

Ref: BF/PSX/I-02
Date: October 21, 2025

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

Subject: Submission of Annual Progress Report – For The Year Ended 30 June 2025

Dear Sir,

We are pleased to submit the annual progress report for the year ended 30 June 2025, along with the Agreed Upon Procedures Report issued by our auditors, M/s KPMG Taseer Hadi & Co. Chartered Accountants, on the implementation status.

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

Thank you.

For and on behalf of BF Biosciences Limited



Abdur Rehman
Company Secretary

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The Chief Executive Officer
BF Biosciences Limited
197-A, The Mall
Rawalpindi

Our ref LA-IA-400-25
Contact: Ahsin Tariq

21 October 2025

Honorable Members of the Board

**BF Biosciences Limited (“the Company”)
Agreed-Upon Procedures Report on Progress Report for the year ended 30 June 2025**

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

Our report is solely for the purpose of assisting BF Biosciences Limited (“the Company”) in meeting the requirements of clause 16 ‘Post issue Reporting and Disclosures’ of the Public Offering Regulation, 2017 and in pursuance of the requirement in clause 4.5.1 of the prospectus of the Company dated 19 September 2024. Accordingly, our report will be addressed to you and our report is not to be used for any other purpose or should not be distributed to any other party.

2. Responsibility of the Engaged Party

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

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

3. Practitioner’s Responsibilities

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

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

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



KPMG Taseer Hadi & Co.

4. Professional Ethics and Quality Management

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

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

5. Procedures and findings

We have performed the procedures described below, which were agreed upon with the management of the Company in terms of engagement letter dated 18 September 2025 on the Progress Report containing implementation status of the project, as disclosed in the prospectus, till 30 June 2025 ('the Progress Report').

Sr. No.	Procedures	Findings
1	Obtain the following from the management: <ul style="list-style-type: none"> - The Progress Report for the period till 30 June 2025. - Books of account from 21 October 2024 to 30 June 2025 of the relevant expansion project as identified under the heading 'Implementation status' of the Projects; and - Prospectus for the issue of shares dated 19 September 2024. 	We have obtained: <ul style="list-style-type: none"> - The Progress Report for the year ended 30 June 2025. - Books of account of the Company for the year ended 30 June 2025 of the relevant expansion project as identified under the heading of 'Implementation status' of the Progress Report; and - Prospectus for issue of shares dated 19 September 2024 ('the Prospectus').
	<ul style="list-style-type: none"> - Matching the amount shown as funds required under the heading of 'Implementation status' on the Progress Report with the Prospectus. 	<ul style="list-style-type: none"> - We have matched the amount shown as funds required under the heading of 'Implementation status' on the Progress Report with the Prospectus and no differences were found.
	<ul style="list-style-type: none"> - Matching actual expenditure incurred till 30 June 2025 for the relevant expansion project as identified under the heading of 'Implementation status' of the Progress Report with the books of accounts of the relevant expansion project for the year ended 30 June 2025. 	<ul style="list-style-type: none"> - We have matched actual expenditure incurred till 30 June 2025 for the relevant expansion project as identified under the heading of 'Implementation status' of the Progress Report with the Progress Report for the year ended 30 June 2025, and books of accounts of the relevant expansion project for the year ended 30 June 2025.



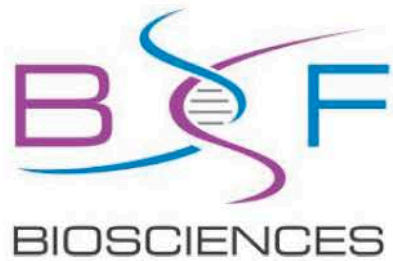
KPMG Taseer Hadi & Co.

Sr. No.	Procedures	Findings
	- Recalculating the allocation percentage as shown under the heading of 'Implementation status' by dividing 'Funds required' against each expansion project with the 'Total Funds' required for completion of project.	- We have recalculated the allocation percentage as shown under the heading of 'Implementation status' by dividing 'Funds required' against each expansion project with the 'Total Funds' required for the completion of project and no differences were found.

Lahore

Date: 21 October 2025


KPMG Taseer Hadi & Co.
Chartered Accountants



BF Biosciences Limited
Annual Progress Report
For The Year Ended 30 June 2025

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Preamble

We are pleased to share the annual progress report for the year ended 30 June 2025. This progress report is being submitted in compliance with the requirement of Clause 16 (ii) of “Post-Issue Reporting and Disclosures” of the “Public Offering Regulations, 2017” and in pursuance of the requirement specified in clause 4.5.1 of the “Prospectus For Initial Public Offering” of BF Biosciences Limited (“the Company”).

