



**ABDUL KHALIQ & CO.**

**CHARTERED ACCOUNTANTS**

**COMPILATION REPORT**

**To Board of Directors  
Big Bird Foods Limited**

We have compiled the accompanying financial statements of Big Bird Foods Limited based on information provided. These financial statements comprise the statement of financial position of Big Bird Foods Limited as at June 26, 2024, statement of profit or loss, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

We performed this compilation engagement in accordance with International Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist you in the preparation and presentation of these financial statements in accordance with accounting and reporting standards applicable in Pakistan.

The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

We have complied with relevant ethical requirements, including principles of integrity, objectivity, professional competence and due care. These financial statements and the accuracy and completeness of the information used to compile them are management responsibility.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information you provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with IFRS.

Our compilation report is solely for internal use of management of the company and for submission to Pakistan Stock Exchange Limited and should not be used for any other purpose or distributed to any other person in whole or part.

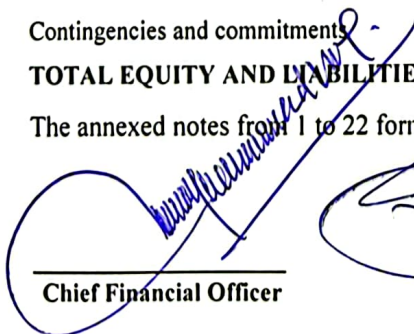



  
**Abdul Khaliq & Co.**  
**Chartered Accountants**  
**July 22, 2024**  
**Lahore**



**Big Bird Foods Limited**  
**Statement of Financial Position**  
As at June 26, 2024

		26 June-2024	2023
	Notes	.....Rupees.....	
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipments	4	7,090,942,507	6,956,481,676
Capital work-in-progress	5	359,802,611	122,393,167
Long term loans and advances		684,000	584,000
Long term deposits and prepayments		29,813,208	28,998,708
		<u>7,481,242,326</u>	<u>7,108,457,551</u>
<b>Current assets</b>			
Stores and spares		261,283,836	293,200,276
Stock in trade		1,274,846,781	903,099,084
Trade debts	6	1,031,838,036	905,855,993
Loans and advances		51,685,956	198,645,046
Deposits and prepayments		2,841,994	9,283,759
Short term investment		36,916,882	43,316,882
Cash and bank balances	7	150,129,434	30,778,205
		<u>2,809,542,919</u>	<u>2,384,179,244</u>
<b>TOTAL ASSETS</b>		<u><u>10,290,785,245</u></u>	<u><u>9,492,636,796</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized Share Capital: 300,000,000 (2023: 300,000,000) ordinary shares of Rs.10 each		<u>3,000,000,000</u>	<u>3,000,000,000</u>
Issued, subscribed and paid-up share capital	8	2,970,930,000	2,970,930,000
Accumulated loss		(957,833,882)	(1,883,945,996)
Surplus on revaluation of operating fixed assets		3,279,972,295	3,422,486,307
Total equity		<u>5,293,068,413</u>	<u>4,509,470,311</u>
<b>Non-current liabilities</b>			
Long term finances - secured	9	485,579,602	762,170,890
Deferred markup	10	680,847,204	239,153,460
Diminishing musharaka finance	11	346,090,000	255,149,999
Deferred taxation-net		491,374,667	730,871,525
Employee's benefit obligation		97,344,214	90,181,735
		<u>2,101,235,687</u>	<u>2,077,527,610</u>
<b>Current liabilities</b>			
Current and over due portion of non-current liabilities	12	1,356,843,891	1,230,973,206
Short term borrowings	13	244,664,088	341,528,382
Trade and other payables	14	742,962,260	609,277,477
Accrued and deferred mark-up		552,010,907	723,859,810
		<u>2,896,481,145</u>	<u>2,905,638,875</u>
Contingencies and commitments	15	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>10,290,785,245</u></u>	<u><u>9,492,636,796</u></u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

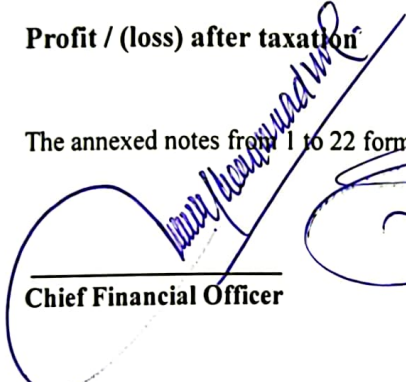





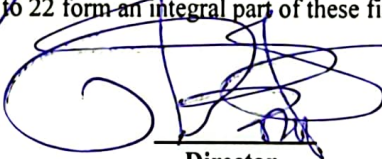
**Chief Financial Officer**                      **Director**                      **Director**                      **Director**

