



Realigned into Readiness

HALF YEARLY FINANCIAL STATEMENTS
DECEMBER 31, 2025
(UNAUDITED)

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COMPANY INFORMATION

Board of Directors

Dr. Habib Ur Rahman
Chairman

Dr. Zeeshan Bin Ishtiaque
Chief Executive Officer

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

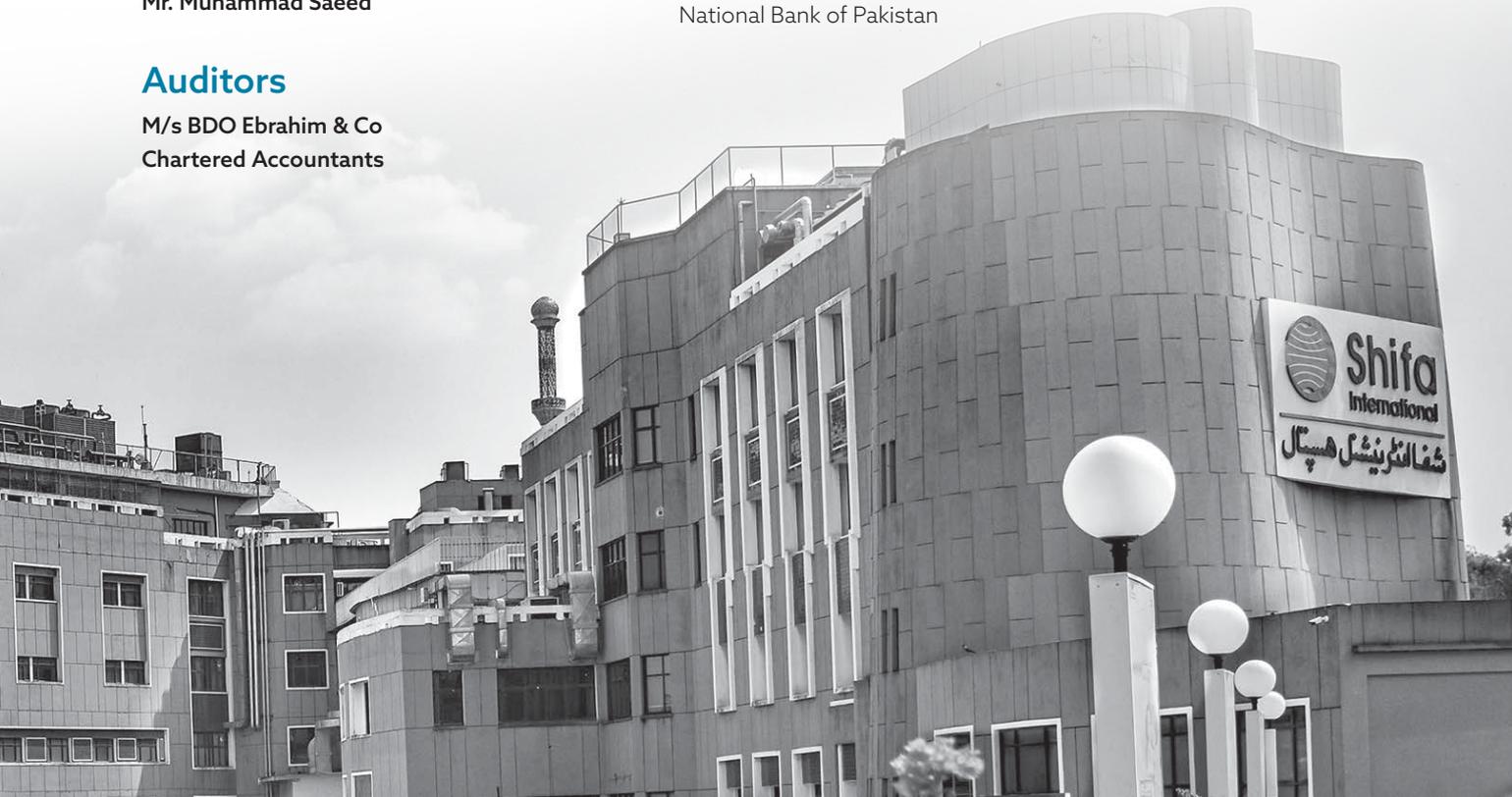
Wings Arcade, 1-K, Commercial,
Model Town, Lahore

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
Habib Metropolitan Bank Limited
Bank Al Habib Limited
Dubai Islamic Bank Pakistan Limited
National Bank of Pakistan



DIRECTORS' REVIEW

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

Dear Shareholders,

The Board of Directors is pleased to present the Condensed Interim Unconsolidated and Consolidated Financial Statements of the Company for the six-month period ended December 31, 2025, with the key financial highlights summarized below.

Financial Highlights	(Rupees in million)					
	Six months period ended December 31,					
	2025	2024	Change%	2025	2024	Change%
	Unconsolidated			Consolidated		
Revenue - net	15,387	13,923	11	15,387	13,923	11
Other income	192	174	10	215	154	40
Profit before levies and income tax	2,675	2,303	16	2,659	2,253	18
Profit for the period	1,618	1,314	23	1,599	1,243	29
Earnings per share (Rs.)	25.59	20.78	23	25.34	20.01	27

During the first six months of the financial year under review, the Company demonstrated sustained business progress, reporting an 11% increase in revenue compared to the same period last year, reflecting consistent operational performance and the positive impact of ongoing initiatives focused on digital transformation and process improvement. Operating expenses increased by 9% during the period; however, effective cost control measures, improved efficiencies, and stronger financial discipline helped enhance overall profitability. Finance costs also declined, mainly due to the partial repayment of outstanding borrowings, which further supported the improvement in net results. Consequently, earnings per share increased by 23% compared to the corresponding period of the previous year.

