

## ADVICE FOR INVESTORS

INVESTORS ARE STRONGLY ADVISED IN THEIR OWN INTEREST TO CAREFULLY READ THE CONTENTS OF THIS PROSPECTUS, **ESPECIALLY THE RISK FACTORS GIVEN AT PARA/SECTION 5 AND SEEK PROFESSIONAL ADVICE, BEFORE MAKING ANY INVESTMENT DECISION.**

SUBMISSION OF FALSE & FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015 INVESTMENT IN EQUITY SECURITIES INVOLVES A DEGREE OF RISK AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFER UNLESS THEY CAN AFFORD TO TAKE THE RISK OF LOSING THEIR INVESTMENT. INVESTORS ARE ADVISED TO READ THE RISK FACTORS CAREFULLY BEFORE TAKING AN INVESTMENT DECISION IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THE EXAMINATION OF THE ISSUER AND THE OFFER INCLUDING THE RISKS INVOLVED AS DISCLOSED AT PARA/SECTION 5 OF THE PROSPECTUS.

### ADVICE FOR INSTITUTIONAL INVESTORS AND HIGH NET WORTH INDIVIDUAL INVESTORS

A SINGLE INVESTOR CANNOT SUBMIT MORE THAN ONE BIDDING APPLICATION EXCEPT IN THE CASE OF UPWARD REVISION OF BID. IF AN INVESTOR SUBMITS MORE THAN ONE BIDDING APPLICATION THEN ALL SUCH APPLICATIONS SHALL BE SUBJECT TO REJECTION.

SUBMISSION OF CONSOLIDATED BID IS PROHIBITED UNDER THESE REGULATIONS. A BID APPLICATION WHICH IS BENEFICIALLY OWNED (FULLY OR PARTIALLY) BY PERSONS OTHER THAN THE ONE NAMED THEREIN SHALL BE DEEMED TO BE A CONSOLIDATED BID.

PLEASE NOTE THAT A SUPPLEMENT TO THE PROSPECTUS SHALL BE PUBLISHED WITHIN ONE WORKING DAY OF THE CLOSING OF THE BIDDING PERIOD WHICH SHALL CONTAIN INFORMATION RELATING TO THE STRIKE PRICE, THE OFFER PRICE, NAMES OF THE UNDERWRITERS OF THE RETAIL PORTION OF THE ISSUE, UNDERWRITING COMMISSION, BIFURCATING AS TAKE-UP COMMISSION OR ANY OTHER, CATEGORY WISE BREAKUP OF THE SUCCESSFUL BIDDERS ALONG WITH NUMBER OF SHARES ALLOCATED TO THEM, DATES OF PUBLIC SUBSCRIPTION AND SUCH OTHER INFORMATION AS SPECIFIED BY THE COMMISSION.

THIS PROSPECTUS CONTAINS FORWARD-LOOKING STATEMENTS. ALL STATEMENTS OTHER THAN STATEMENTS OF HISTORICAL FACTS CONTAINED IN THIS PROSPECTUS, INCLUDING STATEMENTS REGARDING FUTURE RESULTS OF OPERATIONS AND FINANCIAL POSITION, BUSINESS STRATEGY AND PLANS AND OBJECTIVES OF MANAGEMENT FOR FUTURE OPERATIONS, TIMELINES RELATING TO IMPLEMENTATION PLAN ARE FORWARD-LOOKING STATEMENTS. THESE STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER IMPORTANT FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY THE FORWARD-LOOKING STATEMENTS.



## GHANI DAIRIES LIMITED

### PROSPECTUS FOR INITIAL PUBLIC OFFERING

**Date and place of incorporation:** 21 October 2020, Lahore, Pakistan | **Incorporation number:** CUIN – 0160639 | **Registered and Corporate Office:** 45-Aurangzeb Block, New Garden Town, Lahore, Pakistan **Website:** <https://ghanidairies.com/> | **Contact Person:** Muhammad Toheed Akram (Chief Financial Officer); **Phone:** 0321-7704949; **Email:** [cfo@ghanigroup.com.pk](mailto:cfo@ghanigroup.com.pk) | **Contact Person:** Bilal Ahmed (Manager - Finance); **Phone:** 042-35952184-5; **Email:** [investor.relations@ghanidairies.com](mailto:investor.relations@ghanidairies.com)

**Issue Size:** This Issue consists of 104,200,000 Ordinary Shares of face value of PKR 1.00/-each constituting 24.28% of the total Post-IPO Paid Up Capital of Ghani Dairies Limited.

**Book Building Method:** 75% of the issue size comprising of 78,150,000 ordinary shares of PKR 1.00/- each is being issued through book building mechanism at a floor price of PKR 24.00/- per share (including premium of PKR 23.00/- per share) with a maximum price band up to 40.0% (PKR 33.60). Justification of premium is given under the "Valuation Section" in Section 4A). The bidders will be allowed to bid through Eligible participants as per the procedure provided under Section 12.5 of the prospectus. The strike price shall be the price at which seventy five percent (75%) of the issue is subscribed however, the successful bidders will be allotted shares upon receipt of response of public subscription under retail portion of the issue.

**Retail/General Public portion:** General Public portion of the Issue comprises of 26,050,000 Ordinary Shares (25% of total Issue) at the Strike Price. In case retail portion of the Issue remains unsubscribed, the unsubscribed shares will be allotted to the underwriters of the issue.

**Public Comments:** Draft Prospectus was placed on PSX's website for seeking public comments starting from December 01, 2025 to December 08, 2025. Public comments received were duly responded back by the Consultant to the Issue.

**Registration of Eligible Investors:** The registration of eligible investors will commence at 9:00 am on January 28, 2026 and will close at 3:00 pm on February 03, 2026  
**Bidding Period Dates:** From February 02, 2026 to February 03, 2026 (both days inclusive) From: 9:00 am to 5:00 pm  
**Dates of Public Subscription:** From 12:00 A.M. February 09, 2026 to 11:59 P.M. February 10, 2026 (both days inclusive)

<u>Consultant to the Issue</u>	<u>Eligible Participants for Book Building</u>	<u>Retail Portion is Underwritten by</u>	
<b>JS Global Capital Limited</b> 	Eligible Participants for Book Building include securities brokers, mutual funds, scheduled banks, and development financial institution that are clearing members of NCCPL, and trading only brokers <sup>1</sup>	<b>JS Bank Limited</b> 	<b>BankIslami Pakistan Limited</b> 

For retail portion/general public portion, investors can submit application(s) through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized E-PO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk> and [www.cdceipo.com](http://www.cdceipo.com). There is no transaction limit on making payment through e-banking channels. 1Link through Memo dated August 22, 2024 has instructed all its member banks to remove the limits on transfer of funds for transactions executed through e-IPO platforms.

For details, please refer to section 13.3 of the Prospectus.

**Date of Publication of this Prospectus: January 26, 2026**

Prospectus can be downloaded from the following websites: <https://ghanidairies.com/>, [www.jsqcl.com](http://www.jsqcl.com), <https://www.psx.com.pk> and <https://www.cdceipo.com>

#### For further queries you may contact

**Ghani Dairies Limited:** Muhammad Toheed Akram (Chief Financial Officer); Phone: 0321-7704949; Email: [cfo@ghanigroup.com.pk](mailto:cfo@ghanigroup.com.pk) | Bilal Ahmed (Manager-Finance); Phone: 042-35952184-5; Email: [manager.accounts@ghanigroup.com.pk](mailto:manager.accounts@ghanigroup.com.pk), **JS Global Capital Limited:** Sila Hannan (Manager - Investment Banking); Phone: +9221 111-574-111 Ext. 3068; Email: [sila.hannan@js.com](mailto:sila.hannan@js.com) | Nayyar Azam (Assistant Manager - Investment Banking); Phone: +9221 111-574-111 Ext. 3486; Email: [nayyar.azam@js.com](mailto:nayyar.azam@js.com)

**Underwriter | JS Bank Limited:** Syed Zulfiqar Hussain Kazmi (Head of Investment Banking); Phone: 0311-2674756; Email: [zulfiqar.kazmi@jsbl.com](mailto:zulfiqar.kazmi@jsbl.com) | Mohammad Hassan ( Unit Head - Investment Banking); Phone: 0345-3034467; Email: [mohammad.hassan@jsbl.com](mailto:mohammad.hassan@jsbl.com) | **BankIslami Pakistan Limited:** Hadi Hasan (Manager DCM & Advisory - Investment Banking) ; Phone: 0323-2358277; Email: [hadi.hasan@bipl.io](mailto:hadi.hasan@bipl.io) | Awais Ali (Transaction Manager - Investment Banking); Phone: 0333-9416755; Email: [awais.ali5@bipl.io](mailto:awais.ali5@bipl.io)

**The Company is proposed to be listed at the Pakistan Stock Exchange Limited**

<sup>1</sup> Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building. PCM shall create separate accounts for TO brokers. TO brokers shall be allowed to participate in the Book Building from proprietary account and may also on-board its clients.




**UNDERTAKING BY THE CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER**

**E-STAMP**


ID : PB-LHR-0E3859470C19E2D7  
 Type : Low Denomination  
 Amount : Rs 100/-

Description : CERTIFICATE OR OTHER DOCUMENT- 19  
 Applicant : GHANI DAIRIES LIMITED [35200-8677336-9]  
 Representative From : GHANI DAIRIES LIMITED  
 Agent : Self  
 Address : LAHORE  
 Issue Date : 25-Nov-2025 2:48:36 PM  
 Delisted On/Validity : 2-Dec-2025  
 Amount in Words : One Hundred Rupees Only  
 Reason : In Favour of Pakistan Stock Exchange  
 Vendor Information : Asif Yaqoob | PB-LHR-26 | Barkat Market



Scan for online verification

**ASIF YAQOOB E-STAMP VENDOR**  
 PB-LHR-26 | Barkat Market, Lahore.  
 Serial No. 1512



**NIAZ AHMAD**  
 ADVOCATE HIGH COURT  
 & NOTARY PUBLIC  
 Notification no 82 generiz.8.9(b) 1.  
 endorsement no 7077

نوٹ ایبہ ذریعہ تصدیق کرنا ہے کہ اسات ذیل کے تمام اسنادوں میں سچائی اور درستگی ہے۔ اس اسناد میں کسی بھی قسم کی تبدیلی یا مزید تبدیلی کی گنجائش نہیں ہے۔

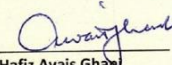
November 25<sup>th</sup>, 2025

**UNDERTAKING**


"WE, HAFIZ AVAIS GHANI, THE CHIEF EXECUTIVE OFFICER AND MUHAMMAD TOHEED AKRAM, CHIEF FINANCIAL OFFICER OF GHANI DAIRIES LIMITED CERTIFY THAT;


1. THE PROSPECTUS CONTAINS ALL INFORMATION WITH REGARD TO THE ISSUER, AND THE ISSUE, WHICH IS MATERIAL IN THE CONTEXT OF THE ISSUE AND NOTHING HAS BEEN CONCEALED IN THIS RESPECT;
2. THE INFORMATION CONTAINED IN THE PROSPECTUS IS TRUE AND CORRECT TO THE BEST OF THEIR KNOWLEDGE AND BELIEF;
3. THE OPINIONS AND INTENTIONS EXPRESSED THEREIN ARE HONESTLY HELD;
4. THERE ARE NO OTHER FACTS, THE OMISSION OF WHICH MAKES THE PROSPECTUS AS A WHOLE OR ANY PART THEREOF MISLEADING; AND
5. ALL REQUIREMENTS OF THE SECURITIES ACT, 2015; THE DISCLOSURES IN PUBLIC OFFERING REGULATIONS, 2017 FOR PREPARATION OF PROSPECTUS, RELATING TO APPROVAL AND DISCLOSURES HAVE BEEN FULFILLED;"
6. NO CHARGES, FEE, EXPENSES, PAYMENTS ETC. HAVE BEEN COMMITTED TO BE PAID TO ANY PERSON IN RELATION TO THIS PUBLIC OFFERING EXCEPT FOR THOSE AS DISCLOSED IN THIS PROSPECTUS.

FOR AND BEHALF OF GHANI DAIRIES LIMITED,



**Hafiz Avais Ghani**  
Chief Executive Officer





**Muhammad Toheed Akram**  
Chief Financial Officer



**Note:** This Supplement shall be published within 1 working day of the close of Bidding Period in at least all those newspapers in which the Prospectus of Ghani Dairies Limited is published.

This Supplement is being published pursuant to The Public Offering Regulations, 2017 and in continuation of the Prospectus of Ghani Dairies Limited earlier published on January 26, 2026

#### Ghani Dairies Limited

- FLOOR PRICE: PKR 24.00/- PER SHARE
- STRIKE PRICE: PKR [.] /- PER SHARE
- ISSUE PRICE: PKR [.] /- PER SHARE
- PRICE BAND (40% above the FLOOR PRICE): PKR 33.60/- PER SHARE

#### Underwriter to the Retail portion of the issue

S.no	Names of Underwriters	Number of Shares Underwritten	Amount (PKR in million)
1.	JS Bank Limited	13,025,000	312.6 Mn – 437.6 Mn <sup>2</sup>
2.	BankIslami Pakistan Limited	13,025,000	312.6 Mn – 437.6 Mn
<b>Total</b>		<b>26,050,000</b>	<b>625.2 Mn – 875.2 Mn</b>

- Underwriting Commission: 1.00%
- Take-up Commission: 1.00%

#### Category wise Breakup of Successful Bidders

S. No	Category	No. of Bidders	No. of shares provisionally allocated
1	Commercial Banks	•	•
2	Development financial institutions	•	•
3	Mutual Funds	•	•
4	Insurance Companies	•	•
5	Investment Banks	•	•
6	Employees' Provident / Pension Funds	•	•
7	Leasing Companies	•	•
8	Modarabas	•	•
9	Securities Brokers	•	•
10	Foreign Institutional Investors	•	•
11	Any other Institutional Investors	•	•
	<b>Total Institutional Investors</b>	•	•
	<b>Individual Investors:</b>	•	•
12	Foreign Investors	•	•
13	Local	•	•
	<b>Total Individual Investors</b>	•	•
	<b>GRAND TOTAL</b>		

<sup>2</sup> Since strike price is not determined at this time underwriters have given commitment to underwrite between floor price (i.e. 24.00 per share) and cap price (i.e. PKR 33.60 per share)



### Glossary of Technical Terms

ACT	Securities Act, 2015
B2B	Business selling goods and services to other commercial/industrial entities
Bps	Basis points
BVPS	Book Value Per Share
Bn	Billion
CAPEX	Capital Expenditure
CDC / CDCPL	Central Depository Company of Pakistan Limited
CDS	Central Depository System
Companies Act	Companies Act, 2017
Commission/SECP	The Securities and Exchange Commission of Pakistan
EBITDA	Earnings before Interest, Tax, Depreciation, and Amortization
EPS	Earnings Per Share
FY	Financial Year
GDP	Gross Domestic Product
GOP	Government of Pakistan
IPO	Initial Public Offering
ISO	International Organization for Standardization
Mn	Million
MW	Mega Watt
NICOP	National Identity Card for Overseas Pakistani
NOC	No Objection Certificate
P.A.	Per Annum
PKR	Pakistan Rupee(s)
PSX / Exchange	Pakistan Stock Exchange Limited
SBP	State Bank of Pakistan
Tn	Trillion
UIN	Unique Identification Number
PCM	Professional Clearing Member
Heifers	Young female cattle that have not yet given birth.
KUHN TMR	KUHN TMR feed mixing machines (France)
TPA	Tons Per Annum
PHE	Plate Heat Exchanger



UOM	Unit of Measurement
CD	Custom Duty
ST	Sales Tax
ACD	Additional Custom Duty
AST	Additional Sales Tax
IT	Income Tax
Colostrum	Cow Colostrum (also known as bovine colostrum) is the first milk produced by cows in the period immediately following calving, distinguished by its higher concentration of proteins, immunoglobulins, and bioactive components compared to regular milk.
TMR (Total Mixed Ration)	A feeding system in which all feed ingredients are mixed into a uniform ration to ensure balanced nutrient intake.
AI (Artificial Insemination)	A controlled breeding technique in which semen is manually introduced into the reproductive tract of a cow
Days in Milk (DIM)	The number of days elapsed since a cow has calved and started producing milk.
Days Carrying Calves	The number of days a cow has been pregnant since insemination
PG Injection (Prostaglandin Injection)	Administration of prostaglandin hormone used in cattle reproductive management to regulate or synchronize the estrous cycle.
Post-Insemination	The period following artificial insemination, used as a reference point for pregnancy diagnosis.
Sexed Semen	Semen processed to increase the likelihood of producing offspring of a selected sex, typically female
Peak Production	The stage during lactation when milk yield reaches its highest level.
Milk Replacer	A formulated liquid feed used as a substitute for whole milk in feeding young calves
Far-off dry period	Initial phase, usually the first ~30 days after drying off.
Close-up dry period	Final phase, last ~30 days before calving, focused on preparing the cow for parturition and the next lactation.



## DEFINITIONS

<b>Application Money</b>	The total amount of money payable by a successful investor which is equivalent to the product of the Strike Price and the number of shares subscribed and allotted.
<b>Bid</b>	An indication to make an offer during the Bidding Period by a Bidder to subscribe to the Ordinary Shares of Ghani Dairies Limited at a price at or above the floor price, including upward revisions thereto. <b>An Eligible Investor shall not make a bid with price variation of more than 10% of the prevailing indicative strike price subject to a maximum price band of 40% of the Floor Price. Please refer to Section 12.2 for details.</b>
<b>Bid Amount</b>	The amount equal to the product of the number of shares Bid for and the Bid Price.
<b>Bid Price</b>	The price at which Bid is made for a specified number of shares.
<b>Bid Revision</b>	The Eligible Investors can revise their Bids upward subject to the provision of Regulation 10(2)(iii) of the PO Regulations. The Bids can be revised with a price variation of not more than 10% from the prevailing indicative Strike Price in compliance with Regulation 10(2)(iii) of the PO Regulations. <b>As per Regulation 10(2)(vi) of the PO Regulations, the Bidder shall not make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares Bid for i.e., Bid Volume may be adjusted ensuring that the Bid amount or Bid money remains the same.</b> <b>As per Regulation 10(2)(vii) of the PO Regulations, the Bidder shall not withdraw their Bids.</b>
<b>Bidder</b>	An Eligible Investor who makes bids for shares in the Book Building process.
<b>Bidding Period</b>	The period during which bids for subscription of shares are received. The Bidding Period shall be of two days, from <b>February 02, 2026 to February 03, 2026</b> both days inclusive (daily from 9:00 a.m. to 5:00 p.m.)
<b>Book Building</b>	A process undertaken to elicit demand for shares offered through which bids are collected from the Bidders and a book is built which depicts demand for the shares at different price levels.
<b>Book Building Portion</b>	The part of the total Issue allocated for subscription through the Book Building.
<b>PRIDE</b>	an online interface/platform provided by the Securities Exchange for submission and processing of listing and Prospectus application
<b>NCCPL</b>	the National Clearing Company of Pakistan Limited licensed by the Commission as clearing house under the Securities Act, 2015
<b>Book Building Procedure (Joint Procedures)</b>	Joint Procedures shall mean procedures notified by the Securities Exchange and NCCPL for Book Building on November 7 <sup>th</sup> , 2025



<b>Eligible Participant for Book Building</b>	<p>Eligible Participant for Book Building” (Eligible Participant) shall include securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing members of NCCPL:</p> <p>Provided that Trading Only Securities Broker shall also be eligible to act as Eligible Participant for Book Building.</p> <p>In case of Trading on Securities Broker, Professional Clearing Member shall collect the margin money from the bidders and deposit the same with NCCPL</p>
<b>Book Building System</b>	An online electronic system operated by the Designated Institution for conducting Book Building.
<b>Company</b>	Ghani Dairies Limited (the “Company” or “GDL”)
<b>Company’s Legal Advisor</b>	Khan & Khan Attorneys & Corporate Counsellors
<b>Commission</b>	The Securities & Exchange Commission of Pakistan (“SECP”)
<b>Consolidated Bids</b>	A bid which is fully or partially beneficially owned by persons other than the one named therein.
<b>Designated Institution</b>	Pakistan Stock Exchange Limited (“PSX”) is acting as the Designated Institution for this Issue and its Book Building System will be used for price discovery.
<b>Dutch Auction Method</b>	means the method through which Strike Price is determined by arranging all the Bids in descending order based on the Bids Prices along with the number of shares and the cumulative number of shares bid for. The Strike Price is determined by lowering the Bid Price to the extent that the total number of securities offered under the Book Building Portion are subscribed.
<b>e-IPO Platform</b>	<p>“E-IPO Platform” means an electronic platform through which investors can submit applications for public subscription of securities electronically with payment through e-banking channels. <b>Retail investors shall be able to participate in the public subscription through only the E-IPO platforms provided by CDC and PSX.</b></p> <p>The following systems are available for e-IPOs:</p> <p>(i) <b>PSX’s e-IPO System (PES):</b> To facilitate investors, the Pakistan Stock Exchange Limited (“PSX”) has developed an e-IPO System (“PES”) through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (<a href="https://eipo.psx.com.pk">https://eipo.psx.com.pk</a>). Payment of subscription money can be made through 1LINK’s and banks available for PES.</p> <p>For making application through PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by:</p> <ul style="list-style-type: none"> <li>• the investor himself, or</li> <li>• the TREC Holder with whom the investor has a sub-account, or</li> <li>• the Bank with whom the investor has a bank account.</li> </ul> <p>Similarly, an e-IPO application can be filed by:</p> <ul style="list-style-type: none"> <li>• the investor himself, or</li> <li>• the TREC Holder with whom the investor has a sub-account, or</li> </ul>



- the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad at phone number: 111-001-122 or (021)-35274401-10, and email: itss@psx.com.pk.

Investors who are registered with PES can submit their applications through the web link, <https://eipo.psx.com.pk>, 24 hours a day during the subscription period which will close at midnight on February 10, 2026.

(ii) **Centralized e-IPO System (CES):** To facilitate investors, the Central Depository Company of Pakistan (“CDC”) has developed a Centralized e-IPO System (“CES”) through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. CES can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK’s member banks available for CES.

For making application through CES, investors must be registered with CES. Registration with CES is free of cost and can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.

In addition to the above, sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific Company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants can electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings (IPOs) and can also make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. The securities will be credited directly in Investors’ subaccount. In case the sub-account of the investor has been blocked or closed, after the subscription, then securities shall be parked into the CDC’s IPO Facilitation Account and investor can contact CDC for credit of shares in its respective account

Investors who do not have CDS account may visit [www.cdcpakistan.com](http://www.cdcpakistan.com) for information and details.

For further guidance and queries regarding CES and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com) or contact Mr. Farooq Ahmed Butt at Phone 021-34326030 and email: [farooq\\_butt@cdcpak.com](mailto:farooq_butt@cdcpak.com).

Investors who are registered with CES can submit their applications through the web link [www.cdceipo.com](http://www.cdceipo.com) 24 hours a day during the subscription period which will close at midnight on February 10, 2026.

**IPO Facilitation Account:**

IPO Facilitation Account (IFA) means an account to be maintained by CDC separately for each IPO wherein securities of such successful applicants who do not have CDS Accounts at the time of making subscription application, shall be parked for a certain period of time. Subsequent to parking, all the successful applicants shall be intimated via email to open an Investor



	<p>Account with CDC or Sub-Account with any of the CDS Participants (i.e. licensed securities brokers or commercial banks). Upon opening of CDS Account, successful applicants shall approach CDC Investor Account Services and securities of such successful applicants shall be moved from the IFA to their respective CDS Accounts.</p> <p>Availing the CDC e-IPO services requires investors to first open a CDS account. However, now investors can avail the CDC IPO Facilitation Account facility to subscribe securities through IPO. Once, their application is successful, investor then only need to open an Investor Account with CDC or Sub-Account with CDC Participants.</p>
<b>Eligible Investor (For Book Building Portion)</b>	An Individual and Institutional Investor whose Bid Amount is not less than the minimum bid size of PKR 2,000,000 (Two Million Rupees only).
<b>Floor Price</b>	The minimum price per share set by the Issuer in consultation with Consultant to the Issue. For this Issue, Floor Price is PKR 24.00/- per share.
<b>General Public</b>	All Individual and Institutional Investors including both Pakistani (residents & non-residents) and foreign investors.
<b>Initial Public Offer (IPO)</b>	Initial Public Offering or IPO means first time offer of securities to the general public.
<b>Institutional Investors</b>	<p>Any of the following entities:</p> <ul style="list-style-type: none"> <li>▪ A financial institution;</li> <li>▪ A Company as defined in the Companies Act, 2017;</li> <li>▪ An insurance Company established under the Insurance Ordinance, 2000;</li> <li>▪ A securities broker;</li> <li>▪ A fund established as Collective Investment Scheme under the Non-Banking Finance Companies and Notified Entities Regulations, 2008;</li> <li>▪ A fund established as Voluntary Pension Scheme under the Voluntary Pension System Rules, 2005;</li> <li>▪ A private fund established under Private Fund Regulations, 2015;</li> <li>▪ Any employee's fund established for beneficial of employees;</li> <li>▪ Any other fund established under any special enactment;</li> <li>▪ A foreign Company or any other foreign legal person; and</li> <li>▪ Any other entity as specified by the Commission.</li> </ul>
<b>Issue</b>	Issue of 104,200,000 Ordinary Shares representing 24.28% of total Post-IPO Paid-Up Capital having a Face Value of PKR 1.00/- each
<b>Issue Price</b>	The price at which Ordinary Shares of the Company are issued to the General Public. The Issue Price will be the Strike Price.
<b>Issuer</b>	Ghani Dairies Limited (the "Company" or "GDL")
<b>Key Employees</b>	Chief Executive Officer, Directors, Chief Financial Officer and Company Secretary of the Company.
<b>Lead Manager</b>	Any person licensed by the Commission to act as a Consultant to the Issue. JS Global Capital Limited have been appointed as Lead Manager by the Issuer for this Issue.



<b>Limit Bid</b>	The Bid at a Limit Price.
<b>Limit Price</b>	The maximum price (up to 40% of the Floor Price) a prospective Bidder is willing to pay for a share under Book Building.
<b>Listing Regulations</b>	Chapter 5 of the Rule Book of the Pakistan Stock Exchange Limited, titled 'Listing of Companies and Securities Regulations'. <a href="https://www.psx.com.pk/psx/themes/psx/uploads/PSX-Regulations-November-24-2025-updated.pdf">https://www.psx.com.pk/psx/themes/psx/uploads/PSX-Regulations-November-24-2025-updated.pdf</a>
<b>Margin Money</b>	Securities broker will be required to participate with 100% margin money with NCCPL for proprietary and investors account based on their own risk assessment criteria.
<b>Minimum Bid Size</b>	The Bid Amount equal to Two Million Rupees (PKR 2,000,000).
<b>Ordinary Shares</b>	Ordinary Shares of Ghani Dairies Limited having face value of PKR 1.00/- each.
<b>Price Band</b>	An upper limit of 40% above the Floor Price of PKR 24.00/- with a cap of PKR 33.60/-, allowing Bidder to make Bid at Floor Price or within the Price Bands.
<b>PO Regulations</b>	The Public Offering Regulations, 2017 <a href="http://secp.gov.pk/document/public-offering-regulations-2017-updated-august-6-2025/?wpdmdl=61673&amp;refresh=68c947f635b451758021622">secp.gov.pk/document/public-offering-regulations-2017-updated-august-6-2025/?wpdmdl=61673&amp;refresh=68c947f635b451758021622</a>
<b>Prospectus</b>	Prospectus means any document described or issued as a prospectus and includes any document, notice, circular, material, advertisement, and offer for sale document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a Company or body corporate or entity other than deposits invited by a bank and certificates of investments and certificate of deposits issued by non- banking finance companies.
<b>Registration Period</b>	The period during which registration of bidders is carried out. The registration period shall commence three days before the start of the Bidding Period and shall remain open till 3:00 pm on the last day of the Bidding Period.  The bidding shall remain open for at least two working days. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
<b>Related Employees</b>	Related Employees mean such employees of the Issuer, and the Lead Manager/ Consultant to the Issue, who are involved in the Issue. Please refer to Section 3A.6 & 3A.7 for further details.



<b>Sponsor</b>	<p>A person who has contributed initial capital in the issuing company or has the right to appoint majority of the directors on the board of the issuing company directly or indirectly;</p> <p>A person who replaces the person referred to above; and</p> <p>A person or group of persons who has control of the issuing company whether directly or indirectly.</p>
<b>Step Bid</b>	<p>Step Bid means a series of Limit Bids at increasing prices provided that Bid Amount of any step is not less than minimum bid size</p>
<b>Strike Price</b>	<p>The price per ordinary share of the Issue determined / discovered on the basis of Book Building process in the manner provided in the Public Offering Regulations 2017, at which the shares are Issued to the successful bidders.</p>
<b>Supplement to the Prospectus</b>	<p>The Supplement to the Prospectus shall be published within one (1) working days of the closing of the Bidding Period at least in all those newspapers in which the Prospectus was earlier published and disseminated through the Securities Exchange where shares are to be listed.</p>
<b>Inseminate</b>	<p>To cause pregnancy in an animal by introducing semen into the reproductive tract, either naturally or through artificial insemination.</p>

**INTERPRETATION:**

**ANY CAPITALIZED TERM CONTAINED IN THIS PROSPECTUS, WHICH IS IDENTICAL TO A CAPITALIZED TERM DEFINED HEREIN, SHALL, UNLESS THE CONTEXT EXPRESSLY INDICATES OR REQUIRES OTHERWISE AND TO THE EXTENT AS MAY BE APPLICABLE GIVEN THE CONTEXT, HAVE THE SAME MEANING AS THE CAPITALIZED / DEFINED TERM PROVIDED HEREIN.**



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## 1 APPROVALS, CONSENTS AND LISTING ON SECURITIES EXCHANGE

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### 1.1. APPROVAL AND LISTING ON THE STOCK EXCHANGE

The Prospectus of the Company has been approved by PSX vide letter No. PSX/ GEN-87 dated January 16, 2026 in accordance with the requirements of the Listing of Companies and Securities Regulations.

Approval has been granted by the Securities & Exchange Commission of Pakistan (the "**Commission**" or the "**SECP**") under Section 87(2) of the Securities Act, 2015 read with Section 88(1) thereof, for the issue, circulation, and publication of this offering document (hereinafter referred to as the "**Prospectus**") of Ghani Dairies Limited vide their letter No. SMD/PMADD/SA.88/11/2025/340 dated January 21, 2026.

#### DISCLAIMER:

- 1) THE SECURITIES EXCHANGE AND COMMISSION HAS NOT EVALUATED THE QUALITY OF THE ISSUE AND ITS APPROVAL SHOULD NOT BE CONSTRUED AS ANY COMMITMENT OF THE SAME. THE PUBLIC/INVESTORS SHOULD CONDUCT THEIR OWN INDEPENDENT INVESTIGATION AND ANALYSIS REGARDING THE QUALITY OF THE ISSUE BEFORE SUBSCRIBING.
- 2) THE PUBLICATION OF THIS DOCUMENT DOES NOT REPRESENT SOLICITATION BY THE SECURITIES EXCHANGE AND COMMISSION.
- 3) THE CONTENTS OF THIS DOCUMENT DO NOT CONSTITUTE AN INVITATION TO INVEST IN SHARES OR SUBSCRIBE FOR ANY SECURITIES OR OTHER FINANCIAL INSTRUMENT BY THE SECURITIES EXCHANGE AND COMMISSION, NOR SHOULD IT OR ANY PART OF IT FORM THE BASIS OF, OR BE RELIED UPON IN ANY CONNECTION WITH ANY CONTRACT OR COMMITMENT WHATSOEVER OF THE EXCHANGE AND COMMISSION.
- 4) IT IS CLARIFIED THAT INFORMATION IN THIS PROSPECTUS SHOULD NOT BE CONSTRUED AS ADVICE ON ANY PARTICULAR MATTER BY THE SECURITIES EXCHANGE AND COMMISSION AND MUST NOT BE TREATED AS A SUBSTITUTE FOR SPECIFIC ADVICE.
- 5) THE SECURITIES EXCHANGE AND COMMISSION DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWEVER ARISING FROM OR IN RELIANCE UPON THIS DOCUMENT TO ANY ONE, ARISING FROM ANY REASON, INCLUDING, BUT NOT LIMITED TO, INACCURACIES, INCOMPLETENESS AND/OR MISTAKES, FOR DECISIONS AND/OR ACTIONS TAKEN, BASED ON THIS DOCUMENT.
- 6) SECURITIES EXCHANGE AND COMMISSION DOES NOT TAKE ANY RESPONSIBILITY FOR THE FINANCIAL SOUNDNESS OF THE COMPANY AND ANY OF ITS SCHEMES STATED HEREIN OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS MADE OR OPINIONS EXPRESSED WITH REGARDS TO THEM BY THE COMPANY IN THIS PROSPECTUS.

ADVICE FROM A SUITABLY QUALIFIED PROFESSIONAL SHOULD ALWAYS BE SOUGHT BY INVESTORS IN RELATION TO ANY PARTICULAR INVESTMENT.



## 1.2. FILING OF PROSPECTUS AND OTHER DOCUMENTS WITH THE REGISTRAR OF COMPANIES

Ghani Dairies Limited (“GDL” or the “Company”) has filed with the Registrar of Companies as required under Sections 57 (1) of the Companies Act 2017, a copy of this Prospectus signed by all the Directors of the Company.

## 1.3. LISTING ON PSX

Application has been made to PSX for permission to deal in and for quotation of the shares of the Company.

In accordance with Section 69 of the Companies Act, 2017, any allotment made on the basis of this Prospectus shall be void if such permission has not been applied for within seven (7) days after the first issue of this Prospectus or, having been applied for, is not granted within twenty-one (21) days from the closing of the subscription lists (or within such extended period, not exceeding forty-two (42) days, as may within the said twenty-one (21) days be notified by PSX).

If permission to deal in and quote the shares is not granted within the above period, the Company shall forthwith refund, without surcharge, all money received from applicants in pursuance of this Prospectus. If any such money is not repaid within eight (8) days after the Company becomes liable to repay it, the Directors shall be jointly and severally liable to repay that money from the expiration of the eighth day together with a surcharge at the rate of two percent (2%) per month or part thereof and shall, in addition, be liable to a penalty of Level 3 on the standard scale as prescribed under the Act.

All monies received from applicants shall be deposited and kept in a separate bank account in a scheduled bank until the Company is no longer liable to repay such amounts under sub-section (2) of Section 69. In the event of default in complying with this requirement, the Company and every officer who authorizes or permits the default shall be liable to a penalty of Level 2 on the standard scale in accordance with the provisions of the Act



## 2 SUMMARY OF THE PROSPECTUS

### 2.1 PRIMARY BUSINESS OF GHANI DAIRIES LIMITED AND THE INDUSTRY IN WHICH IT OPERATES

#### Ghani Dairies Limited:

**Ghani Dairies Limited (“GDL” or the “Company”)** is engaged in the production and sale of raw milk. The Company operates a corporate dairy farm situated in Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan covering area of 2,374,020 sq.fts.

The Company was incorporated as a private limited company in Pakistan under the Companies Act, 2017, on October 21, 2020, and started its commercial operations in October 2021. Subsequently converted into a public limited company with effect from July 14, 2025. Its principal business activity is the operation of a corporate dairy farm for the production of fresh raw milk.

As of September 30th, 2025, Ghani Dairies Limited maintained a total herd of 2,527 cows, comprising 1,398 milking cows and 1,129 heifers under growth for future production. Milking cows therefore represent approximately 55% of the total herd (1,398 out of 2,527), indicating a strong proportion of actively productive cows within the herd.

The herd is managed by a qualified team of Pakistani and international dairy professionals, following global best practices in animal health, nutrition, welfare, and productivity management. The farm’s milking herd produces an average of 34 liters of milk per cow per day, aligning with performance levels observed in well-managed, high-yield dairy operations.

The number of imported cows are as follows:

Year	Country	Description	Quantity (Heifers)	Supplier Name
2021	USA	Imported Heifers	<b>Pregnant:</b> 210	Happy Cattle Dairy Farm (Pvt) Ltd. Inc. 12204, North 1-35, Service Road, Oklahoma City, OK 73131 USA.
	Local Vendor (USA-imported)	Purchased by local vendor	<b>Total:</b> 14 • Pregnant: 10 • Non Pregnant: 4	Nayab Dairy Farm
2022	USA	Imported Heifers	<b>Pregnant:</b> 199	Royal Atlantic Live Stock LLC, United States.
	Local Vendor (USA-imported)	Purchased by local vendor	<b>Total:</b> 200 • Pregnant: 179 • Non Pregnant: 21	Santa FE Cattle (Pvt) Limited
	Australia	Imported Heifers	<b>Pregnant:</b> 300	Nasna International PTY Ltd. Level 19, 180 Lonsdale Street, Melbourne, Victoria 3000
2024	Australia	Imported Heifers	<b>Pregnant:</b> 25	HRM Livestock PTY LTD, 1/82 View Street, Glenroy, Victotoria 3046, Australia.
2025	Australia	Imported Heifers	<b>Pregnant:</b> 100	Nasna International PTY Ltd. Level 19, 180 Lonsdale Street, Melbourne, Victoria 3000



To support its operations, the Company has invested in modern infrastructure and equipment, including KUHN TMR feed mixing machines (France), automated milking parlors (United States), and a Plate Heat Exchanger (PHE) cooling system of European origin. A digital herd management system is also in place to monitor and optimize herd health and productivity.

S.No	System	Source	Import / Purchase Date	Installation Year	Local Dealer Support
1	Kuhn TMR (Total Mixed Ration) System	Imported equipment supplied via authorized Kuhn dealer in Pakistan	April 23, 2025	2025	After-sales service, spare parts, and maintenance available locally
2	Bumatic Milking Parlour	Imported equipment supplied through authorized Bumatic dealer in Pakistan	November 20, 2021	2022	Local dealer provides installation, technical support, and maintenance
3	PHE (Plate Heat Exchanger) System	Imported unit procured from a local authorized supplier	Purchased locally in 2024	2024	Local supplier handles servicing and spare parts

The Company supplies raw milk to one of the leading dairy processors (i.e. Nestle Pakistan, Fauji Foods & IRC Dairy Products) in Pakistan through recurring arrangement, ensuring quality, consistency, and reliability of supply.

#### Group Structure:

The Ghani Group is a family-led business platform founded by Mr. Aitzaz Ahmad Khan, whose entrepreneurial vision laid the foundation for a wide range of businesses under the Ghani name. Today, under the ownership and management of his sons, Mr. Hafiz Avais Ghani and Mr. Shoaib Ghani, the Group has evolved into a collection of independently managed companies operating across sectors including mining, agriculture, feed production, food (including layer farming and dairy operations), and real estate. Each business unit is independently governed and managed by members of the family, reflecting the Group's long-standing legacy of entrepreneurship.

Ghani Dairies Limited is one of the businesses within this family-led platform. Along with other unlisted companies, it operates under shared ownership and management, carrying forward the Ghani Group's entrepreneurial legacy while remaining independent from other Ghani-branded entities.

While sharing a common family origin and brand heritage, the companies managed by Mr. Hafiz Avais Ghani and Mr. Shoaib Ghani have no ownership, management, or operational relationship with any listed company or other Ghani-branded companies, except as illustrated in the Group Structure below. Ghani Dairies Limited is the first company from this family-led Group to seek listing.

Despite being part of Ghani Group, M/s Ghani Dairies Limited, does not hold any direct or indirect shareholding in any other group company. Accordingly, the Company has no subsidiaries or joint ventures, and the entire focus of its resources and operations remains dedicated to its business of raw milk production. However, certain companies are associated with the Issuer in relation to current directorships held by its directors.

For details of directors please refer to Section 7.1 of the prospectus.



**Group Structure**



**Ghani Dairies Limited**

Hafiz Avais Ghani	37.50%
Aitzaz Ahmad Khan	0.01%
Shoaib Ghani	42.30%
Ghani Holdings & Ventures Ltd.*	15.38%
Ahad Ghani	1.92%
Saad Ghani	1.92%
Vaneeza Avais	0.96%
Khurram Zafar – Independent Director	0.00%
Muhammad Hassan Nawaz Gondal – Independent Director	0.00%



**Ghani Himalayan Salt Pvt Ltd**

Shoaib Ghani	49.00%
Hafiz Avais Ghani	48.50%
Aitzaz Ahmad Khan	2.00%
Ahad Ghani	0.50%



**Ghani Futuristic Developers (Pvt) Ltd**

Hafiz Avais Ghani	49.50%
Shoaib Ghani	50.00%
Ahad Ghani	0.50%



**Ghani Layer Farms Pvt Ltd.**

Hafiz Avais Ghani	35.00%
Shoaib Ghani	35.00%



**Ghani Mines Pvt Ltd.**

Shoaib Ghani	48.42%
Hafiz Avais Ghani	45.61%
Aitzaz Ahmad Khan	3.17%
Ahad Ghani	2.81%

**Ghani Holdings & Ventures Pvt Ltd\*.**

Hafiz Avais Ghani	48.93%
Shoaib Ghani	48.93%
Aitzaz Ahmad Khan	2.13%
Ahad Ghani	0.00%



**Ghani Welfare Works**

Hafiz Avais Ghani
Shoaib Ghani
Ahad Ghani
Mehak Ahad
Vaneeza Avais
Noor ul Ain Hafeez Waris



**Makerwal Collieries Limited**

Shoaib Ghani	1.80%
Hafiz Avais Ghani	1.80%
Aitzaz Ahmad Khan	0.04%
Other	96.36%

- \*Ghani Holdings & Ventures (Pvt.) Ltd. holds 15.38% of the shareholding in Ghani Dairies Limited.
- Ghani Holdings & Ventures (Pvt.) Ltd. is owned by Hafiz Avais Ghani (48.93%) and Shoaib Ghani (48.93%).
- Accordingly, Hafiz Avais Ghani and Shoaib Ghani, through their direct shareholding and their indirect holding via Ghani Holdings & Ventures (Pvt.) Ltd., collectively hold 95.18% of Ghani Dairies Limited prior to the IPO.



## 2.2 SPONSORS OF GHANI DAIRIES LIMITED

The Sponsors of the Company are:

1. Aitzaz Ahmad Khan
2. Hafiz Avais Ghani
3. Shoaib Ghani
4. Ahad Ghani
5. Saad Ghani
6. Vaneeza Avais
7. Ghani Holdings & Ventures (Pvt.) Limited Previously named as Ghani Hilal Feeds (Private) Limited

## 2.3 SALIENT FEATURES OF THE ISSUE INCLUDING METHOD OF PUBLIC OFFERING

The Issue comprises of 104,200,000 Ordinary shares of face value worth PKR 1.00/- each, which constitutes 24.28% of the post- issued paid up capital of the Company.

Out of the total issue size of 104,200,000 Ordinary Shares of PKR 1.00/-each, 75.00% of the issue size i.e., 78,150,000 Ordinary Shares of PKR 1.00/-each will be offered through Book Building process at a Floor Price of PKR 24.00/- per share which will be allotted to Successful Bidders and the rest of 25.00% of the issue i.e., 26,050,000 Ordinary Shares will be offered to Retail Investors at the Strike Price.

Provided that allocation to the retail portion shall be increased as follows, in case the retail portion is oversubscribed, and there shall be a corresponding decrease in the allocation to book building investors:

Oversubscription of retail portion	Increase in allocation to retail portion
5 times but less than 10 times	5%
10 times and greater	10%

The proceeds from the IPO at Floor price of PKR 24.00 per share are expected to raise PKR 2,500,800,000. however, at the cap price of PKR 33.60 per share, the Company is expected to receive PKR 3,501,120,000.

## 2.4 PRE AND POST ISSUE SHAREHOLDING OF THE SPONSORS

Post IPO, the share capital will increase from 325,000,000 Ordinary shares to 429,200,000 Ordinary shares. Given below is the Pre and Post Issue shareholding of the Sponsors of the Company:

	Sponsors/ Directors	Pre-Issue Shareholding	% of Total Shareholding	Post-Issue Shareholding	% of Total Shareholding
<b>1</b>	<b>Sponsors, Directors &amp; CEO</b>				
	<b>Sponsors / Directors</b>				
i	CEO - Hafiz Avais Ghani	121,864,950	37.50%	121,864,950	28.39%
ii	<sup>3</sup> Director - Aitzaz Ahmad Khan	20,000	0.01%	20,000	0.00%
iii	Director - Shoaib Ghani	137,489,950	42.30%	137,489,950	32.03%
iv	Ghani Holdings & Ventures (Pvt) Ltd*	50,000,000	15.38%	50,000,000	11.65%
v	Saad Ghani	6,250,000	1.92%	6,250,000	1.46%
vi	Director - Ahad Ghani	6,250,000	1.92%	6,250,000	1.46%

<sup>3</sup> Aitzaz Ahmad Khan is founder of the Ghani Group, he is father to Hafiz Avais Ghani and Shoaib Ghani, whereas Ahad Ghani, Vaneeza Avais and Saad Ghani are children of Hafiz Avais Ghani



vii	Director - Vaneeza Avais	3,125,000	0.96%	3,125,000	0.73%
<b>Other Shareholders</b>					
viii	Independent Director - Khurram Zafar	50	0.00%	50	0.00%
ix	Independent Director - Muhammad Hassan Nawaz Gondal	50	0.00%	50	0.00%
	Public Offer	0	0.00%	104,200,000	24.28%
	<b>Total No. of Shares</b>	<b>325,000,000</b>	<b>100.00%</b>	<b>429,200,000</b>	<b>100.00%</b>

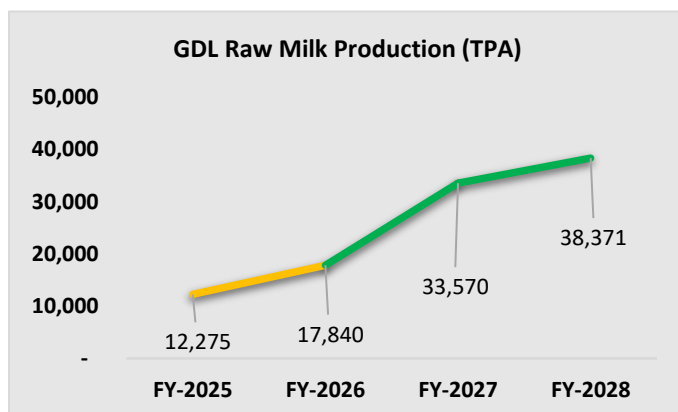
\* Ghani Holdings & Ventures (Pvt) Ltd formerly known as Ghani Halal Feed Mill Private Limited. Ghani Holdings & Ventures (Pvt.) Ltd. holds 15.38% of the shareholding in Ghani Dairies Limited.

- Ghani Holdings & Ventures (Pvt.) Ltd. is owned by Hafiz Avais Ghani (48.93%) and Shoaib Ghani (48.93%).
- Accordingly, Hafiz Avais Ghani and Shoaib Ghani, through their direct shareholding and their indirect holding via Ghani Holdings & Ventures (Pvt.) Ltd., collectively hold 95.18% of Ghani Dairies Limited prior to the IPO.

## 2.5 PRINCIPAL PURPOSE OF THE ISSUE

The principal propose of the issue is to finance the herd expansion, Company's operational expansion, upgrade farm infrastructure, and will be utilize in working capital requirements.

This will enhance raw milk production capacity from 17,840 TPA FY 2025-26 to 33,570 TPA by FY 2026-27. This growth is supported by the planned induction of 1,000 pregnant heifers and achieving organic growth as the young calves will enter into the milking cycle, which will immediately increase milk output. Furthermore, the milking capacity is expected to reach 38,371 TPA in FY 2027-28 as 250 young heifers (ready to inseminate) procured through IPO proceeds will start milking along with organic herd growth.



To fund this expansion, the Company proposes to raise PKR 2,500 million through the issuance of 104,200,000 ordinary shares at a floor price of PKR 24.00/- per share. Commercial operations of the new facility are expected to commence by April 2026.

This strategic expansion will position the Company to meet the growing demand for raw milk and strengthen its market presence in the dairy sector.

The details of expansion cost and utilization of the amount raised through public offer will be as under:



## 2.6 TOTAL EXPECTED IPO PROCEEDS

For Details please refer to Section 4.3 of the prospectus.

Following are the Utilization of Proceeds based on Floor Price:

Particulars		Amount (PKR)	Percentage %
Building & Civil Works	Milking Shed (4 Nos)	480,000,000	19.19%
	Heifer Shed (3 Nos)	180,000,000	7.20%
	Raw Material Storage Warehouse	100,000,000	4.00%
	Hospital Shed with Parlour	39,200,000	1.57%
	Silage Bunker (4 Nos)	45,000,000	1.80%
	Corn Grain Storage Silo (Additional)	70,000,000	2.80%
	Calf Cage	3,500,000	0.14%
	<b>Subtotal</b>	<b>917,700,000</b>	<b>36.70%</b>
Biological Assets	1,000 Pregnant Heifers	815,670,000	32.62%
	250 Heifers	153,900,000	6.15%
	<b>Subtotal</b>	<b>969,570,000</b>	<b>38.77%</b>
Plant & Machinery	Solar & Infrastructure	150,000,000	6.00%
	Milking Parlour	120,000,000	4.80%
	Stationery Mixing Machine (TMR)	60,000,000	2.40%
	Wheel Loader for TMR Feeding	30,000,000	1.20%
	Milk Storage Silo (Storage + Backup + PHE system)	45,000,000	1.80%
	Tractor 385 for TMR	19,800,000	0.79%
	Rubber Mats	15,000,000	0.60%
	Movable TMR Machine	14,000,000	0.56%
	Tractor Massey 240	7,200,000	0.29%
	Feed Pusher Wheel	5,000,000	0.20%
	Chiller for Hospital Parlor	5,000,000	0.20%
	Transformer	4,000,000	0.16%
	Sand Spreader	4,000,000	0.16%
	<b>Subtotal</b>	<b>479,000,000</b>	<b>19.15%</b>
Working Capital	Working Capital & Feed Stock Procurement	134,530,000	5.38%
	<b>Subtotal</b>	<b>134,530,000</b>	<b>5.38%</b>
<b>Total Project Cost</b>		<b>2,500,800,000</b>	<b>100.00%</b>
IPO Proceeds		2,500,800,000	100.00%
Utilization		2,500,800,000	100.00%



## 2.7 UTILIZATION OF EXCESS IPO FUNDS, IN CASE THE STRIKE PRICE IS DETERMINED ABOVE THE FLOOR

Any excess funds raised, in case the Strike Price is determined above the Floor Price, will be utilized to meet the Company's working capital requirements. The Company intends to deploy the excess IPO proceeds into its working capital which will be mainly used for timely procurement of feed stock. The average monthly working capital requirement during FY-2025 was PKR 93.93 million. This is projected to increase to PKR 144.46 million per month in FY-2026 and further to PKR 274.58 million per month by FY-2027, primarily due to the inclusion of new animals.

Approximately 5% of the IPO proceeds will be allocated toward off-season feed purchases, enabling early procurement at favorable prices, mitigating supply risks, and ensuring uninterrupted operations. Any additional excess proceeds will also be utilized for the same purposes to further enhance operational efficiency and achieve cost optimization.

Estimation of Working Capital Requirement	FY-2025 (Actual)	FY-2026 (Estimated)	FY-2027 (Forecasted)
Feed consumed	1,127,199,069	1,733,558,039	3,295,003,028
<b>Working Capital Requirement (Annual)</b>	<b>1,127,199,069</b>	<b>1,733,558,039</b>	<b>3,295,003,028</b>
<b>Working Capital Requirement (Monthly)</b>	<b>93,933,255.75</b>	<b>144,463,169.92</b>	<b>274,583,585.67</b>

In the event that no excess proceeds are generated from the IPO, the Company will meet its working capital requirements through cash generated from operations.

## 2.8 SOURCE OF FUNDING

The Company plans to raise PKR 2,500 Mn through an Initial Public Offering (IPO). The proceeds will primarily be utilized for herd expansion, construction of farm infrastructure, and working capital requirements. In this regard, the Company intends to issue 104,200,000 ordinary shares at a floor price of PKR 24.00/- per share

**JUSTIFICATION GIVEN BY THE CONSULTANT TO THE ISSUE IN FAVOR OF FLOOR PRICE OF PKR 24.00/- PER SHARE MAY BE SEEN AT SECTION 4A OF THE PROSPECTUS, TITLED VALUATION SECTION 4A.**

## 2.9 QUALIFIED OPINION, IF ANY, GIVEN BY THE AUDITOR DURING THE LAST THREE FINANCIALS YEARS

Crowe Hussain Chaudhury & Co. has been the auditor for the Company for the past two financial years (2024 and 2025), and has not issued any qualified opinions on the financial statements. Similarly, Javed Chaudhry & Co. audited the financial statements for FY 2023 and did not issued any qualified opinion.

## 2.10 GHANI DAIRIES FINANCIAL INFORMATION

(Please refer to Section 6.6 for Detailed Financials and Commentary on Key Ratios)

The key financial information of the Company is tabulated below:

### Ghani Dairies Limited

In PKR Mn, unless stated otherwise	Audited FY 2023	Audited FY 2024	Audited FY 2025	Unaudited 3Months FY 2026
<b>Share Capital</b>	125.00	325.00	325.00	325.00
<b>Net Worth<sup>4</sup></b>	487.13	1,103.05	1,487.22 <sup>5</sup>	1,612.25

<sup>4</sup> Net worth is calculated by Subtracting Total Liabilities from Total Assets

<sup>5</sup> Net Worth increased primarily due to higher retained earnings arising from strong profitability, including IAS 41 fair value gains and improved operating performance.



Revenue <sup>6</sup>	1,841.16	3,144.94	4,111.95 <sup>7</sup>	1,062.73
Gross Margin	5.43%	5.27%	15.08% <sup>8</sup>	17.42%
Operating Margin	4.27%	4.29%	13.81%	16.09%
Profit After Tax	41.99	73.71	444.15 <sup>9</sup>	125.03
Profit After Tax Margin	2.28%	2.34%	10.80%	11.76%
<b>(Loss)/Earnings per share (PKR)<sup>10</sup></b>	<b>3.36</b>	<b>2.27</b>	<b>13.67</b>	<b>0.38</b>
<b>Break-up value per share (PKR)</b>	<b>38.97</b>	<b>33.94</b>	<b>45.76</b>	<b>4.96</b>
Total Borrowings <sup>11</sup>	96.44	145.27	350.13	274.55
Total Debt to Equity Ratio (times) <sup>12</sup>	0.20	0.13	0.24	0.17
Cash flows from Operations	(8.29) <sup>13</sup>	89.64	184.13	(5.17)
Outstanding Shares	12.5	32.5 <sup>14</sup>	32.5	325.00

## 2.11 LEGAL PROCEEDINGS

As of 30th June 2025, the Company affirms that there are no pending litigations, claims, or legal actions against the Issuer, its sponsors, substantial shareholders, directors, or associated group companies. The associated companies are linked solely due to common directorship, and the Issuer has no control over any associated company.

Kindly refer to section 8 for further details.

## 2.12 RISK FACTORS

For key risk factors that may have an impact on the Company, its business operations and the Issue, please refer to Section 5 of the Prospectus.

## 2.13 SUMMARY OF RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out at mutually agreed price on an arm's length basis. The related parties comprise of Sponsors, Promoters, Associated Concerns, Directors and Key Management Personnel of the Company. The Company in the normal course of business carries out transactions with various related parties.

Name	Relationship	Nature	FY 2023 PKR Mn	FY 2024 PKR Mn	FY 2025 PKR Mn
Al – Muhandus Corporation	Loan received	At arm's length prices	-	20.00	-
	Loan Paid	At arm's length prices	-	20.00	-
Ghani Holdings & Ventures (Pvt) Limited	Loan received	At arm's length prices	252.50	178.89	183.73
	Loan paid	At arm's length prices	-	533.70	182.68
Ghani Himalayan Salt (Private) Limited	Loan received	At arm's length prices	70.90	12.50	79.40
	Loan paid	At arm's length prices	4.18	79.40	79.40
Ghani Mines (Private) Limited	Loan received	At arm's length prices	6.20	7.49	43.10
	Loan paid	At arm's length prices	0.10	35.78	12.00
	Loan received	At arm's length prices	41.00	72.50	43.00

<sup>6</sup> Revenue is sum of Revenue from contract with customer, gain arising on initial recognition of Milk at Fair value less cost to sell & Gain arising in Fair value less cost to sell

<sup>7</sup> The increase is driven by Increase in fair value gain on livestock and stronger core margins supported by higher herd productivity, including 100 imported cows

<sup>8</sup> Margin expansion reflects lower feed costs due to bulk procurement and improved yield from a more productive herd mix.

<sup>9</sup> The increase is driven by IAS 41 fair value gains and stronger core margins supported by higher herd productivity, including 100 imported cows

<sup>10</sup> EPS is calculated by dividing profit after tax by Outstanding Ordinary shares

<sup>11</sup> Total Borrowings include long term debt and short-term borrowings & current portion form non – current liabilities

<sup>12</sup> Total debt to equity is calculated by dividing total Debt by total equity

<sup>13</sup> The Company is in a growth phase, and since FY2023 was an initial year of operations, operating cash flows were negative.

<sup>14</sup> 20,000,000 new ordinary shares of PKR. 10 were issued to Ghani Holdings & Ventures (Pvt) Ltd in FY-2024 against cash.



Ghani Layers Farm (Private) Limited	Loan paid	At arm's length prices	41.00	72.50	43.00
AS Builder	Loan received	At arm's length prices	-	10.00	-
	Loan paid	At arm's length prices	-	10.00	-
Hafiz Avais Ghani	Purchase of land	At arm's length prices	-	11.37	-

Under IAS 24, related party disclosures are supplementary and do not replace disclosures required by other Accounting Standards. If sponsor loans are disclosed only within the related party transactions note, users may misinterpret them as routine operating transactions rather than financing arrangements, leading to misrepresentation of the entity's leverage, liquidity risk, and reliance on sponsors. Therefore, Accounting Standards requires sponsor loans to be separately disclosed under borrowings (IAS 1 / IFRS 7), to avoid misleading users of the financial statements.