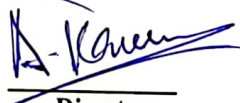
**Big Bird Foods Limited**  
**Statement of Profit or Loss**  
For the period ended June 26, 2024


		26 June-2024	2023
	Notes	.....Rupees.....	
Sales - net	16	7,130,935,323	6,061,862,337
Cost of sales	17	<u>(5,562,704,516)</u>	<u>(5,491,269,612)</u>
<b>Gross Profit</b>		<b>1,568,230,807</b>	<b>570,592,725</b>
Distribution and selling expenses		(199,952,657)	(172,523,251)
Administration expenses		(149,540,058)	(122,363,643)
Other expenses		<u>(106,967,128)</u>	<u>(39,921,691)</u>
		<u>(456,459,843)</u>	<u>(334,808,585)</u>
Other income		1,111,770,964	235,784,140
		<u>74,696,663</u>	<u>71,824,107</u>
<b>Profit from operations</b>		<b>1,186,467,628</b>	<b>307,608,247</b>
Finance cost		(341,387,491)	(462,180,311)
<b>Profit / (loss) before taxation</b>		<b>845,080,136</b>	<b>(154,572,064)</b>
Taxation	18	(795,942)	37,593,227
<b>Profit / (loss) after taxation</b>		<b><u>844,284,194</u></b>	<b><u>(116,978,837)</u></b>

The annexed notes from 1 to 22 form an integral part of these financial statements.

  
\_\_\_\_\_  
**Chief Financial Officer**

  
\_\_\_\_\_  
**Director**

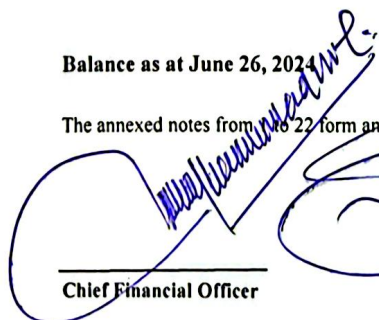



  
\_\_\_\_\_  
**Director**

  
\_\_\_\_\_  
**Director**

**Big Bird Foods Limited**  
**Statement of Changes in Equity**  
For the period ended June 26, 2024

	Capital Reserves		Revenue reserves		Total
	Share capital	Revaluation surplus	Accumulated losses	Director's loan	
	..... Rupees .....				
<b>Balance as at July 01, 2022</b>	<b>2,970,930,000</b>	<b>3,557,950,775</b>	<b>(1,902,792,080)</b>	<b>16,000,000</b>	<b>4,642,088,695</b>
Loss for the year	-	-	(116,978,837)	-	(116,978,837)
Other comprehensive income	-	-	360,452	-	360,452
Total comprehensive loss	-	-	(116,618,385)	-	(116,618,385)
Incremental depreciation - net of tax	-	(135,464,468)	135,464,468	-	-
	-	(135,464,468)	135,464,468	-	-
Transactions with owners:					
Share deposit money received	-	-	-	-	-
Share capital issued	-	-	-	-	-
Loan received from director	-	-	-	(16,000,000)	(16,000,000)
	-	-	-	(16,000,000)	(16,000,000)
<b>Balance as on June, 30 2023</b>	<b>2,970,930,000</b>	<b>3,422,486,307</b>	<b>(1,883,945,996)</b>	<b>-</b>	<b>4,509,470,311</b>
<b>Balance as at July 01, 2023</b>	<b>2,970,930,000</b>	<b>3,422,486,307</b>	<b>(1,883,945,996)</b>	<b>-</b>	<b>4,509,470,311</b>
Profit for the year	-	-	844,284,194	-	844,284,194
Other comprehensive income	-	-	-	-	-
Total comprehensive loss	-	-	844,284,194	-	844,284,194
Incremental depreciation - net of tax	-	(142,514,012)	-	-	(142,514,012)
	-	(142,514,012)	-	-	(142,514,012)
Transactions with owners:					
Share deposit money received	-	-	-	-	-
Shares issued	-	-	-	-	-
Share capital issued	-	-	-	-	-
Prior year adjustment	-	-	81,827,920	-	81,827,920
Loan received from director	-	-	-	-	-
	-	-	81,827,920	-	81,827,920
<b>Balance as at June 26, 2024</b>	<b>2,970,930,000</b>	<b>3,279,972,295</b>	<b>(957,833,882)</b>	<b>-</b>	<b>5,293,068,413</b>

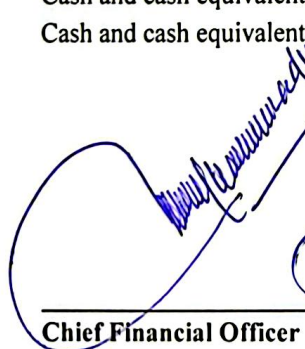



The annexed notes from 16 to 22 form an integral part of these financial statements.

