

11th August, 2021

<b>The Manager</b> Listing Department <b>The National Stock Exchange of India Ltd.</b> Exchange Plaza, 5th Floor Plot No. C/1, Bandra - Kurla Complex, Bandra (East), Mumbai - 400051 Tel. No.: 022-26598100`14 Fax No.: 022-26598273-38 Scrip Code: LIBERTSHOE ISIN No. : INE 557B01019	<b>The Manager</b> Listing Department <b>Bombay Stock Exchange Ltd.</b> Phiroza Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Tel: 022 – 22722375, 2066 Fax : 022 – 22722037, 39, 41,61 Scrip Code: 526596 ISIN No. : INE 557B01019
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**Sub: Press announcement made at the Board Meeting for the 1st Quarter ended 30th June, 2021 results**

**Compliance Officer** : CS Munish kakra (CFO & Company Secretary)  
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Dear Sir/ Madam,

Please refer to our letter dated 11th August, 2021 in respect of outcome of the Board meeting of the Company held on Wednesday, 11th August, 2021.

In continuation thereof, please find attached herewith the Press announcement made by the Company just after the Board meeting in respect of its 1st Quarter ended 30th June, 2021 results for your information & records.

Kindly upload the same on your website for the information of the investors at large.

Thanking you,  
Sincerely Yours,  
For **Liberty Shoes Ltd.**

  
  
**CS Munish Kakra**  
**CFO & Company Secretary**  
Enc.: a/a

# LIBERTY

## LIBERTY announced its Q1 ended 30th June, 2021 Unaudited Financial Results

**Gurugram, Wednesday, August 11, 2021:** LIBERTY, today announced its Unaudited Results of Q1 ended 30th June 2021.

### Highlights for the Q1 ended 30th June 2021:

(Rs. in Lakh except EPS)

Particulars	Q1 (2021-22)	Q1 (2020-21)
Total Sales	9,757.42	5,118.50
-Domestic Sales	9,097.25	4,738.01
-Exports Sales	660.17	380.49
EBIDTA*	343.21	(423.51)
Exceptional & Extraordinary Expenses/(Income)	(0.79)	-
PBT	(306.48)	(1,087.48)
PAT	(306.48)	(1,087.48)
EPS	(1.80)	(6.39)

\*EBIDTA has been mentioned ignoring the implication of accounting treatment of Operating Lease of the Company in accordance with newly implemented Ind AS-116 w.e.f 1<sup>st</sup> April, 2019.

### Commenting on the results and performance, Sh. Adesh Gupta, CEO & Executive Director of the Company said:

- ❖ During the 1<sup>st</sup> Quarter ended 30<sup>th</sup> June 2021, Overall Sales have increased by 91% in comparison to the previous corresponding quarter ended on 30<sup>th</sup> June, 2020 mainly on account of recouping of the domestic sales at Retail and Distribution level to some extent despite the situation of continued lockdown in most of States during the quarter under review. On-line Sales, the trend in vogue and the Institutional Sales have shown progressive growth during the year under consideration. The Company has been able to maintain the growth trajectory of its e-commerce sales and Institutional Sales segment wherein during the quarter under consideration growth @ 226% & 200% has been registered.
- ❖ During the Q1, Overall EBIDTA in terms of value has increased by Rs. 766 Lakh in comparison to previous corresponding quarter. The said increase in EBITDA in particular quarter is mainly on account of curtailment of fixed expenses in proportion to the sales



achieved as well as continuation of cost controlling efforts, initiated by the Company during the period of pandemic.

- ❖ Better working capital management and the speedy realisation of Tender supplies made during the particular quarter has resulted in better utilisation of working capital limits to the extent it would have gone due to drastic fall in sales due to persisting lockdowns during the months of May-21 & June-21.
- ❖ Though, during the quarter, the Company has recorded a loss of Rs. 306.48 Lakhs but in real terms the Profit/(Loss) Before Tax during Q1 has increased by Rs. 779 Lakh as against corresponding Q1 of 2020 (excluding exceptional items) due to increase in sales as well as continuation of cost cutting measure, to the extent workable, initiated on account of Covid-19.
- ❖ The outbreak of 2nd wave of COVID-19 again hit the economy during early part of FY 2021-22 followed by Partial/ complete lockdown in some of the States which disrupted the Company's business even before it could see Pre-Covid level. This has resulted in to lower Sales and operational loss though better than corresponding quarter of last FY 2020-21. The Company is optimistic towards achieving its normal sales with growth during coming festive season subject to normalcy of the on-going Pandemic.

**Commenting on the development in the Footwear Sector, Sh. Adesh Gupta, CEO & Executive Director of the Company said:**

- With the focus of Government on manufacturing sector, the future potential of the footwear industry is promising, particularly for established and organized brands. The on – going changes in lifestyle and purchase habits have influenced the footwear industry as well.
- A growing Indian fashion and lifestyle market and a rising trend in fitness & well – being have greatly spurred footwear styling and growth, more so among the branded segment.
- Rising disposable income is allowing individuals to move up the value chain, demanding products for different use occasions, leading to emergence of new product segments in footwear. It is expected that the market for Footwear will grow on the back of the rise of middle-income group and increase in literacy rate. Further, active participation in the workforce, supported by ever-growing population and urbanization in the country will fuel market growth. This in turn is fuelling growth in individual categories, be it slippers, sandals or shoes, driving industry leaders to continually innovate their offerings.
- The growing trend of premiumization in the Indian footwear industry and the shift to branded footwear from the unorganized and unbranded footwear will be facilitating growth in the market.



- Increased internet access and evolving digital technologies have created a whole new marketing ecosystem. A new class of consumers has sprung up being more aware, ambitious and willing to adopt the change early.
- Liberty is quick to spot this emerging segment and have adapted strategies and earmarked significant investments to tap this market. A perfect interface has been enabled with the emergence of online market places and support infrastructure for logistics and billing.
- Omni channel presence is the new buzz word, and Liberty is rushing to reap this trend. For consumers, all this translates into a bonanza of greater availability, convenience and price optimisation, helping them in taking informed shopping decisions.
- Additionally, this evolution has led to a spurt in demand from tier 2 cities, and below, opening up newer markets for the footwear industry. Several leading global fashion and lifestyle brands have started betting big on small cities o India.
- In the post pandemic scenario to follow social distancing norms and to comply with the travelling and lock down restrictions consumer have preferred their buying of footwear through on-line channel rather than going to brick & mortar stores, creating extended channel of sales for footwear players and Liberty in line with market dynamics has further reinforced and supported its e-commerce platform.
- Liberty always keens to experiment with new ideas and activities and feel appreciative to fulfill the expectation that its consumers have from it. Satisfying with the growth of the footwear industry over the years, Liberty feel innovating not only in its products, but also in the way of presenting the brand to the consumer and the same has become a part of brand identity. Liberty tries its best to stand by its values which is the strength of its brand.

**For more information, please contact:**

**Liberty Shoes Ltd.**

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**Sh. Munish Kakra**

CFO & Company Secretary

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