of the tax demand. The tax department filed an appeal before the ATIR on November 27, 2019, against the decision of the CIR (A), which is currently pending adjudication. For the tax year 2018, the SIHL appealed the assessment before the ATIR on July 24, 2024.
- 7.2.6** The tax authorities imposed sales tax under Section 11 of the Sales Tax Act, 1990, on the alleged non-payment of sales tax on sales of scrap, fixed assets, and cafeteria services for the tax years 2016 to 2020, raising total tax demands of Rs. 225.2 million for these years. Upon appeal, the ATIR deleted the sales tax charged on cafeteria services and fixed assets but confirmed the sales tax on scrap. Furthermore, for the tax years 2016 and 2020, the department has filed sales tax references before the High Court, which are currently pending adjudication.

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
		(Rupees in '000')	
Note			
7.3	Commitments		
	Capital expenditure contracted	92,201	294,233
	Letters of credit	-	521,187
8	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	8.1 9,946,727	9,871,120
	Capital work in progress	8.2 3,872,791	3,480,040
	Right of use assets	8.3 564,714	509,098
		14,384,232	13,860,258
8.1	Operating fixed assets		
	Written down value at beginning of the period / year	9,871,120	9,890,859
	Additions	8.1.1 781,401	916,142
	Revaluation	-	20,321
	Impairment	-	(4,037)
		10,652,521	10,823,285
	Written down value of disposals	(2,815)	(10,859)
	Written down value of assets written off	(13,346)	(7,168)
	Depreciation for the period / year	(689,633)	(934,138)
	Written down value at end of the period / year	9,946,727	9,871,120
8.1.1	Additions to operating fixed assets		
	Building on leasehold land	26,272	41,844
	Leasehold improvements	-	120,026
	Biomedical equipment	589,825	378,065
	Air conditioning equipment and machinery	11,847	3,623
	Electrical and other equipment	23,991	68,275
	Furniture and fittings	6,351	16,845
	Computer installations	47,810	220,488
	Construction equipment	-	607
	Vehicles	75,305	66,369
		781,401	916,142
8.2	Capital work in progress		
	Balance at beginning of the period / year	3,480,040	3,721,132
	Additions during the period / year	778,060	104,827
	Transferred to operating fixed assets	(385,309)	(345,919)
	Balance at end of the period / year	8.2.1 3,872,791	3,480,040

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

		Un-audited March 31, 2025	Audited June 30, 2024
	Note	(Rupees in '000')	
8.2.1 Capital work in progress			
Construction work		3,636,504	3,387,165
Installation of equipment in progress		236,287	92,875
		3,872,791	3,480,040
8.3 Right of use assets			
Balance at beginning of the period / year		509,098	375,485
Additions during the period / year		181,579	293,287
Terminated during the period / year		(4,044)	(299)
Depreciation for the period / year		(121,919)	(159,375)
Balance at end of the period / year		564,714	509,098
9 LONG TERM INVESTMENTS			
In associated companies (unquoted):			
SIHT (Private) Limited (SIHT)	9.1	660,267	424,045
Shifa CARE (Private) Limited (SCPL)	9.2	-	-
		660,267	424,045
9.1 SIHT (Private) Limited			
Balance at beginning of the period / year		424,045	-
Investment made during the period / year		225,000	425,000
Share in profit / (loss) for the period / year		11,222	(955)
Balance at end of the period / year		660,267	424,045

This represents investment in 2,031,657 (June 2024: 1,328,397) fully paid ordinary shares of Rs. 100 each of SIHT. The above investment in ordinary shares represents 40.6% (June 2024: 29.5%) shareholding in SIHT held by the SIHL.

