

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 First Quarter (16/10/2024) of the Fiscal Year 2081/82 (FY 2024-2025)

NPR in Thousands

S.N	Particulars	As on date 16.10.2024 (Unaudited)		As on date 17.10.2023 (Unaudited)		
		(Group)		(Group)		
A	ASSETS					
	Non-Financial Assets:					
	Intangible Assets	12,646		13,411		
	Property, Plant and Equipment	7,076,596		7,318,335		
		7,089,243		7,331,746		
	CURRENT ASSETS					
	Non Financial Assets:					
	Inventories	2,739,500		2,590,100		
	Advances	2,650,224		3,588,755		
	Income Tax Receivable	37,931		62,180		
	Financial Assets:					
	Other Current Assets	102,101		132,926		
	Trade Receivables	2,008,262		1,981,798		
	Cash and Cash Equivalents	648,292		978,098		
		8,186,309		9,333,856		
Total Assets	15,275,552		16,665,602			
B	EQUITY AND LIABILITIES					
	EQUITY					
	Equity Share Capital	194,889		194,889		
	Reserve and Surplus	6,099,455		5,714,563		
	Non Controlling Interest	377,720		374,690		
		6,672,064		6,284,141		
	NON-CURRENT LIABILITIES					
	Non-Financial Liabilities:					
	Deferred Tax Liability	60,971		80,891		
	Financial Liabilities:					
	Retirement Benefit Obligation	884,560		957,399		
	Lease Liabilities	113,747		93,525		
		1,059,278		1,131,816		
	CURRENT LIABILITIES					
	Retirement Benefit Obligation	79,306		151,542		
	Borrowings	3,454,548		4,233,347		
	Trade Payables	968,151		1,710,657		
	Lease Liabilities	25,305		9,347		
Other Financial Liabilities	2,421,445		2,353,742			
Non Financial Liabilities	595,454		791,010			
	7,544,210		9,249,645			
Total Equity and Liabilities	15,275,552		16,665,602			
C	Profit and Loss Account	Current Period (Group)		Previous Period (Group)		
		16.07.2024 to 16.10.2024 (Qtr)	16.07.2023 to 16.10.2024 (YTD)	17.07.2023 to 17.10.2023 (Qtr)	17.07.2023 to 17.10.2023 (YTD)	
		Revenue from Operations	3,002,464	3,002,464	3,266,218	3,266,218
		Cost of Sales	(2,214,924)	(2,214,924)	(2,352,615)	(2,352,615)
		Gross Profit	787,540	787,540	913,603	913,603
Other Operating Income	6,329	6,329	9,224	9,224		
Selling and Distribution Expenses	(445,513)	(445,513)	(504,505)	(504,505)		
Administrative and Operating Expenses	(170,676)	(170,676)	(182,943)	(182,943)		
Profit from Operations	177,680	177,680	235,379	235,379		
Finance Costs	(64,089)	(64,089)	(73,549)	(73,549)		
Finance Income	11,320	11,320	698	698		
Profit Before Tax	124,911	124,911	162,530	162,530		
Income Tax Expense						
Current Tax	(42,905)	(42,905)	(55,770)	(55,770)		
Prior Period Tax Adjustments	-	-	(1,910)	(1,910)		
Deferred Tax	2,377	2,377	455	455		
Net Profit	84,383	84,383	105,305	105,305		
Owners of the Company (Net Profit)	76,843	76,843	93,042	93,042		
Non Controlling Interest (Net profit)	7,540	7,540	12,263	12,263		
D	Major Indicators	Current Period (Group)		Previous Period (Group)		
		16.07.2024 to 16.10.2024 (YTD)	Annualized	17.07.2023 to 17.10.2023 (YTD)	Annualized	
		1. Earnings per Share (NPR)	39	158	48	191
		2. Market Value per Share (NPR)	17,442	17,442	2,312	2,312
		3. Price Earnings Ratio	442	111	48	12
		4. Current Ratio	1.1		1.0	
5. Return on Equity	1.3%	5.1%	1.7%	6.7%		
6. Return on Total Assets	0.6%	2.2%	0.6%	2.5%		
7. Net Worth per Share (NPR)		3,424		3,224		

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.

E. Related Party Disclosure

Up to the end of the quarter, the following related party transactions have occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	984,831
Transfer fee payable to BNTL	15,553
Transfer fee receivable from BNTL	40,334

F. Management Analysis

- The Company generated a net profit of NPR 84 MM during the First quarter due to cost efficiency and better productivity despite the challenges caused by slow-down in consumer spending, challenges in raw materials sourcing along with macroeconomic impact of currency devaluation and inflation.
- The company is enhancing profitability through strategic initiatives such as optimizing production processes, expanding market reach, implementing cost-saving measures, and innovating with new product offerings. Additionally, the company is focusing on sustainability practices, effective marketing strategies, strengthening distribution channels, and leveraging digital technologies for operational efficiencies and increased market penetration.

G. Details Related to Legal Proceedings

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

H. Analysis of Share Transactions

- 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.
- High, Low and Closing Price of the stocks of the company during this quarter along with total volume of trading of shares and number of days traded**

Particulars	16.07.2024 to 16.10.2024 (Qtr)
Maximum Price (NPR)	21,352
Minimum Price (NPR)	15,800
Closing Price (NPR)	17,442
No. of Trades (Total Transaction)	5,071
Days of Trading	54

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.

Strategy

- Implementation of Coke Buddy for online order processing and 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 and Audit Committee Meeting on 18th September, 2024.

K. Declaration by Managing Director on the Truthfulness and accuracy of Information

I, as at the date, hereby individually accept the truthfulness and 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: 11th November, 2024 (26th Kartik, 2081)