

Meta/PSX/2023-07

July 5, 2023

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

Subject: Material information – Order Passed the Honorable Lahore High Court, Lahore

Dear Sir,

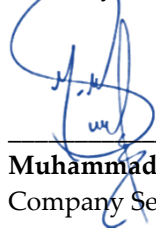
In accordance with Section 96 of Securities Act, 2015 and clause 5.6.1(a) of Code of Corporate Governance contained in the PSX Rule Book, we hereby convey the following information:

We are pleased to inform you that the Order/ Case No. C.O No. 43907/2023 and dated 26/062023, passed by the Honorable Lahore High Court, Lahore and directed to hold Extraordinary General Meeting within the month of July/ August, 2023, for Sanctioning the Scheme of Compromises, Arrangement and Reconstruction for Amalgamation/ Merger of MetaTech Trading Limited (as a transferor) with and into Big Bird Foods Limited (as a transferee).

Please disseminate this letter to all TRE Certificate holders of the Exchange accordingly

For and on behalf of
MetaTech Trading Limited (*Formerly MetaTech Health Limited*)

Sincerely,



Muhammad Usman
Company Secretary



Encl: as above

Cc:

- I. The Executive Director/HOD
Offsite-II Department, Supervision Division
Securities & Exchange Commission of Pakistan

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Form No:HCJD/C-121

ORDER SHEET
IN THE LAHORE HIGH COURT
LAHORE.
JUDICIAL DEPARTMENT

Case No: C.O. No.43907/2023.

In the matter of Big Bird Foods Limited etc.

S. No. of order/ Proceeding	Date of order/ proceeding	Order with signature of Judge, and that of parties or counsel, where necessary.
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26.06.2023. M/s Wasif Majeed & Waleed Iqbal, Advocate for the petitioner.

This is a joint application for merger and amalgamation under section 279, 280, 282 read with Section 285(8) of the Companies Act 2017 (Act) between petitioner No.1 and petitioner No.2. According to scheme of arrangements proposed, the entire undertakings of the petitioners No.2 ("Transferor Company") is proposed to be transferred to petitioner No.1 ("Transferee Company").

2. Under section 279(1) of the Act read with Rules 55 and 61 of the Companies (Court) Rules, 1997, the petitioners are directed to hold Extra Ordinary Meetings within the month of July/August, 2023.

3. Hafiz Muhammad Tahir, Advocate (Cell No.0333-4213135) and Mr. Ahmad Hassan Butt, Advocate (Cell No.0321-5955111) are appointed as Chairmen for the aforesaid meetings. The petitioners are directed to issue notices of the said meetings through public advertisement in two national newspapers namely "Daily Nawa-e-Waqt" and "Dawn" besides

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Examination JS (Commercial Branch)
Lahore High Court, Lahore

fulfilling other statutory formalities for holding extra ordinary general meetings under the law. The Chairmen shall submit their report to the Court within seven days of the holding of the meetings.

4. Office is directed that once report of the Chairmen is filed, notices in the main petition be issued through proclamation in the newspaper namely "Daily Dawn", "Business Recorder" and "Daily Jang" under Rule 61 of the Companies (Court) Rules, 1997, at the expenses of the petitioners regarding the hearing of the petition on 20.09.2023.

5. In addition to the above proclamation, notices shall also be issued for 20.09.2023 to the Securities & Exchange Commission of Pakistan, Competition Commission of Pakistan, Islamabad and the creditors of the petitioners.

With the consent of the learned counsel for the petitioners, the Chairmen/Local Commission shall be paid a consolidated fee in the sum of Rs.2,00,000/- each for conducting the above two meetings and filing of the reports before this Court.

