

Ref: BF/PSX/I-03
Date: April 17, 2026

**The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.**

Subject: Submission of Half Yearly Progress Report – For The Period Ended 31 December 2025

Dear Sir,

We are pleased to submit the half yearly progress report for the period ended 31 December 2025, along with the certificate issued by our auditors, M/s KPMG Taseer Hadi & Co. Chartered Accountants, on the implementation status.

This progress report is being submitted in compliance with the requirements of Clause 16 of "Post - Issue Reporting and Disclosures" of the "Public Offering Regulations, 2017" and in pursuance of the requirement specified in clause 4.5.1 of the "Prospectus For Initial Public Offering" of BF Biosciences Limited.

Thank you.

For and on behalf of BF Biosciences Limited




Abdur Rehman
Company Secretary

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Chartered Accountants
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The Board of Directors
BF Biosciences Limited
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Lahore

Our ref LA-IA-117-26

Contact M. Rehan Chughtai

15 April 2026

Honourable Members of the Board,

BF Biosciences Limited ("the Company")

Statutory auditor's certificate on the Half Yearly Progress Report of the Company for the period ended till 31 December 2025

We have been requested to provide you with a certificate with respect to annexed Half Yearly Progress Report for the period ended 31 December 2025 ("Progress Report") related to utilization of IPO funds by BF Biosciences Limited ("the Company") as required under clause 16 "*Post Issue Reporting and Disclosures*" of the Public Offering Regulations, 2017 and in pursuance of the requirement in clause 4.5.1 of the prospectus of the Company dated 19 September 2024.

Scope of certificate

This certificate is being issued for onwards submission to the Securities Exchange Commission of Pakistan (SECP) as required under clause 16 "*Post Issue Reporting and Disclosures*" of the Public Offering Regulations, 2017.

Management responsibility

It is the management's responsibility to prepare the annexed Progress Report and identify the utilization of funds against the commitments mentioned in clause 4.1 of the prospectus of the Company. The management is also responsible to comply with all laws, rules, and regulations applicable to utilization of IPO funds and Public Offering Regulations, 2017.

Auditor's responsibility

Our responsibility is to provide a certificate on utilization of IPO funds as noted in the annexed Progress Report in accordance with the 'Guidelines for issue of Certificate for Special Purpose by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to the following procedures:

- Obtained the Half Yearly Progress Report for the period ended 31 December 2025.
- Obtained the Annual Progress Report for the year ended 30 June 2025.
- Obtained the Company's prospectus dated 19 September 2024.

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KPMG Taseer Hadi & Co.

- Matched the amount aggregating to Rs. 1,925,000,000 shown as '*Allocated cost*' under the heading of '*Summary of IPO Funds Utilization*' of the Progress Report with the prospectus of the Company dated 19 September 2024.
- For funds utilized as mentioned under the heading "*Summary of IPO Funds Utilization*" of the Progress Report, matched '*Utilization of funds till 30 June 2025*' amounting to Rs. 1,312,962, 657 with the Annual Progress Report as at 30 June 2025 submitted by the Company with SECP.
- For '*Utilization of funds during the six months ended 31 December 2025*' amounting to Rs 60,865,536 for purchase of Plant and Machinery (Rs. 56,474,560) and obtaining Export related Certifications and New Product Developments (Rs. 4,390, 976):
 - i) Inspected the supplier invoices relating to the expenditure incurred during the period.
 - ii) Checked that the invoices are in the name of the Company.
 - iii) Where invoices have been paid, traced payments of invoices to the bank statements provided by the Company.

Certificate

Based on procedures mentioned above, we confirm that the IPO funds utilized till 31 December 2025 amounts to Rs. 1,373,828,193 as stated under the heading "*Summary of IPO Funds Utilization*" in the annexed Progress Report.

Restriction on use and distribution

This certificate is issued by us in the capacity of the statutory auditor of the Company upon request of the management of the company for onward submission to SECP and is not to be used or distributed for any other purpose. This certificate is restricted to the facts stated herein and the annexed Progress Report.

The annexed Progress Report prepared by the Company's management has been initialled by us for identification purposes only.

Yours sincerely





BF Biosciences Limited
Half Yearly Progress Report
For The Period Ended 31 December 2025

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Preamble

We are pleased to share the half-yearly progress report for the period ended 31 December 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 4.5.1 of the “Prospectus For Initial Public Offering” of BF Biosciences Limited (“the Company”).

The Company’s Initial Public Offering was concluded in October 2024, whereby gross proceeds amounting to Rs. 1,925,000,000 (Rupees One Billion Nine Hundred Twenty-Five Million Only) were raised.

The details of planned purpose along with the breakup of net funds raised is as follows:

Sr. No.	Purpose	Amounts (Rs.)	%
1	Purchase of Plant and Machinery	697,879,105	36.3%
2	Obtaining Export related Certifications and New Product Developments	140,800,000	7.3%
3	Managing Working Capital Requirements	1,086,320,895	56.4%
	Grand Total	1,925,000,000	100.0%
	Less: Transactions Costs Incurred	(69,801,865)	
	Net IPO Proceeds Raised	1,855,198,135	

Summary of IPO Funds Utilization

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

Sr. No.	Purpose	Allocated Costs (Rs.)	Funds Utilized (Rs.)	Funds Available (Rs.)
1	Purchase of Plant and Machinery	697,879,105	(228,350,413)	469,528,692
2	Obtaining Export related Certifications and New Product Developments	140,800,000	(59,156,885)	81,643,115
3	Managing Working Capital Requirements	1,086,320,895	(1,086,320,895)	-
	Grand Total	1,925,000,000	(1,373,828,193)	551,171,807

The movement of IPO funds utilization is as follows:

Description	Amount (Rs.)
Total IPO funds	1,925,000,000
Utilization of funds till 30 June 2025	(1,312,962,657)
Utilization of funds during the six months ended 31 December 2025	(60,865,536)
Funds available as of 31 December 2025	551,171,807

The utilization of funds during the six months ended 31 December 2025 amounts to Rs. 60,865,536, which comprises of Rs. 56,474,560 incurred on the purchase of plant and machinery and Rs. 4,390,976 incurred on obtaining export-related certifications and new product development.

