



شفا انٹرنیشنل ہسپتال اسلام آباد

Shifa International Hospitals Ltd.

Sector : H-8/4, Islamabad - Pakistan

Tel : 051-8463000

Fax : 051-4863182

December 04, 2015

**The General Manager
Karachi Stock Exchange
Limited**

Stock Exchange Building,
Stock Exchange Road,
Karachi.

**The Secretary,
Lahore Stock Exchange
Limited**

Stock Exchange Building,
19-Khayaban-e-Aiwan-e-
Iqbal, Lahore.

**The General Manager
Islamabad Stock
Exchange Limited**

ISE Towers, 55-B, Jinnah
Avenue,
Islamabad.

Subject: Documents/Information

Dear Sir,

It refers to our letter dated December 3, 2015 in connection with board decision to issue Right Shares to the shareholders in the proportion of 7.9663 (approx.) Right Shares for every 100 ordinary shares held.

We are enclosing herewith the following documents:

- Purpose of issue, use of funds and benefits of the right issue (Attached as Annexure 'A').
- Consolidated and separate financial projections for the next three years duly signed by directors who were present in the meeting (Attached as Annexure 'B').
- Certified true copy of board resolutions (Attached as Annexure 'C')
- Draft of notice of book closure to be printed in newspapers (Attached as Annexure 'D').
- Certificate on the statement of free reserve per share (Attached as Annexure 'E').

Yours sincerely,

MUHAMMAD NAEEM
Company Secretary



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Annexure 'A'

Purpose of Right Issue and use of Funds:

As part of the Company's expansion strategy, the Company is planning to undertake expansion by developing the F-11 Markaz medical center in Islamabad and up gradation / expansion of existing facility at sector H-8/4, Islamabad. F-11 Markaz medical center shall consist of Diagnostic Facilities, Operation Theatres, Day Care Centre as well as other Medical & Surgical OPD Clinics. The total project cost is envisaged to be PKR 2.00 billion.

This planned expansion will improve the shareholder value significantly.

Benefit of the Right Issue

- Company will be able to complete its expansion projects well in time
- The diversity of shareholders base will also enhance
- Shareholders of the Company will be able to enjoy gain in the difference of the Right Share price and Market price
- This right issue will also enhance liquidity in the shares of the Company
- It would help in increasing profitability and operating cash flows of the Company.





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Annexure 'B'

FINANCIAL PROJECTIONS

December 3, 2015

FOR THE YEAR ENDING JUNE 30, 2016 to 2018

Three year financial projections of the Group Operations (consolidated) are as follows:

Rs in '000

	2015-16	2016-17	2017-18
Net revenue	9,445,087	10,612,169	12,732,097
Profit after tax	660,599	791,553	939,523
Earnings per share – (Rupees)	12.1	14.5	17.2
Revised paid up capital	545,379	545,379	545,379

Three year financial projections of the Company's operations (separate) are as follows:

Rs in '000

	2015-16	2016-17	2017-18
Net revenue	9,438,820	10,604,963	12,723,448
Profit after tax	666,673	798,046	946,230
Earnings per share – (Rupees)	12.2	14.6	17.3
Revised paid up capital	545,379	545,379	545,379

The financial projections provided herein above reflect considered opinion of the Directors regarding the performance of the business in the current business environment. The Company or its directors do not accept any liability for conclusion drawn or any investment decisions by any person on the basis of the above information.

Dr. Habib-ur-Rahman (Chairman)

Dr. Manzoor H. Qazi (CEO)

Mr. Muhammad Zahid (Director)

Dr. Mohammad Salim Khan (Director)

Shah Naveed Saeed (Director)



Dr. Samea Kauser Ahmad (Director)



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Annexure 'C'

Resolutions passed in Board of Directors' meeting held on December 3, 2015 at its registered office, Sector H-8/4, Islamabad.

"RESOVLED THAT the paid up capital of the Company be and is hereby increased from Rs. 505,138,000/- to Rs. 545,379,000/- by offering issue of further 4,024,100 ordinary shares as right shares at a subscription price of Rs. 260/- per share (including premium of Rs. 250/- per share) in the proportion of 7.9663 (approx.) Right Shares for every 100 existing ordinary shares of Rs. 100 each i.e. 7.9663% (approx.)

FURTHER RESOLVED THAT the right shares shall from the date of their allotment, rank pari passu in all respect with the then existing fully paid shares of the Company.

FURTHER RESOVLED THAT Chief Executive Officer and/or Chief Finance Officer be and are hereby singly/jointly authorized to appoint the bankers to right issue, to collect the amount of subscription towards rights shares, to operate the right issue subscription account of the Company and to execute all documents on behalf of the Company.

FURTHER RESOLVED THAT the share transfer books of the Company shall remain closed from January 01, 2015 to January 07, 2015 (both days inclusive).

FURTHER RESOLVED THAT the purpose of right issue, benefits the Company, use of funds and projections for three years be and are hereby approved.

FURTHER RESOLVED THAT the Company Secretary be and is hereby authorized to issue circular under section 86 of the Companies Ordinance, 1984 and letter of right to the shareholders, SECP and the stock exchanges.

FURTHER RESOLVED THAT the Chief Executive Officer and/or Chief Finance Officer be and are hereby singly/jointly authorized to take all necessary steps and decisions to obtain all approvals required, if any and to sign, execute and deliver any document(s) required by the SECP/Stock Exchanges/CDC or any other authority in this regard and to affix common seal of the Company on such document(s) share certificates of title to the shareholders as may be deemed necessary.

