

VISION AND MISSION STATEMENT

VISION

Make quality food for better life.

MISSION

Product innovation with optimal quality, taste and nutrition. To create value, inspire moments and deliver wellness.

COMPANY PROFILE

Board of Directors	Mrs. Saadia Omar Mr. Omar Shafiq Chaudhry Miss Mahnoor Chaudhry Miss Mahnan Omar Miss Maya Omar Mr. Rafi Uz Zaman Awan Mr. Moazzam Iftikhar Ahmed	Chairperson Chief Executive Director Director Director Director Director
Audit Committee	Mr. Rafi Uz Zaman Awan Miss Mahnoor Chaudhry Mrs. Saadia Omer	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Shafique	
Company Secretary	Mr. Muhammad Zubair	
Auditors	Aslam Malik & Co. Chartered Accountants	
Bankers	Samba Bank Limited Bank Al Habib Limited Meezan Bank Limited PAIR Investment Bank Limited First Women Bank Limited Pak Libya Investment Company (Pvt.) Limited Bankislami Pakistan Limited	
Share Registrar	F.D. Registrar Services (SMC-Pvt.) Limited 17 th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000 Ph# 9921-35478192-93, Dir# 9221-32271905-6, Fax# 9221-32621233	
Legal Advisor	Moazzam Ali Shah Associates	
Head Office	105/A, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	
Email	bunnys@brain.net.pk	
Website	www.bunnys.com.pk	

DIRECTORS' REPORT

In the name of Allah the Most Merciful and the Most Benevolent.

On behalf of the Board of Directors of Bunny's Limited, we are pleased to present the Directors' Review Report for the 2nd quarter ended December 31, 2021.

Overview

We are pleased to report that during the quarter under review, revenue of your company has increased by 34.4% in comparison to the 2nd quarter of last year. This condensed interim financial information is presented in accordance with the requirements of Companies Act, 2017. The financial results during the quarter under review are as follows:

	Rs. (Million)	
	QUARTER ENDED	
	December 31, 2021	December 31, 2020
Sales – net	1,077.06	801.29
Gross profit	231.92	241.73
Operating profit	27.75	72.99
Profit after tax	22.99	47.71
Earnings per share (Rs.)	0.34	0.71

Gross and operating profit margins have reduced during the quarter due to persistent increase in prices of all inputs as compared to the same quarter of the last year. For example maida (flour) prices have increased by almost 26%, cooking oil by 90%, sugar by 89% and eggs by 47%. These prices, along with increase in KOBIR rate, have reduced the net margins of the Company. Company's product prices have been increased in November, 2021, which have impact of partially passing on input price hike to the consumers. Company's management is hopeful that the margins will improve in the next quarter.

Expansion and Modernization Projects

To ensure its role as one of the industry leader, your Company is in a continuous process to update its plant and equipment with latest technology. This ensures sustainability of Company's operations in the most efficient and cost effective manner.

Fully automated new bun and burger line has been installed and has started its commercial production in February, 2022, subsequent to the reporting period.

Credit ratings

The long-term entity rating of the Company is A- and short-term entity rating have been maintained at A-2 by VIS Credit Rating Company Limited (VIS). These ratings denote a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments.

Contingencies and Commitments

There has been no major changes in commitments affecting financial position of the Company's affairs between the balance sheet date and the date of this report.

Acknowledgments

We thank our various stakeholders including the shareholders, bankers and others in the faith entrusted in the Company that helped significant growth over last year. We look forward to this unwavering support and confidence from these stakeholders to help the Company grow further and expand its product portfolio.

We would also like to thank the Pakistan Stock Exchange Limited, the Securities & Exchange Commission of Pakistan and the Central Depository Company of Pakistan Limited for their continued support and cooperation towards the Company. We hope that this support would continue in the future.

We also acknowledge the efforts of our dedicated and talented human resource for the hard work they put in to help realize the outstanding operational growth. We expect continued efforts from our employees to attain higher goals going forward.

