Bata

Annual Report 2025

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The Bata Code

The Bata Way: Values in Action

At Bata, everything begins with purpose. Our values are not symbolic statements; they are guiding principles that shape our decisions, define our culture, and influence how we create, serve, and grow. They represent our enduring commitments and form the foundation of who we are.

1. Lead with Passion

Shoemaking is not merely our business it is our craft. For over a century, dedication and care have defined every pair we produce. This passion drives our commitment to superior quality, lasting comfort, and continuous innovation.

2. Go Beyond xpectations

Every customer interaction is an opportunity to build trust. We strive not only to meet expectations but to exceed them. Through product excellence and meaningful service experiences, we aim to foster long-term loyalty and lasting relationships.

3. Think Boldly

Innovation is embedded in our heritage. We challenge conventions, anticipate change, and continuously evolve to remain relevant in a dynamic marketplace. By embracing bold thinking, we ensure our designs, operations, and ideas are prepared for the future.

4. Own It

Accountability defines true leadership. Inspired by our founder, Tomáš J. Baťa, we take responsibility for our actions, uphold integrity in our decisions, and lead with a long-term perspective that prioritizes sustainable success.

5. Make a Difference

We are deeply connected to the communities we serve. From empowering our employees to supporting our customers and contributing to society, we are committed to creating meaningful impact and building a better tomorrow.

Our values are not aspirations; they are commitments lived every day. This is the Bata Way.

Our Purpose

To elevate every step by creating footwear that combines superior quality, enduring comfort, and timeless style making every day journeys more meaningful and accessible to all.
Founded in 1894 in Zlín, Czech Republic, Bata began as a modest shoemaking enterprise established by Tomáš J. Baťa. Over the decades, it evolved into one of the world's leading footwear organizations, operating in more than 70 countries with thousands of retail stores globally.

Leading the Way

Bata's journey in Pakistan commenced in 1942 with the opening of its first store in Lahore. Since then, the brand has become a household name and a pioneer within the country's footwear industry.

Over eight decades, Bata Pakistan has contributed significantly to economic growth through local manufacturing, employment generation, and retail expansion. The brand has played an integral role in shaping consumer trends while strengthening the national retail landscape.

Today, with an extensive network of over 470 stores across major cities and towns, Bata Pakistan serves men, women, and children with a diverse portfolio of stylish, durable, and comfortable footwear. Our commitment to quality and innovation remains steadfast, as we continue to refine materials, enhance design capabilities, and integrate modern retail experiences to meet evolving consumer expectations.

Our legacy extends beyond footwear. It is rooted in reliability, craftsmanship, operational excellence, and a forward-looking vision that continues to guide us toward sustainable growth.

As we move ahead, we remain committed to honoring our heritage while shaping the future of footwear in Pakistan and beyond.

Reigniting Bata Pakistan

Starting in mid-2025, Bata Pakistan began the strategic shift to reignite the brand, laying the foundation for a stronger, more relevant, and future-focused identity. This transformation marked the move from “Surprisingly Bata” toward our new global brand directive, “Make Your Way,” with its full incorporation across communication, retail, and brand platforms taking shape in Q1 2026.

This evolution represents far more than a tagline change, it reflects a renewed purpose and long-term vision for Bata. With “Make Your Way,” the brand moves from a product-led narrative to a purpose-led platform. While shoes remain our foundation, the focus is now firmly on the individual, empowering customers to move forward confidently on paths they define for themselves.

The idea is rooted in movement, self-belief, and ownership of one’s journey. Because while it starts with shoes, what truly matters is the road people create in them. This platform is designed to be universal, flexible, and enduring, allowing relevance across collections, campaigns, and consumer touchpoints while maintaining a strong and consistent brand soul.

Whether celebrating milestones, embracing everyday progress, or stepping into new seasons, “Make Your Way” provides a cohesive framework that connects product with purpose and strengthens emotional connection with consumers.

In parallel, this strategic reignition also shaped our retail transformation. Store environments began evolving to reflect a more contemporary and aspirational identity, with improved visual merchandising, enhanced customer flow, and the integration of digital elements to create a seamless and elevated shopping experience.

By Q1 2026, this vision started taking full shape across communication and retail platforms, aligning with the global rollout of the new brand direction. Our objective remains clear: to strengthen emotional equity, increase cultural relevance, and drive sustainable growth.

This is not simply a refresh, it is the reignition of Bata’s role in empowering progress, helping every customer move forward, step by step.

Our Vision

To inspire and empower individuals to move forward in life with confidence, ambition, and purpose, one step at a time.

Our Mission

At Bata, we craft more than just shoes, we create opportunities for people to chart their own path. Through innovation, comfort, and timeless design, we enable movement, progress, and self-expression, ensuring that every step our customers take brings them closer to their goals.

Board of Directors

Ms. Jin Zeng
Non-Executive Director / Chairperson

Mr. Ahsan Umar
Executive Director / Chief Executive

Mr. Amjad Farooq
Executive Director / Chief Financial Officer

Mr. Lim Ghim Keong
Non-Executive Director

Mr. Clifford Gary Reuter
Non-Executive Director

Mr. Muhammad Maqbool
Non-Executive Director

Mr. Rashid Rahman Mir
Independent Director

Mr. Kamal Monnoo
Independent Director

Ms. Fatima Asad Khan
Independent Director

CORPORATE INFORMATION

Board of Directors

Ms. Jin Zeng	Chairperson of the Board	Director
Mr. Ahsan Umar	Chief Executive	Director
Mr. Amjad Farooq	Chief Financial Officer	Director
Mr. Lim Ghim Keong		Director
Mr. Clifford Gary Reuter		Director
Mr. Muhammad Maqbool		Director
Mr. Kamal Monnoo		Independent Director
Mr. Rashid Rahman Mir		Independent Director
Ms. Fatima Asad Khan		Independent Director

Audit Committee

Mr. Rashid Rahman Mir	Chairman
Mr. Muhammad Maqbool	Member
Mr. Lim Ghim Keong	Member

Human Resource and Remuneration Committee

Ms. Fatima Asad Khan	Chairperson
Mr. Ahsan Umar	Member
Mr. Muhammad Maqbool	Member

Bankers

Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Bank Al Habib Limited
National Bank of Pakistan Limited
United Bank Limited
Meezan Bank Limited
Allied Bank Limited
Bank Alfalah Limited
Standard Chartered Bank
(Pakistan) Limited

Chief Financial Officer (CFO)

Mr. Amjad Farooq

Company Secretary

Mr. Muhammad Shahid

Registered Office

Batapur, G. T. Road,
P.O. Batapur, Lahore.

Auditors

A.F. Ferguson & Co.
(a member firm of PwC Network)
308-Upper Mall,
Shahrah-e-Quaid-e-Azam
P.O Box-39, 54000, Lahore.

Head of Internal Audit & Risk Assessment

Mr. Muhammad Shahrose Azam

Share Registrar

Corplink (Pvt.) Ltd.
Wings Arcade, 1-K Commercial,
Model Town, Lahore.

Legal Advisor

Surridge & Beecheno
60, Shahrah-e-Quaid-e-Azam, Ghulam Rasool Building, Lahore.

Batapur

Batapur G. T. Road,
P.O. Batapur, Lahore.

Stock Exchange Listing

Bata Pakistan Limited is listed on Pakistan Stock Exchange under “Leather and Tanneries” sector.

Maralza

26 - Km, Multan Road, Lahore.

Web Presence

https://www.bata.com.pk/

Liaison Office Karachi

138 C-II Commercial Area, P.E.C.H.S., Tariq Road, Karachi.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN TO ALL SHAREHOLDERS/MEMBERS that the 74th Annual General Meeting of Bata Pakistan Limited is scheduled to be held at the Registered Office of the Company situated at G.T. Road, Batapur, Lahore on Monday, May 25, 2026 at 11:00 a.m., to transact the following business:

ORDINARY BUSINESS:

1. To confirm the minutes of the last Annual General Meeting (**"AGM"**) of the Company held on April 28, 2025.

2. To receive, consider, and adopt the Annual Audited Financial Statements of the Company for the year ended on December 31, 2025 together with Chairman's Review, Directors' Reports and Auditors' Reports.

   The Annual Audited Financial Statements of the Company for the financial year ended December 31, 2025 is available through QR enable code and web link as given under.

   https://app4.batapkapps.com/bd/frontlegal/page/financial

3. To appoint Statutory Auditors of the Company for the year ending on December 31, 2026 and to fix their remuneration. The Board of Directors, based on the recommendation of audit committee, has recommended the re-appointment of retiring Auditors M/s A.F. Ferguson & Co. Chartered Accountants, who being eligible, have offered themselves for re-appointment as Statutory Auditors of the company.

ORDINARY BUSINESS:

4. To transact any other business with the permission of the Chair.

By order of the Board

Batapur Lahore:
April 24, 2026

Muhammad Shahid
Company Secretary

NOTES:

1. **Closure of Shares Transfer Books:**
The Share Transfer Books of the Company will remain closed from May 19, 2026 to May 25, 2026 (both days inclusive). Transfer requests on prescribed format, received at the office of the Share Registrar of the Company, M/s. Corplink (Pvt.) Ltd. 1-K Commercial, Model Town, Lahore on or before the close of business on May 18, 2026 will be treated in time for the determination of entitlement of shareholders to attend and vote at the meeting.

2. **Participation in the Annual General Meeting:**
Any member of the Company entitled to attend and vote at the Annual General Meeting ("AGM") may appoint a person/representative as proxy to attend and vote in place of member at the meeting. Proxies in order to be effective must be received at Company's registered office duly stamped and signed not later than 48 hours before time of holding the meeting. A member cannot appoint more than one proxy. Attested copy of shareholder's CNIC must be attached with the proxy form.

3. **Participation of the CDC /Sub account holders in the Annual General Meeting:**
The CDC/sub account holders are required to follow the under mentioned guidelines as laid down by the Securities & Exchange Commission of Pakistan (**"SECP"**): -

a) **For attending the meeting:**

i. In case of individuals, the account holder or sub-account holder shall authenticate his/her identity by showing his/her original national identity card (**"CNIC"**) or original passport at the time of attending the meeting.
ii. In case of corporate entity, the Board of Directors' resolution / Power of attorney with specimen signature of the nominee shall be produced at the time of meeting.

b) **For appointing proxies:**

i. In case of individuals, the account holder or sub-account holder shall submit the proxy form as per the above requirement.
ii. The proxy form shall be witnessed by the two persons whose names, addresses and CNIC numbers shall be mentioned on the form.
iii. Attested copies of the valid CNIC or the passport of the beneficial owner(s) and the proxy shall be furnished with the proxy form.
iv. The proxy shall produce his/her valid original CNIC or original passport at the time of the Annual General Meeting.
v. In case of a corporate entity, the Board of Directors' resolution/power of attorney, with specimen signature of the nominee, shall be submitted to the company along with the proxy form unless the same has been provided earlier.

4. **Participation in AGM through Electronic Means:**
The shareholder of the Company desirous of attending the meeting through video link etc. may inform the Company and provide their details including name, CNIC scan (both sides), folio number, cell phone number and email address before close of business on May 18, 2026 at the email investorcare.pk@bata.com. The video link of meeting shall be sent to the members on their registered email addresses.

5. **Circulation of Annual Audited Accounts and Notice of AGM:**
The Company's Annual Report is also being circulated to the members through electronic in compliance of section 223(6) of the Companies Act, 2017 and the same is being placed on our website www.bata.com.pk. Those shareholders who also wish to obtain an electronic copy of the annual report via email are requested to send their email address/consent at the following email address: investorcare.pk@bata.com on or before May 04, 2026, and a PDF copy of the Annual Report will be duly shared with them via email.

6. **QR Code and Weblink for Annual Audited Accounts:**
The Annual Audited Financial Statements of the Company for the year ended December 31, 2025 along with Auditors and Directors Report and Chairman's Review Report thereon have been placed on the Company's website: **www.bata.com.pk,** which can be downloaded/ viewed through QR code and weblink provided in this notice.

7. **Mandatory Submission of CNIC Copies:**
With reference to the notification of Securities and Exchange Commission of Pakistan (SECP), SRO 779(1)2011 dated August 18, 2011, the Members/Shareholders who have not yet submitted photocopy of their valid CNIC to the Company are required to send the same at the earliest directly to the Company's Share Registrar M/s. Corplink (Pvt.) Ltd. 1-K Commercial, Model Town, Lahore. In case of non-receipt of the copy of valid CNIC and non-compliance of the above-mentioned SRO of SECP, the Company may be constrained to withhold transfer of dividend in the future if any.

8. **Unclaimed Dividends and Share Certificates:**
The Shareholders are hereby informed that in accordance with Section 244 of the Companies Act, 2017 and the Unclaimed Shares, Modaraba Certificate, Dividends, Others Instruments and Undistributed Assets Regulations, 2017, the companies are required to deposit such amounts to the credit of the Federal Government and the shares to the Commission, which are unclaimed/un-collected for a period of three (03) years or more from the date it is due and payable. The notices to this fact have already been given to the relevant shareholders.

9. **Conversion of Physical Securities into Book Entry Forms:**
As per Section 72 of the Companies Act, 2017 every listed company is required to replace its physical shares with book entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of the Act, i.e., May 30, 2017. Further, vide its letter dated March 26, 2021, SECP has directed all the listed companies to pursue its shareholder for conversion of their physical securities into book entry form. In light of the aforementioned directives, the Shareholders having physical shareholding are encouraged to open CDC account with CDS participant/ CDC Investor Account Services and convert their existing physical securities into book entry form.

10. **Intimation of Changes of Address and declaration for non-deduction of Zakat:**
Members who hold shares certificates should notify any changes in their registered address and provide their declarations for non-deduction of zakat, if applicable, to the Share Registrar. Members who hold shares in CDC / participant accounts are required to update their address and submit their declarations for non-deduction of zakat, if applicable, to the CDC or their respective participants.

Contact Details
Company Secretary
Bata Pakistan Limited
G.T Road, Batapur Lahore, Pakistan
Email: investorcare.pk@bata.com

باٹا پاکستان لمیٹڈ

اطلاع برائے سالانہ اجلاسِ عام

تمام شیئر ہولڈرز کو اطلاع دی جاتی ہے کہ باٹا پاکستان لمیٹڈ کا 74 واں سالانہ اجلاسِ عام مورخہ 25 مئی 2026 بروز پیر صبح 11:00 بجے کمپنی کے رجسٹرڈ آفس جی ٹی روڈ، باٹا پور، لاہور میں درج ذیل امور کی انجام دہی کے لیے منعقد کیا جائے گا:

1- مورخہ 28 اپریل 2025 کو ہونے والے سالانہ اجلاسِ عام ("AGM") کی کارروائی کی توثیق۔

2- مورخہ 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ اکاؤنٹس مع چیئرمین کی جائزہ رپورٹ، ڈائریکٹرز اور آڈیٹرز کی رپورٹس کی وصولی، انہیں زیرِ غور لانا اور منظور کرنا۔
31 دسمبر 2025 کو مکمل ہونے والے مالی سال کی سالانہ آڈٹ شدہ فنانشل اسٹیٹمنٹس درج ذیل QR انیبلڈ کوڈ اور ویب لنک کے ذریعے حاصل کی جاسکتی ہیں:

https://app4.batapkapps.com/bd/frontlegal/page/financial

3- 31 دسمبر 2026 کو مکمل ہونے والے مالی سال کے لیے آڈیٹرز کی تقرری اور ان کے معاوضے کا تعین۔ بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی تجویز پر ریٹائر ہونے والے آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش کی ہے جو اہل ہونے کی وجہ سے اپنی خدمات دوبارہ پیش کرنے کی درخواست کر چکے ہیں۔

4- چیئرمین کی اجازت سے دیگر امور کی انجام دہی۔

منجانب بورڈ

محمد شاہد
کمپنی سیکریٹری

باٹا پور لاہور:
24 اپریل 2026

ہدایات:

1. شیئرمنتقلی کی کتابوں کی بندش

کمپنی کی شیئرمنتقلی کی کتابیں 19 مئی 2026 تا 25 مئی 2026 (بشمول دونوں ایام) بندرہیں گی۔ٹرانسفر کے لیے کمپنی کے شیئر رجسٹرار کے دفتر میسرز کارپ لنک (پرائیویٹ) لمیٹڈ K-1 کمرشل، ماڈل ٹاؤن، لاہورکو 18 مئی 2026 کوکاروبار کےاوقات بند ہونے تک موصول ہونے والی مجوزہ فارمیٹ پر بنائی گئی درخواستوں کواجلاس میں شامل ہونے کے لیے بروقت تصور کیا جائے گا۔

2. سالانہ اجلاسِ عام میں شرکت:

کمپنی کا کوئی بھی رکن جسے سالانہ اجلاس عام (AGM) میں شریک ہونے اوراس میں ووٹ کرنے کا حق حاصل ہے، کسی اورشخص/نمائندے کواپنی جگہ شریک ہونے اورووٹ کرنے کے لیے پراکسی کے طور پرنامزدکرسکتا ہے۔مؤثر ہونے کے لیے باقاعدہ اسٹیمپ اوردستخط شدہ پراکسی اجلاس کے انعقاد کے طےشدہ وقت سے 48 گھنٹے قبل کمپنی کے رجسٹرڈ دفتر پرموصول ہوجانی چاہیے۔ایک رکن ایک سے زیادہ پراکسی کا تقرر نہیں کرسکتا۔شیئر ہولڈر کے سی این آئی سی کی تصدیق شدہ نقل پراکسی فارم کے ساتھ منسلک ہونی چاہیے۔

3. سالانہ اجلاس عام میں سی ڈی سی/ذیلی اکاؤنٹ ہولڈرز کی شرکت:

(الف) اجلاس میں شرکت کے لیے

i- انفرادی صورت میں، اکاؤنٹ ہولڈر یاذیلی اکاؤنٹ ہولڈرکوسالانہ اجلاسِ عام میں شرکت کے لیے اپنا اصل کمپیوٹرائزڈ قومی شناختی کارڈ (CNIC) یا اصل پاسپورٹ پیش کرنا ہوگا۔

ii- کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ مع نامزد شخص کے نمونہ دستخط، سالانہ اجلاسِ عام کے وقت پیش کرنا ہوں گے۔

(ب) پراکسی کی تقرری کے لیے

i- انفرادی صورت میں اکاؤنٹ ہولڈر یا سب اکاؤنٹ ہولڈرز مندرجہ بالا تقاضوں کے مطابق پراکسی فارم جمع کروائیں۔

ii- پراکسی فارم کے دوافراد گواہ ہونے چاہئیں جن کے نام، پتے اورشناختی کارڈ نمبر فارم پردرج ہوں گے۔

iii- بینیفیشل اونرز اور پراکسی کے شناختی کارڈ کی تصدیق شدہ کاپیاں پراکسی فارم کے ساتھ منسلک کی جائیں گی۔

iv- پراکسی سالانہ اجلاسِ عام کے وقت اپنا اصل شناختی کارڈ/اصل پاسپورٹ ظاہر کرے گا۔

v- کارپوریٹ ادارے کی صورت میں، بورڈ آف ڈائریکٹرز کی قرارداد/مختارنامہ مع نمونہ دستخط کمپنی میں جمع کروائے جائیں گے (اگر پہلے ہی فراہم نہ کیا گیا ہو)۔

4. الیکٹرانک ذرائع سے سالانہ اجلاسِ عام میں شرکت:

سالانہ اجلاسِ عام میں ویڈیولنک وغیرہ کے ذریعے شرکت کے خواہشمند شیئر ہولڈرز سے درخواست کی جاتی ہے کہ وہ خودکورجسٹرڈ کروانے کے لیے اپنی متعلقہ معلومات بشمول نام، اسکین کردہ کمپیوٹرائزڈ شناختی کارڈ (دونوں اطراف)، فولیونمبر، موبائل نمبر، ای میل ایڈریس investorcare.pk@bata.com پر 18 مئی 2026 کوکاروباری اوقات کار کے اختتام سے قبل بھیج دیں۔میٹنگ کا ویڈیولنک ممبران کے رجسٹرڈ ای میل ایڈریس پربھیجا جائے گا۔

.5 سالانہ رپورٹ:

کمپنیز ایکٹ 2017 کے سیکشن (6)223 پر عمل درآمد کرتے ہوئے کمپنی کی سالانہ رپورٹ کو الیکٹرانک ذرائع سے ممبران کو بھیجا جا رہا ہے اور ہماری ویب سائٹ www.bata.com.pk پر بھی جاری کی جا رہی ہے۔ ایسے شیئر ہولڈرز جو سالانہ رپورٹ کی الیکٹرانک کاپی بذریعہ ای میل حاصل کرنا چاہتے ہیں، ان سے درخواست کی جاتی ہے کہ وہ اپنا ای میل ایڈریس/ رضامندی درج ذیل ای میل ایڈریس investorcare.pk@bata.com پر 04 مئی 2026 کو یا اس سے پہلے بھیجیں، سالانہ رپورٹ کی پی ڈی ایف کاپی بذریعہ ای میل شیئر کی جائے گی۔

.6 سالانہ آڈٹ شدہ اکاؤنٹس کے لیے کیو آر کوڈ اور ویب لنک:

31 دسمبر 2025 کو ختم ہونے والے سال کے لیے کمپنی کے سالانہ آڈٹ شدہ مالیاتی گوشواروں کے ساتھ آڈیٹرز اور ڈائریکٹرز کی رپورٹ اور اس پر چیئرمین کی جائزہ رپورٹ کمپنی کی ویب سائٹ www.bata.com.pk پر موجود ہے، جسے اس نوٹس میں درج کردہ کیو آر کوڈ اور ویب لنک کے ذریعے ڈاؤن لوڈ کیا/ پڑھا جا سکتا ہے۔

.7 کمپیوٹرائزڈ قومی شناختی کارڈ کی نقول جمع کروانا۔ لازمی تقاضہ

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) کے مورخہ 18 اگست 2011 کے نوٹیفکیشن SRO 779 (1) 2011 کے مطابق، جن ممبران/شیئر ہولڈرز نے کمپنی کو تا حال اپنے اصل شناختی کارڈ کی فوٹو کاپی جمع نہیں کروائی ہے، ان سے گزارش ہے کہ وہ جلد از جلد براہِ راست کمپنی کے شیئر رجسٹرار میسرز کارپ لنک (پرائیویٹ) لمیٹڈ، K-1 کمرشل، ماڈل ٹاؤن، لاہور کو جمع کروا دیں۔ ایس ای سی پی کے درج بالا ایس آر او کی عدم تعمیل اور شناختی کارڈ کی کاپی موصول نہ ہونے کی صورت میں کمپنی ڈیویڈنڈ، اگر کوئی ہے، کی منتقلی روکنے پر مجبور ہو سکتی ہے۔

.8 غیر دعویٰ شدہ ڈیویڈنڈز اور شیئر سرٹیفکیٹس:

تمام شیئر ہولڈرز کو بذریعہ ہذا مطلع کیا جاتا ہے کہ کمپنیز ایکٹ 2017 کے سیکشن 244 اور 'ان کلیمڈ شیئرز، مضاربہ سرٹیفکیٹ، ڈیویڈنڈز، دیگر انسٹرومنٹس اور غیر تقسیم شدہ اثاثہ جات ریگولیشنز 2017' کے مطابق، کمپنیاں ایسی رقوم وفاقی حکومت کے کھاتے میں اور غیر دعویٰ شدہ شیئرز SECP/ کمیشن میں جمع کروانے کی پابند ہیں جو کہ واجب الادا ہونے کی تاریخ سے تین (03) سال یا اس سے زائد مدت سے غیر دعویٰ شدہ یا غیر وصول شدہ ہیں۔ اس حوالے سے متعلقہ شیئر ہولڈرز کو نوٹس پہلے ہی جاری کئے جا چکے ہیں۔

.9 فزیکل سیکیورٹی شیئرز کو بک انٹری فارم میں تبدیل کرنا:

کمپنیز ایکٹ 2017 کے سیکشن 72 کے مطابق ہر لسٹڈ کمپنی کے لیے لازم ہے کہ وہ اپنے فزیکل شیئرز کو بک انٹری فارم میں تبدیل کرے، اس طریقے سے جو بیان کیا گیا ہو اور اس تاریخ سے جو کمیشن کی جانب سے مطلع کی گئی ہو، جو کہ ایکٹ کے نفاذ یعنی 30 مئی 2017 سے چار سال سے زیادہ کی مدت نہ ہو۔ مزید برآں، 26 مارچ 2021 کے اپنے خط کے ذریعے، ایس ای سی پی نے تمام لسٹڈ کمپنیوں کو ہدایت کی ہے کہ وہ اپنے شیئر ہولڈرز سے فزیکل سیکیورٹیز کو بک انٹری فارم میں تبدیل کرنے کی درخواست کریں۔ مذکورہ بالا ہدایات کی روشنی میں فزیکل شیئر رکھنے والے شیئر ہولڈرز کی حوصلہ افزائی کی جاتی ہے کہ وہ سی ڈی ایس پارٹیسپنٹ/ سی ڈی سی انویسٹر اکاؤنٹ سروسز کے ساتھ سی ڈی سی اکاؤنٹ کھولیں اور اپنی موجودہ فزیکل سیکیورٹیز کو بک انٹری فارم میں تبدیل کریں۔

10. پتہ کی تبدیلی، زکوۃ کی عدم کٹوتی کا اعلامیہ:

ایسے ممبران جن کے پاس شیئر سرٹیفکیٹس موجود ہیں، وہ اپنے پتے میں کسی بھی قسم کی تبدیلی کے بارے میں شیئر رجسٹرار کو فوری طور پر آگاہ کریں اور زکوۃ کی عدم کٹوتی کے بارے میں اقرار نامہ جمع کروائیں، اگر اطلاق ہوتا ہو تو۔ ایسے ممبران جن کے پاس شیئرز سی ڈی سی/ پارٹیسپنٹ اکاؤنٹس میں ہیں ان سے گزارش کی جاتی ہے کہ وہ اپنے نئے پتے اور زکوۃ کی عدم کٹوتی کا اقرار نامہ سی ڈی سی یا اپنے پارٹیسپنٹس کے پاس درج کروائیں۔

رابطہ کی تفصیلات

باٹا پاکستان لمیٹڈ

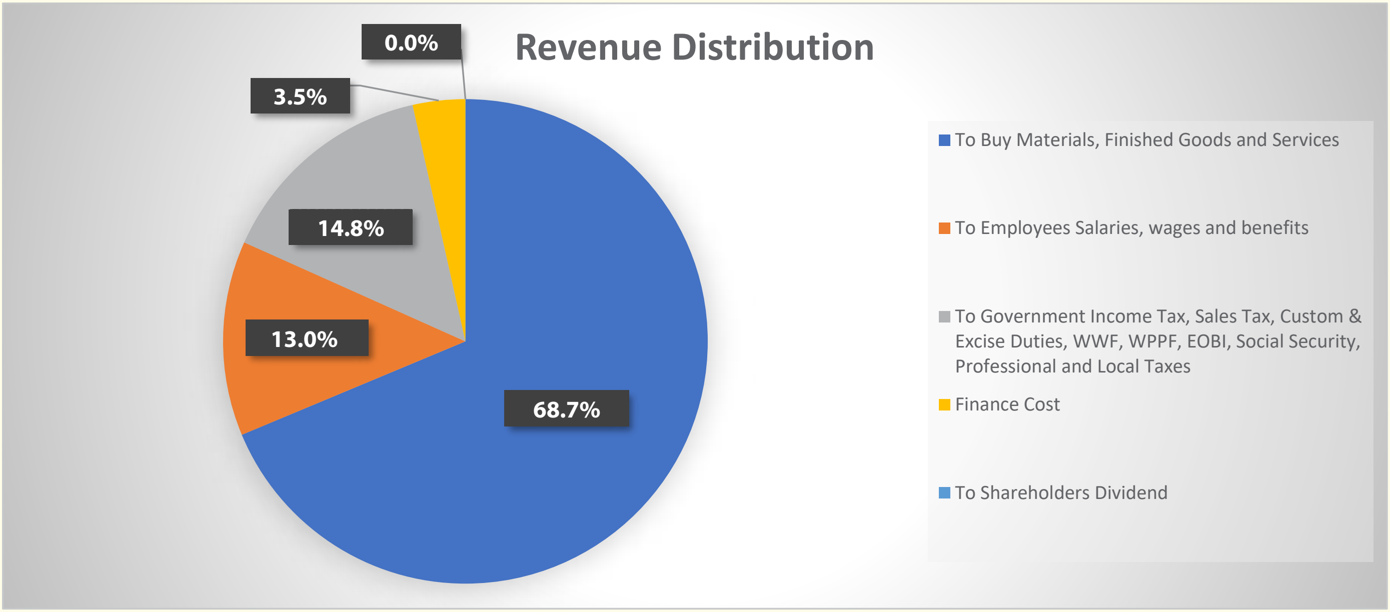
جی ٹی روڈ، باٹا پور لاہور، پاکستان

ای میل: investorcare.pk@bata.com

KEY OPERATING HIGHLIGHTS

Year		2025	2024	2023	2022	2021	2020	2019
Finalcial Position								
Authorized capital	Rs. ' 000s	**100,000**	100,000	100,000	100,000	100,000	100,000	100,000
Paid up capital	Rs. ' 000s	**75,600**	75,600	75,600	75,600	75,600	75,600	75,600
Shareholders' equity	Rs. ' 000s	**3,167,870**	5,546,125	5,682,024	5,673,657	6,159,421	6,372,599	7,444,589
Total assets	Rs. ' 000s	**13,585,445**	14,801,966	16,121,674	16,342,563	15,602,503	14,005,481	15,878,369
Property, plant and equipment	Rs. ' 000s	**2,811,706**	2,609,144	2,674,127	2,293,261	1,935,392	1,949,867	1,866,897
Provision for gratuity	Rs. ' 000s	**34,295**	47,801	44,535	56,587	61,992	68,592	83,476
Current assets	Rs. ' 000s	**6,276,340**	8,652,034	10,100,355	10,077,458	9,505,254	7,602,604	9,259,645
Current liabilities	Rs. ' 000s	**7,031,136**	6,480,471	7,939,374	7,022,900	5,806,866	3,883,160	4,325,671
Trading Results								
Sales	Rs. ' 000s	**17,776,670**	18,332,461	19,262,623	17,733,994	13,983,497	11,710,771	17,424,894
Gross profit	Rs. ' 000s	**7,020,058**	9,014,152	9,146,496	8,589,000	6,475,390	4,370,967	7,869,944
Operating (loss)/profit	Rs. ' 000s	**(1,734,367)**	2,053,985	2,096,174	2,160,771	1,525,927	(106,928)	2,294,479
(Loss)/profit before tax	Rs. ' 000s	**(2,507,676)**	1,384,358	1,343,013	1,411,074	807,279	(908,049)	1,504,279
(Loss)/profit after tax	Rs. ' 000s	**(2,385,054)**	850,730	916,288	874,288	546,089	(627,345)	1,088,862
Distribution								
Interim cash dividend - paid	%	**-**	1,300.00	1,200.00	1,800.00	1,000.00	-	900.00
Final cash dividend - propossed/paid	%	**-**	-	-	-	-	-	600.00
Financial Ratios and Values								
Gross profit	%	**39.49**	49.17	47.48	48.43	46.31	37.32	45.16
Operating (loss)/profit	%	**(9.80)**	11.20	10.88	12.18	10.91	(0.91)	13.17
(Loss)/profit before tax	%	**(14.11)**	7.55	6.97	7.96	5.77	(7.75)	8.63
(Loss)/profit after tax	%	**(13.42)**	4.64	4.76	4.93	3.91	(5.36)	6.25
Return on equity	%	**(75.30)**	15.34	16.13	15.41	8.87	(9.84)	14.63
Price earning ratio	Times	**(3.91)**	17.94	14.29	18.71	30.06	(14.36)	13.84
Dividend yield	%	**-**	4.95	6.93	4.62	4.61	9.14	7.02
(Loss)/earnings per share	Rs.	**(315.48)**	112.53	121.20	115.65	72.23	(82.98)	144.03
Debt : equity ratio	Times	**3.29 : 1**	1.67 : 1	1.91:1	1.88:1	1.53 : 1	1.20 : 1	1.13 : 1
Current ratio	Times	**0.89 : 1**	1.33 : 1	1.27:1	1.43:1	1.64 : 1	1.97 : 1	2.77 : 1
Average stock turns - value	Times	**2.15**	1.64	1.93	2.01	2.21	2.16	2.38
Debtors turnover	Times	**1.61**	2.06	3.01	2.55	14.36	8.45	6.65
Average collection period	Days	**227.00**	177.00	121.00	143.00	25.00	43.00	55.00
Property, plant and equipment turnover	Times	**6.56**	7.03	7.20	8.38	7.20	6.02	9.33
Break up value per share	Rs.	**419.03**	733.61	751.59	750.48	814.74	819.70	984.73
Market price per share	Rs.	**1,234.43**	2,018.85	1,732.23	2,163.29	2,171.15	1,531.84	1,993.06
Market capitalization	Rs. ' 000s	**9,332,291.00**	15,262,506.00	13,095,659.00	16,354,472.00	16,413,894.00	11,580,710.00	15,067,534.00
Other Information								
Permanent employees	Number	**1,511**	1,796	1,983	2,142	2,274	2,287	2,683
Retail outlets	Number	**360**	401	444	444	443	444	462
Wholesale depots	Number	**0**	0	0	0	0	0	11
Installed capacity	Pairs ' 000s	**11,651**	18,363	18,394	18,378	18,339	18,704	19,375
Actual production	Pairs ' 000s	**6,621**	8,669	11,024	11,587	11,572	11,186	15,641
Capacity utilization	%	**56.83**	47.21	59.93	63.05	63.10	59.81	80.73

