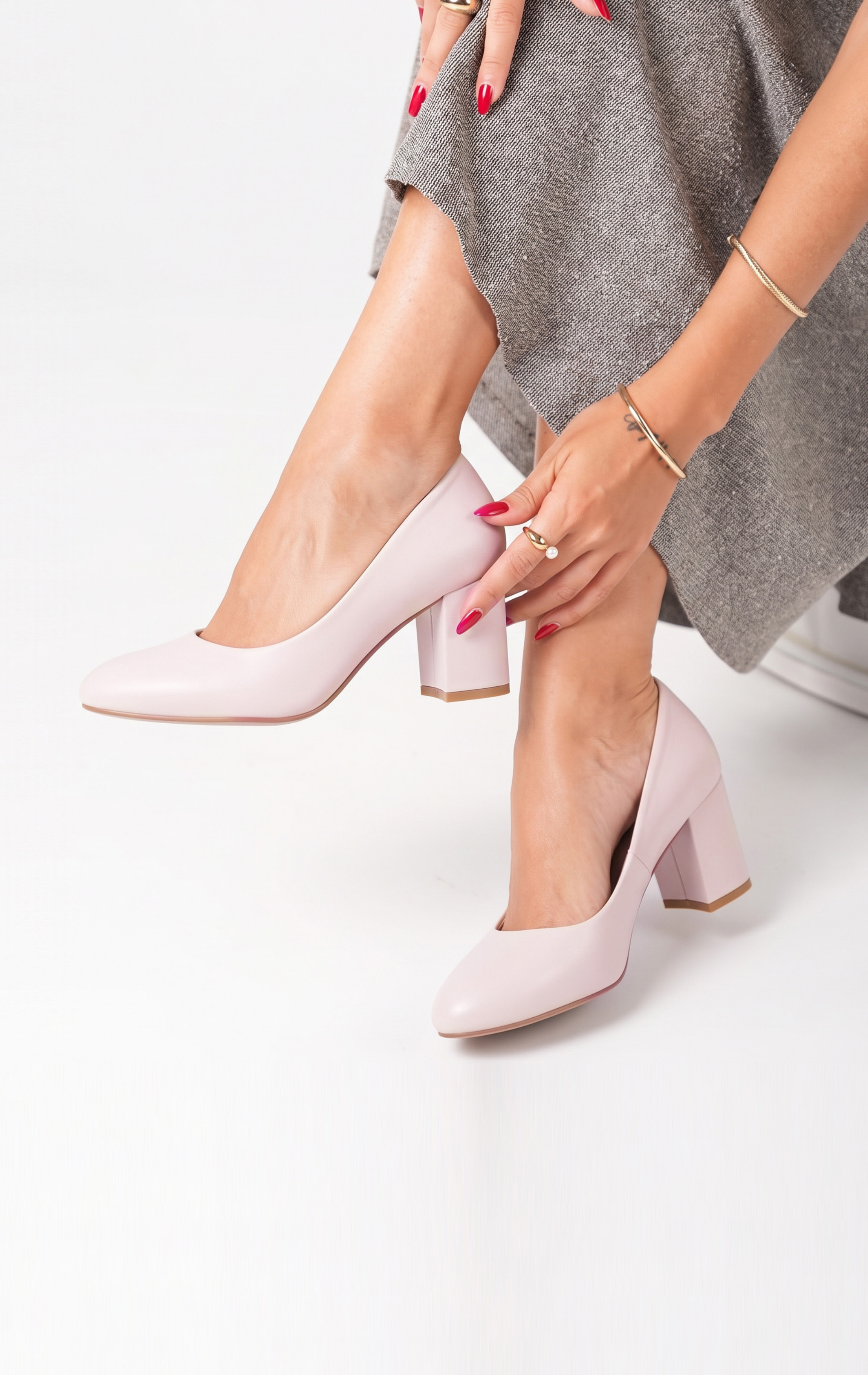
Half Yearly Report 2026

JANUARY - JUNE



CORPORATE INFORMATION

Board of Directors

Ms. Jin Zeng	Chairperson of the Board	Director
Mr. Ahsan Umar	Chief Executive	Director
Mr. Muhammad Fahad Arzani	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

Chief Financial Officer (CFO)

Mr. Muhammad Fahad Arzani

Company Secretary

Mr. Muhammad Shahid

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.

Legal Advisor

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

Stock Exchange Listing

Bata Pakistan limited is listed on Pakistan Stock Exchange under "Leather and Tanneries" sector

Web Presence

www.bata.com.pk

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

Registered Office

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

Share Registrar

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

Factory

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

Liaison Office Karachi

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

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial statements of the Company for the six-month period ended 30 June, 2026.

Financial Performance

The Company recorded revenue growth during the first half of 2026 despite continued challenges in the retail sector. Net turnover increased by 7.9% to Rs. 9.771 billion compared to Rs. 9.059 billion in the corresponding period last year. However, profitability remained under pressure due to higher operating costs, increased finance costs, one-off restructuring expenses related to the consolidation of manufacturing operations and prevailing macroeconomic conditions. The Company reported a loss after tax of Rs. 191.150 million compared to a loss after tax of Rs. 288.359 million in the corresponding period last year.

Particulars	June 30, 2026	June 30, 2025 (Restated
Net Turnover	Rs. 9.771 billion	Rs. 9.059 billion
Loss Before Tax	Rs. 37.562 million	Rs. 205.049 million
Loss After Tax	Rs. 191.150 million	Rs. 288.359 million
Loss Per Share	Rs. 25.28	Rs. 38.14

Comparative figures for the six-month period ended 30 June 2025 have been restated in accordance with IAS 8 as disclosed in the notes to the condensed interim financial statements.

Business Overview

The retail environment remained challenging during the period under review. Consumer demand continued to be affected by inflationary pressures and cautious spending patterns, particularly in discretionary categories. Nevertheless, the Company maintained its focus on revenue growth, customer engagement and operational efficiencies, resulting in improved sales performance compared with the corresponding period last year.

During the period, the Board approved the consolidation of the Company's manufacturing operations at the Maraka Factory into the Batapur Factory. This strategic initiative is intended to optimize manufacturing capacity, improve operational efficiency, generate economies of scale and support future sustainable growth. The consolidation process is being implemented in phases and is expected to be completed by the end of the year. As part of this initiative, the Company offered a Voluntary Retirement Scheme (VRS) and transfer options to affected employees and has recognized the related obligations in these condensed interim financial statements.

Management continued to focus on:

- Building capabilities to support future growth and operational excellence;
- Strengthening customer engagement and enhancing the in-store shopping experience;
- Expanding digital marketing and social media initiatives;
- Driving store-led commercial and promotional activities; and
- Executing strategic operational restructuring initiatives to improve long-term competitiveness.

These efforts remain central to strengthening the Company's market presence and sustaining long-term business growth.