Future Outlook

The Company remains well positioned to sustain its growth trajectory through a focused transformation agenda centered on innovation, efficiency, and service excellence. We have launched the Shifa Ambulance Service which received quite an encouraging response from our catchment community. We plan to broaden its scope to deliver faster and more reliable emergency response across our network in the coming quarters. All clinical processes are being transitioned to fully paperless systems, enabling greater accuracy, transparency, and real-time decision-making. An international maturity assessment

of our technology systems will be conducted to benchmark our digital infrastructure against global best practices and ensure preparedness for future advancements in healthcare. Furthermore, advanced digital technologies into clinical and administrative processes will enhance efficiency, improve patient outcomes, and optimize resource utilization.

During the period under review, the Group continued to make steady progress on its expansion initiatives. Shifa National Hospital Faisalabad is expected to be operationalized in the third quarter of the current financial year, which will further strengthen our healthcare footprint and enhance service accessibility.

In addition, clinical service planning and other pre-construction activities are underway for Shifa Medical Center, F-11, Islamabad, as well as for the outreach center in Mirpur, Azad Kashmir. These developments reflect the Group's continued focus on expanding its presence and meeting the growing healthcare needs of the communities we serve.

Collectively, these strategic initiatives reaffirm our commitment to long-term sustainability and the creation of enduring value for our patients, shareholders, and communities.

Acknowledgement

The Board expresses its sincere appreciation to the consultants, management, employees, patients and their families, and strategic partners for their steadfast commitment and contributions. We also extend our gratitude to Government authorities, suppliers, banks, and shareholders for their continued support, which remains integral to the Company's sustained growth and success.

On behalf of the Board of Directors,



DR. ZEESHAN BIN ISHTIAQUE

Chief Executive Officer

ISLAMABAD

February 21, 2026



DR. MANZOOR H. QAZI

Director

تیزی سے اور زیادہ قابل اعتماد ہنگامی ردعمل فراہم کرنے کے لیے اس کے دائرہ کار کو وسیع کرنے کا ارادہ رکھتے ہیں۔ تمام طبی عمل کو مکمل طور پر بغیر کاغذ کے نظام میں تبدیل کیا جا رہا ہے، جس سے زیادہ درستگی، شفافیت اور حقیقی وقت میں فیصلہ سازی ممکن ہو رہی ہے۔ ہمارے ڈیجیٹل بنیادی ڈھانچے کو عالمی بہترین طریقوں کے معیار کے مطابق بنانے اور صحت کی دیکھ بھال میں مستقبل کی ترقی کے لیے تیاری کو یقینی بنانے کے لیے ہمارے ٹیکنالوجی نظاموں کی بین الاقوامی پختگی کا جائزہ لیا جائے گا۔ مزید برآں، طبی اور انتظامی عمل میں جدید ڈیجیٹل ٹیکنالوجیز کا کردار کیلئے اضافہ کریں گی، مریضوں کے نتائج اور وسائل کے استعمال کو بہتر بنائیں گی۔

زیر جائزہ مدت کے دوران گروپ نے اپنے توسیعی اقدامات پر مسلسل پیش رفت جاری رکھی۔ شفا نیشنل ہسپتال فیصل آباد کے رواں مالی سال کی تیسری سہ ماہی میں آپریشنل ہونے کی امید ہے، جس سے ہماری صحت کی دیکھ بھال کے نقوش کو مزید تقویت ملے گی اور خدمات تک رسائی میں اضافہ ہوگا۔

اس کے علاوہ شفا میڈیکل سینٹر، F-11، اسلام آباد کے ساتھ ساتھ میرپور، آزاد کشمیر میں آؤٹ ریچ سینٹر کے لیے کلینیکل سروس پلاننگ اور دیگر پری کنسٹرکشن سرگرمیاں جاری ہیں۔ یہ پیش رفت گروپ کی اپنی موجودگی کو بڑھانے اور ان کمیونٹیز کی صحت کی دیکھ بھال کی بڑھتی ہوئی ضروریات کو پورا کرنے پر مسلسل توجہ کی عکاسی کرتی ہے جن کی ہم خدمت کرتے ہیں۔

اجتماعی طور پر، یہ اسٹریٹجک اقدامات طویل مدتی پائیداری اور ہمارے مریضوں، حصص یافتگان اور کمیونٹیز کے لیے پائیدار قدر کی تخلیق کے لیے ہمارے عزم کی تصدیق کرتے ہیں۔

اعتراف

بورڈ اپنے کنسلٹنٹس، انتظامیہ، ملازمین، مریضوں اور ان کے اہل خانہ، اور اسٹریٹجک شراکت داروں کو ان کے ثابت قدم عزم اور تعاون کے لیے مخلصانہ تعریف کا اظہار کرتا ہے۔ ہم سرکاری حکام، سپلائرز، بینکوں اور حصص یافتگان کا ان کی مسلسل حمایت کے لیے بھی شکریہ ادا کرتے ہیں، جو کمپنی کی مسلسل ترقی اور کامیابی کے لئے اہم ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے،

ذیل مہر

ڈاکٹر منظور ایچ قاضی

ڈائریکٹر

سہ ماہی

ڈاکٹر ذیشان بن اشتیاق

چیف ایگزیکٹو آفیسر

اسلام آباد

21 فروری 2026

ڈائریکٹرز کا تجزیہ

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

معزز حصص داران،

بورڈ آف ڈائریکٹرز 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے لیے کمپنی کے انفرادی اور انضمام کردہ عبوری مالیاتی نتائج کا خلاصہ پیش کرتے ہوئے خوشی محسوس کرتے ہیں، جن میں اہم مالیاتی جھلکیاں درج ذیل ہے۔