Examiner
Authorised Signatory
Qanun-e-Adalat Order 1956.
Section 87 of
14.7.23

M.Ajmal

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(Abid Aziz Sheikh)
Judge

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IN THE LAHORE HIGH COURT, LAHORE

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C.O No. 43907 /2023

In the matter of;

1. **BIG BIRD FOODS LIMITED** having its registered office at 2-A, Ahmad Block, New Garden Tow, Lahore through its Chief Executive Mr Abdul Basit.
2. **METATECH TRADING LIMITED** having its registered office at Room No. 508, LSE Plaza, 19-Khayaban-e-Aiwan-e-Iqbal, Lahore through its Company Secretary

PETITION UNDER SECTIONS 279, 280, 282 READ WITH 285 (8) OF THE COMPANIES ACT, 2017 AND ALL OTHER ENABLING PROVISIONS OF LAW FOR SANCTIONING OF SCHEME OF COMPROMISE, ARRANGEMENT AND RECONSTRUCTION FOR AMALGAMATION/MERGER

Respectfully;

Preliminary Information: |

1. That the Petitioner No. 1 (hereinafter '**BBFL**') was incorporated on September 21, 2011 as a private limited company under Companies Ordinance, 1984 (repealed with enactment of the Companies Act, 2017). Subsequently, it was converted into public limited on June 21, 2023. The principal business of the Company is to carry on the business of manufacturer, importer, exporters, suppliers, distributors, agent of dealers/manufacturer doing business in food and produce of every kind and to act as agent of manufacturers, merchants, traders and others for the purchase, disposal and sale of all kind of merchandise, goods, commodities, materials and generally to undertake and to carry out agency work of any kind in any part of the world except managing Agency business. The instant petition on behalf of BBFL has been filed by Mr. Abdul Basit, Chief Executive, who has been authorized in this behalf through resolution of Board of Directors of BBFL dated June 22, 2023.

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Lahore High Court, Lahore
4/7/23

2. That the Petitioner No. 2 (hereinafter 'META') was incorporated in Pakistan in 1953 as a public Limited Company and its shares were listed on the Karachi Stock Exchange (now Pakistan Stock Exchange Limited). Due to closure of its plant and disposal of manufacturing facilities, META had long become a dormant company. However, during the Financial Year 2021-2022, its Board of Directors, while approving the revival business plan, had decided to change the principal business of META to operate in the technology-enabled healthcare business and services. Upon the unanimous approval of the revival business plan by the Shareholders, META has resumed its commercial / business activities/operations in the new/revised line of business. Furthermore, the META's name has also been changed to MetaTech Health Limited after approval from the Securities & Exchange Commission of Pakistan as on August 02, 2022. However, due to adverse market and economic conditions Ensmile Studio Business was sold to Modaraba Al-Mali with the approval of shareholders in their extraordinary general meeting held on March 24, 2023 and principal business of the Company was changed to carry on the business of services legally permissible, sale, purchase, import, export and to act as general traders, general order suppliers of products commodities, material legally permissible and name of the Company was changed to **MetaTech Trading Limited**. The instant petition on behalf of META has been filed by Mr. Muhammad Usman, Company Secretary, who has been authorized in this behalf through resolution of Board of Directors of META dated June 23, 2023.

3. That through the instant petition, the approval of the Scheme of merger/arrangement has been sought to be approved for the transfer and vesting of the Undertaking and Business of META (as a Transferor) into BBFL (as Transferees) as given in Schedule - 1 of the accompanying Scheme. Upon the completion of merger / amalgamation through the intended Scheme, META will be dissolved under the Order of this Honorable Court without winding up, and the shares of BBFL shall be issued to the registered members/shareholders of META.

4. Reasons for the merger of business of META into BBFL:

- a) Book value of META per share is Rs. 0.36 whereas its market value is Rs. 7.29 per certificate (as on June 21, 2023).
- b) META has weak financial position having limited capacity to raise funds. However, BBFL has strong financial position and shareholders of META can participate in profitability of BBFL (with healthy EBITDA i.e. earnings before interest, taxes, depreciation and amortization) soon after merger. Moreover, technical, financial and sales & marketing expertise of BBFL will be an added advantage for the operations of META. Thus it is expected to have positive synergies with this merger for the shareholders of both of the merging entities.