**Chief Financial Officer**                      **Director**                      **Director**                      **Director**

**Big Bird Foods Limited**  
**Statement of Cash Flows**  
For the year ended June 26, 2024

	Notes	26 June-2024	2023
		.....Rupees.....	
<b>Cash flow from operating activities</b>			
Cash flows from operations	19	1,099,956,135	584,942,025
Net decrease in long term loans to employees		(100,000)	1,036,241
Net decrease in long term deposits and prepayments		(814,500)	(16,444,680)
Finance cost paid		(71,542,651)	(145,861,817)
Gratuity paid		(6,148,135)	(10,210,146)
Income tax paid		(70,990,358)	(22,639,217)
Net cash generated from operating activities		950,360,491	390,822,406
<b>Cash flow from investing activities</b>			
Capital expenditure on property, plant and equipment's		(480,804,379)	(30,597,317)
Capital work-in-progress		(237,409,444)	(21,251,254)
Proceeds from sale of fixed assets		27,400,000	79,430,401
Interest received on short term investment		10,766,340	5,070,785
Net cash generated from used in investing activities		(680,047,482)	32,652,615
<b>Cash flow from financing activities</b>			
Loan from Director		-	(16,000,000)
Long term financing - repayments		(116,243,570)	(386,500,000)
Proceeds from short term financing - net		598,673	(20,241,032)
Diminishing musharaka finance-proceeds		(41,000,000)	(12,750,000)
- repayments		-	-
Net cash (used in) generated from financing activities		(156,644,897)	(435,491,032)
Net increase/ (decrease) in cash and cash equivalents		113,668,111	(12,016,010)
Cash and cash equivalents at the beginning of the year		73,378,205	85,394,216
Cash and cash equivalents at the end of the year		187,046,316	73,378,205

**Chief Financial Officer**                      **Director**                      **Director**                      **Director**

**Big Bird Foods Limited**  
**Notes to the Financial Statements**  
As at June 26, 2024

**1 Legal status and operations**

- 1.1 M/s Big Bird Foods Limited is large sized company incorporated on September 21, 2011 in Pakistan as a Private Limited Company under the Companies Ordinance, 1984 (repealed with enactment of The Companies Act, 2017). Subsequently it was converted into public limited company on June 01, 2023. The principal activities are poultry farming, slaughtering, processing and supply of finished & semi finished poultry products. The geographical location and address of the company's business place and plant is as under:
- The company's registered office is situated at 2-A, Ahmad Block, New Garden Town Lahore.
  - The company's manufacturing facilities are located at 63 Km Multan Road, Lahore.

**1.2 Summary of significant events and transactions in the current reporting period**

- 1.2.1 On May 19, 2023, the company entered into an agreement with MetaTech Trading Limited (META), a publicly listed company, to acquire complete management control of META. Consequently, the company strategized a reverse merger with MetaTech Trading Limited. Pursuant to the agreement with META, Big Bird Foods (Pvt.) Ltd. initiated the process of converting into a public limited company. This conversion was successfully completed on June 21, 2023. Additionally, on June 26, 2024, the scheme filed by the company was approved by the Lahore High Court, Lahore (Civil Original No. 43907/2023). This approval allows Big Bird Foods Limited to offer its shares to the general public and potentially list them on a stock exchange.

**2 Basis of preparation**

**2.1 Statement of compliance**

These financial statements have been prepared in accordance with accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and provisions of and directives issued under the Companies Act, 2017. Where provisions and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of measurement and preparation**

These financial statements have been prepared under historical cost convention, except as disclosed in policies.

**2.3 Functional and presentation currency**

The financial statements are presented in Pakistan rupee (PKR) that is the Company's functional and presentation currency. Amounts presented in Pakistan rupee have been rounded off to nearest rupee, unless otherwise stated.

**2.4 Use of estimates and judgment**

In preparing these financial statements, the management has made judgments, estimates and assumptions that affect the application of company's accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

Information about judgments made in applying accounting policies that have significant effect on the amounts recognized in the financial statements are discussed in the ensuing paragraphs.