FURTHER RESOLVED THAT the Chief Executive Officer and/or Company Secretary be and are hereby singly/jointly authorized to appoint consultant/advisor for Right Issue, announce book closure dates or any change therein and to prepare the circular and schedule for issue of right shares and to make any amendments in the said schedule and to take all necessary actions required by SECP/Stock Exchanges/CDC or any other authority and to take all necessary action as may be require in this regard including execution of any documents and agreements."





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Annexure 'D'

SHIFA INTERNATIONAL HOSPITALS LIMITED

Notice of Book Closure for 7.9663% (approx.) Right Shares

Shareholders are hereby notified that the Board of Directors at their meeting held on December 03, 2015 has decided to issue Right Shares to those entitled shareholders as mentioned below in the ratio of 7.9663 (approx.) shares for every 100 shares held at Rs. 260 per share (including premium of Rs. 250 per share).

In order to determine the entitlement of the shareholders to the Right Shares, the share transfer books of the Company shall remain closed from January 01, 2016 to January 07, 2016 (both days inclusive). Transfers received at the Share Registrar Office, M/s Corplink (Pvt.) Limited, Wings Arcade, 1-K, Commercial, Model Town, Lahore at the close of the business on December 31, 2015 will be treated in time for the purpose of entitlement of Right Shares.

The members are requested to notify any change in their registered address immediately.

Islamabad
December 03, 2015

By the Order of the Board
MUHAMMAD NAEEM
Company Secretary



December 04, 2015

Company Secretary
Shifa International Hospitals Limited
Islamabad

Grant Thornton Anjum Rahman

1st Floor, 2 Ali Plaza
1-E, Jinnah Avenue
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CERETIFICATE ON THE STATEMENT OF FREE RESERVE PER SHARE AS ON SEPTEMBER 30, 2015

We, Grant Thornton Anjum Rahman, Chartered Accountants, have been requested by the management of Shifa International Hospitals Limited (the Company) to certify that, based on the figures of un-appropriated profits and capital reserve, collectively called free reserves for the purpose of Annexure A and the Certificate, as appearing in the unaudited/unreviewed published financial statements for first quarter ended September 30, 2015, correctly presents the free reserve per issued, subscribed and paid up ordinary shares as on September 30, 2015. The certificate is required under Rule 5 of the Companies (Issue of Capital) Rules, 1996 as the Company has decided to issue right shares.

Scope of Certificate

Certify that the attached Annexure A correctly presents the free reserves per issued, subscribed and paid up ordinary shares as on September 30, 2015.

Management Responsibility

It is the management responsibility to prepare the Annexure A according to the figures appearing in the published unaudited and un-reviewed financial statements for the first quarter ended September 30, 2015 and to provide the published unaudited and un-reviewed financial statements for the first quarter ended September 30, 2015 to support the figures of free reserve and issued, subscribed and paid ordinary share capital of the Company.

Procedures Performed

We performed the following procedures:

1. We traced the amount of free reserves comprising the "un-appropriated profits" and "capital reserves" as appearing in attached Annexure A to the published financial statements of the Company for first quarter ended September 30, 2015 noting agreement;
2. We checked the arithmetical accuracy of the calculation of free reserve per share and traced the issued, subscribed and paid up ordinary shares as appearing in Annexure A, to the financial statements of the Company for first quarter ended September 30, 2015, noting agreement; and
3. We compared the ordinary share capital as at 30 June 2015 with the figures of ordinary share capital as on September 30, 2015 noting agreement and obtaining confirmation of the number of issued, subscribed and paid up Ordinary share capital.

Chartered Accountants

Member of Grant Thornton International Ltd

Other offices in Lahore and Karachi



Grant Thornton

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Grant Thornton Anjum Rahman

Certificate

Based on the procedures performed above we certify that the attached Annexure A correctly presents the free reserves per issued, subscribed and paid up ordinary shares as on September 30, 2015.

Restriction on use and distribution

This certificate is issued in relation to Rule 5 of the Companies (Issue of Capital) Rules, 1996 and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the attachment and is not to be considered as an assurance on the facts stated therein.

Grant Thornton Anjum Rahman
Grant Thornton Anjum Rahman

Chartered Accountants

Islamabad

Annexure A

SHIFA INTERNATIONAL HOSPITALS LIMITED
STATEMENT OF FREE RESERVE PER SHARE
AS ON SEPTEMBER 30, 2015

		Rupees in '000'
Free reserves		
- Unappropriated profit		1,862,834
- Capital reserves		<u>40,000</u>
	A	<u>1,902,834</u>
		No. of shares (in '000')
Number of ordinary shares issued, subscribed and paidup	B	<u>50,513.80</u>
		Rupees
Free reserve per share	C = A/B	<u>37.67</u>

Note

- 1 Free reserves comprises of "unappropriated profit" and "capital reserve" as shown in unaudited/unreviewed published financial statements of the Company for first quarter ended September 30, 2015.
- 2 Free reserve per share represent the figure arrived after dividing the free reserves (as defined in 'Note 1' above) by the number of issued, subscribed and paid up ordinary shares outstanding as on September 30, 2015.


Chief Financial Officer




Chief Executive