- c) BBFL shall be listed at PSX by virtue of listing status of META and accordingly BBFL would be having capacity to raise funds from the Market. Capital market can act as a catalyst to grow of merged company i.e. Big Bird Foods Limited and listing status can give it the requisite fund-raising power to harness its future diversification plan, if any.
- d) Free float of 30% i.e. volumes will be created by BBFL with good free float once it is listed at PSX.
- e) The requisite changes in the Memorandum of Association of BBFL shall be made, if required, to accommodate the intended activities of META (as a transferor) in BBFL (as a transferee).
- f) Upon the completion of merger / amalgamation through the intended Scheme, META will be dissolved under the Order of the Honorable Lahore High Court, Lahore without winding up, and the shares of BBFL shall be issued to the registered members/shareholders of META.

5. Approval of the Scheme by the directors and authorization to file this petition:

The Scheme has been duly approved by the board of directors of both the petitioner companies. They have authorized their respective officers to file this petition, appoint advocates and to do all acts necessary thereto through valid authorizations, which are appended herewith.

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6. Summary of the Scheme:

- a) As per the Scheme, a proposal is made for the transfer and vesting of the Undertaking and Business of META (as a Transferor) into BBFL (as Transferees) as given in Schedule - 1 of the Scheme.
- b) After the sanction of the merger, BBFL shall, subject to the regulatory approvals and the necessary amendments in its memorandum of association, operate as a listed company at the PSX.
- c) The existing Board of Directors of BBFL shall continue after the sanction of the Scheme. The next election for the directors of BBFL shall take place under Section 159 and 166 of the Companies Act, 2017, on or before May 31, 2026.
- d) The authorized capital of META shall be added to the authorized capital of BBFL and the added capital shall come to Rs. 3,600,000,000/-.
- e) All members whose names shall appear in the register of member of META, on such date after the Sanction Date as the Board of Directors of BBFL may determine, shall be issued shares of BBFL as per the swap ratio.

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- f) All members whose names shall appear in the register of member of META. on such date after the Sanction Date as the Board of Directors of BBFL may determine, shall be issued shares of BBFL as per the swap ratio.
- g) There shall be no cross-holdings between BBFL and META. Any cross-holding shall be distributed amongst the respective shareholders
- h) Upon the completion of merger / amalgamation through the intended Scheme, META will be dissolved under the Order of the Honorable Lahore High Court, Lahore without winding up.

(Auditors' Certificate is appended hereto)

7. Detailed modalities – BBFL:

- a) The authorized share capital of the Company is Rs. 3,000,000,000 divided into 300,000,000 of ordinary shares of Rs. 10/- each, out of which 297,093,000 ordinary shares are fully paid and issued.
- b) The Auditors of BBFL have prepared a balance sheet (Schedule -5 of the Scheme) of the undertaking and business, including without limitation, the capital reserves, revenue reserves, revaluation surplus and accumulated profits and losses of BBFL as reflected in its books of account immediately preceding the Effective Date.
- c) The Scheme proposes for the transfer and vesting of the Undertaking and Business of META (as a Transferor) into BBFL (as Transferees) as given in Schedule – 1 of the Scheme in terms of and in the manner stipulated in the Scheme.
- d) The Share Capital of BBFL shall be given to META under the SWAP ratio of one share of BBFL shall be given against 4.10 shares of META. After the merger under the Scheme, the authorized share capital of BBFL shall be Rs. 3,600,000,000 divided into 360,000,000 ordinary shares of Rs.10/- each and issued capital of BBFL shall be Rs. 2,989,057,860 divided into 298,905,786 ordinary shares of Rs.10/- each.
- e) BBFL shall continue to operate its existing operations. Requisite changes in the Memorandum of Association of BBFL shall be allowed and be made to accommodate

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additional/ extended operations of META and the consequent legal status and the change of name.