Corporate Social Responsibility

During the first six months of 2026, Bata Pakistan continued to strengthen its commitment to responsible and sustainable community development through a series of CSR initiatives focused on education, health, social inclusion, environmental sustainability, and employee wellbeing.

Key CSR Initiatives & Impact

- Education & Digital Skills: An IT Skills Development Workshop was conducted to enhance students' digital literacy and practical technological competencies, supporting their future academic and professional growth.

- Health & Wellbeing: Health and Diabetic Awareness sessions promoted preventive healthcare, balanced nutrition, healthy lifestyles, and overall wellbeing. An International Women's Day session on menstrual health and PCOD was also conducted by a healthcare professional for young girls.

- Youth Engagement: Annual Sports Day activities encouraged physical fitness, discipline, teamwork, and healthy competition among students from underprivileged schools.

- Social Inclusion: 387 pairs of shoes were donated to underprivileged children, including visually impaired students, supporting dignity, inclusion, and community welfare.

- Environmental Sustainability: Through the Retail Plantation Drive, more than 2,000 plants were distributed and planted across retail outlets, schools, and nearby communities, accompanied by awareness on environmental protection.

- Community Health & Safe Water: Construction of a water filtration plant at Government Girls Higher Secondary School, Sooter Mills, Lahore, is providing access to safe drinking water for approximately 1,800 girl students, contributing to improved health and wellbeing.

- Employee & Family Wellbeing: International Day of Play was celebrated with Bata employees and their families through recreational and team-based activities, promoting family bonding, wellbeing, and stronger employee engagement.

Overall Impact

The first half of 2026 reflects Bata Pakistan's holistic approach to CSR, creating meaningful impact across education, healthcare, social inclusion, environmental sustainability, and employee wellbeing. Through these initiatives, Bata Pakistan continued to support communities, empower young people, promote environmental responsibility, and contribute to a healthier and more inclusive society.

With the continued dedication of employees and the support of valued stakeholders, the Company remains focused on navigating current market challenges, pursuing sustainable growth opportunities, and creating long-term value for shareholders and society alike.

On behalf of the Board

Ahsan Umar

(AHSAN UMAR)
Chief Executive

Batapur:
Lahore: August 24, 2026

ڈائریکٹرز کا جائزہ

کمپنی کے ڈائریکٹرز نہایت مسرت کے ساتھ 30 جون 2026 کو ختم ہونے والی ششماہی کے لئے کمپنی کی غیر آڈٹ شدہ مختصر عبوری مالی معلومات اور کارکردگی کا مختصر جائزہ پیش کررہے ہیں۔

مالیاتی کارکردگی

2026 کی پہلی ششماہی کے دوران کمپنی نے ریٹیل شعبے کو درپیش مسلسل مشکلات کے باوجود آمدنی میں اضافہ ریکارڈ کیا۔ خالص ٹرن اوور میں 7.9 فیصد اضافہ ہوا، جو گزشتہ سال کی اسی مدت کے 9.059 ارب روپے کے مقابلے میں بڑھ کر 9.771 ارب روپے ہوگیا۔ تاہم، بڑھتے ہوئے آپریٹنگ اخراجات، فنانس اخراجات میں اضافے، مینوفیکچرنگ آپریشنز کے انضمام سے متعلق ایک مرتبہ کے تنظیمِ نو کے اخراجات اور موجودہ میکرواکنامک حالات کے باعث کمپنی کا منافع مسلسل دباؤ کا شکار رہا۔ کمپنی نے بعد از ٹیکس 191.150 ملین روپے کا خسارہ رپورٹ کیا، جبکہ گزشتہ سال کی اسی مدت میں بعد از ٹیکس خسارہ 288.359 ملین روپے تھا۔

تفصیلات	30 جون 2026	30 جون 2025 (نظرثانی شدہ)
خالص ٹرن اوور	9.771 ارب روپے	9.059 ارب روپے
قبل از ٹیکس خسارہ	37.562 ملین روپے	205.049 ملین روپے
بعد از ٹیکس خسارہ	191.150 ملین روپے	288.359 ملین روپے
فی حصص خسارہ	25.28 روپے	38.14 روپے

30 جون 2025 کو ختم ہونے والی ششماہی کے تقابلی اعداد و شمار کو IAS 8 کے تحت نظرِ ثانی کے بعد دوبارہ پیش کیا گیا ہے، جیسا کہ مختصر عبوری مالیاتی گوشواروں کے نوٹس میں بیان کیا گیا ہے۔

کاروباری جائزہ

زیرِ جائزہ ششماہی کے دوران ریٹیل شعبے کے لیے حالات بدستور چیلنجنگ رہے۔ مہنگائی کے دباؤ اور محتاط انداز میں خرچ کرنے کے رجحانات کے باعث، بالخصوص ایسی اشیاء کے شعبوں میں جو بنیادی ضروریات میں شامل نہیں ہیں، صارفین کی طلب متاثر رہی۔ اس کے باوجود کمپنی نے آمدنی میں اضافے، صارفین کے ساتھ روابط اور آپریشنل کارکردگی پر اپنی توجہ برقرار رکھی، جس کے نتیجے میں فروخت کی کارکردگی گزشتہ سال کی اسی مدت کے مقابلے میں بہتر رہی۔

زیرِ جائزہ مدت کے دوران بورڈ نے کمپنی کے مراکہ فیکٹری میں جاری مینوفیکچرنگ آپریشنز کو باٹاپور فیکٹری میں منتقل اور یکجا کرنے کی منظوری دی۔ اس اقدام کا مقصد مینوفیکچرنگ کی استعداد کو بہتر بنانا، آپریشنل کارکردگی میں اضافہ کرنا، بڑے پیمانے پر پیداوار کے فوائد حاصل کرنا اور مستقبل میں پائیدار ترقی کو فروغ دینا ہے۔ انضمام کا یہ عمل مرحلہ وار جاری ہے اور سال کے اختتام تک مکمل ہونے کی توقع ہے۔ اس اقدام کے تحت کمپنی نے متاثرہ ملازمین کو رضاکارانہ ریٹائرمنٹ اسکیم (VRS) اور تبادلے کے اختیارات کی پیشکش کی ہے اور ان سے متعلقہ واجبات کو ان مختصر عبوری مالیاتی گوشواروں میں تسلیم کیا ہے۔

انتظامیہ نے درج ذیل امور پر اپنی توجہ برقرار رکھی:

- مستقبل کی ترقی کے لیے صلاحیتوں کی تعمیر؛
- صارفین کی بہتر شمولیت اور اِن اسٹور تجربے میں بہتری؛
- ڈیجیٹل مارکیٹنگ اور سوشل میڈیا کے اقدامات میں توسیع؛
- اسٹور کی سطح پر پروموشنل اور کمرشل اقدامات؛ اور
- طویل مدتی مسابقتی صلاحیت کو بہتر بنانے کے لیے اسٹریٹجک آپریشنل تنظیمِ نو کے اقدامات