The Board also wishes to place on record its gratitude for the co-operation extended by Government of Pakistan and strategic partners including its customers and suppliers.

For and on behalf of the Board of Directors



Director

Lahore

February 28, 2022



Aslam Malik & Co.
Chartered Accountants
building better together (Est.1971)

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of S.S. BUNNYS' LIMITED Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **BUNNYS' LIMITED** as at December 31, 2021 and the related condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss, the condensed interim statement of other comprehensive income for the quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the six months ended December 31, 2021.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is **Hafiz Muhammad Ahmad Saleem-ACA**.



(Aslam Malik & Co.)
Chartered Accountants

amc



Place: Lahore

Date:

UDIN: RR202110148IdE5qTxBs

28 FEB 2022

amc.

☑ **Lahore Head Office:** Suite # 18-19 FF Floor, Central Plaza, Civic Centre, New Garden Town, Lahore-Pakistan.


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BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT DECEMBER 31, 2021

		December 31, 2021	Audited June 30, 2021
	Note	----- Rupees -----	
ASSETS			
Non-current assets			
Property, plant and equipment	4	2,531,309,429	2,419,675,694
Intangible assets	5	70,232,395	70,238,962
Long term security deposits		9,065,538	8,656,946
		2,610,607,362	2,498,571,602
Current assets			
Stores, spares and loose tools		11,627,208	15,297,041
Stock-in-trade	6	389,341,358	362,986,413
Trade debts - unsecured		400,631,749	342,330,749
Advances, deposits and prepayments		195,106,276	173,566,857
Cash and bank balances	7	13,981,217	28,788,910
		1,010,687,808	922,969,969
Total assets		3,621,295,171	3,421,541,571
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized share capital		1,000,000,000	1,000,000,000
100,000,000 Ordinary shares of Rs.10/- each .			
Issued, subscribed and paid up share capital	8	668,052,700	668,052,700
Capital reserves	9	49,713,670	49,713,670
Un-appropriated profits		1,116,498,281	1,054,435,965
		1,834,264,651	1,772,202,335
Non-current liabilities			
Long term finances - secured	10	467,468,552	557,658,004
Deferred grant		4,440,856	4,440,856
Lease liabilities	11	77,261,488	32,387,210
Long term advances - unsecured		9,556,523	9,603,123
Deferred liabilities	12	251,633,938	261,626,808
		810,361,357	865,716,000
Current liabilities			
Trade and other payables	13	310,830,019	195,303,221
Contract liability		18,816,253	17,695,694
Unclaimed dividend		765,699	765,699
Accrued mark-up on secured loans		21,345,430	13,462,793
Short term borrowings	14	297,801,150	302,719,939
Current portion of long term finances and leases - secured		273,849,360	213,562,710
Provision for taxation - net		53,261,252	40,113,180
		976,669,163	783,623,235
Contingencies and commitments	15		
Total equity and liabilities		3,621,295,171	3,421,541,571

The annexed notes form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

BUNNY'S LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

FOR THE QUARTER ENDED DECEMBER 31, 2021

	Note	Quarter ended		Six months ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
----- Rupees -----					
Revenue - net		1,077,063,316	801,289,067	2,138,995,525	1,603,418,148
Cost of sales		(845,140,309)	(559,561,393)	(1,660,636,320)	(1,151,255,937)
Gross profit		231,923,008	241,727,674	478,359,206	452,162,211
Operating expenses					
Administrative and general		65,054,115	50,141,979	117,218,572	94,106,435
Selling and distribution		139,115,942	118,600,358	249,447,211	191,692,016
		(204,170,057)	(168,742,337)	(366,665,783)	(285,798,451)
Operating profit		27,752,950	72,985,338	111,693,422	166,363,761
Other operating expenses		(439,091)	(2,995,790)	(4,217,369)	(8,153,438)
Other income		-	1,400,632	5,420,194	1,400,632
Finance cost		(28,138,489)	(24,115,617)	(51,684,202)	(39,826,325)
		(28,577,580)	(25,710,775)	(50,481,377)	(46,579,131)
Profit before taxation		(824,630)	47,274,563	61,212,045	119,784,629
Taxation		23,816,894	431,085	850,271	(18,102,126)
Profit after taxation		22,992,265	47,705,648	62,062,316	101,682,503
Other Comprehensive Income for the period		-	-	-	-
Total Comprehensive Income for the period		22,992,265	47,705,648	62,062,316	101,682,503
Earning per share - basic & diluted	16	0.34	0.71	0.93	1.52

