



PROGRESS REPORT

ON UTILIZATION OF IPO PROCEEDS

June 30, 2026



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**AGREED-UPON PROCEDURES ON UTILIZATION OF PROCEEDS
OF INITIAL PUBLIC OFFERING (IPO)**

TO THE MANAGEMENT OF WAHDAT POULTRY FARM LIMITED

Purpose of this Agreed Upon Procedures Report

Our report is solely for the purpose of evaluating whether "Wahdat Poultry Farm Limited" (the Company) utilized proceeds of its initial public offering in compliance with the principal purpose of the Issue as defined under section 4 of the prospectus/offer for sale document and the progress report thereon upto June 30, 2026 is in accordance with regulations 16(ii) & (ii a) of Chapter viii of the Public Offering Regulations, 2017 and may not be suitable for another purpose. This report is intended solely for the Company and Pakistan Stock Exchange Limited (PSX), and should not be used by, or distributed to, any other parties.

Responsibilities of the Wahdat Poultry Farm Limited

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

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

Practitioner's Responsibilities

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

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

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

Professional Ethics and Quality Management

We have complied with the ethical requirements 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 (Revised 2024) (The Code). For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We performed the procedures described below, which were agreed upon with the Company on the utilization of the proceeds of the initial public offering (IPO). The procedures were applied to the Company's transactions and records up to and including June 30, 2026.

S. No.	Procedures	Findings
1.	Verify the receipt of the IPO proceeds with reference to the bank statements.	We obtained the bank statements and agreed the IPO proceeds received to them. No discrepancies were found.
2.	Verify the profit earned on the IPO proceeds held in bank deposits, including the related tax withholdings.	We obtained the details of profit earned on bank deposits, traced it to the bank statements and verified the related tax withholdings. No discrepancies were found.
3.	Verify that the allocation of the net IPO proceeds is approved by the Board of Directors and is consistent with the summary of IPO funds utilized.	We obtained the Board of Directors' approval for the allocation of net IPO proceeds and agreed it to the summary of IPO funds utilized. No discrepancies were found.
4.	Compare the utilization of the IPO proceeds on the land and the pasteurization plant with the timeline given in the prospectus, verify the payments made against the bank statements, the general ledger and the supporting documents, and enquire of management about any variance.	We compared the land acquisition timeline in the prospectus (by Q4 FY 2026) with the payments made, and traced the advances of Rs. 8,438,068 for the land and Rs. 116,681,068 for the pasteurization plant to the bank statements, the general ledger and the supporting documents. As at June 30, 2026, only the advance for the land had been paid, and the land was not acquired within the timeline. Management attributed this to the delayed issuance of the No Objection Certificate (NOC), and title was transferred to the Company in Q1 FY 2027. Except for this matter, no other discrepancies were found.
5.	Verify the expenditure on the additional flock with the accounting records and the flock register.	We agreed the expenditure on the additional flock to the accounting records, and the number of birds placed to the flock register. No discrepancies were found.

6.	For the commitment of Working Capital and Wahdat Quality Assured Procurement Model, verify the expenditures incurred in this respect.	We obtained and examined the supporting documents relating to the expenses incurred and verified their accuracy and proper recording in the Company's accounting records. No discrepancies were found.
7.	Obtain management's written representation on the utilization of the IPO proceeds in accordance with the prospectus.	We obtained management's written representation that the proceeds utilized to date were used solely for the purposes specified in the prospectus.

Rsm Avais Hyder Liaquat Nauman
RSM Avais Hyder Liaquat Nauman
 Chartered Accountants

Place: Islamabad

Date: 02 OCT 2026

INTRODUCTION

This progress report, prepared as at June 30, 2026 (the end of the Company's financial year), is submitted in compliance with Regulation 16 of the Public Offering Regulations, 2017 and in pursuance of the undertaking given in Section 4.11 of the Prospectus / Offer for Sale Document (the "Prospectus") of Wahdat Poultry Farm Limited (the "Company").

