

Coca-Cola BOTTLEERS 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 (14/01/2023) of the Fiscal Year 2079/80 (FY 2022-2023)

NPR in Thousand

S.N	Particulars	As on date 14.01.2023 (Unaudited)		As on date 14.01.2022 (Unaudited)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	12,615		18,665	
	Property, Plant and Equipment	5,714,098		5,673,639	
	Financial Assets				
	Advances	14,714		12,142	
	Current Assets				
	Non Financial Assets				
	Inventories	2,358,694		1,305,044	
	Prepayments	18,490		55,790	
	Advances	681,316		638,859	
	Income Tax Receivable	46,498		5,179	
	Other Current Assets	74,380		101,889	
	Financial Assets				
	Other Current Assets	36,988		1,756	
	Trade receivables	156,476		81,902	
	Cash and cash equivalents	220,491		203,133	
	Total Assets	9,334,760		8,097,998	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	3,380,000		2,886,947	
	Non-current liabilities				
	Deferred Tax Liability	180,383		90,460	
	Financial Liabilities				
	Retirement Benefit Obligation	448,905		471,235	
	Non current Borrowing	417,907		702,907	
	Lease Liabilities	92,129		-	
	Current Liabilities				
	Financial Liabilities				
	Retirement Benefit Obligation	89,539		67,286	
	Borrowings	2,459,528		2,139,935	
	Trade payables	926,202		451,112	
	Lease Liabilities	17,746		-	
	Other Financial Liabilities	1,150,437		1,038,561	
	Non Financial Liabilities	50,984		128,555	
	Total Equity and Liabilities	9,334,760		8,097,998	
C	Profit and Loss Account				
		Current Period		Previous Period	
		18.10.2022 to 14.01.2023 (3 Month)	17.07.2022 to 14.01.2023 (6 Month)	17.10.2021 to 14.01.2022 (3 Month)	16.07.2021 to 14.01.2022 (6 Month)
	Revenue from operations	876,244	3,868,918	925,551	3,421,266
	Cost of sales	(835,327)	(2,937,628)	(826,161)	(2,500,236)
	Gross Profit	40,918	931,290	99,390	921,030
	Other operating income	8,805	23,627	7,685	25,395
	Selling and distribution expenses	(160,540)	(555,003)	(137,062)	(451,047)
	Administrative and operating expenses	(27,965)	(139,694)	(19,487)	(118,906)
	Profit from Operations	(138,783)	260,222	(49,473)	376,472
	Finance Costs	(62,175)	(113,755)	(40,801)	(82,940)
	Finance Income	1,230	4,588	1,238	3,067
	Profit Before Tax	(199,729)	151,055	(89,036)	296,599
	Income Tax Expense				
	Current Tax	-	(26,708)	-	(7,115)
	Prior period tax adjustments	-	-	(2,711)	(2,711)
	Deferred Tax	5,106	28,872	(5,896)	15,461
	Net Profit	(194,624)	153,219	(97,643)	302,234
D	Major Indicators	17.07.2022 to 14.01.2023 (6 Month)	Annualized	16.07.2021 to 14.01.2022 (6 Month)	Annualized
	1. Earnings per Share (NPR)	127	253	250	500
	2. Market Value Per Share (NPR)	13,200	13,200	15,636	15,636
	3. Price Earnings Ratio	104	52	63	31
	4. Current Ratio	0.8		0.6	
	5. Return on Equity	4%	9%	10%	20%
	6. Return on Total Assets	1.6%	3.3%	3.7%	7.5%
	7. Net Worth Per Share (NPR)	2,893		2,486	



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.	1,553,876
Transfer fee payable to BNL	66,615
Transfer fee receivable from BNL	12,244

F Management Analysis

- a) The profit after tax has decreased by NPR 149 MM at the end of second quarter with respect to corresponding period of previous year, driven by forex devaluation, increase in travel cost, freight, IT infrastructure upgradation and interest cost.
- 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	14,880
Minimum Price	13,916
Closing Price	13,200
No. of Trades	758
Days of Trading	52

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.
- Devaluation 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

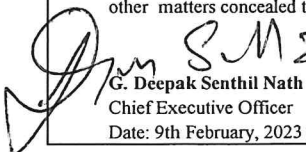
- Proactively monitor the internal and external environmental changes
- Develop cost effective distribution models for upcountry areas.

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 18th November 2022 and Annual General Meeting on 11th January 2023.

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 omission of which shall adversely affect the informed investment decision by the investors.


G. Deepak Senthil Nath
Chief Executive Officer
Date: 9th February, 2023 (26th Magh, 2079)