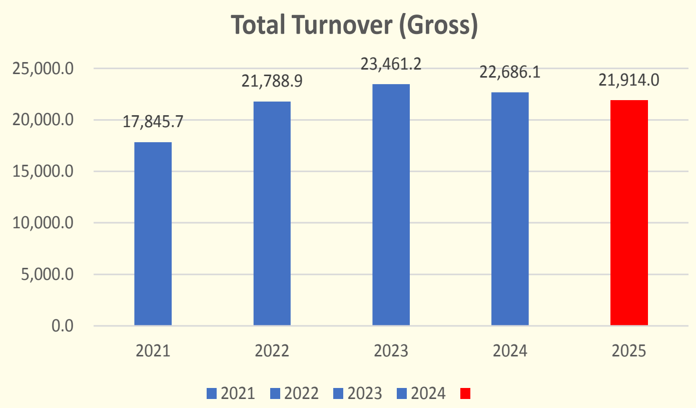
VALUE ADDED AND ITS DISTRIBUTION



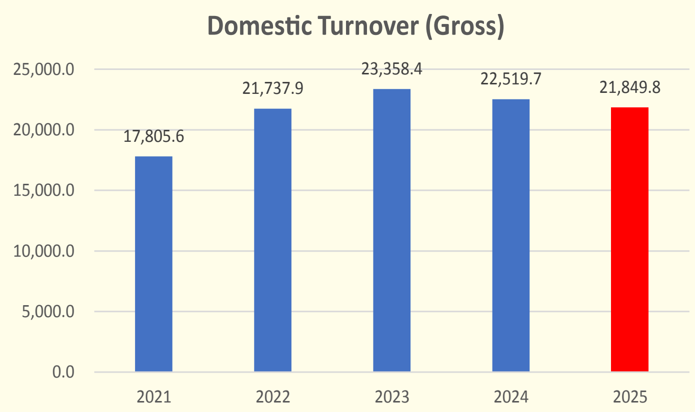
	2025 Rs. '000s	%	2024 Rs. '000s	%
Revenue Generated				
Sales	21,914,022		22,686,096	
Other income	106,990		363,217	
	22,021,012	100%	23,049,313	100%
Revenue Distributed				
To Buy Materials, Finished Goods and Services	15,128,210	68.7%	14,622,805	63.4%
To Employees Salaries, wages and benefits	2,866,276	13.0%	2,658,077	11.5%
To Government Income Tax, Sales Tax, Custom & Excise Duties, WWF, WPPF, EOBI, Social Security, Professional and Local Taxes	3,253,217	14.8%	4,116,004	17.9%
Finance Cost	773,309	3.5%	669,627	2.9%
To Shareholders Dividend	-	0.0%	982,800	4.3%
Retained in Business For Retail Expansion and Operations	-	0.0%	-	0.0%
	22,021,012	100.0%	23,049,313	100.0%

OPERATIONAL STATISTICS

(Rupees in million)

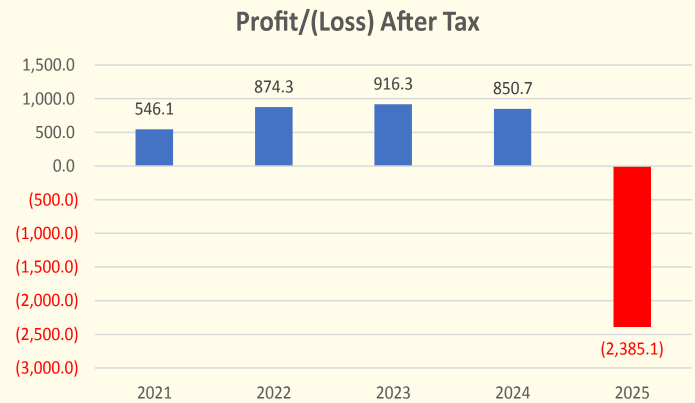


(Rupees in million)



(Rupees in million)

(Rupees in million)



Corporate Social Reaponsibility

Creating meaningful impact by empowering communities through our Bata Children's Program.

BCP Blood Donation Camp

Under the Bata Children's Program (BCP), a Blood Donation Camp was organized in collaboration with Sundas Foundation at our Batapur factory on October 15, 2025. The initiative aimed to support children suffering from Thalassemia, a genetic blood disorder that requires regular transfusions for survival. We are proud of our 102 employees who came forward to donate, collectively contributing 96 units of blood. Their generosity not only helps sustain countless young lives but also raises awareness on the importance of regular blood donation and its life-saving impact. At Bata, we believe that small actions, when taken together, can create a profound difference.

BCP Government Higher Secondary

On Founder's Day 2025, our BCP Volunteers came together to make a lasting impact at Government Higher Secondary School, G.T. Road, Lahore.

From repainting and refurbishing classrooms to renovating the school lawns, our team worked hands-on to create a brighter, greener, and more welcoming space for students to learn and grow.

Last year, we adopted a boys' school in the same vicinity, and this time, we extended our efforts to a girls' school, staying true to our philosophy of contributing to the communities where we operate.

At Bata, we believe in giving back and building a culture of volunteering that goes beyond the workplace. This initiative reflects our ongoing commitment to education, community development, and creating meaningful change together.

BCP social media workshop

As part of our ongoing commitment to nurture informed, responsible, and digitally aware youth, BCP Volunteers recently conducted insightful mentoring sessions on “Social Media Power and Responsibilities” for children aged 8 to 18 years.

The aim was simple yet impactful, to help young minds explore the constructive potential of social media while developing a strong sense of digital responsibility.

To deepen the learning, we introduced interactive and reflective activities that kept the children engaged while reinforcing key lessons. The sessions concluded on a heartwarming note as children showcased their talents through guitar performances, singing, and poetry recitations, a beautiful reminder of their creativity and confidence.

We are proud of the positive energy and awareness this initiative has generated. BCP Pakistan remains steadfast in its mission to prepare young individuals to thrive in both the digital and real world with purpose and responsibility.

A big thank you to our incredible volunteers who made this possible!





Digital Workshops

In celebration of Founder's Day 2025, BCP volunteers conducted Digital Literacy Workshops on Internet Safety & Digital Citizenship at Government Girls Higher Secondary School, G.T. Road Lahore, for students of grades 8–12.

The sessions equipped young learners with the tools to navigate today's digital world responsibly — from protecting personal information and recognizing cyber threats, to safe browsing, spotting misinformation, and maintaining respectful online behavior.

Through interactive discussions, real-life examples, and practical tips, students were encouraged to reflect on their online presence and use digital platforms positively for learning and personal growth.

✨ The impact was clear: greater awareness, stronger skills, and a renewed confidence to engage safely and responsibly in the digital space.

Joy Splash Carnival

The BCP Joy Splash Carnival was celebrated at Batapur on World Children's Day, bringing together employees, their children, and families under the themes of sports, creativity, and inclusion. From painting competitions to badminton, table tennis, musical chairs, and sack races, every activity was thoughtfully designed to ensure children of all ages and abilities could participate, express themselves, and build confidence. The event beautifully blended fun with meaningful learning, encouraging teamwork, creativity, physical development, and togetherness while creating memories that truly reflected the spirit of the day.

Medical Camp Batapur

A health awareness session and free medical camp were successfully organized at Government Primary School Batapur, Lahore, where BCP volunteers and the medical team worked together to educate children about common health issues, their symptoms, remedies, and preventive measures. Dr. Saleemullah (RMO) led an engaging session on personal hygiene and guided students on diseases such as malaria, dengue, influenza, gastroenteritis, typhoid, pneumonia, polio, and hepatitis.

The children participated enthusiastically, showing a strong commitment to adopting healthier habits. Following the session, a free medical camp provided consultations, medicines, and essential diagnostic tests to the community. 285 patients received medical support, while 165 individuals benefited from tests including blood sugar, uric acid, hemoglobin, and bone density screenings, leading to early identification of new diabetes cases and low calcium/Hb levels. The initiative received overwhelming appreciation from the school and community, strengthening trust in BCP's ongoing efforts and creating meaningful impact through improved health awareness and timely medical support.

#BataBCP #WeAreBata

Water Filteration Plant

As part of our #BataBCP initiatives, BCP Pakistan proudly installed a Water Filtration Plant at Government Primary School, Rampura, Lahore, located near our Batapur Factory.

With over 750 students enrolled from ECE to Grade 5, this school had no access to safe drinking water. Our intervention ensures clean and safe hydration for students and the surrounding community, positively impacting health and well-being.

The plant was officially inaugurated on May 22, 2025, by Mr. Imran Malik (Country Manager), along with company management, school officials, and community members.

This initiative reflects our unwavering commitment to the communities around us because every child deserves a safe start.

Partnerships

Building strong & strategic collaborations that drive mutual growth and long-term value.

Bata Baaz


Bata
SNEAKERS FOR ALL
power EasySlide
NO LACING NO EFFORT TOUCH-FREE WEAR

Broadway

Bata signed an MOU with Broadway Pizza This collaboration was designed to enhance the customer experience by offering exclusive Broadway Pizza vouchers alongside Bata purchases, combining the joy of stylish footwear with a delightful culinary treat. The initiative reflects Bata's commitment to creating added value for customers and exploring innovative partnerships that enrich the overall brand experience.

CITY School

Bata Pakistan partnered with The City School to host a lively, interactive event for children, featuring a “Spin the Wheel” activity where participants won a range of prizes, including shoes, socks, bottles, and Bata Club points.The event also highlighted Bata’s latest Power and North Star sneaker collections, combining style and comfort for the next generation.

ISL School

In collaboration with ISL School, we participated in their entrepreneurship event, engaging young minds through interactive sessions, distributing exclusive vouchers, gifting North Star shoes, and showcasing our latest collection. The initiative provided a platform to inspire creativity, encourage enterprise, and connect with future leaders, while highlighting Bata's commitment to style and innovation.

Recreational Activities

Building strong, strategic collaborations
that drive mutual growth and long-term value.

Independence Day

Bata Pakistan proudly celebrated the **78th Independence Day** by raising the national flag at our premises.

The ceremony was attended by **Mr. Muhammad Imran Malik (Country Manager)**, our HR Director, and team members, coming together to honor the spirit of Pakistan. This celebration reflects Bata's commitment to unity, community, and a shared vision for a brighter future.

All Region High Performance

Bata Pakistan proudly recognized the outstanding contributions of our high-performing **Store Managers** from across all regions during the recent **Prize and Certificate Distribution Ceremony. Mr. Muhammad Imran Malik (Country Manager) and Mr. Ahsan Umer** honored individuals whose dedication and performance continue to set new benchmarks. Each award reflects passion, teamwork, and commitment, the driving forces behind Bata's continued success. This celebration highlights leadership in action and inspires us all to aim higher.

Breast Cancer

Bata Pakistan joined hands in raising awareness for Breast Cancer this month, reminding everyone that early detection saves lives. Through informative sessions and meaningful conversations, our teams stood together in support of this important cause.

Football Championship

Bata Lahore District hosted the Lahore District Football Championship 2025 with 32 teams competing. Bata FC emerged as champions, showcasing skill, teamwork, and determination. Congratulations to all teams for making it a memorable celebration of football!

Cleanliness Workshop

BCP Volunteers brought this year's global theme to life at **Government Primary School, Rampura, Lahore** through an interactive session with students and a hands-on **roadside clean-up** in the community. The initiative promoted eco-conscious values, raised awareness, and encouraged collective responsibility, creating cleaner surroundings and inspired minds for a more sustainable future.

Founders Day

This Founder's Day, Bata Pakistan came together to celebrate the dedication, passion, and impact of our people.

We honored our BCP Volunteers for their inspiring contributions to community initiatives, from mentoring sessions and digital literacy workshops to school refurbishments and awareness drives, presenting them with gift hampers as a token of appreciation. At the same time, our Long Service Awards recognized employees whose loyalty and hard work have shaped Bata's journey and strengthened our legacy. The day was filled with energizing performances, engagement activities, delicious food, and a thrilling lucky draw, reflecting the spirit of unity, gratitude, and celebration that makes Bata more than a workplace, it's a family growing stronger together.

Gala Dinner

Bata had the privilege of participating in the Marketing Association of Pakistan Annual Gala Dinner 2025, an evening that celebrated connection, collaboration, and inspiration. The night featured gourmet dining, live music, and engaging conversations with industry leaders, bringing together top CEOs, visionary entrepreneurs, and marketing changemakers driving Pakistan's industry forward. It was truly a memorable gathering that highlighted the power of ideas, innovation, and meaningful partnerships.

Hajj Draw

We held our annual Hajj Draw 2026, a tradition that reflects our values of appreciation, empathy, and community. Selected employees are given the opportunity to perform Hajj, not as a reward, but as a gesture of gratitude for their dedication, integrity, and years of service. To our winners, we wish a journey filled with peace, blessings, and spiritual fulfillment. To the entire Bata family, your commitment continues to inspire us every day.

Independence Tree Planting

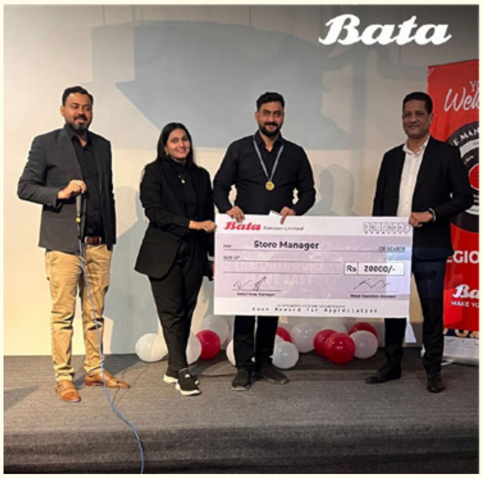
This Independence Day, Team Bata joined hands to plant trees at our local community centre, taking a step toward a greener, healthier future. Anchored in our values of care, responsibility, and sustainability, the initiative reflects Bata's ongoing commitment to supporting and giving back to the communities we serve.

KHI Store Manager Retreat

The Retail Store Managers Conference in Karachi brought together store managers and staff to celebrate top performers and align teams for a strong year-end. Key focus areas included trial and conversion, customer service, visual merchandising, stock clearance, and strategies to exceed December targets, motivating teams and reinforcing best practices for a successful finish to 2025.





LHR Store Manager Retreat

Our Store Managers came together for a Retail Conference celebrating top performers and future planning, featuring a Visual Merchandising session at M.M. Alam.
Thanks to our leadership, Akhtar Jam, Rizwan Ali, Meshaal Danish, Ali Kazmi, and Abeer Khalid, for inspiring and guiding the teams.

Multan Store Manager

Bata hosted the Store Manager Reward Ceremony in Multan, honoring top performers from Bahawalpur and Multan. October's Best Business Managers and YTD achievers received cash prizes, shields, and certificates from Tahir Waseem (Operations Manager, Retail South Punjab).

North Store Manager

Bata held the Store Manager Conference for the Up North Region to celebrate top performers in Turnover and KPIs for October and YTD. Led by Mr. Tahir Mumtaz (Regional Manager), the event honored achievers with shields and certificates, included team-building activities, and reinforced alignment toward the 111% target, leaving the team motivated, united, and ready for the months ahead.

Retail Conference

Our area managers came together to reflect on their achievements, exchange ideas, and chart the path to even greater success.

South Store Manager

Bata Pakistan hosted the South Region Store Manager Meet, led by Tahir Waseem (Regional Manager South). The session brought teams together to review performance, share ideas, and align on future goals, reinforcing Bata's focus on operational excellence, teamwork, and continuous growth. At Bata, great results come from teams working together with passion and purpose.

Supply Chain Sports

Keeping up with the team building activities, a match was held between Supply Chain and Commercial teams! Supply Chain scored 115 runs in 8 overs with 5 wickets down, but Commercial chased it in just 7.1 overs, winning with 4 wickets to spare. All players for the team spirit, energy, and sportsmanship!

Bata CHILDREN'S PROGRAM

BCP Milestones

13000+

People were provided with fresh water through
7 water filtration plants

12000+

People benefited from health and awareness sessions

12000+

Saplings were planted for a greener future

10000+

People benefited through health awareness programs & free medical camps

CHAIRPERSON REVIEW REPORT

As we conclude another financial year, it is my pleasure to present the review report in accordance with the requirements of Section 192(4) of the Companies Act, 2017, for the year ended December 31, 2025. This report highlights the Company's performance and the role of the Board of Directors in guiding management in the effective discharge of its responsibilities for the benefit of all stakeholders.

Bata Pakistan Limited complies with all applicable requirements set out in the Companies Act, 2017 (the "Act") and the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the "Regulations") with respect to the composition, procedures, and meetings of the Board of Directors and its committees. In accordance with the Code of Corporate Governance, an annual evaluation of the Board of Directors (the "Board") of Bata Pakistan Limited (the "Company") is conducted. The purpose of this evaluation is to assess the Board's overall performance and effectiveness against established objectives and expectations of the Company. Any areas identified for improvement are duly considered, and appropriate action plans are developed and implemented.

For the Purpose of Board evaluation, a comprehensive criterion has been developed. The Board has recently completed its annual self-evaluation for the year ended December 31, 2025.

The overall performance of the Board measured on the basis of approved criteria for the year was satisfactory. The overall assessment as satisfactory is based on an evaluation of the following integral components, which have a direct bearing on the Board's role in achievement of Company's objectives:

1. Vision, mission, and values:
The Board members are familiar with the current vision, mission and values and support them. The Board revisits the mission and vision statement from time to time.

2. Engagement in strategic planning:
The Board has a clear understanding of the stakeholders (shareholders, customers, employees, vendors, society at large) whom the Company serves. The Board has a strategic vision of how the Organization should evolve over the next three to five years. Further, the Board sets annual goals and targets for the management in all major performance areas.

3. Diligence:
The Board members diligently performed their duties and thoroughly reviewed, discussed and approved business strategies, corporate objectives, plans, budgets, financial statements and other reports. It received clear agendas and supporting written material in sufficient time prior to Board and committee meetings. The Board met frequently enough to adequately discharge its responsibilities.

4. Monitoring of Organization's business activities:
The Board remained updated with respect to achievement of Company's objectives, goals, strategies and financial performance through regular presentations by the management, internal and external auditors and other independent consultants. The Board provided appropriate direction and oversight on a timely basis.

5. Diversity and mix:
The Board effectively brings diversity in its composition, comprising a balanced mix of executive, non-executive and independent directors. In line with the principles of Diversity, Equity & Inclusion (DE&I), the Board also includes female directors, further strengthening its commitment to inclusive representation and varied perspectives. The executive, non-executive and independent directors remain equally engaged in all key Board decisions, contributing to robust and balanced governance.

6. Governance and Control Environment:
The Board has effectively set the tone at the top, by putting in place a transparent and robust system of governance. This is reflected by setting up an effective control environment, compliance with best practices of Corporate Governance and by promoting ethical and fair behavior across the Company.

Batapur:
Lahore: April 24, 2026

Ms. Jin Zeng
Chairperson of the Board

چیئرپرسن کی جائزہ رپورٹ

جیسا کہ ہم ایک اور مالی سال کا اختتام کر رہے ہیں، مجھے کمپنیز ایکٹ 2017 کے سیکشن (4)192 کے تقاضوں کے مطابق 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے جائزہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔ یہ رپورٹ کمپنی کی کارکردگی کو اجاگر کرتی ہے اور بورڈ آف ڈائریکٹرز کے اس کردار کو بھی نمایاں کرتی ہے کہ اس نے تمام اسٹیک ہولڈرز کے مفاد کے لیے انتظامیہ کو اپنی ذمہ داریاں مؤثر طریقے سے انجام دینے میں کس طرح رہنمائی فراہم کی۔

باٹا پاکستان لمیٹڈ بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کی تشکیل، طریقہ کار اور میٹنگز کے حوالے سے کمپنیز ایکٹ، 2017 ("ایکٹ") اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 ("ریگولیشنز") میں بیان کردہ تمام تقاضوں کی تعمیل کرتا ہے۔ جیسا کہ کوڈ آف کارپوریٹ گورننس کے تحت ضروری ہے، باٹا پاکستان لمیٹڈ ("کمپنی") کے بورڈ آف ڈائریکٹرز ("بورڈ") کی سالانہ کارکردگی کا جائزہ لیا جاتا ہے۔ اس جائزے کا مقصد کمپنی کے مقرر کردہ اہداف اور توقعات کے تناظر میں بورڈ کی مجموعی کارکردگی اور فعالیت کا جائزہ لینا ہے۔ جن شعبوں میں بہتری کی ضرورت ہے ان پر مناسب غور کیا جاتا ہے، مناسب ایکشن پلان بنائے جاتے ہیں اور ان پر عمل درآمد کیا جاتا ہے۔

بورڈ کی کارکردگی کے جائزے کے مقصد کے لیے ایک جامع معیار مرتب کیا گیا ہے۔ بورڈ نے حال ہی میں 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے اپنی سالانہ خود تشخیص کی کارروائی مکمل کی ہے۔

اس سال کے لیے منظور شدہ معیار کی بنیاد پر جانچی گئی بورڈ کی مجموعی کارکردگی تسلی بخش تھی۔

بطور تسلی بخش کارکردگی، مجموعی تشخیص درج ذیل لازمی امور کی جانچ پر مبنی ہے، جن کا کمپنی کے اہداف کے حصول میں بورڈ کے کردار پر براہ راست اثر پڑتا ہے:

1۔ نظریہ، مقصد اور اقدار:

بورڈ کے اراکین موجودہ نظریے، مقصد اور اقدار سے واقف ہیں اور ان کی حمایت کرتے ہیں۔ بورڈ وقتاً فوقتاً مقصد اور نظریے کے بیانیے پر نظرثانی کرتا ہے۔

2۔ اسٹریٹجک منصوبہ بندی میں شمولیت:

بورڈ اُن اسٹیک ہولڈرز (شیئر ہولڈرز، صارفین، ملازمین، وینڈرز، اور وسیع دائرہ کار میں معاشرہ) کی واضح سمجھ بوجھ رکھتا ہے جن کو کمپنی خدمات فراہم کرتی ہے۔ بورڈ کے پاس ایک اسٹریٹجک وژن موجود ہے کہ اگلے تین سے پانچ سالوں میں ادارے کو کس طرح آگے بڑھنا چاہیے۔ مزید برآں، بورڈ کارکردگی کے تمام بڑے شعبوں میں انتظامیہ کے لیے سالانہ اہداف اور مقاصد کا تعین کرتا ہے۔

3۔ مستعدی:

بورڈ کے اراکین نے تندہی سے اپنے فرائض سرانجام دیے اور کاروباری حکمت عملیوں، کارپوریٹ مقاصد، منصوبوں، بجٹ، مالیاتی گوشواروں اور دیگر رپورٹس کا تفصیلی جائزہ لیا، ان پر تبادلۂ خیال کیا اور ان کی منظوری دی۔ انہیں بورڈ اور کمیٹی کے اجلاسوں سے قبل بروقت واضح ایجنڈا اور معاون تحریری مواد فراہم کیا گیا۔ بورڈ نے اپنی ذمہ داریوں کو بہتر طریقے سے نبھانے کے لیے تسلسل کے ساتھ اجلاس منعقد کیے۔

4۔ ادارے کی کاروباری سرگرمیوں کی نگرانی:

بورڈ انتظامیہ، اندرونی اور بیرونی آڈیٹرز اور دیگر انڈیپینڈنٹ کنسلٹنٹس کی طرف سے پریزنٹیشنز کے ذریعے کمپنی کے مقاصد، اہداف، حکمت عملیوں اور مالیاتی کارکردگی کے حوالے سے باخبر رہا ہے۔ بورڈ نے بروقت ضروری رہنمائی اور نگرانی فراہم کی۔

5۔تنوع اوراشتراک:

بورڈ کی تشکیل میں تنوع کویقینی بنایا جاتا ہے، جوا یگزیکٹو، نان ایگزیکٹواورانڈیپنڈنٹ ڈائریکٹرز کے متوازن امتزاج پر مشتمل ہے۔تنوع، مساوات اورشمولیت (DE&I) کے اصولوں کے عین مطابق بورڈ میں خاتون ڈائریکٹرز بھی شامل ہیں،جن کی شمولیت جامع نمائندگی اورمختلف نقطہ ہائے نظر کے لیے بورڈ کےعزم کومزیدتقویت دیتی ہے۔ایگزیکٹو، نان ایگزیکٹواوراانڈیپنڈنٹ ڈائریکٹرز بورڈ کےتمام اہم فیصلوں میں یکساں طور پر شریک رہتے ہیں، جوایک مستحکم اورمتوازن طرزِ انتظام میں معاون ثابت ہوتا ہے۔

6۔گورننس اورکنٹرول انوائرمنٹ:

بورڈنے گورننس کاایک شفاف اورمضبوط نظام قائم کرکےاعلیٰ سطح پر بہترین مثال قائم کی ہے۔اس کی عکاسی ایک مؤثر کنٹرول انوائرمنٹ کے قیام،کارپوریٹ گورننس کے بہترین طریقوں کی پاسداری اورپوری کمپنی میں اخلاقی اورمنصفانہ رویے کےفروغ سے بخوبی ہوتی ہے۔

مس جن ژینگ

چیئرپرسن بورڈ

باٹاپور:

لاہور: 24اپریل،2026

Director's Report

to the Members

DIRECTORS' REPORT TO THE MEMBERS

We, on behalf of the Board of Directors of Bata Pakistan Limited, are pleased to present the Annual Report, along with the audited financial statements of the Company, for the year ended December 31, 2025.

1. Principal Activity

The principal activity of the Company is the manufacturing and sale of footwear of all kinds, along with the sale of accessories and hosiery items.

2. Holding Company

The parent company of Bata Pakistan Limited is Bafin (Netherlands) B.V., based in the Netherlands, while the ultimate parent entity is Compass Limited, Bermuda.

3. Financial Results

A brief financial analysis is presented as under:

Operating Results	2025	2024	Increase / (Decrease)
	Amount in (000's)		
Turnover	21,914,022	22,686,096	-3.40%
Net Turnover	17,776,670	18,332,461	-3.03%
Gross Profit	7,020,058	9,014,152	-22.12%
Gross Profit %	39.49%	49.17%	-968bps
Distribution Costs	5,596,319	5,294,971	5.69%
Administrative Expenses	2,439,595	1,887,535	29.25%
Operating (Loss) / Profit	(1,734,367)	2,053,985	-184.44%
(Loss) / Profit After Tax	(2,385,054)	850,730	-380.35%
(Loss) / Earnings per Share - Rupees	(315.48)	112.53	-380.35%

4. Financial Results and Developments

The Company achieved net turnover of Rs. 17.777 billion, reflecting a decline of 3.03% over last year. Gross profit was recorded at Rs. 7.020 billion against Rs. 9.014 billion last year. The Company reported an operating loss of Rs. 1.734 billion against an operating profit of Rs. 2.053 billion last year. Loss after taxation was recorded at Rs. 2.385 billion as compared to profit after tax of Rs. 850.73 million in the preceding year. (Loss)/earning per share were Rs. (315.48) compared to Rs. 112.53 last year.

Our retail division remained under pressure with 1.43% decline in turnover against last year. In 2025, retail operations were consolidated with closure of loss making and low turnover stores and opening of big format stores. This adjustment had short term impact on turnover but will improve the overall efficiencies of the retail department and profitability of the Company. In order to sustain this growth and to provide friendly and modern atmosphere in the stores, an amount of Rs. 563 million has been spent to open new stores and to renovate existing stores at key business locations. Much of the expansion was focused on our modern format of stores concept.

Turnover of wholesale business also declined by 10% against last year. Company during the year changed its credit model with wholesalers and converted to cash sale instead of traditional credit. This shift in policy impacted the turnover and also the receivable recoveries. To maintain a prudent approach, the Company recognized a provision against long outstanding receivables based on recoverability assessments relating to each customer. Similarly, a provision was recognized against long-outstanding sales tax receivables based on management's assessment. These provisions significantly impacted the Company's profitability for the year.

Company started 2025 with very high inventory due to less than expected turnover in 2024, this high stock position forced the company to clear these stocks at higher discounts which put pressure on margins and resultantly Gross Profit reduced by 9.68%. Company believes that this adjustment in margins was necessary to secure the cash flow and freshness of the inventory.

The Company has an effective cash flow management system in place whereby cash inflows and outflows are projected on regular basis. With better cashflow management during the year, Company did not have any short-term borrowings at the year end.

