Bata Shoe Company (Bangladesh) Limited

Financial statements as at and
for the period ended 30 June 2026

Bata Shoe Company (Bangladesh) Limited

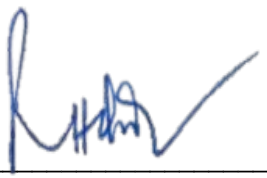
Financial Highlights

	30-Jun-26	31-Dec-25
Net Assets Value (NAV)	**2,942,311,739**	2,581,637,478
NAV Per Share	**215.08**	188.72

	30-Jun-26	30-Jun-25
Earnings Per Share (EPS)	**36.87**	19.87
Net Operating Cash Flow Per Share	**61.45**	29.35



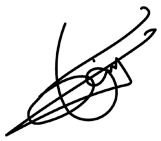
Managing Director



Director



Finance Director



Company Secretary



Bata Shoe Company (Bangladesh) Limited
Statement of financial position

In taka	*Note*	30 June 2026	31 December 2025
Assets			
Property, plant and equipment	*12*	**1,017,521,892**	992,575,936
Right-of-use assets	*13*	**2,359,441,816**	2,236,233,552
Intangible assets	*14*	**31,774,387**	38,486,281
Advances, deposits and prepayments	*17*	**242,851,785**	241,954,702
Deferred tax assets	*23*	**175,695,103**	161,736,840
Non-current assets		**3,827,284,983**	3,670,987,311
Inventories	*15*	**3,099,427,986**	3,132,665,524
Trade and other receivables	*16*	**65,494,562**	34,842,783
Advances, deposits and prepayments	*17*	**98,307,040**	110,841,730
Cash and cash equivalents	*18*	**751,306,199**	453,364,296
Current assets		**4,014,535,787**	3,731,714,333
Total assets		**7,841,820,770**	7,402,701,644
Equity			
Share capital	*19*	**136,800,000**	136,800,000
Reserves and surplus	*20*	**110,492,803**	110,492,803
Retained earnings	*21*	**2,695,018,936**	2,334,344,675
Total equity		**2,942,311,739**	2,581,637,478
Liabilities			
Lease liabilities	*24*	**1,966,508,011**	1,889,649,050
Trade and other payables	*25*	**274,516,956**	131,213,797
Non-current liabilities		**2,241,024,967**	2,020,862,847
Lease liabilities	*24*	**433,076,596**	340,889,056
Trade and other payables	*25*	**1,673,884,919**	2,079,998,132
Unclaimed dividend	*26*	**70,836,452**	28,521,202
Deferred revenue	*27*	**11,979,220**	10,512,991
Current tax liabilities	*28*	**468,706,877**	340,279,938
Current liabilities		**2,658,484,064**	2,800,201,319
Total liabilities		**4,899,509,031**	4,821,064,166
Total equity and liabilities		**7,841,820,770**	7,402,701,644
Net asset value (NAV) per share	*30*	**215.08**	188.72

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

Managing Director | Director

Finance Director | Company Secretary

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

Bata Shoe Company (Bangladesh) Limited
Statement of profit or loss and other comprehensive income

For the period ended 30 June		For the six-month period ended		For the three-month period ended	
In taka	***Note***	**2026**	**2025**	**2026**	**2025**
Revenue	*6*	**5,686,785,943**	5,166,604,152	**1,889,845,767**	1,584,793,155
Cost of sales	*7*	**(3,114,110,368)**	(2,816,860,698)	**(1,046,208,577)**	(869,932,373)
Gross profit		**2,572,675,575**	2,349,743,454	**843,637,190**	714,860,782
Other income/(loss)	*8*	**(1,543,487)**	155,362	**(1,174,813)**	(3,546,433)
Operating expenses		**(1,737,534,166)**	(1,824,695,066)	**(593,384,879)**	(778,115,529)
Operating profit		**833,597,922**	525,203,750	**249,077,498**	(66,801,180)
Finance income	*9(A)*	**32,900,862**	25,388,894	**20,882,774**	18,464,355
Finance costs	*9(B)*	**(131,234,932)**	(136,399,666)	**(69,107,897)**	(76,621,729)
Net finance costs	*9*	**(98,334,070)**	(111,010,772)	**(48,225,123)**	(58,157,374)
Profit before tax and contribution to WPPF		**735,263,852**	414,192,978	**200,852,375**	(124,958,554)
Contribution to WPPF	*10*	**(36,763,193)**	(20,709,649)	**(10,042,619)**	6,247,928
Profit before tax		**698,500,659**	393,483,329	**190,809,756**	(118,710,626)
Income tax expense	*11*	**(194,186,398)**	(121,640,608)	**(57,744,528)**	22,252,485
Profit/(loss) for the period		**504,314,261**	271,842,721	**133,065,228**	(96,458,141)
Other comprehensive income, net of tax		**-**	-	**-**	-
Total comprehensive income/(loss)		**504,314,261**	271,842,721	**133,065,228**	(96,458,141)
Earnings per share	*31*	**36.87**	19.87	**9.73**	(7.05)

