

Coca-Cola BOTTLERS
NEPAL LIMITED
(Authorized Bottler of The Coca-Cola Company)

Balaju Industrial District, Balaju, Kathmandu
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)	
		(Group)		(Group)	
A	ASSETS				
	Non-current assets				
	Intangible Assets		24,172		38,915
	Property, Plant and Equipment		7,089,494		7,096,289
	Prepayments		-		26,883
	Deferred Tax Assets		-		94,937
	Financial Assets				
	Advances		14,714		12,142
	Current Assets				
	Non Financial				
	Inventories		2,900,787		1,690,935
	Prepayments		35,820		65,779
	Advances		1,018,839		982,901
	Other Current Assets		74,449		101,910
	Income Tax Receivable		49,467		8,811
	Financial Assets				
	Other Current Assets		96,849		26,812
	Trade Receivables		359,251		169,990
	Cash and Cash Equivalents		272,433		445,991
	Total Assets		11,936,274		10,762,295
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital		194,889		194,889
	Reserve and Surplus		5,220,832		4,358,644
	Non Controlling Interest		164,627		149,250
	Non-Current Liabilities				
	Deferred Tax Liability		45,659		-
	Financial Liabilities				
	Retirement Benefit Obligation		986,517		1,123,273
	Borrowing		417,907		702,907
	Lease Liabilities		94,241		-
	Current Liabilities				
	Financial Liabilities				
	Retirement Benefit Obligation		160,381		121,160
	Borrowings		1,721,641		1,719,487
	Trade payables		1,100,818		630,189
	Lease Liabilities		18,062		-
	Other Financial Liabilities		1,759,719		1,629,704
	Non Financial Liabilities		50,982		128,556
	Income Tax Payable		-		4,236
	Total Equity and Liabilities		11,936,274		10,762,295
C	Profit and Loss Account				
		Current Period (Group)		Previous Period (Group)	
		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	1,179,045	5,197,340	1,287,720	4,706,974
	Cost of sales	(830,598)	(3,689,615)	(1,001,189)	(3,354,220)
	Gross Profit	348,447	1,507,727	286,530	1,352,754
	Other operating income	6,500	16,152	4,238	11,535
	Selling and distribution expenses	(237,334)	(743,350)	(194,127)	(616,314)
	Administrative and operating expenses	(181,677)	(370,984)	(161,550)	(323,716)
	Profit from Operations	(64,063)	409,545	(64,909)	424,259
	Finance Costs	(37,357)	(74,274)	(29,659)	(61,747)
	Finance Income	4,658	12,631	9,630	11,638
	Profit Before Tax	(96,762)	347,903	(84,938)	374,149
	Income Tax Expense				
	Current Tax	-	(77,335)	-	(46,062)
	Prior period tax adjustments	-	(9,438)	(12,408)	(12,408)
	Deferred Tax	(18,958)	31,059	(7,896)	42,761
	Net Profit	(115,720)	292,189	(105,242)	358,441
	Owners of the Company (Net Profit)	(97,782)	278,067	(96,242)	330,584
	Non Controlling Interest (Net profit)	(17,938)	14,122	(9,000)	27,857
D	Major Indicators				
		Current Period (Group)		Previous Period (Group)	
		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)	143	285	170	339
	2. Market Value Per Share (NPR)	1,903	1,903	1,903	1,903
	3. Price Earnings Ratio	13	7	11	6
	4. Current Ratio	1.0		0.8	
	5 Return on Equity	5.2%	10.5%	7.6%	15.2%
	6. Return on Total Assets	2.4%	4.9%	3.3%	6.7%
	7. Net Worth Per Share (NPR)	2,863		2,413	

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.	2,013,553
Transfer fee payable to BNTL	12,244
Transfer fee receivable from BNTL	66,615

F Management Analysis

- a) The profit after tax has decreased by NPR 66.2 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

Not traded in the given Quarter

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

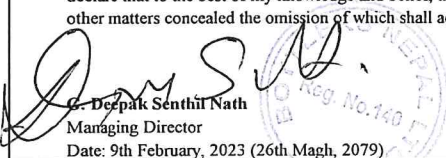
- Proactively monitor the internal and external environmental changes
- Develop cost effective distribution models for upcountry areas.

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 26th December 2022, Annual General Meeting on 11th January 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: 9th February, 2023 (26th Magh, 2079)