

**Audit of Financial Statements of Wahdat Poultry Farm (Private)
Limited for the year ended June 30, 2025**

INDEPENDENT AUDITOR'S REPORT

To the Members of Wahdat Poultry Farm (Private) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Wahdat Poultry Farm (Private) Limited (the Company), which comprise the statement of financial position as at June 30, 2025, statement of profit or loss, statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the period then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit, the comprehensive income, the changes in equity and its cash flows for the period then ended.

Basis for Opinion

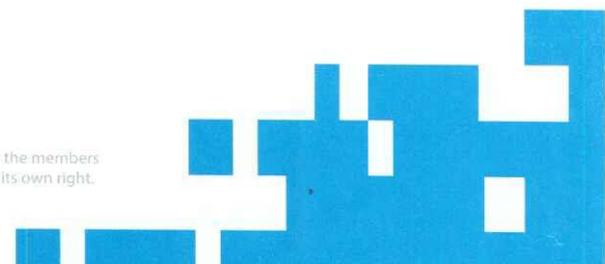
We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditor's Report thereon

Management of the Company is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the financial statements and our auditor's report thereon

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

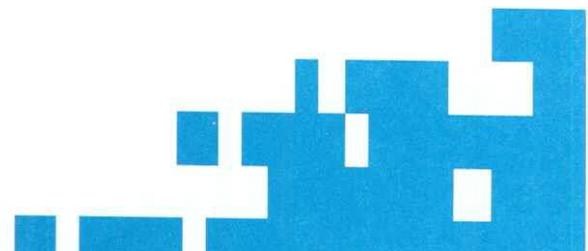
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the period were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980),

The engagement partner on the audit resulting in this independent auditor's report is Syed Naveed Abbas.

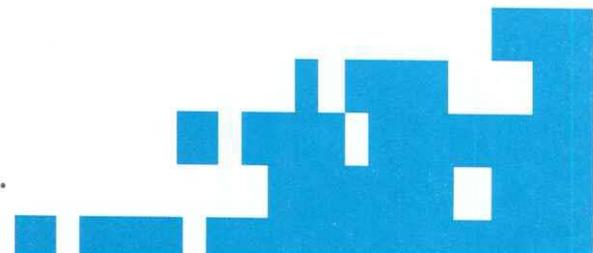
Rsm Avasi Hyder Liaquat Nauman

RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS

Place: Islamabad

Date: 04 OCT 2025

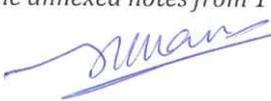
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WAHDAT POULTRY FARM (PRIVATE) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	734,548,803	715,200,268
Intangible assets	6	7,975,200	10,633,600
Deferred taxation	7	47,471,154	27,404,950
		789,995,157	753,238,818
CURRENT ASSETS			
Trade debts	8	529,432,348	355,828,886
Stock in trade	9	346,862,626	372,674,703
Biological assets	10	704,447,421	618,679,060
Deposits, advances and other receivable	11	126,861,726	77,436,722
Loan to related party	12	-	-
Advance income tax		20,798,421	14,941,640
Cash and bank balances	13	40,666,735	48,360,800
		1,769,069,277	1,487,921,810
TOTAL ASSETS		2,559,064,434	2,241,160,628
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
60,000,000 (2024: 60,000,000) Ordinary shares of Rs. 10/- each		600,000,000	600,000,000
Issued, subscribed and paid up capital	14	570,442,510	570,442,510
Share premium - capital reserve	15	345,980,520	345,980,520
Unappropriated profit		615,295,057	370,004,448
		1,531,718,087	1,286,427,478
NON CURRENT LIABILITIES			
Long term financing	16	127,747,960	65,990,503
Employee retirement benefits	17	12,549,670	13,103,208
		140,297,630	79,093,711
CURRENT LIABILITIES			
Short term borrowings	18	641,524,651	634,074,413
Trade and other payables	19	151,103,392	122,026,810
Current portion of long term financing	16	34,180,518	78,307,039
Loan from related party	20	19,758,000	3,000,000
Provision for taxation	28	40,482,156	38,231,177
		887,048,717	875,639,439
TOTAL EQUITY AND LIABILITIES		2,559,064,434	2,241,160,628
CONTINGENCIES AND COMMITMENTS	21		

The annexed notes from 1 to 39 form an integral part of these financial statements.


CHIEF EXECUTIVE


DIRECTOR

WAHDAT POULTRY FARM (PRIVATE) LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Sales	22	2,791,379,643	2,515,519,917
Cost of sales	23	(2,112,435,773)	(1,926,783,731)
Gross profit		678,943,870	588,736,186
Administrative expenses	24	(87,066,233)	(83,265,481)
Selling and distribution expenses	25	(281,386,425)	(275,875,783)
Operating profit		310,491,212	229,594,922
Other income	26	62,520,735	168,552,862
Finance cost	27	(131,162,691)	(177,008,839)
Profit before Levies and income tax		241,849,256	221,138,945
Levies	28	(22,072,798)	(19,273,010)
Profit before income tax		219,776,458	201,865,935
Current tax - for the year		(18,409,358)	(18,958,167)
- for the prior year		19,025,418	70,449
Deferred tax - for the year		21,467,451	40,226,238
Profit after taxation		22,083,511	21,338,520
		241,859,969	223,204,455

The annexed notes from 1 to 39 form an integral part of these financial statements.



CHIEF EXECUTIVE



DIRECTOR

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

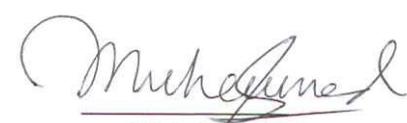
	Note	2025 Rupees	2024 Rupees
Profit after taxation		241,859,969	223,204,455
Other comprehensive income			
Items that will not be subsequently reclassified in profit or loss (net of tax)			
Remeasurement gain on retirement benefit	17.2	4,831,887	1,516,488
Related deferred tax impact	7	(1,401,248)	(439,782)
Total comprehensive income		245,290,608	224,281,161

The annexed notes from 1 to 39 form an integral part of these financial statements.

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CHIEF EXECUTIVE



DIRECTOR

WAHDAT POULTRY FARM (PRIVATE) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		241,849,256	221,138,945
<i>Adjustment for non cash items:</i>			
Provision for gratuity	17.2	4,278,349	4,709,016
Allowance for expected credit loss	8.1	1,001,815	838,858
Finance cost	27	131,162,691	177,008,839
Depreciation	5.1	39,244,262	35,789,911
Loss on disposal of biological assets	26	42,015,092	52,550,384
Amortization on intangibles	6	2,658,400	2,658,400
Fair value gain on remeasurement of biological	26	(85,702,619)	(190,925,382)
		376,507,246	303,768,971
Working Capital Changes:			
<i>(Increase)/decrease in current assets</i>			
Stock in trade		25,812,077	(30,034,969)
Trade debts		(174,605,277)	(71,709,483)
Deposits, advances and other receivable		(49,425,004)	15,944,203
Loan to related party		-	12,708,079
<i>Increase/(decrease) in current liabilities</i>			
Trade and other payables		45,790,348	(29,179,187)
Cash generated from operations		224,079,390	201,497,615
Income tax paid		(25,062,539)	(13,843,360)
Finance cost paid		(147,876,457)	(167,452,164)
Net cash generated (used in) from operating activities		51,140,394	20,202,091
CASH FLOWS FROM INVESTING ACTIVITIES			
Addition to property, plant and equipment		(56,803,137)	(33,817,050)
Addition to work in process		(1,789,660)	(18,882,359)
Acquisition of biological assets		(53,639,546)	(80,120,089)
Proceeds from disposal of biological assets		11,558,710	38,306,075
Net cash (used in) investing activities		(100,673,633)	(94,513,423)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term financing		17,630,936	17,808,155
Short term borrowings		7,450,238	79,524,972
Loan from related party		16,758,000	3,000,000
Net cash generated from financing activities		41,839,174	100,333,127
Net increase in cash and cash equivalents		(7,694,065)	26,021,795
Cash and cash equivalents at the beginning of the year		48,360,800	22,339,005
Cash and cash equivalents at the end of the year	13	40,666,735	48,360,800

The annexed notes from 1 to 39 form an integral part of these financial statements.