**Big Bird Foods Limited**  
**Notes to the Financial Statements**  
As at June 26, 2024

**2.4.1 Property, plant and equipments**

The Company reviews the residual values and useful life of property, plant and equipment on regular basis. Further where applicable, an estimate of recoverable amount of assets is made for possible impairment on an annual basis. Any change in such estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment with corresponding effect on the depreciation charge, impairment and related deferred tax liability.

**2.4.2 Provision for inventory obsolescence**

The Company reviews the net realizable value of stock in trade and stores, spare parts and loose tools to assess any diminution in the respective carrying values. Net realizable value is determined with reference to estimated selling price less estimated cost to complete and estimated cost to make the sales.

**2.4.3 Allowance for expected credit losses**

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the lifetime expected credit loss.

**2.4.4 Taxation**

The Company takes into account the current income tax laws and decisions taken by the taxation authorities. Instances where the Company's view differs from the income tax department at the assessment stage and where the Company considers that its view on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

**2.4.5 Provisions and contingencies**

A provision is recognized, as a result of past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at pre-tax rate that reflects the current market assessments of the time value of money and the risk specific to the liability. The un-winding or discount is recognized as finance cost, if any.

Where 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 can not be measured with sufficient reliability, it is disclosed as contingent liability.

**2.4.6 Impairment**

**2.4.6.1 Impairment of financial assets**

The Company measures Expected Credit Losses (ECLs) on financial assets measured at amortized cost after considering the pattern of receipts from and future financial outlook of the counterparty and is reviewed by the management on regular basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of assets with a corresponding effect on the profit or loss.

**2.4.6.2 Impairment of non financial assets**

The carrying amounts of the Company's assets are reviewed at each balance sheet date to determine whether there is any indication of impairment loss. If such indication exists, recoverable amount is estimated using criteria given in respective accounting standards to determine the extent of impairment loss, if any.

**3 Significant accounting policies and estimates**

**3.1** The accounting policies and significant judgement made in the preparation of these financial statements are consistent with those followed in the preparation of these audited financial statements of the company for the period ended June 26, 2024.

4. Property, plant and equipment's

Particulars	2024												Book value as at June 26, 2024	Rate %
	Cost					Depreciation								
	As at 01 July 2023	Additions	Disposal	Transfer	Surplus on revaluation	As at June 26, 2024	As at 01 July 2023	On disposal	Transfer	For the year	As at June 26, 2024			
Rupees														
Owned assets														
Land - freehold	991,375,000	-	(158,914,012)	-	-	832,460,988	-	-	-	-	-	-	832,460,988	
Building on freehold land	3,560,562,765	-	-	-	-	3,560,562,765	1,019,182,541	-	-	76,241,407	1,095,423,947	2,465,138,818	3	
Plant and machinery	4,734,394,137	10,787,000	-	-	-	4,745,181,137	1,388,375,386	-	-	100,519,563	1,488,894,950	3,256,286,187	3	
Furniture, fixture and equipments	116,060,477	463,897,630	-	-	-	579,958,107	46,357,098	-	-	9,322,368	55,679,465	524,278,642	5	
Vehicles	21,963,470	6,119,749	(582,750)	-	-	27,500,469	13,959,147	(189,976)	-	953,426	14,722,597	12,777,872	10	
<b>Total owned assets</b>	<b>9,424,355,849</b>	<b>480,804,379</b>	<b>(159,496,762)</b>	<b>-</b>	<b>-</b>	<b>9,745,663,466</b>	<b>2,467,874,172</b>	<b>(189,976)</b>	<b>-</b>	<b>187,036,763</b>	<b>2,654,720,960</b>	<b>7,090,942,507</b>		
<b>June 26, 2024</b>	<b>9,424,355,849</b>	<b>480,804,379</b>	<b>(159,496,762)</b>	<b>-</b>	<b>-</b>	<b>9,745,663,466</b>	<b>2,467,874,172</b>	<b>(189,976)</b>	<b>-</b>	<b>187,036,763</b>	<b>2,654,720,960</b>	<b>7,090,942,507</b>		
Particulars	2023												Book value as at 30 June 2023	Rate %
	Cost					Depreciation								
	As at 01 July 2022	Additions	Disposal	Transfer	Surplus on revaluation	As at 30 June 2023	As at 01 July 2022	On disposal	Transfer	For the year	As at 30 June 2023			
Rupees														
Owned assets														
Land - freehold	991,375,000	-	-	-	-	991,375,000	-	-	-	-	-	-	991,375,000	
Building on freehold land	3,553,699,943	-	-	6,862,822	-	3,560,562,765	882,247,693	-	3,900,396	133,034,452	1,019,182,541	2,541,380,224	5	
Plant and machinery	4,734,394,137	-	-	-	-	4,734,394,137	1,212,269,136	-	-	176,106,250	1,388,375,386	3,346,018,751	5	
Furniture, fixture and equipments	115,591,477	469,000	-	-	-	116,060,477	42,698,228	-	-	3,658,870	46,357,098	69,703,379	5	
Vehicles	51,010,304	30,128,317	(59,175,151)	-	-	21,963,470	16,915,088	(7,123,029)	-	4,167,088	13,959,147	8,004,323	10	
<b>Total owned assets</b>	<b>9,446,070,861</b>	<b>30,597,317</b>	<b>(59,175,151)</b>	<b>6,862,822</b>	<b>-</b>	<b>9,424,355,849</b>	<b>2,154,130,145</b>	<b>(7,123,029)</b>	<b>3,900,396</b>	<b>316,966,660</b>	<b>2,467,874,172</b>	<b>6,956,481,677</b>		
Right of use assets														
Building	6,862,822	-	-	(6,862,822)	-	-	3,900,396	-	(3,900,396)	-	-	0	(0)	10
Plant & machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	10
Vehicles	-	-	-	-	-	-	-	-	-	-	-	-	-	20
<b>Total</b>	<b>6,862,822</b>	<b>-</b>	<b>-</b>	<b>(6,862,822)</b>	<b>-</b>	<b>-</b>	<b>3,900,396</b>	<b>-</b>	<b>(3,900,396)</b>	<b>-</b>	<b>0</b>	<b>(0)</b>		
<b>June 30, 2023</b>	<b>9,452,933,683</b>	<b>30,597,317</b>	<b>(59,175,151)</b>	<b>-</b>	<b>-</b>	<b>9,424,355,849</b>	<b>2,158,030,541</b>	<b>(7,123,029)</b>	<b>-</b>	<b>316,966,660</b>	<b>2,467,874,172</b>	<b>6,956,481,677</b>		