The Company carried out an Initial Public Offering in April 2026 and its shares are listed on the Pakistan Stock Exchange. The IPO comprised a fresh issue of 50,000,000 ordinary shares of Rs. 2 each and an offer for sale of 3,102,350 ordinary shares by one of the sponsors, being 53,102,350 shares in total (15.84% of the post-IPO paid-up capital), offered through the book building method (70%) and to the general public (30%) with a floor price of Rs. 12 per share. The bidding period was April 20-21, 2026 and public subscription was held on April 27-28, 2026. The strike price was determined at Rs. 18 per share, being Rs. 6 (50%) above the floor price, as a result of which the Company raised gross proceeds of Rs. 900,000,000 from the fresh issue against the primary target of Rs. 600,000,000 disclosed in the Prospectus.

The Company proposed to utilize the proceeds of the fresh issue to finance its expansion at the estimated costs detailed below. The primary targets are as disclosed in Section 4.3 of the Prospectus, while the application of the additional Rs. 300,000,000 raised at the strike price follows the scenario-based utilization plan for excess proceeds in Sections 4.9 and 4.10:

Description	Estimated Cost (Rs.)	Allocation %
Establishment of New Pasteurization Plant	270,000,000	30%
Rearing of additional flock	180,000,000	20%
Wahdat Quality Assured Procurement Model / Working Capital	150,000,000	16.67%
Aggregate – primary targets	600,000,000	66.67%
Settlement of Karandaaz Pakistan financing	50,000,000	5.56%
Working capital (feed, potassium carbonate, medicines)	110,000,000	12.22%
Import of soybean	140,000,000	15.56%
Aggregate – excess proceeds	300,000,000	33.33%
Total	900,000,000	100%

Summary of IPO Funds Generated

Following is the summary of funds generated and net funds received by the Company through the IPO.

Description	Funds (Rs.)
Issuance of 50,000,000 shares @ Rs. 2 per share (face value)	100,000,000
Share premium @ Rs. 16 per share	800,000,000
Gross proceeds from fresh issue @ Rs. 18 per share (strike price)	900,000,000
Of which: primary target as per Prospectus (floor price Rs. 12)	600,000,000
Of which: excess proceeds due to strike price above floor price	300,000,000
Add: Profit earned on deposit of IPO proceeds with bank	4,799,673
Funds available for utilization	904,799,673

SUMMARY OF IPO FUNDS UTILIZED

Following is the summary of IPO funds utilization as at June 30, 2026.

Description	As per Prospectus (Rs.)	Approved by Board of Directors (Rs.)	Amount utilized (Rs.)	Balance (Rs.)
Establishment of New Pasteurization Plant	270,000,000	270,000,000	125,119,918	144,880,082
Rearing of additional flock	180,000,000	180,000,000	89,655,829	90,344,171
Wahdat Quality Assured Procurement Model / Working Capital	150,000,000	150,000,000	33,000,000	117,000,000
Aggregate – primary targets	600,000,000	600,000,000	247,775,747	352,224,253
Settlement of Karandaaz Pakistan financing	50,000,000	50,000,000	50,000,000	-
Working capital (feed, potassium carbonate, medicines)	110,000,000	110,000,000	110,000,000	-
Import of soybean	140,000,000	140,000,000	-	140,000,000
Aggregate – excess proceeds	300,000,000	300,000,000	160,000,000	140,000,000
Total – IPO proceeds	900,000,000	900,000,000	407,775,747	492,224,253
Profit earned on deposit of IPO proceeds with bank				4,799,673
Un-utilized funds as on June 30, 2026				497,023,926

IMPLEMENTATION STATUS

The Company's financial year ends on June 30; FY 2027 accordingly runs from July 1, 2026 to June 30, 2027. Commitment periods below are as disclosed in the implementation plan in Section 4.8 of the Prospectus. The status of each commitment as at June 30, 2026 is shown below, including commitments scheduled for FY 2027 on which work had already commenced.