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CHIEF EXECUTIVE

DIRECTOR

WAHDAT POULTRY FARM (PRIVATE) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid up capital	Share premium capital reserve	Unappropriated Profit	Total
-----Rupees-----				
Balance as at June 30, 2023	570,442,510	345,980,520	145,723,287	1,062,146,317
Total comprehensive income for the year				
Profit after taxation	-	-	223,204,455	223,204,455
Other comprehensive income - net of deferred tax	-	-	1,076,706	1,076,706
Balance as at June 30, 2024	570,442,510	345,980,520	370,004,448	1,286,427,478
Total comprehensive income for the year				
Profit after taxation	-	-	241,859,969	241,859,969
Other comprehensive income - net of deferred tax	-	-	3,430,639	3,430,639
Balance as at June 30, 2025	570,442,510	345,980,520	615,295,057	1,531,718,087

The annexed notes from 1 to 39 form an integral part of these financial statements.

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CHIEF EXECUTIVE



DIRECTOR

WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND OPERATIONS

Wahdat Poultry Farm (Private) Limited (the Company) was incorporated in Pakistan on February 07, 2019 as private limited company under the Companies Act, 2017. The principal activity of the Company is the poultry layer farming, egg and feed processing, marketing, branding, distribution, buying and selling, export and import of their related products.

During the year ended June 30, 2020, Karandaaz Pakistan injected equity amounting to Rs. 500 million by acquiring 15,401,948 ordinary shares at a price of Rs. 32.46343 per share which resulted in its 27% shareholding in the Company.

1.1 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNITS

The registered office of the Company is situated at Compound No. 26, Chak 24, Bhagtanwala, Sargodha, Pakistan.

The Company has the following sales centers.

- Islamabad sales center
- Lahore sales center
- Karachi sales center
- Faisalabad sales center

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention unless otherwise specifically mentioned.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

2.4 Use of estimates and judgments

The preparation of financial statements in conformity with the accounting and reporting standards, as applicable in Pakistan, require management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense. The estimates and associated assumptions are continually evaluated and based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

2.4 Use of estimates and judgments (Continued..)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. The areas involving a higher degree of judgments or complexity or areas where assumptions and estimates are significant to the financial statements are as follows:

- 1) Employee retirement benefits (Note 4.14)
- 2) Estimate of useful life of property and equipment (Note 4.1)
- 3) Estimate of useful life of intangible assets (Note 4.2)
- 4) Impairment of non-financial assets (Note 4.3)
- 5) Provision of taxation (Note 4.16)
- 6) Expected credit loss allowance (Note 4.6/(iv))
- 7) Provisions and contingencies (Note 4.13)
- 8) Fair value of biological assets and biological products. (Note 4.5)

3 STATUS OF STANDARDS AND INTERPRETATIONS

a) Standards and amendments to approved accounting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 01, 2023. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting standards that are not yet effective

There is a standard and certain other amendments to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 01, 2023. However, these are considered either not to be relevant or to have any significant impact on the Company's financial statements and operations and, therefore, have not been disclosed in these financial statements.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Property, plant and equipment

Items included in property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, except land and capital work in progress. Land and capital work in progress is stated at cost less accumulated impairment losses, if any. Advance for capital expenditure is stated at cost less accumulated impairment losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance expenses are recognized in the statement of profit or loss during the financial period in which they are incurred.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.1 Property, plant and equipment (Continued...)

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The assets' residual value and useful lives are reviewed, and adjusted if significant, at each balance sheet date. Gains and losses on disposals of property, plant and equipment are recognized in the statement of profit or loss.

The completed or acquired capital work in progress and advances for capital expenditure is transferred to the respective item of operating fixed assets when it becomes available for intended use.

Depreciation on operating assets is provided on reducing balance method at rates mentioned in note 5.1 to the financial statements.. Full year depreciation on additions is charged while no depreciation is charged in the year the asset is disposed of. When assets are sold or retired, their cost and accumulated depreciation are eliminated from the financial statements and any gain or loss resulting from their disposal is included in profit or loss.

4.2 Intangible assets

Cost associated with ERP software program is recognized as an expense when incurred. However, costs that are directly attributable to identifiable software and have probable economic benefits exceeding the cost beyond one year, are recognized as an intangible asset. Direct costs include the purchase cost of software and its implementation cost. Intangible assets are amortized from the date they are put to use.

Omega 3 and Docosahexaenoic acid (DHA) products and ERP is amortized over the useful life of 10 years and 3 years respectively.

4.3 Impairment of non-financial assets other than inventories

The Company assesses at each reporting date whether there is any indication that assets other than stores and spares may be impaired. If such an indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss, if any. Where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amounts and the resulting impairment loss is recognized as expense in the statement of profit or loss, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

4.4 Stock in trade

Stocks are valued at lower of cost and net realizable value except for stock in transit, which is valued at invoice price and related expenses incurred up to the reporting date.

Net realizable value signifies the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sales.

The cost is determined as follows:

- Raw materials and packing materials at weighted average cost.
- Biological product is recorded at fair value at the time of harvest and at the same time is then recorded as finished good.
- Finished goods at weighted average cost of purchase, raw materials and applicable manufacturing expenses.
- Cost of raw material, work in process and finished goods comprises of direct materials, labor and appropriate manufacturing overheads. Net realizable value signifies the estimated selling price in the ordinary course of business less the estimated Cost of completion and the estimated costs necessary to make the sale.

WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.5 Biological assets

Biological assets comprise of parent flocks of birds. These are measured at fair value less estimated cost to sell with any resultant gain/loss being recognized in the statement of profit or loss. Fair value of parent flocks of birds is determined on the basis of birds of similar age, breed and genetic merit. Cost to sale includes all costs necessary to sell the assets, excluding finance cost and income taxes.

4.6 Financial instruments

Recognition and initial measurement

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets:

(i) Debt instruments designated at amortized cost

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortized cost of the debt instrument on initial recognition.

Amortized cost and effective interest rate method:

The amortized cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Amortized cost and effective interest rate method Continued...)