- f) Name of the Company shall be changed to Big Bird Limited. Requisite changes in the Memorandum and Articles of Association of BBFL shall be allowed.
- g) After the Scheme, BBFL shall operate as a public listed entity.
- h) Goodwill and any capital reserve (merger reserves), if any, may arise on amalgamation in the books of BBFL under the Scheme as mentioned in its Article - 4.
- i) Assets, liabilities and undertaking (as per Schedule 1 of the Scheme) of META will be transferred to BBFL with same rights, obligations, privileges and covenants. Moreover, Shares of BBFL shall be issued to the shareholders of META through merger functionality of CDC. Thus same status and encumbrance attached to the META shares shall be attached/transferred to the shares of BBFL for those shareholders.
- j) The existing Board of Directors shall continue after the sanction of the Scheme. The next election for the directors of BBFL shall take place under Section 159 and 166 of the Companies Act, 2017, on or before May 31, 2026.
- k) Moreover, no cross holding shall exist between META and BBFL as described in Article - 3 of the Scheme.

8. Detailed modalities – META:

- a) The authorized share capital of the Company is Rs. 600,000,000 divided into 60,000,000 of ordinary shares of Rs. 10/- each, out of which 7,432,425 shares are fully paid. The total number of certificate-holders of META, as of the Effective Date is 1007.
- b) The Auditors of META have prepared a balance sheet (Schedule -5 of the Scheme) of the undertaking and business, including without limitation, the capital reserves, revenue reserves, revaluation surplus and accumulated profits and losses of META as reflected in its books of account immediately preceding the Effective Date.
- c) The Scheme proposes for the transfer and vesting of the Undertaking and Business of META (as a Transferor) into BBFL (as Transferees) as given in Schedule - 1 of the Scheme in terms of and in the manner stipulated in the Scheme.
- d) The Share Capital of the META will not be changed for Ordinary Shares under the Scheme as described in Article-3 (IV). However, the pattern of shareholding can be changed till the Sanction Date as per the Scheme.

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- e) On the completion of the merger / amalgamation and after the issuance of shares of BBFL to the registered members of META, META will be dissolved by the order of the Honorable Lahore High Court, without winding up.
- f) Listing status of META at PSX shall be transferred to BBFL. The shares of BIG BIRD FOODS LIMITED (BIG BIRDS LIMITED if name is changed before listing) shall stand listed on PSX.

9. Transfer of Staff and Employees:

Every officer, staff or other employees of META, as existing on the Effective Date, shall become the officers, staff or employees, as the case may be, of BBFL (as mentioned in Schedule 4) on the basis that their services have not been interrupted by the transfer and vesting of the Undertaking and Business of META into BBFL, under this Scheme and on the same remuneration and other conditions of service, rights, privileges as to the provident fund, gratuity, any other retirement funds, if any, and other matters as had been applicable to them, before the effective date.

10. Swap ratio and Effective Date:

The Share Capital of BBFL shall be given to META under the SWAP ratio of one share of BBFL shall be given against 4.10 shares of META. After the merger under the Scheme, the authorized share capital and issued share capital of BBFL Rs. 3,600,000,000 divided into 360,000,000 ordinary shares of Rs.10/- each and issued capital of BBFL shall be Rs.2,989,057,860 divided into 298,905,786 ordinary shares of Rs.10/- each

"Effective Date" means 00:00 hours as on June 30, 2023 or such other date as may be approved by the Court on the request of the parties to this Scheme.

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11. Benefits of the Scheme:

To BBFL and its Shareholders:

- a. Operational and strategic synergies in terms of costs, efficiency and fund raising (if any) will be available to BBFL if all operations of both the companies (i.e., BBFL & META) are combined.
- b. The proposed merger will provide a broader shareholders' base which will be conducive in further fund raising from the capital market, if required.
- c. The combined equity value of the company shall increase to more than PKR 2.06bn, which will be beneficial to all shareholders.
- d. Shares of BBFL will be listed on PSX that will provide secondary market for the shareholders.

To META and its Shareholders:

- a. Financial position of META is weak and with this merger shareholders of META will be the part of strong balance sheet of BBFL.

- b. The combined value (based on book value) of BBFL shares that are being given to META's shareholders under the SWAP ratio is expected to be in excess of the market value of META's shares. Thus, the shareholders of META shall gain from the merger transaction.
- c. It is expected that trading volumes (at PSX) will be improved after the proposed merger which will provide liquidity and tradability to the shareholders/investors.