کارپوریٹ سماجی ذمہ داری (CSR)

باٹا پاکستان نے 30 جون 2026 کو ختم ہونے والی ششماہی کے دوران کارپوریٹ سماجی ذمہ داری (CSR) کے متعدد اقدامات کے ذریعے پائیدار سماجی ترقی کے لیے اپنے عزم کو برقرار رکھا۔ زیرِ جائزہ مدت کے دوران کمپنی نے متعدد اہم اقدامات پر عمل درآمد کیا، جن کا مرکز تعلیم، صحت، سماجی شمولیت، ماحولیاتی پائیداری اور ملازمین کی فلاح و بہبود تھا۔

CSR کے چند اہم اقدامات اور ان کے اثرات:

- تعلیم اور ڈیجیٹل مہارتیں: طلبہ کی ڈیجیٹل خواندگی اور ٹیکنالوجی کی عملی صلاحیتوں کو بہتر بنانے کے لیے آئی ٹی اسکلز ڈویلپمنٹ ورکشاپ کا انعقاد کیا گیا، جس کا مقصد ان کی مستقبل کی تعلیمی اور پیشہ ورانہ ترقی میں معاونت کرنا تھا۔
- صحت اور فلاح و بہبود: صحت اور ذیابیطس سے متعلق آگاہی سیشنز کے ذریعے پریوینٹو ہیلتھ، متوازن غذائیت، صحت مند طرزِ زندگی اور مجموعی فلاح و بہبود کو فروغ دیا گیا۔ عالمی یومِ خواتین کے موقع پر ہیلتھ کیئر پروفیشنل کی قیادت میں کم عمر لڑکیوں کے لیے ماہواری سے متعلق صحت اور PCOD کے موضوع پر بھی آگاہی سیشن کا انعقاد کیا گیا۔
- نوجوانوں کی شمولیت: سالانہ اسپورٹس ڈے کی سرگرمیوں نے کم مراعات یافتہ اسکولوں کے طلبہ میں جسمانی فٹنس، نظم و ضبط، ٹیم ورک اور صحت مند مسابقت کو فروغ دیا۔
- سماجی شمولیت: کم مراعات یافتہ بچوں، بشمول بصارت سے محروم طلبہ میں 387 جوڑے جوتے تقسیم کیے گئے، جس سے ان کے وقار، سماجی شمولیت اور کمیونٹی کی فلاح و بہبود میں معاونت ہوئی۔
- ماحولیاتی پائیداری: ریٹیل پلانٹیشن ڈرائیو کے تحت ریٹیل آؤٹ لیٹس، اسکولوں اور قریبی کمیونٹیز میں 2,000 سے زائد پودے تقسیم کیے اور لگائے گئے، جبکہ ماحولیاتی تحفظ کی اہمیت کے حوالے سے آگاہی بھی فراہم کی گئی۔
- کمیونٹی کی صحت اور صاف پانی: گورنمنٹ گرلز ہائر سیکنڈری اسکول، سوتر ملز، لاہور میں واٹر فلٹریشن پلانٹ کی تعمیر کے ذریعے تقریباً 1,800 طالبات کو پینے کے صاف اور محفوظ پانی تک رسائی فراہم کی جا رہی ہے، جو ان کی بہتر صحت اور فلاح و بہبود میں معاون ہوگی۔
- ملازمین اور اہلِ خانہ کی فلاح و بہبود: باٹا کے ملازمین اور ان کے اہلِ خانہ کے ساتھ تفریحی اور ٹیم پر مبنی سرگرمیوں کے ذریعے عالمی یومِ کھیل منایا گیا، جس سے خاندانی روابط، فلاح و بہبود اور ادارے کے ساتھ مضبوط وابستگی کو فروغ دیا گیا۔

مجموعی اثرات

2026 کی پہلی ششماہی CSR کے حوالے سے باٹا پاکستان کے جامع لائحہ عمل کی عکاسی کرتی ہے، جس کے ذریعے تعلیم، صحت، سماجی شمولیت، ماحولیاتی پائیداری اور ملازمین کی فلاح و بہبود کے شعبوں میں بامعنی اثرات مرتب کیے گئے۔ ان اقدامات کے ذریعے باٹا پاکستان نے کمیونٹیز کی معاونت، نوجوانوں کو بااختیار بنانے، ماحولیاتی ذمہ داری کے فروغ اور ایک صحت مند اور زیادہ جامع معاشرے کی تشکیل میں اپنا کردار ادا کرنے کا سلسلہ جاری رکھا۔
ملازمین کی مسلسل محنت اور معزز اسٹیک ہولڈرز کے تعاون سے کمپنی مارکیٹ کے موجودہ چیلنجز سے نمٹنے، پائیدار ترقی کے مواقع تلاش کرنے اور شیئر ہولڈرز اور معاشرے دونوں کے لیے یکساں طور پر طویل مدتی قدر پیدا کرنے پر اپنی توجہ مرکوز رکھے ہوئے ہے۔

منجانب بورڈ

Ahsan Umar.

(احسن عمر)

چیف ایگزیکٹو

باٹا پور:

لاہور: **24** اگست، **2026**

pwc

A·F·FERGUSON&Co.

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF BATA PAKISTAN LIMITED
REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Bata Pakistan Limited as at June 30, 2026, and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

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

Other Matter

Pursuant to the requirement of Section 237 (1) (b) of the Companies Act, 2017, only cumulative figures for the half year, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Company. Accordingly, the figures of the condensed interim statement of profit or loss and other comprehensive income for the three-month periods ended June 30, 2026 and June 30, 2025 have not been reviewed by us.

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: August 27, 2026
UDIN: RR202610070UAP5a8foF

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2026

	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
		(Rupees in '000)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	2,878,555	2,811,706
Right-of-use assets		3,500,769	3,710,610
Intangible assets		78,785	106,045
Long term security deposits		54,865	49,974
Deferred tax asset		653,688	630,770
		7,166,662	7,309,105
CURRENT ASSETS			
Stores and spare parts	7	-	-
Stock-in-trade		5,592,646	3,994,064
Trade debts		283,311	370,521
Advances		104,170	71,832
Trade deposits and short term prepayments		541,529	341,281
Other receivables		30,962	53,430
Income tax receivable net of provision for taxation		500,616	413,800
Interest accrued		1,762	2,621
Short term investments		45,052	45,044
Cash and bank balances		625,848	983,747
		7,725,896	6,276,340
TOTAL ASSETS		14,892,558	13,585,445
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		100,000	100,000
Issued, subscribed and paid up share capital		75,600	75,600
Reserves			
Capital reserve		483	483
Revenue reserves		2,900,637	3,091,787
		2,901,120	3,092,270
Total equity		2,976,720	3,167,870
NON-CURRENT LIABILITIES			
Lease liabilities		3,188,855	3,333,119
Long term deposits		15,930	19,025
Employee benefits obligations		39,182	34,295
Long term finance from financial institution - secured	8	-	-
		3,243,967	3,386,439
CURRENT LIABILITIES			
Current portion of lease liabilities		1,072,685	1,117,386
Current portion of long term finance		25,185	28,333
Trade and other payables		5,937,497	5,069,224
Short term borrowings from financial institutions - secured	9	812,088	-
Accrued finance cost		8,223	-
Unclaimed dividend		77,030	77,030
Unpaid dividend		739,163	739,163
		8,671,871	7,031,136
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		14,892,558	13,585,445