Interest income is recognized using the effective interest method for debt instruments measured subsequently at amortized cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognized by applying the effective interest rate to the amortized cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognized by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognizes interest income by applying the credit-adjusted effective interest rate to the amortized cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognized in profit or loss and is included in the "finance income - interest income" line item.

(iii) Equity instruments designated as at FVTOCI

On initial recognition, the Company may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognized by an acquirer in a business combination.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognized in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognized in profit or loss in accordance with IFRS 9, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the 'finance income' line item in profit or loss.

(iv) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in EQUITY instruments are classified as at FVTPL, unless the Company designates an EQUITY investment that IS neither held for trading nor A contingent consideration arising from A business combination as at FVTOCI ON initial recognition.

- Debt instruments that do not meet the amortized COST Criteria or the FVTOCI Criteria are classified as at FVTPL. In addition, Debt instruments that meet either the amortized COST Criteria or the FVTOCI Criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces A measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring ASSETS or LIABILITIES or recognizing the gains and losses on them on different bases. The Company has not designated any Debt instruments as at FVTPL.

- Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.



WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

Impairment of financial assets:

The Company recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at FVTOCI, lease receivables, trade receivables, contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognizes lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognizes lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognized is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organizations, as well as consideration of various external sources of actual and forecast economic information that relate to the company's core operations.

a) Financial assets at FVTPL

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument,
e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortized cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

a) Financial assets at FVTPL (Continued..)

- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor;
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in A significant decrease in the debtor's ability to meet its Debt obligations.

Irrespective of the outcome of the above assessment, the Company presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Company has reasonable and supportable information that demonstrates otherwise.

(ii) Definition of default:

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 360 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(ii) Credit-impaired financial assets:

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- (a) significant financial difficulty of the issuer or the borrower;
- (b) a breach of contract, such as a default or past due event
- (c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
- (d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization; or
- (e) the disappearance of an active market for that financial asset because of financial difficulties

(iii) Write-off policy:

The Company writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

(iv) Measurement and recognition of expected credit losses:

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Company's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with IFRS 16 Leases.

For a financial guarantee contract, as the Company is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Company expects to receive from the holder, the debtor or any other party.

If the Company has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Company recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

(v) Derecognition of financial assets:

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

(v) Derecognition of financial assets: (Continued..)

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

b) Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method or at FVTPL.

(i) Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognized in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognized in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognized in statement of other comprehensive income, unless it would create or enlarge an accounting mismatch in statement of profit or loss. The remaining amount of change in the fair value of liability is recognized in statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in statement of other comprehensive income are not subsequently reclassified to statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Gains or losses on financial guarantee contracts issued by the Company that are designated by the Company as at FVTPL are recognized in profit or loss.

(ii) Financial liabilities measured subsequently at amortized cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortized cost using the effective interest method.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

(iii) Derecognition of financial liabilities:

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

4.7 Offsetting of financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet, if the Company has a legally enforceable right to set-off the recognized amounts and intends to settle either on a net basis or to realize the asset and settle the liability simultaneously.







WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.8 Related party transactions

Related party transactions arising in the normal course of business are conducted at arm's length at normal commercial rates on the same terms and conditions as third party transactions using valuation modes as admissible unless the Directors determine the otherwise to be beneficial for the Company.

4.9 Trade debts

Trade debts are recognized and carried at original invoice amount less an allowance for any uncollectable amounts.

4.10 Foreign currency transactions and translation

Transactions in foreign currencies are translated into functional currency at exchange rates at the date of transaction. Monetary assets and liabilities denominated in foreign currencies at reporting date are translated to the functional currency at the exchange rates at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at beginning of the year, adjusted for effective interest and payments during the year, and amortized cost in foreign currency translated at the exchange rate at reporting date. Exchange differences are included in the statement of profit or loss.

4.11 Cash and bank balances

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less. Short term finance facilities availed by the Company, which are payable on demand and form an integral part of the Company's cash management are included as part of cash and cash equivalents for the purpose of statement of cash flows.

4.12 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions are determined by discounting future cash flows at appropriate discount rate where ever required. Provisions are reviewed at each reporting date and adjusted to reflect current best estimate.

4.13 Contingencies

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or the Company has a present legal or constructive obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability.

4.14 Employee retirement benefits

The Company operates an unfunded gratuity scheme. The scheme provides for terminal benefits for all its permanent employees whose period of service exceeds one year. Employees are entitled to gratuity on the basis of one gross salary for each completed one year of service after the minimum qualifying period. Annual charge is based on actuarial valuation using Projected Unit Credit Method. The latest actuarial valuation is carried out on June 30, 2025.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

4.15 Revenue recognition

Revenue comprises the fair value for the sale of goods net of sales taxes and discounts. Revenue from the sale of goods is recognized when control of the goods passes to customers and the customers can direct the use of and substantially obtain all the benefits from the goods i.e. when the Company has transferred control of the products to the customers and there is no unfulfilled performance obligation at part of the Company that could affect the customer's acceptance of the products.

4.16 Taxation

Tax Liability is based on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, or minimum tax on turnover or Alternate Corporate Tax whichever is higher in accordance with the provisions of Income Tax Ordinance 2001.

(i) Current

The amount calculated on taxable income using the notified rate of taxation after taking into account tax credits and rebates available, if any is recognized as "current income tax expense".

Levies

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income and based on revenue or other basis other than taxable income is classified as levy. Minimum taxes in excess over the amount designated as income tax is recognized as levy falling under the scope of IFRIC 21/IAS 37.

(ii) Deferred

Deferred tax is accounted for on all temporary differences using the liability method arising between the tax bases of assets and liabilities and their carrying amounts appearing in the financial statements. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that deductible temporary differences will reverse in the future and taxable income will be available against which the deductible temporary differences, unused tax losses and tax credit can be utilised.

Deferred tax asset and liability is measured at the tax rate that is expected to apply to the period when the asset is realised or the liability is settled, based on tax rates that have been enacted. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The calculation of deferred tax involves an estimate of future ratio of export and local sales considering the current trends and future expectations.

(iii) Off-setting

Deferred tax assets and liabilities are offset if there is a legally enforceable right to set off current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority.

4.17 Borrowing cost

Borrowings are recognized initially at fair value and are subsequently carried at amortized cost. Borrowing costs are recognized as an expense in the period in which these are incurred except in cases where such costs are directly attributable to the acquisition, construction or production of a qualifying asset in which case such costs are capitalized as part of the cost of that asset.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