(پاکستانی روپے ملین میں) 31 دسمبر کو ختم ہونے والی ششماہی مدت						مالیاتی جھلکیاں
تبدیلی (فیصد)	2024	2025	تبدیلی (فیصد)	2024	2025	
انضمام کردہ			انفرادی			
11	13,923	15,387	11	13,923	15,387	خالص آمدن
40	154	215	10	174	192	دیگر آمدن
18	2,253	2,659	16	2,303	2,675	منافع قبل از لیویز اور آکرم ٹیکس
29	1,243	1,599	23	1,314	1,618	رواں مدت کا منافع
27	20.01	25.34	23	20.78	25.59	فی شیئر آمدنی (روپوں میں)

زیر جائزہ مالی سال کے پہلے چھ مہینوں کے دوران، کمپنی نے مسلسل کاروباری پیشرفت کا مظاہرہ کیا، جس میں گذشتہ سال کی اسی مدت کے مقابلے میں آمدنی میں 11 فیصد اضافہ ہوا۔ جو مسلسل آپریشنل کارکردگی، ڈیجیٹل تبدیلی اور عمل میں بہتری پر مرکوز جاری اقدامات کے مثبت اثرات کی عکاسی کرتا ہے۔ اس عرصے کے دوران آپریشنل اخراجات میں 9 فیصد اضافہ ہوا؛ تاہم، لاگت پر قابو پانے کے موثر اقدامات، بہتر استعداد کار، اور مضبوط مالیاتی نظم و ضبط نے مجموعی منافع کو بڑھانے میں مدد کی۔ بنیادی طور پر بقایا قرضوں کی جزوی ادائیگی کی وجہ سے مالیاتی اخراجات میں بھی کمی آئی۔ جس نے رواں مدت کے منافع میں بہتری کو مزید سہارا دیا۔ نتیجتاً، پچھلے سال کی اسی مدت کے مقابلے میں فی حصص آمدنی میں 23 فیصد اضافہ ہوا۔

مستقبل کا نقطہ نظر

کمپنی اختراع، کارکردگی اور خدمات کی بہترین کارکردگی پر مرکوز تبدیلی کے ایجنڈے کے ذریعے اپنی ترقی کی رفتار کو برقرار رکھنے کے لیے اچھی پوزیشن میں ہے۔ ہم نے شفا ایمبولینس سروس کا آغاز کیا ہے جسے ہماری دائرہ کمیونٹی کی طرف سے کافی حوصلہ افزا ردعمل ملا ہے۔ ہم آنے والی سہ ماہیوں میں اپنے نیٹ ورک میں





CONDENSED INTERIM
UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE SIX MONTHS PERIOD ENDED
DECEMBER 31, 2025

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

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

Scope of review

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

Conclusion

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





Other Matter

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

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

ISLAMABAD

DATED: 24 Feb 2026

UDIN: RR2025100603migG7IKW


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
SHARE CAPITAL AND RESERVES			
Authorised share capital 100,000,000 (June 30, 2025: 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		1,098,009	1,104,985
Revenue reserves			
Unappropriated profit		11,139,327	9,830,602
		15,608,368	14,306,619
NON - CURRENT LIABILITIES			
Long term financing - secured	5	968,516	853,419
Deferred liabilities		273,232	289,268
Lease liabilities		946,175	506,524
		2,187,923	1,649,211
CURRENT LIABILITIES			
Trade and other payables		5,481,196	4,865,657
Unclaimed dividend		66,002	48,935
Markup accrued		7,427	7,974
Taxation - net		99,539	104,501
Current portion of long term financing - secured	5	257,150	255,190
Current portion of lease liabilities		230,301	192,895
		6,141,615	5,475,152
		23,937,906	21,430,982

CONTINGENCIES AND COMMITMENTS

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



CHIEF EXECUTIVE



DIRECTOR

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
NON - CURRENT ASSETS			
Property, plant and equipment	7	9,134,220	8,618,241
Intangible assets		37,778	43,052
Investment property - at cost		624,872	624,872
Long term investments - at cost	8	6,971,093	4,522,553
Long term advances		255,514	-
Long term deposits		106,603	105,003
		17,130,080	13,913,721
CURRENT ASSETS			
Stores, spare parts and loose tools		223,985	224,161
Stock in trade		937,576	959,987
Trade debts	9	2,313,210	1,461,456
Loans and advances		113,486	138,025
Deposits, prepayments and other receivables		178,668	196,244
Markup accrued		14,156	19,219
Other financial assets		1,056,347	1,006,355
Cash and bank balances		1,970,398	3,511,814
		6,807,826	7,517,261
		23,937,906	21,430,982



