

Flash Note

Friday, September 12, 2025

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Food & Personal Care Products

Barkat Frisian Agro Limited

Earnings: Barkat Frisian Agro Limited (BFAGRO) announced 4QFY25 result. The Company reported 4QFY25 earnings of PKR 236mn (EPS PKR 0.76), up by 2.1x/y compared to PKR 114mn (EPS PKR 0.4) in the same period last year. On quarterly basis, profitability is up by +37%q/q during 4QFY25. This brings total profitability for FY25 to PKR 742mn (EPS PKR 2.4), surging by +95%y/y, compared to PKR 380mn (EPS PKR 1.2) last year.

Dividend/Payout: The Company did not announce any dividend along with the result.

Operating Performance: During the period under review, sales increased by 22%y/y during 4QFY25 whereas gross profit inclined by 27%y/y with gross margins improving by 100bps to 17%. The Company booked significant exchange gain of PKR 88mn compared to PKR 7mn in the same period last year due to which operating profit surged by 68%y/y clocking in at PKR 297mn. Operating expenses (including selling, distribution and admin) increased to PKR 68mn during 4QFY25 compared to PKR 48n in the similar period last year. Effective tax rate stood at -1.8% during 4QFY25 (3QFY25: 0.3%) compared to 0.5% in the similar period last year bringing total effective tax rate during FY25 to -0.4% compared to 0.5% in the same period last year.

Disclosure of Material Information: The Board of Directors of the Company in meeting held on September 11, 2025 has approved a strategic backward integration initiative aimed at improving raw material supply security and cost efficiency through the establishment of poultry layer farming and feed operation. Under this project, the Company will invest in the development of two poultry farms with a combined capacity of 225,000 birds. These farms are expected to cover around 20% of the company's current daily egg requirement of 1,000,000 eggs. The project also includes the setup of a dedicated feed processing facility to support internal and selected third-party poultry operations. The Company will have full ownership of one of the two farms while the second will be developed under a joint operational arrangement with a third party partner.

Exhibit: BFAGRO Financial Highlights For the period 4QFY25								
PKRmn	4QFY25	4QFY24	y/y	3QFY25	q/q	FY25	FY24	y/y
Sales- Net	1,634	1,342	22%	1,823	-10%	7,247	6,068	19%
Cost of Sales	1,357	1,124	21%	1,561	-13%	6,269	5,369	17%
Gross Profit	277	218	27%	261	6%	978	700	40%
Selling & Distribution expenses	52	34	50%	36	43%	173	106	64%
Admin Expense	17	13	26%	27	-37%	70	45	57%
Exchange Gain/ (Loss)	88	7	1205%	1	5936%	89	9	864%
Operating Profit	297	177	68%	200	48%	824	559	47%
Other Expenses	21	21	0%	14	50%	63	44	45%
Other Income	-46	2	n/m	6	n/m	57	28	103%
Finance Cost	-3	36	n/m	19	n/m	79	123	-36%
Profit before income tax	232	114	103%	173	34%	739	382	94%
Income Tax	-4	1	n/m	1	n/m	-3	2	n/m
Profit after tax	236	114	108%	173	37%	742	380	95%
EPS (PKR)	0.8	0.4	108%	0.6	37%	2.4	1.2	95%
DPS (PKR)	0.0	0.0	-	0.0	-	0.0	0.0	-
Source: IGI Research, PSX						No of Shares: 309.99mn		

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