The growth of our business is highly dependent on the skills imparted to our personnel through sound training. The Company has invested a considerable time and money on human resource during the period to acquire latest developments in the field of technology and business administration. This would be the ongoing process for future periods. Training of our employees has always been considered as an investment for the future with the objective to provide them with safe and healthy working environment.

5. (Loss) / Earning per share

(Loss) / Earning per share for the year ended December 31, 2025 was Rs. (315.48) as against Rs. 112.53 of the preceding year.

6. Appropriation of Profit/ (Loss)

The financial results of the Company are as under:	December 31, 2025 Rs. ('000)
Loss before taxation and levy	(2,507,676)
Less: Provision for taxation	
Levy – minimum tax	(246,065)
Current tax	2,688
Deferred tax	365,999
	122,622
Loss after tax	(2,385,054)
Unappropriated profit brought forward from last year	913,042
Experience adjustments - Employee Benefits	6,799
Unappropriated loss carried forward	(1,465,213)

7. Principal Risk and Uncertainties

The Company is exposed to certain inherent risks and uncertainties. However, we consider the following as key risks:

- Significant competition in our product categories;
- Adverse movement in foreign exchange rates and commodity prices; and
- Litigation risks involving significant cases against the company.

The Company works with internal and external stakeholders to mitigate/reduce to acceptable level the likely impacts of aforesaid risks.

8. Corporate Social Responsibility

During 2025, Bata Children's Program (BCP) Pakistan continued its commitment to community development, child welfare, education, health awareness, and environmental sustainability through active collaboration with schools, communities, and partner organizations.

Health awareness remained a priority. BCP volunteers, with a medical team, conducted sessions at Batapur schools on balanced nutrition, hygiene, exercise, mental well-being, and prevention of common diseases such as malaria, dengue, typhoid, and hepatitis. Sports and inclusion were promoted through the Annual Sports Day at Amin Maktab and the Joy Splash Carnival on World Children's Day, engaging students in games, track and field activities, and creative competitions.

Educational initiatives included a visit for students to the National Museum of Science & Technology, Lahore, and mentoring sessions on IT skills and responsible social media use at Batapur schools. On International Women's Day, volunteers organized a session on firefighting and emergency response, enhancing safety awareness and confidence among young girls.

Environmental efforts included a two-week Tree Plantation Drive planting over 2,100 trees, a World Environment Day session on "Beat Plastic Pollution" and a Kitchen Gardening campaign promoting sustainable practices. BCP also improved community infrastructure by installing a water filtration plant at Government Primary School, Rampura, and refurbishing classrooms and drinking facilities at Government Girls Higher Secondary School, Lahore.

Additionally, BCP supported SOS Children's Village Pakistan's 50th anniversary fundraising walk and organized a blood donation camp in collaboration with Sundas Foundation, collecting 96 units of blood to aid children with Thalassemia. Through these initiatives, BCP Pakistan reinforced its commitment to education, health, environmental protection, and community well-being.

9. Environmental Impact

The collective environmental impact of BCP's activities during 2025 has been significant. The large-scale tree plantation drive and kitchen gardening campaign directly contributed to increased green cover, improved air quality, and enhanced awareness of sustainable living within the community. Environmental education sessions fostered eco-conscious behavior among young students, encouraging waste reduction and responsible use of natural resources. Furthermore, water filtration and clean drinking water initiatives reduced reliance on unsafe water sources, thereby supporting public health and environmental protection. Overall, BCP's integrated approach during 2025 strengthened community resilience while promoting long-term environmental sustainability.

10. Future Outlook

Despite tough competition in the market and an uncertain economic environment, the Company remains fully committed and optimistic about the future growth of its business. The Company continues to strive to offer the best products along with an excellent shopping experience to its walk-in as well as online customers.

11. Internal Financial Controls

The Directors and management of the Company are responsible for maintaining an effective system of internal controls and for reviewing its adequacy on an annual basis. The Board of Directors and the Audit Committee regularly review reports from the internal audit function to ensure that the Company's control framework meets the required standards. The internal audit function conducts systematic assessments of the integrity and effectiveness of the Company's control activities and provides regular reports to the Audit Committee and the Board. These assessments help ensure that risks are effectively managed, compliance obligations are fulfilled, and the Company operates efficiently, transparently, and ethically.

12. Compliance with Listed Companies (Code Of Corporate Governance) Regulations, 2019 (the Regulations)

The Company has adopted the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 relevant to the year ended December 31, 2025, and confirms full compliance therewith. A statement to this effect is annexed to this Report.

13. Corporate and Financial Reporting Framework

The Directors of your company state that:

a) The financial statements together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 and International Financial Reporting Standards, as applicable in Pakistan. These statements present fairly the Company's state of affairs, the results of its operations, cash flows and changes in equity.

b) Proper books of account of the Company have been maintained.

c) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accordingly estimates are based on reasonable and prudent judgment. Change in accounting policy, if any has been adequately disclosed.

d) International Financial Reporting Standards, as applicable in Pakistan, have been followed in the preparation of financial statements.

e) The system of internal controls is sound in design and has been effectively implemented and is being consistently reviewed by the internal audit department.

f) There are no significant doubts upon the Company's ability to continue as a going concern.

g) There has been no material departure from the best practices of corporate governance as detailed in listing regulations of Pakistan Stock Exchange.

h) Key operating and financial data of last six years is annexed to this report.

i) Information about taxes and levies outstanding as at December 31, 2025 is given in the notes to the annexed financial statements.

j) The valuation of investment made by the Provident Fund Trust Rs. 1.472 billion as on December 31, 2025 as per audited accounts.

k) No trading in the shares of the Company was carried out by the Directors, CEO, CFO and Company Secretary, their spouses and minor children.

14. Composition of Board

The board consists of seven (07) male and two (02) female directors with following composition:
Independent directors * 3
Other directors (Executive & Non-Executive) * 6
* This includes two female directors

The Board held six (06) meetings during the year. Attendance by each Director was as follows:

Names of the Directors on the Board of the Company during the year 2025:

Directors' Name		Meetings Attended	Eligible to attend
Ms. Jin Zeng	Non - Executive Director	6	6

Mr. Ahsan Umar	Executive Director	2	2
Mr. Amjad Farooq	Executive Director	6	6
Mr. Lim Ghim Keong	Non - Executive Director	4	5
Mr. Muhammad Maqbool	Non - Executive Director	5	6
Mr. Rashid Rahman Mir	Independent Director	6	6
Mr. Kamal Monnoo	Independent Director	6	6
Ms. Fatima Asad Khan	Independent Director	5	6

During the year 2025, the following director resigned from the Board of Directors of the Company:

Name of resigned directors		Resigned Date	Meetings Attended	Eligible to attend
Mr. Rearngwut Chuenchomsakun	Non - Executive Director	17/01/2025	0	0
Mr. Aamir Amin	Non - Executive Director	03/06/2025	2	2
Mr. Muhammad Imran Malik	Non - Executive	31/12/2025	6	6

Leave of absence was granted to Directors who were unable to attend certain Board meetings. The Company has also fulfilled the requirements of the Directors' Training Program as specified under the Listed Companies (Code of Corporate Governance) Regulations, 2019, for the year ended December 31, 2025.

15. Audit Committee

The Audit Committee held four (04) quarterly meetings during the year. Attendance by each member was as follows:

Names of the Members of the Audit Committee of the Board of Directors during the Year 2025:

Members of the Audit Committee		Meetings Attended	Eligible to attend
Mr. Rashid Rahman Mir	Independent Director	4	4
Mr. Muhammad Maqbool	Non - Executive Director	1	2
Mr. Lim Ghim Keong	Non - Executive Director	2	2

During the year 2025, the following member resigned from the Audit Committee of the Board:

Name of resigned member(s) of the Audit Committee		Resigned Date	Meetings Attended	Eligible to attend
Mr. Rearngwut Chuenchomsakun	Non - Executive Director	17/01/2025	0	0
Mr. Aamir Amin	Non - Executive Director	03/06/2025	2	2

The Audit Committee reviewed the quarterly, half-yearly, and annual financial statements prior to their submission to the Board and subsequent publication. Meetings of the Committee were attended by the CFO, Head of Internal Audit, and a representative of the external auditors, where key issues relating to accounts and audit were discussed. The Audit Committee also reviewed the findings of the internal audit function and held separate meetings with both internal and external auditors, as required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations). Additionally, the Committee discussed with the external auditors their management letter and reviewed related party transactions before they were placed for approval by the Board.

16. Remuneration Package of Chief Executive and Directors

The HR Committee held two (02) meetings during the year. Attendance by each member was as follows:

Names of the Members of the Human Resource and Remuneration Committee of the Board of Directors during the Year 2025:

Members of the Human Resource and Remuneration Committee of the Board of Directors		Meetings Attended	Eligible to attend
Ms. Fatima Asad Khan	Independent Director	2	2
Mr. Muhammad Maqbool	Non - Executive Director	1	2

During the year 2025, the following member resigned from the Human Resource and Remuneration Committee of the Board:

Name of resigned member(s) of the Human Resource and Remuneration Committee		Resigned Date	Meetings Attended	Eligible to attend
Mr. Muhammad Imran Malik	Executive Director	31/12/2025	2	2

17. Remuneration of Other Directors

The Company does not pay remuneration to its non-executive Directors, including independent Directors, except for a meeting fee for attending Board and Committee meetings. The Company reimburses or bears the expenses of travel and accommodation incurred by Directors in connection with attending such meetings. The Directors' Remuneration Policy is reviewed and approved by the Board of Directors from time to time. Details of the aggregate remuneration of executive and non-executive Directors, including salary/fees, perquisites, benefits, and performance-linked incentives, are disclosed in the annexed financial statements.

18. Remuneration Package of Chief Executive and Directors

The remuneration package of the Chief Executive and other Directors is disclosed in Note 43 to the financial statements.

19. Auditors

The present Auditors, Messrs. A.F. Ferguson & Co., Chartered Accountants, retire and, being eligible, have offered themselves for re-appointment. The Board of Directors, on the recommendation of the Audit Committee, has proposed their re-appointment as Statutory Auditors of the Company for the year ending December 31, 2026, subject to approval of the shareholders at the Annual General Meeting.

20. The Pattern of Shareholding

The pattern of shareholding as at December 31, 2025, along with the disclosure required under the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations), is annexed to this report.

21. Shariah and Non-Shariah Compliance Status

The SECP has made some amendments in the Fourth Schedule of the Companies Act, 2017 for reporting on Shariah and Non-Shariah related matters vide SRO 1278(I)/2024 dated August 15, 2024, the same has been complied in the financials statement of the company.

22. Environmental, Social and Governance - ESG

The initiatives are taken by the board for the adoption of ESG guidelines by SECP.

23. Addressing Sustainability, Environmental, Social Governance

The ESG initiatives implemented in 2025 reflect Bata Pakistan's strong commitment to sustainability, employee safety, and environmental responsibility. Through proactive hazard elimination, robust safety systems, and innovative environmental solutions, the organization continues to strengthen its position as a responsible and forward-looking manufacturer. These achievements reinforce Bata Pakistan's alignment with global sustainability standards and its dedication to creating long-term value for employees, communities, and the environment. Key ESG initiatives undertaken during 2025 include:

Large-Scale Asbestos Removal for improved workplace health

In 2025, Bata Pakistan successfully completed the removal of approximately 350,000 square feet of asbestos from factory premises and administrative buildings. This initiative was undertaken to eliminate long-term health risks associated with asbestos exposure, including respiratory illnesses and occupational hazards. The removal process was executed in accordance with approved safety protocols, ensuring minimal disruption to operations while prioritizing employee safety. By proactively addressing legacy construction risks, the organization significantly improved indoor air quality and created a healthier, safer working environment. This initiative reflects Bata Pakistan's strong commitment to employee well-being and compliance with modern health and safety standards.

Comprehensive Machine Safety Enhancement

To strengthen occupational safety, Bata Pakistan achieved 99% machine safeguarding coverage across its operations in 2025. This initiative included both rotary and non-rotary machinery, ensuring that nearly all equipment was fitted with appropriate safety guards, interlocks, and protective systems. The enhancement significantly reduced the risk of workplace injuries, machinery-related incidents, and unplanned downtime. In addition to physical safeguards, awareness and compliance measures were reinforced to ensure safe machine operation. This achievement demonstrates Bata Pakistan's focus on proactive risk prevention and its dedication to maintaining a zero-harm workplace culture.

Innovative PU Ash Recycling into Eco-Bricks

As part of its environmental sustainability efforts, Bata Pakistan introduced an innovative initiative to convert PU ash into eco-bricks, a practice implemented exclusively within the organization. This initiative transformed industrial waste into a useful construction material, reducing landfill disposal and promoting circular economy principles. The project resulted in an annual reduction of approximately 4 tons of CO_2 emissions, contributing directly to the organization's carbon footprint reduction goals. By converting waste into a value-added product, Bata Pakistan not only minimized environmental impact but also set a benchmark for sustainable waste management within the manufacturing sector.

24. Promoting the Diversity, Equity and Inclusion – DEI

Our company remains committed to strengthening a workplace culture that values diversity, equity, and inclusion while ensuring the well-being and professional growth of all employees. During 2025, we continued to expand our initiatives to create a more inclusive and supportive environment where individuals from all backgrounds can thrive and contribute effectively to organizational success.

A significant milestone this year has been the increased participation of women in our workforce. Currently, more than 138 (2024: 90) female employees are working across our factory operations, contributing actively in various production and operational roles. In addition, the Company has taken the initiative in 2025 to strengthen gender diversity within our retail network, 99 female employees have been recruited as cashiers in our retail outlets. These initiatives reflect our commitment to providing equal employment opportunities and encouraging greater female participation in the workforce. To further support female employees, the company has introduced a dedicated transport allowance exclusively for women, ensuring safe and convenient commuting options. This initiative has been well received and has helped improve accessibility to employment opportunities for female staff members.

In line with our commitment to creating a family-friendly workplace, a daycare center is currently under construction at our facility. Once operational, the daycare center will provide working mothers with a safe and supportive environment for their children during working hours. This initiative is expected to further empower women by enabling them to balance professional responsibilities with family life more effectively. Alongside these structural improvements, the company continues to promote an inclusive workplace culture by celebrating important national and international occasions such as International Women's Day, Mother's Day, Father's Day, and Pink Ribbon Day. These activities help strengthen employee engagement, raise awareness about health and well-being, and foster a sense of belonging across the organization.

We also remain committed to attracting and nurturing talented individuals. Through structured recruitment processes, induction programs, and continuous professional development opportunities, employees are encouraged to grow within the organization while contributing to a culture of innovation and collaboration. Our workforce represents individuals from diverse educational, social, and professional backgrounds, creating a dynamic environment where ideas and perspectives are respected and valued.

To further strengthen teamwork and employee engagement, the company continues to organize sports tournaments and recreational activities that encourage participation from both male and female employees. These initiatives promote physical well-being, enhance collaboration, and help maintain a healthy work-life balance across the organization. Through these continued efforts, our company reaffirms its commitment to building a workplace that is inclusive, respectful, and supportive. By investing in gender diversity, employee well-being, and professional development, we aim to create a sustainable and equitable environment where every employee feels valued and empowered to succeed.

25. Subsequent Events

No material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year to which these financial statements relate and the date of directors' report.

26. Related Party Transactions

The transactions with the related parties and associated undertakings were placed before Audit Committee and upon its recommendations were approved by the Board of Directors.

27. Acknowledgement

We take this opportunity to express our gratitude and appreciation to our customers for their confidence in our products, our employees for their efforts and all other stakeholders for their continued support.

On behalf of the
BOARD OF DIRECTORS

Place: Batapur, Lahore
Date: April 24, 2026

DIRECTOR

AHSAN UMAR
CHIEF EXECUTIVE

ڈائریکٹرز کی رپورٹ برائے ممبران

ہمیں باٹا پاکستان لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے کمپنی کے آڈٹ شدہ مالیاتی گوشواروں کے ساتھ سالانہ رپورٹ پیش کرتے ہوئے خوشی ہو رہی ہے۔

1. بنیادی سرگرمی

کمپنی کی بنیادی سرگرمی ہر قسم کے جوتوں کی تیاری اور فروخت کے ساتھ اسیسریز اور ہوزری کی اشیاء کی فروخت ہے۔

2. ہولڈنگ کمپنی

باٹا پاکستان لمیٹڈ کی پیرنٹ کمپنی بافن (نیدرلینڈ) بی وی ہے جو نیدرلینڈ میں واقع ہے، جبکہ ان سب کی پیرنٹ کمپنی کمپاس لمیٹڈ، برمودا ہے۔

3. مالیاتی نتائج

ایک مختصر مالیاتی تجزیہ درج ذیل ہے:

آپریٹنگ نتائج	2025	2024	اضافہ/(کمی)
	رقم (ہزاروں میں)		
ٹرن اوور	21,914,022	22,686,096	-3.40%
نیٹ ٹرن اوور	17,776,670	18,332,461	-3.03%
مجموعی منافع	7,020,058	9,014,152	-22.12%
مجموعی منافع فیصد	39.49%	49.17%	-968bps
ڈسٹری بیوشن اخراجات	5,596,319	5,294,971	5.69%
انتظامی اخراجات	2,439,595	1,887,535	29.25%
آپریٹنگ (خسارہ)/منافع	(1,734,367)	2,053,985	-184.44%
ٹیکس کے بعد (خسارہ)/منافع	(2,385,054)	850,730	-380.35%
فی حصص آمدن/(خسارہ)۔ روپے	(315.48)	112.53	-380.35%

4-مالیاتی نتائج اور ڈویلپمنٹس

کمپنی کا نیٹ ٹرن اوور 17.777 بلین روپے رہا جو گزشتہ سال کی نسبت 3.03 فیصد کمی کو ظاہر کرتا ہے۔ مجموعی منافع گزشتہ سال کے 9.014 بلین روپے کے مقابلے میں 7.020 بلین روپے رہا۔ کمپنی کو گزشتہ سال کے 2.053 بلین روپے منافع کے مقابلے میں 1.734 بلین روپے خسارے کا سامنا رہا۔ بعد از ٹیکس منافع گزشتہ سال 850.73 ملین روپے تھا جبکہ زیر جائزہ سال 2.385 بلین روپے کا بعد از ٹیکس خسارہ سامنے آیا۔ کمپنی کا فی حصص آمدن/(خسارہ) گزشتہ سال کے 112.53 روپے کے مقابلے میں (315.48) روپے رہا۔

ہمارا ریٹیل ڈویژن دباؤ کا شکار رہا اور گزشتہ سال کے مقابلے میں ٹرن اوور میں 1.43 فیصد کمی دیکھی گئی۔ سال 2025 میں خسارے میں جانے والے اور کم ٹرن اوور والے اسٹورز کو بند کر کے، اور بڑے فارمیٹ کے اسٹورز کھول کر ریٹیل آپریشنز کو مستحکم کیا گیا۔ اس ایڈجسٹمنٹ نے تھوڑے عرصے کے لیے کے ٹرن اوور کو متاثر کیا، تاہم اس سے ریٹیل ڈپارٹمنٹ کی مجموعی کارکردگی اور کمپنی کی منافع بخشی میں بہتری آئے گی۔ اس ترقی کو برقرار رکھنے اور اسٹورز میں دوستانہ اور جدید ماحول فراہم کرنے کے لیے 563 ملین روپے کی رقم نئے اسٹورز کھولنے اور اہم کاروباری مقامات پر موجود اسٹورز کی تزئین و آرائش کے لیے خرچ کیے گئے۔ توسیعی اقدامات کے دوران ہماری ترجیحات جدید فارمیٹ آف اسٹورز کے قیام کے متعلق رہیں۔

ہول سیل کاروبار کے ٹرن اوور میں بھی گزشتہ سال کے مقابلے میں 10 فیصد کمی واقع ہوئی۔ کمپنی نے سال کے دوران ہول سیلرز کے ساتھ اپنے کریڈٹ ماڈل کو تبدیل کیا اور ادھار کے روایتی طریقے کے بجائے نقد فروخت کا طریقہ کار اپنایا۔ پالیسی میں اس تبدیلی نے ٹرن اوور اور واجب الوصول رقوم کی وصولی کو متاثر کیا۔ محتاط طریقہ کار برقرار رکھنے کے لیے کمپنی نے ہر صارف سے متعلق وصولیابی کے جائزوں کی بنیاد پر طویل عرصے سے واجب الادا رقوم کے خلاف پرووژن مقرر کیا ہے۔ اسی طرح، انتظامیہ کے جائزے کی بنیاد پر سیلز ٹیکس کے طویل مدتی واجب الادا ریفنڈز کے خلاف بھی پرووژن مقرر کیا گیا۔ ان پرووژنز نے سال کے دوران کمپنی کے منافع پر نمایاں اثر ڈالا ہے۔

کمپنی نے سال 2025 کا آغاز اسٹاک کی بہت زیادہ مقدار (inventory) کے ساتھ کیا، جس کی وجہ سال 2024 میں ٹرن اوور کا توقع سے کم رہنا تھا۔ اسٹاک کی اس بلند شرح نے کمپنی کو مجبور کیا کہ وہ اس اسٹاک کو زیادہ ڈسکاؤنٹ پر فروخت کرے، جس نے مارجنز پر دباؤ ڈالا اور نتیجتاً مجموعی منافع میں 9.68 فیصد کمی واقع ہوئی۔ کمپنی کا ماننا ہے کہ کیش فلو کو محفوظ بنانے اور تازہ انوینٹری برقرار رکھنے کے لیے مارجنز میں یہ ایڈجسٹمنٹ ضروری تھی۔

کمپنی کے پاس ایک مؤثر کیش فلو مینجمنٹ سسٹم ہے جس کے تحت کیش کی آمد اور اخراج کا مستقل بنیادوں پر تخمینہ لگایا جاتا ہے۔ سال کے دوران کیش فلو کے بہتر انتظام کی بدولت سال کے اختتام پر کمپنی پر کوئی قلیل مدتی قرضہ واجب الادا نہیں تھا۔

ہمارے کاروبار کی ترقی کا انحصار بڑی حد تک اپنے عملے کو بہترین تربیت کے ذریعے دی جانے والی مہارتوں پر ہے۔ کمپنی نے اس عرصے کے دوران انسانی وسائل (human resource) پر وقت اور پیسے کی کافی سرمایہ کاری کی ہے تاکہ ٹیکنالوجی اور بزنس ایڈمنسٹریشن کے شعبوں میں ہونے والی تازہ ترین پیش رفت سے ہم آہنگ ہوا جا سکے۔ یہ آئندہ ادوار میں بھی ایک جاری و ساری عمل ہوگا۔ ہمارے ملازمین کی تربیت کو ہمیشہ مستقبل کے لیے سرمایہ کاری کے طور پر سمجھا جاتا ہے جس کا مقصد انہیں محفوظ اور صحت مند کام کا ماحول فراہم کرنا ہے۔

5- فی حصص (خسارہ)/ آمدنی

31 دسمبر 2025 کو ختم ہونے والے سال کے لیے فی حصص (خسارہ)/ آمدنی گزشتہ سال کے 112.53 روپے کے مقابلے میں (315.48) روپے تھی۔

6- منافع / (خسارے) کا اختصاص

کمپنی کے مالیاتی نتائج حسب ذیل ہیں:

	31 دسمبر 2025 کو ختم ہونے والا سال روپے (ہزاروں میں)
خسارہ قبل از ٹیکس اور لیوی	(2,507,676)
کمی: ٹیکس کے لیے اختصاص	
لیوی۔کم از کم ٹیکس	(246,065)
موجودہ ٹیکس	2,688
مؤخر ٹیکس	365,999
	122,622
بعد از ٹیکس خسارہ	(2,385,054)
گزشتہ سال سے منتقل ہونے والا غیر موزوں منافع	913,042
تجربہ ایڈجسٹمنٹ۔ملازمین کے فوائد	6,799
منتقل شدہ غیر موزوں خسارہ	(1,465,213)

7- بنیادی خطرہ اور غیر یقینی صورتحال

کمپنی بعض موروثی خطرات اور غیر یقینی صورتحال سے دوچار ہے۔تاہم، ہم درج ذیل کو بنیادی خطرات کے طور پر دیکھتے ہیں:

ہماری مصنوعات کی کیٹگری میں زبردست مسابقت؛

غیر ملکی زرِمبادلہ کی شرحوں اور اشیائے صرف کی قیمتوں میں ناسازگار اتار چڑھاؤ؛ اور

قانونی چارہ جوئی کے خطرات جس میں کمپنی کے خلاف اہم مقدمات شامل ہیں۔

کمپنی مذکورہ خطرات کے ممکنہ اثرات کو قابلِ قبول سطح تک کم کرنے/ختم کرنے کے لیے اندرونی اور بیرونی اسٹیک ہولڈرز کے ساتھ کام کرتی ہے۔

8۔کارپوریٹ سماجی ذمہ داری

سال 2025 کے دوران باٹا چلڈرنز پروگرام (BCP) پاکستان نے اسکولوں، کمیونٹیز اور شریک اداروں کے فعال اشتراک کے ساتھ کمیونٹی ڈویلپمنٹ، بچوں کی بہبود، تعلیم، صحت کی آگاہی اور ماحولیاتی پائیداری کے لیے اپنا عزم و ارادہ جاری رکھا۔صحت سے متعلق آگاہی کا فروغ کمپنی کی اوّلین ترجیح رہا۔ بی سی پی (BCP) کے رضا کاروں نے ایک طبی ٹیم کے ہمراہ باٹا پور کے اسکولوں میں متوازن غذا، حفظانِ صحت، ورزش، ذہنی صحت اور عام بیماریوں جیسے کہ ملیریا، ڈینگی، ٹائیفائیڈ اور ہیپا ٹائٹس سے بچاؤ کے بارے میں سیشنز منعقد کیے۔امین مکتب میں سالانہ اسپورٹس ڈے اور بچوں کے عالمی دن پر 'جوائے اسپلیش کارنیول' کے ذریعے کھیلوں اور شمولیت کو فروغ دیا گیا، جس میں طلباء نے مختلف کھیلوں، ٹریک اینڈ فیلڈ سرگرمیوں اور تخلیقی مقابلوں میں بھرپور حصہ لیا۔

تعلیمی اقدامات کے تحت طلبا کو نیشنل میوزیم آف سائنس اینڈ ٹیکنالوجی لاہور کا مطالعاتی دورہ کروایا گیا، جبکہ باٹا پور کے اسکولوں میں آئی ٹی (IT) کی مہارتوں اور سوشل میڈیا کے ذمہ دارانہ استعمال پر رہنمائی کے سیشنز منعقد کیے گئے۔خواتین کے عالمی دن کے موقع پر رضا کاروں نے آگ بجھانے اور ہنگامی ردِعمل (emergency response) پر ایک سیشن ترتیب دیا، جس کا مقصد نوجوان لڑکیوں میں حفاظتی آگاہی اور خوداعتمادی کا فروغ تھا۔

ماحولیاتی کوششوں میں دو ہفتوں پر محیط شجرکاری مہم شامل تھی جس کے دوران 2,100 سے زائد پودے لگائے گئے، جبکہ عالمی یومِ ماحول پر "Beat Plastic Pollution" کے عنوان سے ایک سیشن منعقد کیا گیا اور پائیدار طریقوں کو فروغ دینے کے لیے 'کچن گارڈننگ' کیمپین چلائی گئی۔ بی سی پی (BCP) نے کمیونٹی کے بنیادی ڈھانچے میں بہتری لاتے ہوئے گورنمنٹ پرائمری اسکول، رام پورہ میں واٹر فلٹریشن پلانٹ نصب کیا اور گورنمنٹ گرلز ہائر سکنڈری اسکول، لاہور میں کلاس رومز اور پینے کے پانی کی سہولیات کو بہتر بنایا۔

مزید برآں، بی سی پی نے ایس او ایس (SOS) چلڈرنز ولیج پاکستان کی 50 ویں سالگرہ کے موقع پر فنڈ ریزنگ واک کے انعقاد میں مدد دی اور سندس فاؤنڈیشن کے اشتراک سے خون کے عطیات کا کیمپ لگایا، جہاں تھیلیسیمیا کے شکار بچوں کی مدد کے لیے خون کے 96 یونٹس جمع کیے گئے۔ ان اقدامات کے ذریعے بی سی پی پاکستان نے تعلیم، صحت، ماحولیاتی تحفظ اور کمیونٹی کی فلاح و بہبود کے لیے اپنے عزم کو مزید مستحکم کیا۔

9۔ ماحولیاتی اثرات

سال 2025 کے دوران بی سی پی (BCP) کے اقدامات کے مجموعی ماحولیاتی اثرات انتہائی نمایاں اور مثبت رہے۔ بڑے پیمانے کی شجرکاری مہم اور کچن گارڈننگ کیمپین نے براہِ راست ہریالی میں اضافے، ہوا کے معیار میں بہتری اور کمیونٹی کے اندر پائیدار طرزِ زندگی کے بارے میں آگاہی پیدا کرنے میں مدد دی۔ ماحولیاتی آگاہی کے سیشنز نے نوجوان طلباء میں ماحول دوست رویوں کو فروغ دیا اور انہیں فضلے میں کمی اور قدرتی وسائل کے ذمہ دارانہ استعمال کی ترغیب دی۔ مزید برآں، واٹر فلٹریشن اور پینے کے صاف پانی کے اقدامات نے غیر محفوظ آبی ذرائع پر انحصار کو کم کیا، جس سے عوامی صحت اور ماحولیاتی تحفظ میں مدد ملی۔ مجموعی طور پر سال 2025 کے دوران بی سی پی کے مربوط نقطہ نظر نے طویل مدتی ماحولیاتی پائیداری کے فروغ کے ذریعے کمیونٹی کی استقامت کو مزید تقویت دی۔

10۔ مستقبل کی صورتحال

مارکیٹ میں سخت مسابقت اور غیر یقینی معاشی صورتحال کے باوجود کمپنی مستقبل میں اپنے کاروبار کی ترقی کے بارے میں مکمل طور پر پُرعزم اور پُرامید ہے۔ کمپنی اپنے واک اِن اور آن لائن صارفین کو خریداری کے بہترین تجربے کے ساتھ سب سے بہتر مصنوعات پیش کرنے کی کوشش کرتی ہے۔

11۔ اندرونی مالیاتی کنٹرول

کمپنی کے ڈائریکٹرز اور انتظامیہ اندرونی کنٹرول کے ایک مؤثر سسٹم کو برقرار رکھنے اور سالانہ بنیادوں پر اس کی موزونیت کا جائزہ لینے کے ذمہ دار ہیں۔ بورڈ آف ڈائریکٹرز اور آڈٹ کمیٹی باقاعدگی سے انٹرنل آڈٹ فنکشن کی رپورٹس کا جائزہ لیتے ہیں تاکہ اس بات کو یقینی بنایا جا سکے کہ کمپنی کا کنٹرول فریم ورک مطلوبہ معیارات پر پورا اترتا ہے۔ انٹرنل آڈٹ فنکشن کمپنی کی کنٹرول سرگرمیوں کی سالمیت اور اس کے مؤثر ہونے کا باقاعدہ جائزہ لیتا ہے اور آڈٹ کمیٹی اور بورڈ کو مسلسل رپورٹ فراہم کرتا ہے۔ یہ جائزے اس بات کو یقینی بنانے میں مدد دیتے ہیں کہ خطرات (Risks) کا مؤثر طریقے سے انتظام کیا جائے، قانونی تقاضوں کو پورا کیا جائے، اور کمپنی اپنی سرگرمیاں مستعدی، شفافیت اور اخلاقی اصولوں کے مطابق انجام دے۔