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

Managing Director

Director

Finance Director

Company Secretary

Bata Shoe Company (Bangladesh) Limited
Statement of changes in equity

For the period ended 30 June *In taka*	*Note*	Share capital	General and other reserves	Non-distributable special reserve	Retained earnings	Total equity
Balance at 1 January 2026		**136,800,000**	**109,494,183**	**998,620**	**2,334,344,675**	**2,581,637,478**
Total comprehensive income for the period						
Profit for the period		**-**	**-**	**-**	**504,314,261**	**504,314,261**
Other comprehensive income for the period		**-**	**-**	**-**	**-**	**-**
Total comprehensive income for the period		**-**	**-**	**-**	**504,314,261**	**504,314,261**
Contributions and distributions						
Interim dividend	*21*	**-**	**-**	**-**	**-**	**-**
Final dividend	*21*	**-**	**-**	**-**	**(143,640,000)**	**(143,640,000)**
Total transactions with owners of the Company		**-**	**-**	**-**	**(143,640,000)**	**(143,640,000)**
Balance at 30 June 2026		**136,800,000**	**109,494,183**	**998,620**	**2,695,018,936**	**2,942,311,739**
Balance at 1 January 2025		136,800,000	109,494,183	998,620	2,765,371,937	3,012,664,740
Total comprehensive income for the period						
Profit for the period		-	-	-	271,842,721	271,842,721
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	271,842,721	271,842,721
Contributions and distributions						
Interim dividend	*21*	-	-	-	-	-
Final dividend	*21*	-	-	-	(143,640,000)	(143,640,000)
Total transactions with owners of the Company		-	-	-	(143,640,000)	(143,640,000)
Balance at 30 June 2025		136,800,000	109,494,183	998,620	2,893,574,658	3,140,867,461

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

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

Bata Shoe Company (Bangladesh) Limited
Statement of cash flows

For the period ended 30 June *In taka*	*Note*	2026	2025
Cash flows from operating activities			
Cash receipts from customers		**5,680,096,282**	5,164,727,514
Cash payments to and on behalf of employees		**(507,978,795)**	(756,835,095)
Cash payments to suppliers and contractors for goods and services		**(4,159,285,080)**	(3,805,648,002)
Cash generated from operating activities		**1,012,832,407**	602,244,417
Interest received	*9(A)*	**32,900,862**	25,388,894
Interest paid		**(125,378,144)**	(104,360,275)
Income taxes paid		**(79,717,722)**	(121,741,444)
Net cash from operating activities		**840,637,403**	401,531,592
Cash flows from investing activities			
Acquisition of property, plant and equipment		**(109,638,939)**	(84,779,397)
Proceeds from sale of property, plant and equipment		**134,555**	1,675,058
Net cash used in investing activities		**(109,504,384)**	(83,104,339)
Cash flows from financing activities			
Payment of lease liabilities (principal portion)	*24(A)*	**(289,961,139)**	(228,978,323)
Dividend paid		**(143,640,000)**	(3,474,750)
Net cash used in financing activities		**(433,601,139)**	(232,453,073)
Net increase in cash and cash equivalents		**297,531,880**	85,974,180
Cash and cash equivalents at the beginning		**453,364,296**	591,551,059
Effect of movements in exchange rates on cash held		**410,023**	1,621,429
Cash and cash equivalents at 30 June	*18*	**751,306,199**	679,146,668
Net Operating Cash Flow Per Share (NOCFPS)	*32*	**61.45**	29.35

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



1. Reporting entity

Bata Shoe Company (Bangladesh) Limited (hereinafter referred to as "Bata" or "the Company") is a public company limited by shares. It was incorporated in Bangladesh in 1972 under the Companies Act 1913. The address of the registered office of the Company is situated at Tongi, Gazipur, Bangladesh. The Company is one of the operating companies of worldwide Bata Shoe Organization (BSO) and a subsidiary of Bafin (Nederland) BV in Netherlands holding 70% of the Company's shares. The shares of the Company are listed in both Dhaka Stock Exchange (DSE) and Chittagong Stock Exchange (CSE).

Pursuant to recent amendment to the Companies Act 1994 incorporating certain amendments, among others, is to change of the word "Limited" by the word "PLC" in case of Public Limited Companies including listed ones. Necessary formalities are in progress in implementing these changes.

The Company is mainly engaged in manufacturing and marketing of leather, rubber, plastic, canvas footwear, hosiery and accessories items. Manufacturing plants of the Company are situated at Tongi and Dhamrai.

2. Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with International Accounting Standards (IASs), International Financial Reporting Standards (IFRSs), the Companies Act 1994, the Securities and Exchange Rules, 2020, relevant guidelines issued by the Bangladesh Securities and Exchange Commission, Financial Reporting Act 2015 and other applicable laws in Bangladesh.

The titles and format of these financial statements follow the requirements of IFRSs which are to some extent different from the requirements of the Companies Act 1994 and the Securities and Exchange Rules 2020. However, such differences are not material and in the view of management IFRSs titles and format give better presentation to the shareholders.

These financial statements were authorized for issue by the Board of Directors at its 273rd meeting held on 27 July 2026.

3. Functional and presentational currency

These financial statements are presented in Bangladesh Taka (Taka/Tk/BDT) which is the Company's functional currency. All amounts have been rounded to the nearest Taka, unless otherwise indicated.

4. Comparatives and rearrangement

Comparative information has been disclosed for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current financial statements.

To facilitate comparison, certain relevant balances pertaining to the previous year have been rearranged or reclassified whenever considered necessary to conform current year's presentation.

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

5. Use of estimates and judgements

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to estimates are recognised prospectively.

A. Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 24: Lease term

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties at 31 March 2025 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial period is included in the following notes:

Note 12:	Depreciation on property, plant and equipment
Note 14:	Amortisation on intangible assets
Note 15:	Provision for obsolescence
Note 16:	Measurement of allowance for trade receivables
Note 23:	Deferred tax assets/liabilities
Note 25(B):	Recognition and measurement of provisions
Note 28:	Uncertain tax provisions



6. Revenue

In taka	*Note*	30 June 2026	30 June 2025
Local	*6(A)*	**5,683,526,591**	5,160,358,710
Export		**3,259,352**	6,245,442
		5,686,785,943	5,166,604,152

A. Disaggregation of local revenue

Shoes	**5,422,422,621**	4,932,541,298
Hosiery and accessories	**261,103,970**	227,817,412
	5,683,526,591	5,160,358,710

7. Cost of sales

Materials:		
Opening stock of raw materials	**419,551,363**	498,286,800
Purchase during the period	**1,383,212,993**	1,178,240,369
Cost of raw materials available for use	**1,802,764,356**	1,676,527,169
Closing stock of raw materials	**(480,289,948)**	(619,567,101)
Raw materials consumed	**1,322,474,408**	1,056,960,068
Direct wages	**234,224,784**	165,341,305
Prime costs	**1,556,699,192**	1,222,301,373
Manufacturing overheads	**263,426,473**	200,846,216
Opening work-in-progress	**58,127,796**	62,768,400
Closing work-in-progress	**(28,469,253)**	(45,079,228)
Cost of goods manufactured	**1,849,784,208**	1,440,836,761
Opening stock of finished goods	**2,654,986,365**	2,987,872,223
Purchase of finished goods during the period	**1,200,008,580**	885,010,154
Cost of finished goods available for sale	**5,704,779,153**	5,313,719,138
Closing stock of finished goods	**(2,590,668,785)**	(2,496,858,440)
	3,114,110,368	2,816,860,698

8. Other income/(loss)

Gain/(loss) on disposal of property, plant and equipment	**(910,210)**	(4,772,433)
Gain/(loss) on remeasurement of lease liabilities	**(633,277)**	4,927,795
	(1,543,487)	155,362

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

9. Net finance costs

In taka	*Note*	30 June 2026	30 June 2025
Finance income	*9(A)*	**32,900,862**	25,388,894
Finance costs	*9(B)*	**(131,234,932)**	(136,399,666)
		(98,334,070)	(111,010,772)

A. Finance income

Interest on short term deposits	**32,900,862**	25,388,894
Net foreign exchange gain	**-**	-
	32,900,862	25,388,894

B. Finance costs

Interest expense on lease liabilities	*24*	**125,378,144**	104,360,275
Net foreign exchange loss		**5,856,788**	32,039,391
		131,234,932	136,399,666

10. Contribution to WPPF

Profit before tax and contribution to WPPF	**735,263,852**	414,192,978
Applicable contribution rate	**5%**	5%
Amount of contribution to WPPF	**36,763,193**	20,709,649

The Company kept 5% provision for Workers Profit Participation Fund (WPPF) on its profit before WPPF at the end of period as per the Labour Act, 2006 (amended in 2015).