The annexed notes form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

	Note	December 31, 2021	December 31, 2020
		----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	17	198,497,395	199,653,726
Financial charges paid		(43,801,565)	(38,485,572)
Income tax paid		(2,412,538)	(13,249,227)
Staff gratuity paid		(4,226,693)	(14,940,648)
Workers' (profit) participation fund paid		(12,442,572)	(9,258,235)
Net increase in long term advances		(46,600)	(492,100)
Net increase in security deposits		(408,592)	(300,000)
		(63,338,560)	(76,725,781)
Net cash generated from operating activities		135,158,835	122,927,945
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceeds from disposal of fixed assets		-	3,369,600
Fixed capital expenditure		(162,648,718)	(229,075,054)
Net cash used in investing activities		(162,648,718)	(225,705,454)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds less repayment of long term loans		(55,233,240)	89,250,197
Proceeds less repayment of lease liabilities		72,834,220	15,728,828
Net (decrease) / increase in short term finances		(4,918,789)	89,119,602
Net cash generated from financing activities		12,682,191	194,098,627
Net (decrease) / increase in cash and cash equivalents		(14,807,692)	91,321,118
Cash and cash equivalents at the beginning of the period		28,788,910	426,512
Cash and cash equivalents at end of the period	18	13,981,217	91,747,630

The annexed notes form an integral part of these financial statements.



Chief Executive



Director

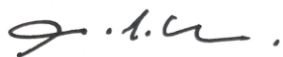


Chief Financial Officer

BUNNY'S LIMITED
CONDENCED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

Particulars	Note	Share Capital	Capital Reserves			Revenue Reserve	Total Equity
			Capital maintenance reserve	Share premium reserve	Total	Un-appropriated profit	
							----- Rupees -----
Balance as at July 01, 2020 (Audited)		513,886,690	412,136,727	49,713,670	461,850,397	625,911,925	1,601,649,012
Profit for the period		-	-	-	-	101,682,503	101,682,503
Balance as at December 31, 2020		<u>513,886,690</u>	<u>412,136,727</u>	<u>49,713,670</u>	<u>461,850,397</u>	<u>727,594,428</u>	<u>1,703,331,515</u>
Balance as at July 01, 2021 (Audited)		668,052,700	-	49,713,670	49,713,670	1,054,435,965	1,772,202,335
Profit for the period		-	-	-	-	62,062,316	62,062,316
Balance as at December 31, 2021		<u>668,052,700</u>	<u>-</u>	<u>49,713,670</u>	<u>49,713,670</u>	<u>1,116,498,281</u>	<u>1,834,264,651</u>

The annexed notes form an integral part of these financial statements.



Chief Executive



Director



Chief Financial Officer

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION
FOR THE QUARTER ENDED DECEMBER 31, 2021

1 STATUS AND NATURE OF BUSINESS

Bunny's Limited (the Company) was incorporated in Pakistan as a private limited Company on October 22, 1980 under the repealed Companies Act 1913 (now Companies Act, 2017) and was later on converted into a Public Listed Company. The Company is principally engaged in manufacturing of bakery and other food products. The registered office and manufacturing facility of the Company is situated at 105/A Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information are unaudited and have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34, 'Interim Financial Reporting', issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 The preparation of this condensed interim financial information in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2021.

3 ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2021.