12۔ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 (ریگولیشنز) کی تعمیل

کمپنی نے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تقاضوں کو اپنایا ہے اور ان کی مکمل تعمیل کی تصدیق کرتی ہے۔ اس سلسلے میں ایک بیان اس رپورٹ کے ساتھ منسلک ہے۔

13۔کارپوریٹ اور مالیاتی رپورٹنگ فریم ورک

کمپنی کے ڈائریکٹرز بیان کرتے ہیں کہ:

a) مالیاتی گوشواروں کے ساتھ ان بیانات کو کمپنیز ایکٹ 2017 اور بین الاقوامی مالیاتی رپورٹنگ کے معیارات کے مطابق تیار کیا گیا ہے، جیسا کہ پاکستان میں لاگو ہے۔ یہ بیانات کمپنی کی حالت، اس کے آپریشنز کے نتائج، کیش فلو اور ایکویٹی میں ہونے والی تبدیلیوں کو کافی حد تک واضح کرتے ہیں۔

b) کمپنی کے حساب کتاب کی مناسب دیکھ بھال کی گئی ہے۔

c) مالیاتی گوشواروں کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا مسلسل اطلاق کیا گیا ہے اور اس کے مطابق تخمینے معقول اور دانشمندانہ فیصلے پر مبنی ہیں۔ اکاؤنٹنگ پالیسی میں اگر تبدیلی کی گئی ہو تو اسے مناسب طریقے سے ظاہر کیا گیا ہے۔

d) مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جو کہ پاکستان میں لاگو ہوتے ہیں، کی پیروی کی گئی ہے۔

e) اندرونی کنٹرول کا نظام ڈیزائن کے لحاظ سے درست ہے اور اسے مؤثر طریقے سے لاگو کیا گیا ہے اور اندرونی آڈٹ ڈپارٹمنٹ اس کا مسلسل جائزہ لے رہا ہے۔

f) کاروبار کو مستقل بنیادوں پر جاری رکھنے کی کمپنی کی صلاحیت پر کوئی شکوک وشبہات نہیں ہیں۔

g) کارپوریٹ گورننس کے بہترین طریقوں سے کوئی مادی انحراف نہیں ہوا، جیسا کہ پاکستان اسٹاک ایکسچینج کی لسٹنگ ریگولیشنز میں تفصیلاً بیان کیا گیا ہے۔

h) پچھلے چھ سالوں کا کلیدی آپریٹنگ اور مالیاتی ڈیٹا اس رپورٹ کے ساتھ منسلک ہے۔

i) 31 دسمبر 2025 تک بقایا ٹیکس اور لیویز کے بارے میں معلومات منسلک مالیاتی گوشواروں میں دی گئی ہیں۔

j) پراویڈنٹ فنڈ ٹرسٹ کی طرف سے کی گئی سرمایہ کاری کی قدر آڈٹ شدہ کھاتوں کے مطابق 31 دسمبر 2025 تک 1.472 بلین روپے ہے۔

k) ڈائریکٹرز، سی ای او، سی ایف او اور کمپنی سیکرٹری، ان کے شریک حیات اور نابالغ بچوں کے ذریعے کمپنی کے شیئرز میں کوئی ٹریڈنگ نہیں کی گئی۔

14۔بورڈ کی تشکیل

بورڈ سات (7) مرد اور دو (2) خاتون ڈائریکٹرز پر مشتمل ہے جن کا تناسب درج ذیل ہے:

انڈیپنڈنٹ ڈائریکٹرز	3*
دیگر ڈائریکٹرز (ایگزیکٹو اور نان ایگزیکٹو)	6*

*ان میں دو خاتون ڈائریکٹرز بھی شامل ہیں۔

اس سال بورڈ کی چھ (6) میٹنگز منعقد ہوئیں جن میں ڈائریکٹرز کی حاضری درج ذیل ہے:

ڈائریکٹر کا نام		میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
جن ژینگ (چیئرپرسن بورڈ)	نان ایگزیکٹو ڈائریکٹر	6	6
محمد احسن عمر	ایگزیکٹو ڈائریکٹر	2	2
امجد فاروق	ایگزیکٹو ڈائریکٹر	6	6

لم گم کیونگ	نان ایگزیکٹو ڈائریکٹر	4	5
محمد مقبول نان	نان ایگزیکٹو ڈائریکٹر	5	6
راشد رحمان میر	انڈیپنڈنٹ ڈائریکٹر	6	6
کمال مونو	انڈیپنڈنٹ ڈائریکٹر	6	6
فاطمہ اسد خان	انڈیپنڈنٹ ڈائریکٹر	5	6

2025 میں درج ذیل ڈائریکٹرز کمپنی کے بورڈ آف ڈائریکٹرز کے عہدے سے مستعفی ہوئے:

مستعفی ہونے والے ڈائریکٹرز کے نام		استعفیٰ کی تاریخ	میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
Rearngwut Chuenchomsakun	نان ایگزیکٹو ڈائریکٹر	17/01/2025	0	0
عامر امین	نان ایگزیکٹو ڈائریکٹر	03/06/2025	2	2
محمد عمران ملک	ایگزیکٹو ڈائریکٹر	31/12/2025	6	6

رخصتِ غیر حاضری ان ڈائریکٹرز کو دی گئی جو بورڈ کی کچھ میٹنگز میں شرکت کرنے سے قاصر تھے۔ مزید برآں، کمپنی نے 31 دسمبر 2025 کو ختم ہونے والے سال کے لیے لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کے تحت متعین کردہ 'ڈائریکٹرز ٹریننگ پروگرام' کے تمام تقاضوں کی بھی تکمیل کر لی ہے۔

15- آڈٹ کمیٹی

سال کے دوران بورڈ آڈٹ کمیٹی کی چار (4) سہ ماہی میٹنگز منعقد ہوئیں، جن میں ہر ممبر کی حاضری کی تفصیل درج ذیل ہے:

2025 میں بورڈ آڈٹ کمیٹی کی میٹنگز میں شرکت کرنے والے ممبران کے نام اور ان کی حاضری کی تفصیل:

آڈٹ کمیٹی کے ممبران		میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
راشد رحمان میر	انڈیپنڈنٹ ڈائریکٹر	4	4
محمد مقبول	نان ایگزیکٹو ڈائریکٹر	1	2
لم گم کیونگ	نان ایگزیکٹو ڈائریکٹر	2	2

2025 میں درج ذیل ممبران بورڈ آڈٹ کمیٹی سے مستعفی ہوئے:

آڈٹ کمیٹی کے مستعفی ہونے والے ممبر (ممبران) کے نام		استعفیٰ کی تاریخ	میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
Rearngwut Chuenchomsakun	نان ایگزیکٹو ڈائریکٹر	17/01/2025	0	0
عامر امین	نان ایگزیکٹو ڈائریکٹر	03/06/2025	2	2

آڈٹ کمیٹی نے بورڈ کو پیش کرنے اور ان کی اشاعت سے قبل سہ ماہی، ششماہی اور سالانہ مالیاتی گوشواروں کا جائزہ لیا۔ سی ایف او، ہیڈ آف انٹرنل آڈٹ اور ایکسٹرنل آڈیٹرز کے نمائندے نے میٹنگز میں شرکت کی جہاں اکاؤنٹس اور آڈٹ سے متعلق کلیدی امور پر تبادلہ خیال کیا گیا۔ آڈٹ کمیٹی نے اندرونی آڈٹ کے نتائج کا بھی جائزہ لیا اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (ریگولیشنز) کے تحت مطلوبہ انٹرنل اور ایکسٹرنل آڈیٹرز کے ساتھ الگ الگ میٹنگز کیں۔ مزید برآں، آڈٹ کمیٹی نے ایکسٹرنل آڈیٹرز کے ساتھ ان کے مینجمنٹ لیٹر پر بھی تبادلہ خیال کیا۔ بورڈ کی منظوری سے قبل متعلقہ پارٹی ٹرانزیکشنز کو بھی آڈٹ کمیٹی کے سامنے رکھا گیا تھا۔

16۔ ہیومن ریسورس اینڈ ریمونریشن کمیٹی

ہیومن ریسورس اینڈ ریمونریشن کمیٹی نے اس سال 2 میٹنگز کیں جن میں ممبران کی شرکت درج ذیل ہے:

2025 میں ہیومن ریسورس اینڈ ریمونریشن کمیٹی کی میٹنگز میں شرکت کرنے والے ممبران کے نام اور ان کی حاضری کی تفصیل:

ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے ممبران		میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
فاطمہ اسد خان	انڈیپینڈنٹ ڈائریکٹر	2	2
محمد مقبول	نان ایگزیکیٹو ڈائریکٹر	1	2

2025 میں درج ذیل ممبران بورڈ کی ہیومن ریسورس اینڈ ریمونریشن کمیٹی سے مستعفی ہوئے:

ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے مستعفی ہونے والے ممبر (ممبران) کے نام		استعفیٰ کی تاریخ	میٹنگز میں حاضری	میٹنگز کی تعداد جن میں شرکت کے اہل تھے
محمد عمران ملک	ایگزیکٹو ڈائریکٹر	31/12/2025	2	2

17۔ دیگر ڈائریکٹرز کا مشاہرہ

کمپنی اپنے نان ایگزیکٹو ڈائریکٹرز بشمول انڈیپنڈنٹ ڈائریکٹرز کو بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لیے میٹنگ فیس کے علاوہ کوئی مشاہرہ ادا نہیں کرے گی۔ کمپنی بورڈ اور اس کی کمیٹیوں کی میٹنگز میں شرکت کے سلسلے میں ڈائریکٹرز کے سفر اور رہائش کے اخراجات برداشت کرے گی یا ان کی ادائیگی کرے گی۔ ڈائریکٹرز کی مشاہرہ پالیسی کا بورڈ آف ڈائریکٹرز وقتاً فوقتاً جائزہ لے گا اور اس کی منظوری دے گا۔ ایگزیکٹو اور نان ایگزیکٹو ڈائریکٹرز کے الگ الگ معاوضے کی مجموعی رقم کی تفصیلات بشمول تنخواہ/فیس، مراعات، فوائد اور کارکردگی سے منسلک مراعات کا ذکر مالیاتی بیانات میں کیا گیا ہے۔

18- چیف ایگزیکٹو اور ڈائریکٹرز کے مشاہرے کا پیکیج

چیف ایگزیکٹو اور دیگر ڈائریکٹرز کے مشاہرے کے پیکیج کا ذکر مالیاتی بیانات کے نوٹ 43 میں کیا گیا ہے۔

19- آڈیٹرز

موجودہ آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس ریٹائر ہو رہے ہیں اور خود کو دوبارہ تقرری کے لیے پیش کیا ہے۔ بورڈ آف ڈائریکٹرز، آڈٹ کمیٹی کی سفارش پر 31 دسمبر 2026 کو ختم ہونے والے سال کے لیے میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی تجویز پیش کرتا ہے، جو سالانہ اجلاس عام میں شیئر ہولڈرز کی منظوری سے مشروط ہے۔

20۔ شیئر ہولڈنگ کا پیٹرن

31 دسمبر 2025 تک شیئر ہولڈنگ کا پیٹرن اور لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 (ریگولیشنز) کے تقاضوں کے مطابق اس کا بیان، اس رپورٹ کے ساتھ منسلک ہے۔

21۔ شریعہ اور نان۔ شریعہ تعمیل کی صورتحال

سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان نے شریعہ اور نان۔ شریعہ امور کی رپورٹنگ کے لیے کمپنیز ایکٹ 2017 کے فورتھ شیڈول میں SRO 1278(I)/2024 مورخہ 15 اگست 2024 کے ذریعے چند ترامیم کی ہیں۔ کمپنی کے مالیاتی گوشواروں میں ان ترامیم کی تعمیل کی گئی ہے۔

22۔ ماحولیات، سماج اور گورننس–ای ایس جی

بورڈ کی جانب سے سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ای ایس جی گائیڈ لائنز سے مطابقت کے لیے اقدامات کیے گئے ہیں۔

23۔ پائیداری، ماحولیاتی، سماجی، گورننس کے امور پر توجہ

سال 2025 میں نافذ کیے گئے ESG (ماحولیاتی، سماجی، اور گورننس) کے اقدامات پائیداری، ملازمین کے تحفظ اور ماحولیاتی ذمہ داری کے حوالے سے باٹا پاکستان کے پختہ عزم کی عکاسی کرتے ہیں۔ خطرات کے وقت سے پہلے سد باب، مضبوط سیفٹی سسٹمز اور جدید ماحولیاتی سولیوشنز کے ذریعے ادارہ ایک ذمہ دار اور دور اندیش مینوفیکچرر

کے طور پر اپنی پوزیشن کو مسلسل مضبوط بنا رہا ہے۔ یہ کامیابیاں پائیداری کے عالمی معیارات کے ساتھ باٹا پاکستان کی ہم آہنگی اور اپنے ملازمین، کمیونٹیز اور ماحول کے لیے طویل مدتی قدر پیدا کرنے کے اس کے عزم کو مزید مستحکم کرتی ہیں۔

سال 2025 کے دوران کیے گئے نمایاں ESG اقدامات درج ذیل ہیں:

ورک پلیس ہیلتھ کی بہتری کے لیے بڑے پیمانے پر ایسبیسٹس (Asbestos) کا خاتمہ

سال 2025 میں باٹا پاکستان نے فیکٹری کے احاطے اور انتظامی عمارتوں سے تقریباً 350,000 مربع فٹ ایسبیسٹس کو ہٹانے کا کام کامیابی سے مکمل کیا۔ یہ اقدام ایسبیسٹس کے اثرات سے وابستہ طویل مدتی صحت کے خطرات، بشمول سانس کی بیماریوں اور پیشہ ورانہ خطرات کے خاتمے کے لیے اٹھایا گیا۔ اسے ہٹانے کا عمل منظور شدہ حفاظتی پروٹوکولز کے مطابق مکمل کیا گیا، تاکہ ملازمین کی حفاظت کو ترجیح دیتے ہوئے آپریشنز میں کم سے کم خلل کو یقینی بنایا جا سکے۔ پرانی تعمیرات سے جڑے خطرات کو وقت سے پہلے ختم کر کے ادارے نے عمارت کے اندر ہوا کے معیار کو بہتر بنایا اور ایک صحت مند اور محفوظ کام کا ماحول فراہم کیا۔ یہ اقدام ملازمین کی فلاح و بہبود اور صحت و سلامتی کے جدید معیارات کی تعمیل کے حوالے سے باٹا پاکستان کے پختہ عزم کی عکاسی کرتا ہے۔

مشین سیفٹی میں بہتری کے جامع اقدامات

پیشہ ورانہ حفاظت کو مزید مستحکم کرنے کے لیے باٹا پاکستان نے سال 2025 میں اپنے آپریشنز کے دوران مشین سیف گارڈنگ کوریج کا 99 فیصد ہدف حاصل کر لیا۔ اس اقدام میں روٹری اور نان روٹری دونوں طرح کی مشینیں شامل تھیں، جس سے یقینی بنایا گیا کہ تقریباً تمام آلات پر مناسب حفاظتی گارڈز، انٹرلاکس اور حفاظتی نظام نصب ہوں۔ اس بہتری کی بدولت کام کی جگہ پر چوٹوں، مشینوں سے متعلق حادثات اور غیر متوقع تعطل (downtime) کے خطرات میں نمایاں کمی واقع ہوئی۔ جسمانی حفاظتی اقدامات کے ساتھ ساتھ مشینوں کے محفوظ استعمال کو یقینی بنانے کے لیے آگاہی اور تعمیل کے اقدامات کو بھی مزید تقویت دی گئی۔ یہ کامیابی خطرات سے قبل از وقت بچاؤ پر باٹا پاکستان کی توجہ اور کام کی جگہ پر 'زیرو ہارم' کے کلچر کو برقرار رکھنے کے عزم کا منہ بولتا ثبوت ہے۔

PU Ash کی ری سائیکلنگ سے ایکو برکس کی تیاری کا جدید منصوبہ

ماحولیاتی پائیداری کی کوششوں کے ایک حصے کے طور پر باٹا پاکستان نے PU Ash کو ایکو برکس میں تبدیل کرنے کا ایک جدید اقدام متعارف کرایا، جس پر خصوصی طور پر ادارے کے اندر ہی عمل درآمد کیا گیا۔ اس اقدام نے صنعتی فضلے کو تعمیراتی مواد میں تبدیل کر دیا، جس سے نہ صرف کوڑا کرکٹ ٹھکانے لگانے کی ضرورت (landfill disposal) میں کمی آئی بلکہ 'سرکلر اکانومی' کے اصولوں کو بھی فروغ ملا۔

اس منصوبے کے نتیجے میں سالانہ بنیادوں پر کاربن ڈائی آکسائیڈ کے اخراج میں تقریباً 4 ٹن کمی واقع ہوئی، جو براہِ راست ادارے کے کاربن فٹ پرنٹ کو کم کرنے کے اہداف میں معاون ثابت ہوئی۔ فضلے کو ایک کارآمد اور ویلیو ایڈڈ پروڈکٹ میں تبدیل کر کے باٹا پاکستان نے نہ صرف ماحولیاتی اثرات کو کم کیا بلکہ مینوفیکچرنگ کے شعبے میں فضلے کے پائیدار انتظام کے حوالے سے ایک نیا معیار بھی قائم کیا۔

24۔ تنوع، برابری اور شمولیت کو فروغ دینا۔ ڈی ای آئی

ہماری کمپنی کام کی جگہ پر ایسی روایات کے فروغ کے لیے پُرعزم ہے جہاں تمام ملازمین کی فلاح و بہبود اور پیشہ ورانہ ترقی کو یقینی بنانے کے ساتھ تنوع، برابری اور شمولیت کو اہمیت دی جاتی ہے۔ سال 2025 کے دوران ہم نے ایک زیادہ جامع اور معاون ماحول کی تشکیل کے اپنے اقدامات کو مزید وسعت دی ہے، جہاں ہر طبقہ حیات سے تعلق رکھنے والے افراد ترقی کر سکیں اور ادارے کی کامیابی میں مؤثر طریقے سے اپنا حصہ ڈال سکیں۔

ہماری افرادی قوت میں خواتین کی بڑھتی ہوئی شرکت اس سال ایک اہم سنگِ میل رہا۔ موجودہ طور پر ہماری فیکٹری کے تمام شعبوں میں 138 (2024:90) سے زائد خواتین ملازمین کام کر رہی ہیں، جو پیداواری اور آپریشنل امور میں فعال کردار ادا کر رہی ہیں۔ مزید برآں، اپنے ریٹیل نیٹ ورک میں صنفی تنوع کو فروغ دینے کے لیے ہمارے ریٹیل آؤٹ لیٹس پر 99 خواتین ملازمین کو بطور کیشیئر بھرتی کیا گیا ہے۔ یہ اقدامات روزگار کے یکساں مواقع فراہم کرنے اور افرادی قوت میں خواتین کی بھرپور شرکت کی حوصلہ افزائی کے ہمارے عزم کی عکاسی کرتے ہیں۔ خواتین ملازمین کی مزید معاونت کے لیے کمپنی نے خصوصی طور پر ان کے لیے ٹرانسپورٹ الاؤنس متعارف کرایا ہے، تاکہ محفوظ اور آسان سفری سہولیات کو یقینی بنایا جا سکے۔ اس اقدام کو بہت سراہا گیا ہے اور اس سے خواتین عملے کے لیے روزگار کے مواقع تک رسائی کو بہتر بنانے میں مدد ملی ہے۔

ہم نے اپنے ادارے میں ایک ڈے کیئر سینٹر کی تعمیر کا آغاز کیا ہے جو کام کی جگہ کو فیملی فرینڈلی بنانے کے ہمارے عزم کے عین مطابق ہے۔ فعال ہونے کے بعد یہ ڈے کیئر سینٹر کام کرنے والی ماؤں کو کام کے اوقات کے دوران اپنے بچوں کے لیے ایک محفوظ اور معاون ماحول فراہم کرے گا۔ توقع ہے کہ یہ اقدام خواتین کو پیشہ ورانہ ذمہ داریوں اور ذاتی زندگی کے درمیان مؤثر توازن برقرار رکھنے میں مدد دے کر انہیں مزید بااختیار بنائے گا۔ ان اسٹرکچرل اصلاحات کے ساتھ ساتھ کمپنی اہم قومی اور بین الاقوامی دن، جیسے کہ خواتین کا عالمی دن، مدرز ڈے، فادرز ڈے اور پنک ربن ڈے منا کر شمولیت پر مبنی ورک کلچر کو فروغ دے رہی ہے۔ یہ سرگرمیاں ملازمین کی شمولیت کو بڑھانے، صحت اور فلاح و بہبود کے بارے میں آگاہی پیدا کرنے اور پورے ادارے میں اپنائیت کے احساس کو فروغ دینے میں مددگار ثابت ہوتی ہیں۔

ہم باصلاحیت افراد کو ادارے کا حصہ بنانے اور ان کی پیشہ ورانہ تربیت کے لیے بھی پُرعزم ہیں۔ بھرتی کے منظّم طریقہ کار، تقرری پروگراموں اور پیشہ ورانہ ترقی کے مسلسل مواقع کے ذریعے ملازمین کی حوصلہ افزائی کی جاتی ہے کہ وہ جدت و تعاون پر مبنی کلچر کا حصہ بن کر ادارے کے اندر اپنی صلاحیتوں کو نکھاریں۔ ہماری افرادی قوت متنوع تعلیمی، سماجی اور پیشہ ورانہ پس منظر سے تعلق رکھنے والے افراد پر مشتمل ہے جو ایک ایسا اثر آفریں ماحول تشکیل دیتے ہیں جہاں ہر فرد کے خیالات اور نظریات کو عزت اور اہمیت دی جاتی ہے

ٹیم ورک اور ملازمین کی شمولیت کو مزید مستحکم بنانے کے لیے کمپنی کھیلوں کے مقابلوں اور تفریحی سرگرمیوں کا انعقاد جاری رکھے ہوئے ہے، جن میں مرد اور خواتین ملازمین، دونوں کی شرکت کی حوصلہ افزائی کی جاتی ہے۔ یہ اقدامات جسمانی صحت کو فروغ دیتے ہیں، باہمی تعاون کو بہتر بناتے ہیں اور پورے ادارے میں کام اور ذاتی زندگی کے درمیان ایک صحت مند توازن برقرار رکھنے میں مدد دیتے ہیں۔ ان مسلسل کوششوں کے ذریعے ہماری کمپنی ہماری کمپنی ایک جامع، متحرک، اور معاون کام کی جگہ کی تعمیر کے لیے وقف ہے۔ ہمارا مقصد صنفی تنوع، ملازمین کی فلاح و بہبود اور پیشہ ورانہ ترقی میں سرمایہ کاری کر کے ایک ایسا پائیدار اور منصفانہ ماحول فراہم کرنا ہے جہاں ہر ملازم خود کو اہم سمجھے اور کامیابی کے لیے بااختیار محسوس کرے۔

25۔ مابعد واقعات

مالی سال، جس کے متعلق یہ مالیاتی گوشوارے ہیں، کے اختتام اور اس ڈائریکٹرز رپورٹ کی تاریخ کے درمیان کمپنی کی مالی پوزیشن کو متاثر کرنے والی کوئی مادی تبدیلیاں اور وعدے نہیں ہوئے ہیں۔

26۔ متعلقہ فریقین کے ساتھ لین دین

متعلقہ فریقین اور وابستہ اداروں کے ساتھ کی گئی لین دین کا آڈٹ کمیٹی نے جائزہ لیا اور اس کی سفارشات پر بورڈ آف ڈائریکٹرز نے ان کی منظوری دی۔

27۔اعتراف

ہم اس موقع پر اپنے صارفین کا ہماری مصنوعات پر اعتماد کے لیے، اپنے ملازمین کا ان کی انتھک محنت کے لیے اور تمام دیگر اسٹیک ہولڈرز کا ان کے مسلسل تعاون کے لیے تہہ دل سے شکریہ ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی وساطت سے

ڈائریکٹر	چیف ایگزیکٹو	بمقام: باٹاپور، لاہور
	احسن عمر	بتاریخ: 24اپریل، 2026

BATA PAKISTAN LIMITED

Gender **pay gap statement** under Circular 10 of 2024

Following is gender pay gap calculated for the year ended December 31, 2025:

(i) Mean Gender Pay Gap: **(-45.61)%**

(ii) Median Gender Pay Gap: **(-54.57)%**

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.

Ahsan Umar.

Ahsan Umar
Chief Executive
Date: April 24, 2026

Corporate Governance

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

Name of Company: Bata Pakistan Limited
Year ended: December 31, 2025

The company has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations, 2019 ('Regulations') in the following manner:-

1. The total number of directors are Nine (09) as per the following, -
   a) Male: Seven (07)
   b) Female: Two (02)

2. The composition of the Board is as follows:

Category	Names
i. Independent Directors	Mr. Rashid Rahman Mir
	Mr. Kamal Monnoo
ii. Non-Executive Directors	Mr. Muhammad Maqbool
	Mr. Lim Ghim Keong
iii. Executive Directors	Mr. Ahsan Umar
	Mr. Muhammad Imran Malik *
	Mr. Amjad Farooq
iv. Female Director (Non-Executive)	Ms. Jin Zeng
Female Director (Independent)	Ms. Fatima Asad Khan

* Mr. Muhammad Imran Malik (Executive Director) resigned from the Board with effect from 31 December 2025 and was replaced by Mr. Clifford Gary Reuter (Non-Executive Director) with effect from 08 January 2026.

3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this company;

4. The company has prepared a code of conduct and has ensured that appropriate steps have been taken to disseminate it throughout the company along with its supporting policies and procedures;

5. The Board has developed a vision/mission statement, overall corporate strategy and the significant policies of the company. The Board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the company except for the below-mentioned policies;

   i. Investments and disinvestment of funds; and
   ii. Determination and delegation of financial powers.

The company is in the process of developing these significant policies.

6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by the Board/ shareholders as empowered by the relevant provisions of the Act and these Regulations;

7. The meetings of the Board were presided over by the Chairperson. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board;

8. The Board have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations;

9. The Board has arranged Directors' Training program for the following:

    i- Ms. Jin Zeng (Non-Executive Director);
    ii- Mr. Muhammad Imran Malik (Executive Director);
    iii- Mr. Amjad Farooq (Executive Director);
    iv- Mr. Muhammad Maqbool (Non-Executive Director);
    v- Ms. Fatima Asad Khan (Independent Director);
    vi- Mr. Rashid Rahman Mir (Independent Director); and
    vii- Mr. Kamal Monnoo (Independent Director).

In accordance with Regulation 19(2), newly appointed directors are allowed a period of one year from the date of their appointment to obtain certification under the Directors' Training Program.
Mr. Ahsan Umar (Executive Director) and Mr. Lim Ghim Keong (Non-Executive Director) were appointed during the year. They have not yet completed the required training, however, the time stipulated in the Regulations has not yet lapsed.

10. The Board has approved appointment of chief financial officer, company secretary and head of internal audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations;

11. Chief financial officer and chief executive officer duly endorsed the financial statements before approval of the Board;

12. The Board has formed Committees comprising of members given below.-

    a) Audit Committee
    1. Mr. Rashid Rahman Mir (Chairman)
    2. Mr. Muhammad Maqbool
    3. Mr. Lim Ghim Keong

    b) Human Resource and Remuneration Committee
    1. Ms. Fatima Asad Khan (Chairperson)
    2. Mr. Muhammad Imran Malik
    3. Mr. Muhammad Maqbool

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance;

14. The frequency of meetings (quarterly / half yearly / yearly) of the Committee were as per following,-

    a) Audit Committee
    Four quarterly meetings were held during the financial year ended December 31, 2025

b) Human Resource and Remuneration Committee
Two meetings were held during the financial year ended December 31, 2025;

15. The Board has set up an effective internal audit function, which is considered suitably qualified and experienced for the purpose and is conversant with the policies and procedures of the company;

16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines 24 on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company;

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these Regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard;

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27,32, 33 and 36 of the Regulations have been complied with; and

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33, and 36, are stated below and above in clause 5;

Sr.	Requirement	Explanation of Non-Compliance	Regulation No
1	Issuance of letter by chairman at the beginning of term to directors setting out their role, obligations, powers and responsibilities	Below mentioned directors were appointed during the current year: 1- Mr. Lim Ghim Keong 2- Mr. Ahsan Umar However, no letter was communicated to these directors under the requirement of this section. In compliance with Regulation 10(5) of the Listed Companies (Code of Corporate Governance) Regulations, 2019, the Chairperson is in the process of issuing letters to the above-mentioned newly appointed directors.	110(5)

2	Responsibilities of the Board and its members: Adoption of corporate governance practices.	Regulation 10(A) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 requires the Board to oversee sustainability risks and opportunities, including ESG considerations, by setting strategies, priorities, and targets, and to adopt SECP's ESG Disclosure Guidelines. The Board must also ensure policies promoting diversity, equity, and inclusion (DE&I), proactively address sustainability and climate-related risks, periodically review performance against sustainability and DE&I targets, and disclose these matters in the Directors' Report. To discharge these duties, the Board may establish a dedicated sustainability committee, with at least one female director, or assign responsibilities to an existing committee. Certain matters were discussed in the Human Resource and Remuneration Committee meetings, and the board will formally assign responsibilities to the Human Resource and Remuneration Committee in the next year.	10(A)
3	Director's orientation Program	Regulation 18 of the Listed Companies (Code of Corporate Governance) Regulations, 2019, requires that entity shall make appropriate arrangements to carry out orientation for their directors to acquaint them with these Regulations, applicable laws, their duties and responsibilities to enable them to effectively govern the affairs of the listed company for and on behalf of shareholders. However, no such orientation was arranged.	18
4	Director's training Program for Head of Department and Female executive	Regulation 19(3) encourages companies to arrange training under the Directors' Training Program for at least one female executive and one Head of Department each year. However, the company did not arrange such training for any female executive or Head of Department during the year.	19(3)

5	Constitution of Nomination & Risk Management Committees and Disclosure of significant policies on website:	Since there are no Nomination and Risk Management Committees in place (required under non-mandatory provisions of Regulations 29 & 30), their respective terms of reference, as enumerated in the Regulations, have been incorporated in the terms of reference of Human Resource and Remuneration Committee and Audit Committee respectively. However brief synopsis of terms of reference of these Board's committees are not uploaded on website. Company will consider implementation in the next year.	29(1), 30(1) & 35(3) (iii) (iv)

Batapur Lahore:
April 24, 2026

Ms. Jin Zeng
Chairperson of the Board

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BATA PAKISTAN LIMITED

REVIEW REPORT ON THE STATEMENT OF COMPLIANCE CONTAINED IN LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Bata Pakistan Limited (the Company) for the year ended December 31, 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended December 31, 2025.