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

Chief Executive	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2026

	Note	Three-month period ended		Six-month period ended	
		June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
		Un-audited			
		(Rupees in '000)			
			(Restated)		*(Restated)*
Revenue from contracts with customers - net	11	4,032,973	3,775,859	9,770,814	9,058,980
Cost of sales	12	(1,756,952)	(2,569,431)	(5,090,012)	(5,106,855)
Gross profit		2,276,021	1,206,428	4,680,802	3,952,125
Distribution costs		(1,481,963)	(998,423)	(3,141,641)	(2,637,619)
Administrative expenses		(584,106)	(503,000)	(1,120,860)	(979,700)
Net impairment loss on financial assets		(4,688)	(50,835)	(4,688)	(50,835)
Other expenses		(145,722)	(108,434)	(175,140)	(173,611)
Other income		45,351	25,382	86,570	42,118
Finance costs	13	(189,735)	(161,981)	(362,605)	(357,527)
Loss before levy and income tax		(84,842)	(590,863)	(37,562)	(205,049)
Levy - minimum tax		(24,343)	(113,237)	(45,152)	(113,237)
Loss before income tax		(109,185)	(704,100)	(82,714)	(318,286)
Income tax	14	67,383	167,756	(108,436)	29,927
Loss for the period		(41,802)	(536,344)	(191,150)	(288,359)
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		(41,802)	(536,344)	(191,150)	(288,359)
Loss per share - basic and diluted (Rupees per share)		(5.53)	(70.94)	(25.28)	(38.14)

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

Chief Executive	Director	Chief Financial Officer

ONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026

	Share capital	Capital reserve	Revenue reserves: General reserve	Revenue reserves: Un-appropriated profits	Total
			(Rupees in '000)		
Balance as at January 01, 2025 (audited)	75,600	483	4,557,000	913,042	5,546,125
Total comprehensive loss for period - restated	-	-	-	(288,359)	(288,359)
Balance as at June 30, 2025 (un-audited and restated)	75,600	483	4,557,000	624,683	5,257,766
Balance as at January 01, 2026 (audited)	75,600	483	4,557,000	(1,465,213)	3,167,870
Total comprehensive loss for period	-	-	-	(191,150)	(191,150)
Balance as at June 30, 2026 (un-audited)	75,600	483	4,557,000	(1,656,363)	2,976,720

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026

	Note	Six-month period ended June 30, 2026	Six-month period ended June 30, 2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	246,705	1,307,029
Finance cost paid		(9,706)	(333,048)
Payment of lease liabilities (interest)		(344,676)	(310,016)
Income tax and levy paid		(263,331)	(266,673)
Gratuity paid		(2,160)	(6,605)
Long term security deposits - net		(7,986)	(2,054)
Net cash (outflow)/inflow from operating activities		(381,154)	388,633
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(296,323)	(168,859)
Payments for intangible assets		(1,215)	-
Proceeds from disposal of property, plant and equipment		5,581	5,559
Short term investments made during the period		(45,000)	(45,000)
Short term investments encashed during the period		45,007	45,064
Interest income received		16,963	4,159
Net cash outflow from investing activities		(274,987)	(159,077)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term finances		(3,148)	(3,149)
Payments of lease liabilities (principal)		(524,470)	(331,871)
Dividend paid		-	(889)
Net cash outflow from financing activities		(527,618)	(335,909)
Net decrease in cash and cash equivalents		(1,183,759)	(106,353)
Cash and cash equivalents at the beginning of the period prior to application of amendment to IFRS 9		983,747	211,344
Adjustment on initial application of amendment to IFRS 9 on January 1, 2026		13,708	-
		997,455	211,344
Effects of exchange rate changes on cash and cash equivalents		64	(1,040)
Cash and cash equivalents at the end of the period	16.1	(186,240)	103,951

The annexed notes from 1 to 24 form an integral part of these condensed interim financial statements.

Chief Executive	Director	Chief Financial Officer

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2026

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, the Companies Act, 2017) and its shares are quoted on the 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 facility:

Business Unit	Geographical Location
Batapur Factory	G.T. Road, P.O. Batapur, Lahore

The Company operates through retail outlets spread across the country with 233 outlets situated in Punjab, 51 in Sindh, 38 in Khyber Pakhtunkhwa, 12 Islamabad Capital Territory, 8 in Azad Kashmir, 6 in Balochistan and 1 in Gilgit Baltistan.

1.1 During the period, the Board of Directors, in its 528th Emergent Meeting held on May 22, 2026, approved the consolidation of the Company's production facility at the Maraka Factory situated at 26 - km, Multan Road, Lahore, into the Batapur Factory. This initiative forms part of the Company's strategic plan to optimize manufacturing operations, enhance operational efficiency, achieve economies of scale and support sustainable future growth.

The transfer of production facilities is being implemented in phases and is expected to be completed by the end of the year, subject to operational and regulatory requirements. As part of the consolidation process, the Company offered a Voluntary Retirement Scheme (VRS) and transfer options to employees of the Maraka Factory.

The Company has recognized a provision of Rs 133.439 million (June 30, 2025 : Nil) under 'Other expenses' in these condensed interim financial statements in respect of obligations arising under the VRS. Management will continue to assess the financial implications of the consolidation plan and will recognize any additional provisions or expenses when the relevant recognition criteria are met.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 These condensed interim financial statements are un-audited. They do not include all of the disclosures required for full annual financial statements and should therefore be read in conjunction with the annual financial statements for the year ended December 31, 2025. Selected explanatory notes have been included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements. However, the primary financial statements are presented in a format consistent with the financial statements that are required to be presented in the annual financial statements under IAS 1.