3.2 There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on or after July 1, 2021. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

4 PROPERTY, PLANT AND EQUIPMENT

	Note	Audited	
		December 31, 2021	June 30, 2021
----- Rupees -----			
Operating fixed assets	4.1	2,047,011,706	1,894,423,480
Capital work in progress	4.2	484,297,723	525,252,214
		<u>2,531,309,429</u>	<u>2,419,675,694</u>

4.1 Operating fixed assets

	Owned Assets							Leased Assets		Total Assets	
	Land - freehold	Building on freehold land	Plant and machinery	Electric installation and appliances	Office equipment	Furniture and fixtures	Motor vehicles	Total Owned	Plant and machinery		Motor vehicles
Cost											
Balance as at July 01, 2021	530,000,000	643,666,001	1,135,134,873	18,850,557	22,062,993	11,180,900	158,085,330	2,518,980,654	50,000,000	93,495,861	2,662,476,515
Additions during the period	-	5,401,052	192,284,757	4,146,000	149,200	226,000	1,396,200	203,603,209	-	-	203,603,209
Disposal during the period	-	-	-	-	-	-	-	-	-	-	-
Transfer during the year	-	-	(150,000,000)	-	-	-	-	(150,000,000)	150,000,000	-	-
Balance as at December 31, 2021	530,000,000	649,067,053	1,177,419,630	22,996,557	22,212,193	11,406,900	159,481,530	2,572,583,863	200,000,000	93,495,861	2,866,079,724
Balance as at July 01, 2020	530,000,000	631,627,922	1,070,985,921	18,293,987	19,804,457	10,002,725	48,233,847	2,328,948,859	50,000,000	72,926,908	2,451,875,767
Additions during the year	-	12,038,079	74,256,844	556,570	2,258,536	1,178,175	94,489,926	184,778,130	-	50,485,000	235,263,130
Disposals during the year	-	-	(10,107,892)	-	-	-	(14,554,490)	(24,662,382)	-	-	(24,662,382)
Transfer during the year	-	-	-	-	-	-	29,916,047	29,916,047	-	(29,916,047)	-
Balance as at June 30, 2021	530,000,000	643,666,001	1,135,134,873	18,850,557	22,062,993	11,180,900	158,085,330	2,518,980,654	50,000,000	93,495,861	2,662,476,515
Depreciation											
Balance as at July 01, 2021	-	222,347,684	428,878,586	8,374,082	15,170,602	5,682,350	39,046,266	719,499,570	9,096,517	39,456,949	768,053,035
Charge for the period	-	10,600,471	20,061,217	627,474	1,045,049	280,578	11,973,716	44,588,504	1,022,587	5,403,891	51,014,982
Depreciation on Disposals	-	-	-	-	-	-	-	-	-	-	-
Balance as at December 31, 2021	-	232,948,155	448,939,803	9,001,556	16,215,651	5,962,928	51,019,982	764,088,074	10,119,104	44,860,840	819,068,018
Balance as at July 01, 2020	-	200,762,913	398,598,985	7,237,526	12,686,514	5,124,939	37,721,720	662,132,597	6,943,702	28,464,994	697,541,293
Charge for the year	-	21,584,771	35,737,311	1,136,556	2,484,088	557,411	5,235,691	66,735,828	2,152,815	16,908,391	85,797,034
Disposals during the year	-	-	(5,457,710)	-	-	-	(9,827,581)	(15,285,291)	-	-	(15,285,291)
Transfer during the year	-	-	-	-	-	-	5,916,436	5,916,436	-	(5,916,436)	-
Balance as at June 30, 2021	-	222,347,684	428,878,586	8,374,082	15,170,602	5,682,350	39,046,266	719,499,570	9,096,517	39,456,949	768,053,035
Rate of depreciation		5%	5%	10%	30%	10%	20%		5%	20%	
Net book value as at December 31, 2021	530,000,000	416,118,898	728,479,827	13,995,001	5,996,542	5,443,973	108,461,548	1,808,495,789	189,880,896	48,635,021	2,047,011,706
Net book value as at June 30, 2021 (Audited)	530,000,000	421,318,317	706,256,287	10,476,475	6,892,391	5,498,550	119,039,065	1,799,481,086	40,903,483	54,038,912	1,894,423,480