#### Detail of Loan from Sponsors:

Name	Relationship	FY 2023 PKR Mn	FY 2024 PKR Mn	FY 2025 PKR Mn
Aitzaz Ahmad Khan – Chairman	Loan received	-	50	-
	Addition During Year	50	68	-
	Loan paid	-	50	68
Hafiz Avais Ghani – CEO	Loan received	192.48	131.10	314.32
	Addition During Year	18.62	589.77	10.00
	Loan paid	80	406.55	-
Shoaib Ghani – Director	Loan received	106.51	111.00	252.00
	Addition During Year	55.08	336.77	-
	Loan paid	50.60	195.77	1.98



### 3 OVERVIEW, HISTORY AND PROSPECTS

#### 3.1 COMPANY HISTORY & OVERVIEW

<b>Name</b>	Ghani Dairies Limited
<b>Incorporation Number</b>	CUIN - 0160639
<b>Date of Incorporation as Private Limited Company and Place</b>	October 21, 2020 - Lahore, Pakistan
<b>Date of Commencement of Business</b>	September 2021
<b>Date of Conversion to Public Limited Company</b>	July 14, 2025

#### Ghani Dairies Limited:

Ghani Dairies Limited (“the Company”) is part of the Ghani Group, a well-established corporate business group in Pakistan with a diversified presence across multiple industries and operations conducted in accordance with Shariah-compliant business practices. The Ghani Group commenced operations in 1959 as a distribution company and entered the mining sector in 1963 through the establishment of Ghani Corporation. Over the years, the Group has expanded into rock salt mining, coal mining, feed mills, poultry farming, and dairy farming.



The Company was incorporated in Pakistan on October 21, 2020, under the Companies Act, 2017, as a private limited company and was subsequently converted into a public limited company with effect from July 14, 2025. Its principal business activity is the operation of a corporate dairy farm for the production of fresh raw milk. The Dairy farm is located in Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan.

To support its operations, the Company has invested in modern infrastructure and equipment, including KUHN STATIC TMR feed mixing machines (France), automated milking parlors (United States), and a Plate Heat Exchanger (PHE) cooling system of European origin. A digital herd management system is also in place to monitor and optimize herd health and productivity.



The Company supplies raw milk to one of the leading dairy processors (i.e. Nestle Pakistan, Fauji Foods & IRC Dairy Products) in Pakistan through recurring arrangement, ensuring quality, consistency, and reliability of supply

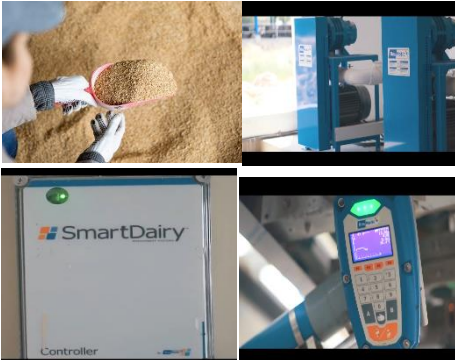

**Production Capacity:**

	FY 2023 (Litres)	FY 2024 (Litres)	FY 2025 (Litres)
<b>Production Capacity</b>	7,000,000	10,500,000	12,275,000
<b>Actual Production</b>	6,668,581	10,471,164	12,269,365

Below table provides a brief overview and major characteristics of Ghani Dairies Limited:

<p><b>Key Characteristics</b></p>	<ul style="list-style-type: none"> <li>- Corporate dairy farm with 2,527 cattle (1,398 milking cows) as of September 30<sup>th</sup>, 2025</li> <li>- Modern automated milking systems and digital herd management</li> <li>- 1.6 MW solar energy system reducing reliance on grid power</li> <li>- Recurring supply relationships with one of the leading processors</li> </ul>	
<p><b>Application/End Users</b></p>	<p>Supplies raw fresh milk to one of the leading processors, including Nestlé Pakistan Limited, IRC Dairy Products (Pvt.) Ltd, and Fauji Foods Limited</p>	
<p><b>Types of products</b></p>	<p>Raw Fresh Milk</p>	



<b>Key Raw Materials</b>	i) Livestock Feed (silage, fodder, grain concentrates, minerals, vitamins)  ii) Veterinary Supplies (vaccines, medicines, breeding inputs)	
<b>Other Facilities at Dairy Farm</b>	i) Utilities (water, electricity, solar energy and diesel Generator)	

### 3.2 PATTERN OF SHAREHOLDING:

Pattern of shareholding (Pre & Post IPO) of Ghani Dairies Limited is as follows:

	Sponsors/ Directors	Pre-Issue Shareholding	% of Total Shareholding	Post-Issue Shareholding	% of Total Shareholding
<b>1</b>	<b>Sponsors, Directors &amp; CEO</b>				
	<b>Sponsors/ Directors</b>				
i	CEO - Hafiz Avais Ghani	121,864,950	37.50%	121,864,950	28.39%
ii	<sup>15</sup> Director - Aitzaz Ahmad Khan	20,000	0.01%	20,000	0.00%
iii	Director - Shoaib Ghani	137,489,950	42.30%	137,489,950	32.03%
iv	Ghani Holdings & Ventures (Pvt) Ltd <sup>16</sup>	50,000,000	15.38%	50,000,000	11.65%
v	Saad Ghani	6,250,000	1.92%	6,250,000	1.46%
vi	Director - Ahad Ghani	6,250,000	1.92%	6,250,000	1.46%
vii	Director - Vaneeza Avais	3,125,000	0.96%	3,125,000	0.73%
	<b>Other Shareholders</b>				
viii	Independent Director - Khurram Zafar	50	0.00%	50	0.00%
ix	Independent Director - Muhammad Hassan Nawaz Gondal	50	0.00%	50	0.00%
	Public Offer	0	0.00%	104,200,000	24.28%
	<b>Total No. of Shares</b>	<b>325,000,000</b>	<b>100.00%</b>	<b>429,200,000</b>	<b>100.00%</b>

<sup>15</sup> Aitzaz Ahmad Khan is the founder of the Ghani Group. He is the father of Hafiz Avais Ghani and Shoaib Ghani, while Ahad Ghani, Vaneeza Avais, and Saad Ghani are the children of Hafiz Avais Ghani.

<sup>16</sup> Ghani Halal Feed Mill Private Limited was changed to Ghani Holdings & Ventures (Pvt). Limited on 26/08/2024



### 3.3 REVENUE DRIVERS

The Company's revenue is primarily derived from the production and sale of raw milk to one of the leading dairy processors in Pakistan, including Nestlé Pakistan Limited, IRC Dairy Products (Pvt.) Ltd, and Fauji Foods Limited. Sales are made on daily basis, whereas sales per day is on average 33,630 litres per day. In accordance with the requirements of IAS 41 (Agriculture), the Company also recognizes fair value gains on initial recognition of milk at the time of milking and on changes in the fair value of dairy livestock.

The key revenue components are as follows:

- Raw Milk Sales: Sale of fresh milk to one of the leading processors under recurring supply arrangements.
- Fair Value Recognition: Gain on initial recognition of milk at fair value less costs to sell at the time of milking.
- Fair Value Change in Livestock: Gain arising from changes in the fair value of dairy livestock.

The table below illustrates the value-wise break-up of revenue from FY 2023 to 1QFY 2026:

Product Type	FY 2023		FY 2024		FY 2025		Unaudited 1QFY 2026	
	PKR Mn	%	PKR Mn	%	PKR Mn	%	PKR Mn	%
Raw Milk Sales	787	43%	1,495	48%	1,778	43%	483	45%
Gain raising on initial recognition of milk at fair value less cost to sell at the time of milking <sup>17</sup>	1,014	55%	1,592	51%	1,963	48%	490	46%
Gain arising from changes in fair value less cost to sell of dairy livestock	41	2%	58	2%	371	9%	90	8%
<b>Total Sales</b>	<b>1,841</b>		<b>3,145</b>		<b>4,112</b>		<b>1,063</b>	

For breakup of Raw milk sales please refer to Section 3.16 of the prospectus.

Particular	FY 2023	FY 2024	FY 2025	Unaudited 3Months FY 2026
Raw Milk Sales (PKR Mn)	787	1,495	1,778	483
Milking Cows (No.)	1,130	1,095	1,341	1,398
<b>Raw Milk Sales per Milking Cow (PKR Mn)</b>	<b>0.7</b>	<b>1.4</b>	<b>1.3</b>	<b>0.3</b>
<b>Raw Milk Sales per Milking Cow per day (PKR)</b>	<b>1,908</b>	<b>3,741</b>	<b>3,633</b>	<b>947</b>

<sup>17</sup> As at reporting period ended FY 2023, FY 2024, FY 2025 and 1QFY 2026



## Cow Life Cycle 360° — From Calf to 1st Lactation and Dry Period:



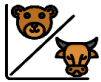
### Stage 1: Calf (Birth–95 Days)

- **Birth Weight:** 30–35 kg (healthy start indicator).
- **Feeding:** Immediate colostrum (10% of body weight in 6 hours) — key for immunity.
- **Milk Replacer Transition:** Up to 70–95 days or 100 kg body weight.



### Stage 2: Growing Heifer (95 Days–13 Months)

- **Diet:** TMR (corn silage, grasses, grains).
- **Target Growth:** 900–1,000 g/day; monthly weighing until 375 kg.



### Stage 3: Breeding Heifer (13 Months / 375 kg)

- **Breeding Age:** 13–14 months; Artificial Insemination with high-genetic-sexed semen.
- **Nutrition:** Shift to breeding ration rich in protein & minerals.



### Stage 4: Pregnant Heifer (33–249 Days Carrying Calf)

- **Pregnancy Check:** Ultrasound at 33 days post-insemination.
- **Feeding:** Controlled energy diet; group shifting after 249 Days Carrying Calf.



### Stage 5: Calving (270–277 Days Carrying Calf)

- **Monitoring:** Assisted calving protocols; first milking within 2 hours
- **Observation:** 36-hour hospital pen before transfer to fresh group.



### Stage 6: Fresh Cow (0–21 Days in Milk)

- **Focus:** Metabolic balance, fresh ration, PG injection at 14 days.
- **Transition:** Move to lactation pen at 21 Days in Milk.



### Stage 7: Lactation (21–210 Days in Milk)

- **Peak Production:** 45 Liter/day at 150 Days in Milk; rebreeding at 70 Days in Milk.
- **Group Shifts:** Medium group (150–180 Days in Milk), low group (180–210 Days in Milk).



### Stage 8: Dry Period (210–Calving)

- **Phases:** Far-off (~30 days) & Close-up (~30 days).
- **Feeding:** balanced diet to prevent milk fever.



### 3.4 COST DRIVERS

The principal cost drivers of the Company include:

- **Livestock Feed:** The largest component of operating costs, comprising silage, concentrates, and other nutritional inputs required to maintain herd productivity.
- **Veterinary Care and Herd Health Management:** Regular veterinary services, vaccinations, medicines, and herd health practices to ensure sustained milk yield and animal welfare.
- **Labor and Farm Management:** Skilled labor for animal husbandry, milking operations, and overall farm management, which constitute a significant recurring cost.

These components collectively represent the core operating expenses of the Company and directly impact production efficiency, milk yield, and profitability.

#### 3.4.1 Feed & Fodder

Feed and fodder are the largest cost driver of the Company, accounting for more than one-third of total operating expenses. This includes silage, hay, green fodder, grain mixes (corn, soybean meal, canola meal, etc.), mineral mixtures, vitamins, and feed additives.

The Company also procures vendor-supplied feed from established suppliers such as Rafhan Maize, LCI, and IFFCO. Feed consumption costs amounted to PKR 590.1 million in FY 2023, PKR 1,036.4 million in FY 2024 and PKR 1,127.2 in FY 2025.

#### 3.4.2 Animal Health & Veterinary Care

This category covers medicine consumption, vaccinations, breeding services (including artificial insemination), veterinary consultancy, and biosecurity measures. These expenditures are critical for maintaining herd health and ensuring sustainable milk yields. Veterinary and animal health costs were PKR 5.1 million in FY 2022, PKR 15.0 million in FY 2023, 52.2 million in FY 2024 and PKR 106.8 in FY 2025.

#### 3.4.3 Labor & Staff Costs

Labor remains an essential component of the Company's cost base, comprising skilled farm labor (milking staff, feeders, herdsman), veterinary and technical staff, and farm management teams. Employee benefits such as PESSI, EOBI, and housing are also included. Salaries, wages, and benefits totaled PKR 16.2 million in FY 2022, PKR 61.1 million in FY 2023, PKR 93.6 million in FY 2024 and PKR 104.7 million in FY 2025.

#### 3.4.4 Utilities & Energy

Utility expenses are driven by electricity requirements for automated milking parlors, cooling and chilling plants, water supply systems, and lighting. Fuel and lubricants for machinery, generators, and farm vehicles also form part of this category. In FY 2022, utility and energy costs stood at PKR 5.2 million, increasing to PKR 19.6 million in FY 2023, PKR 95.8 million in FY 2024, and PKR 100.4 million in FY 2025 reflecting higher herd size and expanded infrastructure.

#### 3.4.5 Depreciation & Capital Costs

The Company incurs non-cash charges on account of depreciation of farm machinery, equipment, and infrastructure, in addition to financing or lease costs related to capital expenditure. Depreciation and related charges amounted to PKR 7.9 million in FY 2022, PKR 34.6 million in FY 2023, PKR 45.9 million in FY 2024 and PKR 61.0 million in FY 2025.



## Other Cost

### 3.4.6 Administrative & Overhead Expenses

This category consists of office and management staff costs, legal and professional charges, IT and ERP systems (such as Odoo), communication, transport, logistics, and memberships (CDFA & LCCI). Administrative expenses were PKR 6.5 million in FY 2022, PKR 21.5 million in FY 2023, PKR 21.5 million in FY 2024 and PKR 52.3 million in FY 2025.

### 3.4.7 Other Operating Expenses

Other operating expenses primarily include livestock mortality, workers' profit participation fund, workers' welfare fund, and losses on sale of animals. These costs totaled PKR 18.0 million in FY 2022, PKR 38.8 million in FY 2023, PKR 47.3 million in FY 2024 and PKR 52.8 million in FY 2025.

### 3.4.8 Finance Costs

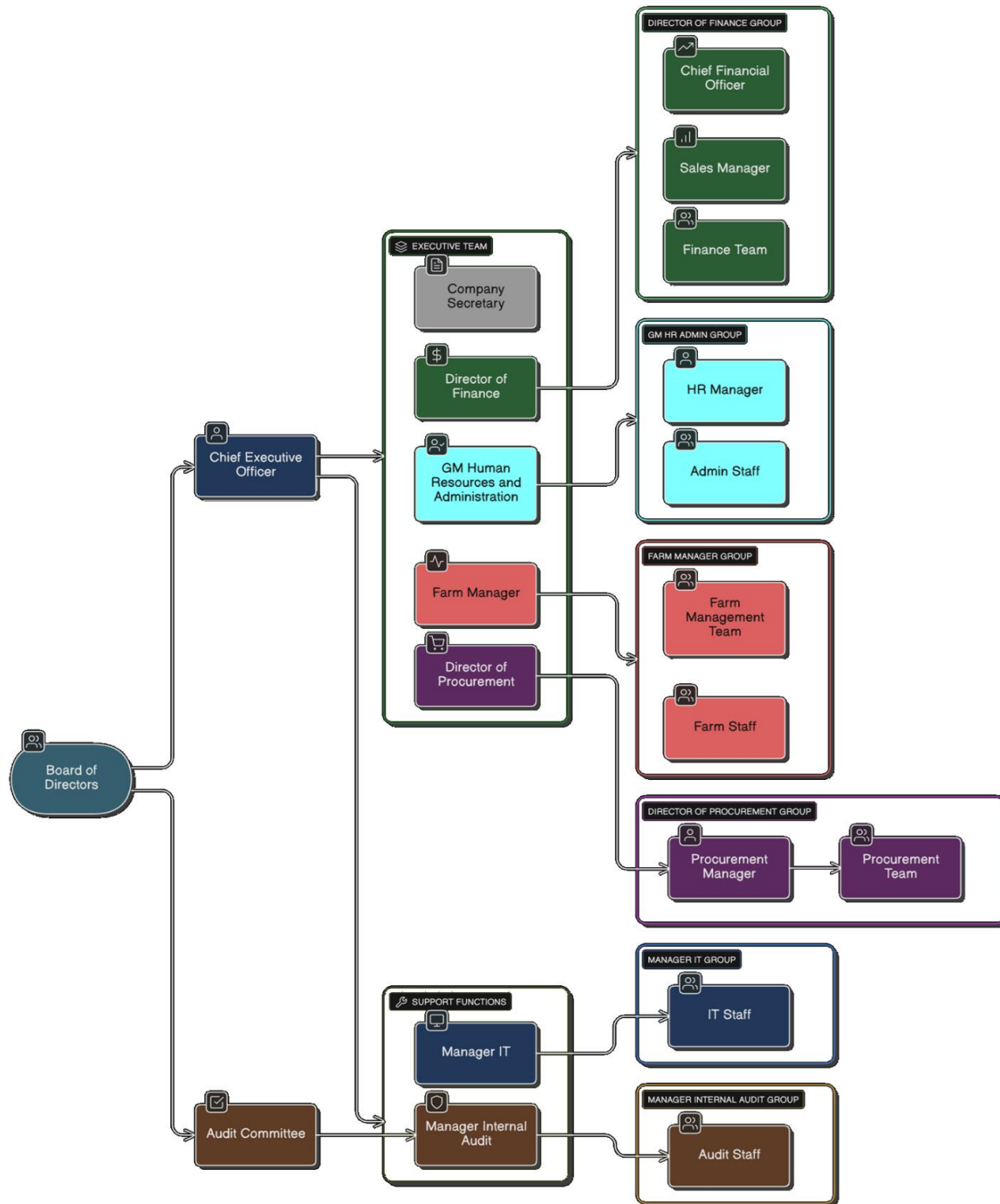
Finance costs include bank charges and mark-up on long-term financing. With increased borrowings during the expansion phase, finance costs rose from PKR 0.8 million in FY 2022 to PKR 3.6 million in FY 2023, PKR 4.4 million in FY 2024 and PKR 6.2 million in FY 2025.

Particulars	FY 2023 Amount (PKR Mn)	FY 2023 (% of Cost of Sales)	FY 2024 Amount (PKR Mn)	FY 2024 (% of Cost of Sales)	FY 2025 Amount (PKR Mn)	FY 2025 (% of Cost of Sales)	Unaudited 3Months FY 2026 Amount (PKR Mn)	Unaudited (% of Cost of Sales)
Raw milk consumed	1,013.62	58.22%	1,591.62	53.43%	1,963.10	56.22%	489.72	55.80%
Feed consumed	590.07	33.89%	1,036.38	34.79%	1,127.20	32.28%	281.16	32.04%
Store and spares consumed	18.77	1.08%	29.22	0.98%	23.82	0.68%	12.34	1.41%
Medicine consumed	15.05	0.86%	52.16	1.75%	106.78	3.06%	22.69	2.59%
Salaries, wages and other benefits	54.07	3.11%	74.83	2.51%	86.19	2.47%	23.01	2.62%
Utilities	19.64	1.13%	95.78	3.22%	100.45	2.88%	28.04	3.20%
Repair and maintenance	0.68	0.04%	3.32	0.11%	3.70	0.11%	1.38	0.16%
Travelling and conveyance	0.00	0.00%	4.04	0.14%	2.35	0.07%	1.11	0.13%
Consultancy charges	-	0.00%	2.29	0.08%	6.15	0.18%	1.69	0.19%
Commission	-	0.00%	0.27	0.01%	0.96	0.03%	-	0.00%
Entertainment	1.19	0.07%	5.71	0.19%	4.05	0.12%	1.72	0.20%
Freight charges	1.87	0.11%	18.63	0.63%	19.51	0.56%	1.73	0.20%
Miscellaneous	0.14	0.01%	0.08	0.00%	0.26	0.01%	0.40	0.05%
Insurance	-	0.00%	25.19	0.85%	1.47	0.04%	0.36	0.01%
Fees and subscription	0.12	0.01%	-	0.00%	-	0.00%	0.11	0.04%
Depreciation	25.92	1.49%	39.59	1.33%	45.95	1.32%	12.11	1.38%
<b>Total Cost of Sales</b>	<b>1,741.15</b>	<b>100.00%</b>	<b>2,979.10</b>	<b>100.00%</b>	<b>3,491.96</b>	<b>100.00%</b>	<b>877.56</b>	<b>100.00%</b>

\*Percentages are calculated based on Total Cost of Sales amount



3.5 COMPANY ORGANOGRAM





### 3.6 GROUP OVERVIEW

The Ghani Group, founded in 1959, has grown to become one of Pakistan's leading and most diversified business groups. Over the past six decades, it has established a strong presence across multiple sectors, including mining, agriculture, food and feed production, construction, and real estate development. The Group began as a distribution business and entered the mining sector in 1963 with the establishment of Ghani Corporation, eventually becoming the largest private salt mining company in Pakistan.

Since then, the Group has expanded into new areas, launching ventures such as Ghani Halal Feed Mill and Ghani Dairies between 2014 to 2020, operating with modern European dairy technology. Historically, the Group's portfolio had included other notable businesses, such as Ghani Glass Limited, Ghani Textile, and Ghani Automobiles, which was subsequently merged into Ghani Value Glass Limited. Subsequently, the businesses previously operated under a single group structure were separated and divided among the sponsors. Currently, the sponsors of Ghani Dairies Limited do not hold directorships in any listed company.

Today, the Ghani Group's operations include Ghani Mines (Private) Limited, Ghani Himalayan Salt (Private) Limited, Makerwal Collieries Limited, Ghani Holdings & Ventures (Private) Limited (formerly Ghani Halal Feed Mill), and Ghani Layer Farms (Private) Limited. The Group serves customers across Europe, the Middle East, Far East Asia, and Africa, reflecting its commitment to excellence, ethical practices, and sustainable growth.

#### Group Structure

The Ghani Group is a family-led business platform founded by Mr. Aitzaz Ahmad Khan, whose entrepreneurial vision laid the foundation for a wide range of businesses under the Ghani name. Today, under the ownership and management of his sons, Mr. Hafiz Avais Ghani and Mr. Shoaib Ghani, the Group has evolved into a collection of independently managed companies operating across sectors including mining, agriculture, feed production, food (including layer farming and dairy operations), and real estate. Each business unit is independently governed and managed by members of the family, reflecting the Group's long-standing legacy of entrepreneurship.

Ghani Dairies Limited is one of the businesses within this family-led platform. Along with other unlisted companies, it operates under shared ownership and management, carrying forward the Ghani Group's entrepreneurial legacy while remaining independent from other Ghani-branded entities.

While sharing a common family origin and brand heritage, the companies managed by Mr. Hafiz Avais Ghani and Mr. Shoaib Ghani have no ownership, management, or operational relationship with any listed company or other Ghani-branded companies, except as illustrated in the Group Structure below. Ghani Dairies Limited is the first company from this family-led Group to seek listing.

Despite being part of Ghani Group, M/s Ghani Dairies Limited, does not hold any direct or indirect shareholding in any other group company. Accordingly, the Company has no subsidiaries or joint ventures, and the entire focus of its resources and operations remains dedicated to its business of raw milk production. However, certain companies are associated with the Issuer in relation to current directorships held by its directors.



### 3.7 KEY MILESTONES

Year	Event
FY 2020	<ul style="list-style-type: none"> <li>• Certificate of incorporation obtained</li> </ul>
FY 2021	<ul style="list-style-type: none"> <li>• 210 Heifers imported from USA</li> <li>• 14 imported Heifers purchased locally.</li> </ul>
FY 2022	<ul style="list-style-type: none"> <li>• Approval obtained from Environmental Protection Agency, Government of Punjab</li> <li>• 499 Heifers imported (199 from USA, 300 from Australia)</li> <li>• 200 imported Heifers purchased locally.</li> <li>• 1.5 million litres of milk sold in 2022</li> <li>• Installed Bumatic milking parlour</li> <li>• Installed Solar Power system</li> </ul>
FY 2023	<ul style="list-style-type: none"> <li>• 6.7 million litres of milk sold (346% growth)</li> </ul>
FY 2024	<ul style="list-style-type: none"> <li>• 25 Heifers from Australia in February 2024</li> <li>• 10.5 million litres of milk sold (57% growth)</li> <li>• Installed Plate Heat Exchanger(PHE) system</li> </ul>
FY 2025	<ul style="list-style-type: none"> <li>• 100 Heifers imported from Australia</li> <li>• Successful conversion from private to public limited company</li> <li>• 12.3 million litres of milk sold (17% growth)</li> <li>• Herd size reached 2,412 animals, including 1,341 milk-producing cows and 1,071 young Heifers under growth for future production (As at June 30th 2025).</li> <li>• Installed KUHN TMR feed mixing machines (France)</li> </ul>
1QFY 2026	<ul style="list-style-type: none"> <li>• Herd size reached 2,527 animals, including 1,398 milk-producing cows and 1,129 young Heifers under growth for future production (As at September 30th 2025).</li> </ul>

### 3.8 LOCATION OF PLANT AND PRODUCTION CAPACITY

The Company operates a large-scale dairy farm situated at Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan. at 30 June 2025, the farm maintained a herd size of 2,412, including 1,341 milking cows, covering an area of about 436 Kanal & 11 Marla of freehold land. The production capacity of raw milk is expected to be enhanced from 17,840 TPA 2025-26 to 33,570 TPA by FY 2026-27 and 38,371 TPA by FY 2027-28.



Description	Sq. Ft.
Total Area	2,352,240
<b>Total Covered/Utilized Area – Existing</b>	<b>432,499</b>
<b>Total Covered/Utilized Area – Expansion</b>	<b>441,025</b>
Gross Covered Area After New Constructions	873,524
<b>Remaining Covered Area After Expansion</b>	<b>1,478,716</b>



### 3.9 INFRASTRUCTURE OVERVIEW

The Company has established modern infrastructure to support efficient and sustainable dairy farming operations.

#### Key facilities include:

- **Modern Heifers Sheds:** Purpose-built sheds designed to ensure animal comfort and optimal housing conditions.
- **Automated Milking Systems:** Mechanized systems that enhance milking efficiency, hygiene, and yield consistency.
- **On-Site Feed Storage:** Dedicated storage facilities for silage and other feed inputs, ensuring year-round feed availability.
- **Veterinary Care Units:** On-site facilities for animal healthcare, including treatment, vaccination, and preventive care.
- **Solar Power System:** A 1.6 MW solar energy system providing reliable and cost-effective electricity for farm operations.
- **Clean Water Systems:** Integrated water supply and management systems ensuring uninterrupted access to clean water for livestock and farm use.



#### 3.9.1 Nature & Type of Plant and Machinery

The Company utilizes a range of modern, imported equipment to maintain high productivity and herd health. Major installations include:

- **KUHN TMR Feed-Mixing Machines (France):** Ensure uniform and nutrient-balanced feed preparation.
- **Automated Milking Parlors (U.S. origin):** Provide high-capacity, hygienic milking with minimal manual intervention.
- **Plate Heat Exchanger (European make):** Rapidly chills fresh milk to preserve quality and safety.



#### 3.9.2 Key Machinery

Significant machinery deployed at the farm includes:

- Stationary and Movable TMR Machines for precise feed mixing and delivery.
- Milking Parlour Equipment with automated cleaning systems.
- Milk Storage Silo's with backup chilling capability.
- Wheel Loaders, Tractors (Messay 240 & 385) for feed transport and manure management.
- Corn Grain Storage Silos and Silage Bunkers for bulk feed preservation



### 3.9.3 Process Support Facilities

Additionally, the Company has the following process support facilities:

- Backup Power Generation and Dedicated Transformer for uninterrupted energy supply.
- Raw Material Storage Warehouses for concentrates, grains, and mineral mixes.
- Hospital Shed with Parlor for isolation, maternity care, and emergency treatment of animals.
- Comprehensive Water Management System for drinking, cleaning, and cooling needs.
- Digital Herd Management System to monitor animal health, productivity, and breeding cycles.



### 3.10 DEFAULTS OR RESCHEDULING / WAIVER / RESTRUCTURING OF BORROWINGS

No defaults have been made by the company in respect of the borrowing and no rescheduling / wavier was obtained from any financial institutions / banks

### 3.11 LOCAL & INTERNATIONAL ACCREDITATIONS:

Certification ID	Issue Date	Expiry Date	Certification Name	Details
EC-310444J463-Q	20/10/2025	19/10/2026	ISO 9001:2015	ISO 9001:2015 is a globally recognized standard for quality management systems (QMS) that helps organizations improve performance, meet customer expectations, and demonstrate commitment to quality.
EC-310444J463-F	20/10/2025	19/10/2026	ISO 22000:2018	ISO 22000:2018 is an international standard that outlines the requirements for a food safety management system (FSMS), ensuring organizations in the food chain can consistently provide safe products and services



### 3.12 MANUFACTURING PROCESS

The manufacturing process of Ghani Dairies is designed to ensure a consistent supply of high-quality dairy milk and is divided into three key stages:

1. Herd Management
2. Milk Production
3. Processing and Quality Control

#### 3.12.1 Herd Management



Herd Management covers calf rearing and overall herd development. Newborn calves are provided with colostrum and milk replacers until weaning. Heifers are then raised under a controlled nutrition and health monitoring program until they reach breeding maturity. Breeding is primarily conducted through artificial insemination, supported by regular veterinary care, vaccination, and specialized nutrition for pregnant Heifers. This structured approach ensures herd sustainability and optimal productivity.

#### 3.12.2 Milk Production

Following calving, heifers enter the lactation cycle and are grouped according to yield stage: **fresh, peak, mid-lactation, and late-lactation**. Milking operations are conducted using modern equipment under strict hygienic protocols to ensure milk quality. Collected raw milk is immediately cooled in bulk storage tanks, and herd performance along with milk yield is continuously monitored to maximize operational efficiency.



#### 3.12.3 Processing and Quality Control

All collected milk undergoes stringent multi-stage quality checks, including analysis of fat and protein levels, bacterial count, and detection of any adulteration. The company's milk production system is ISO 9001 and ISO 22000 certified, ensuring adherence to international standards for quality management and food safety.





Control Parameter	Practice
Source of Milk	Only milk obtained from healthy, disease-free, Halal animals is accepted.
Herd Health	The herd is maintained mastitis-free, verified periodically through the California Mastitis Test (CMT).
Antibiotic Residue Control	Milk from animals under medical treatment is withheld as per the prescribed drug withdrawal period to ensure no antibiotic residue.
Aflatoxin Control	Aflatoxin-free milk is ensured through Aflatoxin-M1 testing prior to dispatch, in compliance with buyer limits.
Feed & TMR Quality	Feed and Total Mixed Ration (TMR) are analyzed for mycotoxins including Aflatoxin B1, DON, T-2, and ZEA.
Milking Hygiene	Milking is carried out in a clean and hygienic environment, with proper udder preparation before milking.
Teat Disinfection	Pre-milking teat disinfection and post-milking iodine/chlorhexidine dipping are standard procedures.
Adulteration Policy	The Company maintains a zero-adulteration policy, prohibiting the addition of water, chemicals, vegetable fat, urea, sugar, starch, or any non-dairy substances.
Milk Composition	Milk composition is monitored to comply with species-specific standards for Fat %, SNF %, and Total Solids %.
Freezing Point	The freezing point of milk remains within the normal range to confirm that no water has been added.
Total Plate Count (TPC/SPC)	TPC/SPC is maintained within acceptable limits.
Coliform Count	Coliform counts are kept low and within prescribed standards.
Pathogen Testing	Periodic testing confirms the absence of pathogens such as Salmonella, E. coli, and Listeria.
Somatic Cell Count (SCC)	SCC is controlled, with a target of less than 200,000–250,000 cells/mL.
Total Bacterial Count (TBC)	TBC/TPC are managed as per buyer and PSQCA requirements.
Acidity Test	Each milk batch passes the acidity test to confirm freshness and absence of abnormal fermentation.
Organoleptic Test	Organoleptic tests (taste, smell, colour, texture, and sediment) are conducted before release.
Cooling Temperature	Milk is rapidly cooled to below 4°C immediately after milking to maintain freshness.
CIP Operations	Clean-in-Place (CIP) operations and sanitation logs are verified daily.
Cooling Tank Hygiene	Cooling tank hygiene is maintained with periodic ATP swab checks.
Water Quality	Water used in CIP operations is potable and tested to ensure zero coliform presence.
Milk Filter Check	Milk filters are checked to confirm the absence of sediment or visible foreign matter.
Temperature Records	Temperature records are maintained from the milking parlour through the bulk tank and dispatch stages.
Traceability	A traceability system is in place, maintaining batch records from individual Heifers to dispatch.
Biosecurity	Biosecurity measures are implemented, including restricted entry, disinfection footbaths, and pest control.
Veterinary Records	Veterinary health records, vaccination schedules, and parasite control measures are maintained and updated.
Disease-Free Status	The herd is confirmed free from FMD, Brucellosis, Tuberculosis, and other reportable diseases.
SOP Compliance	All operations follow established Standard Operating Procedures (SOPs) for milking, cleaning, animal preparation, and dispatch.
Equipment Calibration	Scales, thermometers, and laboratory equipment are calibrated at defined intervals.
QA/QC Approval	Internal Quality Assurance (QA) approval is required prior to milk release, with QC signature mandatory.
Buyer Compliance	Milk is dispatched only after ensuring buyer and customer standards are met.
Dispatch Conditions	Dispatches are made in cleaned, sanitized, and chilled tankers, maintaining milk temperature at or below 4°C.
Dispatch Sample Retention	A sealed dispatch sample from each batch is retained for 48 hours to ensure traceability.



### 3.13 DEPARTMENTAL PROCESS OVERVIEW

The Company's dairy operations are carried out step by step through each department. From feeding and animal care to milking and dispatch, all activities follow set procedures to meet required dairy standards.

#### 3.13.1 Feeding Department

The nutritional management program forms the foundation of the Company's herd productivity and milk quality.

- **Scientific Formulation:** Feed rations are formulated under the supervision of a *USA-qualified Cargill nutritionist* to ensure balanced nutrition and optimal feed efficiency.
- **Automated Feed Preparation:** The Company operates a **Kum Kohn Stationary Total Mixed Ration (TMR)** system with automated ingredient weighing and uniform mixing.
- **Data Transparency:** All feed preparation activities are digitally recorded through **cloud-based Dairy TMR Management (DTM)** software to ensure traceability and transparency of feed batches.
- **Feed Safety:** All feed ingredients are tested for **mycotoxin contamination** prior to purchase to safeguard animal health.
- **Quality Verification:** Each TMR batch is analyzed using the **Penn State Particle Size Shaker** to verify appropriate particle size distribution and fiber content.
- **Performance Monitoring:** Periodic **manure analysis** is carried out to evaluate ration digestibility and enable timely feed adjustments.

This process ensures nutritional consistency, enhances milk solids, and supports herd health and productivity.

#### 3.13.2 Calf and Youngstock Department

The Company maintains structured protocols for calf and youngstock management to promote early growth, health, and future milk production performance.

- **Housing and Hygiene:** Calves are reared in **individual cage systems** that promote hygiene, ventilation, and comfort.
- **Colostrum Management:** A defined **colostrum feeding protocol** ensures timely administration using sanitized equipment and prescribed volumes.
- **Feeding Program:** Calves are provided with **skim milk or calf milk replacer (CMR)** on a scheduled basis using sanitized feeding tools.
- **Weaning and Transition:** A **gradual weaning system** enables a smooth transition from milk feeding to solid diets.
- **Growth Monitoring:** Regular monitoring of weight and growth parameters ensures that heifers attain the **ideal breeding age and target body weight**.
- **Record Management:** Each animal's performance is recorded up to the point of first calving.

This structured approach facilitates optimal development and uniform herd replacement cycles.



### 3.13.3 Health Department

The Company maintains a comprehensive animal health and welfare framework to minimize disease incidence and promote herd longevity.

- **Preventive Care:** A **complete vaccination and disease prevention schedule** is implemented under veterinary guidance.
- **Daily Supervision:** Dedicated personnel conduct **daily herd health observations** in accordance with approved Standard Operating Procedures (SOPs).
- **Biosecurity Measures:** The Company enforces **quarantine and isolation** protocols for all new or ailing animals to mitigate the risk of disease transmission.
- **Record Keeping:** **Individual animal health records** are maintained to enable accurate tracking and follow-up.

These measures collectively contribute to low morbidity rates and consistent herd performance.

### 3.13.4 Breeding and Reproduction Department

Reproductive management at the Company is designed to optimize herd fertility and maintain production continuity.

- **Heat Detection and Insemination:** Scientific heat detection and insemination timing are practiced under veterinary supervision.
- **Performance Monitoring:** Reproductive outcomes are tracked through periodic pregnancy checks and recorded electronically.
- **Key Performance Indicator:** The herd maintains a **pregnancy rate consistently above 25%**, indicating efficient reproductive performance.

The Company's reproductive management system ensures sustainable herd expansion and stable milk output.

### 3.13.5 Milking and Parlor Hygiene (TPC Control)

Milking operations are conducted under stringent hygiene and quality control systems aimed at maintaining low **Total Plate Count (TPC)** and **Somatic Cell Count (SCC)** levels.

- **Pre-Milking Procedures:** Each animal undergoes **pre-dipping, wiping, and clean teat preparation** prior to cluster attachment.
- **Optimal Timing:** Clusters are attached within **60–90 seconds** of preparation to ensure optimal milk let-down.
- **Post-Milking Sanitation:** **Post-dipping** is performed to prevent mastitis and infection.
- **Equipment Hygiene:** **Cluster back-flush and disinfection** are performed between Heifers where applicable, and **Clean-In-Place (CIP)** sanitation is executed after each milking cycle.
- **Maintenance Schedule:** Milking liners and related components are replaced as per the approved preventive maintenance schedule.

These practices ensure that raw milk meets all regulatory and internal microbial standards prior to chilling and dispatch.



### 3.13.6 Milk Quality and Dispatch

The Company operates an end-to-end quality assurance system from milk collection to dispatch.

- **Quality Testing:** Each batch undergoes **aflatoxin, FAT, SNF, LR and Total Plate Count (TPC)** testing prior to dispatch.
- **Sampling and Traceability:** Milk samples are retained on a **batch-wise basis** and corresponding quality records maintained for traceability.
- **Sanitary Handling:** Milk is transferred through **sealed stainless-steel pipelines** directly to the chilling unit.
- **Temperature Control:** Chiller systems maintain milk temperature within prescribed limits to prevent bacterial growth.
- **Dispatch Authorization:** No milk is released without **Quality Control (QC) approval** and documentation.

This system ensures full compliance with statutory food safety standards and customer specifications.

### 3.13.7 Human Resources and Training

The Company emphasizes professional management and skill development across all operational levels.

- **Task Structuring:** Departmental operations follow **daily task allocations** and SOP-based workflows.
- **Training and Compliance:** **Weekly training sessions** are conducted to enhance technical competency and ensure compliance with hygiene and PPE standards.
- **Accountability:** Department-wise reporting structures reinforce performance monitoring and operational accountability.

This systematic HR framework supports productivity, safety, and adherence to company standards.

### 3.13.8 Biosecurity and Entry Control

The Company enforces strict biosecurity measures to prevent external contamination and safeguard animal health.

- **Controlled Access:** Entry to the farm premises is controlled through **footbaths and restricted visitor protocols**.
- **Visitor and Vehicle Logs:** A **mandatory logbook** records all visitor and vehicle entries and exits.
- **Disinfection Procedures:** Vehicles and equipment undergo **disinfection at designated entry points**.
- **Animal Isolation:** Newly introduced or unwell animals are isolated in dedicated quarantine facilities.
- **Movement Control:** Cross-pen movement is restricted and subject to hygiene compliance.

These measures mitigate disease risk and ensure operational bio-security.

### 3.13.9 Sustainability, Manure, and Waste Management

The Company integrates environmental management practices into its daily operations to promote sustainability and compliance with environmental standards.



- **Manure Management:** The farm employs a structured **manure collection, drainage, and lagoon system** to prevent soil or water contamination.
- **Nutrient Recycling:** Manure is **reused as organic fertilizer**, supporting sustainable crop and fodder production.
- **Odor and Pest Control:** **Fly and odor control programs** using foggers are implemented to maintain a healthy environment.
- **Water Conservation:** **Water-saving and recycling measures** are incorporated in cleaning and utility processes.

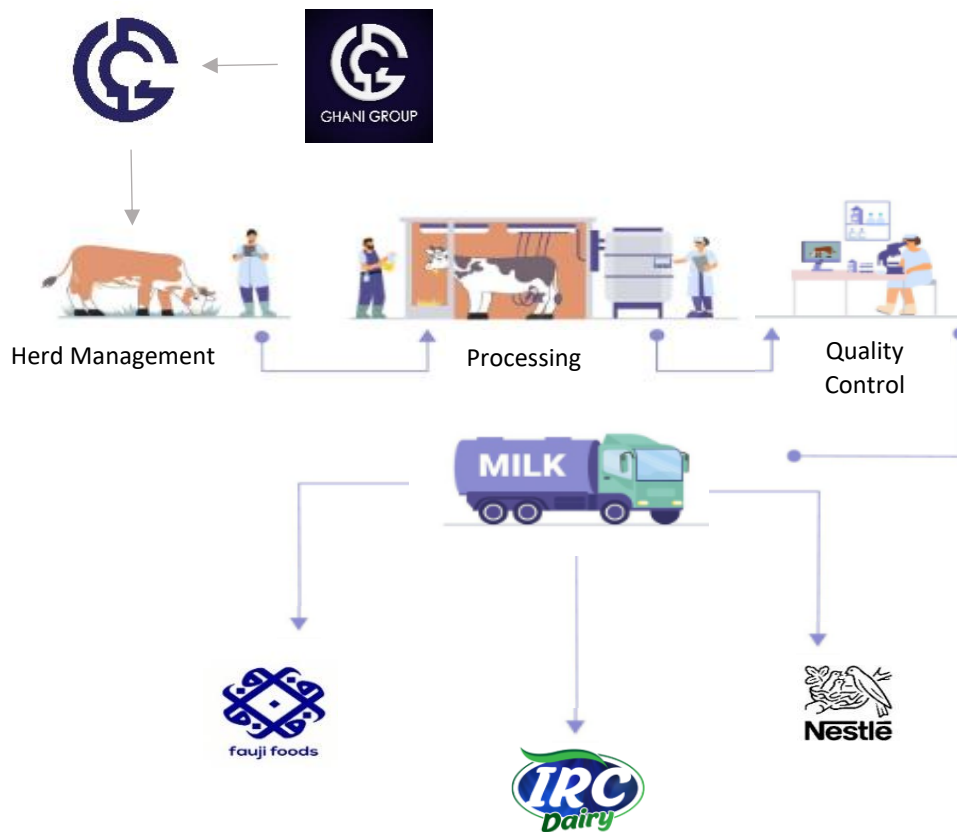
These initiatives align with the Company’s commitment to environmental stewardship and sustainable growth.

### 3.14 DISTRIBUTION

Ghani Dairies produces premium-quality raw milk for one of the leading dairy companies including Nestlé Pakistan Limited, IRC Dairy Products (Pvt.) Ltd, and Fauji Foods Limited. The milk comes from well-managed herds of Australian and American breed Heifers and is handled under strict hygiene standards.

After quality checks and laboratory testing at Ghani Dairies, the client’s own insulated milk tankers collect the raw milk and transport it to their respective facilities for further processing, including pasteurization, packaging, and distribution under their brands.

This model ensures a consistent, traceable, and hygienic supply of fresh raw milk to key players in Pakistan’s dairy industry.





### 3.15 PRODUCT PORTFOLIO

Ghani Dairies presently supplies fresh and healthy bulk raw milk, which is verified by one of the leading industry players including Nestlé Pakistan Limited, IRC Dairy Products (Pvt) Ltd, and Fauji Foods Limited. The Company adheres to more than 20 quality parameters, ensuring that its bulk milk meets the stringent standards of multinational and domestic processors.



### 3.16 END USER OF THE PRODUCT

The end users of the Company's product are one of the leading dairy processors, including Nestlé Pakistan Limited, IRC Dairy Products (Pvt) Ltd, and Fauji Foods Limited.

The competitive landscape primarily comprises other large-scale commercial dairy farms as well as milk aggregators operating within the region.

S. No	Customer Name	Value (PKR-Mn)	% of Sales Value	Value (PKR-Mn)	% of Sales Value	Value (PKR-Mn)	% of Sales Value
		FY 2023	FY 2023	FY 2024	FY 2024	FY 2025	FY 2025
1	Nestlé Pakistan Ltd.	717.30	91.14%	1,457.00	97.45%	927.77	52.18%
2	IRC Dairy Products (Pvt.) Ltd	8.22	1.04%	38.14	2.55%	806.37	45.36%
3	Fauji Foods Limited	-	0.00%	-	0.00%	43.74	2.46%
4	Others <sup>18</sup>	61.47	7.81%	-	0.00%	-	0.00%
<b>Total</b>		<b>786.99</b>		<b>1,495</b>		<b>1,777.88</b>	

Note: As provided by the management of the Company.

### 3.17 DEMAND OF RAW MILK

Pakistan's dairy sector has shown consistent growth over the last eight years. Milk production increased from 57.89 million tons in FY2017-18 to 72.34 million tons in FY2024-25, while consumption rose from 46.68 million tons to 58.30 million tons. Although production has kept pace with consumption at the aggregate level, a significant portion of milk is lost during collection, storage, and transport, effectively 15-20%<sup>19</sup> of milk is wasted after production due to improper milk storage creating a shortfall in milk availability for households and the commercial market. This structural gap presents opportunities for efficient milk collection, processing, and value-added dairy operations. However, this wastage is not typically an issue at the corporate dairy farm level, as they have better standards for collection and storage. The wastage primarily occurs during the processing stage, where inefficiencies in handling and storage can lead to significant losses.

<sup>20</sup> Year	Milk Production (Mn Tons)	Milk Consumption (Mn Tons)
FY 2018	57.89	46.68
FY 2019	59.76	48.19
FY 2020	61.69	49.74
FY 2021	63.68	51.34
FY 2022	65.75	53.00
FY 2023	67.87	54.71
FY 2024	70.07	56.47
FY 2025	72.34	58.3

<sup>18</sup> Acha Foods 58 million rest to Hamza milk

<sup>19</sup> <https://paklaweservice.com/updates/PLP-others/PakistanEconomicSurvey2024-25.pdf>

<sup>20</sup> [https://finance.gov.pk/survey/chapter\\_20/PES\\_2019\\_20.pdf](https://finance.gov.pk/survey/chapter_20/PES_2019_20.pdf), [https://finance.gov.pk/survey/chapter\\_20/PES\\_2019\\_20.pdf](https://finance.gov.pk/survey/chapter_20/PES_2019_20.pdf),

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[https://www.finance.gov.pk/survey/chapter\\_24/Economic\\_Survey\\_2023\\_24.pdf](https://www.finance.gov.pk/survey/chapter_24/Economic_Survey_2023_24.pdf), [https://www.finance.gov.pk/survey/chapter\\_24/Economic\\_Survey\\_2023\\_24.pdf](https://www.finance.gov.pk/survey/chapter_24/Economic_Survey_2023_24.pdf),

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### 3.18 KEY COMPETITORS

Following are the main competitors of Ghani Dairies in Dairy Market:

- At-Tahur Limited
- Nishat Dairy (Pvt.) Limited
- JK Dairies (Pvt.) Limited
- Haleeb Foods (Corporate Dairy Operations)
- Meezan Dairies
- Sapphire Dairies
- Umer Dairies

### 3.19 INTELLECTUAL PROPERTY RIGHTS.

The Company also ensures that all imported machinery, equipment, and herd management software are licensed and used in compliance with intellectual property laws Ghani Dairies operates primarily in dairy farming and milk production, activities which generally do not involve the use of proprietary patents or trademarks. At present, the Company does not hold any registered patents, copyrights, or trademarks in Pakistan or abroad.

The Company relies on its brand identity, farm processes, herd management techniques, and proprietary operating procedures as trade secrets. These are safeguarded through internal controls as well as contractual agreements with employees and consultants.

Looking ahead, Ghani Dairies intends to register trademarks for its brand name(s) and product lines if it launches packaged dairy products directly into the retail market. In addition, the Company ensures that all imported machinery, equipment, and herd management software are properly licensed and used in full compliance with applicable intellectual property laws.

### 3.20 DETAILS OF MATERIAL PROPERTY

The details of the Company's material property are as follows:

S. No	Particulars	Ownership status	Date of Acquisition	Usage	Location	Total Area
1	Agricultural Land (Farm)	Owned	November, 2020 (84 Kanals & 11 Marlas), February 2023 (352 kanals)	Dairy farm operations, including animal housing, feed storage, and related infrastructure	Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan.	436 Kanal & 11 Marla



### 3.21 FUTURE PROSPECTS AND DEMAND OUTLOOK

#### 3.21.1 Riding on Pakistan's Strong Consumer Story

Pakistan remains among the top five milk producers globally<sup>21</sup>, with national milk production estimated at 72.34<sup>22</sup> million tons in FY2025, up from 70.07<sup>23</sup> million tons in FY2024. The livestock subsector registered a growth rate of 4.72% in FY2025, contributing 62.3% to agriculture value addition and 14.6% to GDP, maintaining its dominant role in the rural economy.

Rising population and improving lifestyles are driving steady demand for milk and dairy products. GDL, with its modern farm infrastructure and recurring supply partnerships, is positioned to serve this expanding market.

Indicator (million tons)	FY2024	FY2025	YoY Change
Total Milk Production	70.07	72.34	+3.24%
Buffalo Milk	41.89	43.13	+2.97%
Cow Milk	26.10	27.08	+3.77%
Livestock Share in Agricultural Value Addition	60.8%	62.3%	-

Source: Pakistan Economic Survey 2024-25 & PACRA Research Aug 2025

#### 3.21.2 Supportive Demographics

Pakistan's population has reached 241.5 million as per the latest census<sup>24</sup>, with a median age of 22 years. The country's large and youthful demographic continues to support sustained demand for milk and dairy products, driven by urbanization and a rising middle-income segment.

Population Indicator	FY2023	FY2024	FY2025 (E)
Total Population (million)	231.5	235.9	241.5
Urban Share (%)	37.5	38.0	38.4
Median Age (years)	22	22	22

Source: Pakistan Economic Survey 2024-25 & PACRA Research Aug 2025.

#### 3.21.3 Improving Economic Fundamentals

Gradual Pakistan's economy showed signs of recovery in FY2025. GDP grew by 2.38%, with agriculture up by 1.17% and livestock posting strong growth of 4.72%. Inflation dropped to 4.7% during Jul to Apr FY2025 from 26% last year, supported by better monetary control and supply management.<sup>25</sup>

Gradual economic stabilization, including lower inflation and improved foreign reserves, is expected to enhance household purchasing power. This is likely to support growth in demand for packaged and processed dairy products, creating long-term growth opportunities for large-scale milk suppliers and organized corporate farms such as GDL.

#### 3.21.4 Household Spending & Urbanization

Urbanization continues to reshape food consumption. Over 38 % of the population now lives in urban areas, where income growth and health consciousness are driving a steady shift toward branded and hygienic dairy products.

21 [https://www.pacra.com/view/storage/app/Dairy%20-%20PACRA%20Research%20-%20Aug%2725\\_1754975688.pdf](https://www.pacra.com/view/storage/app/Dairy%20-%20PACRA%20Research%20-%20Aug%2725_1754975688.pdf)

<https://paklaweservice.com/updates/PLP-others/PakistanEconomicSurvey2024-25.pdf>

22 <https://paklaweservice.com/updates/PLP-others/PakistanEconomicSurvey2024-25.pdf>

23 <https://paklaweservice.com/updates/PLP-others/PakistanEconomicSurvey2024-25.pdf>

24 [https://www.pacra.com/view/storage/app/Dairy%20-%20PACRA%20Research%20-%20Aug%2725\\_1754975688.pdf](https://www.pacra.com/view/storage/app/Dairy%20-%20PACRA%20Research%20-%20Aug%2725_1754975688.pdf)

<https://paklaweservice.com/updates/PLP-others/PakistanEconomicSurvey2024-25.pdf>

25 <https://tradingeconomics.com/pakistan/gdp-growth>



Karachi and Lahore together consume around 8 million liters of milk each day, much of it supplied through organized processors. However, the formal segment still accounts for only about 5-7% of total milk sales, indicating significant room for expansion. GDL, through its supply partnerships with one of the leading processors such as Nestlé Pakistan Limited, Fauji Foods Limited, and IRC Dairy Products (Pvt.) Ltd, is well positioned to benefit from this ongoing shift.

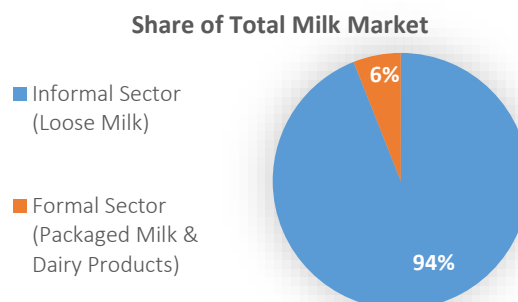
### 3.21.5 Food & Beverages Sector Dynamics

The dairy segment is a key component of Pakistan food and beverage sector, contributing about 14.6% to GDP and over 62% to agricultural value addition. It provides employment to millions and continues to be the most stable part of the agriculture economy. As consumer preferences shift toward processed and value-added dairy products, demand for consistent-quality raw milk is rising across the industry. GDL, which already maintains Australian and American cow breeds, is increasing its herd size and milking parlour capacity to support growing demand from large-scale processors.

### 3.21.6 Organized Sales Channels

Pakistan's milk market remains largely informal, with nearly 93–95% of sales occurring through loose milk vendors, while the organized segment accounts for only 5–7% of total volumes. This wide gap reflects a substantial opportunity for growth in the formal dairy sector as urbanization, hygiene awareness, and brand penetration continue to rise.

Demand within the organized milk segment is growing by about 10–12% each year, supported by better temperature-controlled transport, storage, and changing consumer habits. Leading dairy companies increasingly rely on farms that can supply clean and consistent-quality milk. GDL operates at scale with a well-managed herd and an efficient raw milk production and supply system, enabling it to meet this rising demand from major dairy buyers.



### 3.21.7 Conducive Policy Environment

The government continues to promote livestock modernization and dairy sector development through targeted initiatives and investment facilitation under the Special Investment Facilitation Council (SIFC) framework. The Pakistan Economic Survey 2024–25 highlights several ongoing measures to support productivity and cost efficiency in the sector, including:

- Import facilitation for high-yielding breeds such as Holstein Friesian and Jersey;
- Concessional financing for dairy farm expansion and feed development;
- Tax and customs relief for farm machinery and renewable-energy systems;
- Promotion of solar-based energy solutions for rural agribusinesses; and
- Alignment with international SPS and ISO 22000 standards for improvements.

These policy initiatives collectively aim to lower input costs, modernize production practices, and create a more enabling environment for GDL.

### 3.21.8 Climate & Sustainability

The sector is placing greater emphasis on environmental management and resource efficiency. GDL's investment in a 1.6 MW solar power system and modern waste-management facilities reduces operating costs and supports sustainable operations.



## VENDORS TO THE ISSUER

S. No	Vendor Name	Country	Product	Purchases during FY 2023 (PKR Mn)	% of Total Purchases during FY 2023	Purchases during FY 2024 (PKR Mn)	% of Total Purchases during FY 2024	Purchases during FY 2025 (PKR Mn)	% of Total Purchases during FY 2025
1	Shujabad Agro	Pakistan	Raw Material	52.85	7.26%	7.90	0.78%	102.52	8.62%
2	Iffco Pakistan Pvt Ltd	Pakistan	Raw Material	29.17	4.01%	36.45	3.59%	98.66	8.30%
3	Khalid Irshad	Pakistan	Raw Material	0.00	0.00%	0.00	0.00%	96.51	8.11%
4	Adil Traders	Pakistan	Raw Material	0.00	0.00%	62.53	6.16%	76.63	6.44%
5	Amtal Associates	Pakistan	Raw Material	0.00	0.00%	79.87	7.87%	52.15	4.39%
6	Season Edible Oil Pvt Ltd	Pakistan	Raw Material	0.00	0.00%	77.96	7.68%	46.55	3.91%
7	Nutri Tech	Pakistan	Raw Material	0.00	0.00%	14.77	1.46%	44.23	3.72%
8	Go Agro	Pakistan	Raw Material	72.23	9.92%	40.75	4.02%	35.75	3.01%
9	Rafhan Maize Products	Pakistan	Raw Material	16.43	2.26%	30.54	3.01%	32.63	2.74%
10	Agrina Pvt Ltd	Pakistan	Raw Material	0.00	0.00%	0.00	0.00%	32.21	2.71%
11	Sungreen Farms Pvt Ltd	Pakistan	Raw Material	0.00	0.00%	0.00	0.00%	29.57	2.49%
12	Green Impex	Pakistan	Raw Material	0.00	0.00%	0.00	0.00%	27.22	2.29%
13	Mumtaz Oil Industries	Pakistan	Raw Material	17.64	2.42%	0.00	0.00%	25.42	2.14%
14	Olympia Chemicals Limited	Pakistan	Raw Material	6.59	0.90%	11.82	1.16%	14.91	1.25%
15	Faisalabad Oil Refinery Pvt Ltd	Pakistan	Raw Material	0.00	0.00%	41.45	4.08%	12.72	1.07%
16	Silage Shaheen	Pakistan	Raw Material	18.75	2.57%	15.00	1.48%	10.09	0.85%
17	M Zakriya Corporation	Pakistan	Raw Material	74.01	10.16%	36.12	3.56%	7.75	0.65%
18	Abdul Hameed Commission Shop	Pakistan	Raw Material	46.64	6.40%	28.44	2.80%	0.67	0.06%
19	Aqib Munir	Pakistan	Raw Material	0.00	0.00%	57.83	5.70%	0.00	0.00%
20	Ch. Bannay Khan	Pakistan	Raw Material	66.05	9.07%	11.37	1.12%	0.00	0.00%
21	Rn Agri	Pakistan	Raw Material	34.28	4.71%	0.000	0.00%	0.00	0.00%
22	Dhrishak Farm	Pakistan	Raw Material	17.94	2.46%	0.000	0.00%	0.00	0.00%
23	Jameel Traders	Pakistan	Raw Material	15.19	2.09%	0.000	0.00%	0.00	0.00%
24	Naeem Traders	Pakistan	Raw Material	15.15	2.08%	0.000	0.00%	0.00	0.00%
25	Misc. Vendors	Pakistan	Raw Material	245.32	33.69%	461.93	45.52%	443.06	37.26%
<b>Total Raw Material</b>				<b>728.22</b>	<b>100.00%</b>	<b>1,014.72</b>	<b>100.00%</b>	<b>1,189.24</b>	<b>100.00%</b>

Note: Raw material purchases are calculated based on the total feed consumed purchase amount as provided by the management of the Company.