A.F. Ferguson & Co.
Chartered Accountants

Place: Lahore

Date: May 04, 2026
UDIN: CR2025100708yD67OPjf

Auditor's Report

to the Members

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REPORT

To the members of Bata Pakistan Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of Bata Pakistan Limited (the Company), which comprise the statement of financial position as at December 31, 2025, and the statement of profit or loss and other comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at December 31, 2025 and of the loss and other comprehensive income, the changes in equity and its cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Following is the Key audit matter:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	**Valuation of finished goods** (Refer notes 5.8 and 12 to the annexed financial statements) Finished goods include inventories held for sale through the Company's retail operations and comprise both own produced and purchased products. As at year end, the Company reported finished goods with a gross carrying value of Rs 3,810.139 million, net of a net realizable value provision of Rs 137.192 million. Finished goods are held across a geographically dispersed network across Pakistan. Due to the magnitude of the finished goods balance, the significant judgment and estimation involved in management's assessment of net realizable value and the number of locations at which finished goods are held, we consider it to be a key audit matter.	Our audit procedures included the following: • Obtained an understanding of, and evaluated, management's processes and relevant controls over the recording and valuation of finished goods; • Attended physical inventory counts at selected retail stores and warehouse, and performed test counts and reconciled the results to inventory records; • Tested, on a sample basis, finished goods transactions by inspecting supporting documentation, including purchase and sales invoices; • Tested, on a sample basis, the valuation of the finished goods as per the Company's accounting policy for stock-in-trade; • Assessed the methodology applied by management to determine the net realisable value of finished goods; and • Tested, on a sample basis, the mathematical accuracy of the net realisable value provision and compared historical selling prices and post-year-end sales data, where available, with recorded costs.

2.	**Revenue recognition** (Refer notes 5.15 and 32 to the annexed financial statements) Revenue from sale of goods is recognised when performance obligations are satisfied by transferring control of a promised good to a customer and the control transfers at a point in time. The Company is engaged in the manufacturing and sale of footwear of all kinds, along with the sale of accessories and hosiery items ('goods') in the local and export markets. Due to revenue being one of the key performance indicators of the Company, a large number of revenue transactions with a large number of customers, and the inherent risk of material misstatement, we consider it to be a key audit matter.	Our audit procedures included the following: • Obtained an understanding of, and evaluated, management's relevant controls over revenue and assessed their design and implementation; • Tested a sample of revenue transactions by examining underlying documentation, including sales invoices; • Performed cut-off testing on a sample basis to assess whether revenue was recognised in the correct accounting period; • Tested, on a sample basis, the approval of sales prices by the appropriate authority; • Tested, on a sample basis, the approval of discounts granted to customers; • Recalculated commission expense on a test basis in accordance with the Company's policy; • Performed analytical procedures to analyse variations in prices and quantities sold during the year; and • Assessed the adequacy and appropriateness of revenue-related disclosures in the financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 (XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);

b) the statement of financial position, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;

c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and

d) no Zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Khurram Akbar Khan.

A.F. Ferguson & Co.
Chartered Accountants

Place: Lahore

Date: May 04, 2026
UDIN: AR202510070Nh5aoLTjO

Financial Statement

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2025

	Note	2025	2024
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,811,706	2,609,144
Right-of-use assets	7	3,710,610	3,039,143
Intangible assets	8	106,045	173,012
Long term security deposits	9	49,974	61,085
Deferred tax asset	10	630,770	267,548
		7,309,105	6,149,932
CURRENT ASSETS			
Stores and spare parts	11	-	-
Stock-in-trade	12	3,994,064	6,004,676
Trade debts	13	370,521	1,141,770
Advances	14	71,832	86,692
Trade deposits and short term prepayments	15	341,281	113,390
Other receivables	16	53,430	63,235
Income tax receivable net of provision for taxation	17	413,800	302,150
Interest accrued		2,621	551
Short term investments	18	45,044	45,065
Sales tax refunds due from the Federal Board of Revenue	19	-	350,161
Cash and bank balances	20	983,747	544,344
		6,276,340	8,652,034
TOTAL ASSETS		13,585,445	14,801,966
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	21.1	100,000	100,000
Issued, subscribed and paid up share capital	21.2	75,600	75,600
Reserves			
Capital reserve	22	483	483
Revenue reserves	23	3,091,787	5,470,042
		3,092,270	5,470,525
Total equity		3,167,870	5,546,125
NON-CURRENT LIABILITIES			
Lease liabilities	24	3,333,119	2,677,992
Long term deposits	25	19,025	21,244
Employee benefits obligations	26	34,295	47,801
Long term finances from financial institution - secured	27	-	28,333
		3,386,439	2,775,370
CURRENT LIABILITIES			
Current portion of lease liabilities	24	1,117,386	1,058,808
Current portion of long term finances	27	28,333	6,296
Trade and other payables	28	5,069,224	4,236,719
Short term borrowings from financial institution - secured	29	-	333,000
Accrued finance cost		-	28,566
Unpaid dividend	30	739,163	739,163
Unclaimed dividend		77,030	77,919
		7,031,136	6,480,471
CONTINGENCIES AND COMMITMENTS	31		
TOTAL EQUITY AND LIABILITIES		13,585,445	14,801,966

The annexed notes 1 to 53 form an integral part of these financial statements.

Chief Executive	Chief Financial officer	Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		(Rupees in '000)	
Revenue from contracts with customers - net	32	17,776,670	18,332,461
Cost of sales	33	(10,756,612)	(9,318,309)
Gross profit		7,020,058	9,014,152
Distribution costs	34	(5,596,319)	(5,294,971)
Administrative expenses	35	(2,439,595)	(1,887,535)
Net impairment loss on financial assets	13.2 & 16.3	(651,809)	(35,013)
Other expenses	36	(173,692)	(105,865)
Other income	37	106,990	363,217
Finance costs	38	(773,309)	(669,627)
(Loss)/profit before taxation and levy		(2,507,676)	1,384,358
Levy - minimum tax	39.1	(246,065)	-
(Loss)/profit before income tax		(2,753,741)	1,384,358
Income tax	39.2	368,687	(533,628)
(Loss)/profit for the year		(2,385,054)	850,730
OTHER COMPREHENSIVE INCOME/(LOSS)			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability - net of tax		6,799	(3,829)
Items that may be reclassified subsequently to profit or loss		-	-
Other comprehensive income/(loss) for the year		6,799	(3,829)
Total comprehensive (loss)/income for the year		(2,378,255)	846,901
(Loss)/earnings per share - basic and diluted (Rupees per share)	40	(315.48)	112.53

The annexed notes 1 to 53 form an integral part of these financial statements.

Chief Executive	Chief Financial officer	Director

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2025

	Share capital	Capital reserve	Revenue reserves		Total
			General reserve	Unappropriated profits	
	----------	----------	Rupees in '000	----------	----------
Balance as at January 01, 2024	75,600	483	4,557,000	1,048,941	5,682,024
Total comprehensive income for the year	-	-	-	846,901	846,901
Transaction with owners in their capacity as owners recognised directly in equity:					
Interim dividend @ Rupees 130 per share	-	-	-	(982,800)	(982,800)
Balance as at December 31, 2024	75,600	483	4,557,000	913,042	5,546,125
Total comprehensive loss for the year	-	-	-	(2,378,255)	(2,378,255)
Balance as at December 31, 2025	75,600	483	4,557,000	(1,465,213)	3,167,870

The annexed notes 1 to 53 form an integral part of these financial statements.

Chief Executive	Chief Financial officer	Director

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2025

	Note	2025	2024
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	42	3,656,886	1,107,356
Finance costs paid		(185,761)	(124,032)
Payment of lease liabilities (interest)	38	(616,114)	(517,397)
Income tax and levy paid	17	(360,721)	(575,218)
Gratuity paid	26.2	(14,638)	(14,313)
Long term security deposits - net		(19,355)	(4,642)
Net cash inflow/(outflow) from operating activities		2,460,297	(128,246)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment	6.3	(708,181)	(374,060)
Payments for intangible assets		(12,254)	(6,827)
Proceeds from disposal of property, plant and equipment		65,465	18,080
Investments made during the year		(90,000)	(90,000)
Investments encashed during the year		89,979	90,054
Interest income received		2,220	92,077
Net cash outflow from investing activities		(652,771)	(270,676)
CASH FLOWS FROM FINANCING ACTIVITIES	42.3		
Dividends paid		(889)	(919,680)
Repayment of long term finances		(6,296)	(6,297)
Payments of lease liabilities (principal)		(1,027,356)	(933,482)
Net cash outflow from financing activities		(1,034,541)	(1,859,459)
Net increase/(decrease) in cash and cash equivalents		772,985	(2,258,381)
Cash and cash equivalents at the beginning of the year		211,344	2,470,298
Effects of exchange rate changes on cash and cash equivalents		(582)	(573)
Cash and cash equivalents at the end of the year	42	983,747	211,344

Refer note 42.3 for reconciliation of liabilities arising from financing activities.

Refer note 42.4 for non-cash investing activities

The annexed notes 1 to 53 form an integral part of these financial statements.

Chief Executive	**Chief Financial officer**	**Director**

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND OPERATIONS

Bata Pakistan Limited (the Company) was incorporated in Pakistan as a public company limited by shares under the repealed Companies Act, 1913 (now, Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Batapur, Lahore. The principal activity of the Company is manufacturing and sale of footwear of all kinds along with sale of accessories and hosiery items. The parent company of Bata Pakistan Limited is Bafin B.V. (Nederland), whereas the ultimate parent is Compass Limited, Bermuda. Furthermore, the Company has the following production facilities:

Sr. No.	Business units	Geographical location
1	Batapur Factory	G.T. Road, P.O. Batapur, Lahore
2	Maraka Factory	26 - km, Multan Road, Lahore

The Company operates through retail outlets spread across the country with 6 outlets situated in Azad Kashmir, 7 in Balochistan, 12 in Islamabad Capital Territory, 2 in Gilgit Baltistan, 40 in Khyber Pakhtunkhwa, 240 in Punjab and 53 outlets in Sindh.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

i) IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

ii) Provisions of, directives and notifications issued under the Companies Act, 2017.

Where provisions of, directives and notifications issued under the Companies Act, 2017 differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017 have been followed.

2.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the Company's financial statements covering annual periods, beginning on or after the following dates:

2.2.1 Standards, amendments and interpretations to accounting standards that are effective in current year

Certain standards, amendments and interpretations to IFRS Accounting Standards are effective for accounting period beginning on January 01, 2025 but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these financial statements, except for the following:

a) Amendment to International Accounting Standard (IAS) 21 – Lack of Exchangeability

An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations.

The above amendment did not result in any significant changes to these financial statements.

2.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the IFRS Accounting Standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2026 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these financial statements, except for the following:

(a) Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments (effective for annual period beginning on January 1, 2026)

The amendments:

- clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;

- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;

- add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and

- make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

An important clarification brought about in these amendments is that a payment instruction (e.g. a cheque) that is prepared for a future payment will generally not meet the requirements for the financial liability to be discharged and hence derecognised. The previous practice of financial liabilities being derecognized upon issuance of cheques would need to be reconsidered.

(b) Annual improvements to International Financial Reporting Standards – Volume 11 (effective for annual period beginning on January 1, 2026)

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash Flows.

(c) International Financial Reporting Standard (IFRS) 18, 'Presentation and Disclosure in Financial Statements' (effective for annual period beginning on January 1, 2027)

This is the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:

- the structure of the statement of profit or loss;

- required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and

- enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.

The Company is yet to assess the impact of these standards and amendments to existing standards on its financial statements.

3 BASIS OF MEASUREMENT

These financial statements have been prepared under the historical cost convention except as otherwise stated.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Company's material accounting policy information is stated in note 5. The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made. Detailed information about each of these estimates and judgements is included in other notes, together with information about the basis of calculation for each affected line item in the financial statements.

- estimation of provision for taxation and recognition of deferred tax - notes 5.2, 10, 17 and 39
- estimation of useful life and residual value of operating fixed assets - notes 5.3.1 and 6
- estimation of fair value of contingent liabilities - notes 5.10 and 31
- estimation uncertainties and judgements made in relation to lease accounting - notes 5.4.1 and 24
- estimation of provision for obsolescence and net realisable value of stock-in-trade - notes 5.8 and 12
- impairment of financial assets - notes 5.18, 9, 13, 16, 18 and 20

5 MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.1 EMPLOYEE BENEFITS

5.1.1 Short term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the statement of financial position.

5.1.2 Post employment benefits

The main features of the schemes operated by the Company for its employees are as follows:

(a) Defined Benefit Plan

The Company operates an un-funded gratuity scheme covering all employees, excluding managerial staff. The entitlement to gratuity is determined as follows:

a) For employees who are members of the provident fund scheme:

- Upon voluntary retirement by workers, supervisory, and clerical staff, or upon retirement of such employees at the Company's discretion, or upon their resignation, they will receive three weeks' basic wages/salary for each completed year of service, provided they have served continuously for at least 15 years for workers and 20 years for supervisory and clerical staff, respectively. If an employee continues their service after 20 years, gratuity will be calculated with reference to 3 weeks' basic salary for each completed year of service, subject to a maximum of 15 months' basic salary.

- Upon voluntary retirement or resignation of managerial staff, after 20 years of continuous service, they will receive two weeks' basic wages for each completed year of service. If the employee continues their service, gratuity will be calculated with reference to 2 weeks' basic salary for each completed year of service, subject to a maximum of 15 months' basic salary.

- Upon voluntary retirement or resignation of a shop manager, salesman, depot manager, or depot employee, after 20 years of continuous service, they will receive three weeks' basic wages for each completed year of service. If the employee continues their service, gratuity will be calculated with reference to 3 weeks' basic salary for each completed year of service, subject to a maximum of 15 months' basic salary.

b) For employees who are not members of the provident fund scheme:

- For workers, the calculation is based on the highest salary earned within the last twelve months. For other staff, the calculation involves multiplying their current gross salary by the number of completed years of service.

- For sales staff, the calculation involves multiplying the average monthly salary of the last twelve months by the number of completed years of service.

Actuarial valuation of defined benefit plan is conducted annually and the most recent valuation was carried out as of December 31, 2025 using projected unit credit method. The significant assumptions used are detailed in note 26.

The Company's policy with regard to experience gains and losses is to recognize them as they occur in other comprehensive income under IAS 19 'Employee Benefits (Revised)'.

(b) Defined Contribution Plan

The Company operates two recognized provident fund schemes that are classified as defined contribution plans. The Employees' Provident Fund applies to non-managerial staff, while the Managerial Staff Provident Fund applies to employees holding managerial positions and above. Under these schemes, equal monthly contributions are made by the Company and the employees at the rate of 8% of basic salary for non-managerial staff and 10% of basic salary for managerial staff.

5.2 TAXATION – LEVY AND INCOME TAX

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

Current

The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to profit for the year if enacted or substantively enacted at the end of the reporting period in accordance with the prevailing law for taxation of income, after taking into account tax credits, rebates and exemptions, if any. Management periodically evaluates position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that the tax authorities will accept an uncertain tax treatment. The charge for current tax also includes adjustments, where considered necessary, to provision for tax made in previous years arising from assessments framed during the year for such years. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty. Current tax assets and tax liabilities are offset where the Company has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority.

Levies

Minimum taxes that exceed the normal tax liability, as well as tax deducted at source (other than from dividends received from subsidiaries, joint ventures, and associates) under the provisions of the Income Tax Ordinance, 2001 (the 'Ordinance'), are not within the scope of IAS 12 - Income Taxes. Instead, these taxes fall under the provisions of IFRIC 21 - Levies, and IAS 37 - Provisions, Contingent Liabilities and Contingent Assets.

Consequently, a liability for these levies is recognized in accordance with IFRIC 21 when the event specified in the Ordinance that triggers the obligation occurs. Therefore, excess minimum taxes and final taxes are recognized as liabilities when they become due, ensuring compliance with the recognition and measurement principles outlined in IAS 37.

5.3 PROPERTY, PLANT AND EQUIPMENT

5.3.1 Operating fixed assets

Operating fixed assets except freehold land and leasehold land with superstructure are stated at cost less accumulated depreciation and any identified impairment loss. Freehold land and leasehold land with superstructure is stated at cost less any identified impairment loss.

Depreciation is charged to the statement of profit or loss on the reducing balance method so as to write off the depreciable amount of an asset over its estimated useful life at annual rates mentioned in note 6.2 after taking into account their residual values.

The assets' useful lives and residual values are reviewed at each financial year end, and adjusted if impact on depreciation is significant. The Company's estimate of the residual value and useful life of its operating fixed assets as at December 31, 2025 has not required any adjustment.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the year in which they are incurred.

The Company assesses at each reporting date whether there is any indication that property, plant and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

Any change in estimates in future years might affect the carrying amounts of the respective items of property, plant and equipment and intangible assets with a corresponding effect on the depreciation / amortization charge and impairment.

Proceeds from the sale of items while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management are not deducted from the cost of an item of property, plant and equipment. Instead, the Company recognizes the proceeds from selling such items, and the cost of producing those items, in the statement of profit or loss.

The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as an income or expense in the statement of profit or loss.

5.3.2 Capital work-in-progress

All expenditure connected with specific assets incurred during installation and construction period and/or in transit are carried under capital work in progress. These are transferred to specific assets as and when assets are available for use. Capital work-in-progress is stated at cost, less any identified impairment loss.

5.4 LEASES

The Company is both the lessor and the lessee.

5.4.1 Lessee accounting

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

For leases which are not short term (of a period less than twelve months) or of low monetary value, the lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases of the Company, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right of use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses the recent third party financing received by the Company as a starting point, adjusted to reflect the changes in financing conditions since third party financing was received;
- uses expected terms of third party financing based on correspondence with the third party financial institutions, where third party financing was not received recently; and
- makes adjustments specific to the lease e.g. terms and security.

Lease payments include the following:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by the Company under residual value guarantees;
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not to exercise a termination option. Extension options (or periods covered by termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). While making this assessment, the Company considers significant penalties to terminate (or not extend) as well as the significant cost of business disruption.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in the statement of profit or loss if the carrying amount of right of use asset has been reduced to zero.

The right of use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right of use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right of use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

When there is a change in scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease, it is accounted for as a lease modification. The lease modification is accounted for as a separate lease if modification increases the scope of lease by adding the right to use one or more underlying assets and the consideration for lease increases by an amount that is commensurate with the stand-alone price for the increase in scope adjusted to reflect the circumstances of the particular contracts, if any. When the lease modification is not accounted for as a separate lease, the lease liability is remeasured and corresponding adjustment is made to right-of-use asset.

Payments associated with short-term and low value leases are recognised on a straight line basis as an expense in the statement of profit or loss.

5.4.2 Lessor accounting

Leases where the Company retains substantially all the risks and rewards of ownership are classified as operating leases. Lease income from operating leases is recognized in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognized as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

5.5 INTANGIBLE ASSETS

Expenditure incurred to acquire and develop the point of sale (POS) and computer software is capitalized as intangible assets and stated at cost less accumulated amortization and any identified impairment loss.

Amortization is charged to statement of profit or loss using the straight line method, so as to write off the cost of an asset over its estimated useful life. Amortization is being charged at the annual rates of 25% on computer software and 20% on POS software, on straight line basis.

Useful lives of intangible operating assets are reviewed, at each reporting date and adjusted if the impact of amortization is significant.

The Company assesses at each reporting date whether there is any indication that intangible asset may be impaired. If such indication exists, the carrying amount of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying values exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

5.6 INVESTMENTS

Investments intended to be held for less than twelve months from the reporting date or to be sold to raise operating capital, are included in current assets. All other investments are classified as non-current. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

5.7 STORES AND SPARE PARTS

These are valued at lower of weighted average cost or net realizable value except for items in transit which are stated at invoice value along with any other charges associated with buying the inventory for its intended use. The Company reviews the carrying amount of stores and spare parts on a regular basis for provision for obsolescence.

Provision for obsolescence of stores and spare parts is made on the basis of management's best estimate of usability of items and considering the ageing analysis prepared on an item by item basis.

5.8 STOCK-IN-TRADE

Stock-in-trade is valued at the lower of cost and estimated net realizable value. Cost is determined as follows:

Raw material		
Purchased	-	at weighted average cost
In transit	-	at actual cost
Goods in process	-	at production cost
Finished goods		
Own production	-	at production cost on first in first out (FIFO) basis
Purchased	-	at actual cost on first in first out (FIFO) basis
In transit	-	at actual cost

Cost of work-in-process and finished goods comprises cost of direct materials, labour and related production overheads (based on normal operating capacity). Net realizable value is based on estimated selling price in the ordinary course of business less estimated cost of completion and estimated cost necessary to make the sale.

If the expected net realizable value is lower than the carrying amount, a write-down is recognized for the amount by which the carrying amount exceeds its net realizable value. Provision is made in the financial statements for obsolete and slow moving stock-in-trade based on management's best estimate, considering the aging analysis prepared on an item by item basis.

5.9 TRADE DEBTS AND OTHER RECEIVABLES

Trade debts and other receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing component in which case such are recognised at fair value. The Company holds the trade debts with the objective of collecting the contractual cash flows and therefore measures the trade debts subsequently at amortised cost using the effective interest rate method, less loss allowance.

Trade debts and other receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company, and a failure to make contractual payments for a period of greater than one year past due (considered as default).

5.10 CONTINGENT LIABILITY

Contingent liability is disclosed when:

- There is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company; or

- There is a present obligation that arises from past events but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are generally estimated using:

- The single most likely outcome; or

- A weighted average of all the possible outcomes (the 'expected value' method). This is likely to be the most appropriate method for a large population of similar claims, but can also be applied to a single obligation with various possible outcomes.

5.11 FOREIGN CURRENCY TRANSACTIONS AND TRANSLATIONS

a) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates, are generally recognised in statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings are presented in the statement of profit or loss, within finance costs. All other foreign exchange gains and losses are presented in the statement of profit or loss on a net basis within other gains/(losses).

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. For example, translation differences on non-monetary assets and liabilities such as equities held at fair value through profit or loss are recognised in profit or loss as part of the fair value gain or loss, and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognised in other comprehensive income.

5.12 BORROWINGS

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Where the terms of a financial liability are renegotiated and the entity issues equity instruments to a creditor to extinguish all or part of the liability (debt for equity swap), a gain or loss is recognised in profit or loss, which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the Company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the Company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the Company is required to comply with after the reporting period do not affect the classification at the reporting date.

5.13 BORROWING COSTS

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are assets that necessarily take a substantial time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in statement of profit or loss in the period in which they are incurred.

5.14 PROVISIONS

Provisions for legal claims and make good obligations are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated.

Provisions are not recognised for future operating losses. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

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

5.15 REVENUE RECOGNITION

Revenue is recognised when performance obligations are satisfied by transferring control of a promised good to a customer and the control transfers at a point in time. Revenue is measured at fair value of the consideration received or receivable excluding discounts allowed to customers, commissions and government levies.

In case of:

Retail:	Revenue is recognised at a point in time when performance obligation is satisfied i.e. at the time of transferring control of retail items to a customer.
Wholesale:	Revenue is recognised at a point in time when performance obligation is satisfied i.e. at the time of dispatch of goods from the factory premises.
Exports:	Revenue is recognised at a point in time when performance obligation is satisfied i.e. at the time of transferring control to a customer. This is usually when the bill of lading is generated.

The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company does not adjust any of the transaction prices for the time value of money.

The Company operates a loyalty programme where retail customers accumulate points for purchases made which entitle them to discount on future purchases. A contract liability for the award points is recognized at the time of the sale. Revenue is recognized when the points are redeemed or when they expire.

5.16 FINANCE INCOME

Finance income comprises interest income on funds invested (financial assets), gain on disposal of financial assets and changes in fair value of investments. Interest income is recognized as it accrues in the statement of profit or loss, using effective interest rate method.

5.17 CASH AND CASH EQUIVALENTS

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

Additionally, cash and cash equivalents encompass short-term borrowings that are repayable on demand and are an integral part of the Company's cash management, as well as bank overdrafts. Bank overdrafts and short-term borrowings are presented within borrowings in current liabilities in the statement of financial position.

5.18 FINANCIAL ASSETS

5.18.1 Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value [either through other comprehensive income ('OCI') or through profit or loss]; and
- those to be measured at amortised cost.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

5.18.2 Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership.

5.18.3 Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payments of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

i) Amortised cost: Assets that are held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss. Impairment losses are presented as a separate line item in the statement of profit or loss.

ii) FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses, which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss. Interest income from these financial assets is included in other income using the effective interest rate method. Impairment expenses are presented as a separate line item in the statement of profit or loss.

iii) FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in the statement of profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets measured at amortised cost or at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk since initial recognition.

For trade receivables, the Company applies the IFRS 9 simplified approach and recognises lifetime expected credit losses from initial recognition. For other financial assets, including long-term security deposits, bank balances, deposits and other receivables, the Company applies the general three-stage impairment model and recognises a loss allowance equal to 12-month expected credit losses where credit risk has not increased significantly since initial recognition.

A significant increase in credit risk is assessed by comparing the risk of default at the reporting date with the risk of default at initial recognition, using reasonable and supportable information.

The following financial assets are subject to the ECL model:

- Long term security deposits;
- Trade debts;
- Deposits and other receivables;
- Interest accrued;
- Short-term investments that are debt instruments; and
- Bank balances

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the

The measurement of ECL reflects:

- an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Company recognizes an impairment gain or loss in the statement of profit or loss for financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity. Subsequent recoveries of amounts previously written off will result in impairment gains.

5.19 IMPAIRMENT OF NON-FINANCIAL ASSETS

Goodwill and intangible assets with indefinite useful lives are not amortised and are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they may be impaired. Other non-financial assets are tested for impairment whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs of disposal and value in use. For the purpose of impairment testing, assets are grouped at the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Impairment losses recognised in prior periods for non-financial assets other than goodwill are assessed for possible reversal at the end of each reporting period if there is an indication that the impairment no longer exists or has decreased. Impairment losses recognised for goodwill are not reversed.

5.20 FINANCIAL LIABILITIES

All financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities at amortised cost are initially measured at fair value less transaction costs. Financial liabilities at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in statement of profit or loss.

Financial liabilities, other than those at fair value through profit or loss, are subsequently measured at amortised cost using the effective interest rate method. Gain and losses are recognized in the profit or loss, when the liabilities are derecognized as well as through effective interest rate amortization process.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

5.21 TRADE AND OTHER PAYABLES

Trade payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 to 90 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

5.22 CONTRACT ASSET AND CONTRACT LIABILITY

A contract asset is recognised for the Company's right to consideration in exchange for goods or services that it has transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, the Company presents the amount as a contract asset, excluding any amounts presented as a receivable.

A contract liability is recognised for the Company's obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration, or the Company has a right to an amount of consideration that is unconditional (i.e. a receivable), before the Company transfers a good or service to the customer, the entity shall present the contract as a contract liability when the payment is made or the payment is due (whichever is earlier).

5.23 OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are offset and the net amount is reported in the financial statements only when there is a legally enforceable right to set off the recognized amount and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

5.24 DIVIDEND AND APPROPRIATION TO RESERVES

Dividend and other appropriation to reserves are recognized in the financial statements in the period in which these are approved.

5.25 SHARE CAPITAL

Ordinary shares are classified as equity and recognized at their face value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, if any.

5.26 OPERATING SEGMENTS

Operating segments are reported in a manner consistent with the internal reports issued to the chief operating decision-maker. The Chief Executive Officer has been identified as the 'chief operating decision-maker', who is responsible for allocating resources and assessing performance of the operating segments. Based on internal management reporting structure, the Company is organized into four operating segments:

- Retail: This segment includes information relating to sales made from retail stores of the Company.
- Wholesale: This segment includes information relating to sales made to distributors of the Company.
- Export: This segment includes information regarding the exports made by the Company to both associated undertakings and other customers.
- Others: All other sales of the Company including sales of grinderies and wastages are included in this segment.

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and for assessing performance.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

5.27 ROUNDING OF AMOUNTS

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand Rupee unless otherwise stated.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	2025	2024
		(Rupees in '000)	
Operating fixed assets	6.2	2,461,331	2,597,729
Capital work-in-progress	6.3	350,375	11,415
		2,811,706	2,609,144

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

Sr. No.	Usage of Immovable Property	Location	Total Area (Square Feet)
1	Factory Area	Batapur Factory Area	740,880
2	Residential Area	Batapur Residential Area	1,936,922
3	Sports Ground	Batapur Sports Ground	407,758
4	Factory Area	Maraka Factory Area	353,160
5	Retail Store	Bata Bazar Batapur, Lahore	4,099
6	Retail Store	Mini Price Batapur, Lahore	3,900
7	Retail Store	Maraka II, Lahore	9,832
8	Retail Store	Aabpara Market Islamabad	1,800
9	Retail Store	Jinnah Road Murree	3,230
10	Retail Store	Kashmir Road Rawalpindi	3,402
11	Retail Store	Haji Building Rawalpindi	2,650
12	Vacant	Amin Bazar Sargodha	1,144
13	Retail Store	Khushab	580
14	Retail Store	Saddar Bazar Mandi Bahauddin	1,120
15	Vacant	G. T. Road I Gujranwala	521
16	Retail Store	Paisa Akhbar Anarkali Lahore	1,580
17	Retail Store	Abdul Karim Road, Lahore	1,800
18	Vacant	Moon Plaza Liberty Market, Lahore	559
19	Retail Store	Marie Claire Liberty Market, Lahore	750
20	Retail Store	Shadman Market, Lahore	919
21	Vacant	Shahdara Lahore	522
22	Retail Store	Katchery Bazar Faisalabad	2,126
23	Retail Store	Liaquat Bazar Quetta	377
24	Vacant	Frere Road Sukkur	645
25	Vacant	Tariq Road I, Karachi	7,560
26	Retail Store	Tariq Road Bubble Gummer, Karachi	1,200
27	Retail Godown	Shah Faisal Colony I, Karachi	753
28	Retail Store	Clifton Karachi	1,144
29	Retail Store	Pakistan Chowk Karachi	2,628
30	Retail Godown	Preedy Street Karachi	4,440

6.2 Operating fixed assets

	Freehold land *	Leasehold land with super structure**	Buildings on freehold land - factory	Buildings on freehold land - others	Plant and machinery	Boilers	Gas installations	Office equipment	Computers	Furniture, fixtures and fittings	Vehicles	Total
							(Rupees in '000)					
Net carrying value basis												
Year ended December 31, 2025												
Opening net book value (NBV)	2,508	35	162,093	57,946	600,280	5,469	454	3,589	221,690	1,536,003	7,662	2,597,729
Additions (at cost)	-	-	123,671	2,062	4,737	-	61	-	30,558	208,132	-	369,221
Disposals (at NBV)	-	-	(3,993)	-	(2,479)	-	(5)	(7)	(1,831)	(84,007)	-	(92,322)
Depreciation charge - note 6.4		-	(17,178)	(2,977)	(60,039)	(547)	(50)	(356)	(59,845)	(241,118)	(1,476)	(383,586)
Impairment loss - note 6.5	-	-	-	-	-	-	-	-	-	(29,711)	-	(29,711)
Closing net book value (NBV)	2,508	35	264,593	57,031	542,499	4,922	460	3,226	190,572	1,389,299	6,186	2,461,331
Gross carrying value basis												
As at December 31, 2025												
Cost	2,508	35	470,915	127,685	1,250,917	13,910	2,275	8,415	516,042	3,419,709	29,225	5,841,636
Accumulated depreciation and impairment	-	-	(206,320)	(70,625)	(708,427)	(8,988)	(1,817)	(5,218)	(325,470)	(2,030,372)	(23,068)	(3,380,305)
Net book value (NBV)	2,508	35	264,595	57,060	542,490	4,922	458	3,197	190,572	1,389,337	6,157	2,461,331
Depreciation rate per annum	0%	0%	10%	5%	10%	10%	10%	10%	25%	15%	20%	
Net carrying value basis												
Year ended December 31, 2024												
Opening net book value (NBV)	2,508	35	168,224	55,883	646,532	6,077	504	3,985	269,174	1,464,880	5,433	2,623,235
Additions (at cost)	-	-	11,230	5,059	19,206	-	-	-	25,553	348,466	4,023	413,537
Disposals (at NBV)	-	-	-	-	-	-	-	-	(2,105)	(30,096)	-	(32,201)
Depreciation charge - note 6.4	-	-	(17,361)	(2,996)	(65,458)	(608)	(50)	(396)	(70,932)	(247,247)	(1,794)	(406,842)
Closing net book value (NBV)	2,508	35	162,093	57,946	600,280	5,469	454	3,589	221,690	1,536,003	7,662	2,597,729
Gross carrying value basis												
As at December 31, 2024												
Cost	2,508	35	360,585	125,624	1,283,658	13,910	2,232	8,445	494,285	3,483,804	29,225	5,804,311
Accumulated depreciation	-	-	(198,492)	(67,678)	(683,378)	(8,441)	(1,778)	(4,856)	(272,595)	(1,947,801)	(21,563)	(3,206,582)
Net book value (NBV)	2,508	35	162,093	57,946	600,280	5,469	454	3,589	221,690	1,536,003	7,662	2,597,729
Depreciation rate per annum	0%	0%	10%	5%	10%	10%	10%	10%	25%	15%	20%	

* Freehold land represents the area of Batapur factory and Maraka factory.