11. Income tax expense

A. Amounts recognised in profit or loss

In taka	*Note*	30 June 2026	30 June 2025
Current tax expense			
Current period		**208,144,661**	139,010,379
		208,144,661	139,010,379
Deferred tax expense/(income)			
Current period	*23(A)*	**(13,958,263)**	(17,369,771)
		(13,958,263)	(17,369,771)
Income tax expense		**194,186,398**	121,640,608

B. Reconciliation of effective tax rate

Profit before tax			**698,500,659**	393,483,329
Income tax using applicable tax rate	**22.50%**	22.50%	**157,162,648**	88,533,749
Factors affecting the tax charge for current period:				
- Non-deductible expense	**7.30%**	12.83%	**50,982,013**	50,476,630
- Movement of temporary difference	**-2.00%**	-4.41%	**(13,958,263)**	(17,369,771)
	27.80%	30.91%	**194,186,398**	121,640,608



12. Property, plant and equipment

A. Reconciliation of carrying amount

In taka	Freehold land	Buildings	Plant and machineries	Vehicles	Computer and computer equipments	Furniture, fixture and office equipments	Under construction	Total
Cost								
Balance as at 1 January 2025	86,057,856	491,710,899	921,162,757	11,754,054	159,203,392	1,377,617,030	17,525,928	3,065,031,916
Additions	-	3,262,630	13,134,146	-	9,367,599	95,921,593	22,288,746	143,974,714
Disposals	-	-	(14,426,348)	-	(210,950)	(50,466,465)	-	(65,103,763)
Transfer	-	1,566,180	7,519,467	-	-	-	(9,085,647)	-
Balance as at 31 December 2025	86,057,856	496,539,709	927,390,022	11,754,054	168,360,041	1,423,072,158	30,729,027	3,143,902,867
Balance as at 1 January 2026	**86,057,856**	**496,539,709**	**927,390,022**	**11,754,054**	**168,360,041**	**1,423,072,158**	**30,729,027**	**3,143,902,867**
Additions	**-**	**1,404,288**	**2,191,712**	**15,900,000**	**6,565,210**	**62,425,847**	**21,151,882**	**109,638,939**
Disposals	**-**	**-**	**-**	**-**	**(303,500)**	**(3,627,476)**	**-**	**(3,930,976)**
Transfer	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance as at 30 June 2026	**86,057,856**	**497,943,997**	**929,581,734**	**27,654,054**	**174,621,751**	**1,481,870,529**	**51,880,909**	**3,249,610,830**
Accumulated depreciation								
Balance as at 1 January 2025	-	274,670,924	775,148,546	11,754,054	115,993,165	854,768,370	-	2,032,335,059
Depreciation	-	10,166,075	22,788,259	-	20,058,080	117,451,240	-	170,463,654
Disposals	-	-	(14,426,348)	-	(89,346)	(36,956,088)	-	(51,471,782)
Balance as at 31 December 2025	-	284,836,999	783,510,457	11,754,054	135,961,899	935,263,522	-	2,151,326,931
Balance as at 1 January 2026	**-**	**284,836,999**	**783,510,457**	**11,754,054**	**135,961,899**	**935,263,522**	**-**	**2,151,326,931**
Depreciation	**-**	**5,120,011**	**10,666,362**	**1,325,000**	**9,444,668**	**57,092,177**	**-**	**83,648,218**
Disposals	**-**	**-**	**-**	**-**	**(231,467)**	**(2,654,744)**	**-**	**(2,886,211)**
Balance as at 30 June 2026	**-**	**289,957,010**	**794,176,819**	**13,079,054**	**145,175,100**	**989,700,955**	**-**	**2,232,088,938**
Carrying amounts								
At 1 January 2025	86,057,856	217,039,975	146,014,211	-	43,210,227	522,848,660	17,525,928	1,032,696,857
At 31 December 2025	**86,057,856**	**211,702,710**	**143,879,565**	**-**	**32,398,142**	**487,808,636**	**30,729,027**	**992,575,936**
At 30 June 2026	**86,057,856**	**207,986,987**	**135,404,915**	**14,575,000**	**29,446,651**	**492,169,574**	**51,880,909**	**1,017,521,892**

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

13. Right-of-use assets

A. Reconciliation of carrying amount

In taka	30 June 2026	31 December 2025
Cost		
Opening balance	**3,336,667,226**	2,799,540,961
Additions	**463,247,820**	780,702,296
Modifications	**(14,865,943)**	(66,271,397)
Disposal	**(88,255,430)**	(177,304,634)
Closing balance	**3,696,793,673**	3,336,667,226
Accumulated Depreciation		
Opening balance	**1,100,433,674**	674,176,129
Depreciation	**310,947,132**	576,601,029
Disposal	**(74,028,949)**	(150,343,484)
Closing balance	**1,337,351,857**	1,100,433,674
Carrying amounts	**2,359,441,816**	2,236,233,552

