

Coca-Cola BOTTLED 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 (14/01/2022) 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)	
		(Group)		(Group)	
A	ASSETS				
	Non-current assets				
	Intangible Assets	38,915		86,368	
	Property, Plant and Equipment	7,096,289		7,403,773	
	Prepayments	26,883		27,706	
	Deferred Tax Assets	94,937		-	
	Financial Assets				
	Advances	12,142		11,825	
	Current Assets				
	Non Financial				
	Inventories	1,690,935		1,213,042	
	Prepayments	65,779		103,303	
	Advances	980,230		613,536	
	Other Current Assets	101,910		24,565	
	Income Tax Receivable	4,574		38,562	
	Financial Assets				
	Other Current Assets	26,812		18,033	
	Trade Receivables	153,555		122,394	
	Cash and Cash Equivalents	445,991		432,054	
	Total Assets	10,738,952		10,095,161	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	194,889		194,889	
	Reserve and Surplus	4,355,308		3,406,354	
	Non Controlling Interest	152,566		123,429	
	Non-Current Liabilities				
	Deferred Tax Liability	-		88,663	
	Financial Liabilities				
	Retirement Benefit Obligation	1,084,052		1,026,200	
	Borrowing	987,907		1,700,407	
	Current Liabilities				
	Financial Liabilities				
	Retirement Benefit Obligation	160,381		121,160	
	Borrowings	1,434,487		1,251,223	
	Trade payables	644,445		665,423	
	Other Financial Liabilities	1,629,704		1,437,977	
	Non Financial Liabilities	95,213		79,436	
	Total Equity and Liabilities	10,738,952		10,095,161	
C	Profit and Loss Account	Current Period (Group)		Previous Period (Group)	
		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	1,309,922	4,759,210	993,559	3,609,569
	Cost of sales	(999,705)	(3,353,857)	(901,030)	(2,559,587)
	Gross Profit	310,217	1,405,353	92,529	1,049,982
	Other operating income	4,238	11,535	9,976	14,269
	Selling and distribution expenses	(213,757)	(667,871)	(253,354)	(618,453)
	Administrative and operating expenses	(165,606)	(324,757)	(173,809)	(298,416)
	Profit from Operations	(64,908)	424,260	(324,658)	147,382
	Finance Costs	(25,332)	(59,462)	(61,530)	(126,619)
	Finance Income	5,303	9,353	3,040	9,141
	Profit Before Tax	(84,937)	374,151	(383,148)	29,904
	Income Tax Expense				
	Current Tax	-	(46,062)	-	(11,437)
	Prior period tax adjustments	(12,408)	(12,408)	-	-
	Deferred Tax	(7,896)	42,761	(39,419)	(30,687)
	Net Profit	(105,241)	358,442	(422,567)	(12,220)
	Owners of the Company (Net Profit)	(96,241)	330,585	(394,081)	(14,257)
	Non Controlling Interest (Net profit)	(9,000)	27,857	(28,486)	2,037
D	Major Indicators	Current Period (Group)		Previous Period (Group)	
		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)	170	339	(7)	(15)
	2. Market Value Per Share (NPR)	1,903	1,903	1,830	1,830
	3. Price Earnings Ratio	11	6	(250)	(125)
	4. Current Ratio	0.9		0.7	
	5. Return on Equity	7.6%	15.2%	-0.3%	-1%
	6. Return on Total Assets	3.3%	6.7%	-0.1%	-0.2%
	7. Net Worth Per Share (NPR)	2,413		1,911	



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.	1,763,462
Transfer fee payable to BNTL	17,316
Transfer fee receivable from BNTL	45,547

F Management Analysis

- a) The profit after tax has increased by NPR 370.6 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

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.
- 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 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.


Pradip Pandey
Managing Director

Date: 9th February, 2022 (26th Magh, 2078)