** Leasehold land represents a piece of land obtained from Capital Development Authority in 1965, measuring 1,800 square feet situated in Islamabad.

6.2.1 The assets include furniture, fixtures & fittings and computers amounting to Rs 142.731 million (2024: Rs 125.981 million), which are in the name of the Company but are in possession of various business associates. These assets are provided under a contract, to run operations of the retail shops to sell Company's merchandise exclusively.

6.3 Capital work-in-progress

	2025				2024			
	(Rupees in '000)				(Rupees in '000)			
	Opening balance	Additions	Transfers	Closing balance	Opening balance	Additions	Transfers	Closing balance
Building	-	12,690	(5,910)	6,780	5,648	4,859	(10,507)	-
Computer	5,376	-	(596)	4,780	7,100	1,535	(3,259)	5,376
Machinery	3,291	6,235	-	9,526	4,836	9,050	(10,595)	3,291
Furniture	2,748	365,779	(39,238)	329,289	33,308	23,590	(54,150)	2,748
	11,415	384,704	(45,744)	350,375	50,892	39,034	(78,511)	11,415

6.4 Allocation of depreciation expense

The depreciation charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost of sales	33.1	77,688	83,451
Distribution costs	34.4	271,062	281,310
Administrative expenses	35	34,836	42,081
		383,586	406,842

6.5 During the year, the Company recognised an impairment loss of Rs 29.711 million in respect of furniture and fixtures relating to certain loss-making retail stores/shops, each of which is considered a separate cash-generating unit (CGU). These stores incurred operating losses during the year and, as a result of continued poor performance combined with high rental commitments that could not be renegotiated, management decided, as at the year end, to close or relocate these stores in the subsequent period.

At the reporting date, the recoverable amounts of the respective CGUs were assessed to be lower than their carrying amounts and, accordingly, the related assets were written down to their recoverable amounts. The impairment loss has been recognised within administrative expenses in the statement of profit or loss.

6.6 Sale of fixed assets

Detail of operating fixed assets sold during the year, having book value of Rs 500,000 and more, is as follows:

	2025					
	(Rupees in thousand)					
Particulars of assets	**Sold to**	**Cost**	**Book value**	**Sale proceeds**	**Gain/(loss) on sale**	**Mode of sale**
Furniture, fixtures and fittings	**Outside parties**	58,388	33,511	3,029	(30,482)	Negotiation/Scrapped
Building on freehold land - Factory - note 6.6.1	**Outside party**					
	Waqas Muazz & Co.	7,841	3,668	29,743	26,075	Bid
		66,229	**37,179**	**32,772**	**(4,407)**	

The aggregate book value of operating fixed assets sold during the prior year exceeded Rs 5,000,000. However, the book value of each asset sold was not more than Rs 500,000; therefore, the particulars of each asset were not detailed. The disposals during the current and prior year mainly consisted of assets that were abandoned upon vacating retail outlets and assets that had been written off because they were no longer usable.

6.6.1 This represents the gain on disposal of scrap arising from the dismantling of the tannery building located at the head office.

7 RIGHT-OF-USE ASSETS

This represents right-of-use assets (ROUA) (retail shops) obtained on lease. These are being depreciated on straight line basis over their lease terms. Reconciliation of the carrying amount is as follows:

	Note	2025	2024
		(Rupees in '000)	
Cost			
Opening balance as at January 01		9,786,647	8,690,336
Additions		484,973	374,713
Modification adjustments		(176,709)	(374,616)
Effect on ROUA due to renewals		1,499,638	1,096,214
Closing balance as at December 31		11,594,549	9,786,647
Depreciation			
Opening balance as at January 01		6,747,504	5,705,474
Charge for the year	34.4	1,136,435	1,042,030
Closing balance as at December 31		7,883,939	6,747,504
Net book value as at December 31		3,710,610	3,039,143

8 INTANGIBLE ASSETS

	Note	2025	2024
Intangible assets - POS and computer software	8.1	106,045	173,012

	Note	Computer software	POS software at retail stores	Total
			(Rupees in '000)	
8.1 COST				
Balance as at January 01, 2025		64,621	359,779	424,400
Additions during the year		-	12,254	12,254
Balance as at December 31, 2025		64,621	372,033	436,654
AMORTIZATION				
Balance as at January 01, 2025		49,407	201,981	251,388
Charge for the year	8.2	6,097	73,124	79,221
Balance as at December 31, 2025		55,504	275,105	330,609
Book value as at December 31		9,117	96,928	106,045

Amortization rate is 25.00% per annum for computer software and 20.00% per annum for POS software at retail stores.

	Note	Computer software	POS software at retail stores	Total
			(Rupees in '000)	
COST				
Balance as at January 01, 2024		63,216	353,367	416,583
Additions during the year		1,405	6,412	7,817
Balance as at December 31, 2024		64,621	359,779	424,400
AMORTIZATION				
Balance as at January 01, 2024		43,591	130,202	173,793
Charge for the year	8.2	5,816	71,779	77,595
Balance as at December 31, 2024		49,407	201,981	251,388
Book value as at December 31		15,214	157,798	173,012

Amortization rate is 25.00% per annum for computer software and 20.00% per annum for POS software at retail stores.

8.2 The amortization charge for the year has been allocated as follows:

	Note	2025	2024
		(Rupees in '000)	
Distribution costs	34	73,124	73,482
Administrative expenses	35	6,097	4,113
		79,221	77,595

9 LONG TERM SECURITY DEPOSITS

	Note	2025	2024
Balance as at January 01		61,085	59,190
Additions during the year		17,136	1,895
		78,221	61,085
Discounting adjustment	38	(34,181)	-
Unwinding of discount		5,934	-
Balance as at December 31	9.1	49,974	61,085

9.1 These represents the securities given to landlords in respect of leases of shops. These deposits have contractual tenures ranging from 2 to 12 years.

10 DEFERRED TAX ASSET

The net deferred tax asset comprises temporary differences and tax credits relating to:

	2025	2024
	(Rupees in '000)	
Deferred tax liability		
Accelerated tax depreciation	(137,610)	(205,351)
Deferred tax asset		
Lease liabilities net of right-of-use assets	211,464	272,086
Employee benefits obligations	9,946	18,642
Provision for stores and spare parts	-	13,969
Provision for stock in trade	-	39,957
Loss allowance on trade debts	230,031	58,622
Loss allowance on other receivables	6,305	5,003
Loss allowance on advances	7,742	2,703
Unpaid liabilities for three years and more	94,641	-
Alternative Corporate Tax	-	61,917
Provision for impairment on sales tax refundable	101,547	-
Unabsorbed tax depreciation	106,704	-
	630,770	267,548

10.1 Deferred tax asset on tax losses and tax credits available for carry forward have been recognized to the extent that the realisation of related tax benefits is probable from reversal of existing taxable temporary differences and future taxable profits. Based on the Company's approved business plan, it is probable that sufficient taxable profits will be available for utilization of deferred tax asset. However, the Company has not recognised deferred tax asset in respect of minimum tax available for carry forward under section 113 of the Income Tax Ordinance, 2001, and deferred tax asset on business loss available for carry forward, as sufficient taxable profits would not be available to utilise these in the foreseeable future and would expire as follows:

Accounting year to which minimum tax relates	Amount of minimum tax (Rupees in thousand)	Accounting year in which minimum tax will expire
2024	19,630	2026
2025	226,435	2027
	246,065	

Accounting year to which business loss relates	Amount of business loss (Rupees in thousand)	Accounting year in which business loss will expire
2025	840,860	2031

10.2 The gross movement in net deferred tax asset during the year is as follows:

	Note	2025	2024
		(Rupees in '000)	
Opening balance		267,548	486,719
Credited/(charged) to statement of profit or loss	39.2	365,999	(220,869)
(Charged)/credited to other comprehensive income	10.3	(2,777)	1,698
Closing balance		630,770	267,548

10.3 This represents tax impact of remeasurement of defined benefit obligation recognized in other comprehensive income.

11 STORES AND SPARE PARTS

	Note	2025	2024
		(Rupees in '000)	
Stores		2,508	2,989
Spare parts		34,565	32,828
		37,073	35,817
Less: provision for obsolescence	11.1	37,073	35,817
		-	-

11.1 Provision for obsolescence

	2025	2024
Opening provision	35,817	33,849
Charge for the year	1,256	1,968
Closing provision	37,073	35,817

12 STOCK-IN-TRADE

	Note	2025	2024
		(Rupees in '000)	
Raw materials			
In hand		228,061	298,558
In transit		5,227	1,787
		233,288	300,345
Less: provision for obsolescence of raw materials	12.1	8,992	15,086
		224,296	285,259
Goods in process		96,821	69,482
Finished goods			
Own production		1,462,615	2,190,916
Purchased		2,347,524	3,546,387
	12.2	3,810,139	5,737,303
Less: provision for net realizable value (NRV) of finished goods	12.3	137,192	87,368
		3,672,947	5,649,935
		3,994,064	6,004,676

12.1 Provision for obsolescence of raw materials

	2025	2024
Opening provision	15,086	22,246
Reversal for the year	(6,094)	(7,160)
Closing provision	8,992	15,086

12.2 This is net of an amount of Rs 188.083 million (2024: Nil) relating to the write-off of damaged and defective inventory. The write-off has been charged to cost of sales.

12.3	**Provision for net realizable value (NRV) of finished goods**	**Note**	**2025**	**2024**
			(Rupees in '000)	
	Opening provision		87,368	137,562
	Charge/(reversal) for the year		49,824	(50,194)
	Closing provision		137,192	87,368

13 TRADE DEBTS

		Note	2025	2024
	Due from customers		1,144,879	1,243,985
	Due from related parties	13.1	18,850	48,098
			1,163,729	1,292,083
	Loss allowance	13.2	(793,208)	(150,313)
			370,521	1,141,770
13.1	**Due from related parties**			
	Bata Shoe Company (Kenya) Limited		5,104	41,182
	Bata Shoe Company Bangladesh Limited		11,663	6,530
	P.T. Sepatu Bata, Indonesia		2,083	386
			18,850	48,098

13.1.1 Maximum aggregate amount due from related parties at the end of any month in the year was Rs 51.305 million (2024: Rs 53.923 million). These are interest free and the aging analysis of trade debts from related parties that are past due is as follows:

		Note	**2025**	**2024**
			(Rupees in '000)	
	Up to 90 days		7,271	38,648
	91 to 180 days		830	1,317
	181 to 365 days		5,530	5,611
	Above 365 days		5,219	2,522
			18,850	48,098
13.2	Movement in loss allowance is as follows:			
	Opening balance		150,313	115,300
	Charge for the year		642,895	35,013
	Closing balance		793,208	150,313

14 ADVANCES

		Note	2025	2024
	Advances to suppliers		88,528	83,622
	Letters of credit - margin		10,000	10,000
			98,528	93,622
	Less: Provision for impairment	14.1	26,696	6,930
			71,832	86,692
14.1	Movement in provision for impairment is as follows:			
	Opening balance		6,930	6,930
	Charge for the year		19,766	-
	Closing balance		26,696	6,930

15 TRADE DEPOSITS AND SHORT TERM PREPAYMENTS

	Note	2025	2024
		(Rupees in '000)	
Deposits			
Custom duty and taxes		5,365	3,439
Letters of guarantee - margin		129	129
Others		17,342	17,745
		22,836	21,313
Short term prepayments			
Prepaid rent	15.1	54,338	16,283
Prepaid sales tax		224,808	28,233
Other prepaid expenses		39,299	47,561
		318,445	92,077
		341,281	113,390

15.1 Prepaid rent is the amount paid in advance to the respective landlord in accordance with the terms of rent agreements of short term leases. It is adjusted with the rent payable in accordance with the terms of rent agreements.

16 OTHER RECEIVABLES

	Note	2025	2024
		(Rupees in '000)	
Receivable from employees	16.1	36,957	27,349
Export rebates		-	2,805
Rent receivable		3,635	5,131
Others	16.2	34,579	40,777
		75,171	76,062
Loss allowance	16.3	(21,741)	(12,827)
		53,430	63,235

16.1 This includes an outstanding advance of Rs 0.709 million to Mr. Ahsan Umar (Executive Director) for official business purposes. It is neither past due nor impaired. The maximum amount outstanding at any time during the year calculated by reference to month-end balances was Rs 0.986 million (2024: Nil).

16.2 This includes receivables from various courier companies in respect of cash collected on behalf of the Company, aggregating Rs 26.092 million (2024: Rs 39.619 million), arising in the ordinary course of business.

16.3 Movement in loss allowance on other receivables is as follows:

	Note	2025	2024
		(Rupees in '000)	
Opening balance		12,827	12,827
Charge for the year		8,914	-
Closing balance		21,741	12,827

17 INCOME TAX RECEIVABLE NET OF PROVISION FOR TAXATION

	Note	2025	2024
Opening receivable		302,150	39,691
Advance tax paid during the year		360,721	575,218
Amounts written off		(5,694)	-
Adjusted against provision for taxation	39	(243,377)	(312,759)
Closing balance		413,800	302,150

18 SHORT TERM INVESTMENTS

This represents term deposit receipt of the following bank:

	2025	2024
Habib Metropolitan Bank Limited	45,044	45,065

18.1 The range of rates of profits on these term deposits was between 8.5% and 10% (2024: 8.5% and 20.85%) per annum.

18.2 The investment deposits include those earmarked against the balances due to employees held as securities, as stated in note 25.

19 SALES TAX REFUNDS DUE FROM THE FEDERAL BOARD OF REVENUE

	Note	2025	2024
		(Rupees in '000)	
Sales tax refund claims	19.1	350,161	350,161
Provision for impairment	19.2	(350,161)	-
		-	350,161

19.1 This represents sales tax paid on raw materials used in zero-rated taxable footwear for which refund claims have been lodged with the Federal Board of Revenue.

19.2 Movement in provision for impairment is as follows:

	Note	2025	2024
		(Rupees in '000)	
Opening balance		-	-
Charge for the year		350,161	-
Closing balance		350,161	-

20 CASH AND BANK BALANCES

	Note	2025	2024
Bank balances in:			
Current accounts:			
- Foreign currency		42,137	41,964
- Local currency	20.1	681,568	404,177
		723,705	446,141
Daily profit accounts	20.2	191,062	21,540
Cash in transit	20.3	66,151	72,597
Cash on hand:			
- Foreign currency		2,532	3,287
- Local currency		297	779
		2,829	4,066
		983,747	544,344

20.1 This includes balance in a shariah compliant bank amounting to Rs 278.382 million (2024: Rs 1.051 million).

20.2 The rate of mark-up on these accounts ranges from 2.78% to 9.50% (2024: 5.87% to 20.51%) per annum.

20.3 This represents credit card sales processed through Point of Sale (POS) terminals at year-end amounting to Rs 41.894 million (2024: Rs 36.642 million), as well as cash receipts amounting to Rs 24.257 million (2024: Rs 35.955 million) that have not yet been deposited into the Company's bank accounts by retail store managers.

21 SHARE CAPITAL

21.1 Authorized share capital

2025	2024		2025	2024
(Number of shares in '000)			(Rupees in '000)	
10,000	10,000	Ordinary shares of Rs 10 each	100,000	100,000

21.2 Issued, subscribed and paid up share capital

2025	2024		Note	2025	2024
(Number of shares in '000)				(Rupees in '000)	
1,890	1,890	Ordinary shares of Rs 10 each fully paid in cash	21.2.1	18,900	18,900
300	300	Ordinary shares of Rs 10 each issued for consideration other than cash	21.2.2	3,000	3,000
5,370	5,370	Ordinary shares of Rs 10 each issued as fully paid bonus shares		53,700	53,700
7,560	7,560			75,600	75,600

21.2.1 Bafin B.V. (Nederland) (the parent company) holds 5,685,866 (2024: 5,685,866) ordinary shares of Rs 10 each fully paid up which represents 75.21% (2024: 75.21%) of total paid up capital.

21.2.2 Shares issued for consideration other than cash were issued against plant and machinery.

21.2.3 All ordinary shares rank equally with regard to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

22 CAPITAL RESERVE

	2025	2024
	(Rupees in '000)	
Capital reserve	483	483

22.1 This represents the balance of foreign shareholders' equity in Globe Commercial Enterprises Limited (an associated undertaking) gifted to the Company on its winding up, and is not available for distribution.

23 REVENUE RESERVES

	2025	2024
	(Rupees in '000)	
General reserve	4,557,000	4,557,000
(Accumulated loss)/unappropriated profits	(1,465,213)	913,042
	3,091,787	5,470,042

24 LEASE LIABILITIES

The Company has lease contracts for retail outlets. These leases generally have lease terms between 3 to 12 years.

The reconciliation of the carrying amount is as follows:

	Note	2025	2024
		(Rupees in '000)	
As at January 1		3,736,800	3,676,081
Additions during the year	24.1	440,224	286,942
Renewals during the year		1,499,639	1,096,214
Accretion of interest		660,863	605,278
Modification of lease liability		(243,551)	(476,836)
Payments made during the year		(1,643,470)	(1,450,879)
As at December 31		4,450,505	3,736,800
Less: Current maturity shown under current liabilities		1,117,386	1,058,808
Non-current lease liabilities		3,333,119	2,677,992

24.1 The additions during the year are as follows:

	2025	2024
Additions to right-of-use assets	484,973	374,713
Less: Lease rentals paid at commencement date	44,749	87,771
	440,224	286,942

24.2 **The statement of financial position shows the following amounts related to leases:**

	2025	2024
RIGHT-OF-USE ASSETS	3,710,610	3,039,143
LEASE LIABILITIES		
Current portion	1,117,386	1,058,808
Non-current portion	3,333,119	2,677,992

24.3	**The statement of profit or loss shows the following amounts relating to leases:**	**Note**	**2025**	**2024**
			(Rupees in '000)	
	Depreciation charge of right-of-use assets	34.4	1,136,435	1,042,030
	Finance cost - leases	38	660,863	605,278
	Expense relating to short term leases	34	650,232	514,852
	Gain on modification of leases	37	66,937	102,220

25 LONG TERM DEPOSITS

Employees' securities and personal accounts		19,025	21,244

25.1 Employees' securities are the deposits made by employees as per their employment terms. As required by section 217 of the Companies Act, 2017, these amounts are invested in Term Deposit Receipts and are classified as short-term investments in note 18.

		Note	**2025**	**2024**
			(Rupees in '000)	
26	**EMPLOYEE BENEFITS OBLIGATIONS**			
26.1	**Provision for gratuity - un-funded defined benefit plan**		34,295	47,801
26.2	**Changes in present value of defined benefit obligations**			
	Present value of defined benefit obligations as at January 01		47,801	44,535
	Expense charged in statement of profit or loss		10,708	12,052
	Benefits paid during the year		(14,638)	(14,313)
	Remeasurement adjustments (credited)/charged to other comprehensive income:			
	- Changes in financial assumptions		3,808	3,876
	- Experience adjustments		(13,384)	1,651
			(9,576)	5,527
	Present value of defined benefit obligations as at December 31		34,295	47,801
26.3	**The amount recognized in the statement of profit or loss is as follows:**			
	Current service cost		4,439	4,863
	Interest cost		6,269	7,189
	Expense charged in statement of profit or loss		10,708	12,052
26.4	**Charge for the year has been allocated as follows:**			
	Cost of sales	33.4	5,247	5,763
	Distribution cost	34.1	4,283	4,652
	Administrative expenses	35.1	1,178	1,637
			10,708	12,052

26.5 Principal actuarial assumptions

The principal actuarial assumptions used in the actuarial valuation of this scheme by applying projected unit credit method as on December 31 are as follows:

	2025	2024
Expected rate of salary increase in future years - per annum	10.75%	13.25%
Discount rate - per annum	11.75%	14.25%
Expected mortality rate	SLIC 2001-2005	SLIC 2001-2005
Average duration of plan	4 Years	9 Years

26.6 Estimated expense to be charged to statement of profit or loss in 2026

	Amount (Rupees in '000)
Current service cost	2,758
Interest cost on defined benefit obligation	3,793
Amount chargeable to statement of profit or loss	6,551

26.7 Sensitivity analysis

Significant assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Year and sensitivity analysis (± 100 basis points (bps)) on defined benefit obligation

	2025	2024
	(Rupees in '000)	
Discount rate + 100 bps	32,848	45,862
Discount rate - 100 bps	35,862	49,959
Salary increase + 100 bps	34,957	49,253
Salary increase - 100 bps	33,680	46,506

26.8 Risk exposure

Through its defined benefit plan (gratuity scheme), the Company is exposed to a number of risks, the most significant of which are described below:

Market yields on Government bonds - The discount rate used to measure the defined benefit obligation is determined with reference to yields on government bonds. A decrease in government bond yields would result in an increase in the plan liabilities.

Inflation risk - The Company's gratuity obligation is linked to the salaries of members of the scheme. Accordingly, increases in salaries driven by higher inflation would increase the plan liabilities.

Employee turnover - The plan provides benefits for the duration of members' employment. Consequently, lower employee turnover would result in higher plan liabilities.

Life expectancy - The plan provides benefits for the period of members' employment. Therefore, an increase in life expectancy would result in an increase in plan liabilities.

27 LONG TERM FINANCES FROM FINANCIAL INSTITUTION - SECURED

	Note	2025	2024
		(Rupees in '000)	
Long term finances - secured	27.1	28,333	34,629
Less: current portion shown under current liabilities	27.2	28,333	6,296
		-	28,333

27.1 The long-term finance facility is obtained from Habib Bank Limited for the import and installation of solar power machinery. Under the arrangement with Habib Bank Limited, the outstanding principal amount is repayable in 18 equal quarterly instalments, ending in May 2030. Interest is payable quarterly in arrears at a rate equal to the 3-month State Bank of Pakistan (SBP) rate plus 1.5% per annum.

The loan is secured by a first hypothecation charge of Rs 106.67 million over all present and future movable fixed assets of the Company and a joint pari-passu charge over present and future movable assets and contingent debts of the Company to the extent of Rs 447 million.

27.2 As at the reporting date, the debt service coverage ratio and current ratio have fallen below the covenant thresholds stipulated in the financing agreement. Consequently, this constituted a breach of the relevant covenants, as a result of which the outstanding balance became repayable on demand. Accordingly, the related borrowings have been classified as current liabilities in these financial statements.

		Note	2025	2024
			(Rupees in '000)	
28	**TRADE AND OTHER PAYABLES**			
	Trade creditors	28.1	4,420,661	3,550,001
	Accrued liabilities		356,398	354,393
	Contract liabilities	28.2	83,044	43,015
	Payable to provident fund trust		24,491	30,314
	Security deposits	28.3	98,543	120,288
	Workers' profit participation fund	28.4	15,285	69,052
	Workers' welfare fund	28.5	-	11,607
	Taxes deducted at source payable		16,040	6,163
	Group insurance claims		5,534	7,679
	Payable to former employees		34,493	31,204
	Miscellaneous		14,735	13,003
			5,069,224	4,236,719

28.1 This includes amounts due to the following related parties:

	Note	2025	2024
Bata Brands SA	28.1.1	1,118,124	854,095
Global Footwear Services PTE. Limited	28.1.2	1,316,261	951,381
Bata (Malaysia) Sdn. Bhd		29	583
Bata Shoe (Singapore) Private Limited		-	1,498
Bata Shoe of Thailand Public Company Limited		1,236	702
		2,435,650	1,808,259

28.1.1 This includes an amount of Rs 711.359 million (2024: Rs 681.551 million) due under the trademark license fee agreement. During the year ended December 31, 2018, the Company and Bata Brands SA, Switzerland revised the terms of the trademark agreement, increasing the royalty percentage from 2% of net revenue (net of taxes) to 5% of net revenue (subject to applicable tax deductions). Certain minority shareholders have filed a suit against the Company in the High Court of Sindh, claiming that the increase in royalty is unjustified and have claimed damages of Rs 800 million. Initial proceedings of the case are currently underway and based on the opinion of the Company's legal counsel, the management expects an outcome confirming the revisions to the terms of the trademark agreement and quashing the damages.

28.1.2 This represents amount payable under the Management Business Unit (MBU) services agreement. Pursuant to an agreement dated August 23, 2007, between the Company and Global Footwear Services Pte. Limited, Singapore, Global Footwear Services Pte. Limited provides strategic, operational and financial planning services, management training, marketing and retailing services, product sourcing and development, footwear production support, information systems services, and other management consultancy services to the Company.Under the terms of the agreement, a fixed fee of Singapore Dollars (SGD) 156,000 per month is payable for the services rendered. As at the reporting date, amounts aggregating to Rs. 7.39 million (SGD 45,290) relating to August 2021 and Rs. 1,308.95 million (SGD 8,112,000) relating to the period from September 2021 to December 2025 remained outstanding, approval for which is pending from the State Bank of Pakistan

28.2 This represents contract liabilities of the Company towards various parties. Revenue recognised in the current year that was included in the contract liability balance at the beginning of the year amounts to Rs 43.015 million (2024: Rs 40.871 million).

28.3 This represents the security deposits received from registered agency holders and business associates in accordance with the terms of the contract. They are repayable upon termination or completion of the contract and upon the return of any Company property provided to them. As per the agreements signed with these parties, the Company has the right to utilize these amounts for business purposes. Therefore, the amounts are not required to be kept in a separate bank account maintained in a scheduled bank.

		Note	2025	2024
			(Rupees in '000)	
28.4	**Workers' profit participation fund**			
	The reconciliation of carrying amount is as follows:			
	Opening balance		69,052	71,910
	Provision related to prior year	36	5,053	-
	Provision for the year	36	-	69,052
	Interest on funds utilized in Company's business	38	17,187	16,457
			91,292	157,419
	Less: Payments during the year		76,007	88,367
	Closing balance		15,285	69,052

28.5 Workers' welfare fund

The reconciliation of carrying amount is as follows:	Note	2025	2024
		(Rupees in '000)	
Opening balance		11,607	22,640
Provision related to prior year	36	3,657	-
Provision for the year	36	-	12,232
		15,264	34,872
Less: Payments during the year		15,264	23,265
Closing balance		-	11,607

29 Short term borrowings from financial institutions - secured

	Note	2025	2024
Running musharakah facility	29.1	-	333,000

29.1 The running musharakah facility available from Meezan Bank Limited aggregates to Rs 400 million (2024: Rs 400 million) at an interest rate of 1-month Karachi Inter-Bank Offered Rate ('KIBOR') plus 0.5% (2024: 0.5%) per annum. The facility is secured against a first joint pari passu charge on all present and future current assets of the Company, including but not limited to stocks and book debts, with a 25% risk margin. The mark-up rate charged during the year on the outstanding balance ranged from 11.88% to 13.81% (2024: 15.36% to 18.14%) per annum.

29.2 Credit facilities other than the above facility of Rs 400 million available to the Company from various commercial banks aggregate to Rs 1,705 million (2024: Rs 1,705 million). These include:

- Non-funded facilities of letters of guarantee and letters of credit amounting to Rs 805 million (2024: Rs 805 million); and

- Cash finance facilities of Rs 900 million (2024: Rs 900 million).

In addition to the above, the Company can avail further cash finance facilities from the unutilized non-funded facilities from various commercial banks amounting to Rs 435 million (2024: Rs 435 million). This also includes Rs 35 million (2024: Rs 35 million) in respect of export finance facilities. The mark-up on cash finance ranges from 3-month KIBOR plus 0.40% to 1.0% (2024: 3-month KIBOR plus 0.40% to 1.0%) as per agreements with the banks. Meanwhile, the mark-up on export finance is charged at the SBP rate plus 1% (2024: SBP rate plus 1%) per annum.

These finances are secured against the hypothecation of stock-in-trade, stores and spare parts, and receivables of the Company amounting to Rs 2,580.333 million (2024: Rs 2,580.333 million).

30 UNPAID DIVIDEND

This represents dividend payable to Bafin B.V. (Nederland), which is pending approval from State Bank of Pakistan as at December 31, 2025.

31 CONTINGENCIES AND COMMITMENTS

31.1 Contingent tax liabilities

The Company's contingent liabilities are as follows:	Note	2025	2024
		(Rupees in '000)	
Order for sales tax	31.1.1	64,202	64,202
Order for income tax - matter decided in Company's favor		-	954,859
Order for sales tax	31.1.2	52,134	52,134
Show cause notice for sales tax against which stay order has been obtained	31.1.3	85,097	85,097
Order for sales tax	31.1.4	60,732	60,732
Order for income tax - matter decided in Company's favor		-	13,259
Order for sales tax	31.1.5	90,315	90,315
Order for sales tax	31.1.6	48,046	48,046
Order for income tax	31.1.7	153,974	153,974
Order for sales tax	31.1.8	1,731,288	1,918,062
Order for sales tax	31.1.9	118,134	118,134
Order for income tax - matter decided in Company's favor		-	92,095
Order for sales tax	31.1.10	30,058	30,058
Order for sales tax	31.1.11	24,868	-
		2,458,848	3,680,967

31.1.1 The Assistant Commissioner Inland Revenue (ACIR) issued an order dated September 30, 2011, raising a demand of Rs 201.252 million for the tax periods from July 2007 to December 2008 on account of non-payment of retail tax on sales made through retail outlets and inadmissible input tax adjustments claimed against retail supplies. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], which was decided against the Company.