Implementation Status

The implementation status of each planned line item is as follows:

- Purchase of Plant and Machinery

The summary of asset-wise detail relating to plant and machinery is as follows:

Sr. No.	Commitment made in the Prospectus	Allocated Costs (Rs.)	Funds Utilized (Rs.)	Funds Available (Rs.)	Start Date	Completion Date	Current Status	Rationale for delay, if any
1	Inspection Machine	115,990,875	-	115,990,875	Q3 FY 25	Q1 FY 26	Refer to pt. 1	
2	PFS Machine Cartridge System	126,535,500	-	126,535,500	Q3 FY 25	Q1 FY 26	Refer to pt. 2	
3	Change Parts – Filling Machine	35,100,000	(7,202,400)	27,897,600	Q1 FY 25	Q4 FY 25	Refer to pt. 3	
4	Quality Control Equipment	43,082,325	(45,595,323)	(2,512,998)	Q2 FY 25	Q4 FY 25	Refer to pt. 4	
5	Formulation Vessel & UPS	126,535,500	(16,492,340)	110,043,160	Q3 FY 25	Q1 FY 26	Refer to pt. 5	

6	Walkthrough Gates	8,775,000	(4,902,000)	3,873,000	Q2 FY 25	Q4 FY 25	Refer to pt. 6
7	Stability Chambers	7,020,000	(7,301,250)	(281,250)	Q4 FY 24	Q2 FY 25	Refer to pt. 7
8	Filling Line System Upgradation for Line I	46,396,350	(112,608,736)	(66,212,386)	Q2 FY 25	Q4 FY 25	Refer to pt. 8
9	Cart. Machine for PFS	137,500,000	-	137,500,000	Q3 FY 25	Q1 FY 26	Refer to pt. 9
10	Installation / Contingency	50,943,555	(34,248,364)	16,695,191	Q2 FY 25	Q1 FY 26	Refer to pt. 10
Grand Total		697,879,105	(228,350,413)	469,528,692			

The progress report of each asset is explained below:

1. Inspection Machine

The User Requirement Specifications (URS) were finalized and negotiations were initiated with a Chinese supplier. However, during the due diligence process, the Company's technical team identified that given the complex nature of the process, none of the Chinese manufacturers meet the URS requirements.

While the IPO proceeds were originally budgeted based on procurement of Chinese equipment, management is now currently re-evaluating European equipment along with the associated budgetary implications.

2. Pre-filled Syringes Machine Cartridge System

The equipment shipment has been received and the related payment was processed subsequent to the period-end. Furthermore, the Company is awaiting arrival of the manufacturer's installation team; however, the deployment is currently on hold due to the prevailing law and order situation in the region.

3. Change Parts – Filling Machine

Majority of the change parts have been received and order for further change parts is in process.

4. Quality Control Equipment

The Company is pleased to report that the procurement of quality control equipment has been completed.

5. Formulation Vessel & UPS

One formulation vessel along with vibromixer has been received.

It is pertinent to mention that the Company budgeted two vessels along with accessories from a Swiss-based supplier. However, the Company subsequently identified a cost-efficient solution that is partially locally manufactured and significantly cost effective compared to the imported option. The excess funds saved through this shall be utilized for the procurement of the second vessel, which is to be manufactured locally OR for other ancillary CAPEX within the budget heads as described in the IPO prospectus. Meanwhile, partial UPS units have also been delivered.

6. Walkthrough Gates

The Company is pleased to report that the procurement of walkthrough gates has been completed.

7. Stability Chambers

The Company is pleased to report that the procurement of stability chambers has been completed.

8. Filling Line System Upgradation for Line I

The Company is pleased to report that the Filling Line System Upgrade for Line I has been successfully procured and commissioned.

9. Cartridge Machine for Pre-filled Syringes Machine

This relates to point 2 above. Initially, this was planned to be financed internally in case IPO had been subscribed at the floor price. However, since the IPO was subscribed above the floor price, additional funds raised for same project have been shown separately. The current status of equipment has been explained in point 2 above.

10. Installation / Contingency

As briefed in our last progress report, several other ancillary equipment / spares are being purchased on as and when required basis. Based on recent assessment, since these items are procured on case-to-case basis, management expects that procurement may last till Q1 of FY 27 instead of Q1 of FY 26.

- Obtaining Export related Certifications and New Product Developments

The management is pleased to announce successful launch of Tirzeptide (GLP-1, GIP) under the brand name Zeptide®. This is in addition to several other products launched by the Company.

Regarding plant certifications, consultants appointed by the Company have completed gap analysis and are currently concluding their workings on Computer System Validation (CSV) and Computerized Systems Validation Master Plan (CSVMP) protocols. Management is addressing the identified gaps in parallel along with preparation of dossiers for filings with Stringent Regulatory Authority (SRA).

- Managing Working Capital Requirements

The Company is continuously procuring raw and packing materials for managing its market needs. As of reporting date, 100% of the planned IPO funds have been duly utilized for managing working capital needs.

Abdur Rehman
CFO & Company Secretary



Muhammad Farhan Rafiq
Chief Executive Officer