5 PROPERTY, PLANT AND EQUIPMENT		Note	2025	2024	Rupees				
Description	Note	Free hold lands	Buildings on freehold land	Plant and machinery	Furniture & fixture	Office equipment	Electrical equipment	Motor vehicles	Total
Operating fixed assets - Owned									
Year ended June 30, 2025									
Opening carrying amount		115,356,000	476,157,982	55,700,233	3,099,668	10,168,021	18,758,148	17,077,857	696,317,909
Additions		-	-	10,522,681	242,000	1,435,799	2,814,050	96,000	15,110,530
Transferred from CWIP		-	17,476,186	23,889,421	-	-	327,000	-	41,692,607
Depreciation charge	5.1.1	-	(19,745,367)	(13,516,850)	(334,167)	(1,740,573)	(2,189,920)	(1,717,386)	(39,244,262)
Closing net book value		115,356,000	473,888,801	76,595,485	3,007,501	9,863,247	19,709,278	15,456,471	713,876,784
Gross carrying value basis									
Cost		115,356,000	589,459,306	128,264,265	4,246,191	15,373,674	30,926,090	23,997,117	907,622,643
Accumulated depreciation		-	(115,570,505)	(51,668,780)	(1,238,690)	(5,510,427)	(11,216,811)	(8,540,646)	(193,745,860)
Net book value		115,356,000	473,888,801	76,595,485	3,007,501	9,863,247	19,709,279	15,456,471	713,876,784
Year ended June 30, 2024									
Opening carrying amount		115,356,000	486,588,775	54,619,494	2,173,775	3,512,128	17,175,202	18,865,396	698,290,770
Additions		-	-	1,402,002	118,000	1,694,750	2,618,545	110,000	5,943,297
Transferred from CWIP		-	9,409,123	9,508,190	1,152,300	6,755,500	1,048,640	-	27,873,753
Depreciation charge	5.1.1	-	(19,839,916)	(9,829,453)	(344,408)	(1,794,357)	(2,084,239)	(1,897,540)	(35,789,911)
Closing net book value		115,356,000	476,157,982	55,700,233	3,099,668	10,168,021	18,758,148	17,077,857	696,317,909
Gross carrying value basis									
Cost		115,356,000	571,983,120	93,852,163	4,004,191	13,937,875	27,785,040	23,901,117	850,819,506
Accumulated depreciation		-	(95,825,138)	(38,151,930)	(904,523)	(3,769,854)	(9,026,892)	(6,823,260)	(154,501,597)
Net book value		115,356,000	476,157,982	55,700,233	3,099,668	10,168,021	18,758,148	17,077,857	696,317,909
Depreciation Rate		0%	4%	15%	10%	15%	10%	10%	

5.1.1 The depreciation for the year has been allocated to cost of sales, administrative expenses and selling & distribution expenses amounting to Rs. 36,461,733 (2024: Rs. 33,252,306), Rs. 1,031,787 (2024: Rs. 940,968), and Rs. 1,750,742 (2024: Rs. 1,596,639) respectively.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
5.2 CAPITAL WORK IN PROGRESS			
Opening balance at the beginning of the year		18,882,359	-
Additions during the year		43,482,267	46,756,112
Transfer to owned assets	5.2.1	(41,692,607)	(27,873,753)
Closing balance at the end of the year		<u>20,672,019</u>	<u>18,882,359</u>
5.2.1	This represents the cost of construction of building and the allied machinery for manufacturing of pulp trays.		
6 INTANGIBLE ASSETS		Omega 3	Total
Cost		-----Rupees-----	
Balance as at July 01, 2024		26,584,000	26,584,000
Additions		-	-
Disposal		-	-
Balance as at June 30, 2025		<u>26,584,000</u>	<u>26,584,000</u>
Accumulated Amortization			
Balance as at July 01, 2024		15,950,400	15,950,400
Amortization for the year		2,658,400	2,658,400
Balance as at June 30, 2025		<u>18,608,800</u>	<u>18,608,800</u>
WDV as at June 30, 2025		<u>7,975,200</u>	<u>7,975,200</u>
Cost			
Balance as at July 01, 2023		26,584,000	26,584,000
Additions		-	-
Disposal		-	-
Balance as at June 30, 2024		<u>26,584,000</u>	<u>26,584,000</u>
Accumulated Amortization			
Balance as at July 01, 2023		13,292,000	13,292,000
Amortization for the year		2,658,400	2,658,400
Balance as at June 30, 2024		<u>15,950,400</u>	<u>15,950,400</u>
WDV as at June 30, 2024		<u>10,633,600</u>	<u>10,633,600</u>
6.1	This represents development cost of Omega 3 and Docosahexaenoic acid (DHA) products. The estimated useful life of intangible asset is estimated to be 10 years (2024: 10 years).		
7 DEFERRED TAXATION			
Deferred tax liability-opening		27,404,950	(12,381,506)
Charged to profit & loss		21,467,451	40,226,238
Charged to other comprehensive income		(1,401,247)	(439,782)
		<u>47,471,154</u>	<u>27,404,950</u>
Deferred tax assets arising due to taxable temporary timing differences are as follows:			
Accelerated depreciation		150,575,235	173,087,723
Allowance for expected credit losses		(3,126,746)	(2,836,220)
Employee retirement benefits		(3,639,404)	(3,799,930)
Unused tax losses		(103,546,131)	(126,513,374)
Unused tax credit		(87,734,108)	(67,343,148)
		<u>(47,471,154)</u>	<u>(27,404,950)</u>

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
7 DEFERRED TAXATION (CONTINUED...)			
7.1			
7.2			
8 TRADE DEBTS			
Trade debts		540,214,232	365,608,955
Allowance for expected credit losses	8.1	(10,781,884)	(9,780,069)
		529,432,348	355,828,886
8.1 Allowance for expected credit losses			
Balance at beginning of the year		9,780,069	8,941,211
Charge during the year		1,001,815	838,858
Balance at end of the year		10,781,884	9,780,069
9 STOCK IN TRADE			
Raw material		297,817,023	334,541,434
Packing material		21,035,833	17,414,041
Finished goods		28,009,770	20,719,228
		346,862,626	372,674,703
10 BIOLOGICAL ASSETS			
Opening balance		618,679,060	438,490,048
Acquisition during the year		53,639,544	80,120,089
Disposed during the year		(53,573,802)	(90,856,459)
Change in fair value		85,702,619	190,925,382
Closing balance		704,447,421	618,679,060
Number of birds at year end		449,258	380,347
Matured		269,254	274,177
Immature		180,004	106,170
11 DEPOSITS, ADVANCES AND OTHER RECEIVABLES			
Deposits			
Security deposits		12,248,617	1,878,617
Advances			
Advances to suppliers - unsecured		59,950,635	28,669,305
Staff advances - Personal		4,433,191	6,276,223
Staff advances - Official	11.1	21,670,590	12,053,883
Prepaid insurance		380,348	380,348
Other receivables			
Interest receivable - related party	12.1	28,178,345	28,178,345
		126,861,726	77,436,722

11.1 These represent advances for meeting official expenditures while they are on distribution offices of the Company.

WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
12 LOAN TO RELATED PARTY - UNSECURED			
Opening balance		-	12,708,079
Adjusted during the year		-	-
Repayment during the year		-	(12,708,079)
Closing balance	12.1	-	-
12.1	This represents the sub-ordinated loan to the Wahdat Dairy Farm (WDF), an associated undertaking.		
13 CASH AND BANK BALANCES			
Cash in hand		7,604,003	5,259,427
Cash at bank:			
Local currency			
- Current accounts		33,062,732	43,101,373
		40,666,735	48,360,800
14 SHARE CAPITAL			
Authorized share capital			
60,000,000 (2024: 60,000,000) Ordinary shares of Rs. 10/- each		600,000,000	600,000,000
Issued, subscribed and paid up capital			
15,421,948 (2024: 15,421,948) Ordinary shares of Rs. 10/- each fully paid in cash		154,219,480	154,219,480
41,622,303 (2024: 41,622,303) Ordinary shares of Rs. 10/- each fully paid other than cash		416,223,030	416,223,030
		570,442,510	570,442,510

The Company has only one class of ordinary shares which carries no right to fixed income. The shareholders are entitled to receive dividend as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

15 SHARE PREMIUM

This represents premium on issue of 12,383,165 and 3,018,783 shares to Karandaaz Pakistan on January 09, 2020 and March 19, 2020 respectively, at a premium of Rs. 22.46343 per share. Share premium cannot be utilized except for the purposes mentioned under section 81 of Companies Act 2017.