The Company subsequently filed a complaint with the Federal Tax Ombudsman (FTO), who, on January 11, 2012, decided the matter in favor of the Company and directed the Commissioner Inland Revenue (CIR) to vacate the said order. Based on the FTO's decision, the tax authorities held that no further action was required in respect of the original demand.

Notwithstanding the above, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) seeking formal cancellation of the impugned order, which is pending adjudication. Additionally, the Deputy Commissioner Inland Revenue (DCIR) raised a demand of Rs 64.202 million on June 25, 2012 for the period from July 2007 to October 2008 in respect of sales tax earlier refunded to the Company. The Company filed an appeal before the CIR(A) against this demand, which is also pending adjudication.

Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the above matters and, accordingly, no provision has been recorded in these financial statements.

31.1.2 The DCIR raised two separate demands through orders dated December 06, 2014, amounting to Rs 43.856 million and Rs 8.278 million, on account of further sales tax at the rate of 1% on supplies made to unregistered customers for the periods from October 2013 to July 2014 and August 2014 to September 2014, respectively. The Company filed appeals against the said orders before the CIR(A), who remanded both cases back to the adjudicating officer for fresh decisions after allowing the Company to produce relevant records.

Subsequently, the Commissioner Inland Revenue filed appeals before the ATIR against the remand orders passed by the CIR(A), which are currently pending adjudication. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the matter and, accordingly, no provision has been recorded in these financial statements.

31.1.3 The Deputy Commissioner Inland Revenue (DCIR) issued a show cause notice dated April 20, 2015, alleging that the adjustment of input sales tax amounting to Rs 85.097 million for the tax periods from February 2014 to January 2015, relating to the trademark license fee and management service fee claimed by the Company that was deposited with the Punjab Revenue Authority (PRA), is inadmissible and recoverable from the Company along with default surcharge. The Company submitted a comprehensive reply to the show cause notice; however, no order has been passed by the DCIR to date.

In addition, the Company challenged the vires of the aforesaid show cause notice before the Lahore High Court. The High Court, in its order dated August 27, 2015, passed in Writ Petition No. 23456/2015, granted a stay against further proceedings. The petition is currently pending adjudication before the High Court. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the matter and, accordingly, no provision has been recorded in these financial statements.

31.1.4 The Assistant Commissioner, Sindh Revenue Board (SRB), raised a demand through an order dated September 1, 2016, amounting to Rs 60.732 million on account of non-payment of sales tax on trademark license fees and management service fees for the period from July 2011 to December 2012. The Company filed an appeal before the Commissioner (Appeals), Sindh Revenue Board, who decided the matter in favor of the Company vide an order dated February 10, 2019.

The Sindh Revenue Board subsequently filed an appeal against the said order before the Appellate Tribunal, Sindh Revenue Board, which, through its order dated August 8, 2019, remanded the case back to the assessing officer for fresh consideration. Subsequent to the order of the Appellate Tribunal, no further proceedings have been initiated by the relevant officer of the Sindh Revenue Board to date. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the matter and, accordingly, no provision has been recorded in these financial statements.

31.1.5 The Assistant Commissioner Inland Revenue (ACIR) issued a demand order dated February 28, 2020, amounting to Rs 90.315 million for sales tax charged during the period from January 2019 to September 2019, on account of failure to charge further tax on supplies made to unregistered persons. Being aggrieved, the Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], who remanded the case back to the ACIR to provide another opportunity to the Company to be heard. Still aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which also remanded the case back to the assessing officer. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome and, therefore, no provision has been recorded in these financial statements.

31.1.6 The Additional Commissioner Inland Revenue (ACIR) raised a demand through an order dated March 10, 2020, amounting to Rs 48.046 million in respect of sales tax for the period from January 2019 to August 2019. The demand was raised on the basis that the Company failed to maintain value addition at the rate of 4% as prescribed under the provisions of the Eight Schedule to the Sales Tax Act, 1990. Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], who remanded the case back to the ACIR to afford the Company another opportunity of being heard. Still aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which also remanded the case back to the assessing officer. The Company thereafter filed a petition before the Lahore High Court, which is currently pending adjudication. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome and, therefore, no provision has been recorded in these financial statements.

31.1.7 The Additional Commissioner Inland Revenue issued a demand through an order dated April 16, 2021, pertaining to the tax year 2015, amounting to Rs 153.974 million on account of certain issues, primarily relating to the proration of expenses and the disallowance of certain expenses. The Company filed an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], which was decided in favor of the Company through an order dated January 31, 2022.

Thereafter, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) on March 26, 2022, which is pending adjudication. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the matter and, accordingly, no provision has been recorded in these financial statements.

31.1.8 The Deputy Commissioner Inland Revenue (DCIR) raised a demand through an order dated January 27, 2022, pertaining to the tax periods from July 2020 to October 2020 and December 2020 to August 2021, amounting to Rs 1,918.062 million. The demand was raised on account of the alleged claiming of credit notes in violation of the provisions of sections 2(20), 3(1), 3(2)(aa), 6, 7, 9, 22, and 26 of the Sales Tax Act, 1990, read with the provisions of Chapter III of the Sales Tax Rules, 2006.

The Company filed an appeal before the CIR(A), which was decided in favor of the Company through an order dated March 18, 2022. The tax department thereafter filed an appeal before the Appellate Tribunal Inland Revenue (ATIR). On January 2, 2025, the ATIR decided the matter partly in favor of the tax department by restoring the demand of the DCIR to the extent of Rs 1,731.288 million. The remaining amount of Rs 186.773 million, relating to the tax periods of July 2021 and August 2021, was held to be not recoverable.

Being aggrieved by the order of the ATIR, the Company filed a reference application before the Lahore High Court. In addition, the Company filed an application with the Federal Board of Revenue (FBR) for the constitution of an Alternative Dispute Resolution Committee (ADRC). Separately, the Company filed an application before the ATIR seeking rectification of its earlier order on the grounds that certain material facts had remained undiscussed at the time of the original hearing. Pursuant thereto, the ATIR issued a rectified order dated June 13, 2025, whereby the case was remanded back to the assessing officer, which is currently pending adjudication.

Based on the opinion of the tax advisor, the Company's management expects a favourable outcome of the matter and, accordingly, no provision has been recorded in these financial statements.

31.1.9 The Deputy Commissioner Inland Revenue (DCIR) raised a demand through an order dated April 29, 2022, amounting to Rs 1,200.458 million on account of suppression of sales, short payment of sales tax due to incorrect declaration of sales/supplies made to wholesalers as retail sales, non-payment of further tax, and illegal adjustment of input tax, in violation of the provisions of the Sales Tax Act, 1990. Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals) [CIR(A)], who, through an order dated June 15, 2022, decided the appeal in favor of the Company by deleting the sales tax demand amounting to Rs 1,082.324 million. However, the charge relating to non-payment of further tax amounting to Rs 118.134 million was remanded back to the assessing officer. Being aggrieved, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication. Based on the opinion of the tax advisor, the Company's management expects a favourable outcome and, therefore, no provision has been recorded in these financial statements.

31.1.10 The Deputy Commissioner Inland Revenue (DCIR) issued an order dated November 27, 2023, raising a demand of Rs 30.058 million for the tax year 2021. The demand was raised on account of alleged non-withholding and non-deposit of sales tax on payments made for advertisement services received, under section 3(7) read with Serial No. 5 of the Eleventh Schedule to the Sales Tax Act, 1990.

Being aggrieved, the Company preferred an appeal before the Commissioner Inland Revenue (Appeals), who, through an order dated April 23, 2024, decided the appeal in favor of the Company and disposed of the case on the grounds that the demand was unlawful and unjustified. The tax department, being aggrieved, filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the said order, which is pending adjudication as of the reporting date.

Based on the opinion of the tax advisor, the Company's management expects a favourable outcome and, therefore, no provision has been recorded in these financial statements.

31.1.11 On May 30, 2025, the Deputy Commissioner Inland Revenue (DCIR) Mirpur, Azad Jammu and Kashmir (AJK), raised a demand amounting to Rs 19.031 million, along with a penalty of Rs 0.962 million, for the tax year 2024 on account of the alleged contravention of sections 73 and 33 of the Sales Tax Act, 1990. The Company filed an appeal before the CIR(A), Mirpur, AJK, which was rejected. Thereafter, the Company filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) AJK, which is currently pending adjudication.

On November 7, 2025, the DCIR Mirpur, AJK, raised three additional demands amounting to Rs 4.875 million for the tax years 2021, 2022, and 2023. The Company filed appeals against the said orders before the CIR(A) Mirpur, AJK, which are currently pending adjudication.

On the directions of the DCIR Mirpur, AJK, the Company has made a partial payment of Rs 9.5 million in respect of the tax year 2024 and has fully paid the demand of Rs 4.875 million for the tax years 2021 to 2023, which have been paid under protest and are recorded as recoverable amounts. Based on the opinion of the Company's tax advisors, management expects a favorable outcome of the matters and, accordingly, no provision has been recorded in these financial statements.

31.2 Other contingent liabilities

	2025	2024
	(Rupees in '000)	
In addition to the contingencies disclosed in note 28.1.1 and note 31.1, the Company is contingently liable for:		
- Counter guarantees given to banks	2,042	2,042
- Claims not acknowledged as debts - under appeal	22,235	22,085
	24,277	24,127

31.3 Commitments

	Note	2025	2024
		(Rupees in '000)	
31.3.1 Commitments in respect of:			
Capital expenditure		20,664	6,162
Letters of credit and bank contracts		-	21,035
		20,664	27,197

32 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	2025	2024
SALES		
Shoes and accessories:		
Local	21,803,586	22,474,984
Export	64,279	166,443
	21,867,865	22,641,427
Sundry articles and scrap material	46,157	44,669
	21,914,022	22,686,096
Less: Sales tax	3,349,820	3,407,450
Discounts to dealers and distributors	375,372	590,173
Commission to agents / business associates	412,160	356,012
	4,137,352	4,353,635
	17,776,670	18,332,461

33 COST OF SALES

	Note	2025	2024
Cost of goods manufactured	33.1	4,934,642	5,806,703
Finished goods purchased		3,844,982	4,337,064
Add: opening stock of finished goods		5,649,935	4,824,477
		14,429,559	14,968,244
Less: closing stock of finished goods	12	3,672,947	5,649,935
	33.2	10,756,612	9,318,309

33.1 Cost of goods manufactured

	Note	2025	2024
Raw materials and packing material consumed:			
Opening stock		285,259	494,871
Add: purchases		3,707,774	4,441,275
		3,993,033	4,936,146
Less: closing stock		224,296	285,259
	33.3	3,768,737	4,650,887
Store and spares consumed	33.4	22,832	28,336
Fuel and power		146,702	185,277
Salaries, wages and benefits	33.5	850,002	749,191
Repairs and maintenance		77,223	81,302
Insurance		18,797	25,209
Depreciation on operating fixed assets	6.4	77,688	83,451
		4,961,981	5,803,653
Add: opening goods in process		69,482	72,532
		5,031,463	5,876,185
Less: closing goods in process		96,821	69,482
		4,934,642	5,806,703

33.2 This includes charge/(reversal) of provision for net realizable value (NRV) of finished goods amounting to Rs 49.824 million [2024: (Rs 50.194 million)].

33.3 This includes reversal of provision for obsolescence of raw materials amounting to Rs 6.094 million (2024: Rs 7.160 million).

33.4 Included in stores and spares consumed is the charge of provision for obsolescence of stores and spare parts amounting to Rs 1.255 million (2024: Rs 1.968 million).

33.5 Included in salaries, wages and benefits is an amount of Rs 18.959 million (2024: Rs 20.338 million) and Rs 5.247 million (2024: Rs 5.763 million) in respect of contribution to provident fund trust and provision for gratuity respectively.

34 DISTRIBUTION COSTS

	Note	2025	2024
		(Rupees in '000)	
Salaries and benefits	34.1	1,049,724	993,469
Freight		416,483	434,025
Advertising and sales promotion		320,379	304,359
Rent	34.2	650,232	514,852
Insurance		40,091	33,643
Trademark license fee	34.3	887,132	910,807
Fuel and power		592,897	571,504
Repairs and maintenance		109,114	82,990
Entertainment		34,089	29,406
Business and property taxes		7,894	11,130
Depreciation	34.4	1,407,497	1,323,340
Amortization on intangible assets	8.2	73,124	73,482
Miscellaneous		7,663	11,964
		5,596,319	5,294,971

34.1 Included in salaries and benefits is an amount of Rs 31.700 million (2024: Rs 35.500 million) and Rs 4.283 million (2024: Rs 4.652 million) in respect of contribution to provident fund trust and provision for gratuity respectively.

34.2 This represents expenses incurred on short term leases and variable lease expenses not included in lease liabilities.

34.3 This represents the royalty fee of Bata Brands SA (Switzerland), a related party, situated at Avenue d'Ouchy 6, 1006 Lausanne, Switzerland.

34.4 This represents depreciation expense relating to:

	Note	2025	2024
		(Rupees in '000)	
Operating fixed assets	6.4	271,062	281,310
Right-of-use assets	7	1,136,435	1,042,030
		1,407,497	1,323,340

35 ADMINISTRATIVE EXPENSES

	Note	2025	2024
Salaries and benefits	35.1	904,446	855,267
Employee welfare		62,104	60,150
Fuel and power		29,766	35,184
Telephone and postage		37,902	31,208
Insurance		19,619	24,152
Travelling		146,358	142,753
Repairs and maintenance		324,024	221,687
Printing and stationery		28,004	27,306
Subscription		6,157	5,246
Legal and professional charges	35.2	40,386	29,220
Business and property taxes		9,415	7,265
Management service fee	35.3	404,256	389,640
Depreciation on operating fixed assets	6.4	34,836	42,081
Impairment loss on operating fixed assets	6.5	29,711	-
Impairment loss on sales tax refundable	19.2	350,161	
Amortization on intangible assets	8.2	6,097	4,113
Miscellaneous		6,353	12,263
		2,439,595	1,887,535

35.1 Included in salaries and benefits is an amount of Rs 31.500 million (2024: Rs 35.700 million) and Rs 1.178 million (2024: Rs 1.637 million) in respect of contribution to provident fund trust and provision for gratuity respectively.

35.2 Auditors' remuneration

	2025	2024
	(Rupees in '000)	
Legal and professional charges include the following in respect of auditor's remuneration (excluding sales tax) for:		
Statutory audit	5,050	4,779
Review of interim financial statements	1,831	1,703
Audit of foreign reporting package	1,450	1,309
Other reviews and certifications	463	913
Out of pocket expenses	920	390
	9,714	9,094

35.3 Management service fee represents amounts payable to Global Footwear Services PTE. Limited, a related party, in respect of management services.

36 OTHER EXPENSES

	Note	2025	2024
		(Rupees in '000)	
Workers' profit participation fund	28.4	5,053	69,052
Workers' welfare fund	28.5	3,657	12,232
Donations	36.1	10,447	10,459
Exchange loss		127,678	-
Loss on disposal of fixed assets		26,857	14,122
		173,692	105,865

36.1 None of the directors of the Company, nor any of their spouses, have any interest in the donee. Furthermore, no donation exceeding Rs 1 million has been made to any donee in the current or prior year.

37 OTHER INCOME

	Note	2025	2024
		(Rupees in '000)	
Income from short term investments		4,290	71,388
Income from bank deposits		16,269	129,368
Rental income		13,560	12,445
Gain on leases modifications	24.3	66,937	102,220
Finance income on present value adjustment of long term security deposits	9	5,934	-
Exchange gain		-	47,796
		106,990	363,217

37.1 This includes profit earned from shariah-compliant bank balances/deposits amounting to Rs 1.558 million (2024: Rs 3.942 million).

38 FINANCE COSTS

	Note	2025	2024
		(Rupees in '000)	
Interest / mark-up on:			
Lease liabilities	24.2	660,863	605,278
Workers' profit participation fund	28.4	17,187	16,457
Short term borrowings		45,647	28,272
Long term finances		1,099	1,307
		724,796	651,314
Impact of initial recognition of financial assets at amortized cost	9	34,181	-
Bank charges and commission		14,332	18,313
		773,309	669,627

38.1 This includes profit paid on Islamic mode of financing amounting to Rs 13.922 million (2024: Rs 9.845 million).

39 LEVY AND INCOME TAX

	Note	2025	2024
		(Rupees in '000)	
Levy	39.1	246,065	-
Income tax	39.2	(368,687)	533,628
		(122,622)	533,628

39.1 Levy

	Note	2025	2024
For the year	39.1.1	226,435	-
Prior year	17	19,630	-
		246,065	-

39.1.1 This represents minimum tax under section 113 of the Income Tax Ordinance, 2001, recognized as levy in terms of the requirements of IFRIC 21/IAS 37.

39.2 Income tax

	Note	2025	2024
		(Rupees in '000)	
Current tax			
- For the year		-	294,385
- Prior years		(2,688)	18,374
	17	(2,688)	312,759
Deferred tax	10.2	(365,999)	220,869
		(368,687)	533,628

39.2.1 Relationship between tax expense and accounting loss

	2025	2024
	%	
Applicable tax rate as per Income Tax Ordinance, 2001	29.00	29.00
Tax effect of:		
Super tax	-	10.37
Rate change	(2.15)	-
Deferred tax asset not recognised on business loss	(9.75)	-
Deferred tax asset not recognised on minimum tax available for carryforward	(9.05)	-
Prior years tax	(0.54)	(0.61)
Deferred tax asset on Alternative Corporate Tax derecognised	(2.45)	-
Permanent differences and others	(0.17)	(0.21)
	(24.11)	9.55
Effective tax rate	4.89	38.55

40 EARNINGS PER SHARE - BASIC AND DILUTED

Basic earnings per share are calculated by dividing net (loss)/profit for the year attributable to ordinary equity holders of the Company by weighted average number of ordinary shares outstanding during the year. The following reflects the (loss)/profit and shares data used in the basic and diluted earnings per share computations:

	Note	2025	2024
		(Rupees in '000)	
(Loss)/profit for the year - (Rupees in '000)		(2,385,054)	850,730
Weighted average number of ordinary shares (in thousand)	21.2	7,560	7,560
(Loss)/earnings per share - basic and diluted (Rupees per share)		(315.48)	112.53

There is no dilutive effect on the basic earnings per share of the Company.

41 SEGMENT REPORTING

Segment result and profit reconciliation	Retail 2025	Retail 2024	Wholesale 2025	Wholesale 2024	Export 2025	Export 2024	Others 2025	Others 2024	Total 2025	Total 2024
	Rupees in ('000)									
External sales	15,848,611	16,078,864	1,834,961	2,048,264	64,279	166,443	28,819	38,890	17,776,670	18,332,461
Inter segment sales	-	-	-	-	-	-	-	-	-	-
Total revenue	15,848,611	16,078,864	1,834,961	2,048,264	64,279	166,443	28,819	38,890	17,776,670	18,332,461
Cost of sales	(8,955,919)	(7,298,219)	(1,746,271)	(1,867,044)	(47,088)	(138,432)	(7,334)	(14,614)	(10,756,612)	(9,318,309)
Gross profit	6,892,692	8,780,645	88,690	181,220	17,191	28,011	21,485	24,276	7,020,058	9,014,152
Distribution cost	(4,469,979)	(4,703,695)	(733,462)	(186,591)	(513)	(9,433)	(623)	-	(5,204,577)	(4,899,719)
Net impairment loss on financial assets	(8,914)	-	(634,911)	(35,013)	(7,984)	-	-	-	(651,809)	(35,013)
Administrative expenses	(83,141)	(139,741)	(12,753)	(12,721)	(1,148)	(1,702)	-	-	(97,042)	(154,164)
	(4,562,034)	(4,843,436)	(1,381,126)	(234,325)	(9,645)	(11,135)	(623)	-	(5,953,428)	(5,088,896)
Segment results	2,330,658	3,937,209	(1,292,436)	(53,105)	7,546	16,876	20,862	24,276	1,066,630	3,925,256
Unallocated operating expenses									(2,734,295)	(2,128,623)
Other expenses									(173,692)	(105,865)
Other income									106,990	363,217
Finance costs									(773,309)	(669,627)
(Loss)/profit before taxation and levy									(2,507,676)	1,384,358
Levy - minimum tax									(246,065)	-
(Loss)/profit before income tax									(2,753,741)	1,384,358
Income tax									368,687	(533,628)
(Loss)/profit for the year									(2,385,054)	850,730
Other disclosures										
Segment assets	8,292,377	10,131,192	787,383	1,950,614	13,165	16,189	-	-	9,092,925	12,097,995
Unallocated assets									4,492,520	2,703,971
									13,585,445	14,801,966
Segment liabilities	4,547,478	3,969,085	80,833	29,622	-	-	-	-	4,628,311	3,998,707
Unallocated liabilities									5,789,264	5,257,134
									10,417,575	9,255,841
Capital expenditure	174,870	243,201	-	-	-	-	-	-	174,870	243,201
Unallocated									194,351	170,336
									369,221	413,537
Depreciation of operating fixed assets	324,200	291,380	-	-	-	-	-	-	324,200	291,380
Unallocated									59,386	115,462
									383,586	406,842
Amortization of intangible assets	74,916	72,989	-	-	-	-	-	-	74,916	72,989
Unallocated									4,305	4,606
									79,221	77,595

42 CASH FLOW INFORMATION

42.1 CASH GENERATED FROM OPERATIONS

	Note	2025	2024
		(Rupees in '000)	
(Loss)/profit before levy and income tax		(2,507,676)	1,384,358
Adjustments for non-cash charges and other items:			
Depreciation of operating fixed assets	6.2	383,586	406,842
Depreciation of right-of-use assets	7	1,136,435	1,042,030
Amortization of intangible assets	8	79,221	77,714
Impairment loss on operating fixed assets	6.2	29,711	-
Provision for gratuity	26.3	10,708	12,052
Loss on disposal of operating fixed assets	36	26,857	14,121
Gain on leases modifications	37	(66,937)	(102,220)
Income from short term investments	37	(4,290)	(71,388)
Exchange loss/(gain) - net	36	127,678	(47,796)
Finance costs	38	773,309	669,627
Impairment loss on trade debts	13.2	642,895	35,013
Impact of initial recognition of financial assets at amortized cost	38	34,181	-
Finance income on present value adjustment of long term security deposits	37	(5,934)	-
Provision for impairment on sales tax refundable	19.2	350,161	-
Provision /(reversal) of slow moving and obsolete stock - net	12.3	49,824	(50,194)
Impairment loss on other receivables	16	8,914	-
Provision for impairment on advances	14.1	19,766	-
Reversal for obsolescence of raw material - net	12.1	(6,094)	(7,160)
Obsolescence of stores and spare parts - net	11.1	1,256	1,968
		3,591,247	1,980,609
Operating profit before working capital changes		1,083,571	3,364,967
Effect on cash flow due to working capital changes:			
Decrease/(increase) in current assets			
Stores and spare parts		(1,256)	(1,968)
Stock-in-trade		1,966,882	(555,442)
Trade debts		128,354	(328,229)
Advances		(4,906)	110,399
Trade deposits and short term prepayments		(227,891)	34,169
Other receivables		891	21,881
		1,862,074	(719,190)
Increase/(decrease) in current liabilities			
Trade and other payables		711,241	(1,538,421)
		3,656,886	1,107,356

42.2 CASH AND CASH EQUIVALENTS

	Note	2025	2024
		(Rupees in '000)	
Short term borrowings - secured	29	-	(333,000)
Cash and bank balances	20	983,747	544,344
		983,747	211,344

42.3 Reconciliation of liabilities arising from financing activities inclusive of current portion:

	Liabilities from financing activities			
	Lease liabilities	**Long term finances**	**Unclaimed dividend**	**Unpaid dividend**
	(Rupees in '000)			
As at 1 January 2024	3,676,081	40,926	71,658	682,304
Financing cash flows	(933,482)	(6,297)	(237,444)	(682,304)
New leases	1,383,156	-	-	-
Accruals	-	-	243,705	739,163
Modification of lease liability	(476,836)	-	-	-
Interest expense	605,278	-	-	-
Interest payments (presented as operating cash flows)	(517,397)	-	-	-
As at 31 December 2024	3,736,800	34,629	77,919	739,163
As at 1 January 2025	3,736,800	34,629	77,919	739,163
Financing cash flows	(1,027,356)	(6,296)	(889)	-
New leases	1,939,863	-	-	-
Modification of lease liability	(243,551)	-	-	-
Interest expense	660,863	-	-	-
Interest payments (presented as operating cash flows)	(616,114)	-	-	-
As at 31 December 2025	4,450,505	28,333	77,030	739,163

* Other changes include non-cash movements, including accruals and amount recognised in respect of modification of lease liabilities.

42.4 Non-cash investing activities comprise of acquisition of right-of-use assets as referred to in note 7.

43 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for the year in respect of remuneration, including all benefits to Chief Executive, Directors and Executives of the Company are as follows:

	Chief Executive		Executive Directors		Executives	
	2025	2024	2025	2024	2025	2024
	(Rupees in '000)					
Managerial remuneration	41,981	41,981	26,934	14,536	164,421	211,033
Provident fund contribution	-	-	2,693	1,592	16,611	20,298
Performance bonus	93,716	33,435	-	1,381	1,859	6,102
Perquisites and allowances:						
Housing	300	300	4,462	256	51,575	28,656
Leave passage	1,401	1,392	-	-	-	-
Conveyance	-	-	-	165	28,486	9,524
Medical allowance / expense reimbursed	77	259	1,272	129	13,715	15,934
Utilities	12,000	9,739	-	50	1,364	2,290
Others	-	2,261	6,022	2,999	40,210	62,706
	149,475	89,367	41,383	21,108	318,241	356,543
Number of persons	1	1	2	1	64	80

43.1 During the year, the Company paid meeting fee amounting to Rs 7.284 million (2024: Rs 1.600 million) to its non-executive directors. The number of non-executive directors is 6 (2024: 4).

43.2 The Chief Executive of the Company is provided with a Company-maintained car and housing facilities at the Company's premises. The benefit associated with the Company-maintained car is valued at Rs 0.689 million (2024: Rs 0.879 million) that represents the depreciation charge for the year.

44 FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

The Company's Board of Directors ("the Board") has overall responsibility for establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Audit committee is assisted in its oversight role by internal audit department. Internal audit department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The Company's exposure to financial risks, the way these risks affect the financial position and performance, and forecast transactions of the Company and the manner in which such risks are managed is as follows:

44.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise of three types of risks: currency risk, price risk, and cash flow and fair value interest rate risk. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

44.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Currency risk arises mainly from future commercial transactions or receivables and payables that exist due to transactions in foreign currencies.

The Company is exposed to currency risk primarily with respect to the United States Dollar (USD), Singapore Dollar (SGD), Czech Koruna (CZK) and Euro (EUR). Currently, the Company's foreign exchange risk exposure is restricted to the amounts receivable from/payable to the foreign entities. The Company's exposure to currency risk is as follows:

	2025	2024
	(Rupees in '000)	
Financial assets		
Trade debts - Export customers		
US Dollar	67,232	172,568
Cash in hand		
US Dollar	3,608	6,818
Euro	4,530	4,750
Czech Koruna	1,700	1,700
Cash at bank		
US Dollar	150,489	150,489
	227,559	336,325
Financial liabilities		
Trade and other payables - Foreign suppliers		
US Dollar	3,992,532	3,074,329
Singapore Dollar	6,034,969	4,651,115
	10,027,501	7,725,444

Foreign currency sensitivity analysis

The following table demonstrates the sensitivity of the Company's (loss)/profit before tax to a reasonably possible change in exchange rates of the major currencies involved in transactions with the foreign parties, keeping all other variables constant. The Company's exposure to foreign currency changes for all other currencies is not material.

	2025	2024	2025	2024
			(Rupees in '000)	
	Percentage change in exchange rate	Percentage change in exchange rate	Effect on loss before tax	Effect on profit before tax
			+ / -	+ / -
Variation in USD to PKR	5.00%	5.00%	52,901	38,223
Variation in SGD to PKR	5.00%	5.00%	(65,938)	(47,653)

The following significant exchange rates have been applied:

	Average rate		Year-end spot rate	
	2025	2024	2025	2024
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
USD 1	280.30	278.53	280.55	278.55
SGD 1	218.33	208.56	218.52	204.91

44.1.2 Price risk

Price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any exposure in equity securities.

44.1.3 Cash flow and fair value interest rate risk

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company's interest rate risk arises from lease liabilities, deposits in saving accounts with various commercial banks, short term investments, other deposits and borrowings.

The Company's borrowings and receivables are carried at amortised cost. The borrowings are periodically contractually repriced and, to that extent, are also exposed to the risk of changes in market interest rates. At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2025	2024
	(Rupees in '000)	
Fixed rate instruments:		
Financial assets		
Short term investments	45,044	45,065
Financial liabilities		
Long term deposits - employees' securities	(19,025)	(21,244)
Security deposits - agents	(98,543)	(120,288)
Lease liabilities - retail shops	(4,450,505)	(3,736,800)
Net liability exposure	(4,523,029)	(3,833,267)

Floating rate instruments:	**2025**	**2024**
	(Rupees in '000)	
Financial assets		
Bank balance in daily profit accounts	191,062	21,540
Financial liabilities		
Long term finances - secured	(28,333)	(34,629)
Short term borrowings - secured	-	(333,000)
Net asset/(liability) exposure	162,729	(346,089)

Fair value sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the reporting date would not affect profit or loss of the Company.

Cash flow sensitivity analysis for variable rate instruments

The Company has amounts invested in various daily profit accounts which offer a variable rate of return. Furthermore, the Company has entered in certain borrowing arrangements on variable interest rates. The following table demonstrates the sensitivity to a reasonably possible change interest rate, with all other variables held constant, on the Company's loss/profit before tax.

	2025	**2024**
	(Rupees in '000)	
Increase in basis points by 100	1,627	(3,461)
Decrease in basis points by 100	(1,627)	3,461

44.2 Credit risk

Credit risk represents the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Company's credit risk is primarily attributable to its long term security deposits, trade debts, deposits, other receivables and its balances at banks.

The Company makes investment only in liquid securities and only with banks. Given their high credit ratings, management does not expect any counter party to fail to meet its obligation.

The management has a credit policy in place and exposure to credit risk is monitored on a continuous basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Company does not require collateral in respect of financial assets. Financial assets detailed in note 44.5 to these financial statements are subject to credit risk.

44.2.1 Out of the total trade receivables, 70.41% (2024: 67.38%) is concentrated in ten customers.

44.2.2 Impairment of financial assets

The Company's financial assets are subject to the expected credit losses model. While bank balances, debt investments carried at amortised cost, deposits and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial and hence, has not been recognized.