**Big Bird Foods Limited**  
**Notes to the Financial Statements**  
As at June 26, 2024

	June 26, 2024	2023
	.....Rupees.....	
4.1 Depreciation for the year has been allocated as follows:		
Cost of sales	176,760,969	309,140,702
Administrative expenses	953,426	4,167,088
Distribution and selling expenses	9,322,368	3,658,870
	<u>187,036,763</u>	<u>316,966,660</u>
<b>5 Capital work-in-progress</b>		
Civil works - building	359,802,611	122,393,167
	<u>359,802,611</u>	<u>122,393,167</u>
5.1 The movement in capital work in progress is as follows:		
Balance at the beginning of the year	122,393,167	101,141,913
Addition during the year	237,409,444	21,251,254
Transferred to operating fixed assets	-	-
	<u>359,802,611</u>	<u>122,393,167</u>
<b>6 Trade debts</b>		
Others - considered good - unsecured	1,188,318,038	1,008,028,730
Allowance for expected credit losses	(156,480,002)	(102,172,737)
	<u>1,031,838,036</u>	<u>905,855,993</u>
<b>7 Cash and bank balances</b>		
Cash at banks - local currency	137,024,852	29,089,183
Cash in hand	13,104,582	1,689,022
	<u>150,129,434</u>	<u>30,778,205</u>
<b>8 Issued, subscribed and paid-up share capital</b>		
Issued, subscribed and paid-up share capital		
297,093,000 (2023: 297,093,000) ordinary shares of Rs.10 each, fully paid in cash	<u>2,970,930,000</u>	<u>2,970,930,000</u>
<b>9 Long term finances - secured</b>		
Long term finances utilized under mark up arrangements:		
From financial institutions - secured	1,651,423,492	1,670,204,095
Less: Current maturity	(1,165,843,890)	(908,033,205)
	<u>485,579,602</u>	<u>762,170,890</u>
9.1 From financial institutions - secured		
National Bank of Pakistan	9.1.1 186,287,630	241,287,630
Soneri Bank Limited	9.1.2 115,047,537	127,847,537
The Bank of Punjab	9.1.3 150,262,967	52,800,000
United Bank Limited	9.1.4 173,878,117	204,878,117
Saudi Pak IAIC Limited-500 M	9.1.5 260,901,132	262,122,917
Saudi Pak IAIC Limited-350 M	9.1.6 305,345,578	306,567,363
Pak China IC Ltd.	9.1.7 459,700,531	474,700,531
	<u>1,651,423,492</u>	<u>1,670,204,095</u>