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

The annexed notes 1 to 18 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 (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	2,675,341	2,303,373
Adjustment of non-cash income and expense	12 1,084,120	963,268
Operating cash flows before changes in working capital	3,759,461	3,266,641
Changes in working capital		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	1,254	2,539
Stock-in-trade	22,411	74,270
Trade debts	(949,027)	(573,901)
Loans and advances	24,539	(33,727)
Deposits, prepayments and other receivables	17,576	10,693
(Decrease) / increase in current liabilities:		
Trade and other payables	(144,879)	618,762
	(1,028,126)	98,636
Cash generated from operations	2,731,335	3,365,277
Finance costs paid	(110,096)	(137,022)
Income tax paid	(1,086,960)	(618,880)
Payment to SIHL Employees' Gratuity Fund Trust	(116,842)	(144,220)
Compensated absences paid	(61,238)	(47,752)
Payment to defined contribution plan	(71,636)	(46,546)
Net cash generated from operating activities	1,284,563	2,370,857
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(516,879)	(705,314)
Addition to long term investments	(1,840,520)	(705,094)
Investment in other financial assets	-	(100,000)
Proceeds from disposal of property, plant and equipment	826	2,728
Markup received	110,705	65,718
Dividend received	-	50,926
Increase in long term advances	(255,514)	-
Increase in long term deposits	(1,600)	(7,237)
Net cash used in investing activities	(2,502,982)	(1,398,273)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing - repayments	(136,667)	(364,645)
Proceeds from long term financing	253,724	286,375
Payment of lease liabilities	(150,998)	(183,175)
Dividend paid	(299,005)	(149,832)
Net cash used in financing activities	(332,946)	(411,277)
Net (decrease) / increase in cash and cash equivalents	(1,551,365)	561,307
Cash and cash equivalents at the beginning of the period	3,514,814	2,132,377
Effect of exchange rate changes on cash and cash equivalents	9,949	274
Cash and cash equivalents at the end of the period	13 1,973,398	2,693,958

The annexed notes 1 to 18 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 SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

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

The principal activity of the Company is to establish and run medical centers and hospitals in Pakistan. The Company established its first hospital in 1993 in H-8/4, Islamabad, its 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, whereas investments in subsidiaries and associates are stated at cost rather than on the basis of reporting results of the investees. Condensed interim consolidated financial statements are prepared separately.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Changes in accounting standards, interpretation and pronouncements

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

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

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

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

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

- 5.2 This represents the outstanding balance of the long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 30, 2025: Rs. 577.40 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed under the Diminishing Musharakah facility to be installed at the hospital located at H-8/4, Islamabad. The unavailed limit of this facility is nil (June 30, 2025: nil).
- 5.3 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 586.36 million (June 30, 2025: Rs. 475.90 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the Company. The unavailed limit of this facility is Rs. 13.64 million (June 30, 2025: Rs. 124.10 million).
- 5.4 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 143.03 million (June 30, 2025: nil). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 400 million on all present and future fixed assets of the Company. The unavailed limit of this facility is Rs. 156.97 million (June 30, 2025: nil).
- 5.5 This represents the outstanding balance of a long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 30, 2025: Rs. 200 million) for the purpose of import/purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by January 27, 2026, in 18 equal quarterly instalments with no profit rate. The financing is secured by the first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the Company (excluding land and building). The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.
- 5.6 This represents the outstanding balance of the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.90 million (June 30, 2025: Rs. 45.90 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by December 15, 2026, in 9 equal half-yearly instalments with a profit rate of 1% per annum. The facility is secured by an exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.
- 5.7 This represents the outstanding balance of the long term finance facility obtained from United Bank Limited of Rs. 185.20 million (June 30, 2025: Rs. 185.20 million). The principal amount shall be repaid by September 14, 2026, in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by the first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the Company. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the Company's effective profit rate along with the recognition of the government grant.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

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

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

6.1.3 The tax authorities amended the assessments for tax years 2012 to 2016, 2019, 2021, and 2023 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance), creating an aggregate tax demand of Rs. 648.70 million. Aggrieved by these orders, the Company preferred appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] and/or the Appellate Tribunal Inland Revenue (ATIR), as applicable, on various dates between September 2018 and February 2025. The ATIR, vide Order Nos. ITA 1883-1884(IB)/2018 dated August 20, 2025 and November 27, 2025, adjudicated the cross appeals for tax years 2013 and 2014, whereas the appeals for the remaining years are currently pending adjudication. Being aggrieved with the order of the ATIR for the tax year 2013 and 2014, the Company filed a reference before Islamabad High Court on November 7, 2025, on the issues not decided in favor of the Company which is pending adjudication.

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

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
7.3	Right-of-use assets		
	Balance at the beginning of the period / year	550,741	622,929
	Additions during the period / year	558,477	210,241
	Terminated during the period / year	-	(53,846)
	Depreciation for the period / year	(92,827)	(228,583)
	Balance at the end of the period / year	1,016,391	550,741
8	LONG TERM INVESTMENTS - AT COST		
	In subsidiary companies (unquoted):		
	Shifa Development Services (Private) Limited (SDSPL)	9,966	9,966
	Shifa National Hospital Faisalabad (Private) Limited (SNH Faisalabad)	3,188,195	2,137,373
	Shifa Medical Center Islamabad (Private) Limited (SMC Islamabad)	2,982,898	1,660,180
	In associated companies (unquoted):		
	Shifa CARE (Private) Limited (SCPL)	45,001	45,001
	SIHT (Private) Limited	800,000	725,000
		7,026,060	4,577,520
	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
		6,971,093	4,522,553

- 8.1 This represents investment in 1,650,000 (June 30, 2025: 1,650,000) fully paid ordinary shares of Rs. 10 each of SDSPL. The above investment in ordinary shares represents 55% (June 30, 2025: 55%) shareholding in SDSPL held by the Company.
- 8.2 This represents investment in 318,819,487 (June 30, 2025: 213,737,338) fully paid ordinary shares of Rs. 10 each of SNH Faisalabad. The above investment in ordinary shares represents 60% (June 30, 2025: 60%) shareholding in SNH Faisalabad held by the Company. Furthermore, the allotment of 54,492,250 ordinary shares was completed after the reporting date.
- 8.3 This represents investment in 238,966,962 (June 30, 2025: 135,617,001) fully paid ordinary shares having face value of Rs. 10 each of SMC Islamabad including 103,349,961 shares acquired from minority shareholders at a price of Rs. 15.74 per share during the period. Consequently, the Company's total shareholding in SMC Islamabad increased to 99% (June 30, 2025: 56%).
- 8.4 This represents investment in 4,500,050 (June 30, 2025: 4,500,050) fully paid ordinary shares of Rs. 10 each of SCPL. The above investment in ordinary shares represents 50% (June 30, 2025: 50%) shareholding in SCPL held by the Company.