		Un-audited March 31, 2025	Audited June 30, 2024
		(Rupees in '000')	
9.2 Shifa CARE (Private) Limited			
Balance at beginning of the period / year		-	45,079
Impairment loss on investment during the period / year		-	(41,528)
Share in loss for the period / year		-	(3,551)
Balance at end of the period / year		-	-

The investment consists of 4,500,050 (June 2024: 4,500,050) fully paid ordinary shares of Rs. 10 each, representing 50% (June 2024: 50%) shareholding in SCPL held by SIHL. The share of loss in SCPL for the period ended March 31, 2025 amounting to Rs. 1.56 million is not recognized as the carrying amount of investment has been reduced to zero due to recognition of impairment loss in prior year.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

	Un-audited March 31, 2025	Audited June 30, 2024
	(Rupees in '000')	
10 TRADE DEBTS		
Unsecured - considered good		
Related party - Shifa Foundation	20,017	7,137
Others	2,435,440	1,581,998
	2,455,457	1,589,135
Less: allowance for expected credit losses (ECL)	316,483	242,946
	2,138,974	1,346,189

	Un-audited			
	Nine months period ended		Three months period ended	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
	(Rupees in '000')			
11 REVENUE - NET				
Inpatients	13,105,154	11,192,482	4,426,505	3,669,734
Outpatients	7,314,151	6,175,671	2,390,061	1,970,055
Other services	604,636	586,760	184,105	170,249
	21,023,941	17,954,913	7,000,671	5,810,038
Less: discount	83,634	99,504	31,349	22,680
Less: sales tax	68,190	62,567	20,601	18,848
	151,824	162,071	51,950	41,528
	20,872,117	17,792,842	6,948,721	5,768,510

	Un-audited	
	March 31, 2025	March 31, 2024
12 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the period (Rupees in '000')	1,815,107	1,050,386
Weighted average number of ordinary shares in issue (Number in '000')	63,214	63,214
Earnings per share - basic and diluted (Rupees)	28.71	16.62

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

Un-audited	
March 31, 2025	March 31, 2024
(Rupees in '000')	
811,551	808,098
-	993
154,390	55,699
13,346	3,097
(2,482)	(7,904)
-	2,166
102,684	83,459
91,258	79,595
231,141	133,207
94,725	113,532
2,427	(1,483)
(11,222)	9,978
(130,243)	(51,167)
(80,992)	(80,947)
(2,342)	27,842
259,055	322,366
1,532,116	1,498,531

Related party transactions are based on arm's length between the parties as per pricing policy approved by the board of directors of the SIHL. Transactions and balances with the related parties are given below:

Un-audited	
March 31, 2025	March 31, 2024
(Rupees in '000')	
17,457	9,477
1,013	1,018
225,000	350,000

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2025

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NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

		Un-audited	
		March 31, 2025	March 31, 2024
		(Rupees in '000')	
15	CASH AND CASH EQUIVALENTS		
	Investments - at amortized cost	733,305	191,923
	Cash and bank balances	2,837,509	1,712,456
		3,570,814	1,904,379
16	FINANCIAL RISK MANAGEMENT AND FAIR VALUES		
	The Group's financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended June 30, 2024. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited consolidated financial statements of the Group for the year ended June 30, 2024. The carrying amount of all financial assets and liabilities are estimated to approximate their fair values.		
17	DATE OF AUTHORIZATION FOR ISSUE		
	These condensed interim consolidated financial statements have been approved and authorized for issue by the board of directors of the SIHL on April 26, 2025.		
18	GENERAL		
	Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.		

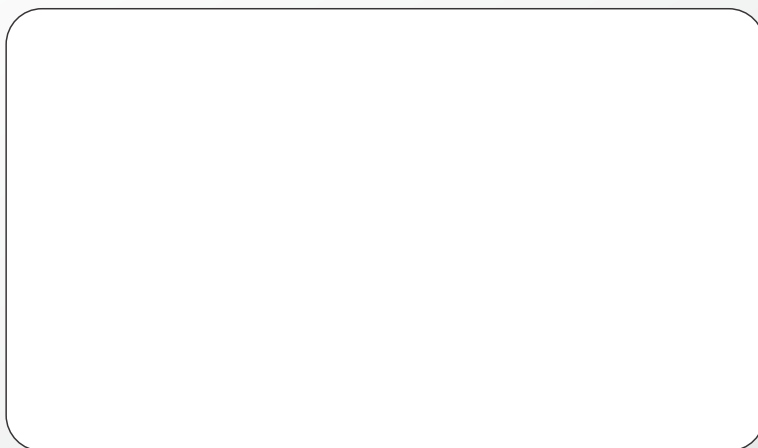

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