14. Intangible Assets

A. Reconciliation of carrying amount

Cost		
Opening balance	**40,298,926**	4,356,086
Additions	**-**	1,983,030
Transfer	**-**	33,959,810
Closing balance	**40,298,926**	40,298,926
Accumulated Depreciation		
Opening balance	**1,812,645**	313,527
Amortisation	**6,711,894**	1,499,118
Closing balance	**8,524,539**	1,812,645

B. CWIP of Intangible Assets

Cost		
Opening balance	**-**	22,466,480
Additions	**-**	11,493,330
Transfer	**-**	(33,959,810)
Closing balance	**-**	-
Carrying amounts	**31,774,387**	38,486,281

15. Inventories

Raw materials	**480,289,948**	419,551,363
Work in process	**28,469,253**	58,127,796
Finished goods	**2,590,668,785**	2,654,986,365
	3,099,427,986	3,132,665,524

BATA SHOE CO. (BD) LTD. Bata TONGI, GAZIPUR

16. Trade and other receivables

In taka		30 June 2026	31 December 2025
Trade receivables from external parties	*16(A)*	**639,921,110**	633,278,060
Trade receivables from related parties		**878,058**	831,447
Other receivables	*16(B)*	**36,088,638**	13,322,514
Provision for impairment loss on trade receivables	*16(C)*	**(611,393,244)**	(612,589,238)
		65,494,562	34,842,783

A. Trade receivables from external parties

Receivables from dealers	**610,208,652**	612,428,752
Receivables from institutional sale	**29,712,458**	20,849,308
	639,921,110	633,278,060

B. Other receivables

Interest Receivable	**32,857,570**	-
VAT receivable	**3,231,068**	13,322,514
	36,088,638	13,322,514

C. Provision for impairment loss on trade receivables

Opening balance	**612,589,238**	612,864,238
Additions	**1,024,106**	-
Provision reversed during the period/year	**(2,220,100)**	(275,000)
Closing balance	**611,393,244**	612,589,238



17. Advances, deposits and prepayments

In taka	*Note*	30 June 2026	31 December 2025
Advances	*17(A)*	**56,229,925**	44,351,047
Deposits	*17(B)*	**193,343,296**	188,353,659
Prepayments	*17(C)*	**91,585,604**	120,091,726
		341,158,825	352,796,432

A. Advances

Advance to suppliers	**21,462,334**	16,851,301
Advance to employees	**34,767,591**	27,499,746
	56,229,925	44,351,047

B. Deposits

Security and other deposits	**193,343,296**	188,353,659
	193,343,296	188,353,659

C. Prepayments

Prepayments to landlords	**82,081,153**	81,485,175
Prepaid insurance	**9,504,451**	38,606,551
	91,585,604	120,091,726

Non-current	**242,851,785**	241,954,702
Current	**98,307,040**	110,841,730
	341,158,825	352,796,432

18. Cash and cash equivalents

Cash in hand	**87,741**	77,324
Bank balances	**751,218,458**	453,286,972
	751,306,199	453,364,296

19. Share capital

Authorised		
20,000,000 ordinary shares of Taka 10 each	**200,000,000**	200,000,000
Issued, subscribed and paid up		
2,850,723 ordinary shares of Taka 10 each issued for cash	**28,507,230**	28,507,230
10,829,277 ordinary shares of Taka 10 each issued for consideration other than cash	**108,292,770**	108,292,770
	136,800,000	136,800,000



20. Reserves and surplus

In taka	30 June 2026	31 December 2025
General and other reserves	**109,494,183**	109,494,183
Non-distributable special reserve*	**998,620**	998,620
	110,492,803	110,492,803

*This represents 90% of the cumulative post-tax profit in respect of certain categories of income up to 1992 as defined and directed by Bangladesh Bank. Since 1993, the requirement for continuing to create such special reserve is applicable only to the profit on sale of immovable assets such as land, buildings etc.

21. Retained earnings

Opening balance	**2,334,344,675**	2,765,371,937
Profit	**504,314,261**	11,581,438
Other comprehensive income/(loss)	**-**	(103,344,700)
Interim dividend	**-**	(195,624,000)
Final dividend	**(143,640,000)**	(143,640,000)
Closing balance	**2,695,018,936**	2,334,344,675

22. Employee benefits

Defined benefit asset	**311,407,476**	311,407,476
Defined benefit liability	**(311,407,476)**	(311,407,476)
Net defined benefit liability/(asset)	**-**	-



23. Deferred tax assets

In taka	*Note*	30 June 2026	31 December 2025
Opening balance		**161,736,840**	122,595,896
Recognition in profit or loss account	*23(A)*	**13,958,263**	9,137,644
Recognition in OCI		**-**	30,003,300
Closing balance including OCI		**175,695,103**	161,736,840

A. Movement in deferred tax balances

Deferred tax assets have been recognised and measured in accordance with the provision of IAS 12: "Income taxes".