December 31, 2021 June 30, 2021
----- Rupees -----

4.2 Depreciation charged for the year has been allocated as under:

Cost of sales	32,311,749	53,318,215	
Administrative and general expenses	18,703,234	14,518,708	2,800,000
Selling and distribution	-	-	8,400,000
	<u>51,014,982</u>	<u>67,836,924</u>	

4.3 Capital work in progress

Opening balance	525,252,214	143,332,715	33,093,067
Additions during the year	139,292,379	381,919,499	
Transfers (Plant and machinery)	(180,246,870)	-	
Closing balance	<u>484,297,723</u>	<u>525,252,214</u>	

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

Location / Address	Usage of immovable property	Total Area (In Kanal)	Approx. Covered Area (In sq. ft.)
85,86,87 & 105 Quid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	Production unit	21.4	50,510

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

		December 31, 2021	Audited June 30, 2021
	Note	----- Rupees -----	
4	PROPERTY, PLANT & EQUIPMENT		
Operating assets	4.1	1,808,495,789	1,799,481,086
Capital work-in-progress	4.2	484,297,723	525,252,214
Right-of-use assets	4.3	238,515,917	94,942,395
		2,531,309,429	2,419,675,694
4.1	Operating Assets		
Opening Book Value		1,799,481,086	1,666,816,262
Addition during the period/ year	4.1.1	203,603,209	214,694,177
Disposal during the period / year at book value		-	(24,662,382)
Transfer during the period / year at book value		(150,000,000)	-
Depreciation charged during the period / year		(44,588,504)	(57,366,973)
		1,808,495,789	1,799,481,086
4.1.1	Addition during the period/ year		
Building on freehold land		5,401,052	12,038,079
Plant and machinery		192,284,757	74,256,844
Electric installation and appliances		4,146,000	556,570
Office equipment		149,200	2,258,536
Furniture and fixtures		226,000	1,178,175
Motor Vehicle-owned		1,396,200	124,405,973
		203,603,209	214,694,177
4.2	Capital work-in-progress		
Opening Book Value		525,252,214	143,332,715
Addition during the period/ year		139,292,379	381,919,499
Transfers (Plant and machinery)		(180,246,870)	
		484,297,723	525,252,214
4.3	Right-of-use assets		
Opening Balance		94,942,394	87,518,212
Addition during the period/year		-	50,485,000
Transfer/Disposal- Net		150,000,000	(29,916,047)
Depreciation charged during the period		(6,426,478)	(13,144,770)
		238,515,917	94,942,395
5	INTANGIBLE ASSETS		
Goodwill on acquisition		70,173,290	70,173,290
ERP Software		59,105	65,672
		70,232,395	70,238,962
6	STOCK-IN-TRADE		
Raw materials		280,462,130	260,568,890
Packing materials		93,632,557	85,452,681
Work-in-process		2,678,440	1,575,632
Finished goods		12,568,231	15,389,210
		389,341,358	362,986,413
7	CASH AND BANK BALANCES		
Cash in hand		2,430,600	98,535
Cash at bank		13,924,198	32,727,565
Book overdraft		(2,373,580)	(4,037,191)
		13,981,217	28,788,910

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

8 ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

<u>December 31, 2021</u>	<u>June 30, 2021</u>		<u>December 31, 2021</u>	<u>June 30, 2021</u>
Number of shares			----- Rupees -----	
2,159,586	2,159,586	Ordinary shares of Rs.10/- each fully paid in cash.	21,595,860	21,595,860
49,229,083	49,229,083	Ordinary shares of Rs. 10/- each issued to the shareholders of economic acquirer as per the approved scheme of arrangement	492,290,830	492,290,830
15,416,601	15,416,601	Fully Paid Bonus shares	154,166,010	154,166,010
<u>66,805,270</u>	<u>66,805,270</u>		<u>668,052,700</u>	<u>668,052,700</u>

9 CAPITAL RESERVES

Capital maintenance reserve

This represents the excess of fair value of land, owned by the economic acquirer, over its cost. The reserve will be available for appropriation among shareholders only on eventual disposal of land and hence has been classified as capital reserve.