S. No.	Vendor Name	Country	Product	Purchases during FY 2023 (PKR Mn)	% of Total Purchases during FY 2023	Purchases during FY 2024 (PKR Mn)	% of Total Purchases during FY 2024	Purchases during FY 2025 (PKR Mn)	% of Total Purchases during FY 2025
1	Lucky Core Industries Ltd	Pakistan	Medicine	5.93	39.41%	18.51	35.49%	46.22	43.28%
2	Ghazi Brothers	Pakistan	Medicine	4.23	28.11%	16.01	30.68%	39.28	36.79%
3	Dairy Solution Pvt Ltd	Pakistan	Medicine	4.89	32.47%	2.51	4.81%	12.86	12.04%
4	Mubarak Medical Store	Pakistan	Medicine	0.00	0.00%	3.76	7.22%	3.69	3.46%
5	Phrix Pharma	Pakistan	Medicine	0.00	0.00%	0.00	0.00%	2.31	2.16%
6	A K Pharmaceutical	Pakistan	Medicine	0.00	0.00%	4.78	9.16%	1.98	1.86%
7	Biotech Pharmaceuticals	Pakistan	Medicine	0.00	0.00%	0.00	0.00%	0.44	0.41%
8	Punjab Pharma Pvt Ltd	Pakistan	Medicine	0.00	0.00%	0.70	1.34%	0.00	0.00%
9	Myplan Pharmaceuticals Pvt Ltd	Pakistan	Medicine	0.00	0.00%	5.89	11.30%	0.00	0.00%
<b>Total Medicine Vaccination</b>				<b>15.05</b>	<b>100.00%</b>	<b>52.16</b>	<b>100.00%</b>	<b>106.78</b>	<b>100.00%</b>

Note: Medicine/vaccination expenses are calculated based on the total medicine/vaccination amount as provided by the management of the Company.

### 3.22 ALL GOVERNMENT AND OTHER APPROVALS WHICH ARE MATERIAL AND NECESSARY FOR CARRYING ON THE BUSINESS OF THE ISSUER

The Company has obtained all material approvals, certifications, and registrations necessary to lawfully conduct its business operations. Key approvals include:

- Certificate of Incorporation from the Securities and Exchange Commission of Pakistan (SECP), as a public company limited by shares.
- National Tax Number (NTN) Certificate from the Federal Board of Revenue (FBR).
- Membership of the Corporate Dairy Farmers Association (CDFA).
- Registration with the Punjab Employees Social Security Institution (PESSI).
- Registration with the Employees' Old-Age Benefits Institution (EOBI).
- Membership of the Lahore Chamber of Commerce & Industry (LCCI).

### 3.23 ASSOCIATED COMPANIES

The following companies, duly incorporated in Pakistan, are considered associated companies of M/s Ghani Dairies Limited by virtue of common directorship, in accordance with the provisions of the Companies Act, 2017: Please refer to section 7.1 of this prospectus for the details of directors.

Name of Company	Nature of Business	Nature of Relationship	% Shareholding in GDL (Pre IPO)	CUIN	NTN
<b>Ghani Holdings &amp; Ventures (Pvt) Limited</b>	Investment holding company and venture capital/strategic investments across Ghani Group businesses and new ventures.	Associated (Common Directorship)	15.38%	0086483	4225996
<b>Ghani Mines (Pvt) Limited</b>	Mining, exploration, extraction, and sale of minerals/ores such as rock salt, gypsum, or other industrial minerals.	Associated (Common Directorship)	-	0026510	0786175



<b>Ghani Himalayan Salt (Pvt) Limited</b>	Processing, packaging, and export of Himalayan rock salt and related salt products (edible, industrial, decorative).	Associated (Common Directorship)	-	0148644	6991581
<b>Ghani Layer Farms (Pvt) Limited</b>	Poultry farming focused on commercial egg production (layer farming).	Associated (Common Directorship)	-	0133337	5392674
<b>Ghani Futuristic Developers (Pvt) Limited</b>	Real estate development, construction of residential/commercial projects, property investment	Associated (Common Directorship)	-	0152216	8201388
<b>Ghani Welfare Works</b>	Non-profit welfare organization for corporate social responsibility projects such as education, healthcare, and community development.	Associated (Common Directorship)	-	0204626	9933875
<b>Makerwal Collieries Limited</b>	Makerwal Collieries Limited is a mining company primarily engaged in the extraction and production of hard coal.	Associated (Common Directorship)	-	0001081	1691042
<b>Pakistan Mercantile Exchange (PMEX)</b>	Pakistan Mercantile Exchange Limited (PMEX) is the country's first and only demutualized commodity futures exchange, licensed and regulated by the Securities and Exchange Commission of Pakistan (SECP).	Associated (Common Directorship)	-	0043602	1457095
<b>Tasdeeq Information Services Limited</b>	Provision of digital verification, authentication, and information management solutions for businesses and government entities.	Associated (Common Directorship)	-	0098575	7504067
<b>Vending machines Company (PVT.) Limited</b>	Design, installation, and operation of automated vending solutions for food, beverages, and retail products.	Associated (Common Directorship)	-	0098357	7229787
<b>Healthwire (Private) Limited</b>	Digital health platform offering telemedicine, healthcare information services, and online - medical consultations.	Associated (Common Directorship)	-	0099809	7942672
<b>Turbo Labz (PVT.) Limited</b>	Game development studio specializing in social multiplayer -mobile and online games; -founded in 2016, with a team -experienced in AAA game - technology and partnerships -with major companies like Sony, -Ubisoft, and LEGO; headquartered in Lahore, -Pakistan	Associated (Common Directorship)	-	0102591	7361561
<b>Brand Ventures (Private) Limited</b>	-Brand development, marketing consultancy, and investment in consumer-facing businesses and startups.	Associated (Common Directorship)	-	0141703	655349
<b>KF Ventures (Private) Limited</b>	Venture capital and investment management focused on technology, consumer, and industrial sectors.	Associated (Common Directorship)	-	0290088	G444925
<b>KZ Ventures (Private) Limited</b>	Investment holding and strategic management of diversified business ventures across multiple industries	Associated (Common Directorship)	-	0290668	G484159
<b>Punjab Financial Services Co*</b>	Provision of financial services including insurance, asset management, and investment advisory solutions.	Associated (Common Directorship)	-	-	-
<b>47 Ventures Ltd**</b>	Investment, incubation, and growth support for startups and emerging businesses across various sectors.	Associated (Common Directorship)	-	-	-

\* Not registered with SECP

\*\* Registered outside Pakistan



## COMMON DIRECTORS

Name of Company	Common Directors
Ghani Holdings & Ventures (Pvt) Limited	<ul style="list-style-type: none"> <li>– Aitzaz Ahmad Khan</li> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> <li>– Ahad Ghani</li> </ul>
Ghani Mines (Pvt) Limited	<ul style="list-style-type: none"> <li>– Aitzaz Ahmad Khan</li> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> <li>– Ahad Ghani</li> </ul>
Ghani Himalayan Salt (Pvt) Limited	<ul style="list-style-type: none"> <li>– Aitzaz Ahmad Khan</li> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> <li>– Ahad Ghani</li> </ul>
Ghani Layer Farms (Pvt) Limited	<ul style="list-style-type: none"> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> </ul>
Ghani Futuristic Developers (Pvt) Limited	<ul style="list-style-type: none"> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> <li>– Ahad Ghani</li> </ul>
Ghani Welfare Works	<ul style="list-style-type: none"> <li>– Hafiz Avais Ghani</li> <li>– Shoaib Ghani</li> <li>– Ahad Ghani</li> <li>– Vaneeza Avais</li> </ul>
Makerwal Collieries Limited	<ul style="list-style-type: none"> <li>– Hafiz Avais Ghani</li> </ul>
Pakistan Mercantile Exchange (PMEX)	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Tasdeeq Information Services Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Vending machines Company (PVT.) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Healthwire (Private) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Turbo Labz (PVT.) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Brand Ventures (Private) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
KF Ventures (Private) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
KZ Ventures (Private) Limited	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
Punjab Financial Services Co	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>
47 Ventures Ltd	<ul style="list-style-type: none"> <li>– Khurram Zafar</li> </ul>

## 3.24 ASSOCIATED LISTED COMPANIES

None of the Associated companies of Ghani Dairies Limited are listed on the Exchange.



### 3.25 DUTY STRUCTURE AND TARIFF

Following is the duty tariff for the raw materials procured by the Company for FY25:

Raw Material	HS Code	Custom Duty	% of Custom Duty	Additional Custom Duty	% of Additional Custom Duty	Total Duty	Country of Origin
Energizer Gold	2309.9000	-	0.00%	369,619	19.46%	369,619	Malaysia
Fat 99%	2309.9000	-	0.00%	459,997	24.22%	459,997	Malaysia
Ghani Dairies Premix	2309.9000	697,382	25.00%	-	0.00%	697,382	Vietnam
Bergafat F-100 Premium	2309.9000	-	0.00%	468,088	24.65%	468,088	Malaysia
Holstein Fresian Heifers	0102.2120	902,299	32.35%	601,533	31.67%	1,503,832	Australia
Dairy Feed Mixing Machine	8436.1000	-	0.00%	-	0.00%	-	-
Toxfin Dry (Feed Grade)	2309.9000	1,189,544	42.65%	-	0.00%	1,189,544	Belgium
<b>Total Raw Material</b>		<b>2,789,225</b>	<b>100.00%</b>	<b>1,899,237</b>	<b>100.00%</b>	<b>3,498,918</b>	

Note: As provided by the management of the Company.

### 3.26 RELATED PARTY TRANSACTIONS

All transactions with related parties are carried out at mutually agreed price on an arm's length basis. The related parties comprise of Sponsors, Promoters, Associated Concerns, Directors and Key Management Personnel of the Company. The Company in the normal course of business carries out transactions with various related parties, which are as follows:

Name	Relationship	Nature	FY 2023 PKR Mn	FY 2024 PKR Mn	FY 2025 PKR Mn
Al – Muhandus Corporation	Loan received	At arm's length prices	-	20.00	-
	Loan Paid	At arm's length prices	-	20.00	-
Ghani Holdings & Ventures (Pvt) Limited	Loan received	At arm's length prices	252.50	178.89	183.73
	Loan paid	At arm's length prices	-	533.70	182.68
Ghani Himalayan Salt (Private) Limited	Loan received	At arm's length prices	70.90	12.50	79.40
	Loan paid	At arm's length prices	4.18	79.40	79.40
Ghani Mines (Private) Limited	Loan received	At arm's length prices	6.20	7.49	43.10
	Loan paid	At arm's length prices	0.10	35.78	12.00
Ghani Layers Farm (Private) Limited	Loan received	At arm's length prices	41.00	72.50	43.00
	Loan paid	At arm's length prices	41.00	72.50	43.00
AS Builder	Loan received	At arm's length prices	-	10.00	-
	Loan paid	At arm's length prices	-	10.00	-
Hafiz Avais Ghani	Purchase of land	At arm's length prices	-	11.37	-



### 3.27 INDUSTRY OVERVIEW

Pakistan ranks among the world's largest milk producers, with annual output estimated at approximately 72.3 million tons in FY 2024–25 (July–March data)<sup>26</sup> reflecting year-on-year growth of about 3 percent. The dairy sector is a key pillar of the rural economy and a meaningful contributor to national GDP.

Despite this scale, the industry remains structurally fragmented: most milk is marketed through informal channels and only a small proportion is processed by organized sector players. This structure creates immediate operational constraints, such as inconsistent quality, cold-chain losses, and seasonal price volatility, while offering medium-term opportunities for well-capitalized corporate dairy farms that can provide consistent, traceable supply.

#### 3.27.1 Size and Recent Production Trends

- **Production Level**

Pakistan's gross milk production in the July–March 2024–25 period was reported at 72.3<sup>27</sup> million tons, reflecting year-on-year growth (3.2% over the prior period) driven by higher yields and expansion in commercial operations. This underlines an improving base volume for large suppliers.

- **Per-Capita Consumption**

Although Pakistan is one of the world's largest producers, only an estimated (3-5%) of total milk is processed into packaged or value-added products; the remainder is consumed as fresh/raw milk through informal markets.

#### 3.27.2 Structural characteristics and sector fragmentation

- **Fragmented Supply Base**

Approximately 80–83% of milk supply originates from smallholders (household farms with very small herd sizes), with only a modest share from medium and large commercial farms. This fragmentation results in variability in milk quality, limited traceability and high transaction costs for processors.

#### 3.27.3 Key challenges constraining sector efficiency

- **Low Per-Animal Productivity**

Genetic base and feed regimes at smallholder level yield far lower per-cow output than global benchmarks; raising per-animal yields is a long-run source of supply growth.

- **Cold-Chain & Post-Harvest Losses**

Significant milk losses (estimates vary by geography and season) occur during collection, transport and storage due to lack of chilled logistics and collection infrastructure. Policy briefs and sector studies identify high post-harvest losses as a structural drag.

- **Quality & Traceability Gaps**

Predominant informal marketing means inconsistent hygiene and product quality; this limits growth of branded and exportable dairy lines.

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<sup>26</sup> Pakistan Economic Survey 2024-25

<sup>27</sup> Pakistan Economic Survey 2024-25



- **Input Cost Pressure & Feed Security**

Seasonal feed availability and price volatility remain major cost pressures for both smallholder and commercial farms.

### **3.27.4 Demand drivers and growth opportunities**

- **Urbanization & rising incomes**

With more than 38 percent of the population now urban, demand for packaged and hygienically processed dairy products continues to grow.

- **Under-Penetrated Formal Market**

The low level of processing provides substantial room for expansion in UHT milk, milk powder, cheese, and other value-added products.

- **Policy and Institutional Support**

Government and development-partner programs promoting formal milk collection, improved breeding, feed management, and cold-chain investment support the growth of organized dairy farming.

### **3.27.5 Role of Corporate Dairy Farms and Implications for Ghani Dairies Limited**

Corporate dairy farms are positioned to benefit from the sector's ongoing formalization. Large, professionally managed operations provide:

- **Consistent Volumes and Standardized Quality:** Year-round supply with full traceability and adherence to hygiene and safety standards.
- **Advanced Herd Management:** Mechanized milking, improved genetics, and optimized nutrition that increase per-animal productivity and operational efficiency.
- **Integrated Cold-Chain and Logistics:** On-farm chilling, storage, and dedicated transport that reduce post-harvest losses and maintain product quality.

These capabilities enable corporate producers to secure long-term supply agreements with multinational and domestic processors, achieve premium pricing, and reduce transaction costs. Ghani Dairies Limited, with its automated milking parlors, digital herd-management systems, and modern storage infrastructure, is aligned with these trends and positioned to benefit from the sector's transition toward organized, high-quality milk supply.<sup>28</sup>

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<sup>28</sup> Pakistan Business Council, Pakistan Dairy Association & SDPI (2025)



### 3A SHARE CAPITAL AND RELATED MATTERS

#### 3A.1 SHARE CAPITAL

Current Issued, & Paid-Up Capital	No. of Shares	Face Value Per Share	Premium Per Share	Total at par value (PKR)
<b>Authorized Capital</b>				
Ordinary Shares	500,000,000	1.00	-	500,000,000
<b>Issued, Subscribed &amp; Paid-Up Capital</b>				
Ordinary Shares of PKR 1.00/- each fully paid	325,000,000	1.00	-	325,000,000
<b>Total</b>	<b>325,000,000</b>	<b>1.00</b>	<b>-</b>	<b>325,000,000</b>
<b>Shares held by Directors/Sponsors</b>				
CEO - Hafiz Avais Ghani	121,864,950	1.00	-	121,864,950
Director - Aitzaz Ahmad Khan <sup>29</sup>	20,000	1.00	-	20,000
Director - Shoaib Ghani	137,489,950	1.00	-	137,489,950
Director - Ahad Ghani	6,250,000	1.00	-	6,250,000
Director - Vaneeza Avais	3,125,000	1.00	-	3,125,000
Ghani Holdings & Ventures (Pvt) Limited	50,000,000	1.00	-	50,000,000
Saad Ghani	6,250,000	1.00	-	6,250,000
<b>Other Shareholders</b>				
Independent Director - Khurram Zafar	50	1.00	-	50
Independent Director - Muhammad Hassan Nawaz Gondal	50	1.00	-	50
<b>Sub-Total</b>	<b>325,000,000</b>	<b>1.00</b>	<b>-</b>	<b>325,000,000</b>
<b>New Issue of Ordinary Shares</b>	<b>No. of Shares</b>	<b>Face Value Per Share</b>	<b>Premium Per Share</b>	<b>Total at par value (PKR)</b>
Allocation to institutions / High Net worth individual investors through Book Building process at Strike Price	<b>78,150,000</b>	<b>1.00</b>	<b>23.0</b>	<b>78,150,000</b>
General Public Portion	<b>26,050,000</b>	<b>1.00</b>	<b>23.0</b>	<b>26,050,000</b>
<b>Sub-Total</b>	<b>104,200,000</b>	<b>1.00</b>	<b>23.0</b>	<b>104,200,000</b>
<b>Post IPO Paid Up Capital</b>	<b>No. of Shares</b>	<b>Face Value Per Share</b>	<b>Premium (PKR)</b>	<b>Total at par value (PKR)</b>
<b>Total Paid Up Capital Post IPO</b>	<b>429,200,000</b>	<b>1.00</b>	<b>2,396,600,000</b>	<b>429,200,000</b>

Note: Subsequent to the above, a special resolution was passed on July 14<sup>th</sup> 2025 for splitting of shares i.e., reducing the face value from PKR 10.00/- to PKR 1.00/- in order to increase the number of outstanding shares of the Company and to enhance its liquidity upon listing.

<sup>29</sup> Aitzaz Ahmad Khan is founder of the Ghani Group, he is father to Hafiz Avais Ghani and Shoaib Ghani, whereas Ahad Ghani, Vaneeza Avais and Saad Ghani are children of Hafiz Avais Ghani



### 3A.2 SPONSORS SHARES TO BE KEPT IN BLOCKED FORM AS PER REGULATION 5 OF PO REGULATIONS

	Shares held by Sponsors	Particulars	No. of Shares	% Pre-IPO Paid-Up Capital	No. of Shares	% Post-IPO Paid-Up Capital
1.	Hafiz Avais Ghani	Chief Executive Officer	121,864,950	37.50%	121,864,950	28.39%
2.	Aitzaz Ahmad Khan	Director	20,000	0.01%	20,000	0.005%
3.	Shoaib Ghani	Director	137,489,950	42.30%	137,489,950	32.03%
4.	Ahad Ghani	Director	6,250,000	1.92%	6,250,000	1.46%
5.	Saad Ghani	-	6,250,000	1.92%	6,250,000	1.46%
6.	Vaneeza Avais	Director	3,125,000	0.96%	3,125,000	0.73%
7.	Ghani Holdings & Ventures (Pvt) Limited	Associated Company	50,000,000	15.38%	50,000,000	11.65%
	<b>Total</b>		<b>325,000,000</b>	<b>99.99%</b>	<b>325,000,000</b>	<b>75.72%</b>

Note:

- (i) As per regulation 5(1) of the PO Regulations, the Sponsors of the Company shall retain their entire shareholding in the Company for a period of not less than twelve months from the last date for public subscription;
- (ii) As per regulation 5(2) of the PO Regulations, the Sponsors of the Company shall retain not less than twenty-five percent of the Post Issue Paid Up Capital of the Company for not less than three years from the last date for the public subscription;
- (iii) As per regulation 5(3) of the PO Regulations, the shares of the Sponsors mentioned at (i) and (ii) above shall be kept unencumbered in a blocked account with the CDC;
- (iv) As per regulation 5(4) of the PO Regulations, subject to compliance with sub-regulation 1 and 2 of Regulation 5, and with the prior approval of the securities exchange, the Sponsors of the Company may sell their shareholding through block-sale to any other person who shall be deemed Sponsor for the purposes of the PO Regulations. Provided that a sale of at least 5% of the post issue paid up capital or Rs. 50 million, whichever is lower, shall constitute a block sale during the lock-in period

### 3A.3 PRESENT ISSUE

The Issue comprises of 104,200,000 Ordinary shares of face value worth PKR 1.00/- each, which constitutes 24.28% of the post- issued paid up capital of the Company.

Out of the total issue size of 104,200,000 Ordinary Shares of PKR 1.00/-each, 75% of the issue size i.e., 78,150,000 Ordinary Shares of PKR 1.00/-each will be issued through Book Building process at a Floor Price of PKR 24.00/- per share which will be allotted to Successful Bidders and the rest of 25% of the issue i.e., 26,050,000 Ordinary Shares will be offered to Retail Investors at the Strike Price.

Provided that allocation to the retail portion shall be increased as follows, in case the retail portion is oversubscribed, and there shall be a corresponding decrease in the allocation to book building investors:

Oversubscription of retail portion	Increase in allocation to retail portion
5 times but less than 10 times	5%
10 times and greater	10%



### 3A.4 SHARES ISSUED IN PRECEDING YEARS

S. No.	No. of Shares	Description	Consideration	Face Value (PKR per share)	Total Value (PKR)	Date of Issuance/ Allotment
1	100,000	Initial Subscription	Cash	10.00	1,000,000	October 21, 2020
2	2,400,000	Right Issue	Cash	10.00	24,000,000	January 11, 2022
3	10,000,000	Right Issue	Cash	10.00	100,000,000	June 21, 2022
4	10,000,000	Right Issue	Cash	10.00	100,000,000	April 08, 2024
5	10,000,000	Right Issue	Cash	10.00	100,000,000	June 14, 2024
<b>Total</b>	<b>32,500,000</b>				<b>325,000,000</b>	
<b>Total Post-split shares</b>	<b>325,000,000</b>			<b>1.00</b>	<b>325,000,000</b>	<b>July 14, 2025</b>

Note: Subsequent to the above, a special resolution was passed on July 14<sup>th</sup> 2025 for splitting of shares i.e., reducing the face value from PKR 10.00/- to PKR 1.00/- in order to increase the number of outstanding shares of the Company and to enhance its liquidity upon listing.

### 3A.5 EMPLOYEE STOCK OPTION SCHEME

Ghani Dairies Limited does not have any employee stock option scheme.

### 3A.6 RELATED EMPLOYEES OF THE COMPANY

S. No	Name	Designation
1	Aitzaz Ahmad Khan	Chairman / Non - Executive Director
2	Hafiz Avais Ghani	Chief Executive Officer
3	Toheed Akram	Chief Financial Officer
4	Shoaib Ghani	Executive Director
5	Ahad Ghani	Executive Director
6	Muhammad Ashraf	Company Secretary

### 3A.7 RELATED EMPLOYEES OF CONSULTANT TO THE ISSUE

#### JS Global Capital Limited – Consultant to the Issue

S. No	Name	Designation
1	Khalilullah Usmani	Chief Executive Officer
2	Tanzeel ur Rehman	Chief Operating Officer
3	Usman Saeed	Senior Vice President, Investment Banking
4	Muhammad Farukh	Company Secretary
5	Sila Hannan	Manager, Investment Banking
6	Nayyar Azam	Assistant Manager, Investment Banking
7	Hussain Muhammad	Assistant Manager, Investment Banking

**Note:**

- As per regulation 7(9) of the PO Regulations, the associates of the Consultant to the Issue shall not in aggregate make Bids in excess of ten (10%) percent of the shares offered through Book Building. Provided that it shall not apply to such associates of the Consultant to the Issue that are Financial Institutions, Mutual Funds and Insurance Companies.
- As required under No. 7(8), the associates of the issuer as disclosed in the prospectus shall not in aggregate make bids in excess of ten percent of the shares offered through Book Building.



**UNDERTAKING FROM THE SPONSORS OF THE ISSUER REGARDING IPO UTILIZATION**

**E-STAMP**

**ID :** PB-LHR-664A991E8E399DE0  
**Type :** Low Denomination  
**Amount :** Rs 100/-

**Description :** CERTIFICATE OR OTHER DOCUMENT- 19  
**Applicant :** GHANI DAIRIES LIMITED [35200-8677336-9]  
**Representative From :** GHANI DAIRIES LIMITED  
**Agent :** Self  
**Address :** LAHORE  
**Issue Date :** 25-Nov-2025 2:48:36 PM  
**Delisted On/Validity :** 2-Dec-2025  
**Amount in Words :** One Hundred Rupees Only  
**Reason :** In Favour of Pakistan Stock Exchange  
**Vendor Information :** Asif Yaqoob | PB-LHR-26 | Barkat Market

Scan for online verification

**ASIF YAQOOB E-STAMP VENDOR**  
 PB-LHR-26 | Barkat Market, Lahore.  
 Serial No. 1513

**NIYAZ AHMAD**  
 ADVOCATE HIGH COURT  
 & NOTARY PUBLIC  
 Notification no. 82 generic.6.9(b) 1,  
 endorsement no 7077

نوٹ یہ برائے برائے تاریخ اجرا سے سات دنوں تک کے لیے قابل استعمال ہے۔ اسے اسٹامپ کی تصدیق پورے ویب سائٹس کے ذریعہ کی جا سکتی ہے۔

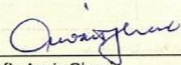
November 25<sup>th</sup>, 2025

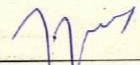
Pakistan Stock Exchange  
 Stock Exchange Building  
 Stock Exchange Road  
 Karachi-74000, Pakistan

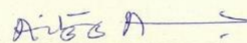
**UNDERTAKING**

We, (1) Hafiz Avais Ghani, son of Aitzaz Ahmad Khan being sponsor of Ghani Dairies Limited holding CNIC No. 35200-8677336-9, resident of 102-C, Model Town, Lahore, (2) Shoaib Ghani, son of Aitzaz Ahmad Khan being sponsor of Ghani Dairies Limited holding CNIC No. 35202-1167051-9, resident of 102-C, Model Town, Lahore, (3) Aitzaz Ahmad Khan, son of Abdul Ghani being sponsor of Ghani Dairies Limited holding CNIC No. 35202-6712826-7, resident of 102-C, Model Town, Lahore, do hereby state on solemn affirmation as under:

- (1) That we are the sponsor and majority shareholder/owner of the shares of Ghani Dairies Limited (the "Issuer")
- (2) That the IPO Proceeds of Ghani Dairies Limited shall be utilized as per the purpose disclosed in the Prospectus.

  
 Hafiz Avais Ghani  
 Chief Executive Officer  
 Ghani Dairies Limited

  
 Shoaib Ghani  
 Executive Director  
 Ghani Dairies Limited

  
 Aitzaz Ahmad Khan  
 Chairman / Non - Executive Director  
 Ghani Dairies Limited



**E-STAMP**



ID : PB-LHR-65E96AE61F59774E  
 Type : Low Denomination  
 Amount : Rs 100/-



Scan for online verification

Description : CERTIFICATE OR OTHER DOCUMENT- 19  
 Applicant : GHANI DAIRIES [35200-0000000-0]  
 Representative From : GHANI DAIRIES  
 Agent : Self  
 Address : Lahore  
 Issue Date : 4-Oct-2025 10:07:26 AM  
 Delisted On/Validity : 11-Oct-2025  
 Amount in Words : One Hundred Rupees Only  
 Reason : In Favour of Pakistan Stock Exchange  
 Vendor Information : Asif Yaqoob | PB-LHR-26 | Barkat Market

**ASIF YAQOOB E-STAMP VENDOR**  
 PB-LHR-26 | Barkat Market, Lahore

Serial No. 931



**NIAZ AHMAD**  
 ADVOCATE HIGH COURT  
 & NOTARY PUBLIC  
 Notification no 82 generk.8.9(b) 1,  
 endorsement no 7077

نوٹ یہ توثیق کے تاریخ اجرا سے سات دنوں تک کے لیے قابل استعمال ہے۔ اسے اسٹامپ کی تصدیق بذریعہ ویب سائٹ، موبائل ایپ یا دیگر ذریعوں سے کی جا سکتی ہے۔

20<sup>th</sup> September, 2025

Pakistan Stock Exchange  
 Stock Exchange Building  
 Stock Exchange Road  
 Karachi-74000, Pakistan

**UNDERTAKING**

We, (1) Ahad Ghani, son of Hafiz Avais Ghani being sponsor of Ghani Dairies Limited holding CNIC No. 35202-0619828-7, resident of 102-C, Model Town, Lahore (2) Vaneeza Avais, daughter of Hafiz Avais Ghani being sponsor of Ghani Dairies Limited holding CNIC No. 35202-4595592-4, resident of 102-C, Model Town, Lahore, (3) Saad Ghani, son of Hafiz Avais Ghani being sponsor of Ghani Dairies Limited holding CNIC No. 35202-7371803-5, resident of 102-C, Model Town, Lahore, (4) Ghani Holdings & Ventures (Pvt) Limited being sponsor of Ghani Dairies Limited holding Incorporation No. 0086483, 45-Aurangzeb Block, New Garden Town, Lahore, do hereby state on solemn affirmation as under:

- (1) That we are the sponsor and majority shareholder/owner of the shares of Ghani Dairies Limited (the "Issuer")
- (2) That the IPO Proceeds of Ghani Dairies Limited shall be utilized as per the purpose disclosed in the Prospectus.

*Ah Ghani*

Ahad Ghani  
 Executive Director

*Vaneeza*

Vaneeza Avais  
 Non Executive Director



*Vaneeza*

For and on behalf of  
 Ghani Holdings & Ventures (Pvt) Limited

*Saad*

Saad Ghani  
 Sponsor



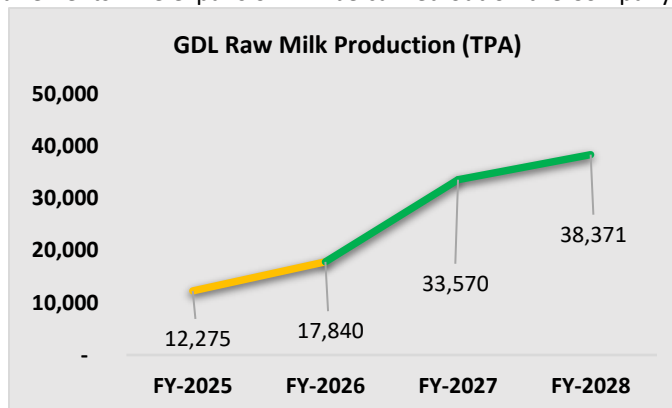
## 4 PRINCIPAL PURPOSE OF THE ISSUE AND FUNDING ARRANGEMENTS

### 4.1 PRINCIPAL PURPOSE OF THE ISSUE

The principal propose of the issue is to finance the herd expansion, Company's operational expansion, upgrade farm infrastructure, and will be utilize in working capital requirements. The expansion will be carried out on the Company's existing land, ensuring optimal utilization of current resources and continuity of operations. The Company operates a corporate dairy farm situated in Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, covering an area of 2,374,020 sq. fts., which provides sufficient capacity for herd growth, infrastructure upgrades, and further operational scaling.

This will enhance raw milk production capacity from 17,840 TPA FY 2025-26 to 33,570 TPA by FY 2026-27. This growth is supported by the planned induction of 1,000 pregnant Heifers and achieving organic growth

as the young calves will enter into the milking cycle, which will immediately increase milk output. Furthermore, the milking capacity is expected to reach 38,371 TPA FY 2027-28 in FY 2027 as 250 young calves procured through IPO proceeds will start milking along with organic herd growth.



To fund this expansion, the Company proposes to raise PKR 2,500 million through the issuance of 104,200,000 ordinary shares at a floor price of PKR 24 per share. Commercial operations of the expanded facility are expected to commence by April 2026.

This strategic expansion will position the Company to meet the growing demand for raw milk and strengthen its market presence in the dairy sector.

The details of expansion cost and utilization of the amount raised through public offer will be as under:

### 4.2 PROJECT COST & SOURCES OF FUNDING

#### Total Project Cost: PKR 2,500,800,000 at Floor Price

Total Expected IPO Proceeds		Amount (PKR)	Sub Percentage (%)	% of Total Cost
Building & Civil Works	Milking Shed (4 Nos)	480,000,000	52.30%	19.19%
	Heifer Shed (3 Nos)	180,000,000	19.61%	7.20%
	Raw Material Storage Warehouse	100,000,000	10.90%	4.00%
	Hospital Shed with Parlor	39,200,000	4.27%	1.57%
	Silage Bunker (4 Nos)	45,000,000	4.90%	1.80%
	Corn Grain Storage Silo (Additional)	70,000,000	7.63%	2.80%
	Calf Cage	3,500,000	0.38%	0.14%
	<b>Subtotal</b>	<b>917,700,000</b>	<b>100.00%</b>	<b>36.70%</b>
Biological Assets	1,000 Pregnant Heifers	815,670,000	84.13%	32.62%
	250 Heifers	153,900,000	15.87%	6.15%
	<b>Subtotal</b>	<b>969,570,000</b>	<b>100.00%</b>	<b>38.77%</b>
Plant & Machinery	Solar & Infrastructure	150,000,000	31.32%	6.00%
	Milking Parlour	120,000,000	25.05%	4.80%
	Stationery Mixing Machine (TMR)	60,000,000	12.53%	2.40%



Total Expected IPO Proceeds		Amount (PKR)	Sub Percentage (%)	% of Total Cost
	Wheel Loader for TMR Feeding	30,000,000	6.26%	1.20%
	Milk Storage Silo (Storage + Backup)	45,000,000	9.39%	1.80%
	Tractor 385 for TMR	19,800,000	4.13%	0.79%
	Rubber Mats	15,000,000	3.13%	0.60%
	Movable TMR Machine	14,000,000	2.92%	0.56%
	Tractor Messay 240	7,200,000	1.50%	0.29%
	Feed Pusher Wheel	5,000,000	1.04%	0.20%
	Chiller for Hospital Parlor	5,000,000	1.04%	0.20%
	Transformer	4,000,000	0.84%	0.16%
	Sand Spreader	4,000,000	0.84%	0.16%
	<b>Subtotal</b>	<b>479,000,000</b>	<b>100.00%</b>	<b>19.15%</b>
Working Capital	Working Capital & Feed Stock Procurement	134,530,000	100.00%	5.38%
	<b>Subtotal</b>	<b>134,530,000</b>	<b>100.00%</b>	<b>5.38%</b>
Total Project Cost		2,500,800,000	100.00%	100.00%
IPO Proceeds		2,500,800,000	100.00%	100.00%
Utilization (%)		100%		
Remaining Funds		Nil		

These costs have been estimated by the company through market research and past experience. The company has not executed any agreement for the above and the costs may vary at the time of placing order.

#### UTILIZATION OF EXCESS IPO FUNDS, IN CASE THE STRIKE PRICE IS DETERMINED ABOVE THE FLOOR

Any excess funds raised, in case the Strike Price is determined above the Floor Price, will be utilized to meet the Company's working capital requirements. The Company intends to deploy the excess IPO proceeds into working capital which will be mainly used for timely procurement of feed stock. The average monthly working capital requirement during FY-2025 was PKR 93.93 million. This is projected to increase to PKR 144.46 million per month in FY-2026 and further to PKR 274.58 million per month by FY-2027, primarily due to the inclusion of new animals.

Approximately 5% of the IPO proceeds will be allocated toward off-season feed purchases, enabling early procurement at favorable prices, mitigating supply risks, and ensuring uninterrupted operations. Any additional excess proceeds will also be utilized for the same purposes to further enhance operational efficiency and achieve cost optimization.

Estimation of Working Capital Requirement	FY-2025 (Actual)	FY-2026 (Estimated)	FY-2027 (Forecasted)
Feed consumed	1,127,199,069	1,733,558,039	3,295,003,028
<b>Working Capital Requirement (Annual)</b>	<b>1,127,199,069</b>	<b>1,733,558,039</b>	<b>3,295,003,028</b>
<b>Working Capital Requirement (Monthly)</b>	<b>93,933,255.75</b>	<b>144,463,169.92</b>	<b>274,583,585.67</b>






In the event that no excess proceeds are generated from the IPO, the Company will meet its working capital requirements through cash generated from operations.



### 4.3 ADDITIONAL DISCLOSURES RELATING TO PURPOSE OF THE ISSUE

#### 4.3.1 Building & Civil Works

Particulars	Qty	Cost / Unit Amount (PKR)	Amount (PKR)	Contractor	Expected Date of Order (FY)	Expected Date of Completion (FY)
Milking Shed	4	120,000,000	480,000,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Heifer Shed	3	60,000,000	180,000,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Raw Material Storage Warehouse	1	100,000,000	100,000,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Hospital Shed with Parlor	1	39,200,000	32,500,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Silage Bunker	4	11,250,000	45,000,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Corn Grain Storage Silo (Additional)	2	35,000,000	70,000,000	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Calf Cage	250 cm	14,000 per cm	3,500,000	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027
<b>Total</b>			<b>917,700,000</b>			

Particulars	Area	Description	
<b>Milking Shed</b>	52,000 sq ft each	Provides adequate housing infrastructure to accommodate expanded milking cows herd operations.	
<b>Heifer Shed</b>	25,000 sq ft	it is a dedicated shelter for heifers to manage them separately from lactating Heifers, supporting growth and future productivity.	
<b>Raw Material Storage Warehouse</b>	45,000 sq ft	A Construction of a raw material warehouse to store feed components safely, reducing spoilage and improving logistics.	
<b>Hospital Shed with Parlor</b>	26,000 sq ft	Purpose-built facility to isolate and treat sick or maternity Heifers, minimizing disease spread and supporting animal welfare.	
<b>Silage Bunker</b>	1,800 tons capacity	This is needed for enabling long-term storage of silage in controlled conditions, reducing reliance on market feed and preserving nutritional value.	



**Corn Grain Storage Silo (Additional)**

Each 2,000 tons

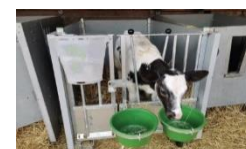
For Additional silo capacity to accommodate increased corn usage while ensuring storage integrity and cost efficiency.



**Calf Cage**

90 cm \*125 cm

It Provides a safe and hygienic environment for newborn calves, reducing the risk of infections and improving survival rates.



**4.3.2 Biological Assets**

Particulars	Qty	Cost / Unit Amount (PKR)	Amount <sup>30</sup> (PKR)	Duties, Taxes & Other Charges <sup>31</sup>	Country of Origin	Vendor	Expected Date of Order (FY)	Expected Date of Completion (FY)
Pregnant Heifers	1000	815,670	815,670,000	CD: 3% ST: 18% ACD: 2% AST: 3% IT: 5.5%	Australia	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
Heifers	250	615,600	153,900,000	CD: 3% ST: 18% ACD: 2% AST: 3% IT: 5.5%	Australia	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026
<b>Total</b>	<b>1250</b>		969,570,000					

Particulars	Description
<b>Pregnant Heifers</b>	For the procurement of genetically superior pregnant heifers to rapidly scale up herd size and milk output.
<b>Heifers</b>	For the acquisition of high-quality heifers to expand the herd base and secure future milk production capacity.



<sup>30</sup> Prices are calculated based on an exchange rate of PKR 285 per USD  
<sup>31</sup> Duties, Taxes & Other Charges are included in amount.



### 4.3.3 Plant & Machinery


Particulars	Qty	Amount <sup>32</sup> (PKR)	Duties, Taxes & Other Charges	Vendor	Expected Date of Order (FY)	Expected Date of Completion (FY)	Type	Country of Origin of Machinery	Expected Useful Life
Solar & Infrastructure	2.1 MW	150,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	Local	20 years
Milking Parlour	1	120,000,000	CD: 0% ST: 18% ACD: 0% IT: 1%	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	USA	30 years
Chiller for Hospital Parlor	1	5,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	Local	20 years
Transformer	1	4,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	Local	30 years
Wheel Loader for TMR Feeding	1	30,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	Local	10 years
Milk Storage Silo (Storage + Backup)	1	45,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 4, 2026	New	Local	20 years
Stationery Mixing Machine (TMR)	1	60,000,000	CD: 0% ST: 18% ACD: 0% IT: 1%	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Europe	20 years
Tractor 385 for TMR	3	19,800,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Local	10 years
Rubber Mats	10,000 sq. ft.	15,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Local	5 years
Movable TMR Machine	1	14,000,000	CD: 0% ST: 18% ACD: 0% IT: 1%	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Turkey	15 years
Tractor Messay 240	2	7,200,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Local	10 years
Feed Pusher Wheel	1	5,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Local	10 years


<sup>32</sup> Installation cost, Duties, Taxes & Other Charges are included in amount. Where Prices for imported items are calculated based on an exchange rate of PKR 285 per USD.





Sand Spreader	1	4,000,000	N/A	To be finalized in due course	Quarter 3, 2026	Quarter 1, 2027	New	Local	10 years
<b>Total</b>		<b>479,000,000</b>							


Particulars	Specifications	Description	
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Solar & Infrastructure	2.1 MW	Solar infrastructure provides clean, renewable energy that reduces electricity costs, lowers carbon emissions, and supports long-term sustainability and energy independence	
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Milking Parlour	2 rows * 24 cows space	Automates and streamlines the milking process, reducing manual labor while maintaining high hygiene and milking efficiency.	
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Stationery Mixing Machine (TMR)	30 Cubic meters	It ensures precise and uniform mixing of feed ingredients, minimizes wastage, and enhances animal productivity.	
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Wheel Loader for TMR Feeding	3 tons bucket capacity	This Assists in mixing and transporting feed, as well as compacting silage during preparation, improving storage efficiency.	
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Milk Storage Silo (Storage + Backup)	40 tons capacity	It Maintains optimal milk temperature to preserve quality, minimize spoilage, and meet regulatory and customer standards.	
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Tractor 385 for TMR	Fiat 385 tractor	For transporting TMR feed from silage bunkers to livestock sheds, ensuring consistent feeding schedules.	
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Rubber Mats	16-18 mm width	Offers cushioned flooring to reduce lameness in Heifers, thereby improving comfort, mobility, and milk yield.	
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Movable TMR Machine	12 cubic meters	Facilitates the transportation of mixed feed from preparation areas to feeding zones efficiently.	
Tractor Massey 240	240 tractors	Facilitates efficient manure removal from animal sheds, ensuring cleanliness and supporting biosecurity protocols.	
Feed Pusher Wheel	385 Massey wheel	Customize alteration which Improves feed access by pushing feed towards the Heifers, which enhances intake and overall nutrition.	
Chiller for Hospital Parlor	10 tons capacity	Chills milk produced in the hospital shed to prevent bacterial growth and ensure compliance with quality standards.	
Transformer	1000 KVA	For the Installation of transformer to ensure stable and sufficient power supply for expanded farm operations.	
Sand Spreader	10 cubic meters	It spreads sand in cubicles to improve hygiene, prevent mastitis, and enhance Heifers comfort and productivity.	

#### 4.3.4 Working Capital

Working Capital	Amount (PKR)	Expected Date of Order & Timeline (FY)
Initial feed stock procurement through IPO proceeds	134,530,000	Quarter 1 - Quarter 2, 2027
Approximately 5% of the IPO proceeds will be allocated toward off-season feed purchases, enabling early procurement at favorable prices, mitigating supply risks, and ensuring uninterrupted operations. The average monthly working capital requirement during FY-2025 was PKR 93.93 million. This is projected to increase to PKR 144.46 million per month in FY-2026 and further to PKR 274.58 million per month by FY-2027, primarily due to the inclusion of new animals.		

Estimation of Working Capital Requirement	FY-2025 (Actual)	FY-2026 (Estimated)	FY-2027 (Forecasted)
Feed consumed	1,127,199,069	1,733,558,039	3,295,003,028
<b>Working Capital Requirement (Annual)</b>	<b>1,127,199,069</b>	<b>1,733,558,039</b>	<b>3,295,003,028</b>
<b>Working Capital Requirement (Monthly)</b>	<b>93,933,255.75</b>	<b>144,463,169.92</b>	<b>274,583,585.67</b>

The Company is in the process of seeking quotations from various vendors/supplier as well as awarding the construction contracts, which are expected to be finalized soon so that the requisite agreements to be executed with the related parties. The existing land of the company is sufficient to cater the expansion requirements.



#### 4.4 IMPLEMENTATION SCHEDULE

Particulars	FY-2026 PKR (Mn)	FY-2027 PKR (Mn)	Total PKR (Mn)	Expected Date of order (FY)	Expected Date of Completion (FY)
<b>Building &amp; Civil Works</b>					
Milking Shed (4 Nos)	480.00	-	480.00	Quarter 3, 2026	Quarter 4, 2026
Heifer Shed (3 Nos)	180.00	-	180.00	Quarter 3, 2026	Quarter 4, 2026
Raw Material Storage Warehouse	100.00	-	100.00	Quarter 3, 2026	Quarter 4, 2026
Hospital Shed with Parlor	39.20	-	39.20	Quarter 3, 2026	Quarter 4, 2026
Silage Bunker (4 Nos)	45.00	-	45.00	Quarter 3, 2026	Quarter 4, 2026
Corn Grain Storage Silo (Additional)	70.00	-	70.00	Quarter 3, 2026	Quarter 4, 2026
Calf Cage	-	3.50	3.50	Quarter 3, 2026	Quarter 1, 2027
Sub Total	914.20	3.50	917.70		
<b>Biological Assets</b>					
1,000 Pregnant Heifers	815.67	-	815.67	Quarter 3, 2026	Quarter 4, 2026
250 Heifers	153.90	-	153.90	Quarter 3, 2026	Quarter 4, 2026
Sub Total	969.57	-	969.57		
<b>Plant &amp; Machinery</b>					
Solar & Infrastructure	150.00	-	150.00	Quarter 3, 2026	Quarter 4, 2026
Milking Parlour	120.00	-	120.00	Quarter 3, 2026	Quarter 4, 2026
Chiller for Hospital Parlor	5.00	-	5.00	Quarter 3, 2026	Quarter 4, 2026
Transformer	4.00	-	4.00	Quarter 3, 2026	Quarter 4, 2026
Wheel Loader for TMR Feeding	30.00	-	30.00	Quarter 3, 2026	Quarter 4, 2026
Milk Storage Silo (Storage + Backup)	45.00	-	45.00	Quarter 3, 2026	Quarter 4, 2026
Tractor 385 for TMR	-	19.80	19.80	Quarter 3, 2026	Quarter 1, 2027
Rubber Mats	-	15.00	15.00	Quarter 3, 2026	Quarter 1, 2027
Movable TMR Machine	14.00	-	14.00	Quarter 3, 2026	Quarter 1, 2027
Tractor Messay 240	-	7.20	7.20	Quarter 3, 2026	Quarter 1, 2027
Feed Pusher Wheel	-	5.00	5.00	Quarter 3, 2026	Quarter 1, 2027
Sand Spreader	-	4.00	4.00	Quarter 3, 2026	Quarter 1, 2027
Stationery Mixing Machine (TMR)	-	60.00	60.00	Quarter 3, 2026	Quarter 1, 2027
Sub Total	368.00	111.00	479.00		
<b>Working Capital</b>					
Working Capital & Feed Stock Procurement	-	135	135	Quarter 1, 2027	Quarter 2, 2027
<b>Grand Total</b>	<b>2,251.77</b>	<b>249.03</b>	<b>2,500.80</b>		

#### 4.5 SOURCES OF FUNDS

The Company plans to raise PKR 2,500 Mn through an Initial Public Offering (IPO). The proceeds will primarily be utilized for herd expansion, construction of farm infrastructure, and strengthening of working capital. In this regard, the Company intends to issue 104,200,000 ordinary shares at a floor price of PKR 24.00/- per share.

##### 4.5.1 Post Issue Matters (Reporting and Exit Opportunity)

###### Post issuance reporting requirements as per regulation 16 of Public Offering Regulation

The issuer, Ghani Dairies Limited, upon completion of the public offer shall:

- Report detailed break-up of the utilization of the proceeds of the issue in its post issue quarterly/half-yearly and annual accounts (till the fulfilments of the commitments mentioned in the prospectus).
- submit a: (a) Half Yearly progress report; and (b) annual progress report reviewed by the auditor, to the securities exchange till the fulfilment of the commitments mentioned in the prospectus stating the following:



- Implementation status of the project/commitment made in the prospectus as per format given in Public Offering Regulation.
  - Detailed Break-up utilization of the proceeds raised from the issue as per format given in Public Offering Regulation.
- c. Submit a final report reviewed by the auditor after the fulfilment of the commitments mentioned in the prospectus.

#### **4.5.2 Exit Opportunity Mechanism as per regulation 16(a) of Public Offering Regulation**

- a. The Issuer shall not, at any time change the principal purpose of the issue as disclosed in the Prospectus.
- b. In exceptional circumstances, the issuer may change the principal purpose of the issue subject to passing of special resolution and offering an exit opportunity to dissenting shareholders who have not agreed to the change in principal purpose of the issue as disclosed in the Prospectus.
- c. Offering an exit opportunity shall also be mandatory where the principal purpose of issue was undertaken and thereafter funds were diverted to other purposes, which resulted in non-completion of principal purpose of issue in a timely manner as disclosed in the prospectus.
- d. The mechanism for an exit offer opportunity shall be as under:
- (i) EOGM notice in respect of any change in the principal purpose of the issue as disclosed in the prospectus shall be given along with draft special resolution as required under the provisions of Companies Act, 2017.
  - (ii) Subject to approval of special resolution as defined in the Companies Act, 2017, the shareholders who have dissented against the special resolution and conveyed their dissent to the company secretary under intimation to PSX, shall be provided an opportunity to exit by offering a price per share, by the sponsors of the issuer that shall be highest of the following:
    - 1. Intrinsic value based on the latest available audited accounts;
    - 2. Weighted average closing price for last six preceding months
    - 3. offer price at which the shares were subscribed through IPO.
  - (iii) The exit offer shall be executed by the sponsors with in a period of thirty days from the date of passing of special resolution.



## 4A VALUATION SECTION

JUSTIFICATIONS GIVEN BY THE CONSULTANT TO THE ISSUE, IF ANY OR THE ISSUER IN SUPPORT OF THE OFFER/FLOOR PRICE AND THE PRICE BAND. THE JUSTIFICATION MUST INCLUDE APPROPRIATE VALUATION MODELS, INCLUDING THE DISCOUNTED CASH FLOW (DCF) MODEL, DIVIDEND DISCOUNT MODEL (DDM), AND/OR GORDON GROWTH MODEL (GGM).

### DISCLAIMER:

THE FLOOR PRICE AND PRICE BAND ARE SET BY THE ISSUER AND CONSULTANT TO THE ISSUE USING APPROPRIATE VALUATION MODELS, AND THAT THE COMMISSION AND THE SECURITIES EXCHANGE HAVE NEITHER ASSESSED NOR VALIDATED THE PRICING OR THE UNDERLYING VALUATION MODEL. THE COMMISSION AND THE SECURITIES EXCHANGE DO NOT ASSESS, VALIDATE OR ENDORSE THE PRICE OF A TRANSACTION, AS PRICING IS PURELY A FUNCTION OF MARKET FORCES; WHEREBY MINIMUM PRICE IS DETERMINED BY THE CONSULTANT TO THE ISSUE/ISSUER AND FINAL PRICE IS SET BY THE INVESTORS.

The Ordinary shares of Ghani Dairies Limited are being issued at Floor Price of PKR 24/- per share amounting to a premium of PKR 23/- per Ordinary share to the face value of PKR 1.00/- per Ordinary share. The Consultant to the Issue have reviewed the business performance of the Company and in their opinion the Floor Price of PKR 24/- per share is justified based on:

#### i. Price to Earnings Multiple - Valuation

Price to Earnings Multiple - Valuation	
Pre IPO Paid up Capital- PKR	325,000,000.00
Pre IPO Paid up Capital- Number of Shares	325,000,000.00
Par Value	1.00
Earning as of FY2025	444,149,871.18
Earning for FY2025 per share	1.37
P/E	17.56
Indicative Price- PKR	24.00
<b>Capital Available to be Raise</b>	<b>2,500,800,000.00</b>
Shares to be offered- Number of Shares	104,200,000.00
Post IPO paid up Capital- Number of Shares	429,200,000.00
Post IPO paid up Capital- Amount PKR	429,200,000.00
Net Profit- PKR (FY25)	444,149,871.18
EPS- Post IPO	1.03
<b>Dilution</b>	<b>24.28%</b>

#### ii. Valuation – Discounted Cash Flow (DCF)

Cost of Equity	
Terminal Growth Rate	4.0%
Risk Free Rate of Return	11.00%
Beta	0.87
Equity Risk Premium	6.00%
Cost of Equity	16.22%
Tax Rate	23%



DCF	FY26 (P)	FY27 (P)	FY28 (P)	FY29 (P)	FY30 (P)	Terminal Value
EBIT Excluding FV gains	336,616,495	1,417,660,468	1,708,229,438	2,182,205,444	3,008,894,326	
After Tax EBIT (NoPAT)	259,194,701	1,091,598,561	1,315,336,667	1,680,298,192	2,316,848,631	
Depreciation + Amortization	179,132,537	183,570,602	203,152,092	266,772,330	277,929,455	
Changes in Working Capital	(17,181,270)	(121,089,502)	(51,238,277)	(66,997,269)	(937,395,522)	
Less Capital Expenditure	(929,600,000)	(466,000,000)	(690,000,000)	(1,116,500,000)	(582,500,000)	
Less Biological expenditure	(863,912,812)	155,601,615	200,415,215	262,630,420	341,132,859	
Add other non-cash provisions	74,530,523	187,851,837	268,908,401	357,685,246	475,122,988	
Free Cashflow to Firm	(1,297,836,321)	1,031,533,113	1,246,574,097	1,383,888,918	1,891,138,411	16,094,794,983
Timing	0.5	1.5	2.5	3.5	4.5	4.5
Discount Factor	0.93	0.80	0.69	0.59	0.51	0.51
Discounted Cashflows	(1,205,259,459)	825,023,634	857,483,375	818,412,641	961,827,579	8,185,766,626

Value of the Firm	10,443,254,395
Debt (FY-26)	(153,306,795)
Cash (FY-26)	911,582,530
Total Firm Value	11,201,530,130
Post IPO Ordinary Shares	429,200,000
Price per share	26.10

#### Assumptions:

- Cost of Equity is calculated using the Capital Asset Pricing (CAPM) Model
- Rf is based on the prevailing yield of five year Pakistan Investment bond implying the time horizon for equity investments which is typically 3-5 years
- Equity Risk Premium has been derived from the implied equity return over the past 20 years. which has averaged approximately 6.00% above the average long-term Govt bond yield.
- A terminal growth rate of 4% is applied, supported by long-run historical data showing Pakistan's real GDP growth averaging roughly 4% over the 1990–2025 period

The equity beta has been estimated by un-levering the betas of comparable companies within the food and dairy sector and deriving the median industry beta.

- The average effective tax rate is applied in the valuation based on the Company's current tax computation methodology. It is assumed that future profits will be taxed under the same rules, making the average rate a reasonable basis for estimating tax rate.



- In our valuation model, Net Operating Profit After Tax (NOPAT) is calculated by first removing the fair value gain on livestock from EBIT.

This gain is excluded because it is a non-cash item. After removing this item, taxes are recalculated based only on the adjusted operating profit Therefore:

- EBIT is adjusted by excluding the livestock fair value gain.
- Taxes and levies are then computed on this adjusted EBIT.
- NOPAT equals the adjusted EBIT minus the adjusted taxes.

This method ensures that NOPAT reflects only the company's operating performance.

- Capital expenditure deducted in the determination of Free Cash Flows includes cash outflows incurred for the expansion and maintenance of operating capacity, comprising:
  - Purchase of operating fixed assets
  - Additions in capital work in progress
  - Purchase of intangible assets

These expenditures represent cash-based investments required to support ongoing operations and future growth and are therefore deducted in the DCF valuation.

- Biological assets have been adjusted to reflect actual cash movements only, in line with standard valuation practice. Accordingly, capital expenditure relating to biological assets includes:
  - Cash outflows for additions, representing herd expansion and replacement
  - Cash inflows from disposal of biological assets, reflecting realized proceeds
  - Insurance proceeds on death or culling of biological assets, treated as cash inflows

Non-cash fair value remeasurement gains or losses under IAS 41 have been excluded, as these do not represent actual cash flows and are therefore not relevant for DCF valuation.

- Non-cash provisions have been added back in the determination of Free Cash Flows, as they do not represent actual cash outflows in the relevant period. These include:
  - Mortality expense (net)
  - Workers' Profit Participation Fund (WPPF)
  - Workers' Welfare Fund (WWF)

These charges are accounting provisions recognized in the income statement; however, they do not involve immediate cash settlement and are therefore added back to arrive at cash-based operating performance for DCF valuation purposes.



### iii. Valuation – Free Cash Flow for Equity

Free Cashflow to the Firm Equity	FY26 (P)	FY27 (P)	FY28 (P)	FY29 (P)	FY30 (P)	Terminal Value
Free Cashflow to the Firm	(1,297,836,321)	1,031,533,113	1,246,574,097	1,383,888,918	1,891,138,411	
Less: Interest after Tax	(11,262,765)	(8,605,972)	(6,570,107)	(4,281,630)	(2,785,408)	
Less: Net Borrowings (Debt Repayment)	(196,819,201)	(41,022,811)	(42,465,640)	(36,966,096)	(32,852,249)	
FCFE	(1,505,918,287)	981,904,331	1,197,538,351	1,342,641,193	1,855,500,754	15,791,495,776
Timing	0.5	1.5	2.5	3.5	4.5	4.5
Discount Factor	0.93	0.80	0.69	0.59	0.51	0.51
Discounted Cashflows	(1,398,498,587)	785,330,368	823,753,060	794,019,310	943,702,368	8,031,509,518

Value of Equity	9,979,816,038
Post IPO Ordinary Shares	429,200,000
Price per share	23.25

### iv. Valuation – DIVIDEND DISCOUNT MODEL (DDM)

Note: Since the company is in growth phase and will be deploying its available funds to meet its future expansion cost therefore in early years the Company may not declare any dividend and as such the Dividend Discount Model or Gordon Growth Model may not be applicable at this stage. However, after expansion is completed company may announce dividend subject to availability of profits, has cash and does not intend to pursue any further expansion opportunities.