Establishment of New Pasteurization Plant

The principal use of the IPO proceeds is the establishment of a liquid egg pasteurization plant at Bhalwal Industrial Estate, with an expected capacity of 2,000 liters per day. The estimated cost as disclosed in Section 4.3.1 of the Prospectus, together with the cost incurred up to June 30, 2026, is as follows:

Particulars	As per prospectus (Rs.)	Incurred up to June 30, 2026 (Rs.)	Balance (Rs.)
Establishment of New Pasteurization Plant	270,000,000	125,119,918	144,880,082

The implementation status of the commitment is summarized below:

Particulars	Commitment Fulfillment Period (As per prospectus)	Actual status as at June 30, 2026
Acquisition of land	Q4 FY 2026	In progress – as at the end of Q4 FY 2026, an advance of Rs. 8,438,068 was given for the acquisition of land. The title of the land transferred to the Company in Q1 FY 2027 following a delay in receipt of the NOC, caused by a delay in documentation
Purchase of pasteurization unit	Q1 FY 2027	In progress – as at the end of Q4 FY 2026, an advance of Rs. 116,681,850 was given for the purchase of pasteurization plant.
Construction of building	Q2 FY 2027	Not yet commenced.
Purchase of other equipment	Q2 FY 2027	Not yet commenced.
Installation of equipment	Q2 FY 2027	Not yet commenced.
Operationalization of pasteurization unit	Q2 FY 2027	Not yet commenced.

Rearing of Additional Flock

The Company planned to rear an additional flock of approximately 100,000 birds, with rearing expected to commence in May 2026 and conclude in November 2026, at the estimated cost disclosed in Section 4.3.2 of the Prospectus:

Particulars	As per prospectus (Rs.)	Incurred up to June 30, 2026 (Rs.)	Balance (Rs.)
Rearing of additional flock	180,000,000	89,655,829	90,344,171

The implementation status of the commitment is summarized below:

Particulars	Commitment Fulfillment Period (As per prospectus)	Actual Status as at June 30, 2026
Purchase of birds	Q4 FY 2026	Completed – birds purchased in Q4 FY 2026, as per prospectus
Rearing of birds	Q2 FY 2027	In progress – birds purchased in Q4 FY 2026 and rearing under way as at 30 June 2026.
Moving to layer shed	Q2 FY 2027	Not yet commenced
Start of egg laying	Q2 FY 2027	Not yet commenced

Working Capital – Wahdat Quality Assured Procurement Model

An amount of Rs. 150 million was earmarked for the Wahdat Quality Assured Procurement Model and the incremental working capital required for the additional flock and expanded sales volumes (Section 4.3.3 of the Prospectus). The utilization is summarized below:

Particulars	As per prospectus (Rs.)	Incurred up to June 30, 2026 (Rs.)	Balance (Rs.)
Wahdat Quality Assured Procurement Model / Working Capital	150,000,000	33,000,000	117,000,000

Utilization of Proceeds Above the Floor Price

The Company raised total gross proceeds of Rs. 900,000,000 through the issue, comprising the primary targeted amount of Rs. 600,000,000 as disclosed in the Prospectus and an additional Rs. 300,000,000 raised as the strike price (Rs. 18 per share) was determined above the floor price (Rs. 12 per share). In accordance with the scenario-based utilization plan in Sections 4.9 and 4.10 of the Prospectus, the excess proceeds are to be applied towards settlement of the Karandaaz Pakistan obligation, working capital and the import of soybean, as follows:

Purpose	As per prospectus (Rs.)	Incurred up to June 30, 2026 (Rs.)	Balance (Rs.)
Settlement of Karandaaz Pakistan financing	50,000,000	50,000,000	-
Working capital (feed – corn and maize, potassium carbonate, medicines)	110,000,000	110,000,000	-
Import of soybean	140,000,000	-	140,000,000
Total excess proceeds	300,000,000	160,000,000	140,000,000

Variances and Delays

Acquisition of land: the Prospectus scheduled the acquisition of land at Bhalwal Industrial Estate in Q4 FY 2026. Due to a delay in receipt of the No Objection Certificate (NOC), caused by a delay in documentation, the title of the land was transferred to the Company in Q1 FY 2027, i.e. after the reporting date.

The Company confirms that the IPO proceeds have been utilized to date solely for the purposes disclosed in the Prospectus and that the principal purpose of the issue has not been changed.



Atif Shiraz
Chief Financial Officer



Syed Arsalan Shirazi
Company Secretary