16 LONG TERM FINANCING

From related parties:

Karandaaz Pakistan	16.1	41,079,311	41,079,311
From un-related parties:			
Diminishing musharakah I & II	16.2	118,142,609	97,418,431
Diminishing musharakah	16.3	2,706,558	5,799,800

Less: Current portion

161,928,478	144,297,542
(34,180,518)	(78,307,039)
127,747,960	65,990,503

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

16 LONG TERM FINANCING (Continued..)

- 16.1** In 2021, a Rs. 50 million facility was acquired from Karandaaz Pakistan (an affiliate). Interest is 3-month KIBOR plus 200 basis points annually, paid monthly. Following 1st amendment, the facility's tenure is sixty (60) months from the disbursement date, concluding on 31 March 2026. As of 1st July 2023, the interest rate has been reduced from 3M KIBOR + 2% Per Annum to 3M KIBOR + 0.5% Per Annum. Following 2nd ammendment on 30th September, 2023, the facility tenure is now thirty (30) months from the date of ammendment. Additionally, interest accrued and unpaid amounting to Rs. 8,143,679 until 30th September 2023 has been capitalized into the outstanding principal amount.
- 16.2** The company has obtained loan from OLP Modaraba at the rate of 6 month KIBOR plus 4% for acquisition of plant and machinery. The loan is secured by specific charge on diminishing musharakah assets, personal guarantees of all director except director nominated by Karandaaz Pakistan, postdated cheques for entire diminishing musharakah tenur and equitable plus token mortgage of company land and building located at Sargodha.
- 16.3** The company has obtained loan from different financial institutions for purchased of vehicles. The loan carry markup at the rate of 6 month KIBOR plus 2.5% to 4%. The loan is secured by personal guarantees of all director except director nominated by Karandaaz Pakistan, postdated cheques for entire diminishing musharakah tenure and registration of vehicle in favor of lender.

Note	2025 Rupees	2024 Rupees
17 EMPLOYEE RETIRMENT BENEFITS		
Employees gratuity	<u>12,549,670</u>	<u>13,103,208</u>
17.1 Reconciliation of net liability is as follows:		
Present value of defined obligations	12,549,670	13,103,208
Fair value of plan assets	-	-
	<u>12,549,670</u>	<u>13,103,208</u>
17.2 Movement in the net liability is as follows:		
Opening balance	13,103,208	9,910,680
Charge during the year - P/L	4,278,349	4,709,016
Other comprehensive income	(4,831,887)	(1,516,488)
Closing balance	<u>12,549,670</u>	<u>13,103,208</u>
17.3 Movement in present value of defined obligation		
Present value of defined obligations at beginning of the year	13,103,208	9,910,680
Current service cost	2,345,626	3,098,530
Interest cost	1,932,723	1,610,486
Reversal of Liability	(2,850,000)	-
Experience adjustment	(1,981,887)	(1,516,488)
Obligation at end of the year	<u>12,549,670</u>	<u>13,103,208</u>
17.4 Allocation of gratuity charge:		
Cost of goods sold	658,489	583,711
Administrative expenses	1,262,321	2,115,191
Selling and distribution expense	2,357,539	2,010,114
	<u>4,278,349</u>	<u>4,709,016</u>

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
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FOR THE YEAR ENDED JUNE 30, 2025

17.5 Actuarial assumptions

Valuation discount rate used for present value of defined benefit obligation	11.75%	14.75%
Salary increase rate	11.75%	14.75%
Normal retirement age	60 years	60 years
Average expected remaining working lifetime of members	5 Years	5 Years
Average duration of liability	4 Years	4 Years
Mortality table	As per SLIC	As per SLIC

17.6 Sensitivity analysis

The sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied, as applied when calculating the gratuity liability recognized within the statement of financial position.

Present value of defined benefit obligation - 2025			
Discount rate	Rupees	Rate of salary	Rupees
+1%	12,038,404	+1%	13,080,904
-1%	13,059,077	-1%	12,037,208
Present value of defined benefit obligation - 2024			
Discount rate	Rupees	Rate of salary	Rupees
+1%	12,592,080	+1%	13,635,083
-1%	13,635,385	-1%	12,591,925

	Note	2025 Rupees	2024 Rupees
18 SHORT TERM BORROWINGS			
Running finance - Askari Bank Limited	18.1	105,840,717	105,981,987
Cash finance - Askari Bank Limited	18.2	296,253,890	261,220,466
FATR - Askari Bank Limited	18.3	81,112,358	119,997,288
Short term finance - Askari Bank Limited	18.4	10,373,014	21,930,000
Short term finance - National Bank	18.5	72,979,999	49,979,999
Short term finance - National Bank	18.6	74,964,673	74,964,673
		641,524,651	634,074,413

18.1 This represents the outstanding balance of running finance facility of Rs. 110 million (same in 2024) from running finance at 3-month KIBOR plus 200 basis points yearly (same in 2024), paid monthly. Secured by: 1st Pari Pasu charge on current assets worth Rs. 235 million, registered at SECP. 1st exclusive charge of Rs. 66 million at SECP through TRM of Rs. 0.1 million and equitable mortgage on land and building owned by the Company, along with EM and unregistered GPA.