#### 4A.1 SUCCESSFUL OPERATIONAL HISTORY & GROWTH

- Consistent Revenue Growth: Demonstrated multi-year expansion in raw-milk production and sales to one of the leading processors such as Nestlé Pakistan Limited, IRC Dairy Products (Pvt.) Ltd, and Fauji Foods Limited.
- Efficient Operations: Implementation of automated milking, herd-data management, and modern feed systems, leading to higher per-animal yields and reduced wastage.
- Scalable Infrastructure: Investment in state-of-the-art facilities (milking parlours, feed storage, silage bunkers, and renewable-energy systems) enabling rapid capacity increases and improved margins.

##### 4A.1.1 Production Capacities (In Tons per Annum)

Category	per annum uom	FY 2026	FY 2027	FY 2028
		Pre – Expansion	Post - Expansion	
As per Projection	TPA	17,840	33,570	38,371

The production capacity of raw milk is projected to increase significantly from 17,840 TPA FY 2025-26 to 33,570 TPA by FY 2026-27, driven by the induction of 1,000 pregnant Heifers, which will contribute to immediate milk production. Further expansion is anticipated in FY 2027, with capacity expected to reach 38,371 TPA FY 2027-28. This additional growth will be supported by 250 non-pregnant Heifers, part of the 1,250 Heifers procured in 2026 who will begin contributing to milk production in 2027.

For details refer to section 4 of the prospectus

Following are the major Animal Feed requirements as describe below:



Category	per annum uom	Pre – Expansion	Post - Expansion	
		FY 2026	FY 2027	FY 2028
<b>INGREDIANTS</b>				
CHOP SILAGE	KG	21,159,831	39,439,108.23	54,946,418.72
Alfalfa haylage	KG	2,729,196	4,565,431.61	5,538,838.50
SUGER BEET PULP	KG	3,566,278	5,881,853.56	7,237,046.91
Rhodes grass hay	KG	291,999	595,451.01	753,092.27
Wheat Straw	KG	1,376,595	2,350,658.91	3,596,295.19
Napier grass	KG	495,130	4,065,520.49	7,808,204.39
soyahunls	KG	1,155,188	1,965,110.11	3,018,631.97
Corn fine	KG	3,321,876	6,305,348.94	8,614,571.65
Soyabean Meal	KG	1,335,345	3,395,623.98	4,490,008.40
Canola Meal	KG	736,914	1,041,094.76	2,301,802.43
Felex Seed (Alsee)	KG	106,192	216,548.80	273,878.49
Corn Gluten 30%	KG	355,677	541,699.49	935,795.62
Rapseed meal	KG	343,914	536,815.76	903,535.22
Corn Gluten 60%	KG	131,855	268,882.35	340,066.97
Molases	KG	1,057,229	1,364,747.74	2,045,924.23

#### 4A.2 STATE-OF-THE-ART INFRASTRUCTURE

Ghani Dairies Limited operates a fully mechanized corporate dairy farm equipped with:

- Automated milking parlors and digital herd-management systems for precise yield tracking and hygiene control.
- Modern cow and heifer sheds with climate-controlled ventilation and rubber-matted flooring to ensure animal comfort and productivity.
- On-site silage and feed-storage bunkers, grain silos, and TMR (Total Mixed Ration) mixing equipment to maintain consistent nutrition.
- Dedicated veterinary and hospital facilities for preventive and emergency animal healthcare.
- 1.6 MW solar power system providing stable, renewable energy and reducing operating costs.
- Integrated water-supply and waste-management systems to support continuous, sustainable operations.

These facilities position the Company to maintain high-quality, year-round raw-milk supply and to accommodate the planned herd expansion reflected in the post-expansion capacity figures above.

#### 4A.3 FINANCIAL PERFORMANCE

	FY 2023	FY 2024	FY 2025	Unaudited 3Months FY 2026
Gross Margin	5.43%	5.27%	15.08% <sup>33</sup>	17.42%
Net Margin	2.28%	2.34%	10.80% <sup>34</sup>	11.76%
ROE	8.94%	9.27%	34.29% <sup>35</sup>	32.27% <sup>36</sup>
ROA	4.00%	5.02%	22.62% <sup>37</sup>	21.00% <sup>38</sup>

<sup>33</sup> Gross profit margin improved from 5.3% in 2024 to 15.1% in 2025, driven by a bulk feed strategy and enhanced herd productivity, resulting in controlled costs and higher output per cow.

<sup>34</sup> The increase is driven by IAS 41 fair value gains and stronger core margins supported by higher herd productivity, including 100 imported cows

<sup>35</sup> ROE improved as profits increased significantly while equity rose only marginally.

<sup>36</sup> ROE is calculated on annualized PAT (Profit after tax of Q1FY 2026 \* 12/3) / Average (Total Equity of Q1FY 2026 & FY 2025)

<sup>37</sup> ROA improved due to higher profitability from increased milk production, fair value gains, and cost efficiencies, while the asset base remained largely unchanged.

<sup>38</sup> ROA is calculated on annualized PAT (Profit after tax of Q1FY 2026 \* 12/3) / Average (Total Assets of Q1FY 2026 & FY 2025)



#### 4A.4 Key Customers

Among the top customers of the Company are the Following:

S. No	End User Name	Company's Customers	
1	Nestlé Pakistan Limited	Supplies premium-quality raw milk sourced from Australian and American breed cows, meeting Nestlé quality and safety standards for dairy production.	
2	IRC Dairy Products (Pvt.) Ltd	Provides raw milk of consistent high quality, used in the manufacture of IRC Dairy Products (Pvt.) Ltd including mozzarella cheese, butter, and whey powders.	
3	Fauji Foods Limited	Supplies high-quality raw milk that serves as a key ingredient for Fauji Foods range of dairy products such as UHT milk, flavoured milk, butter, and cheese.	

#### 4A.5 RAW MILK PRODUCTION

Ghani Dairies Limited is exclusively engaged in the production of raw milk, which is collected directly from the farm by processors. Its high-quality herd genetics, precision feeding practices, and cold-chain infrastructure ensure a consistent and reliable quality that meets the requirements of national and multinational processors.

#### 4A.4 INNOVATION

The Company maintains a culture of continuous innovation, leveraging advanced technologies to enhance efficiency and quality. Key initiatives include:

- Automated milking parlors and a digital herd-management platform for real-time monitoring of yield, health, and genetics.
- Precision-nutrition TMR (Total Mixed Ration) systems to optimize feed conversion, reduce wastage, and improve animal well-being.
- Renewable energy infrastructure, including a 1.6 MW solar power system, which lowers operating costs and minimizes environmental impact.
- These investments strengthen productivity, traceability, and biosecurity, positioning Ghani Dairies as a model for modern, technology-driven dairy farming in Pakistan.



#### 4A.6 GEOGRAPHIC FOOTPRINT

Ghani Dairies operates a state-of-the-art corporate dairy farm at Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan, strategically located near major consumption hubs such as Lahore, Faisalabad, and Islamabad. This central location provides efficient access to key national and multinational dairy processors, ensuring reliable, cost-effective supply and distribution across Pakistan's high-demand markets.

#### 4A.7 JUSTIFICATION

The proposed floor price of PKR 24.00 per share, reflecting a premium of PKR 23.00 over the face value of PKR 1.00 per share, is considered appropriate for the following reasons:

- The Company has demonstrated steady growth in herd size, milk production, and revenues since the commencement of operations, supported by disciplined financial management and improving operating efficiencies.
- Pakistan is among the world's largest milk-producing countries, with sustained growth in demand for hygienically processed and packaged dairy products, providing a favorable backdrop for organized dairy players.
- Investments in automated milking systems, a 1.6 MW solar power generation facility, and modern herd-management practices have enhanced productivity, reduced operating costs, and improved margin stability.
- The ongoing capacity expansion is expected to increase milk output, strengthen recurring supply arrangements with major processors, and support improved profitability going forward.

Based on CTI's review, the Company's strong historical performance, diversified revenue streams, inclusion of new milk processors, and favorable industry dynamics support the sustainability of its business performance. Accordingly, these factors support the proposed floor price of PKR 24.00 per share, as per Discounted Cash Flow (DCF).

Under the Price-to-Earnings (P/E) multiple approach, the fair value of the Company, based on the average P/E multiple of the peer group, has been assessed at PKR 37.17 per share, indicating a potential upside of approximately 10.63% over the maximum price band. These valuation outcomes support the appropriateness of a price band of up to 40% above the floor price.

At the floor price of PKR 24.00 per share, the Company is being offered at a P/E multiple of 17.56x, based on an earnings per share of PKR 1.37 for the year ended 30 June 2025, calculated on a pre-IPO share base of 325,000,000 ordinary shares. This valuation is considered reasonable in light of the Company's growth prospects and profitability.

For comparison, the average P/E multiple of the peer group within the Food & Personal Care Products sector is 27.13x, while the Company is being offered at a significantly lower multiple of 17.56x, providing valuation headroom for investors. Accordingly, a price band of 40% over the floor price, resulting in a maximum price of PKR 33.60 per share, has been proposed.

#### 4A.8 POST IPO FREE FLOAT DISCLOSURES

Post IPO, the Share Capital will increase from 325,000,000 Ordinary Shares to 429,200,000 Ordinary Shares. The free float status post IPO is presented in the below table:

Description	Number of shares	% Shareholding status
Held by Sponsor, Directors	325,000,000	75.72%
Held by Other Shareholders – Free Float	-	-
Offered in IPO – Free Float	104,200,000	24.28%
<b>Total</b>	<b>429,200,000</b>	<b>100.0%</b>



#### 4A.9 PEER GROUP ANALYSIS

Peer analysis of companies listed on PSX is provided below:

Company	Share (PKR) <sup>39</sup>	EPS - TTM (PKR) <sup>40</sup>	BVPS` (PKR) <sup>41</sup>	P/E (x) <sup>42</sup>	P/B (x) <sup>43</sup>	Free Float (Shares in Million)	Free Float %	ROA <sup>44</sup>	ROE
At-Tahur Limited	38.79	2.50	28.22	15.52	1.37	65.59	30.00%	6.11%	8.86%
Fauji Foods Limited	19.11	0.45	4.20	42.56	4.55	503.99	20.00%	5.51%	10.69%
Nestle Pakistan Limited	8,010.51	366.43	467.58	21.86	17.13	2.27	5.00%	17.93%	78.37%
Frieslandcampina Engro Pakistan Limited	84.87	2.97	21.40	28.60	3.97	76.66	10.00%	5.73%	13.87%
<b>Peer Group Average (x)</b>				<b>27.13</b>	<b>6.76</b>				
<b>Peer Group Median (x)</b>				<b>25.23</b>	<b>4.26</b>				
<b>KSE-100<sup>45</sup></b>				<b>9.07</b>	<b>1.59</b>				
<b>Ghani Dairies Limited (Pre-Issue)</b>	24.00 <sup>46</sup>	1.37 <sup>47</sup>	4.58 <sup>48</sup>	17.56 <sup>49</sup>	5.24 <sup>50</sup>	-	-	19% <sup>51</sup>	29.86%
<b>Ghani Dairies Limited (Post-Issue)</b>	24.00	1.03 <sup>52</sup>	3.47 <sup>53</sup>	23.19	6.93	104.2	24.28%	19%	29.86%

Note: The peer group includes companies listed on the Pakistan Stock Exchange that are primarily engaged in milk and dairy processing. These companies are considered comparable to the Issuer for valuation purposes.

39 Share Price as at December 24, 2025.

40 EPS based on TTM Income on latest quarter as of September 30, 2025 and total outstanding shares on Annual 2025 & 2024.

41 BVPS is as of latest quarter report as of September 30, 2025.

42 P/E calculated based on TTM PAT as at September 30, 2025 and Price as at December 24, 2025.

43 P/B Limited calculated based on Latest quarter report as at September 30, 2025 and Share price as of December 24, 2025.

44 ROE and ROA are based on September 30, 2025 and TTM Income of latest quarter report as of September 30, 2025.

45 KSE-100 Multiple as of December 24, 2025.

46 Ghani Dairies Limited Issue Price.

47 EPS based on Annual Income as of June 30, 2025 and total outstanding shares are based on October 28, 2025 auditor statement on Paid Up Capital.

48 BVPS is as of Annual report as of June 30, 2025.

49 Ghani Dairies Limited P/E calculated based on Annual accounts PAT as at June 30, 2025 and Issue Price.

50 Ghani Dairies Limited P/B calculated based on Annual report as at June 30, 2025 and Issue Price.

51 Ghani Dairies Limited ROE and ROA based on Annual accounts June, 2025 equity and total assets and PAT Income of Annual accounts as of June 30, 2025.

52 Ghani Dairies Limited EPS based on Annual Income as of June 30, 2025 and total outstanding shares are based on Post IPO outstanding shares of 429.2 Million.

53 Ghani Dairies Limited BVPS is as of Annual report as of June 30, 2025 and total outstanding shares are based on Post IPO outstanding shares of 429.2 Million



## 5 RISK FACTORS

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### 5.1 INTERNAL RISK

#### 5.1.1 Feed Price Volatility and Cost Concentration Risk

Feed is the single largest cost component of dairy operations. Any increase in prices of raw materials, medicines, or imported additives may materially reduce profitability. In FY2025, feed-related inputs comprised an estimated 65–70% of the Company's cost of sales, exposing margins to commodity and supply disruptions.

#### 5.1.2 Customer Concentration Risk

Currently major sales are driven from 3 prominent customers - Nestlé Pakistan Limited, IRC Dairy Products (Pvt.) Ltd, and Fauji Foods Limited, which collectively account for 100% of total revenue from FY 2023 to FY 2025 for break-up of revenue refer to section 3.16

Any reduction in demand, delay in pickup, change in procurement policy, or pricing renegotiation by these customers may materially affect revenue and profitability.

Trade receivables were PKR 36.72 million in FY2025, representing approximately 2% of total assets. The aging of trade receivables falls within 1–90 days.

#### 5.1.3 Herd Health, Mortality and Disease Outbreak Risk

Milk production depends heavily on herd health. Contagious diseases, mastitis outbreaks, heat stress, or mortality events can materially impact production levels and financial results. Livestock mortality expense was PKR 52.8 million in FY2025, representing a material operating cost. A widespread disease outbreak could significantly reduce herd size and milk output

#### 5.1.4 Absence of Long-Term Sales Contracts

Milk sales are conducted through recurring agreements. The absence of binding long-term contracts exposes revenue to abrupt changes in customer procurement cycles and price renegotiations.

#### 5.1.5 Sponsor Dependence and Related Party Funding Risk

As of FY 2025, the Company has PKR 574 million in sponsor loans from its majority shareholders. The Sponsors, including Hafiz Avais Ghani (CEO) and Shoaib Ghani (Director), collectively hold a significant portion of shareholding—28.39% and 32.03% post-IPO, respectively.

The Company's operations and growth plans remain materially dependent on continued support from its sponsors. Any withdrawal, recall, or non-renewal of related-party funding could adversely affect the Company's liquidity, financial position, and ability to execute its strategic objectives.



#### 5.1.6 Negative Cashflow from Operations

The Company was in a growth phase, and since FY2023 was an initial year of operations, operating cash flows were negative.

#### 5.1.7 Working Capital and Liquidity Risk

The Company reported a **quick ratio of 0.38x in FY2025**, indicating reliance on efficient cash management. Historical cash flow from operations has shown volatility, including negative Cashflow from operation in FY2023. Trade receivables were **PKR 36.7 million in FY2025**, and delays in recovery may strain liquidity.

#### 5.1.8 Seasonality Risk

Milk yield is inherently seasonal, with production lower in summer months and higher in cooler months. Seasonal variations may affect revenue patterns and inventory cycles.

#### 5.1.9 Technology and Equipment Obsolescence Risk

The Company relies on automated milking and herd-management systems. Prior years included material capital expenditure (e.g., PKR 534 million in FY2022 and PKR 280 million in FY2024). Obsolescence or malfunction of such systems may disrupt operations and require material reinvestment.

#### 5.1.10 Key Personnel and Skill Dependency Risk

Operations rely heavily on veterinarians, nutritionists, and skilled farm managers. Departure of critical personnel may impact herd productivity, quality control, and continuity.

#### 5.1.11 Potential Litigation, Contingent Liabilities, and Tax Exposures

Any litigation, regulatory inquiry, or tax assessment may result in penalties or financial loss.

#### 5.1.12 Pending Finalization of Key Suppliers

Suppliers for certain high-value biological assets and specialized plant and machinery have not yet been finalized. Delays or unfavorable terms in contracting these vendors may impact production ramp-up, expansion timelines, and financial performance.

#### 5.1.13 Concentration in a Single Product Segment

The Company generates substantially all its revenue from the sale of raw milk. Any adverse event affecting milk demand or pricing can materially impact financial performance.

#### 5.1.14 Auditor's Qualified Opinion

No qualification has been reported to date; however, any future qualification could affect investor confidence in the financial statements.



### 5.1.15 Financial Performance

Profitability has strengthened, with PAT stood at PKR 444 million and EPS to PKR 13.67 ( Restated PKR 1.37 based on share split ) in FY2025, but the business remains sensitive to feed and utility costs that can pressure margins.

### 5.1.16 Capital Structure

The debt-to-equity ratio increased from 0.11x in FY2022 to 0.24x in FY2025, indicating a gradual rise in leverage. Despite the increase, the company's reliance on sponsor loans (PKR 574 million) highlights continued dependence on related-party funding.

### 5.1.17 Per-Share Valuation

Break-up value per share stood at PKR 45.76 ( Restated PKR 4.57 based on share split) in FY2025, reflecting stronger equity; further equity issuance could dilute this metric.

## 5.2 EXTERNAL RISK

### 5.2.1 Raw Material and Imported Input Supply Chain Risk

Imported feed additives, medicines, and nutritional supplements expose the Company to global supply chain disruptions. Any shortage or delay may impact herd health and production.

### 5.2.2 Supplier Concentration Risk:

In FY2025, a significant portion of the Company's medicine purchases—approximately 80%—was sourced from Lucky Core Industries Ltd (43.28%) and Ghazi Brothers (36.79%), despite a historically more diversified supplier base. This concentration increases the Company's exposure to supply disruptions, adverse pricing changes, or operational issues with these suppliers, which could negatively impact production continuity and financial performance.

### 5.2.3 Foreign Currency Exposure

Biological assets, specialized dairy equipment, and plant machinery are imported and priced in USD. Depreciation of the PKR against the USD could increase acquisition costs, capital expenditure, and operating expenses, potentially impacting profitability and cash flows.

### 5.2.4 Foreign Exchange Risk

Depreciation of the Pakistani rupee increases the cost of imported inputs. In FY2025, the Company incurred significant imported-input costs, and although PAT margins strengthened to 11%, further currency weakness could offset these gains. Consequently, the Company's profitability remains sensitive to fluctuations in exchange rates.

### 5.2.5 Regulatory and Taxation Risk

Changes in customs duties, sales tax, import policies, or withdrawal of sector incentives may adversely affect cost structure. Effective tax and levy burden were **14.5% of PBT in FY2025**.

### 5.2.6 Economic Slowdown and Market Demand Risk

Macroeconomic weakness and declining consumer purchasing power may reduce demand for processed dairy products, which may in turn reduce procurement volumes from processors.



### 5.2.7 Climate, Environmental and ESG Risks

Extreme weather, heat stress, water scarcity, and waste-management requirements pose operational and compliance risks. Adverse climate conditions may reduce fodder availability and herd productivity.

### 5.2.8 Competition Risk

New expansion or increased production capacity by existing competitors may put downward pressure on milk prices.

### 5.2.9 Unofficial Trade and Informal Sector Risk

The prevalence of informal/raw milk supply channels can distort pricing and may affect volumes procured from commercial farms.

### 5.2.10 Political and Law-and-Order Risk

Political instability, transport blockages, or law-and-order incidents may disrupt supply chain, input transport, and delivery of milk to processors.

### 5.2.11 Pandemic and Global Outbreak Risk

The Company is exposed to risks from pandemics, global health crises, and outbreaks of contagious animal diseases such as Lumpy Skin Disease and Bovine Respiratory Disease (BRD). Such events may disrupt operations, supply chains, livestock health, and overall productivity, potentially impacting logistics, market demand, and financial performance.

### 5.2.12 Vendor Concentration Risk

The Company relies on number of suppliers for critical inputs, including feed, high-yield cattle, veterinary medicines, and specialized equipment. Any disruption, delay, or change in terms by these suppliers may affect production, increase costs, or require sourcing from alternative vendors on less favorable terms.

### 5.2.13 Interest Rate Risk

Finance costs remain modest (PKR 6.2 million in FY2025), but rising interest rates or additional borrowing for expansion could increase funding costs.

### 5.2.14 Change in Regulatory/Custom Duties

New or revised duties and taxes on dairy inputs or products could affect competitiveness and profitability.

### 5.2.15 Anti-Dumping Laws

Relaxation of anti-dumping protections or changes in import policy could allow lower-priced imports to compete with domestic producers.

### 5.2.16 Threat of New Entrants

Large-scale entrants with advanced technology or aggressive pricing could pressure market share and margins.

### 5.2.17 Economic Slowdown

Macroeconomic instability or declining consumer spending could dampen demand for formal-sector dairy products.

### 5.2.18 Unofficial Trade Channels

Smuggling and informal trade of dairy products can distort pricing and reduce demand for formal sector products.



### 5.2.19 Political and Security Risk

Policy shifts, political unrest, or law-and-order issues may disrupt operations or supply chains.

## 5.3 CAPITAL MARKET & IPO RISK

### 5.3.1 Under-subscription Risk

The IPO may be under-subscribed due to lack of investor interest. The Book Building process shall be cancelled if:

- Bids received are less than the number of shares allocated under Book Building; or
  - Fewer than 40 bids are received.
- In such cases, bid money shall be refunded to investors.

### 5.3.2 Capital Market Risk

Post-listing, share price will be subject to fluctuations driven by Company performance, macroeconomic conditions, interest rate movements, regulatory changes, political events, and investor sentiment.

### 5.3.3 Forward-Looking Statements

This Prospectus contains forward-looking statements that involve risks and uncertainties. Actual results may differ materially from expectations due to various factors.

## 5.4 PROJECT RELATED RISK

### 5.4.1 Cost Overruns

The Company has already invested about PKR 1.4 billion in capital projects from FY2022 through FY2025, including herd expansion and modern farm infrastructure. With the planned post-IPO capacity build-out, unexpected inflation, exchange-rate movements, or construction delays could increase project costs or extend timelines.

### 5.4.2 Pending Regulatory Approvals

Necessary regulatory approvals and licenses must be obtained and maintained; failure to do so may hinder project operations.

### 5.4.3 Absence of EPC/Turnkey Contractor

The Company does not engage a single EPC or turnkey contractor and executes its expansion through multiple specialized contractors and suppliers managed internally, which may expose it to coordination, execution, and delay risks. Any delay or underperformance by contractors could adversely affect project timelines, utilization of IPO proceeds, and the Company's operations and financial performance.

### 5.4.4 Track Record Risk

Project success depends on management execution. Any deficiency in execution capability may delay project outcomes

## 5.5 REGULATORY & TAXATION RISK

### 5.5.1 Change in Duties/Taxes

Increase in duties, sales tax, or withdrawal of concessions on feed, medicines, or packaging materials could increase costs and reduce margins. Effective tax & Levy burden stood at 14.5% % of PBT in FY2025

### 5.5.2 Dependence on Regulatory Protection

The dairy sector benefits from tariff barriers and local sourcing incentives. Any rollback may expose the Company to increased competition.



### 5.5.3 Transfer Pricing Risk

In case of related party transactions for supply of goods or services, there is a risk of regulatory scrutiny on pricing arrangements.

## 5.6 OTHER RISKS

### 5.6.1 Market Expansion Risk

Expansion into new markets or product segments without a proven track record may carry execution challenges.

### 5.6.2 Law and Order Situation


Unforeseen events, strikes, or deterioration in law and order could disrupt operations and supply chain

***Note: It is stated that all material risk factors have been disclosed and that nothing has been concealed in this respect.***



## 5.7 CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE ISSUER

A Company Of Ghani Group

 **GHANI DAIRIES LIMITED**

20<sup>th</sup> September, 2025

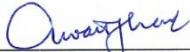
**Subject: Certificate by the Chief Executive Officer and the Chief Financial Officer of the Issuer**


We being the Chief Executive Officer and the Chief Financial Officer of the Ghani Dairies Limited (the "Issuer") accept absolute responsibility for the disclosures made in the Prospectus. We hereby certify that we have reviewed the Prospectus and that it contains all the necessary information with regard to the Issue and constitutes full, true and plain disclosures of all material facts relating to the ordinary shares being offered through this Prospectus and that nothing has been concealed.


The information contained in this Prospectus is true and correct to the best of our knowledge and the opinions and intends expressed herein are honestly held.

There are no other facts, the omission of which makes this Prospectus as a whole or any part thereof misleading.

For and on behalf of Ghani Dairies Limited

  
Hafiz Avais Ghani  
Chief Executive Officer



  
Toheed Akram  
Chief Financial Officer

**Head Office**  
45 Aurangzeb Block,  
New Garden Town,  
Lahore - Pakistan 54000

**Site Office**  
Ghani Dairies Limited  
Rakh Rahdari, Tehsil Noorpur Thal,  
District Khushab.

**Contact**  
+92-42-35952184-85  
+92-42-35952070

[www.ghanidairies.com](http://www.ghanidairies.com) | [info@ghanidairies.com](mailto:info@ghanidairies.com)

**GHANI DAIRIES**



5.8 UNDERTAKING BY THE COMPANY ITS SPONSORS AND DIRECTORS:

**E-STAMP**

ID : **PB-LHR-C4E538C843A6B4FC**  
 Type : **Low Denomination**  
 Amount : **Rs 100/-**

Description : CERTIFICATE OR OTHER DOCUMENT- 19  
 Applicant : GHANI DAIRIES LIMITED (00000-C000000-0)  
 Representative From : GHANI DAIRIES LIMITED  
 Agent : PARIS SAEED (35202-3024456-7)  
 Address : Lahore  
 Issue Date : 20-Sep-2025 11:22:23 AM  
 Delisted On/Validity : 27-Sep-2025  
 Amount in Words : One Hundred Rupees Only  
 Reason : In favor of Pakistan Stock Exchange  
 Vendor Information : Asif Yaqoob | PB-LHR-26 | Barkat Market

Scan for online verification

**ASIF YAQOUB E-STAMP VENDOR**  
 PB-LHR-26 | Barkat Market, Lahore.

Serial No. 746

**NIAZ AHMAD**  
 ADVOCATE HIGH COURT  
 & NOTARY PUBLIC  
 Notification no 82/ga/2016/3.8.9(b) 1,  
 endorsement no 7077

نوٹ یہ فراہم کنندہ تاریخ اجراء سے سات دنوں تک کے لیے قابل استعمال ہے۔ یہی اسٹامپ کی تصدیق بذریعہ ویب سائٹ، کمپیوٹر کوڈ سے کی جا سکتی ہے۔

Date: September 20, 2025

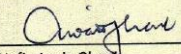
Pakistan Stock Exchange Limited  
 Stock Exchange Building  
 Stock Exchange Road  
 Karachi-74000, Pakistan

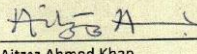
**UNDERTAKING BY THE COMPANY AND ITS SPONSORS**

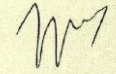
Ghani Dairies Limited and its Sponsors undertake that;


- 1) Neither the Company nor its directors, sponsors or substantial shareholders have been holding office of the directors or have been sponsors or substantial shareholders in any Company:
  - a. Which had been declared defaulter by the securities exchange or future exchanges or
  - b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines, etc.
- 2) Which has been de-listed by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
- 3) None of the Sponsors, Major Shareholders, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company has made full disclosure regarding any/ or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

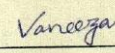
For and on behalf of Ghani Dairies Limited

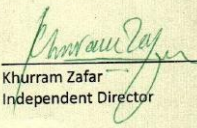
  
 Hafiz Avais Ghani  
 Chief Executive Officer

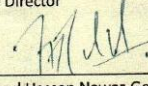
  
 Aitzaz Ahmed Khan  
 Non - Executive Director


  
 Shoaib Ghani  
 Executive Director

  
 Ahad Ghani  
 Executive Director

  
 Vaneeza Avais  
 Non Executive Director

  
 Khurram Zafar  
 Independent Director

  
 Muhammad Hassan Nawaz Gondal  
 Independent Director





**E-STAMP**



ID : **PB-LHR-1A9F7DD13DA1ADFC**  
 Type : **Low Denomination**  
 Amount : **Rs 100/-**



Scan for online verification



Description : CERTIFICATE OR OTHER DOCUMENT- 19  
 Applicant : GHANI DAIRIES [35200-0000000-0]  
 Representative From : GHANI DAIRIES  
 Agent : Self  
 Address : Lahore  
 Issue Date : 4-Oct-2025 10:07:26 AM  
 Delisted On/Validity : 11-Oct-2025  
 Amount in Words : One Hundred Rupees Only  
 Reason : In Favour of Pakistan Stock Exchange  
 Vendor Information : Asif Yaqoob | PB-LHR-26 | Barkat Market

**ASIF YAQOOB E-STAMP VENDOR**  
 PB-LHR-26 | Barkat Market, Lahore.

Serial No.                     

**NIAZ AHMAD**  
 ADVOCATE HIGH COURT  
 & NOTARY PUBLIC  
 Notification no 82 general S.9(b) 1,  
 endorsement no 7877

نوٹ: یہ فراہم کردہ تاریخ اجراء سے سات دنوں تک، اس فراہم کنندہ کے استعمال سے، اس اسٹامپ کی تصدیق باہرہ وپب سائنڈھ کوڈز کوڈ سے کی جا سکتی ہے۔

Date: 7<sup>th</sup> October, 2025

Pakistan Stock Exchange Limited  
 Stock Exchange Building  
 Stock Exchange Road  
 Karachi-74000, Pakistan

**UNDERTAKING BY THE COMPANY AND ITS SPONSORS**

Ghani Dairies Limited and its Sponsors undertake that;

- 1) Neither the Company nor its directors, sponsors or substantial shareholders have been holding office of the directors or have been sponsors or substantial shareholders in any Company:
  - a. Which had been declared defaulter by the securities exchange or future exchanges or
  - b. Whose TRE certificate has been cancelled or forfeited by the Exchange, PMEX or any other registered stock exchange of Pakistan that existed prior to integration of stock exchanges pursuant to Integration Order number 01/2016 dated January 11, 2016 issued by the Commission due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines, etc.
- 2) Which has been de-listed by the Exchange due to its non-compliance of any applicable provision of PSX Regulation.
- 3) None of the Sponsors, Major Shareholders, Directors or Management of the Company as well as the Company itself or its Associated Company / Entity have been found guilty of being engaged in any fraudulent activity. The Company has made full disclosure regarding any/ or all cases in relation to involvement of the person named above in any alleged fraudulent activity i.e. pending before any Court of Law / Regulatory Body / Investigation Agency in or outside of the country.

For and on behalf of Ghani Dairies Limited

Vaneerza.  
 For and on behalf of  
 Ghani Holdings & Ventures (Pvt) Limited




Saad  
 Saad Ghani  
 Sponsor



5.9 STATEMENT BY THE ISSUER

A Company Of Ghani Group



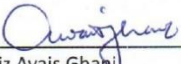
**GHANI DAIRIES LIMITED**


Date: 15<sup>th</sup> October, 2025

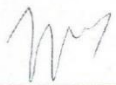
**The Chief Executive**  
Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

On behalf of **Ghani Dairies Limited**, ("GDL" or the "Company"), we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the **Prospectus** and that whatever is stated in **Prospectus** and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **Ghani Dairies Limited**,

  
Hafiz Avais Ghani  
Chief Executive Officer  
Ghani Dairies Limited



  
Shoaib Ghani  
Director  
Ghani Dairies Limited

**Head Office**  
45 Aurangzeb Block,  
New Garden Town,  
Lahore - Pakistan 54000

**Site Office**  
Ghani Dairies Limited  
Rakh Rahdari, Tehsil Noorpur Thal,  
District Khushab.

**Contact**  
+92-42-35952184-85  
+92-42-35952070

[www.ghanidairies.com](http://www.ghanidairies.com) | [info@ghanidairies.com](mailto:info@ghanidairies.com)

**GHANI DAIRIES**



5.10 STATEMENT BY THE CONSULTANT TO THE ISSUE



JS Global Capital Limited  
17/18th Floor, The Centre  
Plot No. 28, S8-5  
Abdullah Haroon Road  
Saddar, Karachi-74400, Pakistan.  
www.jsgcd.com

UAN: +92 21 111 574 111  
Fax: +92 21 3563 2574  
NTN: 1558280-9

October 7, 2025

**The Chief Executive**

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Being mandated as Consultant to the Issue to the **Initial Public Offering of Ghani Dairies Limited**, ("GDL" or the "Company"), we hereby confirm that all material information as required under the Companies Act, 2017, the Securities Act, 2015, the Public Offering Regulations, 2017 and the Listing of Companies and Securities Regulations of the Pakistan Stock Exchange Limited has been disclosed in the **Prospectus** and that whatever is stated in **Prospectus** and the supporting documents is true and correct to the best of our knowledge and belief and that nothing has been concealed.

For and behalf of **JS Global Capital Limited**,

**Muhammad Khalilullah Usmani**  
Chief Executive Officer



## 6 FINANCIAL INFORMATION

### 6.1 AUDITOR CERTIFICATE ON ISSUED, SUBSCRIBED, AND PAID-UP-CAPITAL OF THE COMPANY



**Crowe Hussain Chaudhury & Co.**  
7<sup>th</sup> Floor, Gul Mohar Trade Centre,  
8-F Main Market, Gulberg II,  
Lahore-54660, Pakistan  
Main +92-42-3575 9223-5  
www.crowe.pk

October 28, 2025

Ref. No. P/25428/25

The Board of Directors  
**Ghani Dairies Limited**  
45 Aurangzeb Block, New Garden Town,  
Lahore

Dear Sirs,

#### **AUDITOR'S CERTIFICATE ON ISSUED, SUBSCRIBED AND PAID-UP CAPITAL UNDER CLAUSE 14(i) OF SECTION 1 OF PUBLIC OFFERING REGULATIONS, 2017**

We have been requested to certify the issued, subscribed and paid-up capital of Ghani Dairies Limited ("the Company") as at October 28, 2025 as required under Clause 14(i) of Section 1 of the First Schedule to the Public Offering Regulations, 2017.

#### **Scope of Certificate**

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(i) of Section 1 of the First Schedule to the Public Offering Regulations, 2017 for onward submission to Pakistan Stock Exchange (PSX).

#### **Management Responsibility**

It is the management's responsibility to ensure compliance with the requirements of Clause 14(i) of Section 1 of the First Schedule to the Public Offering Regulations, 2017. The management's responsibilities include maintaining and updating the statutory registers and records including members' register, relevant statutory forms, and complying the regulatory requirements under the applicable laws, rules and regulations. This certificate does not relieve the management from its responsibilities of maintaining proper books of accounts and disclosing the relevant information based on books of accounts and returns.

#### **Practicing Auditor's Responsibility**

Our responsibility is to certify the issued, subscribed and paid-up capital of the Company as at October 28, 2025 in accordance with the 'Guidelines for Issuance of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to trace the issued, subscribed and paid-up capital of the Company from its Form A, Form 3, register of shareholders of the Company as updated till October 28, 2025.

#### **Certificate**

Based on procedures mentioned above, the issued, subscribed and paid-up capital along with break-up of shareholding of the Company as per audited financial statements for the year ended June 30, 2025 was as follows:

<b>Issued, subscribed and paid-up capital</b>	<b>June 30, 2025 Rupees</b>
32,500,000 ordinary shares of Rs. 10 each fully paid in cash	325,000,000

Crowe Hussain Chaudhury & Co. is a member of Crowe Global, a Swiss Verein. Each member Firm of Crowe Global is a Separate and independent legal entity. Crowe Hussain Chaudhury & Co. and its affiliates are not responsible or liable for any acts or omission of Crowe Global or any other member of Crowe Global. Crowe Global does not render any Professional Services and does not have an Ownership or Partnership interest in Crowe Hussain Chaudhury & Co.  
©2025 Crowe Hussain Chaudhury & Co.



## Crowe

Name of Shareholders	No. of ordinary shares	Amount in Rupees
Mr. Aitzaz Ahmad Khan	2,000	20,000
Mr. Hafiz Avais Ghani	1,247,500	12,475,000
Mr. Shoaib Ghani	1,249,000	12,490,000
Mr. Ahad Ghani	1,500	15,000
M/s. Ghani Holdings & Ventures (Private) Limited (Formerly M/s. Ghani Halal Feed Mill (Private) Limited)	30,000,000	300,000,000

Subsequent to June 30, 2025, the Company undertook a share split, reducing the par value of its ordinary shares from Rs. 10 per share to Rs. 1 per share, increasing the number of shares proportionally.

Following the share split, the shareholding pattern of the Company was revised, keeping the paid-up share capital of the Company unchanged. We certify that the issued, subscribed and paid-up capital along with break-up of shareholding of the Company as at October 28, 2025 is as follows:

Issued, subscribed and paid-up capital	October 28, 2025 Rupees
325,000,000 ordinary shares of Rs. 1 each fully paid in cash	<u>325,000,000</u>

Name of Shareholders	No. of ordinary shares	Amount in Rupees
Mr. Aitzaz Ahmad Khan	20,000	20,000
Mr. Hafiz Avais Ghani	121,864,950	121,849,950
Mr. Shoaib Ghani	137,489,950	137,489,950
Mr. Ahad Ghani	6,250,000	6,265,000
Mr. Saad Ghani	6,250,000	6,250,000
Ms. Vaneeza Avais	3,125,000	3,125,000
Mr. Khurram Zafar	50	50
Mr. Muhammad Hassan Nawaz Gondal	50	50
M/s. Ghani Holdings & Ventures (Private) Limited	<u>50,000,000</u>	<u>50,000,000</u>
	<u>325,000,000</u>	<u>325,000,000</u>

### Restriction on use and distribution

This certificate is issued as Statutory Auditors of the Company at the management's request for inclusion in the prospectus for the Initial Public Offer and submission to the Pakistan Stock Exchange Limited (PSX). It is specifically issued for this purpose in accordance with the 'Central Depository Company of Pakistan Limited Regulations' and must not be shared, used, or distributed for any other purpose without our prior written consent and this certificate is restricted to the facts stated herein and is not to be presented as testimony in any court of law.

Yours truly,



## 6.2 AUDITOR CERTIFICATE ON BREAK-UP VALUE PER SHARE



**Crowe Hussain Chaudhury & Co.**  
7<sup>th</sup> Floor, Gul Mohar Trade Centre,  
8-F Main Market, Gulberg II,  
Lahore-54660, Pakistan  
Main +92-42-3575 9223-5  
www.crowe.pk

October 28, 2025

Ref. No. P/25430/25

The Board of Directors  
**Ghani Dairies Limited**  
45 Aurangzeb Block, New Garden Town,  
Lahore

Dear Sirs,

**AUDITOR'S CERTIFICATE ON BREAK-UP VALUE PER SHARE AS ON OCTOBER 28, 2025 UNDER CLAUSE 14(ii) OF SECTION 1 OF PUBLIC OFFERING REGULATIONS, 2017 BASED ON AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025**

We have been requested to provide a certification on break-up value of ordinary shares of Ghani Dairies Limited ("the Company") as at October 28, 2025 based on the audited financial statements for the year ended June 30, 2025 as required under Clause 14(ii) of Section 1 of the First schedule to the Public Offering Regulations, 2017.

**Scope of Certificate**

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 14(ii) of Section 1 of the First Schedule to the Public Offering Regulations, 2017 for onward submission to Pakistan Stock Exchange (PSX).

**Management Responsibility**

It is management's responsibility to compute break-up value of ordinary shares of the Company based on the audited financial statements for the year ended June 30, 2025 in accordance with the requirements of the Accounting Technical Release (ATR-22) of The Institute of Chartered Accountants of Pakistan (ICAP) and to ensure compliance with Clause 14(ii) of Section 1 of the First Schedule to the Public Offering Regulations, 2017. The management's responsibilities include maintaining adequate accounting records, selection and application of accounting policies, designing internal controls, safeguarding of the assets of the Company, prevention and detection of fraud and irregularity, maintaining and updating the statutory registers and records including members' register, relevant statutory forms and complying the regulatory requirements under the applicable laws, rules and regulations. This certificate does not relieve the management from its responsibilities of maintaining proper books of accounts and disclosing the relevant information based on books of accounts and returns.

**Practicing Auditor's Responsibility**

Our responsibility is to certify the compliance of the requirement with regards to computation of break-up value of ordinary shares of the Company in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by The Institute of Chartered Accountants of Pakistan. Our verification was limited to the procedures as mentioned below:

- a. Verify the relevant financial information used for the purpose of calculating the breakup-value of ordinary shares by the management of the Company from the audited financial statements for the year ended June 30, 2025;
- b. Review compliance with the requirements of Accounting Technical Release (ATR-22) of The Institute of Chartered Accountants of Pakistan.
- c. Obtained and reviewed the special resolution approving the split of shares from Rs. 10 to Rs. 1 each.
- d. Obtained and reviewed attested copies of Form 26 and Form 7 to verify the implementation of the share split to Rs. 1 per share.

Crowe Hussain Chaudhury & Co. is a member of Crowe Global, a Swiss Verein. Each member Firm of Crowe Global is a Separate and independent legal entity. Crowe Hussain Chaudhury & Co. and its affiliates are not responsible or liable For any acts or omission of Crowe global or any other member of Crowe Global. Crowe Global does not render any Professional Services and do not have an Ownership or Partnership interest in Crowe Hussain Chaudhury & Co.  
©2025 Crowe Hussain Chaudhury & Co.



### Certificate

Based on procedures mentioned above and the audited financial statements of the Company for the year ended June 30, 2025, the break-up value of ordinary shares of the Company as at June 30, 2025, was as follows:

	Note	June 30, 2025 Rupees
Issued, subscribed and paid-up capital	A	325,000,000
Un-appropriated profit	B	587,879,704
Revaluation surplus on property, plant and equipment	C	-
Total shareholders' equity including revaluation surplus on property, plant and equipment	<b>D = A + B + C</b>	912,879,704
Total shareholders' equity excluding revaluation surplus on property, plant and equipment	<b>E = A + B</b>	912,879,704
Number of ordinary shares of Rs. 10 each	F	32,500,000
Breakup-value per ordinary share of Rs. 10 each including revaluation surplus on property, plant and equipment	<b>G = D / F</b>	28.088
Breakup-value per ordinary share of Rs. 10 each excluding revaluation surplus on property, plant and equipment.	<b>H = E / F</b>	28.088

Subsequent to June 30, 2025, the Company effected a share split dated July 14, 2025, whereby the par value of its ordinary shares was reduced from Rs. 10 to Rs. 1 per share.

Based on the aforesaid share split and using the financial information drawn from the audited financial statements for the year ended June 30, 2025, we hereby certify that the revised breakup value per share as at October 28, 2025, is as follows:

	Note	*June 30, 2025 Rupees
Issued, subscribed and paid-up capital	A	325,000,000
Un-appropriated profit	B	587,879,704
Revaluation surplus on property, plant and equipment	C	-
Total shareholders' equity including revaluation surplus on property, plant and equipment	<b>D = A + B + C</b>	912,879,704
Total shareholders' equity excluding revaluation surplus on property, plant and equipment	<b>E = A + B</b>	912,879,704
Number of ordinary shares of Rs. 1 each ( <b>As on October 28, 2025</b> )	F	325,000,000
Breakup-value per ordinary share of Rs. 1 each including revaluation surplus on property, plant and equipment	<b>G = D / F</b>	2.8088
Breakup-value per ordinary share of Rs. 1 each excluding revaluation surplus on property, plant and equipment	<b>H = E / F</b>	2.8088

\*The revised breakup value per share reflects the impact of the share split dated October 28, 2025, and has been calculated based on the book value derived from the shareholders' equity as at June 30, 2025.



**Restriction on use and distribution**

This certificate is issued as Statutory Auditors of the Company at the management's request for inclusion in the prospectus for the Initial Public Offer and submission to the Pakistan Stock Exchange Limited (PSX). It is specifically issued for this purpose in accordance with the Central Depository Company of Pakistan Limited Regulations and must not be shared, used, or distributed for any other purpose without our prior written consent and this certificate is restricted to the facts stated herein and is not to be presented as testimony in any court of law.

Yours truly,

*Amir Hussain Chaudhry*



### 6.3 AUDITOR REPORT UNDER CLAUSE 1 OF SECTION 2 OF FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017



October 28, 2025

Ref. No. P/25429/25

The Board of Directors  
**Ghani Dairies Limited**  
 45 Aurangzeb Block, New Garden Town,  
 Lahore.

Dear Sirs,

#### **AUDITOR'S REPORT UNDER CLAUSE 1 OF SECTION 2 OF THE FIRST SCHEDULE TO THE PUBLIC OFFERING REGULATIONS, 2017**

We have been requested to provide a report on certain information of Ghani Dairies Limited ("the Company") as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017.

#### **Scope of Report**

Our engagement was undertaken on the request of the management of the Company for the purpose of inclusion of information in prospectus to be issued for Initial Public Offer as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017 for onward submission to Pakistan Stock Exchange (PSX).

#### **Management Responsibility**

It is management's responsibility to ensure compliance with Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017. The management's responsibilities include maintaining adequate accounting records, selection and application of accounting policies, designing internal controls, safeguarding the assets of the Company, prevention and detection of fraud and irregularity. This certificate does not relieve the management from its responsibilities of maintaining proper books of accounts and disclosing the relevant information based on books of accounts.

#### **Practicing Auditor's Responsibility**

Our responsibility is to report compliance of requirement with regards to the information as required under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017 in accordance with the 'Guidelines for Issue of Certificates for Special Purposes by Practicing Chartered Accountant Firms' issued by the Institute of Chartered Accountants of Pakistan. Our verification was limited to;

- a) Trace and check the relevant financial information from the audited financial statements for the years ended on June 30, 2023, June 30, 2024 and June 30, 2025;
- b) Check the details of dividend paid by the Company during the years ended on June 30, 2023, June 30, 2024 and June 30, 2025.

#### **Certificate**

We certify that:

1. We have audited the financial statements for the years ended on June 30, 2024 and June 30, 2025. We have obtained the audited financial statements for the year ended June 30, 2023 which were audited by another firm of Chartered Accountants.
2. In terms of the requirement under Clause 1 of Section 2 of the First Schedule to the Public Offering Regulations, 2017, and based on the audited financial statements, we state as under:

Crowe Hussain Chaudhury & Co. is a member of Crowe Global, a Swiss Verein. Each member Firm of Crowe Global is a Separate and independent legal entity. Crowe Hussain Chaudhury & Co. and its affiliates are not responsible or liable for any acts or omission of Crowe Global or any other member of Crowe Global. Crowe Global does not render any Professional Services and does not have an Ownership or Partnership interest in Crowe Hussain Chaudhury & Co.  
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- a. Summary of assets, liabilities and shareholder's equity of the Company based on the audited financial statements, identified above, is as follows:

	June 30, 2025	June 30, 2024	June 30, 2023
	Rupees	Rupees	Rupees
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	839,133,816	719,219,469	491,620,332
Biological assets	784,619,083	406,741,428	402,022,687
Intangible assets	1,017,471	1,387,460	1,757,449
Long term deposits	3,493,729	3,493,729	3,493,729
	<u>1,628,264,099</u>	<u>1,130,842,086</u>	<u>898,894,197</u>
<b>Current Assets</b>			
Stock in trade	242,320,513	180,282,705	201,947,269
Stores and spares	45,565,039	13,168,734	22,711,999
Biological assets	507,476	-	-
Trade debts	36,723,210	25,791,838	-
Advance, deposits, prepayments and other receivables	207,865,817	223,588,010	184,075,691
Cash and bank balance	176,939,206	15,127,663	42,623,079
	<u>709,921,261</u>	<u>457,958,950</u>	<u>451,358,038</u>
<b>Total Assets</b>	<u><u>2,338,185,360</u></u>	<u><u>1,588,801,036</u></u>	<u><u>1,350,252,235</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital			
Ordinary shares of Rs. 10 each	<u>325,000,000</u>	<u>325,000,000</u>	<u>125,000,000</u>
Issued, subscribed and paid-up share capital	325,000,000	325,000,000	125,000,000
Unappropriated profits	587,879,704	143,729,832	70,024,702
Loan from sponsors	574,340,496	634,322,580	292,100,000
<b>Shareholder's equity</b>	1,487,220,200	1,103,052,412	487,124,702
<b>Non-Current Liabilities</b>			
Long term financing	263,169,968	117,581,997	80,497,981
Deferred tax liability	30,282,810	42,187,978	13,543,119
	<u>293,452,778</u>	<u>159,769,975</u>	<u>94,041,100</u>
<b>Current Liabilities</b>			
Trade and other payables	369,853,884	263,854,212	740,488,516
Security deposit	12,480,000	12,480,000	-
Accrued mark up	1,023,786	998,049	1,283,980
Provision for taxation and levy	87,198,684	20,963,251	11,373,692
Current portion of long term financing	86,956,028	27,683,137	15,940,245
	<u>557,512,382</u>	<u>325,978,649</u>	<u>769,086,433</u>
<b>Contingencies and Commitments</b>	-	-	-
<b>Total Equity and Liabilities</b>	<u><u>2,338,185,360</u></u>	<u><u>1,588,801,036</u></u>	<u><u>1,350,252,235</u></u>



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- b. Statements of profit or loss and other comprehensive income of the Company based on the audited financial statements, identified above, are as follows:

	Year Ended June 30, 2025	Year Ended June 30, 2024	Year Ended June 30, 2023
	Rupees	Rupees	Rupees
Revenue from contract with customers	1,777,875,838	1,495,146,049	786,994,141
Gain arising on initial recognition of milk at fair value less cost of sell	1,963,098,400	1,591,616,928	1,013,624,312
Gain arising from changes in fair value less cost to sell of dairy stock	370,975,077	58,172,181	40,545,912
Cost of revenue	(3,491,961,857)	(2,979,101,021)	(1,741,150,537)
<b>Gross Profit</b>	<b>619,987,458</b>	<b>165,834,137</b>	<b>100,013,828</b>
Administrative expenses	(52,261,813)	(30,919,127)	(21,463,542)
<b>Operating Profit</b>	<b>567,725,645</b>	<b>134,915,010</b>	<b>78,550,286</b>
Other operating expenses	(52,807,509)	(47,255,663)	(38,771,854)
Finance cost	(6,213,659)	(4,385,200)	(3,643,164)
Other income	10,738,911	40,039,039	30,768,805
<b>Profit before Levy and Taxation</b>	<b>519,443,388</b>	<b>123,313,240</b>	<b>66,904,073</b>
Levy	(36,299,434)	(10,198,988)	(911,506)
<b>Profit before Taxation</b>	<b>483,143,954</b>	<b>113,114,252</b>	<b>65,992,567</b>
Taxation	(38,994,082)	(39,409,122)	(24,005,305)
<b>Net Profit for the Year</b>	<b>444,149,872</b>	<b>73,705,130</b>	<b>41,987,262</b>
<b>Other comprehensive income</b>			
Item that will not be re-classified subsequently to profit or loss	-	-	-
Items that may be re-classified subsequently to profit or loss	-	-	-
Total other comprehensive income/(loss) for the year	-	-	-
<b>Total Comprehensive Income for the Year</b>	<b>444,149,872</b>	<b>73,705,130</b>	<b>41,987,262</b>

3. No dividend paid by the Company during the years ended June 30, 2023, June 30, 2024 and June 30, 2025;
4. The Company did not have any subsidiaries as at June 30, 2023, June 30, 2024 and June 30, 2025;



**Restriction on use and distribution**

This certificate is issued as Statutory Auditors of the Company at the management's request for inclusion in the prospectus for the Initial Public Offer and submission to the Pakistan Stock Exchange Limited (PSX). It is specifically issued for this purpose in accordance with the 'Central Depository Company of Pakistan Limited Regulations' and must not be shared, used, or distributed for any other purpose without our prior written consent and this certificate is restricted to the facts stated herein and is not to be presented as testimony in any court of law.

Yours truly,

A handwritten signature in black ink, appearing to read "Omar Hussain Chaudhry".





## 6.4 SHARIAH COMPLIANCE CERTIFICATE



October 7, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

### SHARIAH COMPLIANCE OF GHANI DAIRIES (PRIVATE) LIMITED

We, Al-Hilal Shariah Advisors (Pvt.) Limited, have conducted Shariah Compliance Screening of Ghani Dairies (Private) Limited based on the financial statements of June 30, 2025 (Audited) as provided to us by company management.

We have thoroughly analyzed the financial statement on the basis of Shariah screening criteria issued by our Shariah Supervisory Council. In light of the information provided and our evaluation, we hereby certify that the investments in shares of Ghani Dairies (Private) Limited is Shariah compliant and there is no evidence contrary to it.

Hence it is resolved that it is permissible to invest in shares of Ghani Dairies (Private) Limited.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.

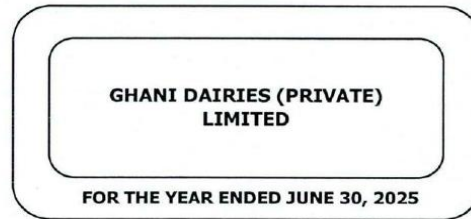
Mufti Irshad Ahmad Aijaz  
Member Shariah Council



Faraz Younus Bandukda, CFA  
Chief Executive



6.5 DETAILED LATEST AUDITED ACCOUNTS OF THE ISSUER INCLUDING NOTES TO THE ACCOUNTS





**Crowe Hussain Chaudhury & Co.**  
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 8-F Main Market, Gulberg II,  
 Lahore-54660, Pakistan  
 Main +92-42-3575 9223-5  
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## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF GHANI DAIRIES (PRIVATE) LIMITED

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the annexed financial statements of **GHANI DAIRIES (PRIVATE) LIMITED (the Company)**, which comprise the statement of financial position as at June 30, 2025 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information 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, the 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, its comprehensive income, the changes in equity and its cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the 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 is responsible for the other information. The other information comprises the information included in the Annual 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 the 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 of the Company 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.

We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

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

- proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- the statement of financial position, the 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 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;
- investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- no Zakat was deductible at source under Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Amin Ali.

