

# Coca-Cola BOTTLEERS NEPAL LIMITED

(Authorized Bottler of The Coca-Cola Company)

Balaju Industrial District, Balaju, Kathmandu

Unaudited Financial Results (Quarterly)

As at the end of the Third Quarter (13/04/2023) of the Fiscal Year 2079/80 (FY 2022-2023)

NPR in Thousands

S.N	Particulars	As on date 13.04.2023 (Unaudited)	As on date 13.04.2022 (Unaudited)
		(Group)	(Group)
<b>A</b>	<b>ASSETS</b>		
	<b>NON-CURRENT ASSETS</b>		
	<b>Non-Financial Assets:</b>		
	Intangible Assets	20,580	32,381
	Property, Plant and Equipment	6,995,561	6,935,724
	Prepayments	25,737	25,177
	Deferred Tax Assets	147,794	52,401
	<b>Financial Assets:</b>		
	Advances	10,654	12,506
		<b>7,200,326</b>	<b>7,058,189</b>
	<b>CURRENT ASSETS</b>		
	<b>Non-Financial Assets:</b>		
	Inventories	3,039,302	2,643,439
	Prepayments	20,472	67,357
	Advances	2,016,760	1,381,973
	Income Tax Receivable	67,833	6,729
	Other Current Assets	97,164	24,679
	<b>Financial Assets:</b>		
	Other Current Assets	1,244,149	886,812
	Trade Receivables	687,810	453,913
	Cash and Cash Equivalents	593,520	846,473
		<b>7,767,008</b>	<b>6,311,375</b>
	<b>TOTAL ASSETS</b>	<b>14,967,334</b>	<b>13,369,564</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
	<b>EQUITY</b>		
	Equity Share Capital	194,889	194,889
	Reserve and Surplus	5,363,709	4,462,062
	Non Controlling Interest	202,546	168,015
		<b>5,761,144</b>	<b>4,824,966</b>
	<b>NON-CURRENT LIABILITIES</b>		
	<b>Non-Financial Liabilities</b>		
	Deferred Tax Liability	166,032	-
	<b>Financial Liabilities:</b>		
	Retirement Benefit Obligation	891,951	1,056,164
	Borrowing	525,407	702,907
	Lease Liabilities	97,300	97,300
		<b>1,680,690</b>	<b>1,856,371</b>
	<b>CURRENT LIABILITIES</b>		
	Retirement Benefit Obligation	160,381	121,160
	Borrowings	3,386,666	2,168,849
	Trade payables	1,361,871	1,890,148
	Lease Liabilities	1,933,057	1,949,127
	Other Financial Liabilities	683,526	546,085
	Income Tax Payable	-	12,859
		<b>7,525,501</b>	<b>6,688,228</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>14,967,334</b>	<b>13,369,564</b>



C	Profit and Loss Account	Current Period (Group)		Previous Period (Group)	
		15.01.2023 to 13.04.2023 (3 Months)	17.07.2022 to 13.04.2023 (9 Months)	14.01.2022 to 13.04.2022 (3 Months)	16.07.2021 to 13.04.2022 (9 Months)
	Revenue from operations	3,145,889	8,343,229	3,213,352	7,920,326
	Cost of sales	(2,241,206)	(5,930,821)	(2,030,671)	(5,384,891)
	<b>Gross Profit</b>	<b>904,683</b>	<b>2,412,409</b>	<b>1,182,680</b>	<b>2,535,435</b>
	Other operating income	8,976	25,128	15,760	27,294
	Selling and distribution expenses	(575,943)	(1,319,293)	(556,652)	(1,172,966)
	Administrative and operating expenses	(87,951)	(458,935)	(95,985)	(419,681)
	<b>Profit from Operations</b>	<b>249,766</b>	<b>659,310</b>	<b>545,802</b>	<b>970,082</b>
	Finance Costs	(117,257)	(216,441)	(82,669)	(156,070)
	Finance Income	50,376	87,917	35,076	58,368
	<b>Profit Before Tax</b>	<b>182,885</b>	<b>530,787</b>	<b>498,209</b>	<b>872,380</b>
	Income Tax Expenses:				
	Current Tax	-	(144,598)	-	(136,908)
	Prior period tax adjustments	-	(9,438)	(246,409)	(258,817)
	Deferred Tax	27,676	58,735	(38,048)	4,713
	<b>Net Profit</b>	<b>210,561</b>	<b>435,486</b>	<b>213,752</b>	<b>481,369</b>
	<b>Owners of the Company (Net Profit)</b>	<b>257,315</b>	<b>402,209</b>	<b>194,987</b>	<b>434,746</b>
	<b>Non Controlling Interest (Net profit)</b>	<b>19,155</b>	<b>33,276</b>	<b>18,765</b>	<b>46,623</b>
D	Major Indicators	Current Period (Group)		Previous Period (Group)	
		17.07.2022 to 13.04.2023 (9 Months)	Annualized	16.07.2021 to 13.04.2022 (9 Months)	Annualized
	1. Earnings per Share (NPR)	206	275	223	297
	2. Market Value Per Share (NPR)	2,222	2,222	1,903	1,903
	3. Price Earnings Ratio	11	8	9	6
	4. Current Ratio	1.0		0.9	
	5 Return on Equity	7.6%	10.1%	10%	13.3%
	6. Return on Total Assets	2.9%	3.9%	3.6%	4.8%
	7. Net Worth Per Share (NPR)	2,956		2,476	

**Note:**

- Figures are regrouped wherever necessary for consistent presentation and comparison.
- Above presented figures may vary with the audited figures if amended by the external auditors and/or regulator
- Quarterly earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on quarterly accumulated 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 accumulated unaudited profits and number of equity shares outstanding at the reporting date. Annualized ratios are calculated on the basis of accumulated Nine-months Profit.

**E Related Party Disclosure**

Upto the end of the third quarter, the following related party transactions have occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	2,283,368
Transfer fee payable to BNTL	44,546
Transfer fee receivable from BNTL	95,203

**F Management Analysis**

- The net profit has decreased by NPR 45.88 MM upto the end of third quarter with respect to corresponding period of previous year, attributed to the increase in material and production overhead costs, excise taxes, currency devaluation, rise in interest rates, diesel prices, selling and distribution cost, etc. that have increased the cost base of the company.
- 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**

Stocks were not traded in this quarter.

**I Risks and Challenges**

**Internal Problem & Challenges**

Rise in cost of operations.

Rural distribution at effective cost.

**External Problem & Challenges**

Market and economic slowdown due to external factors resulting in upward trend of operational costs for manufacturing sector.

Devaluation of Nepalese Rupees against the Foreign Exchange Currencies resulting in higher material cost.

Rise in cost of operations due to increase in indirect tax, commodity prices and energy price hikes caused by inflationary pressures.

**Strategy**

Implementation of Vxceed, a solution for Demand Chain Execution process, by the company to manage the distributor network and obtain real-time data for better decision making.

Continuous assessment of the risk exposure of the company to the internal and external factors and effective implementation of risk management procedures

Continuous development of 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 16th February 2023.

**K Declaration by Managing Director 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  
Managing Director

Date: 12th May, 2023 (29th Baisakh, 2080)

