

February 17, 2026  
NZAJ/BFAL/22/26

### **The Board of Directors**

Barkat Frisian Agro Limited  
Office No: 601, 6th Floor, Balad Trade Center-III,  
Khayaban-e-Jami, Clifton, Karachi

Dear Members of Board,

### **Agreed-Upon Procedures Report on Progress Report for the period till 31 December 2025**

#### **1. Purpose of this Agreed-Upon Procedures Report and Restriction on Use and Distribution**

Our report is solely for the purpose of assisting Barkat Frisian Agro Limited ("the Company") in meeting the requirements of clause 16 'Post issue Reporting and Disclosures' of the Public Offering Regulation, 2017 and in pursuance of the requirement in clause 4.7.1 of the prospectus of the Company dated 11 February 2025.

Accordingly, our report will be addressed to you and our report is not to be used for any other purpose or should not be distributed to any other party.

#### **2. Responsibility of the Engaged Party**

The Company's management has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company's management is responsible for the subject matter on which agreed-upon procedures are performed.

#### **3. Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (revised) "Agreed-Upon Procedures Engagement". An agreed-upon procedures engagement involves our performing the procedures that have been agreed with management of the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures; other matters might have come to our attention that would have been reported.

#### 4. Professional Ethics and Quality Management

We have complied with the ethical requirements of the International Ethics Standards Board for the Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### 5. Procedures and findings

We have performed the procedures described below, which were agreed upon with the management of the Company in terms of engagement letter dated 25 June 2025 on the Progress Report containing implementation status of the project, as disclosed in the prospectus, till 31 December 2025 ('the Progress Report').

Sr. No	Procedures	Findings
01	<p>Obtain the following from the management:</p> <ul style="list-style-type: none"> <li>Prospectus for the issue of shares dated 11 February 2025.</li> <li>Books of account from 07 March 2025 to 31 December 2025 of the relevant expansion project as identified under the heading 'Implementation status' of the Projects; and</li> <li>The Progress Report for the period till 31 December 2025.</li> </ul>	<p>We have obtained:</p> <ul style="list-style-type: none"> <li>Understanding of the design and implementation of management controls over capitalization;</li> <li>The Progress Report for the period ended 31 December 2025;</li> <li>Books of account of the Company for period ended 31 December 2025 of the relevant expansion project as identified under the heading of 'Implementation Status' of the Progress Report; and</li> <li>Prospectus for issue of shares dated 11 February 2025 ('the Prospectus').</li> </ul>
02	<ul style="list-style-type: none"> <li>Matching the amount shown as funds required under the heading 'Implementation status' on the Progress Report with the Prospectus.</li> </ul>	<ul style="list-style-type: none"> <li>We have matched the amount shown as funds required under the heading of 'Implementation Status' on the Progress Report with the Prospectus and no differences were found.</li> </ul>
03	<ul style="list-style-type: none"> <li>Matching actual expenditure incurred till 31 December 2025 for the relevant expansion project as identified under the heading of 'Implementation status' of the Progress Report with the Progress Report for the period ended 31 December 2025, and books of accounts</li> </ul>	<ul style="list-style-type: none"> <li>We have matched actual expenditure incurred till 31 December 2025 for the relevant expansion project as identified under the heading of 'Implementation Status' of the Progress Report with the Progress</li> </ul>



	of the relevant expansion project for the period ended 31 December 2025.	Report for the period ended 31 December 2025, and books of accounts of the relevant expansion project for the period ended 31 December 2025.
04	<ul style="list-style-type: none"><li>Recalculating the allocation percentage as shown under the heading of 'Implementation Status' by dividing 'Funds required' against each expansion project with the 'Total Funds' required for completion of project.</li></ul>	<ul style="list-style-type: none"><li>We have recalculated the allocation percentage as shown under the heading of 'Implementation Status' by dividing 'Funds required' against each expansion project with the 'Total Funds' required for the completion of project and no differences were found.</li></ul>

*Naveed Zafar Ashfaq Jaffery & Co.*  
Chartered Accountants



**Quarterly Progress Report – December 31, 2025**



# **Barkat Frisian Agro Limited**

**Quarterly Progress Report**

**For the Period Ended December 31, 2025**



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## Quarterly Progress Report – December 31, 2025

### Preamble

We are pleased to share the quarterly report for the period ended December 31, 2025. This progress report is being submitted in compliance with the requirement of Clause 16 (ii) of “Post-Issue Reporting and Disclosures” of the “Public Offering Regulations, 2017” and in pursuance of the requirement specified in clause 4.7.1 of the “Prospectus for Initial Public Offering” of Barkat Frisian Agro Limited (“the Company”).