	For the six-month period ended June 30, 2025 (As reported)	Increase/ (decrease) due to restatement	For the six-month period ended June 30, 2025 (Restated)
		(Rupees in '000)	
Condensed interim statement of profit or loss and other comprehensive income (extract)			
Cost of sales	4,918,018	188,837	5,106,855
Loss before levy and income tax	16,212	188,837	205,049
Levy - minimum tax	90,110	23,127	113,237
Loss before income tax	106,322	211,964	318,286
Income tax expense / (income)	7,127	(37,054)	(29,927)
Loss for the period	113,449	174,910	288,359
Loss per share - basic and diluted (Rupees per share)	15.01	23.14	38.14

The above restatement has resulted in the following restated figures for the three-month period ended June 30, 2025:

	For the three-month period ended June 30, 2025 (As reported)	Increase/ (decrease) due to restatement	For the three-month period ended June 30, 2025 (Restated)
		(Rupees in '000)	
Condensed interim statement of profit or loss and other comprehensive income (extract)			
Cost of sales	2,380,594	188,837	2,569,431
Loss before levy and income tax	402,026	188,837	590,863
Levy - minimum tax	45,055	68,182	113,237
Loss before income tax	447,081	257,019	704,100
Income tax expense / (income)	(85,647)	(82,109)	(167,756)
Loss for the period	361,434	174,910	536,344
Loss per share - basic and diluted (Rupees per share)	47.81	23.14	70.94

	As at June 30, 2025 (As reported)	Decrease due to restatement	As at June 30, 2025 (Restated)
		(Rupees in '000)	
Condensed interim statement of changes in equity (extract)			
Un-appropriated profits	799,593	174,910	624,683

The aforementioned restatement does not affect the statement of cash flows for either the current period or the comparative period.

Impact of the restatement on the audited financial statements for the year ended December 31, 2025

The aforementioned restatement does not affect the audited financial statements for the year ended December 31, 2025, including the statement of profit or loss and other comprehensive income, statement of changes in equity, statement of cash flows and earnings per share, as the error was corrected during the second half of the financial year ended December 31, 2025 and did not affect the amounts reported as of and for the year ended December 31, 2025.

3 MATERIAL ACCOUNTING POLICIES AND CHANGES THEREIN

3.1 The material accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of annual audited financial statements for the year ended December 31, 2025, except for the estimation of income tax (see note 5) and adoption of amended IFRS Accounting Standards as set out below.

During the period, certain amendments to IFRS - 9 'Financial Instruments' (IFRS 9) and IFRS - 7 'Financial Instruments: Disclosures' (IFRS 7), became applicable to the Company. These amendments clarify that a financial asset or financial liability is recognised when an entity becomes a party to the contractual provisions of the instrument, and is derecognized on the settlement date i.e., when the contractual rights to cash flows expire, the asset is transferred, or the liability is extinguished. In effect, the amendments confirm that settlement date accounting applies to the recognition and derecognition of financial assets and financial liabilities. The amendments also introduce an optional exception permitting derecognition of a financial liability settled through an electronic payment system before the settlement date, subject to specified conditions, which the Company has not elected to apply.

The Company previously applied trade date accounting for the recognition and derecognition of financial assets and financial liabilities. Following adoption of these amendments, the Company has changed its accounting policy to apply settlement date accounting, consistent with the clarified requirements of IFRS 9. In accordance with the transitional provisions of the amendments, this change has been applied from the beginning of the annual reporting period of initial application, with the cumulative effect recognised as an adjustment to the opening balance of the affected items. Consistent with the transition relief provided under the amendments, comparative information in these condensed interim financial statements has not been restated.

The impact of adopting the new accounting policy has been reflected in the condensed interim statement of cash flows. Accordingly, the reconciliation of cash and cash equivalents presented therein includes the resulting adjustment to the opening balance. The effects of amendments at the date of initial application are as follows:

Effect on condensed interim statement of financial position (extract)	Audited		
	Carrying amount prior to the amendment	Impact of amendment	Carrying amount subsequent to the amendment
		(Rupees in '000)	
As of January 1, 2026			
Trade debts	370,521	-	370,521
Trade and other payables	5,069,224	13,708	5,082,932
Cash and cash equivalents	983,747	13,708	997,455

3.2 Initial application of standards, amendment and improvements to accounting and reporting standards

3.2.1 Standards, amendments and improvements to accounting and reporting standards that became effective during the period

There are amendments or improvements to existing standards which became applicable to the Company for the financial year beginning on January 1, 2026, however, these do not have a material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements, except for an amendment in IFRS 7 and IFRS 9, the impact of which has been disclosed in note 3.1 to the condensed interim financial statements.

3.2.2 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 accounting standards and interpretations that are mandatory for accounting periods beginning on or after January 1, 2027. These are not considered to be relevant to, or to have a significant impact on, the Company's operations and, accordingly, have not been disclosed in these condensed interim financial statements, except as disclosed in note 2.2.2 to the annual audited financial statements for the year ended December 31, 2025.

4 Critical accounting estimates and judgements

The preparation of these condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed interim financial statements, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual financial statements of the Company for the year ended December 31, 2025, with the exception of change in estimate that is required in determining the provision for income taxes as referred to in note 5.

5 TAXATION

Income tax

Income tax expense is recognized in each interim period based on best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year, if the estimate of the annual income tax rate changes. Where different income tax rates apply to different categories of income, a separate rate is applied to each category of pre-tax income.

6 PROPERTY, PLANT AND EQUIPMENT

	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
		(Rupees in '000)	
Operating fixed assets	6.1	2,730,302	2,461,331
Capital work-in-progress	6.2	148,253	350,375
		2,878,555	2,811,706

6.1 **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												
Six months ended June 30, 2026												
Opening net book value (NBV)	2,508	35	252,959	68,755	542,430	4,922	461	3,196	190,572	1,389,334	6,159	2,461,331
Additions (at cost)	-	-	19,547	30,296	5,709	-	-	-	20,888	422,005	-	498,445
Disposals (at NBV)	-	-	-	-	(28)	-	-	-	(2,136)	(35,575)	-	(37,739)
Depreciation charge	-	-	(13,864)	(1,789)	(27,211)	(246)	(23)	(160)	(25,180)	(122,646)	(616)	(191,735)
Closing net book value	2,508	35	258,642	97,262	520,900	4,676	438	3,036	184,144	1,653,118	5,543	2,730,302
Gross carrying value basis												
As at June 30, 2026												
Cost	2,508	35	478,916	169,675	1,256,309	13,910	2,274	8,412	530,463	3,735,403	29,225	6,227,130
Accumulated depreciation and impairment	-	-	(220,274)	(72,413)	(735,409)	(9,234)	(1,836)	(5,376)	(346,319)	(2,082,285)	(23,682)	(3,496,828)
Net book value (NBV)	2,508	35	258,642	97,262	520,900	4,676	438	3,036	184,144	1,653,118	5,543	2,730,302
Depreciation rate per annum	0%	0%	10%	5%	10%	10%	10%	10%	25%	15%	20%	
Net carrying value basis												
Year ended December 31, 2025												
Opening net book value	2,508	35	162,092	57,944	600,280	5,470	453	3,590	221,692	1,536,003	7,664	2,597,731
Additions (at cost)	-	-	111,977	13,788	4,727	-	60	-	30,557	208,170	-	369,279
Disposals (at NBV)	-	-	(3,932)	-	(2,538)	-	(2)	(9)	(1,832)	(84,010)	-	(92,323)
Depreciation charge		-	(17,178)	(2,977)	(60,039)	(548)	(50)	(385)	(59,845)	(241,118)	(1,505)	(383,645)
Impairment loss	-	-	-	-	-	-	-	-	-	(29,711)	-	(29,711)
Closing net book value	2,508	35	252,959	68,755	542,430	4,922	461	3,196	190,572	1,389,334	6,159	2,461,331
Gross carrying value basis												
As at December 31, 2025												
Cost	2,508	35	459,369	139,380	1,250,785	13,910	2,274	8,412	516,033	3,419,703	29,227	5,841,636
Accumulated depreciation and impairment	-	-	(206,410)	(70,625)	(708,355)	(8,988)	(1,813)	(5,216)	(325,461)	(2,030,369)	(23,068)	(3,380,305)
Net book value (NBV)	2,508	35	252,959	68,755	542,430	4,922	461	3,196	190,572	1,389,334	6,159	2,461,331
Depreciation rate per annum	0%	0%	10%	5%	10%	10%	10%	10%	25%	15%	20%	

		Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
			(Rupees in '000)	
6.2	**Capital work-in-progress**			
	The reconciliation of the carrying amount is as follows:			
	Opening balance		350,375	11,415
	Additions during the period / year		113,240	384,704
			463,615	396,119
	Transfers during the period / year		(315,362)	(45,744)
	Closing balance		148,253	350,375

		Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
			(Rupees in '000)	
7	**STORES AND SPARE PARTS**			
	Stores		2,490	2,508
	Spare parts		34,657	34,565
			37,147	37,073
	Less: provision for obsolescence	7.1	37,147	37,073
			-	-
7.1	**Provision for obsolescence**			
	Opening provision		37,073	35,817
	Charge for the year		74	1,256
	Closing provision		37,147	37,073
8	**LONG TERM FINANCES FROM FINANCIAL INSTITUTION - SECURED**			
	Long term finance - secured	8.1	25,185	28,333
	Less: current portion shown under current liabilities	8.2	25,185	28,333
			-	-
8.1	The reconciliation of the carrying amount is as follows:			
	Opening balance		28,333	34,629
	Repayments during the period/year		(3,148)	(6,296)
	Closing balance		25,185	28,333
	Current portion shown under current liabilities		(25,185)	(28,333)
			-	-

8.2 As at the reporting date, the Company was not in compliance with the current ratio covenant stipulated in the financing agreement. Consequently, the covenant breach rendered the outstanding borrowing repayable on demand. Accordingly, the related borrowing has been classified as a current liability in these condensed interim financial statements.

		Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
			(Rupees in '000)	
9	**SHORT TERM BORROWINGS FROM FINANCIAL FINANCIAL INSTITUTIONS - SECURED**			
	Running Musharakah Facility	9.1	155,000	-
	Running Finance Facility	9.2	657,088	-
			812,088	-

9.1 The running Musharakah facility available from Meezan Bank Limited amounts to Rs 400 million (2025: Rs 400 million) and carries profit at the rate of one-month Karachi Inter-Bank Offered Rate (KIBOR) plus 0.5% per annum (2025: one-month KIBOR plus 0.5% per annum). The profit is payable quarterly. The facility is secured by a first joint pari passu charge over all present and future current assets of the Company, including but not limited to stocks and trade debts, with a margin of 25%. The profit rate charged during the period on the outstanding balance ranged from 11.24% to 12.53% per annum (2025: 11.88% to 13.81% per annum).

9.2 Running finance facilities available from various commercial banks amount to Rs 1,300 million (2025: Rs 1,300 million). The markup rate charged during the period on the outstanding balances ranged from 11.58% to 13.03% per annum (2025: 11.54% to 14.31% per annum), payable quarterly in arrears. These facilities are secured by a joint pari passu hypothecation charge over stock-in-trade, stores and spares, and trade receivables of the Company amounting to Rs 2,580 million, together with a margin of 25%.

10 CONTINGENCIES AND COMMITMENTS

10.1 There has been no significant change in the contingencies disclosed in the annual audited financial statements of the Company for the year ended December 31, 2025, except for the following addition to contingencies and the update to a previously disclosed contingency:

(i) The Deputy Commissioner Inland Revenue (DCIR), vide assessment orders dated May 11, 2026, raised demands against the Company on account of alleged inadmissible input tax claimed by the Company, the breakup of which is as follows:

Tax periods	Amount (Rupees in '000)
July 2020 to June 2021	48,665
July 2021 to June 2023	32,998
July 2024 to June 2025	874

The Company, being aggrieved by the said orders, filed appeals before the Commissioner Inland Revenue (Appeals) [CIR(A)] on May 19, 2026. The appeals are currently pending adjudication.

Based on management's assessment and the advice of the Company's tax consultants, the Company has strong grounds to support its position in the matter. Accordingly, no provision has been recognized in these interim financial statements, as management believes that an outflow of economic benefits is not probable.

(ii) With reference to the matter disclosed in note 31.1.11 to the annual audited financial statements of the Company for the year ended December 31, 2025, the Company had challenged sales tax demands raised by the Deputy Commissioner Inland Revenue (DCIR), Mirpur, Azad Jammu and Kashmir (AJK), aggregating to Rs 23.906 million covering the tax periods from July 2020 to June 2024.

During this period, the appeals filed by the Company against the demands for tax periods from July 2020 to June 2023, amounting to Rs 4.875 million, were decided against the Company through orders issued by the CIR(A), Mirpur, AJK, dated March 16, 2026. As the assessed demand had already been paid by the Company and no further right of appeal was available, the matter stands concluded.

Further, the appeal filed by the Company before the Appellate Tribunal Inland Revenue (ATIR), AJK, against the sales tax demand of Rs 19.031 million relating to tax periods from July 2023 to June 2024, was decided against the Company vide order dated February 25, 2026. Consequently, the Company paid the outstanding demand of Rs 9.531 million during the period, resulting in full settlement of the liability and conclusion of the matter.

Accordingly, no contingent liability exists in respect of the above matter as at June 30, 2026.