**Big Bird Foods Limited**  
**Notes to the Financial Statements**  
**As at June 26, 2024**

- 9.1.1 The term finance facility approved by National Bank of Pakistan under State Bank of Pakistan's Scheme of Refinancing for Storage of Agriculture Produce (FFSAP, vide SBP SMEFD Circular # 08/2010) is secured by way of (i) First JPP Charge up to Rs. 661 million on fixed assets of the company by way of hypothecation of machinery and mortgage (ii) 1% notional registered of Rs. 6.61 million for marking lien of security trustee and (iii) Personal Guarantees of sponsoring directors. Mark-up is applicable @ 3 Month KIBOR + 2.50% per annum payable on quarterly basis. The facility had original maturity in year 2021. however it has been requested NBP to extend the repayment period for further six years. The restructuring proposal for outstanding debt is in process at the bank.
- 9.1.2 It represents term loan sanctioned by the Soneri Bank Limited. The facility is secured by way of (i) First JPP Charge up to Rs. 386.14 million on fixed assets of the company (ii) 1% notional registered of Rs. 5.27 million for marking lien and (iii) Personal Guarantees of sponsoring directors. The facility having original maturity in December 2025 has been restructured till June 2029. Mark-up is chargeable at the bank's Cost of Funds; it is payable in eight equal quarterly installments starting from September 2027 to June 2029.
- 9.1.3 During the period; the exposure amounting to Rs.150.68 million obtained from The Bank of Punjab has been restructured/ rescheduled for a tenor of 7 years commencing from September 2022. The limit carries 8% fixed markup rate has final maturity in September 2029. It is repayable in twenty eight step-up quarterly installments and secured by way of (i) JPP Charge up to Rs.241 million on land, building and machinery installed at company's foods processing plant located at Mauza Jumber Khurd, District Kasur (ii) JPP charge of Rs.100 million over current assets of the company and (iii) Personal Guarantees of sponsoring directors.
- 9.1.4 The loan approved by United Bank Limited "UBL" is secured by way of (i) JPP Charge of Rs. 334 million on fixed assets including land, building, plant & machinery of the company (ii) Exclusive charge of Rs.267 million over a poultry farm measuring 1193K-10M located at Mauza Hadbast Chak no. 14, Rakh Haiderabad, Tehsil Mankeera (Bhakkar) owned by Grand Parent Poultry Pvt. Limited, (iii) Corporate Guarantee of Big Feed Pvt. Limited, a sister concern and (iv) Personal Guarantees of sponsoring directors.
- The loan carries markup at UBL's Cost of Funds and has final settlement in December 2027. All markup would be paid in equal quarterly installments in last year of the tenor.
- 9.1.5 This represents Term Facility amounting to Rs.500 million (Facility I) from Saudi Pak Industrial And Agricultural Investment Company Limited "SAPICO" which is secured by way of (i) ranking charge of Rs. 667 million over fixed assets of the company (ii) 1st exclusive charge of Rs. 294 million over the properties located at Ahmed Block, New Garden Town Lahore owned by group companies i.e. Grand Parent Poultry Pvt. Limited, Big Bird Poultry Breeders Pvt. Limited and Big Feed Pvt. Limited, and (iii) Personal guarantees of all the directors.
- 9.1.6 The Company availed Long Term Finance amounting to Rs. 350 million (Facility II) from SAPICO which is secured by way of (i) 1st exclusive charge over land, building, plant and machinery of Raiwind farm (owned by Big Bird Poultry Breeders Pvt. Limited) measuring area 163K-17M situated at Mauza Rakh Jodhu Dheer, Tehsil & District Lahore and (ii) Ranking Charge of Rs. 467 million over current assets of the company.

As per fresh restructuring offer letter dated June 20, 2024; principal amount of both the facilities is payable till October 31, 2024 whereas the profit would be settled in eight equal quarterly installments starting from December 31, 2025 to June 30, 2029.

**Big Bird Foods Limited**  
**Notes to the Financial Statements**

As at June 26, 2024

- 9.1.7 The term finance facility of Rs. 475 million had been approved by Pak China Investment Company Limited "PCICL" for the tenor of five years including grace period of eighteen months. It is secured against (i) 1st SECP Charge of Rs. 633.33 million and token mortgage of Rs. 0.10 million over a poultry Farm measuring 1289K-16M situated at Mouza Gandakas, Tehsil Pindi Gheb, Attock owned by Big Bird Poultry Breeders Pvt. Limited, a sister concern (ii) Ranking charge of Rs. 633.33 over all present and future fixed assets of the company. (iii) Corporate Guarantees of associate concerns i.e. Big Bird Poultry Breeders Pvt. Limited and Big Feed Pvt. Limited and (iv) Personal Guarantees of sponsoring directors. The facility originally was repayable in 14 equal quarterly installments and carried Mark-up rate is 3 months KIBOR + 2.5% payable at quarterly basis.