The detail of plan purpose along with Breakup of net funds raised is as follows :

Total proceed from IPO	<b>1,232,777,001</b>
less: share issuance cost	<u><b>(71,611,128)</b></u>
	<u><b>1,161,165,873</b></u>

Purpose	Amount	Allocation %
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#### Proceeds Utilization

Plant and machinery	446,280,335	50.7%
Civil work and land development charges	166,624,612	18.9%
Mechanical and electrical installation	75,000,000	8.5%
project supports and infrastructure costs	119,500,053	13.6%
	<b>807,405,000</b>	91.7%

#### Loan Repayment:

Plant & Machinery	24,115,229	2.7%
Civil work & Land development charges	46,021,460	5.2%
Project Support and Infrastructure Costs	3,013,311	0.3%
	<b>73,150,000</b>	8.3%

\*Additional proceed received from above floor price

**280,610,873**

\* Any additional funds raised above the floor price shall be utilized by the Company in managing its additional working capital needs, which has been explained in section 4.7 of the “Prospectus for Initial Public Offering”



## Quarterly Progress Report – December 31, 2025

### Summary of IPO Fund Utilization

The status of IPO Funds utilization as of December 31, 2025 is as follows :

S. No.	Purpose	Allocation Costs (Rs.)	Funds utilized (Rs.)	Percentage of utilization
1	Plant and machinery	470,395,564	(408,649,213)	86.9%
2	Civil work and land development charges	212,646,072	(170,436,160)	80.2%
3	Mechanical and electrical installation	75,000,000	(11,778,439)	15.7%
4	project supports and infrastructure costs	122,513,364	(23,813,688)	19.4%
<b>Grant Total</b>		<b>880,555,000</b>	<b>(614,677,500)</b>	<b>69.8%</b>



## Quarterly Progress Report – December 31, 2025

### Implementation Status of IPO Proceeds Utilization As at December 31, 2025

The Company has been utilizing IPO proceeds in line with the stated objectives in the Prospectus. The current implementation status is as follows:

#### 1. Plant and Machinery:

The Pre-Engineered Building (PEB) structure for the egg processing facility, along with the installation of food-grade sandwich panels, has been fully completed. The egg processing machinery has also been installed and is now in place. In addition, the machinery for the chiller, heater, and air compressor has been received.

Procurement of the refrigeration machinery is currently underway, with deliveries scheduled for Q3 of FY 2026. With the project now in its final stage of execution, management is confident that all remaining activities will be completed as planned.

#### 2. Civil Works and Land Development:

Construction of the boundary wall and plant foundation has been completed. The project has achieved approximately 80% overall completion, with significant progress in civil works and land development during the quarter. Major payments have been made toward civil structures and procurement of steel and cement, and ancillary facilities are progressing as scheduled.

Management remains confident that the project will be completed in line with the timelines disclosed in the Prospectus.

#### 3. Mechanical, Electrical and Plumbing Works:

Mechanical and electrical installation activities are currently in progress. Procurement planning for HT/LT electrical systems, transformers, and associated cabling has been initiated, and finalization of suppliers is underway. Electrical equipment works, including cabling, lighting, firefighting systems, and other miscellaneous installations, have commenced with significant progress achieved. MEP contracting activities along with related supplies have been initiated, and initial execution has started. Networking, surveillance cameras, and security system installation is planned for the upcoming phase, with procurement expected to be undertaken as per the project schedule.

*[Handwritten signature]*



## Quarterly Progress Report – December 31, 2025

### 4. Project Support and Infrastructure:

During the quarter, initial payments were made towards the solar power system, statutory approvals (NOCs, permits and certifications), and architect/MEP/HVACR consultancy services. Expenditure was also incurred on travelling and lodging for project coordination. Remaining items, including furniture and fittings, lab equipment, and other related infrastructure requirements, are planned for execution during Q3 FY 2026. Management remains confident of completing the project within the timelines disclosed in the Prospect

### Working Capital Requirement

Excess funds will be used as and when there is a need for working capital, as explained in the Prospectus.

For and on behalf of Barkat Frisian Agro Limited

Muhammad Farooq Zafar  
Chief Financial Officer

Ammad Badar  
Head of Project



## Quarterly Progress Report – December 31, 2025