	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
		(Rupees in '000)	
10.2 Other contingent liabilities			
Company is contingently liable for:			
- Counter guarantees given to banks		2,042	2,042
- Claims not acknowledged as debts - under appeal		62,985	22,235
		65,027	24,277

	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
10.3 Commitments in respect of:		(Rupees in '000)	
- Capital expenditure		128,996	20,664
- Letters of credit and bank contracts		71,755	-
		200,751	20,664

11 REVENUE FROM CONTRACTS WITH CUSTOMERS - NET

	(UN - AUDITED) Three-month period ended June 30, 2026	December 31, 2025	(UN - AUDITED) Six-month period ended June 30, 2026	December 31, 2025
	(Rupees in '000)		(Rupees in '000)	
Revenue from shoes and accessories:				
Local	4,890,539	4,601,581	11,815,336	11,149,191
Export	-	20,760	20,742	35,268
	4,890,539	4,622,341	11,836,078	11,184,459
Sundry articles and scrap material	15,816	9,530	46,329	14,935
	4,906,355	4,631,871	11,882,407	11,199,394
Less: Sales tax	748,105	709,429	1,803,958	1,741,783
Discount to dealers and distributors	58,803	57,079	128,677	188,919
Commission to agents/business associates	66,474	89,504	178,958	209,712
	873,382	856,012	2,111,593	2,140,414
	4,032,973	3,775,859	9,770,814	9,058,980

	(UN - AUDITED) Three-month period ended		(UN - AUDITED) Six-month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	(Rupees in '000)		(Rupees in '000)	
12 COST OF SALES		*(Restated)*		*(Restated)*
Raw material consumed	1,085,906	469,915	2,451,128	1,573,010
Stores and spare parts consumed	3,863	5,332	9,311	10,817
Fuel and power	39,348	16,916	89,699	61,717
Salaries, wages and benefits	243,474	136,411	563,909	388,271
Repairs and maintenance	28,118	21,280	50,912	38,134
Insurance	6,175	4,773	12,352	11,251
Depreciation on operating fixed assets	20,816	19,203	41,046	38,405
	1,427,700	673,830	3,218,357	2,121,605
Add: opening goods in process	228,985	71,561	96,821	69,483
	1,656,686	745,391	3,315,178	2,191,088
Less: closing goods in process	213,425	66,444	213,425	66,444
Cost of goods manufactured	1,443,261	678,947	3,101,753	2,124,644
Add: Opening stock of finished goods	4,069,593	6,172,075	3,672,947	5,649,935
Finished goods purchased	1,118,784	480,108	3,189,998	2,093,975
	6,631,638	7,331,130	9,964,698	9,868,554
Less: Closing stock of finished goods	4,874,686	4,761,699	4,874,686	4,761,699
	1,756,952	2,569,431	5,090,012	5,106,855
13 FINANCE COST				
Interest / mark-up on:				
Long term finances	62	278	464	570
Short term-finances	8,328	3,804	8,328	38,823
Workers' profit participation fund	-	-	-	1,903
Lease liabilities	177,115	154,981	344,676	310,016
	185,505	159,063	353,468	351,312
Bank charges and commission	4,230	2,917	9,137	6,215
	189,735	161,980	362,605	357,527

14 INCOME TAX

The tax expense for the six-month period ended June 30, 2026 includes certain non-recurring items relating to prior periods, comprising the recognition of Super Tax amounting to Rs 44.422 million and the derecognition of a deferred tax asset amounting to Rs 81.589 million, as realization of the related tax benefit was no longer considered probable. These items are one-off in nature and are not considered representative of the Company's underlying effective tax rate for the current interim period.

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

Description	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
		(Rupees in '000)	
Statement of Financial Position			
Short term borrowings as per Islamic mode	9	155,000	-
Accrued finance cost on conventional loan		8,223	-
Short term investments - Shariah compliant		45,052	45,044
Bank balances - Shariah compliant		143,602	278,382

	Note	(UN - AUDITED) Six-month period ended June 30, 2026	June 30, 2025
		(Rupees in '000)	
Statement of Profit or Loss			
Revenue earned from a shariah-compliant business segr	11	9,770,814	9,058,980
Profit earned from Shariah-compliant bank balances/deposits		8,661	2,088
Profit paid on Islamic mode of financing		1,903	10,155
Source and detailed break up of other income			
Other income earned from shariah compliant:			
Income from bank deposits		8,661	2,088
Rental income		8,738	5,809
Gain on leases modifications		16,122	30,144
Exchange gain		45,606	-
Other income earned from non - shariah compliant:			
Income from bank deposits		5,730	4,077
Income from short term investments		1,713	2,088

The Company has a business relationship with Meezan Bank and Habib Bank Limited, Batapur Islamic Branch, in the ordinary course of business. Disclosures other than those mentioned above are not applicable to the Company.

	(UN - AUDITED) Six-month period ended	
	June 30, 2026	June 30, 2025
	(Rupees in '000)	
16 Cash generated from operations		**(restated)**
Loss before levy and income tax	(37,562)	(205,049)
Adjustments for non-cash charges and other items:		
Depreciation of property, plant and equipment	191,735	187,875
Depreciation of right-of-use assets	561,467	564,322
Amortization of intangible assets	28,439	39,229
Provision for gratuity	7,047	7,369
Loss on disposal of property, plant and equipment	32,158	40,500
Gain on lease modification	(16,122)	(30,047)
Income from short term investments	(16,104)	(6,165)
Exchange (gain)/loss - net	(45,606)	128,879
Interest / markup costs	362,605	357,527
Net impairment loss on financial assets	4,688	50,835
(Reversal)/provision for slow moving and obsolete stock - net	(42,744)	81,210
Provision for obsolescence of raw material - net	18,729	-
Impairment loss on advances	-	12,367
Provision of provision for obsolescence of stores and spare parts - net	74	2,819
	1,086,366	1,436,720
Operating profit before working capital changes	1,048,804	1,231,671
Effect on cash flow due to working capital changes:		
(Increase)/decrease in current assets		
Stores and spare parts	(74)	(2,819)
Stock in trade	(1,574,567)	730,857
Trade debts	82,522	170,505
Advances	(32,338)	(22,953)
Trade deposits and short term prepayments	(200,217)	(306,767)
Other receivables	22,468	(23,916)
	(1,702,206)	544,907
(Increase)/decrease in current liabilities		
Trade and other payables	900,107	(469,549)
Effect on cash flow due to working capital changes	(802,099)	75,358
	246,705	1,307,029

	(UN - AUDITED)	
	June 30, 2026	June 30, 2025
16.1 CASH AND CASH EQUIVALENTS	(Rupees in '000)	
Cash and bank balances	625,848	598,574
Short term borrowings from financial institutions - secured	(812,088)	(494,623)
	(186,240)	103,951

17 TRANSACTIONS WITH RELATED PARTIES

The related parties include the related parties on the basis of common directorship, parent 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. Significant transactions and balances with related parties are as follows:

		(UN - AUDITED) Six-month period ended	
		June 30, 2026	June 30, 2025
Relationship with the Company	**Nature of transactions**	(Rupees in '000)	
Group companies	Sale of goods and services	20,742	9,337
	Reimbursement of expenses	2,692	6,666
	Trade mark license fee	490,271	448,116
	Service charges	158,494	135,675
	Management service fee	204,134	199,833
Post employment benefit plans	Contribution to provident fund trusts	45,976	43,017
Key management personnel	Remuneration	65,578	86,669

The Company continues to have a policy, whereby, all transactions with related parties and common control companies (group companies) are carried out at mutually agreed terms and conditions.

