BOTTLERS 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 (13/01/2025) of the Fiscal Year 2081/82 (FY 2024-2025)

NPR in Thousands

S.N	Particulars	As on date 13.01.2025 (Unaudited)	As on date 14.01.2024 (Unaudited)
A	**ASSETS**		
	NON-CURRENT ASSETS		
	Non-Financial Assets:		
	Intangible Assets	8,736	5,302
	Property, Plant and Equipment	5,379,904	5,620,962
		5,388,640	**5,626,264**
	CURRENT ASSETS		
	Non Financial Assets:		
	Inventories	2,091,434	2,382,940
	Advances	979,112	1,074,742
	Other Current Assets	16,144	42,683
	Income Tax Receivable	74,092	188,803
	Financial Assets:		
	Other Current Assets	38,568	21,299
	Trade Receivables	416,230	292,394
	Cash and Cash Equivalents	105,565	185,107
		3,721,145	**4,187,967**
	Total Assets	**9,109,785**	**9,814,231**
B	**EQUITY AND LIABILITIES**		
	EQUITY		
	Equity Share Capital	121,000	121,000
	Reserve and Surplus	3,967,490	3,718,398
		4,088,490	**3,839,398**
	NON-CURRENT LIABILITIES		
	Non-Financial Liabilities:		
	Deferred Tax Liability	230,353	223,736
	Financial Liabilities:		
	Retirement Benefit Obligation	364,225	440,457
	Lease Liabilities	112,405	84,523
		706,983	**748,716**
	CURRENT LIABILITIES		
	Financial Liabilities:		
	Retirement Benefit Obligation	58,037	62,403
	Borrowings	2,438,997	3,025,655
	Trade Payables	589,037	843,881
	Lease Liabilities	20,809	9,318
	Other Financial Liabilities	1,160,214	1,284,761
	Non Financial Liabilities	47,218	99
		4,314,312	**5,226,117**
	Total Equity and Liabilities	**9,109,785**	**9,814,231**

C	Profit and Loss Account	Current Period		Previous Period	
		17.10.2024 to 13.01.2025 (Qtr)	16.07.2024 to 13.01.2024 (YTD)	18.10.2023 to 14.01.2024 (Qtr)	17.07.2023 to 14.01.2024 (YTD)
	Revenue from Operations	939,967	2,968,695	1,219,796	3,688,350
	Cost of Sales	(885,076)	(2,365,402)	(1,112,520)	(2,860,814)
	Gross Profit	**54,891**	**603,293**	**107,277**	**827,536**
	Other Operating Income	15,854	35,687	3,500	9,961
	Selling and Distribution Expenses	(191,307)	(518,702)	(205,098)	(597,526)
	Administrative and Operating Expenses	(26,485)	(122,723)	(57,516)	(166,345)
	Profit from Operations	**(147,047)**	**(2,445)**	**(151,837)**	**73,625**
	Finance Costs	(44,990)	(89,686)	(72,385)	(140,516)
	Finance Income	40	40	52	52
	Profit Before Tax	**(191,997)**	**(92,091)**	**(224,170)**	**(66,839)**
	Income Tax Expense				
	Current Tax	8,838	(8,932)	23,251	(2,503)
	Deferred Tax	(17,590)	(17,918)	(6,273)	(4,813)
	Net Profit	**(200,749)**	**(118,941)**	**(207,193)**	**(74,155)**

D	Major Indicators	16.07.2024 to 13.01.2025 (YTD)	Annualized	17.07.2023 to 14.01.2024 (YTD)	Annualized
	1. Earnings per Share (NPR)	(98)	(197)	(61)	(123)
	2. Market Value per Share (NPR)	13,200	13,200	12,850	12,850
	3. Price Earnings Ratio	(134)	(67)	(210)	(105)
	4. Current Ratio	0.9		0.8	
	5. Return on Equity	-3%	-6%	-2%	-4%
	6. Return on Total Assets	-1.3%	-2.6%	-0.8%	-1.5%
	7. Net Worth per Share (NPR)		3,379		3,173

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 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

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

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	1,009,352
Transfer fee payable to BNL	67,021
Transfer fee receivable from BNL	26,752

F. Management Analysis

a) The Company generated a net loss of NPR 118 MM during the second quarter due to slow-down in consumer spending, increases in material and production overhead costs, challenge in raw materials sourcing along with macroeconomic impact of currency devaluation and inflation.

b) The company is continuously working to enhance productivity and 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

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 this quarter along with total volume of trading of shares and number of days traded

Particulars	17.10.2024 to 13.01.2025 (Qtr)
Maximum Price (NPR)	15,290
Minimum Price (NPR)	12,750
Closing Price (NPR)	13,200
No. of Trades (Total Transaction)	15,367
Days of Trading	55

I. Risks and Challenges

Internal Problem & Challenges

- Rise in cost of operations.
- Rural distribution at effective cost.

External Problem & Challenges

- Market and economic slowdown adversely impacting the 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 Exexution 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 20th November, 2024 and 10th January 2025. The company also convened Audit committee meeting on 20th November, 2024 and Risk Committee meeting on 21st November, 2024. The Annual General Meeting was held on 10th January 2025.

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: 7th February, 2025 (25th Magh, 2081)