Lahore  
Dated: September 12, 2025  
UDIN: : AR2025100516EK1ygQDa

  
CROWE HUSSAIN CHAUDHURY & CO.  
Chartered Accountants



**GHANI DAIRIES (PRIVATE) LIMITED**  
STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	5	839,133,816	719,219,469
Biological assets	6	784,619,083	406,741,428
Intangible assets	7	1,017,471	1,387,460
Long term deposits	8	3,493,729	3,493,729
		1,628,264,099	1,130,842,086
<b>Current Assets</b>			
Stock-in-trade	9	242,320,513	180,282,705
Stores and spares	10	45,565,039	13,168,734
Biological assets	11	507,476	-
Trade debts	12	36,723,210	25,791,838
Advances, deposits, prepayments and other receivables	13	207,865,817	223,588,010
Cash and bank balances	14	176,939,206	15,127,663
		709,921,261	457,958,950
		<u>2,338,185,360</u>	<u>1,588,801,036</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital: 32,500,000 (2024: 32,500,000) ordinary shares of Rs. 10 each		<u>325,000,000</u>	<u>325,000,000</u>
Issued, subscribed and paid up capital	15	325,000,000	325,000,000
Unappropriated profit		587,879,704	143,729,832
Loan from sponsors	16	574,340,496	634,322,580
<b>Shareholder's Equity</b>		1,487,220,200	1,103,052,412
<b>Non Current Liabilities</b>			
Long term financing	17	263,169,968	117,581,997
Deferred tax liability	18	30,282,810	42,187,978
		293,452,778	159,769,975
<b>Current Liabilities</b>			
Trade and other payables	19	369,853,884	263,854,212
Security deposit	20	12,480,000	12,480,000
Accrued mark up		1,023,786	998,049
Current portion of long term financing	17	86,956,028	27,683,137
Provision for taxation and levy	21	87,198,684	20,963,251
		557,512,382	325,978,649
<b>Contingencies and Commitments</b>	22	-	-
		<u>2,338,185,360</u>	<u>1,588,801,036</u>

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

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR



## GHANI DAIRIES (PRIVATE) LIMITED

### STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Revenue from contract with customers	23	1,777,875,838	1,495,146,049
Gain arising on initial recognition of milk at fair value less costs to sell at the time of milking	24.1	1,963,098,400	1,591,616,928
Gain arising from changes in fair value less costs to sell of dairy livestock	6.2	370,975,077	58,172,181
Cost of revenue	24	<u>(3,491,961,857)</u>	<u>(2,979,101,021)</u>
<b>Gross Profit</b>		619,987,458	165,834,137
Administrative expenses	25	<u>(52,261,813)</u>	<u>(30,919,127)</u>
<b>Operating Profit</b>		567,725,645	134,915,010
Other operating expenses	26	<u>(52,807,509)</u>	<u>(47,255,663)</u>
Finance cost	27	<u>(6,213,659)</u>	<u>(4,385,200)</u>
Other income	28	<u>10,738,911</u>	<u>40,039,093</u>
		<u>(48,282,257)</u>	<u>(11,601,770)</u>
<b>Profit before Levy and Taxation</b>		519,443,388	123,313,240
Levy	29	<u>(36,299,434)</u>	<u>(10,198,988)</u>
<b>Profit before Taxation</b>		483,143,954	113,114,252
Taxation	30	<u>(38,994,082)</u>	<u>(39,409,122)</u>
<b>Net Profit for the Year</b>		<u>444,149,872</u>	<u>73,705,130</u>

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

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**



**GHANI DAIRIES (PRIVATE) LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED JUNE 30, 2025**

	<b>2025</b>	<b>2024</b>
	Rupees	Rupees
<b>Net Profit for the Year</b>	444,149,872	73,705,130
<b>Other comprehensive income</b>		
<i>Items that will not be re-classified subsequently to profit or loss</i>	-	-
<i>Items that may be re-classified subsequently to profit or loss</i>	-	-
<b>Total other comprehensive income</b>	-	-
<b>Total Comprehensive Income for the Year</b>	<u>444,149,872</u>	<u>73,705,130</u>

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

**CHIEF EXECUTIVE OFFICER**

**DIRECTOR**



## GHANI DAIRIES (PRIVATE) LIMITED

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

Particulars	Issued, subscribed and paid up capital	Unappropriated Profit	Loan from Sponsors	Total
	Rupees	Rupees	Rupees	Rupees
<b>Balance as at June 30, 2023</b>	125,000,000	70,024,702	292,100,000	487,124,702
Net profit for the year	-	73,705,130	-	73,705,130
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	73,705,130	-	73,705,130
Loan from sponsors - net	-	-	342,222,580	342,222,580
<b>Transactions with owners</b>				
Issuance of shares	200,000,000	-	-	200,000,000
<b>Balance as at June 30, 2024</b>	325,000,000	143,729,832	634,322,580	1,103,052,412
Net profit for the year	-	444,149,872	-	444,149,872
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	444,149,872	-	444,149,872
Loan from sponsors - net	-	-	(59,982,084)	(59,982,084)
<b>Balance as at June 30, 2025</b>	<u>325,000,000</u>	<u>587,879,704</u>	<u>574,340,496</u>	<u>1,487,220,200</u>

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

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**



## GHANI DAIRIES (PRIVATE) LIMITED

### STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Profit before Levy and Taxation		519,443,388	123,313,240
Adjustments for:			
- Depreciation on property, plant and equipment	5.2	61,048,965	45,925,191
- Amortization on intangible asset	7.1	369,989	369,989
- Loss on sale of calves/heifers		(3,274,896)	-
- Gain arising from changes in fair value less costs to sell of dairy livestock	6.2	(370,975,077)	(58,172,181)
- Fair value gain on male calves		(507,476)	-
- Mortality expense	26	14,751,477	36,166,871
- Loss on sale of calves/heifers	26	-	1,949,572
- Workers' (profit) participation fund expense	26	27,874,971	6,622,623
- Interest on Workers' (profit) participation fund	26	1,655,656	-
- Workers' welfare fund expense	26	8,525,405	2,516,597
- Finance cost	27	6,003,659	4,212,118
		(254,527,327)	39,590,780
<b>Operating profit before working capital changes</b>		<b>264,916,061</b>	<b>162,904,020</b>
Decrease / (Increase) in current assets:			
- Stock in trade	9	(62,037,808)	21,664,564
- Stores and spares	10	(32,396,305)	9,543,265
- Trade debts	12	(10,931,372)	(25,791,838)
- Advances, deposits, prepayments and other receivables	13	15,722,193	(39,512,319)
(Decrease) / increase in current liabilities:			
- Trade and other payables	19	35,797,811	(30,492,921)
- Security deposit payable	20	-	12,480,000
		(53,845,481)	(52,109,249)
<b>Cash Generated from Operations</b>		<b>211,070,580</b>	<b>110,794,771</b>
Finance cost paid		(5,977,922)	(4,498,049)
Workers' (profit) participation fund paid		-	(5,283,796)
Income tax paid		(20,963,251)	(11,373,692)
<b>Net Cash Generated from Operating Activities</b>		<b>184,129,407</b>	<b>89,639,234</b>
<b>Cash Flows from Investing Activities</b>			
Purchase of operating fixed assets	5.1	(4,480,107)	(130,748,046)
Additions in capital work in progress	5.1	(150,083,205)	(142,776,282)
Advance against machinery		(26,400,000)	-
Additions in biological assets	6.2	(33,796,055)	(5,944,203)
Sale proceeds on disposal of biological assets	6.2	15,416,896	10,241,200
Insurance claim on death of biological assets	6.2	-	11,040,000
<b>Net Cash Used in Investing Activities</b>		<b>(199,342,471)</b>	<b>(258,187,331)</b>
<b>Cash Flows from Financing Activities</b>			
Issuance of shares	15	-	200,000,000
Advance from related parties - net	19	32,145,829	(449,996,807)
Long term financing - net	17	204,860,862	48,826,908
Loan from sponsors obtained		10,000,000	994,539,332
Loan from sponsors repayment	16	(69,982,084)	(652,316,752)
<b>Net Cash Generated from Financing Activities</b>		<b>177,024,607</b>	<b>141,052,681</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>		<b>161,811,543</b>	<b>(27,495,416)</b>
Cash and cash equivalents at the beginning of the year		15,127,663	42,623,079
<b>Cash and Cash Equivalents at the End of the Year</b>		<b>176,939,206</b>	<b>15,127,663</b>

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

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**



## GHANI DAIRIES (PRIVATE) LIMITED

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

#### Note 1

#### Corporate and General Information

##### Legal status and operations

Ghani Dairies (Private) Limited ("the Company") was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984 (Now the Companies Act, 2017) on October 21, 2020.

The Company is domiciled in Pakistan and is principally engaged in the business of milk production from cows.

The geographical location and address of the Company's offices/ other premises are as under:

<b>Business unit</b>	<b>Geographical Location</b>
Head office	45-Aurangzeb Block, New Garden Town, Lahore.
Dairy farm	Noorpur, district Khushab

- 1.1** The Company is a subsidiary of Ghani Halal Feeds (Private) Limited, which holds 92.31% shareholding in the Company. Ghani Halal Feeds (Private) Limited is a private Company incorporated in Pakistan and is principally engaged in the service sector, generating income primarily through rental of property and profit on bank deposits.

#### Note 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 Standard (IFRS) 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

##### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise stated in respective notes.

##### 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures are rounded off to the nearest rupee, unless otherwise stated.

##### 2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of operating fixed assets – Note 3.1 & 5
- Current income tax expense, provision for current tax and recognition of deferred tax– Note 3.7, 18, 21, 29 & 30



*Note 2, Basis of Preparation- Continued...*

- Biological assets 3.6, 6 & 11
- Estimation of contingent liabilities – Note 4.2 & 22
- Useful life and amortization of intangible asset – Note 4.1 & 7
- Provision for expected credited losses, liquidity damages - Note 3.5 and 12
- Impairment loss of Non financial assets other than stock in trade - Note 3.15

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is 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.

**2.5 Changes in accounting standards, interpretations and pronouncements**

**2.5.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year**

The following standards, amendments, and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional disclosures.

Standards, interpretations and amendments		Effective Date - Annual periods beginning on or after
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 7	Amendments to IFRS 7 "Financial Instruments Disclosures" - Supplier Finance Arrangements	January 1, 2024
IFRS 16	Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

**2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standards, interpretations and amendments		Effective Date - Annual periods beginning on or after
IAS 21	Amendments to lack of exchangeability	January 1, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9	January 1, 2026
IFRS 7 & 9	Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 1, 7, 9, 10 and IAS 7	Annual Improvements to IFRS Accounting Standards	January 1, 2026

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025:



*Note 2, Basis of Preparation- Continued...*

- IFRS 01 - First Time Adoption of IFRS
- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - IFRS 19 'Subsidiaries Without Public Accountability - Disclosures'
- IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 - Climate-Related Disclosures

The management believes that adoption of the new standards, amendments and interpretations, which are in issue but not yet effective, is not likely to have any material impact, on the recognition, measurement, presentation and disclosure of items in the financial statements for current and future periods and foreseeable future transactions.

**Note 3**

**Material Accounting Policies Information**

Material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

**3.1 Property, Plant and Equipment**

***Initial recognition***

All items of operating fixed assets are initially recorded at cost.

***Subsequent measurement***

These are stated at cost less accumulated depreciation and any identified impairment loss except freehold land and capital work-in-progress which are stated at cost less any identified impairment loss. Cost of property, plant and equipment consists of historical cost and other directly attributable costs of bringing the assets to working condition.

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 benefit associated with the item will flow to the company and cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

***Depreciation***

Depreciation on property, plant and equipment is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives. The Company charges the depreciation on additions from the day when the asset is available for use till the day asset is disposed off. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

***Disposal***

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying value of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

***Judgment and estimates***

Useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any change in estimate is accounted for on a prospective basis.

**3.2 Capital Work in Progress**

Capital work in progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred are charged to capital work in progress. These are transferred to property, plant and equipment as and when these are available for use.



*Note 3, Material Accounting Policies Information - Continued...*

**3.3 Inventories**

Inventories are stated at lower of cost and net realizable value. Cost is determined as follows:

***Stores and spares***

Useable stores and spare parts are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

***Stock-in-trade***

Cost of raw milk is the fair value less cost to sell at the time of milking of agriculture produce in accordance with the provisions of IAS 41. Cost of feed for cows comprises of invoice values plus other charges paid thereon. Cost of feed is based on weighted average cost.

The Company estimates the net realizable value of stock-in-trade to assess any diminution in the respective carrying values. Net realizable value is determined with reference to estimated selling price less estimated expenditure to make sale.

**3.4 Method of preparation of statement of cash flow**

The statement of cash flow is prepared using indirect method.

**3.5 Trade and other receivables**

***Measurement***

Trade and other receivables are recognised at transaction price less any allowance for impairment.

***Impairment***

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts are carried at original invoice amount less provision for doubtful debt. The expected credit loss is determined using a simplified approach and is calculated on a lifetime basis. Bad debts are written off when identified. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

***Judgments and estimates***

The provision for doubtful debts of the Company is based on the ageing analysis and the management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, the management considers, among other factors, the creditworthiness and the past collection history of each customer.

**3.6 Biological**

Dairy livestock are measured on initial recognition and at end of each reporting period at their fair value less costs to sell. Fair value of dairy livestock is determined by independent valuers on the basis of best available estimates for livestock dairy of similar attributes. Costs to sell are the incremental costs directly attributable to the disposal of an asset mainly comprises of transportation costs.

Gains or losses arising from changes in fair value less costs to sell of dairy livestock are recognized in the statement of profit or loss.

Dairy livestock are categorized as mature or immature. Mature dairy livestock are those that have attained harvestable specifications. Immature dairy livestock have not yet reached that stage.

**3.7 Taxation**

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.



*Note 3, Material Accounting Policies Information - Continued..*

**Current**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. Super tax applicable on company is also calculated as per applicable tax rates as per Income Tax Ordinance, 2001.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments. The Company offsets current tax assets and current tax liabilities if, and only if, it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFRIC 21. Further, the Company also charges tax expense under levy when tax is calculated under final tax regime.

**Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and unused tax losses and credits.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

**Judgment and estimates**

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.



*Note 3, Material Accounting Policies Information - Continued...*

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

***Off-setting***

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity is a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**3.8 Provisions**

***Recognition and measurement***

Provisions for legal claims, service warranties and make good obligations are recognized when the entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

***Judgement and estimates***

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

**3.9 Revenue recognition**

The Company follows IFRS 15 for the recognition of revenue from all its revenue streams. The Company determines revenue recognition using the following step wise approach:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, a performance obligation is satisfied

When recognizing revenue in relation to sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access. Revenue from the sale of agriculture produce is measured at fair value of the consideration received or receivable at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**3.10 Related party transactions**

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party are at arm's length prices determined as per the Company policy except in circumstances where it is not in the interest of the Company to do so.



Note 3, Material Accounting Policies Information - Continued...

### 3.11 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

### 3.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

### 3.13 Financial assets

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchase and sales of financial instruments are recognised and derecognised, as applicable using trade-date accounting or settlement date accounting

#### **Classification**

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The management determines the classification of its financial assets at the time of initial recognition.

#### **Initial recognition and measurement**

Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss account. Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15.

#### **Subsequent measurement**

Financial assets carried at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss account. The company's financial statements includes trade receivable, long term loans and recoverable from employees at amortised cost.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference in fair value and dividend arising on equity is charged to the profit or loss account.

Financial assets at fair value through other comprehensive income are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the effective interest rate method is credited to the statement of profit or loss account. Dividends on equity instruments are credited to the statement of profit or loss account when the Company's right to receive payments is established.

#### **Derecognition**

Financial assets are derecognized when:

- The contractual rights to receive cash flows from the assets have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Company has transferred substantially all the risks and rewards of the asset; or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognized in profit or loss account.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

*Note 3, Material Accounting Policies Information - Continued...*

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability which cannot be offset with the related asset. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

If the Company's continuing involvement is in only a part of a financial asset, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the consideration received for the part no longer recognized is recognized in statement of profit or loss.

***Impairment of financial assets***

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

**3.14 Financial liabilities*****Initial recognition and measurement***

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

The Company does not reclassify any of its financial liabilities.

Financial liabilities are initially recognized at fair value minus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value and transaction costs are credited in the statement of profit or loss.

***Subsequent measurement***

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss account. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss account when the liabilities are derecognized.

**3.15 Off-setting of financial assets and financial liabilities**

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.



*Note 3, Material Accounting Policies Information - Continued...*

**3.16 Impairment of non-financial assets other than inventories**

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss.

**3.17 Staff Retirement Benefits**

The Company operates a defined contributory provident fund for its full-time permanent employees. Contributions are made equally by the Company and the employee at 8.33% of basic salary in the Provident Fund on monthly basis. Company's contribution is recognized as a cost in profit or loss. To be eligible for the provident fund, the employee should have salary above forty five thousand rupees and must complete a probation period of three months.

The Company is in the process of registering a separate provident fund. Meanwhile all the funds are held within the Company.

**3.18 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at book value which approximates their fair value. For the purposes of the cash flow statement, cash equivalents comprise cash in hand, cash at banks and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

**3.19 Trade and other payables**

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

**Note 4**

**Summary of Other Accounting Policies**

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

**4.1 Intangible asset**

**Acquired**

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably. Cost of intangible assets includes purchase cost and directly attributable expenses incidental to bring the software to its intended use.

Costs that are directly associated with identifiable software and have probable economic benefits beyond one year, are recognized as an intangible asset. However, costs associated with the maintenance of software are recognized as an expense.



Note 3, Material Accounting Policies Information - Continued...

**Measurement and amortisation**

All intangible assets are measured initially at cost and subsequently stated at cost less accumulated amortization and identified impairment losses, if any. Amortization is charged to profit or loss using the straight line method so as to write off the cost of an asset over its estimated useful life. The amortization period and the amortization method for intangible assets are reviewed, at each reporting date, and adjusted if impact on the amortization is significant.

**Judgment and estimates**

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any change in estimate is accounted for on a prospective basis.

**4.2 Contingent liabilities**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence 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.

**4.3 Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

**4.4 Foreign currency transactions and translations**

Transactions in foreign currencies are translated into Pak Rupees by applying the foreign exchange rate ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the reporting date are retranslated into Pak Rupees at the exchange rate prevailing at that date. Differences between translated amounts and recorded amounts are recognized in the statement of profit or loss account.

**4.5 Borrowing cost**

Interest, mark-up and other charges on long-term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long-term finances. All other interest, mark-up and other charges are recognized in statement of profit or loss.

**4.6 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

**Level 1**

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2**

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

**Level 3**

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.



GHANI DAIRIES (PRIVATE) LIMITED  
Notes to and forming part of the Financial Statements

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Note 5  
Property, Plant and Equipment

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	5.1	731,323,570	613,804,827
Capital work in progress	5.3	81,410,246	105,414,642
Advance against plant and machinery	5.5	26,400,000	-
		<u>839,133,816</u>	<u>719,219,469</u>

5.1 Operating fixed assets

Year Ended June 30, 2025

Particulars	Cost			Rate %	Depreciation			Net Book Value as at June 30, 2025 Rupees
	As at July 01, 2024 Rupees	Additions / Transfers Rupees	As at June 30, 2025 Rupees		As at July 01, 2024 Rupees	For the year Rupees	As at June 30, 2025 Rupees	
Freehold land	15,399,184	-	15,399,184	-	-	-	-	15,399,184
Building and sheds	356,021,756	157,574,242	513,595,998	5	31,693,342	18,873,632	50,566,974	463,029,024
Plant and machinery	175,526,680	16,513,359	192,040,039	15	34,819,762	21,801,330	56,621,092	135,418,947
Furniture and fixtures	1,283,920	-	1,283,920	15	376,788	136,070	512,858	771,062
Vehicles	108,674,672	-	108,674,672	15	9,548,190	14,868,972	24,417,162	84,257,510
Office and electrical equipment	44,508,035	4,480,107	49,448,142	15	11,933,727	5,278,244	17,211,971	32,236,171
Computers	419,590	-	419,590	30	117,201	90,717	207,918	211,672
<b>Balance as at June 30, 2025</b>	<u>702,293,837</u>	<u>178,567,708</u>	<u>880,861,545</u>		<u>88,489,010</u>	<u>61,048,965</u>	<u>149,537,975</u>	<u>731,323,570</u>

Year Ended June 30, 2024

Particulars	Cost			Rate %	Depreciation			Net Book Value as at June 30, 2024 Rupees
	As at July 01, 2023 Rupees	Additions / Transfers Rupees	As at June 30, 2024 Rupees		As at July 01, 2023 Rupees	For the year Rupees	As at June 30, 2024 Rupees	
Freehold land	4,025,184	11,374,000	15,399,184	-	-	-	-	15,399,184
Building and sheds	337,466,953	18,554,803	356,021,756	5	14,923,894	16,769,448	31,693,342	324,328,414
Plant and machinery	111,773,542	63,753,138	175,526,680	15	17,367,553	17,452,209	34,819,762	140,706,918
Furniture and fixtures	1,156,420	127,500	1,283,920	15	278,632	148,136	376,788	907,132
Vehicles	38,345,296	70,329,376	108,674,672	15	3,415,137	6,133,053	9,548,190	99,126,482
Office and electrical equipment	41,258,147	3,709,888	44,968,035	15	6,562,021	5,371,706	11,933,727	33,034,308
Computers	158,609	260,981	419,590	30	66,582	50,619	117,201	302,389
<b>Balance as at June 30, 2024</b>	<u>534,184,151</u>	<u>168,109,686</u>	<u>702,293,837</u>		<u>42,563,819</u>	<u>45,925,191</u>	<u>88,489,010</u>	<u>613,804,827</u>



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Note 5, Property, Plant and Equipment - Continued...

5.1.1 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Covered Area (Sq. ft.)
Rakh Rahdari, Tehsil Noorpur Thal, District Khushab	Dairy farm operations	2,374,020

5.2 Depreciation charge for the year has been allocated as under:

	Note	2025 Rupees	2024 Rupees
Cost of revenue	24	45,953,206	39,593,363
Administrative expenses	25	15,095,759	6,331,828
		<u>61,048,965</u>	<u>45,925,191</u>

5.3 Capital work in progress

	Building		Plant and Machinery		Total	
	2025	2024	2025	2024	2025	2024
Opening balance	61,274,164	-	44,140,478	-	105,414,642	-
Additions during the year	96,300,078	79,828,967	53,783,127	62,947,315	150,083,205	142,776,282
	157,574,242	79,828,967	97,923,605	62,947,315	255,497,847	142,776,282
Transferred to operating fixed assets	(157,574,242)	(18,554,803)	(16,513,359)	(18,806,837)	(174,087,601)	(37,361,640)
Closing balance	-	61,274,164	81,410,246	44,140,478	81,410,246	105,414,642

5.4 Capital work in progress includes solar panel and TMR machine.

5.5 This represents the advance given to Valley Irrigation Pakistan for purchase of center pivot irrigation system.

5.6 A vehicle with carrying value amounting to Rs. 4,344,031 (2024: Rs. 5,110,625) acquired with the funds of the Company, is registered in the name of Ghani Hilal Feed Mills (Private) Limited (Parent).



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Note 6

**Biological Assets**

	Note	2025 Rupees	2024 Rupees
<b>Dairy Livestock</b>			
Mature		603,450,000	396,622,526
Immature		181,169,083	10,118,902
		<u>784,619,083</u>	<u>406,741,428</u>

**6.1** As at June 30, 2025, the company held 1,341 mature cows (2024: 1,095 mature cows) which were able to produce milk and 1,071 immature cows (2024: 890 immature cows) which are being raised to produce milk in the future. During the year, the Company produced 12.269 million gross liters of milk from the mature cows (2024: 10.47 million gross liters).

**6.2** Reconciliation of carrying amount of dairy livestock

Opening balance		406,741,428	402,022,687
Purchases during the year		33,796,055	5,944,203
Fair value gain on young heifers	6.2.1	370,975,077	58,172,181
Loss due to death of dairy livestock		(14,751,477)	(47,206,871)
Disposed off during the year		(12,142,000)	(12,190,772)
Closing balance		<u>784,619,083</u>	<u>406,741,428</u>

**6.2.1** The valuation of dairy livestock as at June 30, 2025, has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at June 30, 2025.

Note 7

**Intangible Assets**

	2025 Rupees	2024 Rupees
Software	<u>1,017,471</u>	<u>1,387,460</u>
<b>7.1 Software</b>		
Opening balance	1,387,460	1,757,449
Additions during the year	-	-
	1,387,460	1,757,449
Amortization for the year	(369,989)	(369,989)
Net carrying value as at June 30	<u>1,017,471</u>	<u>1,387,460</u>
<b>7.2 Gross carrying value</b>		
Cost	1,849,946	1,849,946
Accumulated amortization	(832,475)	(462,486)
Net book value	<u>1,017,471</u>	<u>1,387,460</u>
<b>7.3 Accumulated amortization</b>		
Opening balance	462,486	92,497
Charge for the year	369,989	369,989
Closing balance	<u>832,475</u>	<u>462,486</u>
Amortization rate per annum (%)	<u>20%</u>	<u>20%</u>

**7.4** The Company has implemented ODOO, which has a finite useful life of 5 years. Amortization charge for the year has been allocated to administrative expenses.



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Note 8

**Long Term Deposits**

	Note	2025 Rupees	2024 Rupees
Security Deposit	8.1	<u>3,493,729</u>	<u>3,493,729</u>

**8.1** This represents security deposit with FESCO for the electricity transformer installed at dairy farm.

Note 9

**Stock in Trade**

	2025 Rupees	2024 Rupees
Feed	<u>242,320,513</u>	<u>180,282,705</u>

Note 10

**Stores and Spares**

	2025 Rupees	2024 Rupees
Stores and spares	10,275,721	4,756,093
Medicine and vaccination	33,439,841	4,368,074
Oil and lubricants	<u>1,849,477</u>	<u>4,044,567</u>
	<u>45,565,039</u>	<u>13,168,734</u>

Note 11

**Biological assets**

	Note	2025 Rupees	2024 Rupees
Male calves	11.1	<u>507,476</u>	<u>-</u>

**11.1** As at reporting date June 30, 2025 there were 3 (2024: Nil) immature male calves held by the Company.

Note 12

**Trade Debts**

	Note	2025 Rupees	2024 Rupees
Local trade debts (unsecured - considered good)	12.1	<u>36,723,210</u>	<u>25,791,838</u>

**12.1** These customers have no recent history of default. For ageing analysis of trade debts refer Note 34.1.

Note 13

**Advances, Deposits, Prepayments and Other receivables**

	2025 Rupees	2024 Rupees
Advances (unsecured) to:		
- Suppliers	48,311,303	12,175,846
- Employees	500,000	-
Advance income tax	17,107,899	26,354,557
Sales tax receivable	138,574,212	181,304,656
Prepaid insurance	429,330	330,262
Profit receivable on deposit account	675,142	1,406,616
Advance against LC	2,267,931	-
Margins held by bank	-	2,016,073
	<u>207,865,817</u>	<u>223,588,010</u>

Note 14

**Cash and Bank Balances**

	Note	2025 Rupees	2024 Rupees
Cash in hand		372,410	2,151,811
Cash at banks:			
- Current accounts		3,522	3,522
- Savings accounts	14.1	<u>176,563,274</u>	<u>12,972,330</u>
		<u>176,939,206</u>	<u>15,127,663</u>



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Note 14, Cash and bank balances - Continued...

- 14.1 The savings accounts yield interest at floating rates based on daily bank deposit rates ranging from 8% to 15% (2024: 15% to 22%) per annum.
- 14.2 The above figures of cash and bank balances reconcile to the amount of cash and cash equivalents shown in the statement of cash flows.

Note 15  
**Issued, Subscribed and Paid up Capital**

	2025	2024		2025	2024
	----Number of shares----			Rupees	Rupees
	<u>32,500,000</u>	<u>32,500,000</u>	Ordinary shares of Rs. 10 each fully paid in cash	<u>325,000,000</u>	<u>325,000,000</u>

- 15.1 M/s. Ghani Halal Feed Mill (Private) Limited is the parent company holding 92.31% (2024: 92.31%) of the issued share capital of the Company.

- 15.2 Reconciliation of number of shares outstanding:

	2025	2024
	----Number of shares----	
<b>Ordinary shares</b>		
Number of shares outstanding at the beginning of the year	32,500,000	12,500,000
Shares issued during the year	-	20,000,000
Number of shares outstanding at the end of the year	<u>32,500,000</u>	<u>32,500,000</u>

- 15.3 All ordinary shares rank equally with respect to residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. The voting and other rights are in proportion to the shareholding.

Note 16  
**Loan from Sponsors**

		2025	2024
	Note	Rupees	Rupees
Opening balance		634,322,580	292,100,000
Add: Loan received during the year	16.1	<u>10,000,000</u>	<u>994,539,332</u>
		644,322,580	1,286,639,332
Less: Loan repaid during the year		<u>(69,982,084)</u>	<u>(652,316,752)</u>
Closing balance		<u>574,340,496</u>	<u>634,322,580</u>

- 16.1 This represents interest free, unsecured loan obtained from sponsors of the Company to meet its liquidity / working capital requirements. In line with Technical Release - 32 (TR 32 - Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), these loans are shown as part of the equity as these loans are repayable at the discretion of the Company.

Note 17  
**Long term financing**

		2025	2024
	Note	Rupees	Rupees
<b>Banking companies - secured</b>			
Habib Metropolitan Bank	17.1	11,129,668	13,917,140
Habib Bank Limited	17.2	34,615,384	42,307,692
Bank Islami Pakistan Limited	17.3	65,870,214	79,664,012
Meezan Bank Limited	17.4	5,966,730	9,376,290
Faysal Bank Limited	17.5 & 17.6	<u>232,544,000</u>	-
		350,125,996	145,265,134
Less: Current portion of long term financing		<u>(86,956,028)</u>	<u>(27,683,137)</u>
		<u>263,169,968</u>	<u>117,581,997</u>

- 17.1 This represents a term finance facility from Habib Metropolitan Bank Limited under the SBP Refinancing Scheme for Renewable Energy (Category II) amounting to Rs. 12.51 million, out of which an amount of Rs. 11.13 million was availed. The facility was obtained for the procurement and installation of a solar power project. It carries markup at 2% SBP rate + 1% per annum (2024: 2% SBP rate plus 1% spread). This loan is secured by an exclusive charge of assets/solar project and personal guarantees of directors.



Note 17, Long term financing - Continued...

- 17.2** This represents an Islamic finance facility from Habib Bank Limited under the SBP Scheme for Storage of Agricultural Products (IFFSAP) amounting to Rs. 48.077 million, out of which Rs. 34.62 million was availed. The facility was obtained to finance the CAPEX requirements for the construction of a storage facility for goods pertaining to dairy farming. It carries markup at SBP rate + 1% per annum (2024: SBP rate plus 1% spread). The loan is secured by a first pari passu charge on fixed assets, agricultural land and building and personal guarantees of directors and a corporate guarantee of M/s. Ghani Halal Feed Mills (Private) Limited.
- 17.3** This includes two facilities obtained from Bank Islami Pakistan Limited under SBP Islamic financing Facility:  
-Islamic Temporary Economic Refinance Facility (ITERF) amounting to Rs. 25.57 million, out of which Rs. 24.20 million was availed. The facility was obtained to finance the procurement/import of a milking parlour and carries markup at 1% SBP rate + 2% per annum (2024: 1% SBP rate plus 2% spread). The loan is secured by first pari passu charges over fixed assets, including land, building, plant, and machinery along with personal guarantees of all directors of the Company.  
- Islamic Finance for Storage of Agricultural Products (FFSAP) facility amounting to Rs. 50 million, out of which Rs. 41.67 million was availed. The facility was obtained for the construction of storage pits and silos with related accessories and carries markup at 3.5% SBP rate plus 2.5% spread (2024: 3.5% SBP rate plus 2.5% spread). The loan is secured by a ranking charge over fixed assets amounting to Rs. 100 million, personal guarantees of all directors, and a corporate guarantee of M/s. Ghani Mines (Private) Limited.
- 17.4** This represents an Islamic Small and Agricultural Finance (ISAAF) facility obtained from Meezan Bank, amounting to Rs. 10 million, of which Rs. 5.97 million was availed. The facility was secured to finance the procurement/import of a milking parlour and carries markup at 3% SBP rate plus 6% per annum (2024: 3% SBP rate plus 6% spread). The loan is secured by a specific charge of along with personal guarantees of all directors.
- 17.5** This represents an Faysal Bank diminishing musharakah facility obtained from Faysal Bank, amounting to Rs. 36.10 million, of which Rs. 33 million was availed. The facility was secured to central pivot irrigation system and carries markup at KIBOR plus 1.5% per annum with floor 2% and cap 30% (2024: Nil). The loan is secured by a specific charge newly purchased complete central pivoy irriagtion system along with personal guarantees of all directors.
- 17.6** This represents an Faysal Bank diminishing musharakah facility obtained from Faysal Bank, amounting to Rs. 250 million, of which Rs. 200 million was availed. The facility was secured to cater requirements of customer in meeting its working capital requirements for dairy farm against sale and lease back arrangement of his agri property and carries markup at KIBOR plus 1.5% per annum (2024: Nil). The loan is secured by a specific charge on 1st pari passu charge with 25% margin over FA & CA of the company i.e measuring 436 kanal 11 Marla bearing khewat No. 17 Khatooni No 93 to 103 Khasra No Salam Khata 157 Qitat situated in Revenue Estate of Rakh Rahdri, tehsil Noor Pur, District Khushab owned by Ghani Dairies (Private) limited along with personal gurantee of directors.
- 17.7 Letters of credit and guarantee**

The main facilities for opening letters of credit and guarantees aggregate to Rs. 201.773 million (2024: Rs. 90 million). The amount utilized as at June 30, 2025, for letters of credit was 39.40 million (2024: Nil) and for letters of guarantee was Nil (2024: Nil). The amounts unavailed as at the reporting date amount to Rs. 162.20 million (2024: Rs. 90 million). The aggregate facilities for opening letters of credit and letters of guarantee are secured by lien over import documents, 100% cash backed in shape of lien over deposit in the Companies' accounts / directors' account and personal guarantee of all directors of the Company.

Note 18

**Deferred Tax Liability**

	2025	2024
	Rupees	Rupees
<b>Taxable temporary differences</b>		
Deferred tax liability - net	30,282,810	42,187,978
<b>18.1 Deferred tax liability / (asset) - net</b>		
<b>Taxable temporary difference</b>		
Accelerated tax depreciation	47,083,792	41,008,355
Accelerated tax amortisation	83,248	80,473
Workers' (profit) participation fund	(10,845,975)	1,920,561
Workers' welfare fund	(4,093,183)	1,484,376
Others	(1,945,072)	916,257
<b>Deductible temporary difference</b>		
Carry forward of alternative corporate tax - 2023	-	(264,337)
Carry forward of alternative corporate tax - 2024	-	(2,957,707)
	<u>30,282,810</u>	<u>42,187,978</u>



**GHANI DAIRIES (PRIVATE) LIMITED**  
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Note 18, Deferred tax liability - Continued...

**18.2** Deferred tax liabilities / (assets) on temporary differences are measured at effective rate of 30% (2024: 29%).

**18.3** Reconciliation of deferred tax liability:

	2025	2024
	Rupees	Rupees
Opening balance	42,187,978	13,543,119
Tax recognised in statement of profit or loss	<u>(11,905,168)</u>	<u>28,644,859</u>
Closing balance	<u>30,282,810</u>	<u>42,187,978</u>

**18.4** Analysis of change in deferred tax

	Statement of Financial Position		Recognized in profit or loss	
	2025	2024	2025	2024
	Rupees	Rupees	Rupees	Rupees
Accelerated tax depreciation	47,083,792	41,008,355	6,075,437	27,465,236
Accelerated tax amortisation	83,248	80,473	2,775	80,473
Workers' (profit) participation fund	(10,845,975)	1,920,561	(12,766,536)	1,920,561
Workers' welfare fund	(4,093,183)	1,484,376	(5,577,559)	1,484,376
Others	(1,945,072)	916,257	(2,861,329)	916,257
Carry forward of alternative corporate tax - 2023	-	(264,337)	264,337	(264,337)
Carry forward of alternative corporate tax - 2024	-	(2,957,707)	2,957,707	(2,957,707)
	<u>30,282,810</u>	<u>42,187,978</u>	<u>(11,905,168)</u>	<u>28,644,859</u>

**18.5** Deferred tax asset on deductible temporary differences arising due to Alternative Corporate Tax (ACT) available for carry forward under section 113C of the Income Tax Ordinance, 2001 has not been recognised as sufficient taxable profits would not be available for adjustment / utilisation in the foreseeable future.

Note 19

**Trade and Other Payables**

		2025	2024
	Note	Rupees	Rupees
Trade creditors - unsecured		165,656,686	136,850,659
Accrued liabilities - unsecured		16,227,470	18,331,041
Contract liabilities	19.1	48,333,324	45,833,338
Withholding tax payable		3,730,810	609,506
Provident fund payable		6,483,573	3,159,508
Auditors' remuneration payable		1,200,000	1,050,000
Workers' (profit) participation fund	19.2	36,153,250	6,622,623
Workers' welfare fund	19.3	13,643,942	5,118,537
Advance from related parties - unsecured	19.4	78,424,829	46,279,000
		<u>369,853,884</u>	<u>263,854,212</u>

**19.1** This comprises interest fee advance secured from Nestle Pakistan Limited and IRC Dairy Product Limited (a customer), amounting to Rs. 8,333,324 and 40,000,000 (2024: 45,833,338) against supply of milk. This advance is transferred to revenue at a point in time when transfer and control of milk occurred.



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Note 19, Trade and other payables - Continued...

**19.2** Movement in workers' (profit) participation fund during the year

	<b>2025</b>	<b>2024</b>
	Rupees	Rupees
Opening balance	6,622,623	5,283,796
Add: expense recognized during the year	27,874,971	6,622,623
Add: Interest expense.	1,655,656	-
	<u>36,153,250</u>	<u>11,906,419</u>
Less: payments during the year	-	(5,283,796)
Closing balance	<u>36,153,250</u>	<u>6,622,623</u>

**19.3** Movement in workers' welfare fund during the year

Opening balance	5,118,537	2,601,940
Add: expense recognized during the year	8,525,405	2,516,597
	<u>13,643,942</u>	<u>5,118,537</u>
Less: payments during the year	-	-
Closing balance	<u>13,643,942</u>	<u>5,118,537</u>

**19.4** This amount relates to interest free advance from the following related parties:

Ghani Halal Feed Mills (Private) Limited	47,324,000	46,279,000
Ghani Mines (Private) Limited	31,100,829	-
	<u>78,424,829</u>	<u>46,279,000</u>

Note 20

**Security Deposit**

		<b>2025</b>	<b>2024</b>
	Note	Rupees	Rupees
Security deposit payable	20.1	<u>12,480,000</u>	<u>12,480,000</u>

**20.1** This includes security deposit from IRC Dairy Products (Private) Limited (a customer), under the terms of agreement.

Note 21

**Provision for taxation and levy**

		<b>2025</b>	<b>2024</b>
	Note	Rupees	Rupees
Opening balance		20,963,251	11,373,692
Current year provision		87,198,684	20,953,251
Payments / adjustments against advance tax	21.1	<u>(20,963,251)</u>	<u>(11,373,692)</u>
		<u>87,198,684</u>	<u>20,953,251</u>

**21.1** The current tax expense for the year is charged under alternate corporate tax on accounting profit under section 113 at rate of 17% (2024: 17%).

Note 22

**Contingencies and Commitments**

**Contingencies**

There are no known material contingencies as at the reporting date (2024: Nil).

**Commitments**

**22.1** Banking contracts and Letters of credit other than for capital expenditure amount to Rs. 35.176 million (2024: Rs. Nil).

**22.2** Letters of credit for capital expenditure amount to Rs. 33.09 million (2024: Rs. 105.414 million).



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Note 23

**Revenue from contract with customers**

	Note	2025 Rupees	2024 Rupees
<b>Local Sale</b>			
Raw milk			
Less: Sales tax	23.1	2,097,893,491	1,495,146,049
		(320,017,653)	-
		<u>1,777,875,838</u>	<u>1,495,146,049</u>

**23.1** All the revenue is recognised at a point in time.

**23.2** Amount of revenue recognized from opening balance of contract liabilities:

Opening balance of contract liabilities	45,833,338	92,976,706
Revenue recognized	45,833,338	92,976,706

Note 24

**Cost of Revenue**

	Note	2025 Rupees	2024 Rupees
Raw milk consumed	24.1	1,963,098,400	1,591,616,928
Feed consumed	24.2	1,127,199,069	1,036,383,940
Store and spares consumed		23,820,286	29,216,001
Medicine consumed		106,783,961	52,161,366
Salaries, wages and other benefits	24.3	86,185,130	74,828,488
Utilities		100,454,643	95,779,870
Repair and maintenance		3,702,497	3,322,485
Travelling and conveyance		2,352,558	4,042,234
Consultancy charges		6,154,000	2,292,855
Commission		960,556	266,433
Entertainment		4,047,894	5,708,506
Freight charges		19,510,932	18,626,121
Miscellaneous		264,854	75,770
Insurance		1,473,871	25,186,661
Depreciation	5.2	45,953,206	39,593,363
		<u>3,491,961,857</u>	<u>2,979,101,021</u>

**24.1** Raw milk consumed

Inventory at the beginning of the year	-	-
Gain arising on initial recognition of milk at fair value less costs to sell at the time of milking	1,963,098,400	1,591,616,928
Inventory at the end of the year	-	-
	<u>1,963,098,400</u>	<u>1,591,616,928</u>

**24.2** Feed consumed

Inventory at the beginning of the year	180,282,705	201,947,269
Add: purchases during the year	1,189,236,877	1,014,719,376
Available for consumption	1,369,519,582	1,216,666,645
Less: inventory at the end of the year	(242,320,513)	(180,282,705)
Feed consumed	<u>1,127,199,069</u>	<u>1,036,383,940</u>

**24.3** Salaries, wages and benefits include Rs. 1,141,395 (2024: Rs. 927,159) in respect of retirement benefits.



**GHANI DAIRIES (PRIVATE) LIMITED**  
Notes to and forming part of the Financial Statements

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Note 25

**Administrative Expenses**

	Note	2025 Rupees	2024 Rupees
Salaries, wages and other benefits	25.1	18,561,168	18,803,900
Traveling and conveyance		196,266	239,008
Fees and subscription		2,748,146	422,800
Printing and stationery		166,070	61,800
Communication		1,242,190	1,218,900
Legal and professional charges		213,348	1,225,335
Auditors' remuneration		1,200,000	735,000
Entertainment		402,072	671,856
Utilities		2,066,805	838,711
Charity and donation	25.2	10,000,000	-
Amortization	7.3	369,989	369,989
Depreciation	5.2	15,095,759	6,331,828
		<u>52,261,813</u>	<u>30,919,127</u>

25.1 Salaries, wages and benefits include Rs. 520,637 (2024: Rs. 652,295 ) in respect of retirement benefits.

25.2 During the year, donation was paid to M/s Ghani Welfare Works, related party due to common directorship.

Note 26

**Other Operating Expenses**

	2025 Rupees	2024 Rupees
Mortality expense	14,751,477	36,166,871
Workers' (profit) participation fund	27,874,971	6,622,623
Interest on Workers' (profit) participation fund	1,655,656	-
Workers' welfare fund	8,525,405	2,516,597
Loss on sale of calves/helpers	-	1,949,572
	<u>52,807,509</u>	<u>47,255,663</u>

Note 27

**Finance Cost**

	2025 Rupees	2024 Rupees
Markup on long-term financing	6,003,659	4,212,118
Bank charges	210,000	173,082
	<u>6,213,659</u>	<u>4,385,200</u>

Note 28

**Other Income**

	2025 Rupees	2024 Rupees
Profit on savings accounts	6,956,539	26,982,093
Subsidy from Nestle Pakistan	-	13,057,000
Fair value gain on male calves	507,476	-
Gain on sale of calves	3,274,896	-
	<u>10,738,911</u>	<u>40,039,093</u>

Note 29

**Levy**

	2025 Rupees	2024 Rupees
Current year	<u>36,299,434</u>	<u>10,198,988</u>

29.1 This represents portion of alternative corporate tax paid under section 113C of Income Tax Ordinance, 2001, representing levy in terms of requirements of IFRIC 21/IAS 37.



**GHANI DAIRIES (PRIVATE) LIMITED**  
Notes to and forming part of the Financial Statements

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Note 30  
**Taxation**

	2025	2024
	Rupees	Rupees
Income tax - current year	49,105,942	10,764,263
Super tax	1,793,308	-
Deferred tax	<u>(11,905,168)</u>	<u>28,644,859</u>
	<u>38,994,082</u>	<u>39,409,122</u>

**30.1** Reconciliation of Levy and Income tax under IAS-12

Current tax liability as per applicable tax laws	85,405,376	20,963,251
Portion of current tax liability representing income tax as per IAS -12	(49,105,942)	(10,764,263)
Portion of current tax liability representing levy as per IFRIC 21 / IAS 37	<u>(36,299,434)</u>	<u>(10,198,988)</u>
Difference	-	-

**30.2** Income tax return has been filed to the income tax authorities up to and including tax year 2024 under the provisions of the Income Tax Ordinance, 2001.

**30.3** The current tax expense for the year is calculated using alternative corporate tax @ 17% (2024: 17%). Therefore no tax reconciliation has been given.

Note 31  
**Liabilities Arising from Financing Activities**

	As at June 30, 2024	Non-cash changes	Cash flows (net)	As at June 30, 2025
	Rupees	Rupees	Rupees	Rupees
Long term financing	145,265,134	-	204,860,862	350,125,996
Loan from sponsor	634,322,580	-	(59,982,084)	574,340,496
<b>Total liabilities from financing activities</b>	<u>779,587,714</u>	-	<u>144,878,778</u>	<u>924,466,492</u>
	As at June 30, 2023	Non-cash changes	Cash flows (net)	As at June 30, 2024
	Rupees	Rupees	Rupees	Rupees
Long term financing	96,438,226	-	48,826,908	145,265,134
Loan from sponsor	292,100,000	-	342,222,580	634,322,580
<b>Total liabilities from financing activities</b>	<u>388,538,226</u>	-	<u>391,049,488</u>	<u>779,587,714</u>

Note 32  
**Remuneration to Chief Executive Officer, Directors and Executive**

The aggregate amounts charged in these financial statements for the year as remuneration and benefits to the executives of the Company are as follows:

	Executives	
	2025	2024
	Rupees	Rupees
Managerial remuneration	<u>21,967,570</u>	<u>19,655,000</u>
Number of persons	<u>9</u>	<u>9</u>

**32.1** No remuneration was paid to the chief executive officer or directors of the Company.

**32.2** An executive is defined as an employee, other than the chief executive officer and directors, whose basic salary exceeds 1.2 million in a financial year.

**32.3** Mr. Shoab Ghani (Director) is provided with a company maintained car.



**GHANI DAIRIES (PRIVATE) LIMITED**  
Notes to and forming part of the Financial Statements

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Note 33

**Transactions and Balances with Related Parties**

Related parties comprise associated companies due to common directorship, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

**Transactions during the year**

Nature of Transactions	Related Party	2025	2024
		Rupees	Rupees
<b>Transactions at Arm's Length Price</b>			
Advance for routine expenditure	Al-Muhandus	-	20,000,000
Advance for routine expenditure	Ghani Hilal Feed Mills (Private) Limited	183,725,000	178,890,000
Advance for routine expenditure	Ghani Himalayan Salt (Private) Limited	79,400,000	12,500,000
Advance for routine expenditure	Ghani Mines (Private) Limited	43,100,829	7,491,207
Advance for routine expenditure	Ghani Layer Farms (Private) Limited	43,000,000	72,500,000
Advance for routine expenditure	AS Builder	-	10,000,000
Purchase of land	Hafiz Avasi Ghani (Chief Executive Officer/ Director)	-	11,374,000
		<u>349,225,829</u>	<u>312,755,207</u>
Repayment of advances	Al-Muhandus	-	20,000,000
Repayment of advances	Ghani Hilal Feed Mills (Private) Limited	182,680,000	533,700,000
Repayment of advances	Ghani Himalayan Salt (Private) Limited	79,400,000	79,400,000
Repayment of advances	Ghani Mines (Private) Limited	12,000,000	35,778,014
Repayment of advances	Ghani Layer Farms (Private) Limited	43,000,000	72,500,000
Repayment of advances	AS Builder	-	10,000,000
		<u>317,080,000</u>	<u>751,378,014</u>
<b>Balance outstanding as at June 30,</b>			
Due to related parties:			
-	Ghani Hilal Feed Mills (Private) Limited	47,324,000	46,279,000
-	Ghani Mines (Private) Limited	31,100,829	-
		<u>78,424,829</u>	<u>46,279,000</u>

33.1 Following are the related parties with whom the Company has arrangements / agreements in place.

Sr. No.	Company Name	Relationship	Aggregate % of Shareholding
1	Al-Muhandus	Common directorship	No direct shareholding
2	Ghani Hilal Feed Mills (Private) Limited	Parent company	92% direct shareholding
3	Ghani Himalayan Salt (Private) Limited	Common directorship	No direct shareholding
4	Ghani Mines (Private) Limited	Common directorship	No direct shareholding
5	Ghani Layer Farms (Private) Limited	Common directorship	No direct shareholding
6	AS Builder	Common directorship	No direct shareholding

Note 34

**Financial Risk Management**

**34.1 Financial risk factors**

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on having cost efficient funding as well as to manage financial risk to minimize earnings volatility and provide maximum return to shareholders.

Risk management is carried out by the company's finance department under guidelines approved by the Board of Directors (the Board). The Board provides principles for overall risk management as well as policies covering specific areas such as currency risk, other price risk, interest rate risk, credit risk and liquidity risk.



Note 34, Financial Risk Management - Continued...

(a) **Market risk**

(i) **Currency risk**

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

This exists due to the Company's exposure resulting from outstanding import payments. As at the reporting date the Company was not exposed to currency risk as there were no letter of credit commitments or any other foreign payable or receivable (2024: Nil).

(ii) **Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest rate risk arises from long-term borrowings. These are benchmarked to fixed rates which does not expose the Company to cash flow interest rate risk.

As the Company has no significant floating interest rate assets, the Company's income is substantially independent of changes in market interest rates. The interest rate profile of the Company's interest-bearing financial instruments as at the reporting date is as follows:

	<u>2025</u>	<u>2024</u>
	Rupees	Rupees
<b>Fixed rate instruments - Financial liabilities</b>		
Long term financing	<u>150,581,996</u>	<u>145,265,134</u>
<b>Floating rate instruments - Financial liabilities</b>		
Long term financing	<u>199,544,000</u>	-
<b>Floating rate instruments - Financial assets</b>		
Bank balances in savings account	<u>176,563,274</u>	<u>12,972,330</u>

**Sensitivity analysis for fixed rate instruments**

The Company has certain financial liabilities at fixed rate. Therefore, no impact on profit or loss of the Company is expected

**Cash flow sensitivity analysis for variable rate instruments**

As at June 30, 2025 if interest rates on the Company's saving accounts had been 1% higher / lower with all other variable held constant, profit before tax for the year would have been lower / higher by Rs. 0.23 million (2024: 0.12 million), mainly as a result interest exposure on variable rate saving accounts.

(iii) **Other price risk**

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

(b) **Credit risk**

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Credit risk of the Company arises from deposits with banks, trade receivables and other receivables. The management assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. The utilization of credit limits is regularly monitored. For banks and financial institutions, only independently rated parties with a strong credit rating are accepted.

The Company monitors the credit quality of its financial assets with reference to historical performance of such assets and available external credit ratings, if any. As at June 30, 2025, the maximum exposure to credit risk is equal to the carrying amount of the financial assets as detailed below:



**GHANI DAIRIES (PRIVATE) LIMITED**  
Notes to and forming part of the Financial Statements

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Note 34, Financial Risk Management - Continued..

	2025	2024
	Rupees	Rupees
Long term deposits	3,493,729	3,493,729
Trade debts	36,723,210	25,791,838
Bank balances	176,566,796	12,975,852
	<u>216,783,735</u>	<u>42,261,419</u>

The aging of trade debts as at reporting date is as follows:

Past due 1 - 90 days	<u>36,723,210</u>	<u>25,791,838</u>
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Customer credit risk is managed by each business unit subject to the Company's established policies, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type and customer type and rating). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Company does not hold collateral as security.

The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are large multinational corporations with no previous history of default. The credit risk on liquid funds is limited because the counter parties are either banks (with reasonably high credit ratings) and trade receivables (with low probability of default).

The credit quality of bank balances that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

	Credit Rating		Rating Agency	2025	2024
	Short term	Long term			
				Rupees	Rupees
Habib Bank Limited	A-1+	AAA	VIS	1,788,005	293,458
Bank Islami Pakistan Limited	A1	AA-	PACRA	168,820	2,328,533
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	73,026,931	10,351,239
Dubai Islamic Bank Limited	A-1+	AA	VIS	3,945	-
United Bank Limited	A-1+	AAA	VIS	1,149,453	-
Meezan Bank Limited	A1+	AAA	VIS	20,551	218
Faysal Bank Limited	A-1+	AA	VIS	100,409,091	2,404
				<u>176,566,796</u>	<u>12,975,852</u>

**(c) Liquidity risk**

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to dynamic nature of the business, the Company maintains flexibility in funding by maintaining committed credit lines available. The Company's liquidity management involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios and maintaining debt financing plans. The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to contractual maturity dates. The amounts disclosed in the table are the contractual undiscounted cash flows:

Description	Carrying Amount	Contractual Cash Flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Contractual maturities of financial liabilities as at June 30, 2025:						
Long term financing	350,125,996	360,629,776	89,564,709	88,686,736	172,666,903	9,711,428
Trade and other payables	369,853,884	369,853,884	369,853,884	-	-	-
Security deposit	12,480,000	12,480,000	12,480,000	-	-	-
Accrued mark up	1,023,786	1,023,786	1,023,786	-	-	-
	<u>733,483,666</u>	<u>743,987,446</u>	<u>472,922,379</u>	<u>88,686,736</u>	<u>172,666,903</u>	<u>9,711,428</u>



Note 34, Financial Risk Management- Continued...

Description	Carrying Amount	Contractual Cash Flows	Within 1 year	1-2 Years	2-5 Years	Above 5 Years
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Contractual maturities of financial liabilities as at June 30, 2024:						
Long term financing	145,265,134	145,265,134	27,683,137	30,460,914	82,634,766	4,486,317
Trade and other payables	263,854,212	263,854,212	263,854,212	-	-	-
Security deposit payable	12,480,000	12,480,000	12,480,000	-	-	-
Accrued mark up	998,049	998,049	998,049	-	-	-
	<u>422,597,395</u>	<u>422,597,395</u>	<u>305,015,398</u>	<u>30,460,914</u>	<u>82,634,766</u>	<u>4,486,317</u>

**(d) Fair value of financial instruments**

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences may arise between the carrying value and the fair value estimates.

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the reporting date. Fair value is determined on the basis of objective evidence at each reporting date. The management believes that the fair values of financial assets and financial liabilities approximate to their carrying amounts largely due to the short-term maturities of these instruments.

**34.2 Financial instruments by categories**

Financial Assets - at amortized cost	2025	2024
	Rupees	Rupees
- Long term security deposit	3,493,729	3,493,729
- Trade debts	36,723,210	25,791,838
- Accrued profit and advance to employees	1,175,142	-
- Cash and Bank balances	176,939,206	15,127,663
	<u>218,331,287</u>	<u>44,413,230</u>

The Company did not possess any financial assets designated as fair value through profit or loss and fair value through other comprehensive income categories.

**Financial Liabilities - at amortized cost**

- Long term financing	350,125,996	145,265,134
- Trade and other payables	321,520,560	218,020,874
	<u>671,646,556</u>	<u>363,286,008</u>

Note 35  
**Capital Risk Management**

The Company's objective when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide return for shareholders and benefits for other stakeholders and to maintain optimal capital structure to reduce the cost of capital. The Company manages its capital structure and makes adjustments to in the light of changes in economic conditions to maintain and adjust the capital structure, the company may adjust the dividend payment to share holders or issue new shares or sell assets to reduce debts. The management seeks to maintain a balance between higher returns that might be possible with higher level of borrowings and the advantages and security afforded by a sound capital position. The Company finances its operations through equity, borrowings and management of working capital with the view to maintaining an appropriate mix between various sources of finance to minimize risk. The Company monitors the capital structure on the basis of gearing ratio which is calculated by dividing total borrowings by total capital employed. Gearing ratio is calculated as below:

	2025	2024
	Rupees	Rupees
Total borrowings	350,125,996	145,265,134
Cash and bank balances	(176,939,206)	(15,127,663)
Net debt	173,186,790	130,137,471
Equity	1,487,220,200	1,103,052,412
Total Capital Employed	<u>1,833,593,780</u>	<u>1,363,327,354</u>
Gearing Ratio	9.45%	9.55%



**GHANI DAIRIES (PRIVATE) LIMITED**  
 Notes to and forming part of the Financial Statements

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Note 36  
**Number of Employees**

	<b>2025</b>	<b>2024</b>
	Numbers	Numbers
Total employees as at June 30	<u>205</u>	<u>186</u>
Average number of employees during the year	<u>195</u>	<u>157</u>

Note 37  
**Plant Capacity and Production**

	<b>2025</b>	<b>2024</b>
	Liters	Liters
Production capacity	<u>12,275,000</u>	<u>10,500,000</u>
Actual production	<u>12,269,365</u>	<u>10,471,164</u>

Note 38  
**Authorization of Financial Statements**

These financial statements were approved and authorized by the Board of Directors of the Company for issuance on 11.2 SEP 2025.

Note 39  
**General**

Corresponding figures are rearranged / reclassified for better presentation and comparison. No material re-arrangement / reclassification has been made in these financial statements.

*CHC*

  
**CHIEF EXECUTIVE OFFICER**

  
**DIRECTOR**



LATEST MANAGEMENT ACCOUNTS AS AT 30th SEPTEMBER 2025

**GHANI DAIRIES LIMITED  
INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 30 SEP. 2025**



## GHANI DAIRIES LIMITED

### INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEP 30, 2025

	Note	UN-AUDITED 30-Sep-25 Rupees	AUDITED 30-Jun-25 Rupees
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	5	915,937,135	839,133,816
Biological assets	6	855,056,608	784,619,083
Intangible assets	7	924,974	1,017,471
Long term deposits	8	3,493,729	3,493,729
		1,775,412,446	1,628,264,099
<b>Current Assets</b>			
Stock-in-trade	9	257,245,442	242,320,513
Stores and spares	10	38,610,989	45,565,039
Biological assets	11	565,665	507,476
Trade debts	12	34,383,459	36,723,210
Advances, deposits, prepayments and other receivables	13	247,052,192	207,865,817
Cash and bank balances	14	72,621,873	176,939,206
		650,479,620	709,921,261
		<u>2,425,892,065</u>	<u>2,338,185,360</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized share capital:			
500,000,000 ordinary shares of Rs. 1 each (30-June-2025: 32,500,000 @ Rs. 10 each)		<u>500,000,000</u>	<u>325,000,000</u>
Issued, subscribed and paid up capital	15	325,000,000	325,000,000
Unappropriated profit		712,907,157	587,879,704
Loan from sponsors	16	574,340,496	574,340,496
<b>Shareholder's Equity</b>		1,612,247,653	1,487,220,200
<b>Non Current Liabilities</b>			
Long term financing	17	206,365,821	263,169,968
Deferred tax liability		29,933,641	30,282,810
		236,299,463	293,452,778
<b>Current Liabilities</b>			
Trade and other payables	18	378,337,260	369,853,884
Security deposit	19	12,480,000	12,480,000
Accrued mark up		5,605,560	1,023,786
Current portion of long term financing	17	68,186,930	86,956,028
Provision for taxation and levy		112,735,200	87,198,684
		577,344,950	557,512,382
<b>Contingencies and Commitments</b>		<u>2,425,892,065</u>	<u>2,338,185,360</u>

The annexed notes form an integral part of these Interim financial statements.

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**



## GHANI DAIRIES LIMITED

### INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED SEP 30, 2025

		<b>UN-AUDITED 30-Sep-25</b>
	Note	Rupees
Revenue from contract with customers		483,043,844
Gain arising on initial recognition of milk at fair value less costs to sell at the time of milking		489,720,066
Gain arising from changes in fair value less costs to sell of dairy livestock		89,966,500
Cost of revenue	20	<u>(877,560,346)</u>
<b>Gross Profit</b>		185,170,064
Administrative expenses		<u>(14,210,465)</u>
<b>Operating Profit</b>		170,959,599
Other operating expenses		<u>(16,856,171)</u>
Finance cost		<u>(5,834,484)</u>
Other income		<u>1,945,856</u>
		<u>(20,744,799)</u>
<b>Profit before Levy and Taxation</b>		150,214,800
Levy		<u>(5,038,970)</u>
<b>Profit before Taxation</b>		145,175,830
Taxation		<u>(20,148,378)</u>
<b>Net Profit for the Period</b>		<u><u>125,027,453</u></u>

The annexed notes form an integral part of these Interim financial statements.