Share Premium Reserve

Mudassar Ehtisham & Co. Chartered Accountants computed valuation of Rs. 33.02 for each ordinary share of economic acquirer with a par value of Rs. 10 per share. Management of economic acquirer decided for a swap ratio of 1:1 for the purposes of the merger. This resulted in to a per share premium of Rs. 23.02 that is deemed to have been received from economic acquirer.

10 LONG TERM FINANCES - SECURED

	<u>December 31, 2021</u>	<u>June 30, 2021</u>
	----- Rupees -----	
Samba Bank Limited - SBP Salary Refinance Scheme	115,804,530	178,595,223
Samba Bank Limited - Term Finance	122,215,570	100,000,000
PAIR Investment Company Limited - Term Finance - I	72,222,223	88,888,891
PAIR Investment Company Limited - Term Finance - II	150,000,000	150,000,000
Orix Leasing Pakistan Limited - Sale And Leaseback - I	10,255,584	17,411,190
Orix Leasing Pakistan Limited - Sale And Leaseback - II	2,906,094	3,924,808
Pak Libya Holding Company (Private) Limited - SBP TERF	167,240,000	150,879,365
First Habib Modaraba- Diminishing Musharika	58,693,618	64,871,383
	699,337,619	754,570,859
Less: current portion shown under current liabilities	(222,008,018)	(184,261,116)
Less: Deferred grant	(9,861,049)	(12,651,740)
	<u>467,468,552</u>	<u>557,658,004</u>

10.1 Method used for calculation of deferred grant is same as at June 30, 2021.

11 LEASE LIABILITIES

The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:

Present value of minimum lease payments	123,682,637	50,848,417
Less: Current portion shown under current liabilities	(46,421,149)	(18,461,207)
	<u>77,261,488</u>	<u>32,387,210</u>
Payable within one year	46,421,149	18,461,207
Payable after one year	77,261,488	32,387,210
	<u>123,682,637</u>	<u>50,848,417</u>

11.1 The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly installments and are subject to finance charges at the rates ranging from 6 months KIBOR + 2% to 5% per annum (June 30, 2021 : 6 months KIBOR + 2.5% to 3.95% per annum). The lease liabilities are secured against security deposits, post dated cheques, personal guarantee of all the directors of the Company and also secured against financed vehicles.