In October 2019, PCICL approved extension in repayment tenor of the limit up to nine years (inclusive grace period against principal and markup for 3.5 years years commencing from first disbursement date i.e. 16.10.2017). After restructuring, the facility is repayable in 22 equal quarterly installments starting from October 2021 and approved deferment of mark up payment for 1 year ending on 16.10.2020. The facility carries new pricing at 3 months KIBOR + 2% p.a.

	26 June-2024	2023
	.....Rupees.....	
<b>10</b>		
<b>Deferred markup</b>		
Deferred markup	<u>680,847,204</u>	<u>239,153,460</u>
<b>11</b>		
<b>Diminishing Musharaka Finance</b>		
Diminishing Musharaka	537,090,000	578,090,000
Less: Current maturity	<u>(191,000,000)</u>	<u>(322,940,001)</u>
	<u>346,090,000</u>	<u>255,149,999</u>
<b>11.1</b>		
<b>From financial institutions - secured</b>		
Dubai Islamic Bank	11.1.1 \ 152,250,000	187,250,000
Askari Islamic Bank	11.1.2 189,840,000	190,840,000
MCB Islamic Bank	11.1.3 195,000,000	200,000,000
	<u>537,090,000</u>	<u>578,090,000</u>

- 11.1.1 This represents Shirkat ul Melk Cum facility sanctioned by Dubai Islamic Bank Pakistan Limited that had been converted from outstanding exposure of short term borrowings ( wakalah istithmar). It is secured against (i) Token Registered Mortgage of Rs.100,000/- and remaining by way of Equitable Mortgage of the property measuring 214K-19M situated at Hadbast Mauza Jamber Khurd, Tehsil Pattoki, District Kasur owned by Mr. M. Ahmad Kamal S/o. M. Mustafa Kanal, the director of the Company (ii) Ranking charge of Rs.534 million over Current Assets of the Company and (iii) Personal Guarantees of sponsoring directors.

The facility had final maturity in December 2025. In May 2024 the company signed a settlement agreement with the bank for resetting the terms of outstanding debt. As per agreement; the bank has approved extension in maturity till April 2028. The debt shall be paid in monthly installments and profit chargeable at the bank's Cost of Funds shall be paid in last two years of the tenor.

- 11.1.2 The Diminishing Musharakah Facility sanctioned by Askari Bank Limited is secured by way of (i) Token Registered Mortgage of Rs. 0.10 million and remaining equitable mortgage over a property (poultry farm) measuring 1,184K-08M situated at Chak no.3, Rakh Mankira, Tehsil Mankira, District Bhakkar owned by M/s. Grand Parent Poultry Pvt. Limited, a sister concern (ii) Ranking charge of Rs. 533.34 million over current assets of the company and (iii) Personal Guarantees of sponsoring directors.

In January 2024, the bank approved extension in repayment tenor till June 2028. The facility is repayable in eighteen quarterly installments started from March 2024. Profit at the bank's Cost of Funds is payable quarterly in last two years of the tenor.

**Big Bird Foods Limited**  
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11.1.3 The "Diminishing Musharaka" facility approved by MCB Islamic Bank Limited "MIB" is secured by way of (i) JPP Charge of Rs. 267 million on all present & future fixed assets of the foods processing plant located at Mauza Jumber, Tehsil Pattoki District Kasur (ii) Personal Guarantees of sponsoring directors. (iii) Corporate guarantees of Big Feed (Pvt.) Limited, Grand Parent Poultry (Pvt.) Limited and Big Bird Poultry Breeders (Pvt.) Limited. The facility carries profit rate at RTK plus 1% p.a.

As per settlement agreement executed in May 2024; the facility has been restructured till December 2028 and profit would be charged at the bank's Cost of Funds. The facility is repayable in twenty quarterly installments started from June 2024.