18.2 This represents the outstanding balance: Rs. 300 million (same in 2024) from Cash Finance-Pledge (CF) at 3-month KIBOR plus 200 basis points yearly (same in 2024), paid monthly. Pledged goods released upon cash payment/fund realization within 180 days through Bank's Delivery Order. Secured by: 1st exclusive charge of Rs. 335 million at SECP over pledged assets of M/S Wahdat Poultry Farm (Private) Limited at farm premises in separate godowns with a 10% margin under Bank's approved mucaddam's arrangement.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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- 18.3** This represents the outstanding balance: Rs. 50 million (same in 2024) and Rs. 70 million from Finance Against Trust Receipts (FATR) at 3-month KIBOR plus 200 basis points yearly (same in 2024) and 3-month KIBOR plus 300 points yearly respectively, paid monthly. Principal settled by Wahdat Poultry Farm (Private) Limited within 180 days. Secured by: 1st Pari Pasu charge on current assets valued at Rs. 235 million. TRM of Rs. 0.1 million and EM (with un-registered GPA) on agricultural land measuring 322 Kanals, owned by a Company director, at Chak#24 Janoobi Tehsil and District Sargodha.B433
- 18.4** This represents the outstanding balance: Rs. 15 million and 6.93 million (9 million in 2024) from Short Term Finance (STF) at 3-month KIBOR plus 200 basis points yearly and 3-month KIBOR plus 300 basis points yearly respectively (same in 2024), paid monthly. Revolving STF, adjusted within 90 days from own sources. Secured by: Accepted bills from customers/companies against sale of eggs. TRM of Rs. 0.5 million (with un-registered GPA) on a property owned by the Company's chief executive at House No#244, Street#23, F-11/2, Islamabad, measuring 666.66 sq. yards.
- 18.5** This represents outstanding balance of Rs. 50M Fresh agricultural non-farm facility at 3MK + 1.75% p.a. if paid within 10 days; else, 3MK+2.5% p.a. Recovered in 3 years via revolving Credit Scheme. Secured by 1st Pari Passu Hypothecation on all current assets, incl. stocks & receivables, up to PKR 67.00M, registered with SECP. 1st Pari Passu charge on all fixed assets, incl. land, building, commercial property, up to PKR 41.00M, registered with SECP. Mortgage of 63 Kanals Agriculture Land, Chak 24, Sargodha, up to Rs. 50M, owned by Mrs. Shabana Muhammad Shahid. Personal Guarantees of Directors and property owners, except nominee director of Karandaaz.
- 18.5.1** This represents the outstanding balance of Rs. 33 million under a Finance Against Packing Credit/ERF Part-I facility at 3-month KIBOR plus 3.25% per annum, repayable through export proceeds or internal cash flows and expiring on 30 September 2025. The facility is secured by a first pari passu charge of Rs. 100 million on current assets registered with SECP, lien over export documents, a registered mortgage of House No. 259-B, Margalla Road, F-11/2, Islamabad (666.66 sq. yards) owned by Mr. Muhammad Shahid Zaman and Mrs. Shabana Muhammad Shahid, and personal guarantees of directors and property owners, except nominee director of Karandaaz.
- 18.6** Outstanding: Rs. 75M Cash finance (Hip) at 3 Months KIBOR + 1.75% p.a. (if paid within 10 days of due, else regular bank policy markup). Renewed on April 28, 2023. Secured by: Hypothecation of present & future stock/work in process. Token registered mortgage of Rs. 100,000/- on residential house, House #259-B Margalla Road, Sector F-11/2, Islamabad, owned by Mr. Muhammad Shahid Zaman & Mrs. Shabana Muhammad. Market value Rs. 127.635M, forced sale value Rs. 107.441M, valued by Messer Harvester Services Private Limited. Personal guarantees of firm's director and property owner, except Mr. Sayyed Hassan Ali, Karandaaz nominee.

	Note	2025 Rupees	2024 Rupees
19 TRADE AND OTHER PAYABLES			
Accrued liabilities		10,174,681	15,940,194
Markup payable		16,249,327	32,963,093
Income tax withheld		21,367,411	17,879,721
Trade creditors		96,782,506	50,023,214
Other payables	19.1	6,529,467	5,220,588
		151,103,392	122,026,810
19.1	This includes accrued interest of Rs. 1,914,050 (2024: Rs. 171,071) on loan provided by CEO/Director at the rate of 3-month Kibor plus 0.5%		
20 LOAN FROM RELATED PARTY			
Loan from CEO-Mr. Aurangzeb		4,558,000	3,000,000
Loan from Director-Mr. Muhammad Shahid		15,200,000	-
		19,758,000	3,000,000

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
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20 LOAN FROM RELATED PARTY (Continued..)

20.1 This represents loan provided by the CEO/Director of the company to meet working capital requirement. This loan is unsecured and repayable on demand. This carry markup at the rate 3-month KIBOR plus 0.5 basis points per annum (same Interest Rate as in Note # 16.1).

21 CONTINGENCIES AND COMMITMENTS

21.1 Contingencies

There were no contingencies at year end (2024: Nil).

21.2 Commitments

There were no commitments at year end (2024: Nil).

	Note	2025 Rupees	2024 Rupees
22 SALES			
Local		2,336,399,464	2,352,875,607
Export		454,980,179	162,644,310
		2,791,379,643	2,515,519,917

22.1 The Company is not charging sales tax as eggs are exempted from charge in terms of section 13(1) read with entry number 11 of Table of 6th schedule of the Sales Tax Act, 1990.

23 COST OF SALES

Raw material consumed	23.1	1,338,869,064	1,284,401,022
Outsourced eggs	23.2	259,098,439	220,419,576
Salaries, wages and other benefits		71,382,850	63,286,056
Mess & uniform		13,806,785	13,785,420
Office entertainment		48,776	-
Electricity & other utilities		70,531,577	70,364,224
Fuel - generator		11,606,135	19,031,500
Petrol oil and lubricants		1,071,045	924,808
Carriage, freight and toll taxes		108,066,063	57,374,797
Travelling and conveyance		4,705,525	2,298,008
Repair and maintenance		15,049,764	13,744,978
Telephone and postage		5,133,807	974,366
Printing and stationery		4,639,355	5,950,793
Subscription fees		136,515	487,431
Medicines		16,758,849	9,942,713
Packing		145,183,530	121,085,667
Depreciation on owned assets	5.1.1	36,461,733	33,252,306
Amortization of intangibles	6	2,658,400	2,658,400
Miscellaneous	23.4	7,227,561	6,801,666
	23.3	2,112,435,773	1,926,783,731

23.1 Raw material consumed

Opening stock		334,541,434	323,121,944
Add: Purchases	23.1.1	1,302,144,653	1,295,820,512
Less: Closing stock		(297,817,023)	(334,541,434)
		1,338,869,064	1,284,401,022

23.1.1 The breakup of raw material purchased is as follows:

Raw material purchased for:

- Rearing flock - Old	84,377,249	164,866,771
- Rearing flock - New	4,772,361	2,676,185
- Production flock	1,212,995,043	1,128,277,556
	1,302,144,653	1,295,820,512

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
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FOR THE YEAR ENDED JUNE 30, 2025

23 COST OF SALES (Continued..)

- 23.2** This represents the cost of all categories of eggs purchased from third parties for unbranded supply to limited B2B buyers.
- 23.3** This includes brooding expense of Rs. 130,421,723 (2024: Rs. 33,586,451).
- 23.4** Miscellaneous expenses includes Mukaddam charges of Rs. 932,167(2024: Rs. 973,710)