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

		Audited	
		December 31, 2021	June 30, 2021
		----- Rupees -----	
12 DEFERRED LIABILITIES	Note		
Deferred taxation	12.1	198,918,321	216,684,498
Staff retirement benefits - gratuity	12.2	52,715,617	44,942,310
		<u>251,633,938</u>	<u>261,626,808</u>
12.1 Deferred taxation			
Opening deferred tax liability		216,684,498	188,194,892
Deferred tax (reversed) / charged to profit or loss		(17,766,177)	28,489,606
Closing deferred tax liability		<u>198,918,321</u>	<u>216,684,498</u>
12.2 STAFF RETIREMENT BENEFITS - GRATUITY			
Opening Balance		44,942,310	41,761,264
Current service cost		12,000,000	22,508,379
Benefits paid		(4,226,693)	(19,327,333)
Closing Balance		<u>52,715,617</u>	<u>44,942,310</u>
13 TRADE AND OTHER PAYABLES			
Trade Creditors - unsecured		128,265,627	127,274,732
Accrued expenses		47,484,942	51,909,404
Bills payable - Secured		130,862,081	-
Workers' welfare fund		1,216,908	3,676,513
Workers' (profit) participation fund	13.1	3,000,461	12,442,572
		<u>310,830,019</u>	<u>195,303,221</u>
13.1 Workers' (profit) participation fund			
Opening balance		12,442,572	9,258,234
Allocation for the period		3,000,461	12,442,572
		<u>15,443,033</u>	<u>21,700,806</u>
Less: Payment made during the period		(12,442,572)	(9,258,234)
		<u>3,000,461</u>	<u>12,442,572</u>
14 SHORT TERM BORROWINGS			
Running finance		297,801,150	302,719,939
		<u>297,801,150</u>	<u>302,719,939</u>
15 CONTINGENCIES AND COMMITMENTS			
15.1	Letter of guarantee amounting to Rs 2.552 million (2021: Rs.2.552 million) has been issued in favor of Sui Northern Gas Pipeline Limited. There are no other known contingencies as at balance sheet date.		
15.2	Outstanding letter of credit - Plant and machinery There are no other major commitments outstanding as at balance sheet date.	34.622 million	-
16 EARNING PER SHARE - BASIC & DILUTED			
Net profit after taxation	Rupees	62,062,316	101,682,503
Weighted average number of shares outstanding during the period	Numbers	66,805,270	66,805,270
Earning per share	Rupees	<u>0.93</u>	<u>1.52</u>

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED DECEMBER 31, 2021

	<u>December 31, 2021</u>	<u>December 31, 2020</u>
	----- Rupees -----	
17 CASH GENERATED FROM OPERATIONS		
Profit before taxation	61,212,045	119,784,629
Adjustments for:		
Depreciation	51,014,982	39,151,001
Financial charges	51,684,202	39,826,325
Provision for workers' (profit) participation fund	3,000,461	6,326,872
Provision for workers' welfare fund	1,216,908	1,993,775
Provision for gratuity	12,000,000	11,000,000
Deferred income	-	(1,307,391)
Deferred grant	(5,420,194)	-
Loss on sale of fixed asset	-	1,140,182
Amortization of intangible assets	6,567	8,209
	<u>113,502,927</u>	<u>98,138,973</u>
Operating profit before working capital changes	<u>174,714,972</u>	<u>217,923,602</u>
Effect on cash flows due to working capital changes		
(Increase)/ decrease in current assets:		
Stores, spares and loose tools	3,669,833	815,385
Stock-in-trade	(26,354,945)	(32,006,776)
Trade debts - unsecured	(58,301,000)	(43,779,223)
Advances, deposits and prepayments	(21,539,420)	(10,271,927)
Increase in trade and other payables	127,428,514	63,808,114
Contract liabilities	(1,120,559)	3,164,550
	<u>23,782,423</u>	<u>(18,269,876)</u>
Cash generated from operations	<u>198,497,395</u>	<u>199,653,726</u>
18 CASH AND CASH EQUIVALENTS		
Cash and bank balances	13,981,217	28,788,910
Running Finance	(297,801,150)	(302,719,939)
	<u>(283,819,933)</u>	<u>(273,931,029)</u>

19 FINANCIAL RISK MANAGEMENT

19.1 Financial risk factors

The Company's activities expose it to a variety of financial risk including capital risk, credit risk, liquidity risk and market risk. There have been no changes in the risk management policies during the period, consequently this condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements.

19.2 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values.

20 TRANSACTION WITH ASSOCIATED UNDERTAKINGS

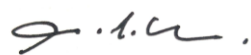
The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carried out transactions with related parties. There are no other significant related party transactions.

21 DATE OF AUTHORIZATION FOR ISSUE

This condensed financial information was authorized for issue by the board of directors of the Company on **February 28, 2022**.

22 GENERAL

- The figures have been rounded off to the nearest rupee.
- Corresponding figures have been re-classified / re-arranged for the purpose of comparison and better presentation.



Chief Executive



Director



Chief Financial Officer