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

		Unaudited	
		Six months period ended	
		December 31, 2025	December 31, 2024
		(Rupees in '000')	
11	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit for the period	1,617,821	1,313,689
	Weighted average number of ordinary shares in issue (Number)	63,214,383	63,214,383
	Earnings per share - basic and diluted (Rupees)	25.59	20.78
11.1	There is no dilutive effect on the basic earnings per share of the Company.		
		Unaudited	
		Six months period ended	
		December 31, 2025	December 31, 2024
		(Rupees in '000')	
12	ADJUSTMENT OF NON-CASH INCOME AND EXPENSE		
	Depreciation / amortisation	557,104	542,393
	Amortisation on intangible assets	5,274	527
	Expected credit losses	97,274	52,836
	Property, plant and equipment written off	2,202	11,729
	Gain on disposal of property, plant and equipment	(755)	(1,666)
	Provision for compensated absences	81,557	54,237
	Provision for defined contribution plan	88,823	61,635
	Provision for bonus for employees	169,646	147,382
	Provision for gratuity	70,529	53,150
	(Reversal) / charged of provision for slow moving stores	(1,078)	1,910
	Gain on investments and bank deposits	(155,634)	(147,299)
	Gain on foreign currency translation	(9,949)	(274)
	Finance costs	179,127	186,708
		1,084,120	963,268
13	CASH AND CASH EQUIVALENTS		
	Investment in Term Deposit Receipt (TDR) - at amortised cost	3,000	3,000
	Cash and bank balances	1,970,398	2,690,958
		1,973,398	2,693,958

14 FINANCIAL RISK MANAGEMENT AND FAIR VALUES

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

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

15 RELATED PARTY TRANSACTIONS

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

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

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

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
Transactions:		
Shifa Foundation (Related party by virtue of common directorship)		
Revenue from medical and other services earned by the Company	29,736	11,087
Revenue from rent earned by the Company	720	675
Acquisition of 234,423 (December 31, 2024: 468,840) ordinary shares of SIHT (Private) Limited	75,000	150,000
Tameer-e-Millat Foundation (Related party by virtue of common directorship)		
Supplies provided to the Company	35,437	50,439
Other services provided to the Company	12,726	14,012
Rental services received / earned by the Company	7,996	6,243
Shifa Tameer-e-Millat University (Related party by virtue of common directorship)		
Revenue from medical and other services earned by the Company	14,175	15,025
Revenue from rent earned by the Company	1,755	2,128
Other services provided to the Company	49,098	41,565
Expenses paid and reimbursed to the Company	835	2,909

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
SIHT (Private) Limited (Associate and common directorship)		
Share in revenue earned and other services provided by the Company	451,269	359,332
Expenses paid and reimbursed to the Company	2,596	2,479
Other services provided to the Company	-	3,544
Shifa National Hospital Faisalabad (Private) Limited (Subsidiary and common directorship)		
Investment made by the Company in 105,082,149 (December 31, 2024: 55,509,426) ordinary shares	1,050,822	555,094
Shifa Neuro Sciences Institute Islamabad (Private) Limited (Amalgamated company)		
Rent paid by the Company	-	62,547
Dividend income received by the Company	-	50,926
Shifa Cooperative Housing Society Limited (Related party by virtue of common directorship)		
Plot maintenance charges paid by the Company	1,065	785
SIHL Employees' Gratuity Fund Trust		
Payments made by the Company	116,842	144,220
Remuneration including benefits and perquisites of key management personnel	369,876	250,927
	Unaudited	Audited
	December 31,	June 30,
	2025	2025
	(Rupees in '000')	
Balances (unsecured):		
Shifa Foundation - receivable	41,767	17,789
Tameer-e-Millat Foundation - payable	7,120	4,186
Shifa Tameer-e-Millat University - payable	83,106	42,798
SIHT (Private) Limited - receivable	59,466	59,898
SIHL Employees' Gratuity Fund Trust - payable	56,416	102,728

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

	Unaudited December 31, 2025	Audited June 30, 2025
(Rupees in '000')		
Financing as per islamic mode		
Long term financing (including current portion)	1,195,670	1,058,622
Short term shariah compliant investments		
Investment in mutual fund - at fair value through profit or loss	1,053,347	1,003,355
Shariah compliant bank balances		
Bank balances	1,545,860	2,442,121
	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
(Rupees in '000')		
Shariah compliant revenue		
Revenue - net	15,386,641	13,923,394
Dividend earned on shariah compliant investments		
Dividend income from subsidiary	-	50,926
Profit earned from shariah compliant bank balances		
Profit on bank balances	99,362	73,122
Exchange gain earned from actual currency		
Exchange gain	9,949	274
Profit paid on islamic mode of financing		
Long term financing	61,941	81,478
Source and detailed breakup of other income		
Shariah compliant		
Un-realised gain on investments at fair value through profit or loss	49,992	17,829
Others	125,317	149,884
Non-shariah compliant		
Profit on bank balances	6,280	5,422
Others	10,755	1,045

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

Relationship with sharia compliant financial institutions / takaful operators

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

17 DATE OF AUTHORISATION FOR ISSUE

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

18 GENERAL

- 18.1 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, no major reclassification has been made during the period.
- 18.2 Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED
DECEMBER 31, 2025

