

Bata India announces Q3 results, shows resilient recovery

Gurugram, 8th February 2022: Footwear major Bata India Limited today announced results for the quarter ended 31st December 2021. Backed by improved sales during festive season and re-opening of economy, Revenue from Operations for the quarter stood at Rs. 8,413 million and profit before tax was Rs. 972.79 million as against the profit before tax of Rs. 500 million in the quarter ended September 30, 2021, showcasing resilient & sustainable recovery.

Sales up to pre-covid levels

The Company continued the focus on key thrust areas of franchise & MBO expansion, consumer relevant communication, portfolio casualization and digital footprint expansion. All these have resulted in increase in footfalls across retail outlets, along with significant growth driven via e-commerce platforms and expansion in Tier 3-5 towns. This resulted in revenue moving ahead of pre-pandemic levels. Despite the uncertainties because of 3rd wave towards the end of quarter, we are optimistically looking forward to faster recovery post the wave subsiding.

Continuous focus on optimizing costs across value chain

The Company continued to optimize its retail network and look for cost-savings across rentals & operations, manufacturing, and drive efficiencies in its value chain. All the cost-focused initiatives, that have been put in place across multiple work streams continue to gain momentum and have shown positive impact quarter on quarter.

Gunjan Shah, MD and CEO - Bata India Limited, stated:

"In this quarter, we saw significant improvement in customer sentiment. Additionally, we kept expanding our reach through new franchise stores & multi-brand outlets. We opened 34 new Franchise stores, expanded availability via Distribution channel that scaled up to 1000+ towns. We have enhanced our portfolio in casual category led by Hush Puppies, Bata Red Label and renewed sneaker category with North Star & Power styles. With consumers preferring sneakers, we strengthened our sneaker proposition by rolling out our new 'Sneaker Studios' to display upto 300 styles, 9 brands in stores & on bata.in, our first sneakers campaign and expanding availability across all stores. Sneakers thus led the growth recovery in the quarter while formal & fashion also recovered significantly. We continued upshift in marketing investments with new 'Surprisingly Bata Festive' & 'Unlimited Sneakers at Bata' campaigns which elevated our consumer connect. We also reached 100% full vaccination in all our eligible employees across locations during the quarter.

Simultaneously, we continued our strong focus on cost-savings measures across our network, controlling discretionary spends and enhancing productivity. These measures have laid the foundation that will help us capture the emerging consumer demand efficiently. Innovation via agile product creation, scaling up digital channels, expansion in Tier 3-5 towns, and productivity enhancement will continue to be a priority along with safety of our employees and customers.

Owing to decline in Covid cases and vaccine rollout for 15 to 18 age group, we optimistically look forward to quick rebound in consumer sentiments."



BATA INDIA LIMITED

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Key Highlights for the quarter:

- Bata continued with its retail expansion drive in tier 3-5 cities through franchise route, taking the overall tally to 285+ as on date. 25 all new women stores were added. Resumed store renovation strategy to enhance customer experience.
- The Company continued to expand Distribution Business by adding 50 towns to cross presence across 1000 towns.
- Sales through digitally enabled channels continued its momentum driven by 3 levers – D2C bata.in e-store, Marketplaces and Omnichannel Home Delivery and contributed INR ~90 Crores to total sales which was more than double of pre-covid levels.
- Continued growth of sneaker category that led the growth recovery vs rest of other categories. The Sneaker Studio pilot was scaled up across the country to display up to 300 styles across 9 brands. 1st sneaker campaign was rolled out to drive new portfolio, which led to increase in sneaker & casuals style contribution in the sales mix. Basis the strong growth, the Sneaker Studio visual merchandising concept is being expanded to more stores during the next quarters.
- Marketing campaign investments were dialed up with 2 large ATL & digital campaigns behind 'Surprisingly Bata' & 'Unlimited Sneakers at Bata'. Bollywood actor Disha Patani was onboarded as brand ambassador to inspire Indian Youth with our new Sneaker, Casual & Fashion collections
- Recognized as Best Employer Brand (North India) 2021 by World HRD Congress.
- Full vaccination of 100% of the staff. Our Covid Task Force continues to extend support to employees and their families across every region.

About BATA India:

Bata has held a unique place in the hearts of Indians for more than 85 years. Probably the only footwear brand that offers footwear and accessories for the entire family, Bata has redefined the modern footwear industry in India. It has established a leadership position in the industry and is the most-trusted name in branded footwear. It sold more than 47 million pairs of footwear and served 120,000-plus customers almost every day in 2019.

Bata India is the largest footwear retailer in India, offering footwear, accessories, and bags across brands such as Bata, Bata Red Label, Hush Puppies, Naturalizer, Power, Marie Claire, Weinbrenner, North Star, Scholl, Bata Comfit and Bubble gummers, to name a few. It retails in more than 1700 Bata own, shop-in-shops and franchisee stores, on bata.in and in thousands of multi-brand footwear dealer stores pan-India. To make its products accessible to millions of Indians, Bata has evolved its channels and has launched new channels like Bata Chat Shop, Bata Home Delivery and Bata Store-on-Wheels for neighborhood communities.



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