	Note	(UN - AUDITED) June 30, 2026	(AUDITED) December 31, 2025
		(Rupees in '000)	
Period / year end balances			
Receivable from related parties		20,742	18,850
Payable to related parties		3,607,370	3,174,812

18 SEGMENT ASSETS AND LIABILITIES

	Segment assets (UN - AUDITED) June 30, 2026	Segment assets (AUDITED) December 31, 2025	Segment liabilites (UN - AUDITED) June 30, 2026	Segment liabilites (AUDITED) December 31, 2025
	(Rupees in '000)		(Rupees in '000)	
Retail	9,702,681	8,292,377	4,291,781	4,547,478
Wholesale	727,040	787,383	41,496	80,833
Export	13,823	13,165	-	-
Unallocated	4,449,014	4,492,520	7,582,561	5,789,264
	14,892,558	13,585,445	11,915,838	10,417,575

19 SEGMENT REPORTING

(UN - AUDITED)
Six-month period ended

	Retail		Wholesale		Export		Others		Total	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	(Rupees in '000)									
Revenue	8,718,161	7,841,900	991,878	1,157,128	20,742	35,268	40,033	24,684	9,770,814	9,058,980
Inter - segment revenue	-	-	-	-	-	-	-	-	-	-
Total revenue	8,718,161	7,841,900	991,878	1,157,128	20,742	35,268	40,033	24,684	9,770,814	9,058,980
Specifically allocable expenses	(7,113,428)	(6,501,056)	(988,201)	(1,082,821)	(17,320)	(32,058)	(9,593)	(14,098)	(8,128,542)	(7,630,033)
Segment result before unallocated expenses	1,604,733	1,340,844	3,677	74,307	3,422	3,210	30,440	10,586	1,642,272	1,428,947
Unallocated operating expenses									(1,228,659)	(1,144,976)
Other expenses									(175,140)	(173,611)
Other income									86,570	42,118
Operating profit									325,043	152,478
Finance cost									(362,605)	(357,527)
Loss before levy and income tax									(37,562)	(205,049)
Levy and income tax									(153,588)	(83,310)
(Loss)/profit for the period									(191,150)	(288,359)

20 **LOSS PER SHARE - BASIC AND DILUTED**

	(UN - AUDITED) Three-month period ended		(UN - AUDITED) Six-month period ended	
	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	(Rupees in '000)		(Rupees in '000)	
		(Restated)		(Restated)
Loss for the period	(41,802)	(536,344)	(191,150)	(288,359)
Weighted average number of ordinary shares - Number (in '000)	7,560	7,560	7,560	7,560
Loss per share - basic and diluted (Rupees per share)	(5.53)	(70.94)	(25.28)	(38.14)

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

21 **FINANCIAL RISK MANAGEMENT**

21.1 **Financial risk factors**

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 condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements as at December 31, 2025.

There have been no significant changes in the risk management department or in risk management policies since the year ended December 31, 2025.

22 **Fair value estimation**

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

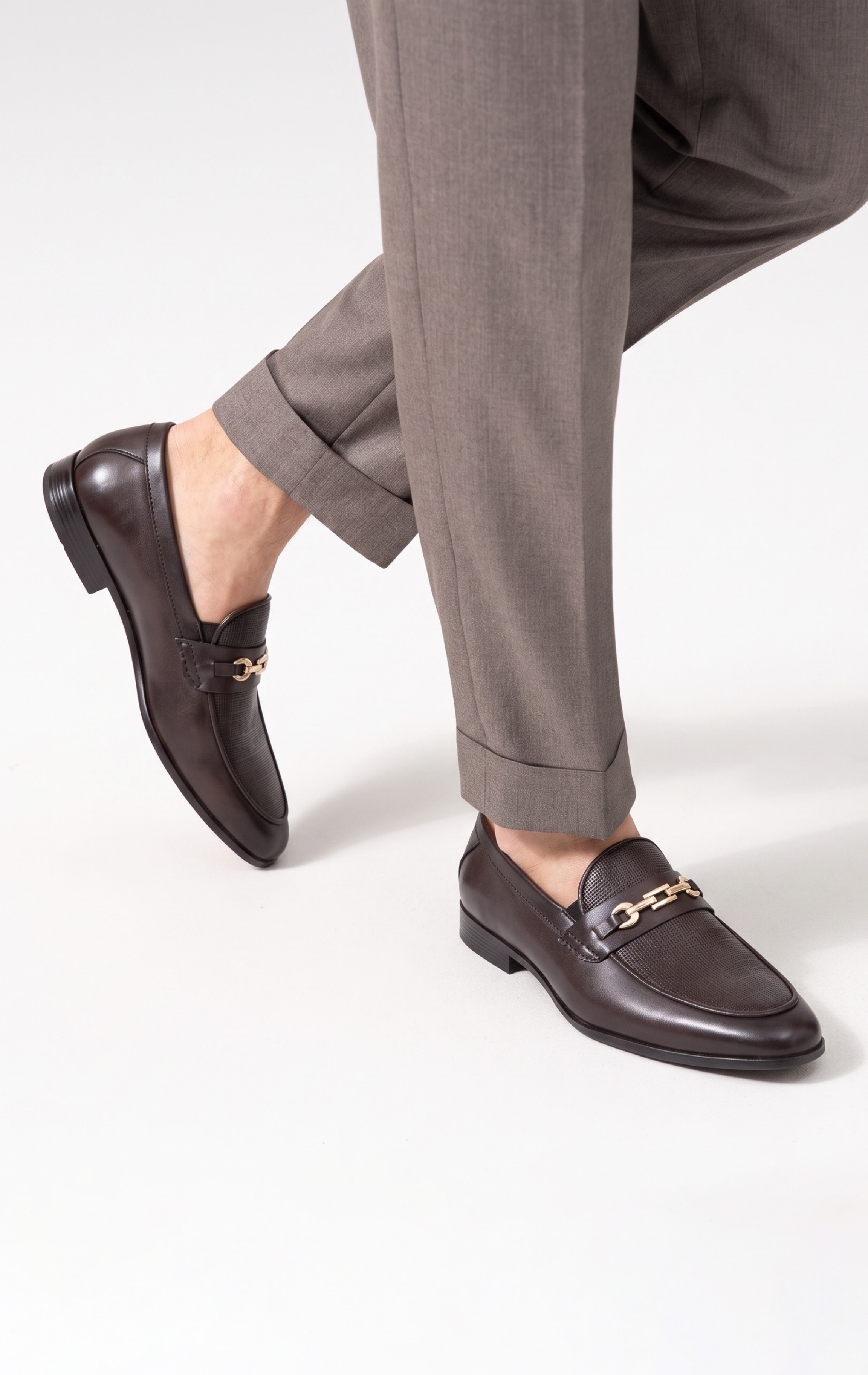
23 **DATE OF AUTHORIZATION FOR ISSUE**

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

24 **CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Chief Executive	Director	Chief Financial Officer



PAKISTAN LIMITED
P.O.BATAPUR, LAHORE PAKISTAN.
FAX: +92-42-36581176
UAN: +92-42-111-044-055
E-mail: pk.bata@bata.com
Website: www.bata.com.pk