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
SHARE CAPITAL AND RESERVES			
Authorised share capital 100,000,000 (June 30, 2025: 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		2,736,243	2,355,123
Revenue reserves			
Unappropriated profit		9,908,831	9,203,864
		16,016,106	14,930,019
NON - CONTROLLING INTEREST			
		2,251,104	2,967,066
NON - CURRENT LIABILITIES			
Long term financing - secured	6	1,268,516	853,419
Deferred liabilities		273,232	289,268
Lease liabilities		946,175	506,524
		2,487,923	1,649,211
CURRENT LIABILITIES			
Trade and other payables		5,698,613	4,895,138
Unclaimed dividend		66,002	48,935
Markup accrued		8,175	7,974
Taxation - net		56,970	62,833
Current portion of long term financing - secured	6	257,150	255,190
Current portion of lease liabilities		230,301	192,895
		6,317,211	5,462,965
		27,072,344	25,009,261

CONTINGENCIES AND COMMITMENTS

7

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



CHIEF EXECUTIVE



DIRECTOR

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
NON - CURRENT ASSETS			
Property, plant and equipment	8	16,500,615	14,992,071
Intangible assets		37,778	42,701
Investment property - at cost		624,872	624,872
Long term investments	9	812,698	740,157
Long term advances		804,523	324,174
Long term deposits		119,662	117,961
		18,900,148	16,841,936
CURRENT ASSETS			
Stores, spare parts and loose tools		223,985	224,161
Stock in trade		937,576	959,987
Trade debts	10	2,313,210	1,461,456
Loans and advances		122,155	451,924
Deposits, prepayments and other receivables		196,828	213,445
Markup accrued		14,156	19,219
Other financial assets		2,126,863	1,075,513
Cash and bank balances		2,237,423	3,761,620
		8,172,196	8,167,325
		27,072,344	25,009,261



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

The annexed notes 1 to 19 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 (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	December 31, 2025	December 31, 2024
Note	(Rupees in '000')	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before levies and income tax	2,659,189	2,252,568
Adjustment of non-cash income and expense	13 1,077,370	959,948
Operating cash flows before changes in working capital	3,736,559	3,212,516
Changes in working capital		
(Increase) / decrease in current assets:		
Stores, spare parts and loose tools	1,254	2,539
Stock-in-trade	22,411	74,270
Trade debts	(949,027)	(573,901)
Loans and advances	24,347	214,534
Deposits, prepayments and other receivables	16,617	4,812
Increase / (decrease) in current liabilities:		
Trade and other payables	43,052	514,639
	(841,346)	236,893
Cash generated from operations	2,895,213	3,449,409
Finance costs paid	(110,126)	(137,245)
Income tax paid	(1,090,533)	(643,289)
Payment to SIHL Employees' Gratuity Fund Trust	(116,842)	(144,220)
Compensated absences paid	(61,238)	(47,752)
Payment to defined contribution plan	(71,636)	(46,546)
Net cash generated from operating activities	1,444,838	2,430,357
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant and equipment	(1,518,786)	(862,692)
Addition to long term investments	(75,000)	(150,000)
Encashment of other financial assets - net	627	37,848
Proceeds from disposal of property, plant and equipment	826	2,728
Markup received	129,880	92,676
Increase in long term advances	(480,349)	(260,445)
Increase in long term deposits	(1,701)	(8,021)
Net cash used in investing activities	(1,944,503)	(1,147,906)
CASH FLOWS FROM FINANCING ACTIVITIES		
Non-controlling interest (NCI)	713,933	385,743
Payment against acquisition of NCI	(714,699)	-
Long term financing - repayments	(136,667)	(364,645)
Proceeds from long term financing	553,724	286,375
Payment of lease liabilities	(150,998)	(120,628)
Dividend paid	(299,005)	(149,832)
Net cash (used in) / generated from financing activities	(33,712)	37,013
Net (decrease) / increase in cash and cash equivalents	(533,377)	1,319,464
Cash and cash equivalents at the beginning of the period	3,809,140	2,383,305
Effect of exchange rate changes on cash and cash equivalents	9,949	274
Cash and cash equivalents at the end of the period	14 3,285,712	3,703,043

The annexed notes 1 to 19 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 SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

1 STATUS AND NATURE OF BUSINESS

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

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

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

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

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

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

3 BASIS OF CONSOLIDATION

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Changes in accounting standards, interpretation and pronouncements