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**



**GHANI DAIRIES LIMITED**

**INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE PERIOD ENDED SEP 30, 2025**

	<b>30-Sep-25</b>
	RUPEES
<b>Net Profit for the Period</b>	125,027,453
<b>Other comprehensive income</b>	
<i>Items that will not be re-classified subsequently to profit or loss</i>	-
<i>Items that may be re-classified subsequently to profit or loss</i>	-
<b>Total other comprehensive income</b>	-
<b>Total Comprehensive Income for the Period</b>	<u>125,027,453</u>

The annexed notes form an integral part of these Interim financial statements.

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**



**GHANI DAIRIES LIMITED**

INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE PERIOD ENDED SEP 30, 2025

Particulars	Issued, subscribed and paid up capital	Unappropriated Profit	Loan from Sponsors	Total
	Rupees	Rupees	Rupees	Rupees
<b>Balance as at June 30, 2024-Audited</b>	325,000,000	143,729,832	634,322,580	1,103,052,412
Net profit for the year	-	444,149,872	-	444,149,872
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	-	444,149,872	-	444,149,872
Loan from sponsors - net	-	-	(59,982,084)	(59,982,084)
<b>Balance as at June 30, 2025-Audited</b>	<u>325,000,000</u>	<u>587,879,704</u>	<u>574,340,496</u>	<u>1,487,220,200</u>
Net profit for the Period	-	125,027,453	-	125,027,453
Other comprehensive income for the Period	-	-	-	-
Total comprehensive income for the Period	-	125,027,453	-	125,027,453
Loan from sponsors - net	-	-	-	-
<b>Balance as at SEP. 30, 2025-Un-Audited</b>	<u>325,000,000</u>	<u>712,907,157</u>	<u>574,340,496</u>	<u>1,612,247,653</u>

The annexed notes form an integral part of these Interim financial statements.

  
DIRECTOR

  
CHIEF FINANCIAL OFFICER



**GHANI DAIRIES LIMITED**  
**INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE PERIOD ENDED SEP 30, 2025**

	<b>30-Sep-25</b>	<b>2025</b>
	Rupees	Rupees
Profit before Levy and Taxation	150,214,800	519,443,388
Adjustments for:		
- Depreciation on property, plant and equipment	15,573,176	61,048,965
- Amortization on intangible asset	92,497	369,989
- Loss on sale of calves/heifers	-	(3,274,896)
- Gain arising from changes in fair value less costs to sell of dairy livestock	(89,966,500)	(370,975,077)
- Fair value gain on male calves	(58,189)	(507,476)
- Mortality expense	4,560,749	14,751,477
- Loss on sale of calves/heifers	1,162,424	-
- Workers' (profit) participation fund expense	8,067,390	27,874,971
- Interest on Workers' (profit) participation fund	-	1,655,656
- Workers' welfare fund expense	3,065,608	8,525,405
- Finance cost	5,823,027	6,003,659
	<u>(51,679,817)</u>	<u>(254,527,327)</u>
<b>Operating profit before working capital changes</b>	98,534,983	264,916,061
Decrease / (Increase) in current assets:		
- Stock in trade	(14,924,929)	(62,037,808)
- Stores and spares	6,954,050	(32,396,305)
- Trade debts	2,339,751	(10,931,372)
- Advances, deposits, prepayments and other receivables	(39,186,375)	15,722,193
(Decrease) / increase in current liabilities:		
- Trade and other payables	(57,649,693)	35,797,811
- Security deposit payable	-	-
	<u>(102,467,196)</u>	<u>(53,845,481)</u>
<b>Cash Generated from Operations</b>	(3,932,214)	211,070,580
Finance cost paid	(1,241,253)	(5,977,922)
Workers' (profit) participation fund paid	-	-
Income tax paid	-	(20,963,251)
<b>Net Cash Generated from Operating Activities</b>	(5,173,466)	184,129,407
<b>Cash Flows from Investing Activities</b>		
Purchase of operating fixed assets	(17,786,500)	(4,480,107)
Additions in capital work in progress	(74,589,995)	(150,083,205)
Advance against machinery	-	(26,400,000)
Additions in biological assets	-	(33,796,055)
Sale proceeds on disposal of biological assets	13,805,802	15,416,896
Insurance claim on death of biological assets	-	-
<b>Net Cash Used in Investing Activities</b>	(78,570,693)	(199,342,471)
<b>Cash Flows from Financing Activities</b>		
Issuance of shares	-	-
Advance from related parties - net	55,000,071	32,145,829
Long term financing - net	(75,573,245)	204,860,862
Loan from sponsors obtained	-	10,000,000
Loan from sponsors repayment	-	(69,982,084)
<b>Net Cash Generated from Financing Activities</b>	(20,573,174)	177,024,607
<b>Net Increase / (Decrease) in Cash and Cash Equivalents</b>	(104,317,333)	161,811,543
Cash and cash equivalents at the beginning of the period	176,939,206	15,127,663
<b>Cash and Cash Equivalents at the End of the period</b>	<u>72,621,873</u>	<u>176,939,206</u>

The annexed notes form an integral part of these Interim financial statements.

  
**DIRECTOR**

  
**CHIEF FINANCIAL OFFICER**



## GHANI DAIRIES LIMITED

### NOTES TO AND FORMING PART OF THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEP 30, 2025

Note 1

#### Corporate and General Information

##### Legal status and operations

Ghani Dairies (Private) Limited ("the Company") was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984 (Now the Companies Act, 2017) on October 21, 2020.

The Company is domiciled in Pakistan and is principally engaged in the business of milk production from cows.

The geographical location and address of the Company's offices/ other premises are as under:

Business unit	Geographical Location
Head office	45-Aurangzeb Block, New Garden Town, Lahore.
Dairy farm	Noorpur, district Khushab

- 1.1** The Company is a subsidiary of Ghani Halal Feeds (Private) Limited, which holds 92.31% shareholding in the Company. Ghani Halal Feeds (Private) Limited is a private Company incorporated in Pakistan and is principally engaged in the service sector, generating income primarily through rental of property and profit on bank deposits.

Note 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 Standard (IFRS) 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, the provisions of and directives issued under the Companies Act, 2017 have been followed.

##### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention unless otherwise stated in respective notes.

##### 2.3 Functional and presentation currency

These financial statements are prepared and presented in Pak Rupees (Rs.) which is the Company's functional and presentation currency. All the figures are rounded off to the nearest rupee, unless otherwise stated.

##### 2.4 Key judgements and estimates

The preparation of financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a high degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are documented in the following accounting policies and notes, and relate primarily to:

- Useful lives, residual values and depreciation method of operating fixed assets – Note 3.1 & 5
- Current income tax expense, provision for current tax and recognition of deferred tax– Note 3.7, 18, 21, 29 & 30



## GHANI DAIRIES LIMITED

### Note 2, Basis of Preparation- Continued...

- Biological assets 3.6, 6 & 11
- Estimation of contingent liabilities – Note 4.2 & 22
- Useful life and amortization of intangible asset – Note 4.1 & 7
- Provision for expected credited losses, liquidity damages - Note 3.5 and 12
- Impairment loss of Non financial assets other than stock in trade - Note 3.15

The revisions to accounting estimates (if any) are recognised in the period in which the estimate is 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.

### 2.5 Changes in accounting standards, interpretations and pronouncements

#### 2.5.1 Standards, interpretations and amendments to approved accounting standards which became effective during the year

The following standards, amendments, and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either irrelevant to the Company's operations or are not expected to significantly impact the Company's financial statements other than certain additional disclosures.

Standards, interpretations and amendments		Effective Date - Annual periods beginning on or after
IAS 1	Presentation of Financial Statements (Amendments)	January 1, 2024
IAS 7	Amendments to IAS 7 "Statement of Cash Flows"	January 1, 2024
IFRS 7	Amendments to IFRS 7 "Financial Instruments Disclosures" - Supplier Finance Arrangements	January 1, 2024
IFRS 16	Amendments to IFRS 16 "Leases" - Clarification on how seller-lessee subsequently measures sale and lease back transaction	January 1, 2024

#### 2.5.2 Standards, interpretation and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, interpretations and the amendments are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Standards, interpretations and amendments		Effective Date - Annual periods beginning on or after
IAS 21	Amendments to lack of exchangeability	January 1, 2025
IFRS 7 & 9	Amendments to Classification and Measurement of Financial Instruments - Amendments to IFRS 7 and IFRS 9	January 1, 2026
IFRS 7 & 9	Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 1, 7, 9, 10 and IAS 7	Annual Improvements to IFRS Accounting Standards	January 1, 2026

Other than the aforementioned standards, interpretations, and amendments, IASB has also issued the following standards, which have not been notified locally, in relation to the Company, by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2025:



## GHANI DAIRIES LIMITED

### Note 2, Basis of Preparation- Continued..

- IFRS 01 - First Time Adoption of IFRS
- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - IFRS 19 'Subsidiaries Without Public Accountability - Disclosures'
- IFRS S1 - General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2 - Climate-Related Disclosures

The management believes that adoption of the new standards, amendments and interpretations, which are in issue but not yet effective, is not likely to have any material impact, on the recognition, measurement, presentation and disclosure of items in the financial statements for current and future periods and foreseeable future transactions.

### Note 3

#### Material Accounting Policies Information

Material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented.

#### 3.1 Property, Plant and Equipment

##### *Initial recognition*

All items of operating fixed assets are initially recorded at cost.

##### *Subsequent measurement*

These are stated at cost less accumulated depreciation and any identified impairment loss except freehold land and capital work-in-progress which are stated at cost less any identified impairment loss. Cost of property, plant and equipment consists of historical cost and other directly attributable costs of bringing the assets to working condition.

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 benefit associated with the item will flow to the company and cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

##### *Depreciation*

Depreciation on property, plant and equipment is charged to the statement of profit or loss applying the reducing balance method so as to write off the cost / depreciable amount of the assets over their estimated useful lives. The Company charges the depreciation on additions from the day when the asset is available for use till the day asset is disposed off. The residual values and useful lives are reviewed by the management, at each financial year-end and adjusted if impact on depreciation is significant.

##### *Disposal*

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and carrying value of the asset) is included in the statement of profit or loss in the year the asset is derecognized.

##### *Judgment and estimates*

Useful lives, residual values and depreciation method are reviewed on a regular basis. The effect of any change in estimate is accounted for on a prospective basis.

#### 3.2 Capital Work in Progress

Capital work in progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred are charged to capital work in progress. These are transferred to property, plant and equipment as and when these are available for use.

**GHANI DAIRIES LIMITED**

*Note 3, Material Accounting Policies Information - Continued...*

**3.3 Inventories**

Inventories are stated at lower of cost and net realizable value. Cost is determined as follows:

Stores and spares

Useable stores and spare parts are valued principally at weighted average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice value plus other charges paid thereon.

Stock-in-trade

Cost of raw milk is the fair value less cost to sell at the time of milking of agriculture produce in accordance with the provisions of IAS 41. Cost of feed for cows comprises of invoice values plus other charges paid thereon. Cost of feed is based on weighted average cost.

The Company estimates the net realizable value of stock-in-trade to assess any diminution in the respective carrying values. Net realizable value is determined with reference to estimated selling price less estimated expenditure to make sale.

**3.4 Method of preparation of statement of cash flow**

The statement of cash flow is prepared using indirect method.

**3.5 Trade and other receivables*****Measurement***

Trade and other receivables are recognised at transaction price less any allowance for impairment.

***Impairment***

A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Trade debts are carried at original invoice amount less provision for doubtful debt. The expected credit loss is determined using a simplified approach and is calculated on a lifetime basis. Bad debts are written off when identified. The amount of the provision is recognised in the statement of profit or loss. Bad debts are written-off in the statement of profit or loss on identification.

***Judgments and estimates***

The provision for doubtful debts of the Company is based on the ageing analysis and the management's continuous evaluation of the recoverability of the outstanding receivables. In assessing the ultimate realization of these receivables, the management considers, among other factors, the creditworthiness and the past collection history of each customer.

**3.6 Biological**

Dairy livestock are measured on initial recognition and at end of each reporting period at their fair value less costs to sell.

Fair value of dairy livestock is determined by independent valuers on the basis of best available estimates for livestock dairy of similar attributes. Costs to sell are the incremental costs directly attributable to the disposal of an asset mainly comprises of transportation costs.

Gains or losses arising from changes in fair value less costs to sell of dairy livestock are recognized in the statement of profit or loss.

Dairy livestock are categorized as mature or immature. Mature dairy livestock are those that have attained harvestable specifications. Immature dairy livestock have not yet reached that stage.

**3.7 Taxation**

Income tax comprises current and deferred tax. Income tax is recognized in the statement of profit or loss except to the extent that relates to items recognized directly in equity or other comprehensive income, in which case it is recognized in equity or other comprehensive income.

**GHANI DAIRIES LIMITED**

*Note 3, Material Accounting Policies Information - Continued...*

**Current**

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting date.

The charge for current tax is higher of corporate tax (higher of tax based on taxable income and minimum tax) and alternative corporate tax. Super tax applicable on company is also calculated as per applicable tax rates as per Income Tax Ordinance, 2001.

Corporate tax is based on taxable income for the year determined in accordance with the prevailing laws of taxation. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted after taking into account tax credits, rebates and exemptions, if any. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. However, in case of loss for the year, income tax expense is recognized as minimum tax liability on turnover of the Company in accordance with the provisions of the Income Tax Ordinance, 2001.

Alternative corporate tax is calculated at 17% of accounting profit, after taking into account the required adjustments. The Company offsets current tax assets and current tax liabilities if, and only if, it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognized as an asset.

When minimum tax is higher than tax calculated on taxable profits, excess amount is recognized as levy under IFRIC 21. Further, the Company also charges tax expense under levy when tax is calculated under final tax regime.

**Deferred**

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary timing differences arising from the difference between the carrying amount of the assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are recognized for all major taxable temporary differences.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses and credits only if it is probable that future taxable amounts will be available to utilize those temporary differences and unused tax losses and credits.

The carrying amount of deferred tax asset is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent of probable future taxable profit available that will allow deferred tax asset to be recovered.

Deferred tax is calculated at rates that are expected to apply to the period when the differences reverse based on the tax rates and tax laws that have been enacted or have been notified for subsequent enactment by the reporting date.

**Judgment and estimates**

Significant judgment is required in determining the income tax expenses and corresponding provision for tax. There are many transactions and calculations for which the ultimate tax determination is uncertain as these matters are being contested at various legal forums. The Company recognizes liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred tax assets and liabilities in the period in which such determination is made.

**GHANI DAIRIES LIMITED***Note 3, Material Accounting Policies Information - Continued...*

Further, the carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to reflect the current assessment of future taxable profits. If required, carrying amount of deferred tax asset is reduced to the extent that it is no longer probable that sufficient taxable profits to allow the benefit of part or all of that recognized deferred tax asset to be utilized. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

**Off-setting**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity is a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**3.8 Provisions****Recognition and measurement**

Provisions for legal claims, service warranties and make good obligations are recognized when the entity has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expense.

**Judgement and estimates**

As the actual outflows can differ from estimates made for provisions due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are reviewed at each reporting date and adjusted to take account of such changes. Any adjustments to the amount of previously recognized provision is recognized in the statement of profit or loss unless the provision was originally recognized as part of cost of an asset.

**3.9 Revenue recognition**

The Company follows IFRS 15 for the recognition of revenue from all its revenue streams. The Company determines revenue recognition using the following step wise approach:

- Identification of the contract, or contracts, with a customer;
- Identification of the performance obligations in the contract;
- Determination of the transaction price;
- Allocation of the transaction price to the performance obligations in the contract; and
- Recognition of revenue when, or as, a performance obligation is satisfied

When recognizing revenue in relation to sale of goods to customers, the key performance obligation of the Company is considered to be the point of delivery of the goods to the customer, as this is deemed to be the time that the customer obtains control of the promised goods and therefore the benefits of unimpeded access. Revenue from the sale of agriculture produce is measured at fair value of the consideration received or receivable at the point in time when the customer obtains control of the goods, which is generally at the time of delivery.

**3.10 Related party transactions**

Transactions with related parties are based on the transfer pricing policy that all transactions between the Company and the related party are at arm's length prices determined as per the Company policy except in circumstances where it is not in the interest of the Company to do so.



## GHANI DAIRIES LIMITED

*Note 3, Material Accounting Policies Information - Continued...*

*Note 3, Summary of Material Accounting Policy Information- Continued...*

### **Measurement**

Loans are measured at amortized cost using the effective interest method.

Overdrafts are repayable in full on demand and are initially measured and subsequently stated at face value (the amount of the loan).

### **Interest**

#### **3.11 Contingent assets**

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

#### **3.12 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

#### **3.13 Financial assets**

All financial assets are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Regular purchase and sales of financial instruments are recognised and derecognised, as applicable using trade-date accounting or settlement date accounting

### **Classification**

Financial assets are classified in either of the three categories: at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The management determines the classification of its financial assets at the time of initial recognition.

### **Initial recognition and measurement**

Except for trade receivables, financial assets are initially recognized at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs are expensed in the profit and loss account. Trade receivables are initially measured at the transaction price if these do not contain a significant financing component in accordance with IFRS 15.

### **Subsequent measurement**

Financial assets carried at amortized cost are subsequently measured using the effective interest method. The amortized cost is reduced by impairment losses, if any. Interest income, foreign exchange gains and losses and impairment are recognized in the statement of profit or loss account. The company's financial statements includes trade receivable, long term loans and recoverable from employees at amortised cost.

Financial assets measured at fair value through profit or loss are subsequently measured at fair value prevailing at the reporting date. The difference in fair value and dividend arising on equity is charged to the profit or loss account.

Financial assets at fair value through other comprehensive income are marked to market using the closing market rates and are carried in the statement of financial position at fair value. Net gains and losses arising on changes in fair values of these financial assets are recognized in other comprehensive income. Interest calculated using the effective interest rate method is credited to the statement of profit or loss account. Dividends on equity instruments are credited to the statement of profit or loss account when the Company's right to receive payments is established.

### **Derecognition**

Financial assets are derecognized when:

- The contractual rights to receive cash flows from the assets have expired; or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:
  - a) the Company has transferred substantially all the risks and rewards of the asset; or
  - b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the consideration received is recognized in profit or loss account.

If the Company transfers a financial asset in a transfer that qualifies for derecognition in its entirety and retains the right to service the financial asset for a fee, it recognizes either a servicing asset or a servicing liability for that servicing contract.

**GHANI DAIRIES LIMITED***Note 3, Material Accounting Policies Information - Continued...*

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of its continuing involvement. In that case, the Company also recognizes an associated liability which cannot be offset with the related asset. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

If the Company's continuing involvement is in only a part of a financial asset, the Company allocates the previous carrying amount of the financial asset between the part it continues to recognize under continuing involvement, and the part it no longer recognizes on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognized and the consideration received for the part no longer recognized is recognized in statement of profit or loss.

***Impairment of financial assets***

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets which are measured at amortised cost. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

**3.14 Financial liabilities*****Initial recognition and measurement***

Financial liabilities are initially classified at amortized cost. Such liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and include trade and other payables, loans or borrowings and accrued mark up etc.

The Company does not reclassify any of its financial liabilities.

Financial liabilities are initially recognized at fair value minus transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognized at fair value and transaction costs are credited in the statement of profit or loss.

***Subsequent measurement***

The Company measures its financial liabilities subsequently at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit or loss account. Difference between carrying amount and consideration paid is recognized in the statement of profit or loss account when the liabilities are derecognized.

**3.15 Off-setting of financial assets and financial liabilities**

A financial asset and a financial liability is offset and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.



## GHANI DAIRIES LIMITED

*Note 3, Material Accounting Policies Information - Continued...*

### 3.16 Impairment of non-financial assets other than inventories

The assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. If there is an indication of possible impairment, the recoverable amount of the asset is estimated and compared with its carrying amount.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss.

An impairment loss is reversed only to the extent that the asset carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. The Company recognises the reversal immediately in the statement of profit or loss.

### 3.17 Staff Retirement Benefits

The Company operates a defined contributory provident fund for its full-time permanent employees. Contributions are made equally by the Company and the employee at 8.33% of basic salary in the Provident Fund on monthly basis. Company's contribution is recognized as a cost in profit or loss. To be eligible for the provident fund, the employee should have salary above forty five thousand rupees and must complete a probation period of three months.

The Company is in the process of registering a separate provident fund. Meanwhile all the funds are held within the Company.

### 3.18 Cash and cash equivalents

Cash and cash equivalents are carried in the statement of financial position at book value which approximates their fair value. For the purposes of the cash flow statement, cash equivalents comprise cash in hand, cash at banks and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

### 3.19 Trade and other payables

Trade payables are obligations under normal short-term credit terms. These are measured at the undiscounted amount of cash to be paid.

Note 4

## Summary of Other Accounting Policies

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

### 4.1 Intangible asset Acquired

An intangible asset is recognized as an asset if it is probable that future economic benefits attributable to the asset will flow to the Company and the cost of such asset can be measured reliably. Cost of intangible assets includes purchase cost and directly attributable expenses incidental to bring the software to its intended use.

Costs that are directly associated with identifiable software and have probable economic benefits beyond one year, are recognized as an intangible asset. However, costs associated with the maintenance of software are recognized as an expense.

*Note 3, Material Accounting Policies Information - Continued...*

### Measurement and amortisation

All intangible assets are measured initially at cost and subsequently stated at cost less accumulated amortization and identified impairment losses, if any. Amortization is charged to profit or loss using the straight line method so as to write off the cost of an asset over its estimated useful life. The amortization period and the amortization method for intangible assets are reviewed, at each reporting date, and adjusted if impact on the amortization is significant.

**GHANI DAIRIES LIMITED****Judgment and estimates**

The useful lives, residual values and amortization method are reviewed on a regular basis. The effect of any change in estimate is accounted for on a prospective basis.

**4.2 Contingent liabilities**

A contingent liability is disclosed when the Company has a possible obligation as a result of past events, whose existence 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.

**4.3 Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are declared and other appropriations are recognized in the period in which these are approved by the Board of Directors.

**4.4 Foreign currency transactions and translations**

Transactions in foreign currencies are translated into Pak Rupees by applying the foreign exchange rate ruling on the date of transaction. Monetary assets and liabilities denominated in foreign currencies as at the reporting date are retranslated into Pak Rupees at the exchange rate prevailing at that date. Differences between translated amounts and recorded amounts are recognized in the statement of profit or loss account.

**4.5 Borrowing cost**

Interest, mark-up and other charges on long-term finances are capitalized up to the date of commissioning of respective qualifying assets acquired out of the proceeds of such long-term finances. All other interest, mark-up and other charges are recognized in statement of profit or loss.

**4.6 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability at the measurement date in an orderly transaction between market participants in the principal, or in its absence, the most advantageous market to which the Company has access at that date. There are three levels which are as under:

**Level 1**

The Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

**Level 2**

When there is no quoted price in an active market, the Company determines transaction price by applying valuation techniques. The chosen valuation technique incorporates all the factors that market participants would take into account in pricing a transaction. The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price i.e. the fair value of the consideration given or received.

**Level 3**

If the Company determines that the fair value at initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique that uses only data from observable markets, the instrument is initially measured at fair value, adjusted to defer the difference between the fair value at initial recognition and the transaction price. Subsequently, that difference is credited or charged to profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is supported wholly by observable market data or the transaction is closed out.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.



**GHANI DAIRIES LIMITED**

Note 5

**Property, Plant and Equipment**

	UN-AUDITED 30-Sep-25	AUDITED 2025
		Rupees
Operating fixed assets	733,536,894	731,323,570
Capital work in progress	156,000,241	81,410,246
Advance against plant and machinery	26,400,000	26,400,000
	<u>915,937,135</u>	<u>839,133,816</u>

5.1 Operating fixed assets

**Period Ended Sep. 30, 2025**

Particulars	Cost			Rate	Depreciation			Net Book Value as at Sep 30, 2025
	As at July 01, 2025	Additions / Transfers	As at Sep 30, 2025		As at July 01, 2025	For the Period	As at Sep 30, 2025	
	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees
Freehold land	15,399,184	-	15,399,184	-	-	-	-	15,399,184
Building and sheds	513,595,998	-	513,595,998	5	50,566,974	5,787,863	56,354,837	457,241,161
Plant and machinery	192,040,039	-	192,040,039	15	56,621,092	5,078,211	61,699,303	130,340,736
Furniture and fixtures	1,283,920	-	1,283,920	15	512,858	28,915	541,773	742,147
Vehicles	108,674,672	16,769,000	125,443,672	15	24,417,162	3,414,637	27,831,799	97,611,873
Office and electrical equipment	49,448,142	967,500	50,415,642	15	17,211,971	1,244,347	18,456,318	31,959,324
Computers	419,590	50,000	469,590	30	207,918	19,204	227,122	242,468
<b>Balance as at Sep. 30, 2025</b>	<u>880,861,545</u>	<u>17,786,500</u>	<u>898,648,045</u>		<u>149,537,975</u>	<u>15,573,176</u>	<u>165,111,151</u>	<u>733,536,894</u>

**Year Ended June 30, 2025**

Particulars	Cost			Rate	Depreciation			Net Book Value as at June 30, 2025
	As at July 01, 2024	Additions / Transfers	As at June 30, 2025		As at July 01, 2024	For the year	As at June 30, 2025	
	Rupees	Rupees	Rupees	%	Rupees	Rupees	Rupees	Rupees
Freehold land	15,399,184	-	15,399,184	-	-	-	-	15,399,184
Building and sheds	356,021,756	157,574,242	513,595,998	5	31,693,342	18,873,632	50,566,974	463,029,024
Plant and machinery	175,526,680	16,513,359	192,040,039	15	34,819,762	21,801,330	56,621,092	135,418,947
Furniture and fixtures	1,283,920	-	1,283,920	15	376,788	136,070	512,858	771,062
Vehicles	108,674,672	-	108,674,672	15	9,548,190	14,868,972	24,417,162	84,257,510
Office and electrical equipment	44,968,035	4,480,107	49,448,142	15	11,933,727	5,278,244	17,211,971	32,236,171
Computers	419,590	-	419,590	30	117,201	90,717	207,918	211,672
<b>Balance as at June 30, 2025</b>	<u>702,293,837</u>	<u>178,567,708</u>	<u>880,861,545</u>		<u>88,489,010</u>	<u>61,048,965</u>	<u>149,537,975</u>	<u>731,323,570</u>



## GHANI DAIRIES LIMITED

Note 5, Property, Plant and Equipment - Continued...

5.1.1 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Covered Area (Sq. ft.)
Rakh Rahdari, Tehsil Noorpur Thal, District Khushab	Dairy farm operations	2,374,020

5.2 Depreciation charge for the period has been allocated as under:

	UN-AUDITED 30-Sep-25	AUDITED 2025
		Rupees
Cost of revenue	12,110,420	45,953,206
Administrative expenses	3,462,756	15,095,759
	<u>15,573,176</u>	<u>61,048,965</u>

5.3 Capital work in progress

	Building		Plant and Machinery		Total	
	30-Sep-25	30-Jun-25	30-Sep-25	30-Jun-25	30-Sep-25	30-Jun-25
Opening balance	-	61,274,164	81,410,246	44,140,478	81,410,246	105,414,642
Additions during the period	23,725,002	96,300,078	50,864,993	53,783,127	74,589,995	150,083,205
	23,725,002	157,574,242	132,275,239	97,923,605	156,000,241	255,497,847
Transferred to operating fixed assets	-	(157,574,242)	-	(16,513,359)	-	(174,087,601)
Closing balance	23,725,002	-	132,275,239	81,410,246	156,000,241	81,410,246



## GHANI DAIRIES LIMITED

Note 6

### Biological Assets

		UN-AUDITED 30-Sep-25	AUDITED 30-Jun-25
	Note	Rupees	Rupees
<b>Dairy Livestock</b>			
Mature		657,343,174	603,450,000
Immature		197,713,434	181,169,083
		<u>855,056,608</u>	<u>784,619,083</u>

**6.1** As at Sep 30, 2025, the company held 1,398 mature cows (30-Jun-2025: 1,341 mature cows) which were able to produce milk and 1,129 immature cows (30-Jun-2025: 1,071 immature cows) which are being raised to produce milk in the future.

**6.2** Reconciliation of carrying amount of dairy livestock

Opening balance	784,619,083	406,741,428
Purchases during the year	-	33,796,055
Fair value gain on young heifers	89,966,500	370,975,077
Loss due to death of dairy livestock	(4,560,749)	(14,751,477)
Disposed off during the year	(14,968,226)	(12,142,000)
Closing balance	<u>855,056,608</u>	<u>784,619,083</u>

**6.2.1** The valuation of dairy livestock as at June 30, 2025, has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at June 30, 2025.

Note 7

### Intangible Assets

	UN-AUDITED 30-Sep-25	AUDITED 30-Jun-25
		Rupees
Software	<u>924,974</u>	<u>1,017,471</u>
<b>7.1 Software</b>		
Opening balance	1,017,471	1,387,460
Additions during the period	-	-
	1,017,471	1,387,460
Amortization for the period	(92,497)	(369,989)
Net carrying value as at Sep 30	<u>924,974</u>	<u>1,017,471</u>
<b>7.2 Gross carrying value</b>		
Cost	1,849,946	1,849,946
Accumulated amortization	(924,972)	(832,475)
Net book value	<u>924,974</u>	<u>1,017,471</u>
<b>7.3 Accumulated amortization</b>		
Opening balance	832,475	462,486
Charge for the period	92,497	369,989
Closing balance	<u>924,972</u>	<u>832,475</u>
Amortization rate per annum (%)	<u>20%</u>	<u>20%</u>

**7.4** The Company has implemented ODOO, which has a finite useful life of 5 years. Amortization charge for the year has administrative expenses.

**GHANI DAIRIES LIMITED**
**Note 8**  
**Long Term Deposits**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
	Note		Rupees
Security Deposit	8.1	<u>3,493,729</u>	<u>3,493,729</u>

**8.1** This represents security deposit with FESCO for the electricity transformer installed at dairy farm.

**Note 9**  
**Stock in Trade**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
			Rupees
Feed		<u>257,245,442</u>	<u>242,320,513</u>

**Note 10**  
**Stores and Spares**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
			Rupees
Stores and spares		9,321,197	10,275,721
Medicine and vaccination		29,074,571	33,439,841
Oil and lubricants		215,222	1,849,477
		<u>38,610,989</u>	<u>45,565,039</u>

**Note 11**  
**Biological assets**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
	Note		Rupees
Male calves	11.1	<u>565,665</u>	<u>507,476</u>

**11.1** As at reporting date Sep 30, 2025 there were 9 (30-Jun-2025: 3) immature male calves held by the Company.

**Note 12**  
**Trade Debts**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
	Note		Rupees
Local trade debts (unsecured - considered good)		<u>34,383,459</u>	<u>36,723,210</u>

**Note 13**  
**Advances, Deposits, Prepayments and Other receivables**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
			Rupees
Advances (unsecured) to:			
- Suppliers		58,444,878	48,311,303
- Employees		300,000	500,000
Advance income tax		22,715,455	17,107,899
Sales tax receivable		141,736,388	138,574,212
Prepaid insurance		1,478,237	429,330
Profit receivable on deposit account		574,805	675,142
Other receivable		4,348,133	-
Advance against LC		17,454,297	2,267,931
Margins held by bank		-	-
		<u>247,052,192</u>	<u>207,865,817</u>

**Note 14**  
**Cash and Bank Balances**

		<b>UN-AUDITED</b>	<b>AUDITED</b>
		<b>30-Sep-25</b>	<b>30-Jun-25</b>
			Rupees
Cash in hand		4,839,844	372,410
Cash at banks:			
- Current accounts		3,522	3,522
- Savings accounts		67,778,506	176,563,274
		<u>72,621,873</u>	<u>176,939,206</u>



Note 15

**Issued, Subscribed and Paid up Capital**

	<b>UN-AUDITED</b>	<b>AUDITED</b>
	<b>30-Sep-25</b>	<b>30-Jun-25</b>
---Number of shares---		Rupees
<u>325,000,000</u> <u>32,500,000</u>	Ordinary shares of Rs. 1 each fully paid in cash	<u>325,000,000</u> <u>325,000,000</u>

Note 16

**Loan from Sponsors**

	<b>UN-AUDITED</b>	<b>AUDITED</b>
	<b>30-Sep-25</b>	<b>30-Jun-25</b>
Note		Rupees
Opening balance	574,340,496	634,322,580
Add: Loan received during the period	16.1    -	10,000,000
	574,340,496	644,322,580
Less: Loan repaid during the period	-	(69,982,084)
Closing balance	<u>574,340,496</u>	<u>574,340,496</u>

**16.1** This represents interest free, unsecured loan obtained from sponsors of the Company to meet its liquidity / working capital requirements. In line with Technical Release - 32 (TR 32 - Accounting Directors' Loan) issued by the Institute of Chartered Accountants of Pakistan (ICAP), these loans are shown as part of the equity as these loans are repayable at the discretion of the Company.

Note 17

**Long term financing**

	<b>UN-AUDITED</b>	<b>AUDITED</b>
	<b>30-Sep-25</b>	<b>30-Jun-25</b>
Note		Rupees
<b>Banking companies - secured</b>		
Habib Metropolitan Bank	42,190,742	11,129,668
Habib Bank Limited	32,692,307	34,615,384
Bank Islami Pakistan Limited	61,727,320	65,870,214
Meezan Bank Limited	5,398,470	5,966,730
Faysal Bank Limited	<u>132,543,912</u>	<u>232,544,000</u>
	274,552,751	350,125,996
Less: Current portion of long term financing	<u>(68,186,930)</u>	<u>(86,956,028)</u>
	<u>206,365,821</u>	<u>263,169,968</u>

Note 18

**Trade and Other Payables**

	<b>UN-AUDITED</b>	<b>AUDITED</b>
	<b>30-Sep-25</b>	<b>30-Jun-25</b>
Note		Rupees
Trade creditors - unsecured	148,339,678	165,656,686
Accrued liabilities - unsecured	17,419,598	16,227,470
Contract liabilities	-	48,333,324
Withholding tax payable	2,191,933	3,730,810
Provident fund payable	6,483,573	6,483,573
Auditors' remuneration payable	1,500,000	1,200,000
Sales Tax Payable	8,047,388	-
Workers' (profit) participation fund	44,220,640	36,153,250
Workers' welfare fund	16,709,550	13,643,942
Advance from related parties - unsecured	<u>133,424,900</u>	<u>78,424,829</u>
	<u>378,337,260</u>	<u>369,853,884</u>

Note 19

**Security Deposit**

	<b>UN-AUDITED</b>	<b>AUDITED</b>
	<b>30-Sep-25</b>	<b>30-Jun-25</b>
Note		Rupees
Security deposit payable	19.1 <u>12,480,000</u>	<u>12,480,000</u>

**19.1** This includes security deposit from IRC Dairy Products (Private) Limited (a customer), under the terms of agreement.

**GHANI DAIRIES LIMITED**

Note 20

**Cost of Revenue****UN-AUDITED  
30-Sep-25**

Raw milk consumed	489,720,066
Feed consumed	281,163,036
Store and spares consumed	12,335,321
Medicine consumed	22,693,147
Salaries, wages and other benefits	23,010,872
Utilities	28,040,703
Repair and maintenance	1,375,092
Travelling and conveyance	1,107,852
Consultancy charges	1,692,680
Commission	-
Entertainment	1,722,960
Freight charges	1,728,905
Miscellaneous	398,614
Fees and subscription	105,000
Insurance	355,678
Depreciation	12,110,420
	<u>877,560,346</u>

**Authorization of Financial Statements**

These Interim financial statements were approved and authorized by the Board of Directors of the Company for issuance on 30-October 2025

**General**

Corresponding figures are rearranged / reclassified for better presentation and comparison. No material re-arrangement / reclassification has been made in these financial statements.

**DIRECTOR**
**CHIEF FINANCIAL OFFICER**



## 6.6 SUMMARY OF FINANCIAL HIGHLIGHTS OF GHANI DAIRIES LIMITED:

### Ghani Dairies Limited

PKR Mn Fiscal Year	Audited FY 2023	Audited FY 2024	Audited FY 2025	Unaudited 3Months FY 2026
<b>Income Statement</b>				
Net Revenue	1,841.16	3,144.94	4,111.95	1,062.73
Cost of Goods Sold	(1,741.15)	(2,979.10)	(3,491.96)	(877.56)
<b>Gross Profit</b>	<b>100.01</b>	<b>165.83</b>	<b>619.99</b>	<b>185.17</b>
Admin Expenses	(21.46)	(30.92)	(52.26)	(14.21)
<b>Operating Profit</b>	<b>78.55</b>	<b>134.92</b>	<b>567.73</b>	<b>170.96</b>
Other operating expenses	(38.77)	(47.26)	(52.81)	(16.86)
Finance cost	(3.64)	(4.39)	(6.21)	(5.83)
Other Income	30.77	40.04	10.74 <sup>54</sup>	1.95
<b>Profit/(Loss) before Taxation</b>	<b>66.91</b>	<b>123.31</b>	<b>519.44</b>	<b>150.21</b>
Taxation	(24.92)	(49.61)	(75.29)	(25.19)
<b>Profit/(Loss) after Taxation</b>	<b>41.99</b>	<b>73.71</b>	<b>444.15</b>	<b>125.03</b>
EBITDA	105.20	173.99	587.08	171.71
Depreciation and Amortization	34.66	46.30	61.42 <sup>55</sup>	15.67
<b>Balance Sheet</b>				
Non-Current Assets	898.89	1,130.84	1,628.26 <sup>56</sup>	1,775.41
Current Assets	451.36	457.96	709.92	650.48
Total Assets	1,350.25	1,588.80	2,338.19	2,425.89
Paid-up Capital	125.00	325.00	325.00	325.00
Reserves	70.02	143.73	587.88 <sup>57</sup>	712.91
Loan from Sponsors	292.10	634.32	574.34	574.34
Total Equity	487.12	1,103.05	1,487.22	1,612.25
Long-Term Debt	80.50	117.58	263.17	206.37
Current Portion of non-current liabilities	15.94	27.68	86.96	68.19
Short-Term Borrowings	-	-	-	-
Non-Current Liabilities	94.04	159.77	293.45	236.30
Current Liabilities	769.09	325.98	557.51	577.34
Trade debts	740.49	263.85	369.85	378.34
Security Deposits Payables	-	12.48	12.48	12.48
<b>Cash Flow Statement</b>				
Cash Flow from Operating Activities	(8.29) <sup>58</sup>	89.64	184.13	(5.17)
Cash Flow from Investing Activities	(348.41)	(258.19)	(199.34) <sup>59</sup>	(78.57)
Cash Flow from Financing Activities	363.99	141.05	177.02	(20.57)

<sup>54</sup> Other incomes decrease in FY2025 due to decrease in Profit on saving accounts & removal of subsidy from Nestle.

<sup>55</sup> Depreciation and amortisation increased in FY2025 primarily due to the full-year charge on an expanded asset base from prior capitalisation, rather than new capital expenditure. Depreciation on property, plant, and equipment rose from PKR 45.9 million to PKR 61.0 million, consistent with the carrying value increase from PKR 719.2 million to PKR 839.1 million. Major prior capital investments became fully operational, while amortisation of intangible assets remained stable at PKR 0.37 million. The increase reflects the systematic allocation of asset costs over their useful lives in line with IAS 16 and IAS 38.

<sup>56</sup> Non-current assets increased by Rs. 497.42 million in 2025, primarily due to higher biological assets (Rs. 377.88 million), including an unrealized fair value gain of Rs. 370.98 million as per independent valuation report dated 30-June-2025, and an increase in property, plant, and equipment (Rs. 119.91 million), net of depreciation.

<sup>57</sup> Reserves increased from PKR 143.73 million to PKR 586.88 million in FY2025 due to strong profitability, retention of earnings, and no dividend distributions, reflecting cash-backed growth and reinvestment in working capital and biological assets.

<sup>58</sup> The Company is in a growth phase, and since FY2023 was an initial year of operations, operating cash flows were negative.

<sup>59</sup> Net cash generated from operating activities increased to PKR 184.13 million in FY2025 from PKR 89.64 million in FY2024, driven by higher profitability, non-cash adjustments, and disciplined working capital management.



PKR Mn Fiscal Year	Audited FY 2023	Audited FY 2024	Audited FY 2025	Unaudited 3Months FY 2026
<b>Net increase in cash and cash equivalents</b>	7.29	(27.50)	161.81	(104.32)
<b>Cash and cash equivalents at the End of the year</b>	42.62	15.13	176.94	72.62
Capex	350.88	279.47	214.76	92.38
<b>Growth</b>				
Revenue from contract with customers Growth (%) <sup>60</sup>	542%	90%	19%	-
EBITDA Growth (%) <sup>61</sup>	177%	66%	238%	-
Gross Margin Growth (%) <sup>62</sup>	384%	66%	274%	-
Profit after tax Growth (%) <sup>63</sup>	48%	76%	503%	-
<b>Margins</b>				
Gross Margin (%) <sup>64</sup>	5.43%	5.27%	15.08% <sup>65</sup>	17.42%
Operating Margin <sup>66</sup>	4.27%	4.29%	13.81% <sup>67</sup>	16.09%
EBITDA Margin (%) <sup>68</sup>	5.71%	5.53%	14.28%	16.16%
Profit before tax Margin (%) <sup>69</sup>	3.63%	3.92%	12.63%	14.13%
Profit after tax Margin (%) <sup>70</sup>	2.28%	2.34%	10.80% <sup>71</sup>	11.76%
<b>Profitability Ratios</b>				
Earnings per Share Adjusted (PKR) <sup>72</sup>	0.13	0.23	1.37	0.38
Earnings per Share (Corresponding period) (PKR) <sup>73</sup>	3.36	2.27	13.67	0.38
Break-up value per share (PKR) <sup>74</sup>	38.97	33.94	45.76	4.96
Return on equity (%) <sup>75</sup>	8.94%	9.27%	34.29% <sup>76</sup>	32.27% <sup>77</sup>
Return on assets (%) <sup>78</sup>	4.00%	5.02%	22.62% <sup>79</sup>	21.00% <sup>80</sup>
Outstanding shares (Mn) <sup>81</sup>	12.50	32.50	32.50	325.00
<b>Balance Sheet Ratios</b>				
Non-Current Asset Turnover <sup>82</sup>	2.53	3.10	2.98	0.62
Asset Turnover <sup>83</sup>	1.76	2.14	2.09	0.45
Current Ratio <sup>84</sup>	0.59	1.40	1.27	1.13

<sup>60</sup> Calculated as the percentage change in net revenue of the current period compared with the previous period.

<sup>61</sup> Calculated as the percentage change in earnings before interest, tax, depreciation and amortisation of the current period compared with the previous period.

<sup>62</sup> Calculated as the percentage change in gross margin of the current period compared with the previous period.

<sup>63</sup> Calculated as the percentage change in profit after tax of the current period compared with the previous period.

<sup>64</sup> Gross Profit / Net Revenue.

<sup>65</sup> Gross profit margin improved from 5.3% in 2024 to 15.1% in 2025, driven by a bulk feed strategy and enhanced herd productivity, resulting in controlled costs and higher output per cow.

<sup>66</sup> Operating Profit / Net Revenue.

<sup>67</sup> Operating Margin improved due to lower feed costs from bulk procurement and higher herd productivity, which enhanced revenue without a proportionate increase in operating expenses.

<sup>68</sup> EBITDA / Net Revenue.

<sup>69</sup> Profit before tax / Net Revenue.

<sup>70</sup> Profit after tax by Net Revenue.

<sup>71</sup> The increase is driven by IAS 41 fair value gains and stronger core margins supported by higher herd productivity, including 100 imported cows

<sup>72</sup> EPS Adjusted is calculated on number of shares outstanding are based on October 28, 2025 auditor statement on Paid Up Capital & reflects the effect of the share split.

<sup>73</sup> EPS Corresponding period is calculated on number of shares outstanding at period end.

<sup>74</sup> Book value per share is calculated on number of shares outstanding at period end.

<sup>75</sup> Profit after tax / Average Total Equity

<sup>76</sup> ROE improved as profits increased significantly while equity rose only marginally.

<sup>77</sup> ROE is calculated on annualized PAT (Profit after tax of Q1FY 2026 \* 12/3) / Average (Total Equity of Q1FY 2026 & FY 2025)

<sup>78</sup> Profit after tax / Average Total Assets

<sup>79</sup> ROA improved due to higher profitability from increased milk production, fair value gains, and cost efficiencies, while the asset base remained largely unchanged.

<sup>80</sup> ROA is calculated on annualized PAT (Profit after tax of Q1FY 2026 \* 12/3) / Average (Total Assets of Q1FY 2026 & FY 2025)

<sup>81</sup> The total number of ordinary shares outstanding at period end

<sup>82</sup> Net Revenue / Average Non- Current Assets.

<sup>83</sup> Net Revenue / Average Total Assets.

<sup>84</sup> Current Assets by Current Liabilities.



PKR Mn Fiscal Year	Audited FY 2023	Audited FY 2024	Audited FY 2025	Unaudited 3Months FY 2026
Capex to total Assets (%) <sup>85</sup>	26%	18%	9%	4%
Receivable Turnover (days) <sup>86</sup>	-	3	6	7 <sup>87</sup>
Inventory Turnover (days) <sup>88</sup>	42	23	22	26 <sup>89</sup>
Payable Turnover (days) <sup>90</sup>	155	62	33	156 <sup>91</sup>
Quick ratio <sup>92</sup>	0.06	0.13	0.38	0.19
Cash Conversion Cycle (days) <sup>93</sup>	(112.90)	(34.96)	(4.62)	(24.38)
<b>Leverage Ratios</b>				
Debt to Equity (Times) <sup>94</sup>	0.20	0.13	0.24	0.17
Debt to Total Capital (Times) <sup>95</sup>	0.17	0.12	0.19	0.15
EBITDA/Interest (Times) <sup>96</sup>	28.95	39.68	94.48	29.43
Interest Coverage (Times) <sup>97</sup>	19.36	29.12	84.60	26.75
Debt / EBITDA (Times) <sup>98</sup>	0.92	0.83	0.60	1.60
EBITDA – CAPEX	(245.67)	(105.47)	372.32	79.34
EBITDA - CAPEX/ Interest (Times)	(67.60)	(24.05)	59.92	13.60

## COMMENTARY ON SELECTED RATIOS

### 6.6.1 Profitability

In FY2025, the Company reported a strong improvement in profitability, reflecting continued growth in operations and improved cost efficiency. Net revenue increased by 31% to PKR 4.1 billion, supported by higher volumes and a stronger product mix. Gross profit rose to PKR 620 million from PKR 166 million in FY2024, with the gross margin expanding to 15.1% compared to 5.3% last year. The improvement was driven by effective cost control and better production efficiency.

Operating profit increased over fourfold to PKR 526 million, resulting in an operating margin of 12.8% (FY2024: 4.1%). The Company's profit after tax surged to PKR 444 million, compared to PKR 74 million in FY2024, with the net profit margin rising to 10.8% from 2.3%. Enhanced profitability also translated into stronger returns, as ROE improved to 34.3% and ROA reached 22.6%, reflecting higher efficiency and improved utilization of assets.

### 6.6.2 Gross and Operating Margins

Both gross and operating margins showed substantial improvement in FY2025. The gross margin increased from 5.3% to 15.1%, supported by better pricing, cost optimization, and economies of scale. The operating margin rose from 4.3% to 13.8%, reflecting disciplined expense management and operating leverage from higher sales volumes.

<sup>85</sup> Capital Expenditure / Total Assets

<sup>86</sup> (Average Trade Receivables / Revenue from Customers) \* 365

<sup>87</sup> (Average (1QFY 2026 Trade Receivables & FY 2025 Trade Receivables) / Revenue from Customers) \* 90

<sup>88</sup> (Average Stock-in-trade / Cost of Revenue) \* 365

<sup>89</sup> (Average (1QFY 2026 Stock-in-trade & FY 2025 Stock-in-trade) / Cost of Revenue) \* 90

<sup>90</sup> (Average Trade Payables / Cost of Revenue) \* 365

<sup>91</sup> (Average (1QFY 2026 Trade Payables & FY 2025 Trade Payables) / Cost of Revenue) \* 90

<sup>92</sup> (Current assets - Inventories and prepaid expenses) / Current Liabilities.

<sup>93</sup> (Receivable turnover days + Inventory turnover days - Payable turnover days)

<sup>94</sup> (Total Debt / Total Equity)

<sup>95</sup> (Total debt / (Total Debt + total Equity))

<sup>96</sup> (EBITDA / finance cost)

<sup>97</sup> (Profit before interest and tax / Finance cost)

<sup>98</sup> (Total Debt / EBITDA)



### 6.6.3 Liquidity

The Company maintained a healthy liquidity position during FY2025. The current ratio remained stable at 1.27x (FY2024: 1.40x), while the quick ratio improved to 0.38x from 0.13x, indicating a stronger short-term liquidity profile. Working capital efficiency also improved, with the cash conversion cycle shortening to (5) days from (35) days, driven by faster receivable collections and efficient payable management.

### 6.6.4 Cash Flow from Operations

In FY2025, cash flow from operating activities nearly doubled to PKR 184 million, compared to PKR 90 million in FY2024. The increase was primarily driven by higher profitability and improved working capital management. As a result, the Company closed the year with a net positive cash balance of PKR 134 million, compared to a deficit position in the prior year.

### 6.6.5 Turnover Ratios

Operational efficiency remained strong during FY2025. The asset turnover ratio was stable at 2.09x (FY2024: 2.14x), while the non-current asset turnover stood at 2.98x, compared to 3.10x last year, indicating sustained efficiency despite capacity expansion.

Working capital turnover remained well managed, receivable days increased slightly to 6 days (FY2024: 3 days) in line with higher sales, inventory days improved marginally to 22 days (FY2024: 23 days), and payable days normalized to 33 days from 62 days. The shorter working capital cycle reflects efficient management of operations and cash flows.

## 6.7 SUMMARY OF REVENUE AND EXPENDITURE OF GHANI DAIRIES LIMITED

### 6.7.1 Revenue

Product Type	FY 2023		FY 2024		FY 2025		Unaudited 1QFY 2026	
	PKR Mn	%	PKR Mn	%	PKR Mn	%	PKR Mn	%
Raw Milk Sales	787	43%	1,495	48%	1,778	43%	483	45%
Gain raising on initial recognition of milk at fair value less cost to sell at the time of milking <sup>99</sup>	1,014	55%	1,592	51%	1,963	48%	490	46%
Gain arising from changes in fair value less cost to sell of dairy livestock	41	2%	58	2%	371	9%	90	8%
<b>Total Sales</b>	<b>1,841</b>		<b>3,145</b>		<b>4,112</b>		<b>1,063</b>	

### 6.7.2 Expenditure

In PKR Mn	FY 2023	% of Sales	FY 2024	% of Sales	FY 2025	% of Sales
<b>Cost of Sales</b>	<b>1,741.15</b>	<b>100.00%</b>	<b>2,979.10</b>	<b>100.00%</b>	<b>3,491.96</b>	<b>100.00%</b>
Raw milk consumed	1,013.62	58.22%	1,591.62	53.43%	1,963.10	56.22%
Feed consumed	590.07	33.89%	1,036.38	34.79%	1,127.20	32.28%
Store and spares consumed	18.77	1.08%	29.22	0.98%	23.82	0.68%
Medicine consumed	15.05	0.86%	52.16	1.75%	106.78	3.06%
Salaries, wages and other benefits	54.07	3.11%	74.83	2.51%	86.19	2.47%

<sup>99</sup> As at reporting period ended FY 2023, FY 2024, FY 2025 and 1QFY 2026



Utilities	19.64	1.13%	95.78	3.22%	100.45	2.88%
Diesel, Fuel & Lubricants	-	0.00%	-	-	-	-
Repair and maintenance	0.68	0.04%	3.32	0.11%	3.70	0.11%
Travelling and conveyance	0.00	-	4.04	0.14%	2.35	0.07%
Consultancy charges	-	-	2.29	0.08%	6.15	0.18%
Stationery Expense	-	-	-	-	-	-
Commission	-	-	0.27	0.01%	0.96	0.03%
Entertainment	1.19	0.07%	5.71	0.19%	4.05	0.12%
Freight charges	1.87	0.11%	18.63	0.63%	19.51	0.56%
Miscellaneous	0.14	0.01%	0.08	0.00%	0.26	0.01%
Postage & Communication	-	0.00%	-	-	-	0.00%
Fees and subscription	0.12	0.01%	-	-	-	-
Insurance	-	-	25.19	0.85%	1.47	0.04%
Depreciation	25.92	1.49%	39.59	1.33%	45.95	1.32%
<b>Administrative Expenses</b>	<b>22.296</b>	<b>100.00%</b>	<b>30.92</b>	<b>100.00%</b>	<b>52.26</b>	<b>100.00%</b>
Salaries, wages and other benefits	7.08	31.75%	18.80	60.82%	18.56	35.52%
Travelling and conveyance	2.73	12.27%	0.24	0.77%	0.20	0.38%
Fee and subscription	0.13	0.58%	0.42	1.37%	2.75	5.26%
Printing and Stationery	0.21	0.96%	0.06	0.20%	0.17	0.32%
Charity & Donation	-	-	-	-	10.00	19.13%
Communication	1.93	8.65%	1.22	3.94%	1.24	2.38%
Legal and professional charges	0.33	1.48%	1.23	3.96%	0.21	0.41%
Auditors' remuneration	0.32	1.41%	0.74	2.38%	1.20	2.30%
Entertainment	-	-	0.67	2.17%	0.40	0.77%
Amortization	0.92	-	0.37	-	0.37	-
Utilities	-	-	0.84	2.71%	2.07	3.95%
Depreciation	8.64	38.75%	6.33	20.48%	15.10	28.88%
<b>Other Operating Expenses</b>	<b>38.8</b>	<b>100.00%</b>	<b>47.26</b>	<b>100.00%</b>	<b>52.81</b>	<b>100.00%</b>
Mortality expense	31.48	81.19%	36.17	76.53%	14.75	27.93%
Workers' profit participation fund	5.28	13.63%	6.62	14.01%	27.87	52.79%
Interest on worker's profit participation funds	-	-	-	-	1.66	3.14%
Workers' welfare fund	2.01	5.18%	2.52	5.33%	8.53	16.14%
Loss/(Gain) on sale of Animals	-	-	1.95	4.13%	-	-

## 6.8 SUMMARY OF OTHER INCOME

(PKR-Mn)	FY 2023	FY 2024	FY 2025
Other Income	30.77	40.04	10.74
Other income as % of operating profit (%)	43.61%	31.35%	2.04%
Other income as % of sales (%)	1.67%	1.27%	0.26%

## 6.9 IN CASE OTHER INCOME IS 25% OF OPERATING INCOME OR 10% OF REVENUE, THE BREAKUP OF THE SAME

Not applicable.

## 6.10 IF MATERIAL PART OF REVENUE (50%) IS DEPENDANT UPON A SINGLE/ FEW CUSTOMERS

Please refer to section 3.16



### 6.11 IF MATERIAL PART OF PURCHASES (50%) IS DEPENDANT UPON A SINGLE/ FEW SUPPLIER

Material portion of the Company's purchases, particularly feed and veterinary supplies, is dependent on Mix selected key vendors as well as certain imported sources.

### 6.12 CONTINGENCIES AND COMMITMENTS

There are no material contingencies as at the reporting date 30th June 2025 (2024: Nil).

Commitments comprise banking contracts and letters of credit other than for capital expenditure of Rs. 35.176 million as at 30th June 2025 (2024: Nil) and letters of credit for capital expenditure of Rs. 33.09 million as at 30th June 2025 (2024: Rs. 105.414 million).

### 6.13 COMPARATIVE FINANCIAL ANALYSIS WITH PEER GROUP COMPANIES

Peer analysis of companies listed on PSX is provided below:

Company	Share (PKR) <sup>100</sup>	EPS - TTM (PKR) <sup>101</sup>	BVPS` (PKR) <sup>102</sup>	P/E (x) <sup>103</sup>	P/B (x) <sup>104</sup>	Free Float (Shares in Million)	Free Float %	ROA <sup>105</sup>	ROE
At-Tahur Limited	38.79	2.50	28.22	15.52	1.37	65.59	30.00%	6.11%	8.86%
Fauji Foods Limited	19.11	0.45	4.20	42.56	4.55	503.99	20.00%	5.51%	10.69%
Nestle Pakistan Limited	8,010.51	366.43	467.58	21.86	17.13	2.27	5.00%	17.93%	78.37%
Frieslandcampina Engro Pakistan Limited	84.87	2.97	21.40	28.60	3.97	76.66	10.00%	5.73%	13.87%
<b>Peer Group Average (x)</b>				<b>27.13</b>	<b>6.76</b>				
<b>Peer Group Median (x)</b>				<b>25.23</b>	<b>4.26</b>				
<b>KSE-100<sup>106</sup></b>				<b>9.07</b>	<b>1.59</b>				
<b>Ghani Dairies Limited (Pre-Issue)</b>	24.00 <sup>107</sup>	1.37 <sup>108</sup>	4.58 <sup>109</sup>	17.56 <sup>110</sup>	5.24 <sup>111</sup>	-	-	19% <sup>112</sup>	29.86%
<b>Ghani Dairies Limited (Post-Issue)</b>	24.00	1.03 <sup>113</sup>	3.47 <sup>114</sup>	23.19	6.93	104.2	24.28%	19%	29.86%

Note: The peer group includes companies listed on the Pakistan Stock Exchange that are primarily engaged in milk and dairy processing. These companies are considered comparable to the Issuer for valuation purposes.

<sup>100</sup> Share Price as at December 24, 2025.

<sup>101</sup> EPS based on TTM Income on latest quarter as of September 30, 2025 and total outstanding shares on Annual 2025 & 2024.

<sup>102</sup> BVPS is as of latest quarter report as of September 30, 2025.

<sup>103</sup> P/E calculated based on TTM PAT as at September 30, 2025 and Price as at December 24, 2025.

<sup>104</sup> P/B Limited calculated based on Latest quarter report as at September 30, 2025 and Share price as of December 24, 2025.

<sup>105</sup> ROE and ROA are based on September 30, 2025 and TTM Income of latest quarter report as of September 30, 2025.

<sup>106</sup> KSE-100 Multiple as of December 24, 2025.