12. Further benefits of the Scheme:

- a) The shareholders of META will get shares of BBFL (as per SWAP ratio) which will carry pari-passu rights (including voting rights) and it is expected that trading volumes (at PSX) will be improved after the proposed merger which will provide liquidity and tradability to the shareholders/investors.
- b) In addition to the objectives and advantages of the Scheme given above, BBFL shall be listed on PSX by virtue of merger of META with and into BBFL. Many operational and strategic synergies will become available to BBFL shareholders when all operations are combined in terms of costs, efficiency and fund raising.
- c) The proposed merger will provide a broader shareholders' base which will be conducive to further fund raising, if required, from the capital market.
- d) The aforesaid Scheme is also in the interest of the members of the companies, the employees, consumers and all concerned, who will draw maximum gain out of it.
- e) No prejudice shall be caused if the Scheme is sanctioned by this Honourable Court as prayed for. The sanctioning of the Scheme will be of great advantage to the petitioner companies, their shareholders and the general public. It would, therefore, be in the interest of justice that the instant Scheme be sanctioned by this Honourable Court.

12. Compliance with proviso to S. 279:

- a) The financial position of the petitioner companies will not be materially altered as stated in the financial statements appended herewith, save the changes to be made in the ordinary course of business. The audited accounts of the petitioner companies are appended herewith.
- b) The petitioner companies have disclosed all material facts in the Scheme and this petition including their latest financial position and the auditors' reports on the latest accounts.

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- c) No proceedings in relation to investigation into the affairs of the petitioner companies are pending against them under the Companies Act of 2017.

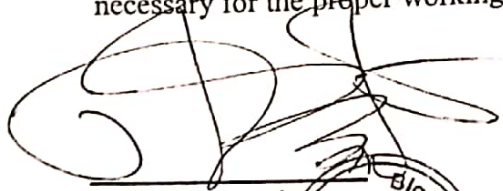


13. Jurisdiction

This Honourable Court is vested with the jurisdiction to entertain this petition in terms of section 285 (8) of the Companies Act, 2017 read with S.R.O No. 840(I)/2017 under which the powers of the Commission are to be exercised by the Company Bench of the High Court.

PRAYER

It is, therefore, respectfully prayed that this petition maybe accepted, this Honourable Court may be pleased to grant the following reliefs to the petitioner companies;

- I. To order a meeting of the members and creditors of the petitioner companies at their registered offices, to be called, held and conducted in such manner as this Honourable Court may direct to consider the Scheme;
- II. To sanction the Scheme in toto and, if need be, pass such incidental, consequential and supplemental orders as are necessary to secure that the instant Scheme is fully and effectively carried out; or
- III. To give such directions in regard to any matter relevant to the Scheme as it may consider necessary for the proper working of the Scheme


Petitioner 1: *   Through


Petitioner No. 2:

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WASIF MAJEED
LL.M (London)
Advocate Supreme Court

WALID IQBAL
LL.M (Harvard)
Advocate High Court

SHEIKH RAZA REHMAN
LL.M (London)
Advocate High Court


ALI ABBAS DOGAR
Advocate High Court


HASSAN IBRAHIM KHAN
Advocate High Court

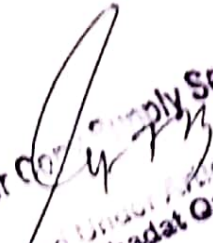

FAISAL MEHMOOD
Advocate High Court

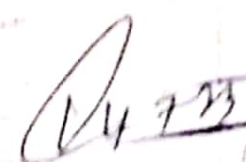
Lexium-Attorneys at Law
61-C, Main Gulberg, Lahore

LIST OF DOCUMENTS:

- Scheme along with Schedules
- ✓ Latest audited financial statements or supplementary audited statements if annual accounts not finalized and or balance sheets
- ✓ Share valuation report by Abdul Khaliq & Co., Chartered Accountants
- ✓ swap ratio certificate by CA
- ✓ MOA and AOA
- ✓ Board Resolutions approving scheme
- ✓ Board Resolutions approving filing of petition
- ✓ Forms A and 29
- ✓ Search reports

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