	Note	2025 Rupees	2024 Rupees
24 ADMINISTRATIVE EXPENSES			
Salaries, wages and other benefits		49,011,548	48,102,061
Office entertainment		2,709,930	2,722,963
Utilities		820,239	961,952
Rent, rates and taxes		2,363,268	2,272,930
Petrol, oil and lubricants		6,914,354	5,702,548
Telephone and postage		2,171,946	1,201,680
Printing and stationery		566,318	664,861
Office repair and maintenance		458,605	824,624
Vehicle repair and maintenance		2,432,145	1,659,397
Travelling and conveyance		5,860,762	5,111,159
Depreciation on owned assets	5.1.1	1,031,787	940,968
Insurance		931,739	506,614
Fee and subscriptions		1,052,697	107,880
Legal and professional charges		569,880	4,354,285
Auditors' remuneration - statutory audit fee		3,379,630	577,500
Expected credit losses	8.1	1,001,815	838,858
Miscellaneous		5,789,570	6,715,201
		87,066,233	83,265,481
25 SELLING AND DISTRIBUTION EXPENSES			
Salaries, wages and other benefits		89,761,171	79,438,332
Mess and uniform		9,406,097	8,017,322
Carriage, freight and toll taxes		42,542,233	46,771,735
Advertisement and promotion		34,782,676	28,457,960
Dealers' commission and margin		9,004,551	11,938,066
Entertainment		882,452	1,174,144
Utilities		5,067,947	4,936,978
Petrol, oil and lubricants		22,844,618	26,596,368
Travelling and conveyance		735,214	1,678,832
Vehicles repair and maintenance		6,021,462	4,710,120
Office repair and maintenance		1,373,856	1,410,483
Rent, rates and taxes		4,502,310	7,743,388
Telephone and postage		1,449,558	1,401,893
Printing and stationery		4,231,633	5,510,905
Legal and professional charges		47,500	37,600
Depreciation on owned assets	5.1.1	1,750,742	1,596,639
Scrape and wastage		41,345,579	40,192,068
Miscellaneous		5,636,826	4,262,950
		281,386,425	275,875,783

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
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	Note	2025 Rupees	2024 Rupees
26 OTHER INCOME			
Fair value gain on valuation of biological assets/product		85,702,619	190,925,382
(Loss) on disposal of biological assets		(42,015,092)	(52,550,384)
Sale of manure		15,834,364	25,449,840
Interest on loan to related party	12	-	2,005,062
(Loss) on foreign exchange transactions		(796,057)	-
Others		3,794,901	2,722,962
		<u><u>62,520,735</u></u>	<u><u>168,552,862</u></u>
27 FINANCE COST			
Markup on long term financing		26,000,416	30,976,449
Markup on short term borrowings		100,691,865	143,301,131
Bank charges		2,727,431	2,560,188
Miscellaneous	20.1	1,742,979	171,071
		<u><u>131,162,691</u></u>	<u><u>177,008,839</u></u>
28 LEVIES AND INCOME TAXATION			
This represents portion of minimum tax paid under section 153(1)(b) of Income Tax Ordinance (ITO, 2001), representing levy in terms of requirements of IFRIC 21/IAS 37.			
Reconciliation of current tax charged as per tax laws for the year, with current tax recognised in the profit and loss account, is as follows:			
Current tax			
Current tax liability for the year as per applicable tax laws		40,482,156	38,231,177
Portion of current tax liability as per tax laws, representing income tax under IAS 12		(18,409,358)	(18,958,167)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37		(22,072,798)	(19,273,010)
		<u><u>-</u></u>	<u><u>-</u></u>

29 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel. The company in the normal course of business carries out transactions with various related parties. The company enters into transactions with related parties on the basis of mutually agreed terms. Significant transactions and balances with related parties are as follows.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

29.1 TRANSACTIONS WITH RELATED PARTIES

Name of the Party	Relationship with the Company	Nature of Transaction	2025 Rupees	2024 Rupees
Mr. Aurangzeb Khan	Chief Executive	Loan received	41,558,000	3,000,000
		Loan Paid	(40,000,000)	-
		Interest expense	798,834	171,071
Mr. M. Shahid Zaman	COO/Director	Loan received	36,200,000	-
		Loan Paid	(21,000,000)	-
		Interest expense	944,145	-
Karandaaz Pakistan	Associated Company	Loan received	-	-
		Repayment of loan	-	4,542,456
		Interest expense	6,098,454	7,015,281
Wahdat Dairy Farm	Associated entity	Interest receivable	-	28,178,345
		Adjustment of loan from CEO loan	-	-

29.2 BALANCES WITH RELATED PARTIES

Name of the Party	Relationship with the Company	Nature of Balances	2025 Rupees	2024 Rupees
Wahdat Dairy Farm	Associated entity	Interest Receivable in respect of loan provided	28,178,345	28,178,345
Karandaaz Pakistan	Associated Company	Payable balances		
		Loan-	41,079,311	41,079,311
		Accrued Markup-	10,606,554	4,508,100
Mr. Aurangzeb Khan	Chief Executive	Payable balances		
		Loan-	4,558,000	3,000,000
		Accrued Markup-	969,905	171,071
Mr. Muhammad Shahid	COO/Director	Payable balances		
		Loan-	15,200,000	-
		Accrued Markup-	944,145	-

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
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30	REMUNERATION OF DIRECTORS, CHIEF EXECUTIVE AND EXECUTIVES			
	Particulars	Chief Executive Officer	Directors	Executive
	2025	-----Pak Rupees-----		
	Managerial remuneration	12,000,000	18,000,000	23,932,800
	Gratuity	-	-	2,457,900
		<u>12,000,000</u>	<u>18,000,000</u>	<u>26,390,700</u>
	Number of persons	1	2	12
	2024			
	Managerial remuneration	12,000,000	18,000,000	13,162,800
	Gratuity	-	-	2,593,825
		<u>12,000,000</u>	<u>18,000,000</u>	<u>15,756,625</u>
	Number of persons	1	2	5

31 FINANCIAL RISK MANAGEMENT

The Company has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

31.1 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To manage credit risk the Company maintains procedures covering the application for credit approvals, granting and renewal of counterparty limits and monitoring of exposures against these limits. As part of these processes the financial viability of all counterparties is regularly monitored and assessed.

The Company is exposed to credit risk from its operating and certain investing activities and the Company's credit risk exposures are categorized under the following headings:

Exposure to credit risk	2025 Rupees	2024 Rupees
The maximum exposure to credit risk at the reporting date was:		
Deposits, advances and other receivable	44,860,153	36,333,185
Trade debts	529,432,348	355,828,886
Loan to related party	-	-
Bank balances	33,062,732	43,101,373
	<u>607,355,233</u>	<u>435,263,444</u>

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
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31.1 Credit risk (Continued..)

To manage exposure to credit risk in respect of trade receivables, management performs credit reviews taking into account the customer's financial position, past experience and other factors. Where considered necessary, advance payments are obtained from certain parties.

	2025	2024
	Rupees	Rupees
The aging of trade receivable at the reporting date is:		
Past Due 1 - 90 Days	519,973,969	365,608,399
Past Due 91 - 180 Days	20,240,263	183,160
Past Due 180 - 365 Days	-	-
Past Due 365 Days	-	-
	540,214,232	365,791,559
Expected credit losses	(10,781,884)	(9,780,069)
	529,432,348	356,011,490

Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings or to historical information about counterparty default rates:

Counter parties without credit rating	574,292,501	392,162,071
Counter parties with credit rating	33,062,732	43,101,373
	607,355,233	435,263,444

Bank Balances

The exposure to banks is managed by dealing with variety of major banks and monitoring exposure limits on continuous basis. The ratings of banks ranges from A to AAA.

Concentration of credit risk

Concentration of credit risk arises when a number of counter parties are engaged in similar business activities or have similar economic features that would cause their abilities to meet contractual obligation to be similarly affected by the changes in economic, political or other conditions. The Company believes that it is not exposed to major concentration of credit risk.