In taka	Net balance at 1 January	Recognised in profit or loss	Recognised in OCI	Net	Balance at 30 June: Deferred tax assets	Balance at 30 June: Deferred tax liabilities
2026						
Property, plant and equipment	**18,411,498**	**4,143,961**	**-**	**22,555,459**	**22,555,459**	**-**
Right-of-use assets	**(503,152,549)**	**(27,721,860)**	**-**	**(530,874,409)**	**-**	**530,874,409**
Lease liabilities	**501,871,075**	**38,035,462**	**-**	**539,906,537**	**539,906,537**	**-**
Employee benefits	**-**	**-**	**-**	**-**	**-**	**-**
Provision against personal accounts	**6,774,237**	**(230,201)**	**-**	**6,544,036**	**6,544,036**	**-**
Provision for impairment loss on trade receivables	**137,832,579**	**(269,099)**	**-**	**137,563,480**	**137,563,480**	**-**
	161,736,840	**13,958,263**	**-**	**175,695,103**	**706,569,512**	**530,874,409**

2025					Balance at 31 December:	
Property, plant and equipment	11,323,197	7,088,301	-	18,411,498	18,411,498	-
Right-of-use assets	(478,207,087)	(24,945,462)	-	(503,152,549)	-	503,152,549
Lease liabilities	457,239,712	44,631,363	-	501,871,075	501,871,075	-
Employee benefits	(11,908,125)	(18,095,175)	30,003,300	-	-	-
Provision against personal accounts	6,253,745	520,492	-	6,774,237	6,774,237	-
Provision for impairment loss on trade receivables	137,894,454	(61,875)	-	137,832,579	137,832,579	-
	122,595,896	9,137,644	30,003,300	161,736,840	664,889,389	503,152,549

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23. Deferred tax assets (continued)

B. Computation of deferred tax assets:

Deferred tax assets are arrived at as follows:

In taka	**Carrying amount as at 30 June**	**Tax base amount as at 30 June**	**Taxable/ (deductible) temporary difference**
	(i)	(ii)	(iii = i - ii)
2026			
Property, plant and equipment	**916,857,511**	**1,017,103,994**	**(100,246,483)**
Right-of-use assets	**2,359,441,816**	**-**	**2,359,441,816**
Lease liabilities	**(2,399,584,607)**	**-**	**(2,399,584,607)**
Employee benefits	**-**	**-**	**-**
Provision against personal accounts	**(29,084,605)**	**-**	**(29,084,605)**
Provision for impairment loss on trade receivables	**(611,393,244)**	**-**	**(611,393,244)**
Applicable tax rate			**22.5%**
			(175,695,103)

In taka	**Carrying amount as at 31 December**	**Tax base amount as at 31 December**	**Taxable/ (deductible) temporary difference**
	(i)	(ii)	(iii = i - ii)
2025			
Property, plant and equipment	914,275,334	996,104,212	(81,828,878)
Right-of-use assets	2,236,233,552	-	2,236,233,552
Lease liabilities	(2,230,538,106)	-	(2,230,538,106)
Employee benefits	-	-	-
Provision against personal accounts	(30,107,721)	-	(30,107,721)
Provision for impairment loss on trade receivables	(612,589,238)	-	(612,589,238)
Applicable tax rate	-	-	22.5%
			(161,736,838)



24. Lease liabilities

A. Reconciliation of carrying amount

In taka	*Note*	30 June 2026	31 December 2025
Opening balance		**2,230,538,106**	2,032,176,498
Additions		**476,888,689**	765,161,468
Modifications		**(15,306,359)**	(59,009,401)
Disposal		**(13,152,789)**	(27,148,152)
Imputed interest on lease liabilities	*9(B)*	**125,378,144**	227,667,739
Payment of lease liabilities (principal portion)		**(289,961,139)**	(480,642,307)
Payment of lease liabilities (interest portion)		**(114,800,045)**	(227,667,739)
Closing balance		**2,399,584,607**	2,230,538,106

B. Balances in the statement of financial position

Non-current		**1,966,508,011**	1,889,649,050
Current		**433,076,596**	340,889,056
Closing balance		**2,399,584,607**	2,230,538,106
Maturity analysis			
6 months or less		**215,477,983**	138,645,517
6 - 12 months		**217,598,613**	202,243,538
1 - 5 years		**1,465,854,098**	1,305,987,041
More than 5 years		**500,653,913**	583,662,010
		2,399,584,607	2,230,538,106