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

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

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

5 ACCOUNTING ESTIMATES AND JUDGEMENTS

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

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

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

- 6.1 This represents the outstanding balance of the long term Islamic finance facility obtained under the Diminishing Musharakah basis from First Habib Modaraba of Rs. 161.90 million (June 30, 2025: Rs. 161.90 million). The principal amount is repayable in 60 equal monthly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The unavailed limit of this facility is nil (June 30, 2025: nil).
- 6.2 This represents the outstanding balance of the long term Islamic finance facility obtained from Bank Alfalah Limited of Rs. 577.40 million (June 30, 2025: Rs. 577.40 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.70% per annum. The financing is initially secured by a ranking charge of Rs. 800 million, which has been upgraded to a first exclusive charge on the plant and machinery being financed under the Diminishing Musharakah facility to be installed at the hospital located at H-8/4, Islamabad. The unavailed limit of this facility is nil (June 30, 2025: nil).
- 6.3 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 586.36 million (June 30, 2025: Rs. 475.90 million). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 800 million on all present and future fixed assets of the SIHL. The unavailed limit of this facility is Rs. 13.64 million (June 30, 2025: Rs. 124.10 million).
- 6.4 This represents the outstanding balance of the long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 143.03 million (June 30, 2025: nil). The principal amount is repayable in 16 equal quarterly instalments carrying a profit rate at 3 months KIBOR plus 0.50% per annum. The financing is secured by an existing first pari passu charge of Rs. 400 million on all present and future fixed assets of the SIHL. The unavailed limit of this facility is Rs. 156.97 million (June 30, 2025: nil).
- 6.5 This represents the outstanding balance of the long term Islamic finance facility obtained from Habib Bank Limited (HBL) amounting to Rs. 1,200 million (June 30, 2025: nil) for ongoing capital expenditures (local & imports) of SNH Faisalabad. The principal amount is repayable in 16 equal quarterly instalments with a profit rate of 3 months KIBOR plus 0.75% per annum. The facility is secured by a first hypothecation charge of Rs. 1,600 million over all current and fixed assets of the SNH Faisalabad (excluding land and building). In addition, an equitable mortgage charge of Rs. 1,600 million over the project land and building situated in Faisalabad with 25% margin and a token registered mortgage of Rs. 0.125 million.
- Under this arrangement, the SNH Faisalabad is restricted from paying any dividend during financial year ending June 30, 2027 and June 30, 2028. Thereafter, in case of breach of financial covenants, any declaration or payment of dividend shall be subject to prior approval of HBL.
- 6.6 This represents the outstanding balance of a long term Islamic finance facility obtained from Meezan Bank Limited of Rs. 200 million (June 30, 2025: Rs. 200 million) for the purpose of import/purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by January 27, 2026, in 18 equal quarterly instalments with no profit rate. The financing is secured by the first pari passu hypothecation charge of Rs. 267 million on all present and future fixed assets of the SIHL (excluding land and building). The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries no profit rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

- 6.7 This represents the outstanding balance of the long term Islamic finance facility obtained from Al Baraka Bank (Pakistan) Limited of Rs. 45.90 million (June 30, 2025: Rs. 45.90 million) for the purpose of import / purchase of medical equipment / machinery to combat COVID-19 under the State Bank of Pakistan IRFCC scheme. The principal amount shall be repaid by December 15, 2026, in 9 equal half-yearly instalments with a profit rate of 1% per annum. The facility is secured by an exclusive charge of Rs. 55 million over equipment / machinery against DM IRFCC. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the profit rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.
- 6.8 This represents the outstanding balance of the long term finance facility obtained from United Bank Limited of Rs. 185.20 million (June 30, 2025: Rs. 185.20 million). The principal amount shall be repaid by September 14, 2026, in 18 equal quarterly instalments carrying profit at 1% per annum. The financing is secured by the first pari passu charge of Rs. 267 million over fixed assets (excluding land and building) of the SIHL. The unavailed limit of this facility is nil (June 30, 2025: nil). Since the financing under the SBP refinance scheme carries the markup rate below the market rate, the loan has been recognised at present value using the SIHL's effective profit rate along with the recognition of the government grant.

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

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

7.1.3 The tax authorities amended the assessments for tax years 2012 to 2016, 2019, 2021, and 2023 under section 122(5A) of the Income Tax Ordinance, 2001 (the Ordinance), creating an aggregate tax demand of Rs. 648.70 million. Aggrieved by these orders, the SIHL preferred appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] and/or the Appellate Tribunal Inland Revenue (ATIR), as applicable, on various dates between September 2018 and February 2025. The ATIR, vide Order Nos. ITA 1883-1884(IB)/2018 dated August 20, 2025 and November 27, 2025, adjudicated the cross appeals for tax years 2013 and 2014, whereas the appeals for the remaining years are currently pending adjudication. Being aggrieved with the order of the ATIR for the tax year 2013 and 2014, SIHL filed a reference before Islamabad High Court on November 7, 2025, on the issues not decided in favor of the SIHL which is pending adjudication.

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

		Unaudited December 31, 2025	Audited June 30, 2025
		(Rupees in '000')	
		Note	
7.2	Commitments		
	Capital expenditure contracted		1,645,190
	Letters of credit		746,897
			-
8	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	8.1	10,231,492
	Capital work in progress	8.2	10,336,360
	Right-of-use assets	8.3	4,104,969
			1,016,392
			16,500,615
			14,992,071
8.1	Operating fixed assets		
	Written down value (WDV) at the beginning of the period / year		10,336,360
	Additions	8.1.1	9,871,120
	Revaluation surplus during the period / year		371,024
			-
			506,447
			10,707,384
	WDV of disposals		11,273,542
	WDV of assets written off		(71)
	Depreciation for the period / year		(2,817)
			(15,266)
			(473,619)
	WDV at the end of the period / year		10,231,492
			10,336,360
8.1.1	Additions to operating fixed assets		
	Building on leasehold land		-
	Biomedical equipment		26,272
	Air conditioning equipment and machinery		233,581
	Electrical and other equipment		15,193
	Furniture and fittings		11,847
	Computer installations		25,304
	Vehicles		11,078
			8,698
			51,562
			34,306
			87,058
			371,024
			895,975

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

		Unaudited December 31, 2025	Audited June 30, 2025
	Note	(Rupees in '000')	
8.2	Capital work in progress		
	Balance at the beginning of the period / year	4,104,969	3,480,040
	Additions during the period / year	1,169,698	1,077,210
	Written off during the period / year	-	(60,443)
	Transferred to operating fixed assets	(21,936)	(391,838)
	Balance at the end of the period / year	5,252,731	4,104,969
	8.2.1		
8.2.1	Capital work in progress		
	Civil work	4,866,103	3,853,250
	Installation of equipment	386,628	251,719
		5,252,731	4,104,969
8.3	Right-of-use assets		
	Balance at the beginning of the period / year	550,742	509,098
	Additions during the period / year	558,477	210,241
	Terminated during the period / year	-	(4,044)
	Depreciation for the period / year	(92,827)	(164,553)
	Balance at the end of the period / year	1,016,392	550,742
9	LONG TERM INVESTMENTS		
	SIHT (Private) Limited - Associated company (unquoted)		
	Balance at the beginning of the period / year	740,157	424,045
	Investment made during the period / year	75,000	300,000
	Share in (loss) / profit for the period / year	(2,459)	16,112
	Balance at the end of the period / year	812,698	740,157