Liquidity risk is the risk that the Company will encounter difficulties in raising funds to meet commitments associated with the financial instruments. The management is closely monitoring the Company's liquidity and cash flow position through its treasury function and ensures availability of funds by maintaining credit facilities available from financial institutions. The liquidity management also involves monitoring of liquidity ratios and maintaining debt financing plans.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

2025	Carrying	Contractual	Less than	More than
	Amount	Cash flows	1 year	1 year
	----- Rupees -----			
Long term financing	161,928,478	161,928,478	34,180,518	127,747,960
Short term borrowings	641,524,651	641,524,651	641,524,651	-
Trade and other payables	129,735,981	129,735,981	129,735,981	-
	933,189,110	933,189,110	805,441,150	127,747,960







WAHDAT POULTRY FARM (PRIVATE) LIMITED
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 FOR THE YEAR ENDED JUNE 30, 2025

31.1 Credit risk (Continued..)	2024	Carrying Amount	Contractual Cash flows	Less than 1 year	More than 1 year
				----- Rupees -----	
Long term		144,297,542	144,297,542	78,307,039	222,604,581
Short term borrowings		634,074,413	634,074,413	634,074,413	-
Trade and other payables		104,147,089	104,147,089	104,147,089	-
		882,519,044	882,519,044	816,528,541	222,604,581

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

31.2 Market Risk

Market risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market interest rates or market rate of foreign currency. The Company incurs financial liabilities to manage its market risk. All such activities are carried out with the approval of the Board. The Company is exposed to interest rate and currency risks.

Market risk management is further analyzed in two categories:

- (a) Interest rate risk management.
- (b) Currency rate risk management.

(a) Interest rate risk management

The interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Majority of the interest rate exposure arises from long term loan, subordinated loans, lease liabilities and short term borrowings. Interest rates are mostly dependent upon Karachi Inter Bank Offered Rate ("KIBOR") as indicated in respective notes. There were no fixed rate instruments outstanding as at reporting date.

	2025 Rupees	2024 Rupees
Variable rate instruments		
Financial assets		
Loan to related party	-	-
Financial liabilities		
Long term loan	161,928,478	(144,297,542)
Short term borrowings	634,074,413	(634,074,413)
Net exposure in statement of financial position	796,002,891	(778,371,955)

Sensitivity analysis for variable rate instruments

Management runs a sensitivity analysis for interest rate risk, if the interest rates at the reporting date had been increased/(decreased) by 100 basis points with all other variables being constant, the profit/(loss) before tax would have decreased/(increased) by Rs. 7,960,029 (2024: Rs. 7,783,720). The analysis is prepared assuming that amounts of assets and liabilities outstanding as at the reporting date are outstanding for the entire year.

The sensitivity analysis prepared is not necessarily indicative of the effects on profit for the year and assets / liabilities of the Company.

(b) Currency rate risk management

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The company is not engaged in foreign currency transactions.

WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

32 FINANCIAL INSTRUMENTS BY CATEGORY	2025	2024
Financial assets at amortized cost	Rupees	Rupees
Deposits, advances and other receivable	44,860,153	36,333,185
Trade debts	529,432,348	355,828,886
Due from associated company	-	-
Cash and bank balance	40,666,735	48,360,800
	614,959,236	440,522,871
Financial liability at amortized cost		
Long term financing	161,928,478	144,297,542
Short term borrowings	641,524,651	634,074,413
Trade and other payables	129,735,981	104,147,089
	933,189,110	882,519,044

33 CAPITAL RISK MANAGEMENT

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholders value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders and remuneration to key management personnel, require interest free unsecured loans from directors, return capital to shareholders or issue new shares.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as long and short term borrowings offset by cash and bank balances.

The gearing ratios as at June 30, 2025 and 2024 are as follows:

Long term financing	161,928,478	144,297,542
Short term borrowings	641,524,651	634,074,413
	803,453,129	778,371,955
Less: Cash and cash equivalents	(40,666,735)	(48,360,800)
Net debts	762,786,394	730,011,155
Issued, subscribed and paid up capital	570,442,510	570,442,510
Share premium	345,980,520	345,980,520
Accumulated profits	615,295,057	370,004,448
Equity	1,531,718,087	1,286,427,478
Total capital and debt	2,294,504,481	2,016,438,633
Gearing ratio	33%	36%

The Company finances its expansion projects through equity, borrowings and management of its working capital with a view to maintain an appropriate mix between various sources of finance to minimize risk.

The Board's policy is to maintain a strong capital base so as to maintain stakeholders' confidence and to ensure sustainable future development of the business.

The Board of Directors monitors return on equity and ensures that the company has an appropriate capital mix. Board of Directors monitors the company's performance along with capital and debt costs. There were no changes to the Company's approach to the capital management during the year.

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

34 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset either directly that is, derived from prices.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

As of the reporting date, mutual funds of the company are carried at fair value.

The carrying values of all other financial assets and liabilities reflected in the financial statements approximate their fair values.

35 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES

2025	-----Pak Rupees-----		
Description	Long term financing	Short term borrowings	Total
Balance as at July 01, 2024	144,297,542	634,074,413	778,371,955
Opening accrued markup	4,630,487	28,332,606	32,963,093
<i>Changes from financing cash flows</i>			
Repayment of loan		-	-
Payment of markup	(25,438,661)	(117,967,386)	(143,406,047)
Loan received	17,630,936	7,450,238	25,081,174
<i>Other changes</i>			
Markup expense	26,000,416	100,691,865	126,692,281
Closing accrued markup	5,192,242	11,057,085	16,249,327
Balance as at June 30, 2025	161,928,478	641,524,651	803,453,129

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WAHDAT POULTRY FARM (PRIVATE) LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED JUNE 30, 2025

35 CHANGE IN LIABILITIES ARISING FROM FINANCING ACTIVITIES (CONTINUED...)

Description	-----Pak Rupees-----		
	Long term financing	Short term borrowings	Total
Balance as at July 01, 2023	126,489,387	554,549,441	681,038,828
Opening accrued markup	4,401,610	19,004,808	23,406,418
Changes from financing cash flows			
Repayment of loan	-	-	-
Payment of markup	(30,747,572)	(133,973,333)	(164,720,905)
Loan received	17,808,155	79,524,972	97,333,127
Other changes			
Markup expense	30,976,449	143,301,131	174,277,580
Closing accrued markup	4,630,487	28,332,606	32,963,093
Balance as at June 30, 2024	144,297,542	634,074,413	778,371,955

36 INSTALLED CAPACITY AND ACTUAL PRODUCTION

Poultry Feed

Installed capacity (metric ton - per day)

2025
Numbers

50

2024
Numbers

50

Actual production (metric ton - per day)

40

40

Birds

Installed capacity (number of birds)

415,360

415,360

Actual birds' occupancy
(number of birds)

36.1

449,258

380,887

36.1 This includes 180,004 immature birds (2024: 106,170). The immature birds are outsourced and not part of the Company's owned capacity.

37 NUMBER OF EMPLOYEES

Number of employees at year end - Permanent
 Number of employees at year end - Daily wagers
 Average during the year - Permanent
 Average during the year - Daily wagers

2025
Numbers

73

325

75

291

2024
Numbers

87

349

97

303

38 DATE OF AUTHORIZATION

These financial statements were authorized for issue on 02 OCT 2025 by the Board of Directors of the Company.

39 GENERAL

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE



DIRECTOR