In taka	30 June 2026	30 June 2025
C. Amounts recognised in profit or loss		
Interest on lease liabilities as per IFRS 16	**125,378,144**	104,360,275
Loss/(gain) due to remeasurement of lease liabilities	**633,277**	(4,927,795)
Depreciation of right-of-use assets as per IFRS 16	**310,947,132**	276,392,839
	436,958,553	375,825,319
Expenses related to non-lease components as per IFRS 16	**66,165,264**	67,897,462
Total expenses recognised in profit or loss as per IFRS 16	**503,123,817**	443,722,781
D. Amounts recognised in the statement of cash flows		
Payment of lease liabilities (principal portion)	**289,961,139**	228,978,323
Payment of lease liabilities (Interest portion) *9(B)*	**114,800,045**	97,994,632
	404,761,184	326,972,955
Payment related to non-lease components as per IFRS 16	**66,165,264**	67,897,462
Total cash outflows for leases during the period	**470,926,448**	394,870,417

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25. Trade and other payables

In taka	*Note*	30 June 2026	31 December 2025
Trade payables to external parties	*25(A)*	**684,502,225**	1,146,280,503
Trade payables to related parties		**442,963,652**	331,571,691
Creditors for other finance	*25(B)*	**452,285,302**	462,743,982
Accrued expenses	*25(C)*	**368,650,696**	270,615,753
		1,948,401,875	2,211,211,929

A. Trade payables to external parties

Creditors for goods		**444,804,907**	682,605,077
Creditors for expenses	*25(A)(i)*	**239,697,318**	463,675,426
		684,502,225	1,146,280,503

i. Creditors for expenses

Payable to local suppliers	**197,337,741**	197,240,505
Payable to Global Footwear Services	**42,359,577**	266,434,921
	239,697,318	463,675,426

B. Creditors for other finance

Workers' profit participation fund	**36,763,193**	10,444,410
Personal accounts of employees and agents	**106,266,086**	113,613,047
Security and other deposits	**17,190,799**	17,600,799
Tax deducted at source	**26,838,982**	28,632,032
VAT deducted at source	**20,927,876**	77,475,769
Salary and wages payable	**152,447,644**	140,632,566
Provident fund	**3,393,868**	10,420,556
Others	**88,456,854**	63,924,803
	452,285,302	462,743,982

C. Accrued expenses

Dividend	**100,548,000**	-
Royalty	**31,367,076**	49,215,201
Utility	**50,312,990**	27,152,131
Legal and audit fee	**8,085,750**	6,418,700
Salary and other benefits	**50,751,480**	48,197,742
Selling expenses	**47,641,174**	49,876,745
Rent	**44,109,351**	63,465,999
Other accrued liabilities	**35,834,875**	26,289,235
	368,650,696	270,615,753

Non-current	**274,516,956**	131,213,797
Current	**1,673,884,919**	2,079,998,132
	1,948,401,875	2,211,211,929

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26. Unclaimed dividend

In taka	*Note*	30 June 2026	31 December 2025
Opening balance		**23,655,673**	24,401,419
Cash dividend declared		**43,092,000**	101,779,200
Payments		**(726,124)**	(102,524,946)
		66,021,549	23,655,673
Interest accrued		**4,814,903**	4,865,529
Closing balance		**70,836,452**	28,521,202

i. Aging analysis of unclaimed dividend (excluding interest)

For the year 2022	**5,817,279**	5,865,609
For the year 2023	**7,248,264**	7,353,906
For the year 2024	**7,335,415**	7,480,340
For the year 2025	**45,620,591**	2,955,818
Closing balance	**66,021,549**	23,655,673

27. Deferred revenue

Bata club loyalty points	*27(A)*	**11,979,220**	10,512,991
		11,979,220	10,512,991

A. Movement of contract liabilities

Opening balance	**10,512,991**	15,190,940
Points awarded during the period	**132,227,901**	222,524,850
Points redeemed during the period	**(24,900,441)**	(56,917,588)
Points expired during the period	**(105,861,231)**	(170,285,211)
Closing balance	**11,979,220**	10,512,991

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28. Current tax liabilities

In taka	*Note*	30 June 2026	31 December 2025
Provision for tax	*28(A)*	**561,195,899**	528,510,148
Advance income tax	*28(B)*	**(92,489,022)**	(188,230,210)
		468,706,877	340,279,938

A. Provision for tax

Opening balance		**528,510,148**	558,089,488
Provision for the current period/year	*11(A)*	**208,144,661**	196,000,000
Adjustment of provision for tax on completion of assessment		**(175,458,910)**	(225,579,340)
Closing balance		**561,195,899**	528,510,148

B. Advance income tax

Opening balance	**188,230,210**	154,694,183
Tax paid during the period/year:		
- Income year ended 31 December 2026	**30,671,086**	-
- Income year ended 31 December 2025	**49,046,636**	126,412,274
- Income year ended 31 December 2024	**-**	132,703,093
Other adjustments		
Adjustment of advance tax on completion of assessment	**(175,458,910)**	(225,579,340)
Closing balance	**92,489,022**	188,230,210

29. Related parties

A. Parent and ultimate controlling party

Bafin (Nederland) B.V has 70% shareholding of the Company which is fully owned by Compass Limited. As a result, the ultimate controlling party of the Company is Compass Limited.

