Bata

999/CORP
April 23, 2018

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Subject: **Disclosure of Related Party Transactions Information**

Dear Sir:

In accordance with the requirements of the Rule Book of Pakistan Stock Exchange Limited and applicable provisions of the Securities Act, 2015, Bata Pakistan Limited hereby conveys the following:

Board of Director of the Company in their meeting held on April 23, 2018 have considered and approved the changes in Royalty Agreement dated 01-01-2015 between Bata Brands S.A Switzerland (a related party) and Bata Pakistan Limited. As per the draft amended agreement, royalty payments remittable from Bata Pakistan Limited to Bata Brands S.A Switzerland will increase from 2% of net turnover which has to be paid net of any taxes to 5% of net turnover subject to deduction of withholding tax and any other taxes, levies or dues of all kinds imposed on the Annual Royalty by any authority. The draft amendment will be applicable from July 01, 2018 and term of the Trade Mark License Agreement is amended to be completed by December 31, 2028 against previous expiry of December 31, 2024.

A disclosure form is attached herewith (Annexure "A").

You may please inform the members of your Exchange, accordingly.

Yours faithfully
For Bata Pakistan Limited

(Amjad Farooq)
Company Secretary

Encl: as above

Cc: The Chairman
Securities and Exchange Commission of Pakistan
NIC Building, Jinnah Avenue
Islamabad.

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BATA PAKISTAN LIMITED
DISCLOSURE FORM
(Securities Act, 2015) April 23, 2018

Name of Company	Bata Pakistan Limited
Date of Report (Date of earliest event reported if applicable)	N/A
Exact Name of the Company as specified in its Memorandum	Bata Pakistan Limited
Registered address of the Company	Batapur, G.T. Road, P.O. Batapur, Lahore.
Contact Information	Mr. Amjad Farooq Company Secretary Tel: +924236584561 Fax: +924236581176
Nature of the transactions	Board of Director of the Company in their meeting held on April 23, 2018 have considered and approved the changes in Royalty Agreement dated 01-01-2015 between Bata Brands S.A Switzerland (a related party) and Bata Pakistan Limited. As per the draft amended agreement, royalty payments remittable from Bata Pakistan Limited to Bata Brands S.A Switzerland will increase from 2% of net turnover which has to be paid net of any taxes to 5% of net turnover subject to deduction of withholding tax and any other taxes, levies or dues of all kinds imposed on the Annual Royalty by any authority. The draft amendment will be applicable from July 01, 2018 and term of the Trade Mark License Agreement is amended to be completed by December 31, 2028 against previous expiry of December 31, 2024.
Name of the related party and the nature and extent of their interest in the transactions	Name of the related party is Bata Brands S.A Switzerland and it will be beneficiary of increase in royalty amount.
Effect of the transaction on the Company	This will increase the expenses and will have impact on net profit of the Company but as per the addendum agreement Company will get more marketing support from Bata Brands S.A Switzerland.

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Any other information	This amendment will provide the Company with: 1. Exclusive trade mark rights with in our territory 2. Access to enhance trade mark value 3. Increase in term of the agreement to December 31, 2028 against previous expiry of December 31, 2024.
Statement regarding directors	Board of Directors of the Company have discussed the draft agreement in detail and they consider the terms of the agreement as fair and reasonable and in line with international practices in respect of royalties.

Amjad Farooq
Company Secretary