Trade debts

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debts.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. These trade receivables are netted off with the collateral obtained from these customers to calculate the net exposure towards these customers. The Company has concluded that the expected loss rates for trade debts against local sales are different from the expected loss rates for trade debts against export sales.

The expected loss rates are based on the payment profiles of sales over a period of 24 months before December 31, 2025 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the trade debts. The Company has identified the Gross Domestic Product and the Consumer Price Index of the country in which it majorly sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

On that basis, the loss allowance as at December 31, 2025 and December 31, 2024 was determined as follows:

December 31, 2025	**Expected loss rate**	**Trade debts**	**Loss allowance**
	%	**(Rupees in thousand)**	
Trade debts			
Up to 30 days	0%	137,146	-
31 to 60 days	0%	70,776	-
61 to 90 days	0%	49,772	-
91 to 180 days	0%	87,324	-
181 to 360 days	50%	51,003	25,500
Above 360 days	100%	767,708	767,708
		1,163,729	793,208

December 31, 2024	**Expected loss rate**	**Trade debts**	**Loss allowance**
	%	**(Rupees in thousand)**	
Trade debts			
Up to 30 days	0%	257,450	-
31 to 60 days	0%	220,005	-
61 to 90 days	0%	155,546	-
91 to 180 days	0%	444,193	-
181 to 360 days	50%	129,152	64,576
Above 360 days	100%	85,737	85,737
		1,292,083	150,313

Included in the total loss allowance is the loss allowance for export sales as at December 31, 2025 determined as follows:

December 31, 2025	Expected loss rate	Trade debts	Loss allowance
	%	(Rupees in thousand)	
Trade debts			
Up to 30 days	0%	3,949	-
31 to 60 days	0%	3,013	-
61 to 90 days	0%	309	-
91 to 180 days	0%	829	-
181 to 360 days	50%	5,530	2,765
Above 360 days	100%	5,219	5,219
		18,849	7,984

Generally, default is triggered when more than 360 days have passed. In the prior year, the loss allowance on export receivables was immaterial, hence, not recognised.

44.2.3 Credit quality of financial assets

The credit quality of financial assets that are neither past due nor impaired (mainly term deposits and bank balances) can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rate:

Party	Ratings			Carrying amount	
	Agency	Long term	Short term	2025	2024
				(Rupees in '000)	
Habib Metropolitan Bank Limited	PACRA	AA+	A1+	60,003	45,752
Habib Bank Limited	VIS	AAA	A1+	767,383	442,119
MCB Bank Limited	PACRA	AAA	A1+	19,829	1,759
Bank Al-Habib Limited	PACRA	AAA	A1+	23,645	14,604
National Bank of Pakistan	PACRA	AAA	A1+	918	801
United Bank Limited	VIS	AAA	A1+	17,984	3,166
Meezan Bank Limited	VIS	AAA	A1+	68,063	1,051
Allied Bank Limited	PACRA	AAA	A1+	838	2,447
Bank Alfalah Limited	PACRA	AAA	A1+	706	1,002
Standard Chartered Bank (Pakistan) Limited	PACRA	AAA	A1+	442	45
				959,811	512,746

44.3 Liquidity risk

Liquidity risk represents the risk that the Company will encounter difficulties in meeting obligations associated with financial liabilities.

The Company manages liquidity risk by maintaining sufficient cash and bank balances and the availability of funding through an adequate amount of committed credit facilities. At December 31, 2025, the Company has borrowing limits available from financial institutions as disclosed in note 29, and cash and bank balances as disclosed in note 20. The Company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

Management monitors the forecasts of the Company's cash and cash equivalents (note 43 to these financial statements) on the basis of expected cash flow. This is generally carried out in accordance with the practice and limits set by the Company. These limits vary by location to take into account the liquidity of the market in which the entity operates. In addition, the Company's liquidity management policy involves projecting cash flows in each quarter and considering the level of liquid assets necessary to meet its liabilities, monitoring liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

44.3.1 The following table shows the maturity profile of the Company's financial liabilities:

	2025 (Rupees in '000)					
	Less than 1 year	**Between 1 and 2 years**	**2 to 5 years**	**Over 5 years**	**Total contractual cashflows**	**Carrying amount**
Long term deposits	19,025	-	-	-	19,025	19,025
Long term finances	6,296	6,296	15,741	-	28,333	28,333
Trade and other payables	4,954,855	-	-	-	4,954,855	4,954,855
Unpaid dividend	739,163	-	-	-	739,163	739,163
Unclaimed dividend	77,030	-	-	-	77,030	77,030
Lease liabilities	1,560,437	1,299,877	2,593,466	413,219	5,866,999	4,450,505
	7,356,806	1,306,173	2,609,207	413,219	11,685,405	10,268,911

	2024 (Rupees in '000)					
	Less than 1 year	**Between 1 and 2 years**	**2 to 5 years**	**Over 5 years**	**Total contractual cashflows**	**Carrying amount**
Long term deposits	21,244	-	-	-	21,244	21,244
Long term finances - secured	6,296	6,296	18,890	3,147	34,629	34,629
Trade and other payables	4,106,882	-	-	-	4,106,882	4,106,882
Unpaid dividend	739,163	-	-	-	739,163	739,163
Unclaimed dividend	77,919	-	-	-	77,919	77,919
Lease liabilities	1,523,569	1,240,075	2,241,429	189,493	5,194,566	3,736,800
Short term borrowings - secured	333,000	-	-	-	333,000	333,000
Accrued finance cost	28,566	-	-	-	28,566	28,566
	6,836,639	1,246,371	2,260,319	192,640	10,535,969	9,078,203

44.4 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. The carrying values of all financial assets and liabilities reflected in these financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As of the reporting date, there were no level 1, 2 or 3 assets or liabilities during prior or current year.

44.5 Financial instruments by categories

	At amortised cost	
	2025	2024
	(Rupees in '000)	
Assets		
Long term security deposits	49,974	61,085
Trade debts	370,521	1,141,770
Deposits	17,471	17,874
Letters of credit - margin	10,000	10,000
Other receivables	53,430	63,235
Interest accrued	2,621	551
Short term investments	45,044	45,065
Cash and bank balances	983,747	544,344
	1,532,808	1,883,924
Liabilities		
Long term deposits	19,025	21,244
Trade and other payables	4,954,855	4,106,882
Unpaid dividend	739,163	739,163
Unclaimed dividend	77,030	77,919
Lease liabilities	4,450,505	3,736,800
Accrued finance cost	-	28,566
Short term borrowings - secured	-	-
Long term finances - secured	28,333	34,629
	10,268,911	8,745,203

44.6 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

There are no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangements and similar agreements.

45 CAPITAL MANAGEMENT

The Company's policy is to safeguard the Company's ability to remain as a going concern and ensure a strong capital base in order to maintain investors', creditors' and market's confidence and to sustain future development of the business. The Board of Directors monitors the returns on capital, which the Company defines as net operating income divided by total shareholders' equity.

The Company's objectives when managing risks are:

a) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
b) to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company could adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with the industry norms, the Company monitors its capital on the basis of gearing ratio. The ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowings as shown in the statement of financial position less cash and cash equivalents. Total equity is calculated as 'equity' as shown in the statement of financial position.

	2025	2024
	(Rupees in '000)	
The gearing ratio as at reporting date is as follows:		
Net debt:		
Borrowings - notes 27 and 29	28,333	367,629
Less: Liquid investments - note 18	45,044	45,065
Cash and bank balances - note 20	983,747	544,344
	1,028,791	589,409
	(1,000,458)	(221,780)
Total equity	3,167,870	5,546,125

The Company is in net cash position as at reporting date.

The Company is not subject to any externally imposed capital requirements. Under the terms of the financing agreements with lenders of long-term finances (as referred to in note 27), the Company is required to comply with certain financial covenants.

The Company has complied with all such covenants during the reporting period except for the debt service coverage ratio and the current ratio covenants, which were not met as at the reporting date. As a result of this breach, and in the absence of any waiver from the lenders, the outstanding loan balance has become repayable on demand and has therefore been classified as a current liability.

46 TRANSACTIONS WITH RELATED PARTIES

46.1 The related parties include the related parties on the basis of common directorship, holding company, group companies, key management personnel and post employment benefit plans. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of that Company. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties are shown under receivables and payables. Related party transactions carried out during the year are as follows:

	Relationship with the Company	Nature of transactions	2025	2024
			(Rupees in '000)	
(i)	Group companies	Purchase of goods and services	-	1,107
		Sale of goods and services	38,349	113,698
		Reimbursement of expenses	9,918	4,950
		Trademark license fee	887,132	910,807
		Service charges	274,972	196,031
		Management service fee	404,256	389,640
(ii)	Holding company	Dividend paid	-	682,304
(iii)	Key Management Personnel	Remuneration - note 46.2	509,099	467,018
		Dividend paid	-	0.622
(iv)	Post employment benefit plans	Expense charge in respect of contributory provident fund	85,869	91,536

46.2 This represents remuneration of the Chief Executive, executive director, other directors and certain executives that are included in the remuneration disclosed in note 43 to these financial statements.

46.3 The Company continues to have a policy, whereby, all transactions with related parties including group companies are carried out at mutually agreed terms and conditions. Following are the related parties with whom the Company had entered into transactions or has arrangements / agreements in place.

Sr. No.	Company name	Country of incorporation	Basis of Association	Aggregate % of shareholding in the Company
1	Bafin B.V.	Nederland	Parent Company	75.21%
2	Bata Brands S.A.	Switzerland	Group company	Nil
3	Bata Shoe (Singapore) Private Limited	Singapore	Group company and common directorship	Nil
4	Bata Shoe of Thailand Public Company Limited	Thailand	Group company and common directorship	Nil
5	Empresas Comerciales S.A Bata Peru	Peru	Group company	Nil
6	Global Footwear Services PTE. Limited	Singapore	Group company and common directorship	Nil
7	Bata Centre s.r.o.	Switzerland	Group company	Nil
8	Bata Shoe Company (Bangladesh) Ltd.	Bangladesh	Group company	Nil
9	Bata Shoe Company (Kenya) Ltd.	Kenya	Group company	Nil
10	Bata (Malaysia) Sdn. Bhd	Malaysia	Group company	Nil
11	Ms. Jin Zeng	N/A	Director	0.00001%
12	Mr. Muhammad Imran Malik	N/A	Director	Nil
13	Mr. Ahsan Umar	N/A	Director	Nil
14	Mr. Amjad Farooq	N/A	Director	Nil
15	Mr. Lim Ghim Keong	N/A	Director	0.00001%
16	Mr. Muhammad Maqbool	N/A	Director	0.00001%
17	Mr. Aamir Amin	N/A	Ex-Director	Nil
18	Mr. Rashid Rahman Mir	N/A	Director	0.00001%
19	Mr. Kamal Monnoo	N/A	Director	0.00001%
20	Ms. Fatima Asad Khan	N/A	Director	0.00001%
21	Mr. Roberto Longo	N/A	Ex-Director	Nil
22	Company's Employees Provident Fund	N/A	Post Employment Benefit Plan	Nil

47 CAPACITY AND ACTUAL PRODUCTION

	Number of shifts worked		Installed capacity based on actual shifts worked		Actual production	
			Pairs in '000		Pairs in '000	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Footwear in pairs						
Cemented	1	1	2,533	3,032	1,995	2,061
Polyurethane	2	1 to 3	3,174	4,820	2,327	2,877
Thongs	1	1 to 2	1,768	3,531	455	879
Directly injected						
Plastic	2	3	2,506	4,442	1,092	1,591
Sandak	2	3	1,670	2,538	752	1,261
			11,651	18,363	6,621	8,669

47.1 The deviation in actual production from installed capacity is due to rapidly growing trends as the Company has to change major shoe lines in accordance with the market trends. This involves change in manufacturing operations and product mix which causes variances not only between the installed capacity and actual production but also between the actual production of any two years.

48 DISCLOSURE REQUIREMENT FOR COMPANIES NOT ENGAGED IN SHARIAH NON-PERMISSIBLE BUSINESS ACTIVITIES

Description	**Note**	**2025**	**2024**
		(Rupees in '000)	
Statement of Financial Position			
Short term borrowings as per Islamic mode	29	-	333,000
Accrued finance cost on conventional loan	28	-	18,722
Short term investments - Shariah compliant	18	45,044	45,065
Bank balances - Shariah compliant	20.1	278,382	1,051
Statement of Profit or Loss			
Revenue earned from a shariah-compliant business segment	32	17,776,670	18,332,461
Profit earned from Shariah-compliant bank balances/deposits	37	1,558	3,942
Profit paid on Islamic mode of financing	38	13,922	9,845
Source and detailed break up of other income			
Other income earned from shariah compliant:	37		
Income from bank deposits		1,558	3,942
Rental income		13,560	12,445
Gain on leases modifications		66,937	102,220
Exchange gain		-	47,796
Other income earned from non - shariah compliant:			
Income from bank deposits		14,711	125,426
Income from short term investments		4,290	71,388

The Company has business relationship with Islamic banks in the ordinary course of business. Disclosures other than above are not applicable to the Company.

49 NUMBER OF PERSONS EMPLOYED

	2025	2024
Number of persons employed as at year end	1,511	1,796
Average number of persons employed during the year	1,619	1,894

50 PROVIDENT FUND

Investments out of provident fund have been made in accordance with the provisions of section 218 of the Companies Act, 2017 and the conditions specified thereunder.

51 EVENTS AFTER THE REPORTING PERIOD

There are no subsequent events after the reporting period other than those mentioned elsewhere in these financial statements.

52 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on April 24, 2026 by the Board of Directors of the Company.

53 CORRESPONDING FIGURES

Corresponding figures have been re-arranged wherever necessary to reflect more appropriate presentation of events and transactions for the purpose of comparison. However, no significant re-arrangements have been made except for the following:

	Rupees '000'
'Sales tax payable', previously classified under trade and other payables, has now been netted off against prepaid sales tax classified under 'trade deposits and short-term prepayments'	76,276
'Donations', previously presented under 'Administrative expenses', have now been presented under 'Other expenses'	10,459

Chief Executive **Chief Financial officer** **Director**

Pattern of Shareholding

Pattern of Shareholding As on December 31, 2025

1.1 Name of the Company: Bata Pakistan Limited

2.1. Pattern of holding of the shares held by the shareholders as at December 31, 2025

2.2. No. of Shareholders	From	To	Total Shares Held
1382	1	100	40,265
469	101	500	111,915
96	501	1,000	72,888
61	1,001	5,000	112,749
11	5,001	10,000	72,972
4	10,001	15,000	52,040
2	15,001	20,000	33,818
1	20,001	25,000	21,000
2	25,001	30,000	51,200
1	95,001	100,000	99,674
1	120,001	125,000	121,679
1	1,080,001	1,085,000	1,083,934
1	5,685,001	5,690,000	5,685,866
2032			7,560,000

2.3 Categories of shareholders	Share held	Percentage
2.3.1 Directors, Chief Executive Officer, and their spouse and minor children	6	0.0001%
2.3.2 Associated Companies, undertakings and related parties. (Parent Company)	5,685,866	75.2099%
2.3.3 NIT and ICP	1,149,823	15.2093%
2.3.4 Banks Development Financial Institutions, Non Banking Financial Institutions.	611	0.0081%
2.3.5 Insurance Companies	182,750	2.4173%
2.3.6 Modarabas and Mutual Funds	14,908	0.1972%
2.3.7 Shareholders holding 10% or more	6,835,564	90.4175%
2.3.8 General Public		
a. Local	409,303	5.4141%
b. Foreign	0	0.0000%
2.3.9 Others (to be specified)		
Joint Stock Companies	8,041	0.1064%
Pension Funds	99,674	1.3184%
Other Company	9,018	0.1193%

BATA PAKISTAN LIMITED

Categories of Shareholding required under Code of Corporate Governance (CCG) 2019 As on December 31, 2025

Sr. No.	Name	No. of Shares Held	Percentage
Associated Companies, Undertakings and Related Parties (Name Wise Detail):			
1	BAFIN (NETHERLANDS) B.V.	5,685,866	75.2099%
Mutual Funds (Name Wise Detail)		-	-
1	CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND (CDC)	5,111	0.0676%
2	CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND - II (CDC)	9,797	0.1296%
Directors and their Spouse and Minor Children (Name Wise Detail):			
1	MR. MUHAMMAD IMRAN MALIK	-	-
2	MR. AHSAN UMAR	-	-
3	MR. AMJAD FAROOQ	-	-
4	MS. JIN ZENG	1	0.0000%
5	MR. LIM GHIM KEONG	1	0.0000%
6	MR. KAMAL MANNOO	1	0.0000%
7	MR. MUHAMMAD MAQBOOL	1	0.0000%
8	MS. FATIMA ASAD KHAN	1	0.0000%
9	MR. RAHSID RAHMAN MIR	1	0.0000%
Executives:		-	-
Public Sector Companies & Corporations:		-	-
Banks, Development Finance Institutions, Non Banking Finance Companies, Insurance Companies, Takaful, Modarabas and Pension Funds:		283,035	3.7438%

Shareholders holding (05) five percent or more voting intrest in the listed company (Name Wise Detail)

S. No.	NAME	Holding	%Age
1	BAFIN (NETHERLANDS) B.V.	5,685,866	75.2099%
2	NATIONAL INVESTMENT TRUST LIMITED (CDC)	26,104	
3	NATIONAL INVESTMENT TRUST LIMITED - ADMINISTRATION FUIND (CDC)	21,000	
4	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	1,083,934	
5	CDC TRUSTEE NIT ISLAMIC EQUITY FUND (CDC)	5,120	
6	CDC - TRUSTEE NIT-EQUITY MARKET OPPRTUNITY FUND (CDC)	13,540	
		1,149,698	15.2076%

All trades in the shares of the listed company, carried out by its Directors, Executives and their spouses and minor children shall also be disclosed:

S.No	NAME	SALE	PURCHASE
1	NIL	-	-

BATA PAKISTAN LIMITED

Categories of Share Holders as on December 31, 2025

CATEGORIES OF SHAREHOLDERS		Number of shares held	% AGE
1.	DIRECTORS, CEO THEIR SPOUSES & MINOR CHILDREN		
1	MR. MUHAMMAD IMRAN MALIK	-	-
2	MR. AHSAN UMAR	-	-
3	MR. AMJAD FAROOQ	-	-
4	MS. JIN ZENG	1	0.0000%
5	MR. LIM GHIM KEONG	1	0.0000%
6	MR. KAMAL MANNOO	1	0.0000%
7	MR. MUHAMMAD MAQBOOL	1	0.0000%
8	MS. FATIMA ASAD KHAN	1	0.0000%
9	MR. RAHSID RAHMAN MIR	1	0.0000%
		6	0.0001%
2.	ASSOCIATED COMPANIES		
	Associated Companies, Undertakings and Related Parties (Parent Company)		
1	BAFIN (NETHERLANDS) B.V.	5,685,866	75.2099%
3.	NIT & ICP		
1	IDBP (ICP UNIT)	125	0.0017%
2	NATIONAL INVESTMENT TRUST LIMITED (CDC)	26,104	0.3453%
3	NATIONAL INVESTMENT TRUST LIMITED - ADMINISTRATION FUIND (CDC)	21,000	0.2778%
4	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	1,083,934	14.3378%
5	CDC TRUSTEE NIT ISLAMIC EQUITY FUND (CDC)	5,120	0.0677%
6	CDC - TRUSTEE NIT-EQUITY MARKET OPPRTUNITY FUND (CDC)	13,540	0.1791%
		1,149,823	15.2093%
4.	BANKS, DEVELOPMENT FINANCE INSTITUTIONS, NON BANKING FINANCE INSTITUTIONS		
1	NATIONAL BANK OF PAKISTAN (CDC)	611	0.0081%
		611	0.0081%
5.	INSURANCE COMPANIES		
1	ADAMJEE LIFE ASSURANCE COMPANY LIMITED (CDC)	18,318	0.2423%
2	ADAMJEE LIFE ASSURANCE COMPANY LTD- AMMANAT FUND (CDC)	2,220	0.0294%
3	ADAMJEE LIFE ASSURANCE COMPANY LTD-IMF (CDC)	121,679	1.6095%
4	EAST WEST INSURANCE CO.LTD (CDC)	200	0.0026%
5	EFU GENERAL INSURANCE LIMITED. (CDC)	25,096	0.3320%
6	HABIB INSURANCE CO.LIMITED. (CDC)	6,000	0.0794%
7	DAWOOD FAMILY TAKAFUL LIMITED (CDC)	9,237	0.1222%
		182,750	2.4173%
6.	FOREIGN COMPANIES	0	0.0000%
7.	MODARABA & MUTUAL FUND		
1	CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND (CDC)	5,111	0.0676%
2	CDC - TRUSTEE FAYSAL ISLAMIC STOCK FUND - II (CDC)	9,797	0.1296%
		14,908	0.1972%
8.	PENSION FUND		
1	TRUSTEE NATIONAL BANK OF PAKISTAN EMPLOYEE PENSION FUND (CDC)	99,674	1.3184%
		99,674	1.3184%

9.	JOINT STOCK COMPANIES			
	1	M/S. FATEH INDUSTRIES LIMITED	160	0.0021%
	2	ROYAL EXECUTIVE CONSULTANTS (PRIVATE) LIMITED (CDC)	100	0.0013%
	3	MUHAMMAD SALIM KASMANI SECURITIES (PRIVATE) LIMITED (CDC)	4,000	0.0529%
	4	MINDSTORM STUDIOS (PRIVATE) LIMITED (CDC)	294	0.0039%
	5	IGI FINEX SECURITIES LIMITED (CDC)	1	0.0000%
	6	MAPLE LEAF CAPITAL LIMITED (CDC)	1	0.0000%
	7	MEMON SECURITIES (PVT.) LIMITED (CDC)	300	0.0040%
	8	MRA SECURITIES LIMITED - MF (CDC)	1,520	0.0201%
	9	NCC - PRE SETTLEMENT DELIVERY ACCOUNT (CDC)	4	0.0001%
	10	NH SECURITIES (PVT.) LIMITED. (CDC)	135	0.0018%
	11	RAFUM CORPORATION (PRIVATE) LIMITED (CDC)	400	0.0053%
	12	SARFRAZ MAHMOOD (PRIVATE) LTD (CDC)	25	0.0003%
	13	SERVICE SALES CORPORATION (PRIVATE) LIMITED (CDC)	100	0.0013%
	14	SOFCOM (PRIVATE) LIMKITED (CDC)	300	0.0040%
	15	LIZAZ PROPERTIES (PRIVATE) LIMITED (CDC)	1	0.0000%
	16	RAFUM CORPORATION (PRIVATE) LIMITED (CDC)	700	0.0093%
			8,041	0.1064%
10.	OTHER COMPANIES			
	1	TRUSTEE NATIONAL BANK OF PAKISTAN EMP BENEVOLENT FUND TRUST (CDC)	3,498	0.0463%
	2	CHEVRON PAKISTAN LUBRICANTS (PVT.) LTD. EPF (CDC)	580	0.0077%
	3	GETZ PHARMA (PRIVATE) LIMITED EMPLOYEES PROVIDEWNT FUND (CDC)	2,060	0.0272%
	4	TRUSTEE- GUL AHMED TEXTILE MILLS LTD. EMP. PROVIDENT FUND (CDC)	2,880	0.0381%
			9,018	0.1193%
11.	SHARES HELD BY THE GENERAL PUBLIC (FOREIGN)		0	0.0000%
	SHARES HELD BY THE GENERAL PUBLIC (LOCAL)		409,303	5.4141%
			409,303	5.4141%
		TOTAL:	7,560,000	100.000%

1. SHAREHOLDERS HOLDING 10% OR MORE OF TOTAL CAPITAL

SR.NO	NAME	SHARES		%AGE
1	BAFIN (NETHERLANDS) B.V.	5,685,866		75.2099%
2	NATIONAL INVESTMENT TRUST LIMITED (CDC)	26,104		
3	NATIONAL INVESTMENT TRUST LIMITED - ADMINISTRATION FUIND (CDC)	21,000		
4	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	1,083,934		
5	CDC TRUSTEE NIT ISLAMIC EQUITY FUND (CDC)	5,120		
6	CDC - TRUSTEE NIT-EQUITY MARKET OPPRTUNITY FUND (CDC)	13,540		
		1,149,698		15.2076%
		6,835,564		90.4175%

2. SHAREHOLDERS HOLDING 5% OR MORE OF TOTAL CAPITAL

SR.NO	NAME	SHARES		%AGE
1	BAFIN (NETHERLANDS) B.V.	5,685,866		75.2099%
2	NATIONAL INVESTMENT TRUST LIMITED (CDC)	26,104		
3	NATIONAL INVESTMENT TRUST LIMITED - ADMINISTRATION FUIND (CDC)	21,000		
4	CDC - TRUSTEE NATIONAL INVESTMENT (UNIT) TRUST (CDC)	1,083,934		
5	CDC TRUSTEE NIT ISLAMIC EQUITY FUND (CDC)	5,120		
6	CDC - TRUSTEE NIT-EQUITY MARKET OPPRTUNITY FUND (CDC)	13,540		
		1,149,698		15.2076%
		6,835,564		90.4175%

During the financial year the trading in shares of the company by the Directors, CEO, CFO, Company Secretary and their spouses and minor children is as follows

S.No	NAME	SALE	PURCHASE
1	NIL	-	-


Bata
MAKE YOUR WAY

FORM OF PROXY
74th ANNUAL GENERAL MEETING

Bata

The Secretary
Bata Pakistan Limited
P.O. Batapur,
Lahore.

I/We ____________________

of ____________________

being a member of Bata Pakistan Limited and holder of ____________________

____________________ Ordinary Shares as per Register Folio No.

____________________ and / or CDC Participant I.D. No. ____________________

and Sub Account No. ____________________ hereby appoint ____________________

of ____________________

or failing him ____________________ of ____________________

as my/our proxy to vote for me/us and on my/our behalf at the 74th Annual General Meeting of the Company to be held on May 25, 2026 and at any adjournment thereof.

Signature: ____________________

Date: ____________________

Rs.10/- Revenue Stamp

WITNESSES:

1. Signature ____________________
Name ____________________
Address ____________________
____
CNIC No. ____________________
Passport No. ____________________

2. Signature ____________________
Name ____________________
Address ____________________
____
CNIC No. ____________________
Passport No. ____________________

Note:

1. A member entitled to be present and vote at the meeting may appoint a proxy to attend, speak and vote for him/her. A proxy need not be a member of the Company.
2. Proxies in order to be effective must be received at the Registered Office of the Company not less than 48 hours before the meeting.
3. CDC Shareholders and their Proxies must each attach an attested photocopy of their Computerize National Identity Card (CNIC) or passport with this proxy form.
4. In case of Joint Shareholders, the vote of senior who tenders a vote whether in person or proxy will be accepted to the exclusion of votes of other joint shareholders and for this purpose, seniority will be determined by the order in which names stand in the Register of the Members.

I. In case of Corporate entities, the Board of Director's Resolution/Power of attorney and specimen signature must be submitted (unless it has been provided earlier) along with proxy form to Share Registrar/Company.

II. Members are further requested:

a) To affix revenue stamp of Rs.10/- at the place indicated above.
b) To sign in the same style/pattern as is registered with Company.
c) To write down folio number in readable manner.

AFFIX

CORRECT

POSTAGE

The Company Secretary
BATA PAKISTAN LIMITED
P.O.BATAPUR
LAHORE.

پراکسی کا فارم
74 واں سالانہ عام اجلاس

کمپنی سیکرٹری
باٹا پاکستان لمیٹڈ
باٹا پور، لاہور

میں/ہم ____________________

ساکن ____________ بحیثیت ممبر باٹا پاکستان لمیٹڈ ____________ عام حصص کا مالک مسمّی/مسمّاۃ ____________

ساکن ____________ کوجسکا فولیو/سی ڈی سی اکاؤنٹ نمبر ____________ یا اس کی عدم دستیابی کی صورت میں

مسمّی/مسمّاۃ ____________ ساکن ____________

کو بطور پراکسی مقرر کرتا ہوں/کرتی ہوں/کرتے ہیں تاکہ وہ میری/ہماری جگہ اور میری/ہماری طرف سے کمپنی کے 74 واں سالانہ عام اجلاس جو کہ مورخہ 25 مئی 2026ء کو منعقد ہو رہا ہے اس میں اور اس کے کسی ملتوی شدہ اجلاس میں شرکت کرے، بات کرے اور ووٹ ڈالے۔

-/10 روپے کے ریونیو سٹامپ

دستخط: ____________ تاریخ: ____________

گواہان:

(1) نام: ____________
پتہ: ____________
شناختی کارڈ/ پاسپورٹ نمبر: ____________
دستخط: ____________

(2) نام: ____________
پتہ: ____________
شناختی کارڈ/ پاسپورٹ نمبر: ____________
دستخط: ____________

نوٹ:

1- اجلاس میں شرکت کرنے اور ووٹ دینے کا حقدار ممبر اجلاس میں شریک ہونے اور ووٹ دینے کیلئے پراکسی مقرر کرسکتا ہے۔ پراکسی کیلئے کمپنی کا ممبر ہونا ضروری نہیں ہے۔
2- پراکسز کو موثر ہونے کیلئے اجلاس سے کم از کم 48 گھنٹے قبل کمپنی کے رجسٹرڈ آفس میں موصول ہونا لازمی ہے۔
3- سی ڈی سی شیئر ہولڈرز اور ان کے پراکسیز کیلئے پراکسی فارم کے ساتھ پاسپورٹ یا کمپیوٹرائزڈ قومی شناختی کارڈ (سی این آئی سی) کی تصدیق شدہ فوٹو کاپی منسلک کرنا ضروری ہے۔
4- جوائنٹ شیئر ہولڈرز کی صورت میں، سینئر کا ووٹ، چاہے وہ ذاتی طور پر ووٹ کرے یا پراکسی کے ذریعے سینیورٹی کا تعین ممبرز کے رجسٹرڈ میں درج ناموں کی ترتیب کے ذریعے کیا جائے گا۔

i. کارپوریٹ اداروں کی صورت میں، پراکسی فارم کے ساتھ بورڈ آف ڈائریکٹرز کی ریزولیشن/پاور آف اٹارنی اور نمونہ کے دستخط (اگر پہلے سے فراہم نہیں کئے گئے ہوں تو) شیئر رجسٹرار/کمپنی کو جمع کروانا لازمی ہے۔

ii. ممبرز سے مزید درخواست کی جاتی ہے:
a) اوپر نشاندہی کی گئی جگہ پر -/10 روپے کی رسیدی ٹکٹ چپکائیں۔
b) دستخط اسی طرز/نمونہ کے مطابق کریں جو کمپنی کے پاس رجسٹرڈ ہے۔
c) اپنے فولیو نمبر کو واضح اور نمایاں طور پر لکھیں۔

Bata

پوری ٹکٹ
لگانے کے بعد

جناب کمپنی سیکرٹری صاحب
باٹا پاکستان لمیٹڈ
باٹا پور لاہور

PAKISTAN LIMITED
P.O.BATAPUR, LAHORE PAKISTAN.

UAN: +92-42-111-044-055
FAX: +92-42-36581176
Website: www.bata.com.pk
E-mail: pk.bata@bata.com