<sup>107</sup> Ghani Dairies Limited Issue Price.

<sup>108</sup> EPS based on Annual Income as of June 30, 2025 and total outstanding shares are based on October 28, 2025 auditor statement on Paid Up Capital.

<sup>109</sup> BVPS is as of Annual report as of June 30, 2025.

<sup>110</sup> Ghani Dairies Limited P/E calculated based on Annual accounts PAT as at June 30, 2025 and Issue Price.

<sup>111</sup> Ghani Dairies Limited P/B calculated based on Annual report as at June 30, 2025 and Issue Price.

<sup>112</sup> Ghani Dairies Limited ROE and ROA based on Annual accounts June, 2025 equity and total assets and PAT Income of Annual accounts as of June 30, 2025.

<sup>113</sup> Ghani Dairies Limited EPS based on Annual Income as of June 30, 2025 and total outstanding shares are based on Post IPO outstanding shares of 429.2 Million.

<sup>114</sup> Ghani Dairies Limited BVPS is as of Annual report as of June 30, 2025 and total outstanding shares are based on Post IPO outstanding shares of 429.2 Million



#### 6.14 SUMMARY OF FINANCIAL PROJECTIONS FOR FIVE YEARS

##### a. Profit and loss statement.

	Audited Jun/25 Million	Forecasted Jun/26 Million	Forecasted Jun/27 Million	Forecasted Jun/28 Million	Forecasted Jun/29 Million	Forecasted Jun/30 Million
Revenue from contract with customers	1,777.88	2,747.36	5,854.00	7,570.59	9,940.23	13,067.59
Gain arising on initial recognition of milk at fair value less costs to sell at the time of milking	1,963.10	2,747.36	5,854.00	7,570.59	9,940.23	13,067.59
Gain arising from changes in fair value less costs to sell of dairy livestock	370.98	468.10	664.79	1,377.85	1,990.03	2,616.13
Net Sales	4,111.95	5,962.82	12,372.80	16,519.03	21,870.50	28,751.32
Cost of revenue	(3,491.96)	(5,014.10)	(9,917.01)	(13,021.84)	(17,157.45)	(22,413.22)
<b>Gross Profit</b>	619.99	948.72	2,455.79	3,497.19	4,713.04	6,338.10
Administrative expenses	(52.26)	(131.55)	(176.37)	(175.62)	(187.39)	(200.94)
<b>Operating Profit</b>	567.73	817.17	2,279.41	3,321.57	4,525.66	6,137.16
Other operating Income/(expenses)	(52.81)	(58.82)	(283.62)	(364.56)	(523.59)	(757.11)
Finance cost	(6.21)	(14.63)	(11.18)	(8.53)	(5.56)	(3.62)
Other income	10.74	46.37	86.66	129.07	170.18	244.98
Sub Total	(48.28)	(27.08)	(208.13)	(244.03)	(358.98)	(515.75)
<b>Profit before Levy and Taxation</b>	519.44	790.09	2,071.28	3,077.54	4,166.68	5,621.41
Levy	(36.30)	(79.38)	-	(17.67)	(82.07)	(70.56)
<b>Profit before Taxation</b>	483.14	710.71	2,071.28	3,059.88	4,084.60	5,550.85
Taxation	(38.99)	(94.49)	(439.00)	(625.32)	(794.27)	(1,101.64)
<b>Net Profit for the Year</b>	444.15	616.22	1,632.28	2,434.56	3,290.33	4,449.21
<b>EPS (Adjusted)</b>	1.37	1.90	5.02	7.49	10.12	13.69
<b>EPS</b>	13.67	1.44	3.80	5.67	7.67	10.37
<b>Net Sales Growth Rate</b>	-	45.01%	107.50%	33.51%	32.40%	31.46%
<b>Operating Profit Margin</b>	13.81%	13.70%	18.42%	20.11%	20.69%	21.35%
<b>Effective Tax Rate</b>	14.50%	22.01%	21.19%	20.89%	21.03%	20.85%



## b. Balance sheet

	Audited Jun/25 Million	Forecasted Jun/26 Million	Forecasted Jun/27 Million	Forecasted Jun/28 Million	Forecasted Jun/29 Million	Forecasted Jun/30 Million
<b>ASSETS</b>						
<b>Non Current Assets</b>						
Property, plant and equipment	839.13	1,589.80	1,870.80	2,358.10	3,208.18	3,513.04
Biological assets	784.62	2,116.36	2,495.45	3,536.41	5,049.03	6,983.54
Intangible	1.02	0.81	2.25	1.80	1.44	1.15
Long term deposits	3.49	3.49	3.49	3.49	3.49	3.49
	1,628.26	3,710.48	4,371.99	5,899.80	8,262.15	10,501.23
<b>Current Assets</b>						
Stock-in-trade	242.32	290.78	348.94	418.73	502.48	602.97
Stores and spares	45.57	68.35	102.52	153.78	230.67	346.01
Biological assets	0.51					
Trade debts	36.72	44.32	63.01	130.60	171.47	998.29
Advances, deposits, prepayments and other receivables	207.87	226.09	478.56	621.68	757.37	993.03
Cash and bank balances	176.94	1,034.83	1,963.05	2,936.71	3,857.79	5,528.16
	709.92	1,664.37	2,956.08	4,261.49	5,519.78	8,468.47
	2,338.19	5,374.84	7,328.07	10,161.29	13,781.93	18,969.70
<b>EQUITY AND LIABILITIES</b>						
<b>Share Capital and Reserves</b>						
Authorized share capital:	325.00	429.20	429.20	429.20	429.20	429.20
Issued, subscribed and paid up capital	325.00	429.20	429.20	429.20	429.20	429.20
Share Premium	-	2,396.60	2,396.60	2,396.60	2,396.60	2,396.60
Unappropriated profit	587.88	1,204.10	2,836.38	5,270.94	8,561.28	13,010.49
Loan from sponsors	574.34	574.34	313.34	213.34	-	-
	1,487.22	4,604.24	5,975.52	8,310.08	11,387.08	15,836.29
<b>Non Current Liabilities</b>						
Long term financing	263.17	109.78	69.82	32.85	13.53	4.71
Deferred tax liability	30.28	70.84	52.89	49.20	62.50	57.41
	293.45	180.62	122.71	82.05	76.03	62.12
<b>Current Liabilities</b>						
Trade and other payables	369.85	399.64	716.93	1,072.01	1,422.95	1,871.68
Short term financing	-	1.00	2.50	-	-	-
Security deposit payable	12.48	12.48	12.48	12.48	12.48	12.48
Accrued mark up	1.02	1.02	1.02	1.02	1.02	1.02
Current portion of long term financing	86.96	42.52	39.97	36.97	19.32	8.81
Provision for taxation	87.20	133.31	456.95	646.67	863.05	1,177.29
	557.51	589.98	1,229.84	1,769.15	2,318.82	3,071.29
	2,338.19	5,374.84	7,328.07	10,161.29	13,781.93	18,969.70



## c. Cashflow statement including free cashflow to the firm and equity holders.

	Audited Jun/25 Million	Forecasted Jun/26 Million	Forecasted Jun/27 Million	Forecasted Jun/28 Million	Forecasted Jun/29 Million	Forecasted Jun/30 Million
Profit before Levy and Taxation	519.44	790.09	2,071.28	3,077.54	4,166.68	5,621.41
Adjustments for:						
- Depreciation on property, plant and equipment	61.05	178.93	183.01	202.70	266.41	277.64
- Amortization on intangible asset	0.37	0.20	0.56	0.45	0.36	0.29
- Gain arising from changes in fair value less costs to sell of dairy livestock	(370.98)	(468.10)	(664.79)	(1,377.85)	(1,990.03)	(2,616.13)
- Mortality expense	14.75	15.97	34.34	40.82	48.88	58.50
- Loss/(Gain) on sale of calves/heifers	(3.27)	(15.71)	95.77	95.65	165.91	281.99
- Worker's profit participation fund expense	27.87	42.43	111.24	165.28	223.77	301.90
- Interest on Worker's profit participation fund	1.66	-	-	-	-	-
- Worker's welfare fund expense	8.53	16.12	42.27	62.81	85.03	114.72
- Preliminary expenses	-	-	-	-	-	-
- Finance cost	6.00	14.43	10.99	8.39	5.37	3.38
	(254.02)	(215.71)	(186.61)	(801.75)	(1,194.29)	(1,577.71)
<b>Operating profit before working capital changes</b>	<b>265.42</b>	<b>574.38</b>	<b>1,884.67</b>	<b>2,275.79</b>	<b>2,972.38</b>	<b>4,043.70</b>
Decrease/ (Increase) in current assets:						
- Stock in trade	(62.04)	(48.46)	(58.16)	(69.79)	(83.75)	(100.50)
- Stores and spares	(32.40)	(22.78)	(34.17)	(51.26)	(76.89)	(115.34)
- Biological assets	(0.51)	0.51	-	-	-	-
- Trade debts	(10.93)	(7.59)	(18.69)	(67.58)	(40.88)	(826.82)
- Advances, deposits, prepayments and other receivables	15.72	(18.23)	(252.47)	(143.11)	(135.70)	(235.66)
(Decrease)/ increase in current liabilities:						
- Trade and other payables	35.80	79.38	242.41	280.51	270.22	340.92
- Security deposit payable	-	-	-	-	-	-
	(54.35)	(17.18)	(121.09)	(51.24)	(67.00)	(937.40)
<b>Cash Generated from/ (Used) in operations</b>	<b>211.07</b>	<b>557.20</b>	<b>1,763.58</b>	<b>2,224.56</b>	<b>2,905.39</b>	<b>3,106.30</b>



Finance cost paid	(5.98)	(14.43)	(10.99)	(8.39)	(5.37)	(3.38)
Worker's profit participation fund paid	-	(36.15)	(42.43)	(111.24)	(165.28)	(223.77)
Workers' welfare fund	-	(13.64)	(16.12)	(42.27)	(62.81)	(85.03)
Dividend Paid		-	-	-	-	-
Income tax paid	(20.96)	(87.20)	(133.31)	(456.95)	(646.67)	(863.05)
<b>Net Cash Generated/ (Used) in from Operating Activities</b>	<b>184.13</b>	<b>405.77</b>	<b>1,560.72</b>	<b>1,605.71</b>	<b>2,025.26</b>	<b>1,931.06</b>
<b>Cash Flows from Investing Activities</b>						
Purchase of operating fixed assets	(4.48)	(510.50)	(104.00)	(267.50)	(315.50)	(372.50)
Additions in capital work in progress	(176.48)	(419.10)	(360.00)	(422.50)	(801.00)	(210.00)
Purchase of intangible assets	-	-	(2.00)	-	-	-
Additions in biological assets	(33.80)	(969.57)	-	-	-	-
Sale proceeds on disposal of biological assets	15.42	47.33	88.84	110.40	139.02	175.15
Insurance claim on death of biological assets	-	15.41	50.31	59.00	92.58	143.46
Insurance claim on Culling of biological assets		42.92	16.45	31.01	31.03	22.52
Long-term deposits	-	-	-	-	-	-
<b>Net Cash Generated from/ (Used) in Investing Activities</b>	<b>(199.34)</b>	<b>(1,793.51)</b>	<b>(310.40)</b>	<b>(489.58)</b>	<b>(853.87)</b>	<b>(241.37)</b>
<b>Cash Flows from Financing Activities</b>						
Issuance of shares	-	2,500.80	-	-	-	-
Advance from related parties - net	32.15	(58.35)	(20.08)	-	-	-
Long/Short term financing - net	204.86	(196.82)	(41.02)	(42.47)	(36.97)	(19.32)
Loan from sponsors obtained	10.00	-	-	-	-	-
Loan from sponsors - net	(69.98)	-	(261.00)	(100.00)	(213.34)	-
<b>Net Cash Generated from/ (Used) in Financing Activities</b>	<b>177.02</b>	<b>2,245.63</b>	<b>(322.10)</b>	<b>(142.47)</b>	<b>(250.31)</b>	<b>(19.32)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>161.81</b>	<b>857.89</b>	<b>928.22</b>	<b>973.66</b>	<b>921.08</b>	<b>1,670.37</b>
Cash and cash equivalents at the beginning of the year	15.13	176.94	1,034.83	1,963.05	2,936.71	3,857.79
<b>Cash and Cash Equivalents at the End of the Year</b>	<b>176.94</b>	<b>1,034.83</b>	<b>1,963.05</b>	<b>2,936.71</b>	<b>3,857.79</b>	<b>5,528.16</b>



## 6.15 MACRO-ECONOMIC ASSUMPTIONS

	FY- 2026	FY- 2027	FY- 2028	FY- 2029	FY- 2030
<b>Inflation</b>	7.70%	6.50%	6.50%	6.50%	6.50%
<b>KIBOR</b>	12.10%	12.10%	12.10%	12.10%	12.10%
<b>Growth Rate (Milk Price per Litre)</b>	10.00%	10.00%	10.00%	10.00%	10.00%

- Revenue is projected to grow at a compound annual growth rate (CAGR) of 47.54% over the period FY25 - FY30. A particularly strong step-up is anticipated in FY27, with year-on-year revenue growth of 107.5% compared to FY26.

**This accelerated growth in FY27 will be driven by the following key factors:**

Expansion of the milking herd through a combination of organic growth (approximately 27% increase in the existing herd);

Annual farm-gate price increases of approximately 10%, in line with Market Trends with milk processors; and

The addition of approximately 960 high-genetic-merit Australian Holstein cows to the milking herd during FY27. These animals form part of a total importation of 1,250 pregnant heifers and cows scheduled to arrive in Pakistan in March/April 2026 (second half of FY26), with the balance retained for replacement and further herd development.

- We have assumed identical figures for Revenue from contracts with customers and Gain arising on initial recognition of milk at fair value less costs to sell in projections on following basis:

The projected per-unit rate for 'Revenue from contracts with customers' and the 'Gain arising on initial recognition of milk at fair value less costs to sell' is kept the same because Ghani Dairies sells its entire raw milk production immediately after milking to Pakistan's largest processors at agreed/contracted prices. These actual selling prices represent the most reliable and observable evidence of fair value less costs to sell at the point of harvest under IAS 41. Therefore, using the same rate for both revenue recognition (IFRS 15) and initial fair value measurement of milk is the most accurate approach, not a simplifying assumption.

Consequently, the same rate is also used as the initial carrying amount of milk inventory. When this inventory is subsequently sold, the cost of goods sold reflects the same unit amount. As a result, the fair value gain recognized at harvest is exactly offset by the corresponding cost of goods sold, producing a net zero impact on gross profit — which correctly reflects the economic substance of the transactions.

- Effective Tax Rate Calculation**

The company's effective tax rate is determined by dividing the final tax liability with accounting profit before tax, after applying adjustments required under applicable tax laws.

**Tax computation methodology**

The calculation starts with accounting profit before tax as per the financial statements. Certain accounting expenses not allowable for tax purposes (such as accounting depreciation, amortisation, WWF/WPPF expenses, and donations) are added back. Tax-allowable deductions are then adjusted, including tax depreciation and initial allowances, fair value gains on biological assets, and allowable statutory payments.

After these adjustments, taxable profit is derived.

**Tax determination**

Tax is computed under three alternative regimes:

- Normal corporate tax applied to taxable profit @ 29%
- Alternative Corporate Tax (ACT) based on accounting profit @ 17% on Accounting Profit
- Minimum tax based on turnover @ 1.25% of Turn Over

The highest of the above determines the tax charge for the year.

Further adjustments Super tax, where applicable, is added. Tax credits (such as approved donations) are deducted. Any excess ACT over normal tax is carried forward for adjustment against future normal tax liabilities.



## 6.16 CERTIFICATE OF REASONABLENESS OF FINANCIAL PROJECTIONS:

The Chief Executive  
Pakistan Stock Exchange Limited  
Stock Exchange Road  
Karachi

Chief Listing Officer  
Listing Department  
Pakistan Stock Exchange Limited  
Karachi



**JS Global Capital Limited**  
17/18th Floor, The Centre  
Plot No. 28, 58-5  
Abdullah Haroon Road  
Saddar, Karachi-74400, Pakistan.  
www.jsycl.com

UAN: +92 21 111 574 111  
Fax: +92 21 3563 2574  
NTN: 1558280-9

**Subject: Certification of Reasonableness of Financial Projections as per Schedule 1.14 (vii); (xii) of the Public Offering Regulations, 2017**

Dear Sir(s)

We, JS Global Capital Limited, acting as the Consultant to the Issue in connection with the proposed Initial Public Offering of Ghani Dairies Limited, hereby confirm that we have reviewed the financial projections for the five-year period ending FY2030 included in the draft Prospectus and submitted to the Exchange.

Based on our sector expertise, market research and discussions with the Company's Management regarding the underlying assumptions, we certify that the financial projections have been prepared on reasonable grounds and assumptions. The key assumptions cover, revenue growth rate, herd growth rate, margins i.e. gross profit, operating and EBITDA, effective tax rate and relevant macroeconomic factors and are considered reasonable in light of the Company's historical performance, industry outlook and the prevailing economic environment.

This Certification is being provided in accordance with the Public Offering Regulation issued by the Securities and Exchange Commission of Pakistan (SECP).

Yours Faithfully,

Usman Saeed  
Senior Vice President

**Disclaimer:**

The Financial projections are subject to inherent uncertainties and are based on assumptions regarding future events and circumstances which may not occur as expected. Actual results may differ from those projected. This certification should not be construed as guarantee of the attainment of the projected results. Please read the offering document / prospectus to understand the investment policies, risks and tax implication involved



## 6.17 REVALUATION OF FIXED ASSETS

No revaluation of the fixed assets has been carried out by the Company in the past.

## 6.18 DIVIDEND POLICY

**DISCLAIMER: THE ISSUER SHALL ALSO DISCLOSE A NON-BINDING EXPECTED DIVIDEND PAY-OUT RATIO SPECIFICALLY HIGHLIGHTING PERCENTAGE OF EARNINGS TO BE DISTRIBUTED TO THE SHAREHOLDERS AS DIVIDEND IN CASE THE COMPANY IS PROFITABLE, HAS CASH AND DOES NOT INTEND TO PURSUE ANY EXPANSION OPPORTUNITIES. IN CASE, THE COMPANY DOES NOT INTEND TO PAY ANY DIVIDENDS IN NEAR FUTURE, THE SAME SHALL BE CLEARLY DISCLOSED IN THE PROSPECTUS.**

The Company intends to follow a consistent profit distribution policy for its members, subject to completion of its existing expansion plan, profitability, availability of adequate cash flows, the Board's recommendation and shareholders' approval, where required.

The rights in respect of capital and dividends attached to each ordinary share are and will be the same. The Company may declare dividends in its general meeting but no dividend shall exceed the amount recommended by the Directors. Dividend, if declared in the general meeting, shall be paid according to the provisions of the Companies Act, 2017.

The Board of Directors may from time to time declare interim dividends as they deem it justified by the profits of the Company. No dividend shall be paid otherwise than out of the profits of the Company for the year or any other undistributed profits.

No unpaid dividend shall bear interest or mark-up against the Company. The dividends shall be paid within the period laid down in the Companies Act, 2017.

Under Section 242 of the Companies Act, any dividend payable in cash by a listed company, shall only be paid through electronic mode directly into the bank account designated by the entitled shareholder.

Therefore, the applicants must provide "Dividend Mandate" while Subscription of shares of the Company.

The Company has issued no dividend or bonus shares over the past years since its incorporation in October 2020.

Ghani Dairies Limited plans to maintain a tentative, non-binding dividend payout ratio in the range of 15%-20% of annual net profit. This payout ratio reflects Ghani Dairies Limited commitment to balancing shareholder return with reinvestment in the business to support future growth and operational scalability. This range is indicative and will depend on the factors such a cashflow, profitability and strategic priorities in any given financial period.

Please note that this ratio is non-binding and final dividend payout may vary based on the company's performance, market conditions, and board recommendations and also that the company is profitable, has cash and does not intend to pursue any expansion opportunities.

### 1. Covenants / Restriction on Payment of Dividends:

There is no restriction on the company by any regulatory authority, creditors, stakeholder etc. on the distribution and capitalization of its profits.

### 2. Dividend Payout of Associated Companies:

The Company has no associated listed company



## 7 BOARD OF DIRECTORS AND MANAGEMENT OF THE COMPANY

### 7.1 BOARD OF DIRECTORS

S.no	Name	Designation	Address	CNIC	Current Directorships	Past Directorships in listed Companies	Period of Directorship in GDL
1	Aitzaz Ahmad Khan	Chairman / Non-Executive Director	Resident of 102-C, Model Town, Lahore	35202-6712826-7	1. Ghani Dairies Limited. 2. Ghani Himalyan Salt (Pvt) Ltd. 3. Ghani Mines (Pvt) Ltd. 4. Ghani Holdings & Ventures (Pvt) Ltd.	1. Ghani Glass Limited 2. Ghani Textile Limited <sup>115</sup>	From inception (2020) to present (or since incorporation)
2	Hafiz Avais Ghani	Chief Executive Officer	Resident of 102-C, Model Town, Lahore	35200-8677336-9	1. Ghani Dairies Limited. 2. Ghani Himalyan Salt (Pvt) Ltd. 3. Ghani Futuristic Developers (Pvt) Ltd. 4. Ghani Mines (Pvt) Ltd. 5. Ghani Layer Farms (Pvt) Ltd. 6. Ghani Holdings & Ventures (Pvt) Ltd. 7. Ghani Welfare Works. 8. Makerwal Collieries Limited.	1. Ghani Glass Limited 2. Ghani Textile Limited 3. First National Equities Limited	Since 2020 (or since establishment of GDL)
3	Shoaib Ghani	Executive Director	Resident of 102-C, Model Town, Lahore	35202-1167051-9	1. Ghani Dairies Limited. 2. Ghani Himalyan Salt (Pvt) Ltd. 3. Ghani Futuristic Developers (Pvt) Ltd. 4. Ghani Mines (Pvt) Ltd. 5. Ghani Layer Farms (Pvt) Ltd. 6. Ghani Holdings & Ventures (Pvt) Ltd. 7. Ghani Welfare Works.	-	Since incorporation (2020)
4	Ahad Ghani	Executive Director	Resident of 102-C, Model Town, Lahore	35202-0619828-7	1. Ghani Dairies Limited. 2. Ghani Himalyan Salt (Pvt) Ltd. 3. Ghani Futuristic Developers (Pvt) Ltd. 4. Ghani Mines (Pvt) Ltd. 5. Ghani Holdings & Ventures (Pvt) Ltd. 6. Ghani Welfare Works.	-	Since incorporation (2020)
5	Vaneeza Avais	Non-Executive Director	Resident of 102-C, Model Town, Lahore	35202-4595592-4	1. Ghani Dairies Limited. 2. Ghani Welfare Works.	-	Appointed in 2025
6	Khurram Zafar	Independent Director	House No. 196 Defence Raya Golf Club, Lahore Cantt	35202-2587808-5	1. Ghani Dairies Limited. 2. Pakistan Mercantile Exchange (PMEX). 3. Tasdeeq Information Services Limited. 4. Vending machines Company (PVT.) Limited. 5. Healthwire (Private) Limited.	-	Appointed in 2025

<sup>115</sup> The name of the Company was changed to Ghani Automobile Industries Limited with effect from March 31, 2004, and it was later delisted.



					6. Turbo Labz (PVT.) Limited. 7. Brand Ventures (Private) Limited. 8. KF Ventures (Private) Limited. 9. KZ Ventures (Private) Limited. 10. Punjab Financial Services Co. 11. 47 Ventures Ltd.		
7	Muhammad Hassan Nawaz Gondal	Independent Director	House No. 70, Defence Army housing scheme DHA, Lahore Cantt	35201-8707783-9	1. Ghani Dairies Limited.	-	Appointed in 2025

*None of the directors were holding directorship in the listed companies whose shares have been/were suspended by PSX.*

## 7.2 NUMBER OF DIRECTORS

Pursuant to Section 154 of the Companies Act, 2017 a listed Company shall not have less than seven (7) directors. At present, the Board consists of 7 directors, including the Chief Executive Officer.

## 7.3 PROFILES OF DIRECTORS

### 7.3.1 Aitzaz Ahmad Khan – Chairman / Non-Executive Director

Mr. Aitzaz Ahmad Khan is the founder and Chairman of Ghani Group. He graduated from the University of the Punjab in 1964 and established the Group in 1959. Under his leadership, the Group has expanded into a diversified industrial enterprise with operations in rock salt mining and processing, coal, asphalt and silica mining, glass manufacturing, animal feed, poultry, dairy farming, stock market investments, and fund management.

He has over 60 years of experience in business leadership and corporate management. He has been instrumental in defining the Group's strategic direction, strengthening financial oversight, and driving its diversification initiatives. His guidance has also played a vital role in the establishment and growth of Ghani Dairies Limited, where his leadership has contributed to improved production capacity and operational efficiency.

### 7.3.2 Mr. Hafiz Avais Ghani – Chief Executive Officer

Mr. Hafiz Avais Ghani obtained his B.Sc. in Electrical Engineering from the United States in 1997 and later earned a BBA in Finance in 2013. He has over 28 years of diversified experience in organizational leadership, operations management, and business transformation.

He began his career with Motorola Inc., USA, as an Engineer before returning to Pakistan in 1999 to join the family business. He has since held key leadership positions, including Director of Human Resources and Administration at Ghani Glass Limited and Chief Operating Officer at Ghani Automobile Industries Limited (2004–2007).

Since 2007, Mr. Ghani has been serving as Chief Executive Officer of Ghani Group, where he has successfully led the Group's expansion into mining, feed manufacturing, food processing, commodities trading, investment management, poultry and layer farming, coal mining, dairy, and real estate development. In 2020, he spearheaded the establishment of Ghani Dairies (Private) Limited, a modern, vertically integrated dairy farm. Under his leadership, the Company has achieved notable improvements in production capacity and operational efficiency.



### 7.3.3 Mr. Shoaib Ghani – Executive Director

Mr. Shoaib Ghani holds a B.Sc. (Honours) in Economics and Mathematics with a Minor in Social Sciences from the Lahore University of Management Sciences (LUMS) (2005–2009). He has also attended academic programs at the London School of Economics (2007), Harvard University (2008), and the University of Cambridge (2009).

Mr. Ghani is an experienced finance, procurement, and operations executive with over 17 years of leadership across mineral exploration, salt mining, dairy, poultry, and food production industries. He currently serves as Chief Operating Officer and Head of Finance & Procurement at Ghani Mines (Pvt.) Limited and Ghani Himalayan Salt, where he has played a central role in launching international exports and representing the Company at leading global food exhibitions in Germany, France, the USA, KSA, UAE, Malaysia, and Turkey.

In addition, Mr. Ghani is Finance & Procurement Director of Ghani Dairies Limited, where he oversaw the procurement of livestock and milking equipment from the United States and Australia for the establishment of the Company's modern dairy operations. He also serves in senior finance and procurement roles across Ghani Group's poultry feed, dairy feed, poultry farming, and real estate ventures.

Mr. Ghani has extensive expertise in strategic financial planning, international procurement, export development, and supply chain management. He has been a key contributor in structuring multimillion-dollar projects, including a \$6 million divestment transaction in 2021. He has also been recognized by Nestlé Pakistan Limited with a Certificate of Appreciation for Ghani Group's consistent role as a reliable milk supplier.

### 7.3.4 Mr. Ahad Ghani – Executive Director

Mr. Ahad Ghani holds a BBA (Honours) degree from the University of London, UK. He joined Ghani Group in 2021 as a Member of the Board of Directors.

Within the Group, he has been actively involved in marketing and sales operations, contributing to a notable increase in local sales and playing a key role in expanding salt export volumes to Middle Eastern and European markets.

As a Director of Ghani Dairies Limited, he supervises supply chain administration and supports the Company's growth through the implementation of modern business strategies and innovative practices.

### 7.3.5 Ms. Vaneeza Avais – Non Executive Director

Ms. Vaneeza Avais joined the Board of Ghani Dairies Limited in 2025. She holds a degree in Visual Communication Design from Beaconhouse National University.

She has extensive experience in branding, corporate communications, and digital design, having worked with Ghani Mines (Pvt.) Limited as well as with various national and international clients on brand identity and promotional campaigns. She brings creative and strategic insight to the Board, contributing to the strengthening of the Company's corporate identity and stakeholder communication.

### 7.3.6 Mr. Khurram Zafar – Independent Director

Mr. Khurram Zafar currently serves as the Chief Executive Officer of the Pakistan Mercantile Exchange (PMEX), a position he assumed in December 2024.

He brings extensive experience in entrepreneurship, venture capital, technology, and capital markets. Prior to joining PMEX, he co-founded a Pakistan-focused venture capital fund and was instrumental in establishing the LUMS Center for Entrepreneurship. He has also served on the Board of Karandaa Pakistan and as a member of its Digital Financial Services Advisory Committee.

Earlier in his career, Mr. Zafar was Chief Information Officer at the Lahore Stock Exchange and worked as a consultant with global financial institutions, including Merrill Lynch, Visa, and Bank of America. His professional background reflects strong expertise in capital markets, digital finance, and the development of startup ecosystems.

At PMEX, he is leading technology-driven initiatives to enhance the depth and efficiency of Pakistan's commodities and derivatives markets.



### 7.3.7 Mr. Hassan Nawaz Gondal – Independent Director

Mr. Hassan Nawaz Gondal is an advertising and marketing executive with extensive experience in brand development, communications, and out-of-home (OOH) and digital OOH advertising. He is currently the Chief Operating Officer of Kinetic Worldwide (WPP) Pakistan, making him one of the youngest COOs within the WPP global network.

Mr. Gondal earned his BBA (2005–2009) and MBA in Marketing (2009–2011) from the Lahore School of Economics. He has also completed professional certifications in Service Leadership (Ron Kaufman), Google Green Belt, Effective Brainstorming, and advanced OOH marketing practices.

With more than a decade of leadership experience, Mr. Gondal has managed large-scale media portfolios exceeding US\$100 million, led operations across seven nationwide offices, and introduced programmatic DOOH and AI-driven planning to the advertising industry in Pakistan. His professional career also includes senior roles at Levi Strauss & Co. and JWT Pakistan.

Mr. Gondal is recognized for pioneering innovations in digital media, delivering award-winning campaigns, and leading teams of over 100 professionals across Pakistan. His expertise in strategic leadership, brand management, and data integration adds valuable perspective to the Board of Ghani Dairies Limited.

## 7.4 PROFILE OF KEY MANAGEMENT

### 7.4.1 Mr. Muhammad Toheed Akram – Chief Financial Officer

Mr. Muhammad Toheed Akram serves as the Chief Financial Officer of Ghani Dairies Limited, overseeing all aspects of financial management, regulatory compliance, and strategic fiscal planning. A qualified finance professional, he is a Chartered Accountant (ICAEW), a Fellow of the Association of Chartered Certified Accountants (FCCA-UK), and a Certified Internal Auditor (CIA-USA). With over 14 years of experience in financial leadership, he possesses expertise in financial reporting, budgeting, forecasting, risk management, and investor relations. He has a strong background in enhancing internal controls, Risk Management, regulatory compliance, managing treasury functions, and leading corporate governance initiatives.

### 7.4.2 Mr. Muhammad Ashraf – Company Secretary

Mr. Muhammad Ashraf is currently serving as Company Secretary. He graduated from Punjab University and is a fellow member of “Institute of Chartered Management Accountants of Pakistan” (ICMAP). He possesses over 35 years of post-qualification, diversified experience in Accounting, Costing, Budgeting, Financial Management, Taxation and Corporate Planning.

Mr. Muhammad Ashraf joined Ghani Dairies Limited a Company of Ghani Group on February 22, 2023 as Company Secretary. He began his professional career with Pakistan Engineering Company Limited, the largest engineering complex of Pakistan and has served in various leading organizations within the Manufacturing Sector including Polyester Staple Fiber, Textile Spinning and Foam industries. As Company Secretary, Mr. Ashraf ensures the Company’s compliance with all statutory and regulatory requirements. He also plays a vital role in liaising with key regulatory authorities including FBR, SECP and other relevant departments

### 7.4.3 Mr. Ali Imran – General Manager Administration

Mr. Ali Imran is an experienced management professional with over 15 years of expertise in administration, operations, and organizational management within the dairy and commodities sector. As the General Manager Administration at Ghani Dairies Limited, he oversees administrative functions, ensures operational efficiency, and supports the company’s strategic and corporate objectives. He holds a Master of Business Administration (MBA) in Commerce from the College of Business Administration and a Bachelor of Commerce from the University of the Punjab. His career demonstrates a proven record in optimizing processes, strengthening organizational systems, and contributing to the sustainable growth of Ghani Dairies Limited.



#### **7.4.4 Dr. Izhar Ali – Assistant Farm Manager**

A results-oriented dairy management professional with specialized expertise in large-scale herd management, advanced nutrition, and comprehensive farm operations. Currently managing all aspects of herd performance, reproduction, and feed efficiency for a high-producing operation, with a proven track record of enhancing milk yields and implementing robust herd health programs. Previous leadership roles include extensive farm supervision, workforce management, and operational planning, complemented by foundational experience in precision ration formulation and feed optimization. Holds a Doctor of Veterinary Medicine (DVM) degree from the University of Veterinary and Animal Sciences, Lahore.

#### **7.4.5 Dr. Ahmed Abdel Azim Mahmoud – Vet Manager**

An accomplished veterinary and herd management executive with over 25 years of strategic leadership experience across large-scale dairy operations in Egypt, Saudi Arabia, and Pakistan, offering a proven track record in enhancing herd productivity, operational efficiency, and sustainable production outcomes. Leveraging a Doctor of Veterinary Medicine degree from Zagazig University, core expertise encompasses data-driven herd health and fertility programs, advanced surgical procedures, and robust biosecurity and risk mitigation protocols designed to ensure herd viability and business continuity. Demonstrated excellence in leading multi-national teams, implementing rigorous vaccination and disease prevention strategies, and driving continuous improvement in animal welfare and operational performance

### **7.5 QUALIFICATION OF DIRECTORS**

No person shall be appointed as a Director of the Company who is ineligible to be appointed as Director on any one or more of the grounds enumerated in Section 153 of the Companies Act or any other law for the time being in force.

### **7.6 APPOINTMENT AND ELECTION OF DIRECTORS AND CHIEF EXECUTIVE**

The directors of the Company are elected for a term of three years in accordance with the procedure laid down in the Section 159 of the Companies Act.

As per Article 65, the directors shall comply with the provisions of Section 154 to 159 and section 161, 162 and 167 relating to the election of the Directors and matters ancillary thereto.

As per Article 67, the Company may by resolution in general meeting, remove a director in accordance with the provisions of the Companies Act.

The current board of Directors were appointed on 3<sup>rd</sup> October 2025 and the next election is tentatively scheduled for the 3<sup>rd</sup> October 2028.

The Company has a Chief Executive appointed in accordance with the provisions of the Act who shall deem to be a Director of the Company with all rights and privileges associated with this office.

### **7.7 INTEREST OF DIRECTORS**

The Directors may have deemed to be interested to the extent of fees payable to them for attending the Board meetings. The Directors performing whole time services in the Company may also be deemed interested to the extent of remuneration payable to them by the Company. The nominee Directors have interest in the Company to the extent of representing the Sponsors in the capital of the Company.

Furthermore, the directors are required to abstain from participating in discussions or voting on matters in which they have a personal interest. Such contracts or arrangements are subject to approval by the Board of Directors.



## 7.8 INTEREST OF DIRECTORS AND PROMOTERS IN PROPERTIES/ASSETS AND PROFIT OF THE COMPANY

Directors do not have any interest in property of the Company. Directors do not have any profit-sharing agreement with the Company, however, when the Company declares a dividend, they will be entitled to receive the payment based on their shareholding in the Company.

## 7.9 REMUNERATION OF THE DIRECTORS

The remuneration of the Directors shall, from time to time, be determined by the Company in general meeting subject to the provisions of the Companies Act.

Any Director who serves on any committee or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a director may be paid, subject to law, such extra remuneration by way of salary, percentage of profits or otherwise as the Company in general meeting may determine. No remuneration has been paid to directors for attending board meetings.

## 7.10 BENEFITS TO PROMOTERS AND OFFICERS

No benefit (monetary or otherwise) has been given by the Company to the Sponsors, promoters, substantial shareholders and Directors of the Company other than remuneration for services rendered by them as full-time executives of the Company.

## 7.11 VOTING RIGHTS

As per article 37 of Articles of Association, on a show of hands every member present in person shall have one vote so that no person present shall be entitled to cast more than one vote on a show of hands. On a poll every member present in person or by proxy shall have one vote for every share held by him.

According to article 39 of Articles of Association, a member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee, receiver, or other legal guardian and any such committee or legal guardian may, on a poll, vote by proxy.

## 7.12 AUDIT COMMITTEE

The Board of Directors has set up an effective internal audit function managed by suitable qualified and experienced personnel who are conversant with the policies and procedures of the Company and are involved in the internal audit function on a full-time basis. The terms of reference of the Audit Committee are in line with the Code of Corporate Governance. Broadly, the committee assists the Board in fulfilling their oversight responsibilities in respect of the integrity of: GDL's financial statements; internal control arrangements; compliance with legal and regulatory requirements and the performance of the internal audit function. The committee is also responsible for making recommendations to the Board on the nomination of and compensation payable to the external auditors.

The audit committee comprises of the following members:

1.	Muhammad Hassan Nawaz Gondol (Independent Director)	Chairman
2.	Khurram Zafar (Independent Director)	Member
3.	Aitzaz Ahmad Khan (Non-Executive Director)	Member
4.	Vaneeza Avais (Non-Executive Director)	Member



### 7.13 HUMAN RESOURCE AND REMUNERATION COMMITTEE

The Board of Directors has set up an effective Human Resources function managed by suitable and qualified personnel who are conversant with the policies & procedures of the Company and are involved in Human Resources function on a full-time basis.

The human resource and remuneration committee comprises of the following members:

1.	Muhammad Hassan Nawaz Gondal (Independent Director)	Chairman
2.	Hafiz Avais Ghani (Executive Director)	Member
3.	Shoaib Ghani (Executive Director)	Member
4.	Aitzaz Ahmad Khan (Non-Executive Director)	Member
5.	Vaneeza Avais (Non-Executive Director)	Member

### 7.14 POWERS OF DIRECTORS INCLUDING ANY BORROWING POWER

The control of the Company shall be vested in the Directors and the Business of the Company shall be managed by the Directors as per the Articles of Association subject to any restrictions under the Ordinance.

The Directors may, from time to time obtain finance or raise or borrow money/term capital, participatory redeemable capital from Banks, financial institutions, or from any other institution or Person in accordance with the applicable law.

### 7.15 INDEMNITY AVAILABLE TO DIRECTORS AND OTHER EMPLOYEES OF THE COMPANY

As per article 90 of the Articles of Association, Every officer or agent for the time being of the company may be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, arising out of his dealings in relation to the affairs of the company, except those brought by the company against him, in which judgment is given in his favor or in which he is acquitted, or in connection with any application under section 492 in which relief is granted to him by the Court.

### 7.16 CORPORATE GOVERNANCE

The Company shall comply with all the rules and regulations applicable to the company with regards to the listed companies (Code of Corporate Governance) Regulation, 2019.



## 8 LEGAL PROCEEDINGS AND OVERDUE LOANS

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### 8.1 LEGAL PROCEEDINGS

The company affirms that, as of June 30th, 2025 there are no legal proceeding pending against the issuer, its sponsors, substantial shareholders, directors and associated companies, over which the Issuer has control, that could have material impact on the issuer.

### 8.2 ACTION TAKEN BY SECURITIES EXCHANGE

No action has been taken by the Securities Exchange against the issuer or its associated companies over which the issuer has control.

### 8.3 OVERDUE LOANS

There are no overdue loans (local or foreign currency) on the Company, its sponsor and promoters, substantial shareholders, directors and associated group companies (over which the Company has control). The Company, its CEO, its directors and its sponsors, under the oath, undertake that they have no overdue payment to any financial institutions.



## 9 UNDERWRITING ARRANGEMENT, COMMISSIONS, BROKERAGE AND OTHER EXPENSES

### 9.1 UNDERWRITING

The retail portion of IPO comprising of 26,050,000 ordinary shares have been underwritten by the following underwriters, who have undertaken to underwrite the shares at the strike price to be determined through the book building mechanism at the underwriting commission of 1% (One Percent) of the amount underwritten.

Underwriter	Shares underwritten	Underwriting Amount at Floor Price
JS Bank Limited	13,025,000	312.6 Mn – 437.6 Mn
BankIslami Pakistan Limited	13,025,000	312.6 Mn – 437.6 Mn

The Underwriters will also charge the take-up commission of 1% (One Percent) on the amount of shares take-up by them by virtue of underwriting commitment.

In the opinion of Directors, the resources of underwriter are sufficient to discharge their respective underwriting commitments.

### 9.2 BUY BACK / REPURCHASE AGREEMENT

The underwriters nor any of their associates have entered into any buyback or repurchase agreement with the issuers or any other person in respect of this issue.

Also, neither the Issuer nor any of their associates have entered into any buy-back/repurchase agreement with the underwriters or their associates. The Issuer and their associates shall not buyback/repurchase shares from the underwriters and their associates

### 9.3 OPINION OF THE DIRECTORS REGARDING RESOURCES OF THE UNDERWRITERS

In the opinion of the Directors of Ghani Dairies Limited, the resources of the Underwriters are sufficient to discharge their underwriting commitments.

### 9.4 FEES AND EXPENSES FOR CENTRALIZED E-IPO SYSTEM (“CES”) & PSX E-IPO SYSTEM (“PES”)

Commission on application received through the e-IPO Systems of PSX and CDC will be paid to PSX and CDC which shall not be more than 0.8% of the amount of the total applications. PSX and CDC will share the fee with other participants of the e-IPO System at a ratio agreed amongst them.

### 9.5 BROKERAGE

The Issuer will pay brokerage to the TRE Certificate Holder of PSX at the rate of 1.00% of the value of on successful applications. No brokerage shall be payable in respect of shares taken up by the underwriter by virtue of their underwriting commitment



## 9.6 ESTIMATED EXPENSES OF THE ISSUE

Expenses to the Issue are estimated not to exceed PKR 102,298,872 The break-up of these preliminary expenses is given below:

Particulars	Rate	Expense (PKR) at Floor Price
Advisory and Arrangement Fee	2.00%	50,016,000
TREC Holders Commission	1.00%	25,008,000
Balloter and Share Registrar Fee		850,000
CDC & PSX e-IPO facility charges	0.80%	5,001,600
CDC Annual Fees		150,000
CDC Fresh Issue Fee	0.144%	3,601,152
PSX Initial Listing Fee		429,200
PSX Software Charges for Book Building		1,000,000
SECP Processing Fee		200,000
SECP Supervisory Fee	10% of PSX Initial Listing Fee	42,920
Marketing Expenses		15,000,000
Underwriting Fee & Take-up Commission		6,252,000
Miscellaneous Expenses		1,000,000
<b>Total Expenses</b>		<b>108,550,872</b>



## 10 MISCELLANEOUS INFORMATION

### 10.1 REGISTERED OFFICE/ CORPORATE OFFICE

#### Ghani Dairies Limited

45-Aurangzeb Block,  
New Garden Town,  
Lahore

Phone: +92 42 111-666-647

Website: [www.ghanidairies.com](http://www.ghanidairies.com)

Email: [info@ghanidairies.com](mailto:info@ghanidairies.com)

#### Plant Address

Rakh Rahdari, Tehsil Noor Pur Thal, District Khushab, Punjab, Pakistan

### 10.2 BANKERS AND FINANCIAL INSTITUTIONS TO THE COMPANY

S. No	Name	Address	Contact no.	Email
1	Habib Bank Limited	109-A, Ali Block, Garden Town, Lahore	03324772359	usman.sharif2@hbl.com
2	BankIslami Pakistan Limited	100-A Shadman Town, Lahore	03214699527	zia.haq@bipl.io
3	Habib Metropolitan Bank Limited	IBB Main Boulevard Gulberg, Lahore	03347604008	Aamer.abbas@habibmetro.com
4	Meezan Bank Limited	Flat A, Block 5, Ground Floor, Awami Flats, Site 1 to 4, Usman Block, New Garden Town, Lahore	03204426206	PBM.LHR04@meezanbank.com
5	Faysal Bank Limited	1st Floor, 18 Hunza Block, Allama Iqbal Town, Lahore	03268013598	efbl@faysalbank.com
6	Dubai Islamic Bank	Main Boulevard Gulberg, Lahore	03335785142	Fakhar.khan@dibpak.com
7	United Bank Limited	Rangpur Baghooor, Tehsil Noor Pur, District Khushab	03229827458	abuzar.razzaq@ubl.com.pk

### 10.3 AUDITORS OF THE COMPANY

#### Javed Chaudhry & Co. (up till June 2023)

T-8, Ahmad Arcade,  
Ferozepur, Road,  
Lahore, Pakistan

Office: +92 42 37593435

Email: [jcc.lhr@gmail.com](mailto:jcc.lhr@gmail.com)

#### Crowe Hussain Chaudhry & Co. (Current)

Crowe Hussain Chaudhry & Co.  
7<sup>th</sup> Floor Gul Mohar Trade Centre,  
8-F Main Market, Gulberg II,  
Lahore-54660

Tel # 042-35759223-5

Email: [info@crowe.pk](mailto:info@crowe.pk)

Website: [www.crowe.pk](http://www.crowe.pk)



#### 10.4 LEGAL ADVISOR OF THE COMPANY / LEGAL ADVISOR OF THE ISSUE

Khan & Khan Attorneys & Corporate Counsellors  
Office # 10, RB-2, 1st Floor, Awami Complex,  
Usman Block, New Garden Town, Lahore.  
Tel. # 042-35782201  
[Waqaruddin03@gmail.com](mailto:Waqaruddin03@gmail.com)

#### 10.5 COMPUTER BALLOTTERS & SHARE REGISTRAR

Corplink (Private) Limited  
Wings Arcade, 1-K Commercial,  
Model Town, Lahore, Pakistan  
Tel: (+92) 42 35916714,  
(+92) 42 35916719,  
(+92) 42 35839182  
Email: [info@corplink.com.pk](mailto:info@corplink.com.pk)

#### 10.6 CONSULTANT TO THE ISSUE

##### **JS Global Capital Limited**

The Center, 17th & 18th Floor,  
Plot No. 28, S.B.5, Abdullah Haroon Road,  
Saddar, Karachi, Pakistan  
Phone: +9221 111-574-111 Ext. 3068  
Email: [sila.hannan@js.com](mailto:sila.hannan@js.com)  
Website: [www.jsgcl.com](http://www.jsgcl.com)



## 11 MATERIAL CONTRACTS

### 11.1.1 DETAILS OF LONG-TERM FINANCING FACILITIES

Sr No.	Bank	Facility	Limit (PKR Mn)	Mark-up / Commission	Date Sanctioned	Tenor / Review Date
1	Habib Metropolitan Bank Ltd.	Diminishing Musharaka-Refinancing Renewable Energy (Category 2)	14.62	SBP rate + 1% p.a	May 20,2024	31-Oct-31
		Diminishing Musharakah-Plant & Machinery	-50	3MK + 0.75% p.a		31-Oct-30
2	Habib Bank Limited	Diminishing Musharaka-Islamic finance facility under SBP Scheme for Storage of Agricultural Products (IFFSAP)	50	SBP rate + 1% p.a	May 26,2022	26-May-29
3	BankIslami Pakistan Limited	Diminishing Musharaka-Islamic Temporary Economic Refinance Facility (ITERF)	48	SBP rate + 2% p.a	March 31,2021	30-Jun-26
		Diminishing Musharaka-Islamic Finance for Storage of Agricultural Products (FFSAP)	50	SBP rate + 2.5% p.a	December 22,2023	
		Diminishing Musharaka-Vehicles	50	RK + 0.80% p.a	June 26,2025	30-Jun-26
4	Meezan Bank Limited	Diminishing Musharaka-ISAAF Facility	10	SBP rate 3%+ 6% p.a	27.02.2024	27.02.2027
5	Faysal Bank Limited	Diminishing Musharaka-Vehicles	10	3MK + 1.5% p.a	15.05.2025	14.06.2030
		Diminishing Musharaka-Plant & Machinery	-39.6	3MK + 1.5% p.a	15.05.2025	14.06.2032
		Diminishing Musharaka-IFFSAP	100	SBP rate 2.5%+ 3.5% p.a	15.05.2025	14.06.2032
		Diminishing Musharaka-IFFSAP	-59.4	SBP rate 2.5%+ 3.5% p.a	15.05.2025	14.06.2032
		Musharakah-SLC Agri WCL	200	3MK + 1.5% p.a	15.05.2025	30.04.2026

### 11.1.2 DETAILS OF SHORT-TERM FINANCING FACILITIES

No short-term financing facilities has been obtained by Company.

### 11.1.3 DETAILS OF TECHNICAL AGREEMENTS

TITLE OF AGREEMENT	PARTY TO THE AGREEMENT	EFFECTIVE DATE	EXPIRY DATE	PARTICULAR
Steel Structure Agreement	Dairy Heed Pakistan Private Limited	09-Sep-2025	60 days from commencement Date	The Contractor shall provide, deliver & install a Pre-Engineered Steel Structure shed with certain Specifications.



#### 11.1.4 DETAILS OF CONTRACTS/AGREEMENTS WITH INSURANCE COMPANIES

INSURANCE COMPANY	TYPE OF INSURANCE COVERAGE	EXPIRY DATE
IGI General Insurance Limited Window Takaful Operations	Fire Takaful	22-June-2026
IGI General Insurance Limited Window Takaful Operations	Car Takaful	17-Sep-2026
Jubilee General Insurance Company Limited- Window Takaful Operations	Fire Insurance	10-Mar-2026
Jubilee General Insurance Company Limited- Window Takaful Operations	Health Insurance	31-Mar-2026
Jubilee General Insurance Company Limited- Window Takaful Operations	Marine Insurance	21-Dec-2025
Jubilee General Insurance Company Limited- Window Takaful Operations	Fire Insurance	25-Jul-2025

#### 11.1.5 DETAILS OF CONTRACTS/AGREEMENTS WITH CUSTOMERS

Customers	COUNTRY OF ORIGIN	GOODS / SERVICE PROVIDED	FORMAL AGREEMENT	EXPIRY DATE	LONG TERM OR SHORT-TERM AGREEMENT
Fauji Foods Limited	Pakistan	Milk Provided	Raw Milk Sale	23-Apr-2026	Annual renewal
Nestle Pakistan Limited	Pakistan	Milk Provided	Raw Milk sale	11-Nov-2028	Annual renewal
IRC Dairy Products (Pvt.) Ltd	Pakistan	Milk Provided	Raw Milk sale	4-June-2026	Annual renewal

#### 11.1.6 DETAILS OF RENTAL AGREEMENTS

TYPE OF AGREEMENT	PARTY TO THE AGREEMENT	DATE	PARTICULAR	LOCATION
Generator Rent	Orient Rental Modaraba	03-Feb-2025	Diesel Generator	1-KM Defense Road, Off Raiwind road Lahore.

#### 11.1.7 DETAILS OF LAND AGREEMENTS

TYPE OF AGREEMENT	COMPANY	ADDRESS	AREA	DATE OF PURCHASE
Ownership	Ghani Dairies (Pvt.) Limited	Rahdari Noor pur thal Tehsil Noor pur thal District Khushaab	436 kanals and 11 marla	November, 2020 (84 Kanals & 11 Marlas), February 2023 (352 kanals)

#### 11.2 INSPECTION OF DOCUMENTS AND CONTRACTS

Copies of the Memorandum and Articles of Association, the Audited Financial Statements, the Auditor's Certificates, Information Memorandum and copies of the agreements referred to in this Prospectus may be inspected during usual business hours on any working day at the registered office of the Company from the date of publication of this Prospectus until the closing of the subscription list.

#### 11.3 MEMORANDUM OF ASSOCIATION

The Memorandum of Association, inter alia, contains the objects for which the Company was incorporated and the business which the Company is authorized to undertake. A copy of the Memorandum of Association is annexed to this Prospectus and with every issue of the Prospectus except the one that is released in newspapers as advertisement.

#### 11.4 FINANCIAL YEAR OF THE COMPANY

The financial year of the Company commences on July 1 and ends on June 30.



## 12 BOOK BUILDING PROCEDURE/INSTRUCTIONS FOR REGISTRATION AND BIDDING

### 12.1 BRIEF STRUCTURE IN CASE OF ISSUE THROUGH BOOK BUILDING, INFORMATION NEEDED TO BE DISCLOSED I.E. NUMBER OF SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION AND RETAIL PORTION, FLOOR PRICE AND THE PRICE BAND

The Issue comprises of 104,200,000 Ordinary Shares of face value worth PKR 1/- each, which constitutes 24.28% of the Post-IPO Paid Up Capital of the Company.

Of the entire Issue of 104,200,000 Ordinary Shares, seventy five percent (75%) of the issue i.e. 78,150,000 shares will be offered through the Book Building process at a Floor Price of PKR 24.00/- per share with a price band of 40% above the floor price i.e. PKR 33.60/-.

The bidders shall be allowed to place bids for seventy five percent (75%) of the Issue size and the Strike Price shall be the price at which the seventy five percent (75%) of the Issue is subscribed. The remaining 25% of the issue i.e. 26,050,000 will be offered to retail investors. The retail portion will be fully underwritten, with JS Bank Limited & BankIslami Pakistan Limited are acting as the underwriters to the issue.

Unsubscribed shares, if any, of the retail (General Subscription) portion will be taken up by the underwriters to the issue.

Within 1 working days of the closing of the Bidding Period, a Supplement to the Prospectus will be published in at least all those newspapers in which the Prospectus is published. The Supplement will contain information related to the Strike Price, the Offer Price, names of the underwriters of the retail portion, underwriting commission bifurcating as take up commission or any other, dates of the Public Subscription, and category wise break-up of the Successful Bidders. Format of the Supplement is given on page 3 of this Prospectus.

### 12.2 TYPES OF BIDS AND PROCEDURE FOR MAKING A BID

Book Building is a process whereby investors bid for a specific number of shares at various prices. The Issuer set a Floor Price, which is the minimum / lowest price a Bidder can bid at. An order book of bids is maintained by the Designated Institution, which is then used to determine the Strike Price through the **“Dutch Auction Method”**.

Under the Dutch Auction Method, the Strike Price is determined by lowering the Bid Price to the extent that the total number of shares issued through the Book Building process are subscribed.

A bid by a Bidder can be a **“Limit Bid”**, or a **“Step Bid”**, each of which are explained below:

**Limit Bid:** Limit bid is at the Limit Price, which is the maximum price a Bidder is willing to pay for a specified number of shares. The amount of any individual limit bid shall not be less than PKR. 2,000,000.

In such a case, a Bidder explicitly states a price at which he / she / it is willing to subscribe to a specific number of shares. For instance, a Bidder may bid for 1 Mn shares at PKR 24.00/- per share, based on which the total Application Money would amount to PKR 24.00 Mn. In this case the Bid Amount will be also be PKR 24.00 Mn. Since the Bidder has placed a Limit Bid of PKR 24.00/- per share, this indicates that he / she / it is willing to subscribe the shares at a price up to PKR 24.00/- per share.

**Step Bid:** A series of Limit Bids at increasing prices. The amount of any individual step shall not be less than PKR. 2,000,000.

Under this bidding strategy, Bidders place a number of Limit Bids at different increasing price levels. A Bidder may, for instance, make a bid for 5 Mn shares at PKR 24.00 per share, 3 Mn shares at PKR 24.50 per share and 2 Mn shares at PKR 26.00 per share. Therefore, in essence the Bidder has placed one Step Bid comprising of three Limit Bids at increasing prices. The Application Money would amount to PKR 245.5 Mn, which is the sum of the products of the number of shares Bid for and the Bid price of each Limit Bid. In such a case, Eligible Participant shall collect



advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

RESTRICTIONS:

- i. **AN ELIGIBLE INVESTOR SHALL NOT:**
  - (a) MAKE BID BELOW THE FLOOR PRICE AND ABOVE THE UPPER LIMIT OF THE PRICE BAND;
  - (b) MAKE BID FOR MORE THAN 10% OF THE SHARES ALLOCATED UNDER THE BOOK BUILDING PORTION
  - (c) MAKE A BID WITH A PRICE VARIATION OF MORE THAN 10% OF THE PREVAILING INDICATIVE STRIKE PRICE AS PER REGULATION 10(2)(iii) OF THE PO REGULATIONS
  - (d) PLACE CONSOLIDATED BID
  - (e) MAKE MORE THAN ONE BID SEVERALLY OR JOINTLY
  - (f) MAKE DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME; PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME; AND
  - (g) WITHDRAW BID
- ii. **IT IS THE RESPONSIBILITY OF THE CTI TO ENSURE IMPLEMENTATION OF THE FOLLOWING RESTRICTIONS BY INCORPORATING RELEVANT UINS / CUINS IN THE PSX BOOK BUILDING SYSTEM:**
  - a. The associates of the Issuer as disclosed in the Prospectus shall not in aggregate make bids in excess of ten percent of the securities offered through Book Building.
  - b. The associates of the Consultant to the Issue shall not in aggregate make bids in excess of ten percent of the securities offered through Book Building. Provided that it shall not apply to such associates of the Consultant to the Issue that are Financial Institutions, Mutual Funds and Insurance Companies.
- iii. **RELATED EMPLOYEES (I.E. EMPLOYEES OF THE ISSUER, THE OFFEROR, THE UNDERWRITERS, AND THE CONSULTANTS TO THE ISSUE, WHO ARE INVOLVED IN THE ISSUE OR THE OFFER FOR SALE) ARE NOT ELIGIBLE TO PARTICIPATE IN THE BIDDING.**
- iv. **NO PERSON SHALL TAKE PART IN THE BOOK BUILDING PROCESS, DIRECTLY OR INDIRECTLY SEVERALLY OR JOINTLY IN ANY MANNER OR ENGAGE IN ANY ACT OR PRACTICE WHICH CREATE A FALSE AND MISLEADING APPEARANCE OF ACTIVE BIDDING FOR RAISING OR DEPRESSING STRIKE PRICE IN THE BOOK BUILDING PROCESS.**
- v. **AS PER REGULATION 7(8) OF THE PO REGULATION, THE ASSOCIATES OF THE ISSUER AS DISCLOSED IN THE PROSPECTUS SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PER CENT OF THE SHARES OFFERED THROUGH BOOK BUILDING.**
- vi. **AS PER REGULATION 7(9) OF THE PO REGULATIONS, THE ASSOCIATES OF THE CONSULTANT TO THE ISSUE TO THE ISSUE SHALL NOT IN AGGREGATE MAKE BIDS IN EXCESS OF TEN (10) PERCENT OF THE SHARES OFFERED THROUGH BOOK BUILDING. PROVIDED THAT IT SHALL NOT APPLY TO SUCH ASSOCIATES OF THE CONSULTANT TO THE ISSUE THAT ARE FINANCIAL INSTITUTIONS, MUTUAL FUNDS AND INSURANCE COMPANIES.**

**LIST OF ASSOCIATED COMPANIES AND UNDERTAKINGS OF THE ISSUER, NAMES OF RELATED EMPLOYEES OF THE ISSUER AND CONSULTANT TO THE ISSUE ARE PROVIDED IN SECTION 3A (vi).**

Once the Bidding Period has lapsed and the book has been built, the Strike Price shall be determined on the basis of Dutch Auction Method.

