

Coca-Cola **BOTTLERS NEPAL**
(TERAI) LIMITED

(Authorized Bottler of The Coca-Cola Company)

Gondrang, Bharatpur-9 Chitwan, Nepal
Unaudited Financial Results (Quarterly)

As at the end of Second Quarter (14/01/2022) of the Fiscal Year 2078/79 (FY 2021-2022)

NPR in Thousand

S.N	Particulars	As on date 14.01.2022 (Unaudited)		As on date 13.01.2021 (Unaudited)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	18,665		42,506	
	Property, Plant and Equipment	5,673,639		6,005,061	
	Financial Assets				
	Advances	12,142		11,825	
	Current Assets				
	Non Financial Assets				
	Inventories	1,305,044		795,622	
	Prepayments	55,790		94,482	
	Advances	640,385		354,449	
	Income Tax Receivable	5,179		5,409	
	Other Current Assets	101,889		24,991	
	Financial Assets				
	Other Current Assets	1,756		2,381	
	Trade receivables	81,902		74,580	
	Cash and cash equivalents	203,134		197,431	
	Total Assets	8,099,525		7,608,737	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	2,886,947		2,068,156	
	Non-current liabilities				
	Deferred Tax Liability	90,460		154,295	
	Financial Liabilities				
	Retirement Benefit Obligation	471,235		468,264	
	Non current Borrowing	987,907		1,700,407	
	Current Liabilities				
	Financial Liabilities				
	Retirement Benefit Obligation	67,286		59,623	
	Borrowings	1,854,935		1,766,172	
	Trade payables	492,937		333,270	
	Other Financial Liabilities	1,038,561		901,041	
	Non Financial Liabilities	88,257		36,509	
	Total Equity and Liabilities	8,099,525		7,608,737	
C	Profit and Loss Account				
		Current Period		Previous Period	
		18.10.2021 to 14.01.2022 (3 Month)	16.07.2021 to 14.01.2022 (6 Month)	17.10.2020 to 13.01.2021 (3 Month)	16.07.2020 to 13.01.2021 (6 Month)
	Revenue from operations	941,259	3,454,933	708,280	2,552,461
	Cost of sales	(825,864)	(2,499,874)	(692,439)	(1,807,030)
	Gross Profit	115,395	955,059	15,841	745,431
	Other operating income	7,685	25,395	9,980	29,561
	Selling and distribution expenses	(152,092)	(484,035)	(184,387)	(439,132)
	Administrative and operating expenses	(20,462)	(119,946)	(55,320)	(123,772)
	Profit from Operations	(49,474)	376,473	(213,886)	212,088
	Finance Costs	(40,801)	(82,940)	(75,302)	(146,057)
	Finance Income	1,238	3,067	1,891	5,450
	Profit Before Tax	(89,037)	296,600	(287,297)	71,481
	Income Tax Expense				
	Current Tax	-	(7,115)	-	(11,437)
	Prior period tax adjustments	(2,711)	(2,711)	-	-
	Deferred Tax	(5,896)	15,461	(21,750)	(37,949)
	Net Profit	(97,644)	302,235	(309,047)	22,095
D	Major Indicators	16.07.2021 to 14.01.2022 (6 Month)	Annualized	16.07.2020 to 13.01.2021 (6 Month)	Annualized
	1. Earnings per Share (NPR)	250	500	18	37
	2. Market Value Per Share (NPR)	15,636	15,636	8,976	8,976
	3. Price Earnings Ratio	63	31	492	246
	4. Current Ratio	0.7		0.5	
	5. Return on Equity	10%	20%	1%	2%
	6. Return on Total Assets	3.7%	7.5%	0.3%	0.6%
	7. Net Worth Per Share (NPR)	2,486		1,809	



Note:

- 1 Figures are regrouped wherever necessary for consistent presentation and comparison.
- 2 Above presented figures may vary with the audited figures if amended by the external auditors and/or regulator.
- 3

Quarterly earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on quarterly unaudited profits and number of equity shares outstanding at the reporting date and Annualized earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on annualized unaudited profits and number of equity shares outstanding at the reporting date. Annualized ratios are calculated on the basis of accumulated Half Year Profit (H1 YTD).

E Related Party Disclosure

During the period, the following related party transactions occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	1,384,670
Transfer fee payable to BNL	45,547
Transfer fee receivable from BNL	17,316

F Management Analysis

- a) The profit after tax has increased by NPR 280 MM at the end of second quarter with respect to corresponding period of previous year, driven by increment in sales volume, reduction in interest cost, deferred tax & cost saving initiatives.
- b) The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes, enhancing productivity.

G Details Related to Legal Proceedings

No legal case was filed in this Quarter by or against the Company.

H Analysis of Share Transactions**i) Management's view on the performance of the stocks of the body corporate**

Price and transactions of the Company's shares are being determined by the open share market operations through a duly established Stock Exchange. Management's view on this is neutral.

ii) High, Low and Closing Price of the stocks of the company during each quarter of the preceding year along with total volume of trading of shares and number of days traded

Particulars	NPR
Maximum Price	17,670
Minimum Price	9,885
Closing Price	15,636
No. of Trades	32,642
Days of Trading	59

I Risks and Challenges**Internal Problem & Challenges**

Rise in cost of operations.
Rural distribution at effective cost.

External Problem & Challenges

Market and economic recovery in progress from COVID 19.
Fluctuation in Foreign Exchange impacting material cost.
Rise in cost of operations due to increase in indirect tax, commodity prices and energy price hikes caused by inflationary pressures.

Strategy

Proactively monitor the internal and external environmental changes
Develop cost effective distribution models for upcountry areas.

J Corporate Governance

The Company follows prudent Corporate Governance Practices in all business transactions.
During the Quarter under review, the Company had convened Board Meeting on 30th November 2021 and 12th January 2022, Annual General Meeting on 12th January 2022.

K Declaration by Chief Executive Officer on the Truthfulness and accuracy of Information

I, as at the date, hereby individually accept responsibility for the accuracy of the information and details contained in this report. I hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete and there are no other matters concealed the information which shall adversely affect the informed investment decision by the investors.

Pradip Pandey
Pradip Pandey
Chief Executive Officer

Date: 9th February, 2022 (10th Magh, 2078)