	26 June-2024	2023
	.....Rupees.....	
<b>12 Current and over due portion of non-current liabilities</b>		
Current and over due portion of long term financing	1,165,843,890	908,033,205
Current portion of diminishing musharaka finance	191,000,000	322,940,001
	<u>1,356,843,891</u>	<u>1,230,973,206</u>
<b>13 Short term borrowings</b>		
	<u>244,664,088</u>	<u>341,528,382</u>
<b>13.1</b>		
Facilities have been obtained from various conventional banks and Islamic banks under mark-up arrangements against sanctioned limit. Such facilities have been obtained at mark-up rates ranging from 22.96% to 24.53% ( 2023: 16.30% to 24.08%)per annum, payable monthly/quarterly on the balance outstanding as per agreement. The facilities are secured against ranking/ exclusive/ joint parri passu charges over present and future movable/ immovable assets, hypothecation of current assets and personal guarantees of directors.		
<b>14 Trade and other payables</b>		
Trade creditors	493,937,342	541,488,132
Accrued expenses	56,725,970	57,717,579
Sales tax payable	43,667,265	3,061,658
Advance from customers	-	6,139,360
Income tax payable	100,701,070	-
Workers' (profit) participation fund	42,254,007	-
Workers' welfare fund	5,676,605	870,749
	<u>742,962,260</u>	<u>609,277,477</u>
<b>15 Contingencies and commitments</b>		
<b>15.1 Contingencies</b>		
Recovery suit no: COS.NO: 59647/2022 was filled by Pak China Investment Company Limited before Lahore High Court Lahore on 22.07.2022 against the company . The Company's case is strong, and there is a high probability of it being successful. The case is currently pending, with the last hearing held on july 18, 2024.		
<b>16 Sales - net</b>		
Local Sales	7,591,406,777	5,855,276,470
Less: Sales tax	(828,060,319)	(43,739,625)
Export Sale	367,588,865	250,325,492
	<u>7,130,935,323</u>	<u>6,061,862,337</u>

**Big Bird Foods Limited**  
**Notes to the Financial Statements**  
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	26 June-2024	2023
	.....Rupees.....	
<b>17 Cost of sales</b>		
Raw material consumed	4,401,066,060	4,113,460,743
Salaries, wages and benefits	432,967,052	375,289,450
Packing material	173,037,101	112,261,431
Freight, loading and unloading	53,894,081	48,058,407
Power and fuel	584,321,355	564,679,626
Insurance expense	4,368,027	8,473,847
Lease rental	40,575,730	9,146,640
Watch and ward	16,138,009	16,706,732
Miscellaneous	8,151,641	10,018,247
Repair and maintenance	58,126,472	24,139,114
Depreciation	176,760,969	309,140,702
	<u>5,949,406,497</u>	<u>5,591,374,937</u>
Increase in finished goods	(386,701,981)	(100,105,325)
	<u><u>5,562,704,516</u></u>	<u><u>5,491,269,612</u></u>
<b>18 Taxation</b>		
Current tax	138,904,314	46,155,043
Deferred tax	(239,496,858)	(83,748,270)
Super Tax	101,388,486	-
	<u>795,942</u>	<u>(37,593,227)</u>
<b>19 Cash generated from operations</b>		
Profit/(Loss) before taxation	845,080,136	(154,572,064)
Adjustment for non-cash charges and other items:		
Depreciation	187,036,763	316,966,660
Finance cost	341,387,491	462,180,311
Interest on bank deposits	(10,049,458)	(5,762,522)
Provision for workers' profit participation fund	42,254,007	-
Profit on disposal of fixed assets	(10,607,226)	(27,378,279)
Provision for staff gratuity	13,310,614	22,641,960
Provision for expected credit loss	54,307,265	39,921,691
Provision for workers' welfare fund	4,805,856	-
	<u>622,445,312</u>	<u>808,569,822</u>
Loss before working capital changes	1,467,525,448	653,997,758
Effect on cash flow due to working capital changes:		
(Increase) / decrease in stores and spares	31,916,440	17,420,302
Increase in stock in trade	(371,747,697)	(159,104,990)
Increase in trade debts	(98,461,388)	(14,786,577)
(Increase)/decrease in loans and advances	78,357,718	(57,603,120)
(Increase) / decrease in deposits and prepayments	6,441,765	(6,729,406)
Increase/(decrease) in trade and other payable	(14,076,151)	151,748,056
	<u>(367,569,313)</u>	<u>(69,055,733)</u>
	<u><u>1,099,956,135</u></u>	<u><u>584,942,025</u></u>

**Big Bird Foods Limited**  
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**Earnings Per Share - Basic And Diluted**

There is no dilutive effect on basic earnings per share of the Company, basic is computed as follows:

Profit/ (Loss) after tax for the year	Rupee	844,284,194	(116,978,837)
Weighted average number of ordinary shares outstanding during the year	Number	297,093,000	297,093,000
Earning /(Loss) per share	Rupee	2.84	(0.39)

**20 Date of authorization for issue**

These financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on July 22, 2024.

**21 Corresponding figures**

21.1 Comparative figures have been rearranged, wherever necessary for the purpose of comparison. However, no significant rearrangements have been made in these financial statements.

**22 General**

Figures have been rounded off to the nearest rupees unless otherwise stated.

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Director