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

		Unaudited	
		Six months period ended	
		December 31, 2025	December 31, 2024
		(Rupees in '000')	
12	EARNINGS PER SHARE - BASIC AND DILUTED		
	Profit for the period	1,602,044	1,264,764
	Weighted average number of ordinary shares in issue (Number)	63,214,383	63,214,383
	Earnings per share - basic and diluted - (Rupees)	25.34	20.01
12.1	There is no dilutive effect on the basic earnings per share of the Group.		
		Unaudited	
		Six months period ended	
		December 31, 2025	December 31, 2024
		(Rupees in '000')	
13	ADJUSTMENT OF NON-CASH INCOME AND EXPENSE		
	Depreciation / amortisation	566,446	535,900
	Amortisation on intangible assets	4,922	-
	Expected credit losses	98,686	52,836
	Property, plant and equipment written off	2,202	11,729
	Gain on disposal of property, plant and equipment	(755)	(1,666)
	Provision for compensated absences	81,557	54,237
	Provision for defined contribution plan	88,823	61,635
	Provision for bonus for employees	169,646	147,382
	Provision for gratuity	70,529	53,150
	(Reversal) / charged of provision for slow moving stores	(1,078)	1,910
	Share of loss / (profit) of associate	2,459	(10,549)
	Gain on investment and bank deposits	(176,024)	(126,989)
	Gain on foreign currency translation	(9,949)	(274)
	Finance costs	179,906	180,647
		1,077,370	959,948
14	CASH AND CASH EQUIVALENTS		
	Investments - at amortized cost	1,048,289	777,834
	Cash and bank balances	2,237,423	2,925,209
		3,285,712	3,703,043
15	FINANCIAL RISK MANAGEMENT AND FAIR VALUES		

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

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

16 RELATED PARTY TRANSACTIONS

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

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

Related party transactions are based on pricing policy approved by the board of directors of the SIHL. Transactions and balances with the related parties are as follows:

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
Transactions:		
Shifa Foundation (Related party by virtue of common directorship)		
Revenue from medical and other services earned by the SIHL	29,736	11,087
Revenue from rent earned by the SIHL	720	675
Acquisition of 234,423 (Decemeber 31, 2024: 468,840) ordinary shares of SIHT (Private) Limited	75,000	150,000
Tameer-e-Millat Foundation (Related party by virtue of common directorship)		
Supplies provided to the SIHL	35,437	50,439
Other services provided to the SIHL	12,726	14,012
Rental services received / earned by the SIHL	7,996	6,243
Shifa Tameer-e-Millat University (Related party by virtue of common directorship)		
Revenue from medical and other services earned by the SIHL	14,175	15,025
Revenue from rent earned by the SIHL	1,755	2,128
Other services provided to the SIHL	49,098	41,565
Expenses paid and reimbursed to the SIHL	835	2,909

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
SIHT (Private) Limited (Associate and common directorship)		
Share in revenue earned and other services provided by the SIHL	451,269	359,332
Expenses paid and reimbursed to the SIHL	2,596	2,479
Other services provided to the SIHL	-	3,544
Shifa Cooperative Housing Society Limited (Related party by virtue of common directorship)		
Plot maintenance charges paid by the SIHL	1,065	785
SIHL Employees' Gratuity Fund Trust		
Payments made by the SIHL	116,842	144,220
Remuneration including benefits and perquisites of key management personnel	369,876	250,927
	Unaudited	Audited
	December 31,	June 30,
	2025	2025
	(Rupees in '000')	
Balances (unsecured):		
Shifa Foundation - receivable	41,767	17,789
Tameer-e-Millat Foundation - payable	7,120	4,186
Shifa Tameer-e-Millat University - payable	83,106	42,798
SIHT (Private) Limited - receivable	59,466	59,898
SIHL Employees' Gratuity Fund Trust - payable	56,416	102,728

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

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

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

	Unaudited December 31, 2025	Audited June 30, 2025
(Rupees in '000')		
Financing as per islamic mode		
Long term financing (including current portion)	1,495,671	1,058,621
Short term shariah compliant investments		
Investment in mutual fund - at fair value through profit or loss	1,053,347	1,003,355
Shariah compliant bank balances		
Bank balances	1,812,725	2,691,664
	Unaudited	
	Six months period ended	
	December 31, 2025	December 31, 2024
	(Rupees in '000')	
Shariah compliant revenue		
Revenue - net	15,386,641	13,923,394
Profit earned from shariah compliant bank balances		
Profit on bank balances	99,362	74,597
Exchange gain earned from actual currency		
Exchange gain	9,949	274
Profit paid on islamic mode of financing		
Long term financing	62,690	81,478
Source and detailed breakup of other income		
Shariah compliant		
Un-realised gain on investments at fair value through profit or loss	49,992	17,829
Others	127,156	100,898
Non-shariah compliant		
Profit on bank balances	7,641	5,422
Interest income on treasury bills	17,812	25,392
Others	11,972	4,818

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2025

Relationship with sharia compliant financial institutions / takaful operators

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

18 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 SIHL on February 21, 2026.

19 GENERAL

- 19.1 Corresponding figures have been rearranged and reclassified, wherever considered necessary, for better presentation. However, no major reclassification has been made during the period.
- 19.2 Figures have been rounded off to the nearest one thousand Pak Rupees unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



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