B. Transactions with key management personnel

In taka	*Note*	30 June 2026	30 June 2025
Short term employee benefits		**58,978,966**	64,096,214
Post employment benefits		**8,201,306**	6,894,871
		67,180,272	70,991,085

C. Other related party transactions

In taka

Nature of relationships	Nature of transactions	Transaction during the period/year		Balance outstanding	
		30 June 2026	30 June 2025	30 June 2026	31 December 2025
Parent	Dividend	**(100,548,000)**	(100,548,000)	**(100,548,000)**	-
Associated Companies	Purchase of goods	**(53,154,362)**	(113,469,035)	**(36,850,514)**	(9,379,978)
	Service received	**(521,005)**	(2,979,809)	**(17,858,726)**	(16,760,044)
	Sale of goods	**-**	2,206,022	**-**	-
	Service provided	**111,383**	-	**878,058**	831,447
	IT fees	**(23,785,579)**	(58,585,156)	**(90,447,307)**	(66,301,838)
	Trade mark license fees	**(79,916,865)**	(217,435,620)	**(297,807,105)**	(239,129,831)

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30. Net Asset Value (NAV) per share

In taka	30 June 2026	31 December 2025
Net asset value	**2,942,311,739**	2,581,637,478
Weighted average number of ordinary shares outstanding	**13,680,000**	13,680,000
	215.08	188.72

31. Earnings per share

In taka	30 June 2026	30 June 2025
Profit attributable to the ordinary shareholders	**504,314,261**	271,842,721
Weighted average number of ordinary shares outstanding	**13,680,000**	13,680,000
	36.87	19.87

32. Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flow	**840,637,403**	401,531,592
Weighted average number of ordinary shares outstanding	**13,680,000**	13,680,000
	61.45	29.35

i. Reconciliation of net operating cash flows

Profit for the period	**504,314,261**	271,842,721
Adjustment for:		
Depreciation on property, plant and equipment	**83,648,218**	87,079,349
Depreciation on right-of-use assets	**310,947,132**	276,392,839
Amortisation of intangible assets	**6,711,894**	722,020
Net finance costs	**97,924,047**	143,050,163
Loss on disposal of property, plant and equipment	**910,210**	4,772,433
Loss/(gain) on remeasurement of lease liabilities	**633,277**	(4,927,795)
Interest expenses on unclaimed dividend	**(50,626)**	1,378,549
Tax expenses	**194,186,398**	121,640,608
	694,910,550	630,108,166
Changes in operating assets and liabilities:	**1,199,224,811**	901,950,887
Changes in working capital:		
- Inventories	**33,237,538**	(387,422,654)
- Trade and other receivables	**(30,651,779)**	22,081,148
- Advances, deposits and prepayments	**35,856,574**	694,140,986
- Trade and other payables	**(262,810,054)**	(604,252,734)
- Unclaimed dividend	**42,365,876**	39,892,206
- Deferred revenue	**1,466,229**	(3,707,994)
	(180,535,616)	(239,269,042)
Interest received	**32,900,862**	(136,399,666)
Interest paid	**(125,378,144)**	25,388,894
Income tax paid	**(79,717,722)**	(118,100,090)
Foreign exchange loss	**(5,856,788)**	(32,039,391)
Net cash generated from operating activities	**840,637,403**	401,531,592

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33. Capital expenditure and financial commitment

Commitments of the Company is Taka 279,427,443 as on 30 June 2026 (2025: Taka 173,405,901) for purchase of raw materials and finished goods. Commitments for capital expenditures is Taka 31,933,622 as on 30 June 2026 (2025: 21,328,301).

34. Events after the reporting date

There are no other events identified after the date of the statement of financial position which require adjustment or disclosure in the accompanying financial statements.

35. Significant deviations

A. Revenue and profit

Revenue increased by 10% compared with the prior period, reflecting continued business growth while profit increased by 86%, primarily due to the adjustment of a prior year expense.

B. Trade and other receivables

Trade and other receivables increased significantly compare to last year mainly because of some institutional sales (mostly defense supplies).

C. Earnings per share

Earnings Per Share increased due to stronger sales performance and improved operating cost management.

D. Net Operating Cash Flow Per Share (NOCFPS)

Net operating cash flow per share increase primarily driven by higher profitability, a significant reduction in inventory and improved management of trade and other payables.

36. Significant accounting policies

The same accounting policies and methods of computation have been followed in these condensed interim financial statements as were applied in the preparation of the financial statements of Bata Shoe Company (Bangladesh) Limited as at and for the year ended 31 December 2025.