Successful Bidders shall be intimated, within one (1) working day of the closing of the Bidding Period, about the Strike Price and the number of shares provisionally allotted to each of them. Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process one working day after the close of the bidding period, by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures as notified in PSX vide letter dated Nov 07, 2025. In the event of unsuccessful bids, NCCPL will release the advance



amount/margin money of Eligible Participants one working day after the close of the bidding period within banking hours.

**As per PO Regulations, the successful bidders shall be issued shares at the time of issuance of shares to the retail investors. Shares to successful bidders shall be issued only in the form of book-entry through credit in their respective CDS accounts (Investors Account or Sub-Account). All the bidders shall, therefore, provide number of their CDS accounts in the bid application.**

The Bidders must provide the bank account details, so that cash dividend can be credited into their respective International Bank Account Number (IBAN).

### **12.3 TIME FRAME FOR INTIMATION TO THE SUCCESSFUL BIDDERS AND MECHANISM FOR PAYMENT OF THE BALANCE AMOUNT BY THE SUCCESSFUL BIDDERS**

At the end of bidding period, successful bidders and their Eligible Participants shall be notified by the Book Building System via their registered email that their bids are accepted and such bidders are required to arrange settlement with NCCPL at B+1 (one day after the end of the bidding) within designated time specified in the Joint Procedures.

Upon conclusion of Book Building and determination of successful bidders, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of Eligible Participants. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its shortfall management process as per the Joint Procedures.

### **12.4 NCSS DESIGNATED TIME SCHEDULE FOR BOOK BUILDING**

	Activity	Start Time	End Time
<b>Monday to Friday</b>	Advance/ Collection of Margin Money against bid amount from bidders one day before the start of bidding (B-1)	9:00 AM	16:30 PM
	Increase in the bid amount during bidding period subject to deposit of additional margin money by existing bidder	9:00 AM	16:30 PM
	Margin collection during the bidding period for the registration of new bidders	9:00 AM	16:30 PM
	Final collection from bank account of successful bidders (B+1)	9:00 AM	12:00 PM
	Refund/ Release the advance amount/margin money of Eligible Participants against unsuccessful bids (B+1)	9:00 AM	12:00 PM

### **12.5 ELIGIBLE PARTICIPANT(S) FOR BOOK BUILDING:**

All Eligible Participants including securities brokers, mutual funds, scheduled banks, and development finance institutions that are clearing members of NCCPL. Functions of the Eligible Participant as per PSX and NCCPL Joint Procedures for Book Building:

- i. Eligible Participants shall establish bidding accounts in the PSX Book Building System for proprietary participation.
- ii. Eligible participants shall register bidders and create accounts for the bidders to participate in the bidding.
- iii. Eligible Participants that are Banks, Mutual Funds and DFIs can only create bidding account for proprietary participation and cannot on board/register bidders or create bidding account of the bidders for participation in the bidding. A bank and DFI may however onboard/register bidders only in case such bank or DFI is acting as CTI in the public offering transaction. For Trading Only Broker and their clients, the user bidding account must be created through the Professional Clearing Member — PCM (EClear Services Limited).
- iv. Eligible Participant shall collect advance amount/margin money against bids from the bidders.



## 12.6 NAME OF THE DESIGNATED INSTITUTION AND ITS ROLES AND RESPONSIBILITIES:

PSX being the Designated Institution, shall ensure that Book Building System shall smoothly perform following functions:

- i. Record name, Unique Identification Number (UIN), National Tax Number (NTN), postal and email addresses, land line and cell numbers, bank account Number and branch address and Investor Account Number or Sub-Account Number of the bidder with participant account number;
- ii. provide a mechanism for registration of the bidders before commencement of the bidding period till 03:00 p.m. on the last day of the Bidding Period and require the investors to provide at least such information as mentioned in para (i) above;
- iii. Generate bidders' Internet Protocol (IPs) address and keep record of all IP addresses from where the bids are placed;
- iv. Record the number of shares bid for, the Bid Price, type of the bid i.e. Limit Bid or Step Bid, date and time of the entry of the bid;
- v. Display the bids revised, and date and time of upward revision;
- vi. Neither allow withdrawal of bid, nor accept the bids placed at a Bid Price that is below the Floor Price or above the upper limit of the Price Band;
- vii. Display live the total number of shares offered for sale, the Floor Price, Price Band, total number of bids received, total number of shares bid for and indicative Strike Price;
- viii. Build an order book showing demand for the shares at various price levels in a descending order along with the accumulated number of shares bid for and percentage of total shares offered under the Book Building Portion;
- ix. Discover the strike price at the close of the Bidding Period;
- x. Generate alerts for the Bidders via Short Message Service through cell phones and emails upon entry of the bid, at the time of upward revision of the bid, and upon discovery of the strike price; and
- xi. Ensure that system must provide the bidders the option to revise their bids during the period permitted under these Regulations;

The Designated Institution shall ensure that:

- Identity of the bidder is not displayed; and
- No bid is entered into the System after closing of the Bidding Period.

## 12.7 ROLES AND RESPONSIBILITIES OF THE ISSUER:

The Issuer shall ensure that:

1. The Issuer, its Sponsors, promoters, substantial shareholders, directors and associates shall have no over dues or defaults, irrespective of the amount., appearing in the report obtained from the credit information bureau;
2. The Issuer or its directors, Sponsors or substantial shareholders should not have held the office of the directors, or have not been Sponsors or substantial shareholders in any company:
  - i. Which had been declared defaulter by the securities exchange or futures exchange; or
  - ii. Whose TRE certificate has been cancelled or forfeited by the securities exchange; or
  - iii. Which has been de-listed by the securities exchange due to non-compliance of its regulations.
3. The Consultant to the Issue, Underwriter, Balloter and Share Registrar, are appointed through separate agreements in writing.
4. It has submitted through its Consultant to the Issue, an application along with draft prospectus for listing of its securities to the PSX.
5. The shares shall be issued in book-entry form only.



## 12.8 OPENING AND CLOSING OF THE REGISTRATION PERIOD

The Registration period shall be for Five (5) working days as under:

January 28, 2026	9:00am to 5:00pm
January 29, 2026	9:00am to 5:00pm
January 30, 2026	9:00am to 5:00pm
February 02, 2026	9:00am to 5:00pm
February 03, 2026	9:00am to 3:00pm

## 12.9 OPENING AND CLOSING OF THE BIDDING PERIOD

The Bidding Period shall be for Two (2) working days as under:

<b>BIDDING PROCESS STARTS ON</b>	February 02, 2026
<b>BIDDING PROCESS ENDS ON</b>	February 03, 2026

## 12.10 ELIGIBILITY TO PARTICIPATE IN BIDDING

Eligible Investors who can place their bids in the Book Building process include local and foreign Individual and Institutional Investors whose Bid Amount is not less than PKR 2,000,000/- (PKR Two Million only).

## 12.11 INFORMATION FOR BIDDERS

1. The Prospectus for Issue of Shares has been approved by PSX and SECP.
2. The Prospectus can be obtained from the Registered Office of Ghani Dairies Limited, and JSGCL (CTI). Prospectus can also be downloaded from the following websites of the Consultant to the Issue, PSX and the Company i.e. <http://www.jsycl.com>, <http://www.psx.com.pk> and [www.ghanidairies.com](http://www.ghanidairies.com)
3. Eligible Investors who are interested to participate in bidding for subscribing the Ordinary Shares of the Company should approach the Eligible Participants at the for registration for submitting their Bids.
4. REGISTERED INVESTORS CAN PLACE AND REVISE THEIR BIDS UPWARDS BY ACCESSING THE DESIGNATED INSTITUTIONS ONLINE PORTAL FOR BOOK BUILDING BY USING THE USER ID AND PASSWORD COMMUNICATED TO THEM VIA EMAIL BY PSX.

## 12.12 PROCEDURE FOR REGISTRATION

1. All Eligible Participants shall be required to get registered with the Designated Institution i.e. PSX.
2. For registration purposes, each Eligible Participant shall submit an Expression of Interest for participation in the Book Building.
3. In order to commence registration, PSX shall issue a public notice regarding the book building at least three (3) working days before the bidding period (B-3). The notice shall cover the Issuer Name, Issue size, Floor Price, Price Band, Registration Dates, Bidding Dates along with the salient features of the Issue.
4. Eligible Participant shall be required to register itself with the NCCPL. In order to register, Eligible Participant shall submit an interest to the NCCPL for participation in the book building being conducted by the Book Building System of PSX. Registration would be a one-time process and would not be required before each new book building transaction.
5. Upon registration, PSX will configure its Book Building System by creating Eligible Participant. Once the Eligible Participant is created, credentials such as participant ID, PIN and password will be transmitted by the Book Building System to the authorized person of Eligible Participants at their registered email addresses and designated mobile numbers.



6. The Designated Institution and NCCPL shall jointly develop and notify the detailed procedures covering the operational and procedural requirements for Book Building, after obtaining prior approval from the Commission.
7. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration.
8. The bidding process shall be conducted electronically through the Book Building System in a fair, efficient, and transparent manner.
9. The registration of bidders by the Eligible Participants shall commence at least three (3) working days prior to the start of the bidding period and shall remain open until 3:00 p.m. on the last day of the bidding period.
10. The bidding period shall remain open for at least two (2) working days.
11. The bidding shall commence from 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
12. The bidders can revise the bids till 05:00 p.m. on the last day of the Bidding Period.
13. The Eligible Participant shall register bidders, including both individual and institutional investors, and create user bidding accounts for them. The Eligible Participant may also create bidding accounts for proprietary participation.
14. The creation of a user bidding account shall require minimum information such as the bidder's name, bid amount, UIN/CNIC, incorporation number or CUIIN (where applicable), contact details, CDC sub-account or investor account number, and IBAN. An IPO Facilitation Account may be used if the bidder does not have a CDC sub-account or investor account. All such details shall be captured by the Eligible Participant at the time of registration.
15. Bidders can opt for disclosed or undisclosed bidding at the time of registration. In the case of disclosed bidding, bids shall be placed by the Eligible Participant, and in the case of undisclosed bidding, bids shall be placed directly by the bidder. Explanation:
  - In the case of disclosed bidding, the bidder shall convey the bid amount and bid price (profit rate/spread) to the Eligible Participant for entry into the Book Building System.
  - In the case of undisclosed bidding, the bidder shall enter the bid amount and bid price (profit rate/spread) directly into the Book Building System.
16. In case of disclosed bidding, the bidder at the time of registration, shall authorize the Eligible Participant for placing bid on his behalf.
17. In case of undisclosed bidding, for creating user bidding account for bidders, the Eligible Participant shall use the bidder details (**email, name, phone number etc.**). Book Building System will share the **User ID, PIN and password** directly with the bidder via registered email and mobile number.
18. Once the user is created and confirmed by the Eligible Participant, bidder shall receive system generated credentials for participation in the bidding process.
19. At the end of the bidding period, **successful bidders and their Eligible Participants** shall be notified by the Book Building System via registered email that their bids have been accepted. Such bidders shall arrange settlement with NCCPL at **B+1** within the time specified in the Joint Procedures.
20. Upon conclusion of the Book Building process and determination of successful bidders, **NCCPL** shall commence its **pay and collect process** at B+1 by debiting the settling bank accounts of the Eligible Participants. In the event of any shortfall in payments due to failure to meet commitments, NCCPL shall initiate its **shortfall management process** in accordance with the Joint Procedures.
21. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at **B+1** within banking hours.
22. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.
23. The Book Building process shall be deemed cancelled if the Issuer fails to receive bids for the total number of shares allocated under the Book Building Portion or if the total number of bids received is less than forty (40). In such an event, the Consultant to the Issue/Issuer shall immediately notify the Commission and the Securities Exchange accordingly.



### 12.13 PROCEDURE FOR BIDDING

The following procedure shall be followed for bidding:

1. Bids may be placed as either a Limit Bid or a Step Bid. Provided that the minimum size of a Limit Bid, as well as any incremental step in the case of a Step Bid, shall not be less than PKR 2 million.
2. The Issuer shall publish the Prospectus at least one (1) day prior to the commencement of bidder registration by the Eligible Participants and before the issuance of the public notice by the Designated Institution announcing the opening of the Book Building process.
3. The bidding shall commence at 09:00 a.m. and close at 05:00 p.m. during the Bidding Period.
4. PSX shall display live throughout the bidding period an order book in descending order for equity securities and discounted debt securities, and in ascending order for debt instruments quoted on a yield basis showing demand for securities at various prices/yields and the accumulated number of securities bids for along with percentage of the total securities offered. The order book shall also display the revised bids, which shall be accessible only through the PSX website.
5. The Designated Institution shall issue a public notice regarding the Book Building process at least three (3) working days before the commencement of the Bidding Period (B-3). The notice shall include, among other details, the name of the issuer, issue size, floor price, bidding dates, and salient features of the issue.
6. At the time of registration, bidders shall authorize the Eligible Participant to place the bid on their behalf in the case of disclosed bidding.
7. Eligible Participants shall collect the margin money from the bidders and deposit the same with the NCCPL.
8. Individual and institutional investors shall pay 100% of the bid amount as margin money to the Eligible Participant; provided that the Eligible Participant may accept a lower margin from bidders based on its own risk assessment.
9. In the case of undisclosed bidding, for creating user bidding accounts, the Eligible Participants shall use the bidder's details such as name, email address, and phone number. The Book Building System shall share the User ID, URL for the bid screen, PIN, and password directly with the bidder through their registered email and mobile number.
10. Once a user is created and confirmed by the Eligible Participant, the credentials for participation in the bidding process shall be forwarded by the Book Building System to the user — i.e., the investor in the case of undisclosed bidding or their Eligible Participant in the case of disclosed bidding — via their registered email and mobile number.
11. Eligible Participants may limit the amount of bidding by their bidders, depending on the margin money received and their own risk assessment criteria.
12. In the event of a Trading Only Broker and their clients, the user bidding account must be created through a Professional Clearing Member (PCM).
13. Eligible Participant shall deposit the advance amount/margin money or standing instruction or irrevocable undertaking from the trustee, where applicable with the NCCPL by 4:30 p.m., one working day before the start of the bidding period. (B-1) Provided that during the bidding period, the Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL.
14. Based on the information shared by NCCPL, PSX will mark the Eligible Participants who have submitted advance amount/margin money for the bidding purposes.
15. NCCPL shall communicate the confirmation of advance/margin money received against the bid amount of Eligible Participants to the Designated Institution in accordance with the Joint Procedures.
16. Based on the information shared by the NCCPL, the Designated Institution (PSX) shall activate the Eligible Participants who have submitted advance/margin money for bidding purposes
17. NCCPL shall continue to share real-time information with PSX regarding margin money deposited by Eligible Participants during the bidding period, including new bidder registrations or increases in bid amounts, in line with the Joint Procedures.
18. Eligible Participants may bid on behalf of their clients in the case of disclosed bids, whereas users may bid anonymously using their provided credentials during the bidding period, within the maximum participation amount assigned.



19. The Book Building System shall ensure that all bids are submitted within the assigned limits, based on the advance/margin money confirmed by the NCCPL and the resultant maximum participation amount.
20. The eligible participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required with the NCCPL, until 4:30 pm on the last day of the bidding period, as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures notified by PSX.
21. Bidders may revise their bids upward until 5:00 p.m. on the last day of the bidding period
22. At the close of the bidding period, the Strike Price shall be determined by the Book Building System on the basis of the Dutch Auction Method.
23. At the end of bidding period, successful bidders and their eligible participants shall be notified by the Bidding System via their registered email that their bids have been accepted and such bidders are required to arrange settlement with NCCPL by 12:00 pm, one working day after the end of the bidding period (B+1), as specified in the Designated Time Schedule (DTS) – Annexure A of the Joint Procedures notified by PSX.
24. After the allocation process run by PSX, NCCPL will commence its pay and collect process at B+1 by debiting the settling bank accounts of eligible participants.
25. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of eligible participants at B+1 within banking hours. If there is any shortfall in payments due to failure to meet commitments, NCCPL will initiate its Shortfall Management Process.
26. The funds in lieu of accepted bids will be credited to the Issuer's bank account by NCCPL after the end of public subscription, credit of securities to the successful investors and issuance of NOC by the PSX.
27. Bidders who have submitted bids at prices above the Strike Price shall be allotted shares at the Strike Price.
28. In cases where the bids received are sufficient to cover the total number of shares offered under the Book Building Portion, the allotment shall be made based on highest bid priority — that is, bids made at the highest price shall be considered first for share allocation.
29. If all bids above the Strike Price are accommodated and shares are still available for allotment, the remaining shares shall be allotted on a proportionate basis among the bids made at the Strike Price
30. Bidders who have made bids below the Strike Price shall not qualify for allotment of shares.
31. **Restrictions:**
  - a. The bidding period shall not be extended except in extraordinary circumstances like closure of banks, failure of system, etc. In such case, the Issuer or the Consultant to the Issue shall apply to the Commission for extension in the bidding period after obtaining NOC from the Securities Exchange. In case extension is granted, the same shall be disseminated through publication in all those newspapers where the prospectus was published and on the website of the Issuer, Consultant to the Issue, the Designated Institution, and the Securities Exchange.
  - b. The bidder shall not:
    - make bid below the Floor Price and above the upper limit of the Price Band;
    - make bid for more than 10% of the shares allocated under the Book Building Portion;
    - subject to the provision of clause (A) above, make bid with price variation of more than 10% of the prevailing indicative strike price or such other percentage as may be specified by the Commission;
    - make consolidated bid; - make more than one bid either severally or jointly;
    - make downward revision both in terms of Bid Price and Bid Volume; Provided that in case of upward revision of the Bid Price, the number of shares bid for i.e. Bid Volume may be adjusted ensuring that the bid amount or bid money remains the same; or
    - withdraw the Bid.
  - c. No person shall take part in the book building process, directly or indirectly, severally or jointly in any manner, or engage in any act or practice which creates a false or misleading appearance of active bidding for raising or depressing the strike price in the book building process.



#### **12.14 TITLE AND NUMBER OF THE BANK ACCOUNT FOR BOOK BUILDING PORTION OF THE ISSUE AND MECHANISM FOR PAYMENT OF THE MARGIN MONEY INTO THE BOOK BUILDING ACCOUNT.**

The margin requirements for Eligible Participants shall be as under:

- I. Securities Brokers shall be allowed to participate with 100% margin money. Securities Brokers shall collect margin money against bid amount from the investors/clients/bidders based on their own risk assessment criteria.
- II. Individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.
- III. A bank or DFI shall be allowed to onboard/register bidders and create bidding account of the bidders for participation in the bidding, only in such case where bank or DFI is acting as Consultant to the Issue (CTI) in the public offering transaction. In such case individual investors and institutional investors shall pay 100% of bid amount as margin money to the Eligible Participant, provided that Eligible Participant may accept a lower margin from the bidders based on its own risk assessment.
- IV. The Eligible Participant such as, Banks, DFIs and Mutual Funds shall be allowed to participate in the bidding process with 0% margin money for proprietary trades only.
- V. For participation with 0% margin money for proprietary trades:
  - i. Banks and DFIs shall provide standing instruction to the NCCPL to directly debit the bank account in case of default, as per the format prescribed by the NCCPL.
  - ii. Mutual Funds shall provide Irrevocable Undertaking from the Trustee, as per the format prescribed by the NCCPL.
  - iii. If the Bank fails to discharge its obligation on time in accordance with the applicable laws, rules and regulations, NCCPL shall be authorized to debit the settlement account of the Bank (maintained with SBP) with the settlement amount against accepted bids of the Bank.
  - iv. The Mutual Fund through its Trustee unconditionally and irrevocably indemnifies through Irrevocable Undertaking any failure of the Fund to settle any bids for the auction which was submitted and subsequently accepted in accordance with the applicable laws, rules and regulations.
- VI. Eligible Participant shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts. NCCPL shall communicate the confirmation of advance/margin money against the bid amount of Eligible Participants to Designated Institution as per the Joint Procedures. Based on the information shared by NCCPL, Designated Institution will activate the Eligible Participants who have submitted advance/margin money for the bidding purposes.

#### **PAYMENT PROCEDURE**

The payment procedures for a Limit Bid or a Step Bid are explained below:

##### **PAYMENT FOR LIMIT BID**

If investors are placing their bids as a Limit Bid, then they shall deposit the Margin Money based on the number of shares they are bidding for at their stated bid price.

For instance, if an investor is applying for 1 Mn shares at a price of PKR 24.00/- per share, then the total Application Money would amount to PKR 24.00 Mn. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

##### **PAYMENT FOR STEP BID**

If an investor is placing a Step Bid which is a series of Limit Bids at increasing prices, then he/she/it shall deposit the Margin Money / bid money based on the total number of shares he/she/it is bidding for at his/her/its stated bid prices.

For instance, if the investor bids for 5 Mn shares at PKR 24.00/- per share, 3 Mn shares at PKR 24.50/- per share and 2 Mn shares at PKR 26.00/- per share, then in essence the investor has placed one Step Bid comprising three limit bids at increasing prices. The Application Money would amount to PKR 245.5 Mn, which is the sum of the products of the



number of shares bid for and the bid price of each limit bid. In such a case, Eligible Participant shall collect advance/margin money against bids based on their own risk assessment criteria and shall be responsible to NCCPL for providing payments in lieu of accepted bids for their proprietary and investor accounts.

#### 12.15 PROCEDURE FOR PAYMENT OF MARGIN MONEY BY FOREIGN INVESTOR

Companies are permitted under paragraph 6 (with specific reference to sub para (B) (I)) of Chapter 20 of the State Bank of Pakistan's ("SBP") Foreign Exchange Manual (the "Manual") to issue shares on repatriation basis to non-residents who are covered under paragraph 6 (A) of Chapter 20 of the Manual, i.e.

- i. A Pakistan national resident outside Pakistan,
- ii. A person who holds dual nationality including Pakistan nationality, whether living in or outside Pakistan,
- iii. A foreign national, whether living in or outside Pakistan and
- iv. A company or firm (including a partnership) or trust or mutual fund or private fund incorporated, registered and functioning outside Pakistan, excluding entities owned or controlled by a foreign government

The issue price of such shares must be paid in foreign exchange through normal banking channels, either by remittance from abroad or from a foreign currency account maintained by the subscriber or purchaser in Pakistan.

Non-resident investors who wish to participate in the **book-building process** for subscription of shares may do so through the **Roshan Digital Account (RDA)** — an initiative of the State Bank of Pakistan designed to facilitate **Non-Resident Individual Pakistanis (NRIPs)** in opening and operating digital bank accounts with designated SBP banks. Through the RDA, NRIPs can conduct banking transactions, make remittances, pay utility bills, and invest in various financial instruments in Pakistan, including the Pakistan Stock Market.

To invest in the Pakistan Stock Market through a Roshan Digital Account, the Non-Resident Individual Pakistani (NRIP) must authorize the respective bank to share the RDA details with the Central Depository Company of Pakistan Limited (CDC) and agree to the Terms and Conditions for Investing in Pakistan's Capital Market. Upon receipt of this information, the CDC forwards the investor's details to the National Clearing Company of Pakistan Limited (NCCPL) for the creation and registration of a Unique Identification Number (UIN). The CDC also facilitates the opening of a trading account by sharing the UIN and related information with the investor's selected broker and opens a CDC Custody Account in the investor's name. Upon completion of these formalities, the NRIP becomes eligible to invest in the Pakistan Stock Market using funds available in the Roshan Digital Account.

For participation in an Initial Public Offering (IPO) through the Roshan Digital Account, investors must ensure that their RDA is linked with an **active Investor Account** maintained with the CDC. The investor must subscribe through this account only and not through any other custody accounts such as Sub-Accounts, IPO Facilitation Accounts, or other Investor Accounts. The investor is required to register on the **CDC e-Services Portal** at <https://csp.cdcaccess.com.pk> and complete the **e-IPO Subscription Form** by entering the CDC Participant ID (03277) and the Investor Account Number to generate a **Subscription ID**. After filling the form, the investor should save a PDF copy of the completed form and transfer the exact IPO subscription amount from the RDA bank account to the **CDC-designated bank account** maintained with the same bank.

It must be ensured that the investor's account holds sufficient funds at the time of subscription; otherwise, the application will not be processed. Once the payment is made, the investor must email the PDF copy of the Subscription Form along with payment details to [roshandigital@cdcpak.com](mailto:roshandigital@cdcpak.com). Both the payment and the eIPO Subscription Form must reach the CDC **no later than 12:00 p.m. (PST)** on the **last day of the subscription period**. Any payment or form received after the deadline will not be accepted. Investors are also advised to note that payments made through any method other than the one prescribed above may result in complications, particularly during the **refund process**, in cases where the application is either partially successful on a pro-rata basis or declared unsuccessful.



#### 12.16 PROCEDURE FOR REJECTION OF BIDS

As per Regulation 9(37) & (38) of the PO Regulations:

1. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 within banking hours.
2. The funds in lieu of accepted bids will be credited to the Issuer's bank account(s) by NCCPL after the end of the public subscription period, credit of securities to the successful investors, and issuance of NOC by the Securities Exchange.

#### 12.17 TIME FRAME FOR UPWARD REVISION OF BIDS BY THE BIDDERS

The registered investors may revise their Bids upwards any time either manually through the Bid Collection Centers or electronically through direct access to the system till 05:00 p.m. on the last day of the Bidding Period.

The Eligible Participants and their clients/investors/bidders can increase the bid amount subject to deposit of additional margin money, if required, with the NCCPL. The bidders can revise their bids upward till 05:00 p.m. on the last day of the Bidding Period. **NO DOWNWARD REVISION BOTH IN TERMS OF BID PRICE AND BID VOLUME IS ALLOWED PROVIDED THAT IN CASE OF UPWARD REVISION OF THE BID PRICE, THE NUMBER OF SHARES BID FOR I.E. BID VOLUME MAY BE ADJUSTED ENSURING THAT THE BID AMOUNT OR BID MONEY REMAINS THE SAME. HOWEVER, NO WITHDRAWAL OF BID IS ALLOWED.**

#### 12.18 TEN PERCENT (10%) PRICE VARIATION

An investor will not be allowed to place or upward revise a bid with a price variation of more than ten percent (10%) of the prevailing Indicative Strike Price subject to Floor Price and Price Band i.e. Bid Price must not be below the Floor Price and must not exceed 40% of the Floor Price which is upper limit of Floor Price. **Please note that the Indicative Strike Price may not be constant and may keep on changing during the bidding period. Therefore, the 10% range will also change with the changing Indicative Strike Price.**

For Example, if the Floor Price is PKR 24.00/- per share and Indicative Strike Price at any given point in time during the bidding period is PKR 24.00/- per share, registered bidders may place or revise their bids at/to any price between PKR 24.00/- per share to PKR 26.40/- per share. If at any given point in time during the bidding period, the Indicative Strike Price changes from PKR 24.00/- per share to PKR 26.40/- per share, the registered bidders may place or upward revise their bids at/to between PKR 26.40/- per share to PKR 20.04/- per share.

Please note that the 10% range on the lower side cannot go below the floor price and cannot exceed the upper cap of 40% of the floor price i.e. PKR 33.60/- per share. The price range of 10% applicable at any given point in time during the bidding period will also be displayed on the bid screen available at the website of PSX.

#### 12.19 PROCEDURE FOR WITHDRAWAL OF ISSUE

1. In accordance with regulation 8(16) of the PO Regulations, the Book Building process shall be considered as cancelled if the Issuer does not receive bids for the number of shares allocated under the Book Building Portion and the same shall be immediately intimated by the Consultant to the Issuer/Issue to the Commission and Securities Exchange.
2. In accordance with regulation 8(17) of the PO Regulation, the Book Building process shall be considered as cancelled if the total number of bids received is less than forty (40).



## 12.20 MECHANISM FOR DETERMINATION OF STRIKE PRICE

1. At the close of the bidding period, the Strike Price shall be determined on the basis of Dutch Auction Method by the Designated Institution. Under this methodology, the Strike Price is determined by lowering the price to the extent that the total shares offered under the Book Building Portion are subscribed.
2. Designated Institution shall through the Book Building System display live order book throughout the bidding period in descending order showing demand for shares at various prices and the accumulated number of shares bid for along with percentage of the total shares offered. The order book should also show the revised bids. The order book shall be accessible through websites of the Securities Exchange and Designated Institution.
3. In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
4. As per the regulation 9(27) of the PO Regulation, in case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares will be allotted on proportionate basis against the bids made at the Strike Price.

The mechanism for determination of the Strike Price can be understood by the following illustration:

1. Number of shares being Issued through the Book Building: 78,150,000 Ordinary Shares
2. Floor Price: PKR 24.00/- per Ordinary Share with maximum price band of 40% i.e. PKR 33.60/-per share
3. Bidding Period: February 02, 2026 to February 03, 2026
4. Bidding Time: 9:00am – 5:00pm
5. Bidding Revision Time (Upward Revision only): 9:00am – 5:00pm on all days

Bidder	Price (PKR/share)	Quantity	Cumulative Number of shares	Category of Order
Institution A	26.30	15,000,000	15,000,000	Limit Price
Institution B	25.93	13,500,000	28,500,000	Limit Price
HNWI A	25.84	12,000,000	40,500,000	Step Bid
Institution C	25.55	6,000,000	46,500,000	Limit Price
Institution D	25.54	3,000,000	49,500,000	Limit Price
Institution E	25.37	4,500,000	54,000,000	Limit Price
HNWI B	24.78	4,350,000	58,350,000	Limit Price
HNWI A	24.63	6,225,000	64,575,000	Step Bid
Institution F	24.55	4,875,000	69,450,000	Limit Price
Institution G	24.45	1,725,000	71,175,000	Limit Price
HNWI C	24.36	1,650,000	72,825,000	Limit Price
Institution H	24.35	1,575,000	74,400,000	Limit Price
Institution I	24.05	2,250,000	76,650,000	Step Bid
Institution H	<del>24.04</del>	750,000	77,400,000	<del>Limit Price</del>
HNWI D	24.03	750,000	78,150,000	Step Bid
Institution J	24.00	1,125,000	79,275,000	Limit Bid

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Strike Price determined through Dutch Auction Method

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Bid has been revised upwards and placed at PKR 24.35

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Total shares bid at and above the Floor Price



On the basis of the figures provided in the above illustration, according to the Dutch Auction Method, the Strike Price would be set at PKR 24.03 per share to sell the required quantity of 78,150,000 Ordinary shares.

At PKR 26.30 per share, investors are willing to buy 15,000,000 shares. Since 63,150,000 shares are still available, the price will be set lower.

At PKR 25.93 per share, investors are willing to buy 13,500,000 shares. Since 49,650,000 shares are still available, the price will be set lower.

At PKR 25.84 per share, investors are willing to buy 12,000,000 shares. Since 37,650,000 shares are still available, the price will be set lower.

At PKR 25.55 per share, investors are willing to buy 6,000,000 shares. Since 31,650,000 shares are still available, the price will be set lower.

At PKR 25.54 per share, investors are willing to buy 3,000,000 shares. Since 28,650,000 shares are still available, the price will be set lower.

At PKR 25.37 per share, investors are willing to buy 4,500,000 shares. Since 24,150,000 shares are still available, the price will be set lower.

At PKR 24.78 per share, investors are willing to buy 4,350,000 shares. Since 19,800,000 shares are still available, the price will be set lower.

At PKR 24.63 per share, investors are willing to buy 6,225,000 shares. Since 13,575,000 shares are still available, the price will be set lower.

At PKR 24.55 per share, investors are willing to buy 4,875,000 shares. Since 8,700,000 shares are still available, the price will be set lower.

At PKR 24.45 per share, investors are willing to buy 1,725,000 shares. Since 6,975,000 shares are still available, the price will be set lower.

At PKR 24.36 per share, investors are willing to buy 1,650,000 shares. Since 5,325,000 shares are still available, the price will be set lower.

At PKR 24.35 per share, investors are willing to buy 1,575,000 shares. Since 3,750,000 shares are still available, the price will be set lower.

At PKR 24.05 per share, investors are willing to buy 2,250,000 shares. Since 1,500,000 shares are still available, the price will be set lower.

At PKR 24.04 per share, investors are willing to buy 750,000 shares. Since 750,000 shares are still available, the price will be set lower.

At PKR 24.03 per share, investors are willing to buy 750,000 shares. **Since after bidding for 750,000 shares at PKR 24.03 per share, no shares will be available therefore the Strike Price will be set at PKR 24.03 per share for the 78,150,000 shares.**

The Bidders who have placed Bids at prices above the Strike Price (which in this illustration is PKR 24.03 per share), will become entitled for allotment of shares at the Strike Price and the differential would be refunded.

In case all the Bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the Bids made at the Strike Price on proportionate basis as per regulation 9(27) of the PO Regulations.

The Bidders who have made bids below the Strike Price shall not qualify for allotment of shares. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants at B+1 (one day after the end of the bidding period) within banking hours.

Within five (5) working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.



## 12.21 BASIS OF ALLOTMENT OF SHARES

- a) In case the bids received are sufficient to allot the total number of shares offered for sale under the Book Building Portion, the allotment shall be made on the basis of highest bid priority that is the bid made at the highest price shall be considered first for allotment of shares.
- b) In case all the bids made above the Strike Price are accommodated and shares are still available for allotment, such available shares shall be allotted against the bids made at the Strike Price on proportionate basis

As per regulation 7(3) of the PO Regulation, 2017, maximum of seventy-five percent (75%) of the offer size i.e. 78,150,000 ordinary shares shall be allocated to the Book Building Portion, while the remaining minimum twenty-five percent (25%) i.e. 26,050,000 ordinary shares shall be reserved for retail investors. The retail portion of the public offer shall be fully underwritten. At the close of the bidding period, Strike Price shall be determined on the basis of Dutch Auction Method by the Book Building System.

As per regulation 11(2) of the PO Regulation, 2017, The Issuer may offer the shares to retail investors at a certain discount to the Strike Price.

As per regulation 11(4) of the PO Regulation, 2017, within five (5) working days of the close of the public subscription period, or within such shorter period as may be specified by the Commission from time to time, the shares shall be allotted and issued against the accepted and successful applications, and the subscription money of unsuccessful applicants shall be unblocked/refunded.

As per regulation 11(5) of the PO Regulation, 2017, in case the retail portion of the issue, if any, remains unsubscribed, the unsubscribed shares shall either be taken up by the underwriters.

Final allotment of shares out of the Book Building portion shall be made after subscription of the retail portion and receipt of full subscription money from the successful Bidders; however, shares to such Bidders shall be issued simultaneously with issuance of shares to retail investors, in the form of book-entry to be credited in their respective CDS Accounts. All the Bidders shall, therefore, provide number of their respective CDS Accounts in the Bid application as required under regulation 9(16) of the PO Regulations.

## 12.22 MECHANISM AND MODE FOR REFUNDING / UNBLOCKING OF THE MARGIN MONEY

The Bidders who have made Bids below the Strike Price shall not qualify for allotment of securities. In the event of unsuccessful bids, NCCPL will release the advance amount/margin money of Eligible Participants within banking hours one day after the bidding period.

**The bid money of bidders who have undertaken to subscribe the unsubscribed retail portion shall remain deposited or blocked till allotment of shares of unsubscribed retail portion, if any, to them on pro-rata basis.**

## 12.23 PUBLICATION AND TIME FRAME FOR PUBLICATION OF SUPPLEMENT TO THE PROSPECTUS

In accordance with regulation 11(1) of the PO Regulations of the closing of the Bidding Period, Supplement to the Prospectus shall be published at least in all those newspapers in which the Prospectus was earlier published and also disseminated through PSX within one working day.

The Supplement to the Prospectus would contain information relating to the Strike Price, the Offer Price and Category-wise breakup of the successful Bidders along with the number of shares provisionally allocated to them. Format of the Supplement is given on page 3 of this Prospectus.

**Public subscription for the shares shall be held at any date(s) within thirty days (30) of the publication of the Prospectus but not earlier than seven (7) days of such publication.**



## 13 APPLICATION AND ALLOTMENT INSTRUCTION

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### 13.1 ELIGIBLE INVESTORS INSTRUCTIONS FOR SUBMITTING APPLICATION

1. Pakistani citizens resident in or outside Pakistan or Persons holding dual nationalities including a Pakistani nationality;
2. Foreign Nationals whether living in or outside Pakistan
3. Companies, bodies corporate or other legal entities incorporated or established in or outside Pakistan (to the extent permitted by their constitutive documents and existing regulations, as the case may be);
4. Mutual Funds, Provident / Pension / Gratuity Funds / Trusts, (subject to the terms of the Trust Deed and existing regulations); and
5. Branches in Pakistan of companies and bodies corporate incorporated outside Pakistan.

### 13.2 OPENING AND CLOSING OF THE SUBSCRIPTION LIST

The subscription list will open on February 09, 2026 and will close on February 10, 2026. **Please note that online applications can be submitted 24 hours during the subscription period which will close at 12:00 midnight on February 10, 2026.**

### 13.3 PROCEDURE FOR PUBLIC SUBSCRIPTION THROUGH PSX'S E-IPO SYSTEM AND CENTRALIZED E-IPO SYSTEM AND OTHER ADDITIONAL ELECTRONIC SYSTEM

#### 13.3.1 PSX E-IPO SYSTEM

To facilitate investors, the Pakistan Stock Exchange Limited ("PSX") has developed an e-IPO System ("PES") through which applications for subscription of securities offered to the General Public/retail portion can be made electronically. PES has been made available in this Issue and can be accessed through the web link (<https://eipo.psx.com.pk>). Payment of subscription money can be made through 1LINK's and NIFT's member banks available for PES. For making application through PES, investors must be registered with PES. The PES registration form is available 24/7, all throughout the year. Registration is free of cost and can be done by:

- the investor himself, or
  - the TREC Holder with whom the investor has a sub-account, or
  - the Bank with whom the investor has a bank account.
- Similarly, an e-IPO application can be filed by:
- the investor himself, or
  - the TREC Holder with whom the investor has a sub-account, or
  - the Bank with whom the investor has a bank account.

In case of queries regarding PES, investors may contact Mr. Farrukh Shahzad, Deputy General Manager - IT Division at phone number: 111-001-122 or (021)-35274401-10, or email: [itss@psx.com.pk](mailto:itss@psx.com.pk).

Investors who are registered with PES can submit their applications through the web link, <https://eipo.psx.com.pk>, 24 hours a day during the subscription period which will close at midnight on February 10, 2026.

#### 13.3.2 CENTRALIZED E-IPO SYSTEM (CES):

CES can be accessed through the web link ([www.cdceipo.com](http://www.cdceipo.com)). Payment of subscription money can be made through 1LINK's member banks available for CES.

For making application through CES, investors must be registered with CES. Registration can be done under a self-registration process by filling the CES registration form, which is available 24/7 all throughout the year.



In addition to the above, investors/sub-account holder(s) can request their respective TREC Holders who are Participants in Central Depository System (CDS) to make electronic subscription on their behalf for subscription of securities of a specific company by authorizing (adding the details of) their respective Participant(s) in CES. Consequently, authorized Participants will electronically subscribe on behalf of their sub-account holder(s) in securities offered through Initial Public Offerings and will also be able to make payment against such electronic subscriptions through all the available channels mentioned on CES only after receiving the subscription amount from the sub-account holder(s). To enable this feature, the CDS Participant may request CDC to activate his ID on the CES portal. For queries regarding CES, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) and e-mail: [info@cdcpak.com](mailto:info@cdcpak.com) or contact Mr. Owais Anwer at Phone 021-111-111-500 Ext 500 and email: [owais\\_anwer@cdcpak.com](mailto:owais_anwer@cdcpak.com).

### **13.4 FACILITIES AVAILABLE TO LOCAL, NON-RESIDENT PAKISTANIS AND FOREIGN INVESTORS**

For each IPO, a prospectus is issued, circulated, and published in newspapers at least 7 days before the start of the public subscription. The issuer also publishes advertisements in newspapers. The prospectus is available on the websites of the Pakistan Stock Exchange (PSX), the consultant to the issue, the issuer, and the Central Depository Company of Pakistan Limited (CDC), which provides the Centralized e-IPO System (CES). A list of all upcoming IPOs is also available on the PSX website.

#### **13.4.1 Applications made by Individual Investors**

- a. In case of individual investors, one can submit an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com). Both Pakistani residents and non-residents can avail the e-IPO facility. To register for the CDC and PSX Access e-IPO Service, the applicant must possess a valid CNIC and NICOP.
- b. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

#### **13.4.2 Applications made by Institutional Investors**

1. In case of corporate entities an application for share subscription through electronic/online mode. Electronic/online applications can be submitted through PSX's e-IPO system (PES) and CDC's Centralized e-PO system (CES). PES and CES can be accessed via the web links <https://eipo.psx.com.pk>, and [www.cdceipo.com](http://www.cdceipo.com). The corporate entities can avail the e-IPO facility by registering, if not have already been, for the CDC and PSX Access e-IPO Service, the corporate must possess a valid Registration number and NTN.
2. Online applications via CDC Access can be submitted 24 hours a day during the subscription period.

### **13.5 MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT OF SHARES OF THE ISSUE**

The basis and conditions of transfer of shares to the General Public shall be as follows:

1. Application for shares must be made for 500 shares or in multiples of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
2. The minimum amount of application for subscription of 500 shares is the Issue Price x 500 shares.
3. Application for shares below the minimum amount shall not be entertained.
4. SUBMISSION OF FALSE AND FICTITIOUS APPLICATIONS IS PROHIBITED AND SUCH APPLICATIONS' MONEY MAY BE FORFEITED UNDER SECTION 87(8) OF THE SECURITIES ACT, 2015.
5. If the shares offered to the general public are sufficient to accommodate all applications, all applications shall be accommodated.
6. If the shares applied for by the general public are in excess of the shares allocated to them, the distribution shall be made by computer balloting, in the presence of the representative(s) of PSX in the following manner:



- If all applications for 500 shares can be accommodated, then all such applications shall be accommodated first. If all applications for 500 shares cannot be accommodated, then balloting will be conducted among applications for 500 shares only.
  - If all applications for 500 shares have been accommodated and shares are still available for allotment, then all applications for 1,000 shares shall be accommodated. If all applications for 1,000 shares cannot be accommodated, then balloting will be conducted among applications for 1,000 shares only.
  - If all applications for 500 shares and 1,000 shares have been accommodated and shares are still available for allotment, then all applications for 1,500 shares shall be accommodated. If all applications for 1,500 shares cannot be accommodated, then balloting will be conducted among applications for 1,500 shares only.
  - If all applications for 500 shares, 1,000 shares and 1,500 shares have been accommodated and shares are still available for allotment, then all applications for 2,000 shares shall be accommodated. If all applications for 2,000 shares cannot be accommodated, then balloting will be conducted among applications for 2,000 shares only.
  - After allotment in the above-mentioned manner, the balance shares, if any, shall be allotted in the following manner:
    - If the remaining shares are sufficient to accommodate each application for over 2,000 shares, then 2,000 shares shall be allotted to each applicant and remaining shares shall be allotted on pro-rata basis.
    - If the remaining shares are not sufficient to accommodate all the remaining applications for over 2,000 shares, then balloting shall be conducted for allocation of 2,000 shares to each successful applicant.
7. If the Issue is over-subscribed in terms of amount only, then allotment of shares shall be made in the following manner:
- First preference will be given to the applicants who applied for 500 shares;
  - Next preference will be given to the applicants who applied for 1,000 shares;
  - Next preference will be given to the applicants who applied for 1,500 shares;
  - Next preference will be given to the applicants who applied for 2,000 shares; and then
  - After allotment of the above, the balance shares, if any, shall be allotted on pro rata basis to the applicants who applied for more than 2,000 shares.
8. Allotment of shares will be subject to scrutiny of applications for subscription of shares.
9. Applications, which do not meet the above requirements, or application which are incomplete, will be rejected.

### **13.6 REFUND/UNBLOCKING OF SUBSCRIPTION MONEY TO UNSUCCESSFUL APPLICANTS**

As per the regulation 11(4) of the PO Regulations, within five (5) working days of the close of public subscription period or such shorter period of time as may be specified by the Commission from time to time, the Shares shall be allotted and issued against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/ refunded.

As per sub-section (2) of Section 68 of the Companies Act, if refund as required under sub-section (1) of Section 68 of the Companies Act is not made within the time specified hereinabove, the directors of the company shall be jointly and severally liable to repay that money with surcharge at the rate of two percent (2%) for every month or part thereof from the expiration of the fifteenth day and, in addition, shall be liable to a penalty of level 3 on the standard scale as defined in Section 479 of the Companies Act. Provided that the directors of the Company shall not be liable if it proves that the default in making the refund was not on their own account and was not due to any misconduct or negligence on their part.

In case retail portion of the Issue remains unsubscribed, the unsubscribed shares shall be allotted to the successful bidders at the strike price on pro-rata basis.

### **13.7 MINIMUM AMOUNT OF APPLICATION AND BASIS OF ALLOTMENT**

The basis and conditions of transfer of shares to the General Public shall be as follows:



1. The minimum value of application will be calculated as Issue Price x 500 shares. Application for amount below the minimum value shall not be entertained.
2. Application for shares must be made for 500 shares or in multiple of 500 shares only. Applications which are neither for 500 shares nor for multiples of 500 shares shall be rejected.
3. Allotment / Transfer of shares to successful applicants shall be made in accordance with the allotment criteria / instructions disclosed in the Prospectus.
4. Allotment of shares shall be subject to scrutiny of applications in accordance with the criteria disclosed in the Prospectus and / or the instructions by the Securities & Exchange Commission of Pakistan.
5. Applications, which do not meet the above requirements, or applications which are incomplete will be rejected. The applicants are, therefore, required to fill in all data fields in the Online Application Form.
6. The Company will credit shares in the CDS Accounts of the successful applicants.

### 13.8 ISSUE AND CREDIT OF SHARES

Within five (5) working days of the closing of public subscription period, the shares shall be allotted, issued and credited against the accepted and successful applications and the subscription money of the unsuccessful applicants shall be unblocked/refunded, as required under regulation 11(4) of the PO Regulations. **Shares will be issued only in the book-entry form and will be credited into the respective CDS Accounts of the successful applicants. Therefore, the applicants must provide their CDS Account Number in the Shares Subscription Applicant.**

If the Company defaults in complying with the above requirements, it shall pay PSX a penalty of PKR 5,000 per day for every day during which the default continues. PSX may also notify the fact of such default and name of the Company by notice and also by publication in its ready-board quotation of the Stock Exchange.

Name of the Company will also be notified to the TRE Certificate Holders of the PSX and placed on the web site of the PSX.

### 13.9 TRANSFER OF SHARES

The shares shall be transferred in accordance with the provisions of Section 74 of the Companies Act read with Section 75 thereof and the Central Depositories Act, 1997 and the CDCPL Regulations.

### 13.10 LIST OF E-IPO FACILITIES

S. No.	Name of Facility
01	PSX E-IPO System
02	Centralized E-PO System

### 13.11 INTEREST OF SHAREHOLDERS

None of the holders of the Issued shares of the Company have any special or other interest in the property or profits of the Company other than their capacity as holder of Ordinary shares except from the shareholders who are also the Director of the company. Directors of the Company have interest in receiving remuneration for their role as Directors.

### 13.12 ELIGIBILITY FOR DIVIDEND

The ordinary shares issued shall rank pari-passu with the existing shares in all matters of the Company, including the right to such bonus or right issues, and dividend as may be declared by the Company subsequent to the date of issue of such shares.



### 13.13 DEDUCTION OF ZAKAT

Income distribution will be subject to deduction of Zakat at source, pursuant to the provisions of Zakat and Ushr Ordinance, 1980 (XVIII of 1980) as may be applicable from time to time except where the Ordinance does not apply to any shareholder or where such shareholder is otherwise exempt or has claimed exemption from payment / deduction of Zakat in terms of and as provided in that Ordinance.

### 13.14 TAXATIONS, LIKE APPLICABILITY OF CAPITAL GAIN TAX, WITHHOLDING TAX ON DIVIDENDS, TAX ON BONUS SHARES, FEDERAL EXCISE DUTY AND CAPITAL VALUE TAX & WITHHOLDING TAX ON SALE/PURCHASE OF SHARES.

#### 13.14.1 CAPITAL GAINS TAX

Capital gains derived from the sale of listed securities are taxable in the following manner under section 37A of Income Tax Ordinance, 2001 effective from July 1, 2024:

S.no.	Capital Gain Tax for FY2025	Investors Appearing in ATL	Investors Not Appearing in ATL
1	Where the securities are acquired before the first day of July, 2013	0%	0%
2	Where the securities are acquired on or after the first day of July, 2013 but on or before the 30th day of June, 2022.	12.5%	25.0%
3	<b>Where the securities are acquired on or after the first day of July, 2022 but on or before the 30th day of June, 2024, below reduced rates of tax on capital gain arising on disposal shall apply:</b>		
	Where holding period does not exceed one year	15.0%	25.0%
	Where holding period exceed one year but does not exceed two years	12.5%	25.0%
	Where holding period exceed two years but does not exceed three years	10.0%	20.0%
	Where holding period exceed three years but does not exceed four years	7.5%	15%
	Where holding period exceed four years but does not exceed five years	5.0%	10%
	Where holding period exceed five years but does not exceed six years	2.5%	5%
	Where holding period exceed six years	0.0%	0.0%
	<b>Where the securities are acquired between July 1, 2024 – June 30, 2025</b>		
	<b>Where the securities are acquired for period of July 1, 2024 – June 30, 2025</b>	15.0%	30.0%
4	<b>Where the securities are acquired on or after the first day of July, 2025 onwards:</b>		
	Where the securities are acquired on or after the first day of July, 2025 and onwards.	15.0%	As per rates specified in First Schedule, Part 1, Division 1 for individuals and association of persons and Division II for companies. Provided that the rate of tax for individuals and association of persons shall not be less than 15% in any case.

#### 13.14.2 WITHHOLDING TAX ON DIVIDENDS

Dividend distribution to shareholders will be subject to withholding tax under section 150 of the Income Tax Ordinance, 2001 as specified in Part III Division I of the First Schedule of the said ordinance or any time-to-time amendments therein. In terms of the provision of Section 8 of the said ordinance, said deduction at source, shall be deemed to be



full and final liability in respect of such profits in case of persons only. Applicable withholding tax rate on dividend is 15% for active tax payers and 30% for inactive tax payers.

### **13.14.3 TAX ON BONUS SHARES**

As per section 236Z of the Finance Act 2025, shall only be issued to a shareholder, if the company collects from the shareholder, tax equal to ten percent of the value of the bonus shares issued to the shareholder including bonus share withheld, determined on the basis of day-end price on the first day of closure of books in the case of listed company and the value as prescribed in case of other companies.

### **13.15 TAX ON INCOME OF THE ISSUER, SALES TAX**

#### **13.15.1 INCOME TAX**

The income of the Company is subject to Income Tax under the Income Tax Ordinance, 2001.

#### **13.15.2 SALES TAX**

General Sales Tax is applicable as per Sales Tax Act, 1990 on supplies and services. Sales tax is applicable on services as per Punjab Sales Tax on Services Act, 2012 by Punjab Revenue Authority. Sales tax is applicable on services as per Sindh Sales Tax on Services Act, 2011 by Sindh Revenue Board.

#### **13.15.3 SALES TAX ON SALE / PURCHASE OF SHARES**

Under the Constitution of Pakistan and Articles 49 of the 7th NFC Award, the Government of Sindh, Government of Punjab, Government of Khyber Pakhtunkhwa and Government of Baluchistan have promulgated the Sindh Sales Tax on Services Act, 2011, Punjab Sales Tax on Services Act, 2012, Khyber Pakhtunkhwa Sales Tax on services through Khyber Pakhtunkhwa Finance Act, 2013 and the Baluchistan Sales Tax on services Act, 2015 respectively. The Sindh Revenue Board, the Punjab Revenue Authority, and the Khyber Pakhtunkhwa Revenue Authority and the Baluchistan Revenue Authority administer and regulate the levy and collection of the Sindh Sales Tax ("SST"), Punjab Sales Tax ("PST"), Khyber Pakhtunkhwa Sales Tax ("KST") and Baluchistan Sales Tax ("BST") respectively on the taxable services provided or rendered in Sindh, Punjab or Khyber Pakhtunkhwa provinces respectively.

The value of taxable services for the purpose of levy of sales tax is the gross commission charged from clients in respect of purchase or sale of shares in a Stock Exchange. The above-mentioned Acts levy a sales tax on Brokerage at the rate of 15% in Sindh, 16% in Punjab and in Baluchistan and Khyber Pakhtunkhwa the rate is 15%. Sales tax charged under the aforementioned Acts is withheld at source under statutory requirements.

### **13.16 DEFERRED TAXATION**

Deferred tax is provided using the liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts, for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carry forwards of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profits will allow deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset only if there is a legally enforceable right to offset current tax assets and liabilities and they relate to the income tax levied by the same tax authority.



14 SIGNATORIES TO THE PROSPECTUS

SIGNATORIES TO THE PROSPECTUS

Hafiz Avais Ghani  
Chief Executive Officer

Shoaib Ghani  
Executive Director

Ahad Ghani  
Executive Director

Aitzaz Ahmad Khan  
Non-Executive Director

Ms. Vaneeza Avais  
Non-Executive Director

Khurram Zafar  
Independent Director

Hassan Nawaz Gondal  
Independent Director

WITNESSES

Certified by:

  
Muhammad Ashraf  
Company Secretary



15 MEMORANDUM OF ASSOCIATION OF GHANI DAIRIES LIMITED

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**THE COMPANIES ACT, 2017 (XIX of 2017)**

(COMPANY LIMITED BY SHARES)

**MEMORANDUM**

**OF**

**ASSOCIATION**

**OF**

**GHANI DAIRIES LIMITED**

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**THE COMPANIES ACT, 2017 (XIX of 2017)**  
**(COMPANY LIMITED BY SHARES)**  
**MEMORANDUM OF ASSOCIATION**  
**OF**  
**“GHANI DAIRIES LIMITED”**

1. The name of the company is Ghani Dairies Limited.
2. The registered office of the Company will be situated in the Province of Punjab.
3.
  - (i) The principal line of business of the company shall be to set-up and carry business of cattle rearers, sheep farmers, poultry farmers, graziers, breeding and to purchase, breed, rear, sell, import, export, improve, deal and trade in cattle, horses, asses, donkeys, mules, sheep, goats, birds, poultry, eggs, meat, milk and live and dead stocks of every description of live stock.
  - (ii) Except for the businesses mentioned in sub-clause (iii) hereunder, the company may engage in all the lawful businesses and shall be authorized to take all necessary steps and actions in connection therewith and ancillary thereto.
  - (iii) Notwithstanding anything contained in the foregoing sub-clauses of this clause nothing contained herein shall be construed as empowering the Company to undertake or indulge, directly or indirectly in the business of a Banking Company, Non-banking Finance Company (Mutual Fund, Leasing, Investment Company, Investment Advisor, Real Estate Investment Trust management company, Housing Finance Company, Venture Capital Company, Discounting Services, Microfinance or Microcredit business), Insurance Business, Modaraba management company, Stock Brokerage business, forex, managing agency, business of providing the services of security guards, or any other business restricted under any law for the time being in force, or as may be specified by the Commission.
  - (iv) It is hereby undertaken that the company shall not
    - (a) engage in any of the business mentioned in sub-clause (iii) above or any unlawful operation; Page 3 of 3
    - (b) launch multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business;
    - (c) engage in any of the permissible business unless the requisite approval, permission, consent or license is obtained from competent authority as may be required under any law for the time being in force.
4. The liability of the members is limited.



5. The Authorized Capital of the Company is Rs. 500,000,000 (Rupees Five Hundred Million Only) divided into 500,000,000 (Five Hundred Million) ordinary shares of Rs. 1/- each.

We, the several persons whose names and addresses are subscribed below, are desirous of being formed into a company, in pursuance of this memorandum of association, and we respectively agree to take the number of shares in the capital of the company as set opposite our respective names.

Name and surname (present & former in full (in Block Letters))	NIC No. (in case of foreigner, Passport No.)	Father's/ Husband's Name in full	Nationality (ies) with any former Nationality	Occupation	Usual residential address in the principal office address for a subscriber other than natural person	Number of shares taken by each subscriber (in figures and (Words))	Signatures
Aitzaz Ahmad Khan	35202-6712826-7	Abdul Ghani	Pakistani	Business	102-C, Model Town, Lahore	2,000	
Hafiz Avais Ghani	35200-8677336-9	Aitzaz Ahmad Khan	Pakistani	Business	102-C, Model Town, Lahore	49,000	
Shoaib Ghani	35202-1167051-9	Aitzaz Ahmad Khan	Pakistani	Business	102-C, Model Town, Lahore	49,000	
<b>Total number of shares taken (One Hundred Thousand Only)</b>						<b>100,000</b>	

Dated the 20th day of October, 2020

Witness to above signatures: (For the documents submitted in physical form)

Signature	
Full name (in Block Letter)	
Father's/Husband's Name	
Nationality	
Occupation	
NIC No.	
Usual residential address	

