

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.

ISSUE DATE: 7 March 2023



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

ANNUAL FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2022

In accordance with the requirements of the Securities and Exchange Act No. 41 of 2016, Zambia Bata Shoe Company PLC announces its audited financial results for the year ended 31st December 2022

Performance Highlights

Revenue increased by 36% to K224 million mainly attributed by Retail business turnaround and marketing reactivation and advertisement which created a new sense of awakening the “Bata” brand.

Operating Expenses increased by 2% to K32.9 million. The increase was only marginal through optimization and effective expense management with real time tracking and monitoring.

Profit before tax increased 757% to K56 million in line with increased revenue, gross margins and optimization of expenses.

The Company increased production volume pairs to 515,214 representing a growth of 24%. This is attributed to the implementation of demand-based production planning and close monitoring of inherent production Key Performance Indicators of material yield factors, capacity utilization, and other efficiency data.

STATEMENT OF PROFIT AND LOSS (Condensed)

For Year ended 30 December 2022

	2022 ZMW '000	2021 ZMW '000
Turnover	224,035	164,340
Cost of Goods Sold	(95,462)	(87,354)
Gross Profit	128,574	76,985
Profit Before Tax	56,413	6,580
Taxation	(17,208)	(2,646)
Net Profit/ (loss)	39,205	3,934
Profit Attributable to:		
Equity Holders of the parent company	29,298	2,940
Minority interest	9,907	994
Number of shares issued	76,108	76,108
Basic and Diluted Earnings Per share	0.52	0.05

STATEMENT OF FINANCIAL POSITION

For the period ending 31 December 2022

	2022 ZMW '000	2021 ZMW '000
Assets		
Property, plant, and equipment	64,358	65,531
Right-of-use assets	15,137	13,014
Intangible assets	32	81
Total non – current assets	79,527	78,626
Total current assets	132,093	98,923
Total assets	211,621	177,549
Equity		
Share capital	761	761
Revaluation reserves	43,112	44,850
Retained earnings	100,146	67,591
Total equity	144,019	113,202
Liabilities		
Total non-current liabilities	19,802	17,909
Total current liabilities	46,837	46,438
Total liabilities	66,639	64,347
Total equity and liabilities	211,621	177,549

STATEMENT OF CASHFLOWS

For Year ended 30 December 2022

	2022 ZMW '000	2021 ZMW '000
Net cash from operating activities	18,936	16,292
Net cashflow from investing activities	(6,817)	(10,466)
Net cash from Financing activities	(15,883)	(7,399)
Net increase/(decrease) in cash and cash equivalents	(3,726)	(1,573)
Cash and cash equivalents at the beginning of period	49,356	50,929
Cash and cash equivalents as at December 2022	45,630	49,356

STATEMENT OF CHANGES IN EQUITY

For year ended 31 December 2022

	Share Capital	Revaluation reserve	Retained earnings	Total
At start of year	761	44,850	67,591	113,202
Profit for the period	-	-	39,205	39,205
Excess depreciation	-	(2,483)	2,483	-
Deferred tax on excess depreciation	-	745	-	745
Dividends paid	-	-	(9,133)	(9,133)
At end of year	761	43,112	100,146	144,019

Outlook

We have made great strides in our stepping forward strategies with phenomenal results in the year 2022. We will continue to increase the operational momentum as we roll out the blueprint plans as per our strategic paper of the “big bets” of Zambia Bata Shoe Company Plc as enshrined on our four strategic pillars of:

- One Team- people
- Same Store Sales Growth (SSSG)
- Re engineering and Growth of the I&D (Institution and Distribution) channel
- Expansion plans in key neighboring markets.

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.

AXIS ADVISORY LIMITED
Company Secretary



Sponsoring Broker
Pangaea Securities Limited
(Member of the Lusaka Stock Exchange)
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