

SENS ANNOUNCEMENT

(the "Announcement")

ISSUER



Zambia Bata Shoe Company PLC.
Incorporated in the Republic of Zambia
Company registration number 2557
Share Code: BATA
ISIN:ZM0000000102

BROKER



Pangaea Securities Limited
[a member of the Lusaka Securities Exchange]
Regulated and Licensed by the Securities and Exchange Commission Zambia
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AUTHORISATION

Approval for this Announcement has been granted by:

- The Lusaka Securities Exchange
- The Securities and Exchange Commission Zambia
- Zambia Bata Shoe Company PLC.

DISCLAIMER AND RISK WARNING

The announcement contained herein contains information that may be of a price sensitive nature.

Investors are advised to seek the advice of their investment advisor, stockbroker, or any professional duly licensed by the Securities and Exchange Commission of Zambia to provide securities advice.

ISSUED ON: May 16, 2024



Zambia Bata Shoe Company Plc.
(Incorporated in the Republic of Zambia)
Company registration number 2557
Share Code: BATA
ISIN: ZM0000000102 (“Bata” or “the Company”)

FULL YEAR RESULTS FOR THE 12 MONTHS TO 31st December 2023

In accordance with the requirements of the Securities and Exchange Act No. 41 of 2016, Zambia Bata Shoe Company PLC announces audited financial results for the year ended 31st December 2023.

Financial Performance

It is with pleasure that the Directors of Zambia Bata Shoe Company PLC report the year end results of the Company. The company delivered an increase in Revenue of 16.5% to hit ZMW261million. This growth was mainly driven by the BATA brand awakening, which saw our retail and wholesale channels each grow by 17% and 12% respectively.

The exceptional performance delivered on turnover resulted in Profit before tax increase of 51% to hit ZMW32million. This coupled with continued efforts in optimising costs have ensured that the company continues operating profitably.

Business Performance

With the customer at the centre of our strategy, we have continued to ensure efficient product line planning that meets customer needs, combining a product mix, pricing and availability that has delivered increased sales and profitability. We have continued to ensure our Never out of stock (NOOS) articles are always in-store.

The company continued its campaign to keep costs low, as a number 1 strategy in delivering profitability achieving operating costs 11%.

The Company continues to drive top-of-mind brand awareness through vigorous advertising. This is being achieved through synchronisation of campaign construction with the collection plan and having consistent messages across. These efforts are further enhanced by effective use of visual merchandising with appropriate point of purchase (pop) materials to induce purchases.

In living Bata values, the company doubled on its corporate social responsibility footprint during the year, engaging in various activities including support of the girl child, orphans, and other less privileged members of society. For us, improving lives goes beyond providing comfortable and stylish shoes.

Statement of Profit or Loss and Other Comprehensive Income

For half year ended 31 December 2023

	2023 ZMW '000	2022 ZMW '000
Turnover	260 693	224,035
Cost of Goods Sold	(121 284)	(95,462)
Gross Profit	139 409	128,574
Profit Before Tax	62 898	56,413
Taxation	(20 723)	(17,208)
Net Profit/ (loss)	42 174	39,205
Number of shares issued	76,108	76,108
Basic and Diluted Earnings Per share	0.55	0.52

Statement of Financial Position

As at 31 December 2023

	2023 ZMW '000	2022 ZMW '000
Assets		
Property, plant, and equipment	85 223	79 495
Intangible assets	4 098	32
Total non – current assets	89 321	79 527
Total current assets	143 104	132 093
Total assets	232 425	211 620
Equity		
Share capital	761	761
Revaluation reserves	41 055	43 112
Retained earnings	88 939	100 146
Total equity	130 755	144 019
Liabilities		
Total non-current liabilities	19 364	19 802
Total current liabilities	82 306	47 800
Total liabilities	101 670	67 602
Total equity and liabilities	232 425	211 621

**Statement of Cashflows
For the Year ended 31 December 2023**

	2023 ZMW '000	2022 ZMW '000
Net cash from operating activities	59 748	5 340
Net cashflow from investing activities	(16 654)	6 817
Net cash from Financing activities	(39 172)	(15 883)
Net increase/(decrease) in cash and cash equivalents	3 922	(3 726)
Cash and cash equivalents at the beginning of period	45,630	49,356
Cash and cash equivalents as at June 2023	49 552	45 630

**Statement of Changes in Equity
For the Year ended 31 December 2023**

	Share Capital	Revaluation reserve	Retained earnings	Total
At start of year	761	43 112	100 146	144 019
Profit for the period	-	-	42 174	42 174
Excess depreciation	-	(2 938)	2 938	-
Deferred tax on excess depreciation	-	881	-	881
Dividends paid	-	-	(56 319)	(56 319)
At end of 6 months	761	41 055	88 939	130 755

Outlook

The Company reaffirms its commitment to delivering growth in both top-line and bottom-line performance indicators.

The company continues to focus on growth, with a 2024 strategy to increase our channel footprint, while maintaining loyalty sales through offering quality, comfort, and style at affordable prices.

In conclusion, we sincerely thank all our customers, employees, board members, shareholders and the Bata International Group for the unwavering support leading to a very successful year.

For and on behalf of the Board.

Company Secretary

Amicus Corporate Services Limited



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