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

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

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

Summary of IPO Funds Utilization

The status of IPO funds utilization as of 30 June 2025 is as follows:

Sr. No.	Purpose	Allocated Costs (Rs.)	Funds Utilized (Rs.)	Funds Available (Rs.)
1	Purchase of Plant and Machinery	697,879,105	(171,875,853)	526,003,252
2	Obtaining Export related Certifications and New Product Developments	140,800,000	(54,765,909)	86,034,091
3	Managing Working Capital Requirements	1,086,320,895	(1,086,320,895)	-
	Grand Total	1,925,000,000	(1,312,962,657)	612,037,343

Implementation Status

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

- Purchase of Plant and Machinery

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

Sr. No.	Purpose	Allocated Costs (Rs.)	Funds Utilized (Rs.)	Funds Available (Rs.)	Timelines (Start – Finish)
1	Inspection Machine	115,990,875	-	115,990,875	Q3 FY 25 - Q1 FY 26
2	PFS Machine Cartridge System	126,535,500	-	126,535,500	Q3 FY 25 - Q1 FY 26
3	Change Parts – Filling Machine	35,100,000	(7,202,400)	27,897,600	Q1 FY 25 - Q4 FY 25
4	Quality Control Equipment	43,082,325	(36,144,709)	6,937,616	Q2 FY 25 - Q4 FY 25
5	Formulation Vessel & UPS	126,535,500	(5,003,200)	121,532,300	Q3 FY 25 - Q1 FY 26
6	Walkthrough Gates	8,775,000	(2,451,000)	6,324,000	Q2 FY 25 - Q4 FY 25
7	Stability Chambers	7,020,000	(7,301,250)	(281,250)	Q4 FY 24 - Q2 FY 25
8	Filling Line System Upgradation for Line I	46,396,350	(88,474,057)	(42,077,707)	Q2 FY 25 - Q4 FY 25
9	Cart. Machine for PFS	137,500,000	-	137,500,000	Q3 FY 25 - Q1 FY 26
10	Installation / Contingency	50,943,555	(25,299,237)	25,644,318	Q2 FY 25 - Q1 FY 26
	Grand Total	697,879,105	(171,875,853)	526,003,252	

The progress report of each asset is explained below:

1. Inspection Machine

The user requirement specifications (URS) for inspection machine have been finalized and request for quotations was floated. The management has shortlisted suppliers and final technical & financial evaluation is currently in process. We are confident that equipment will be in place by Q2 of FY 2026, which was initially planned for Q1 of FY 2026. The slight delay is due to technical nature of the equipment.

2. Pre-filled Syringes Machine Cartridge System

The technical design of cartridge system has been finalized with manufacturer and a firm Letter of Credit for its import was established subsequent to year end. The shipment is expected to be received within Q2 of FY 2026, and management is confident of achieving commissioning in Q3 of FY 2026.

There has been a slight deviation in the completion timeline i.e., from Q1 to Q3 of FY 2026 primarily due to backlog on part of the equipment manufacturer.

3. Change Parts – Filling Machine

Order along with advance payment against change parts for filling machine have been successfully made and supplier has provided 80% of the change parts as of reporting date. The management is confident to achieve completion by Q2 of FY 2025.

4. Quality Control Equipment

As briefed in our last progress report, majority of quality control equipment had already been purchased and the Company acquired additional equipment during the year under review. A few items were still in the procurement phase and their procurement has been completed subsequent to the year end.

5. Formulation Vessel & UPS

One formulation vessel has been delivered. In addition, a Letter of Credit for its Vibromixer was also opened and delivery of the said equipment was received subsequent to the year end.

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

6. Walkthrough Gates

Partial advance payment against the walkthrough gates order was made during the year under review. Furthermore, delivery of walkthrough gates was received subsequent to the year end.

7. Stability Chambers

The Company is pleased to report that the required stability chambers have been procured and duly commissioned.

8. Filling Line System Upgradation for Line I

The Company is pleased to report that the Filling Line System Upgrade for Line I has been successfully commissioned subsequent to the year end.

9. Cartridge Machine for Pre-filled Syringes Machine

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

10. Installation / Contingency

As briefed in our last progress report, several other ancillary equipment / spares are being purchased on as and when required basis. Based on recent assessment, since these items are procured on case-to-case basis, management expects that procurement may last till Q4 of FY 2026 instead of Q1 of FY 2026.

- **Obtaining Export related Certifications and New Product Developments**

As briefed in our last progress report, the management is pleased to announce successful launch of Tirzepatide (GLP-1, GIP) under the brand name Zeptide® subsequent to the year end. This is in addition to several other products launched by the Company during FY 2025.

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

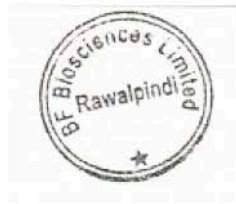
The management remains optimistic of achieving completion within the communicated timeline, i.e., Q4 of FY 2026.

- **Managing Working Capital Requirements**

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



Abdur Rehman
CFO & Company Secretary



Muhammad Farhan Rafiq
Chief Operating Officer