

Coca-Cola

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 First Quarter (17/10/2018) of the Fiscal Year 2075/76 (FY 2018-2019)

NPR in Thousand

S.N	Particulars	As on date 17.10.2018 (Unaudited)		As on date 17.10.2017 (Unaudited)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	52,759		71,412	
	Property, Plant and Equipment	2,902,403		2,702,502	
	Current Assets				
	Inventories	764,882		896,218	
	Non Financial Current Assets				
	Prepayments	14,024		10,071	
	Financial Assets				
	Advances	7,814		6,798	
	Other Current Assets	18,058		51,952	
	Trade receivables	528,525		68,405	
	Cash and cash equivalents	305,373		303,465	
	Total Assets	4,593,839		4,110,824	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	2,093,993		1,370,155	
	Non-current liabilities				
	Retirement Benefit Obligation	340,690		313,275	
	Deferred Tax Liability	58,555		86,275	
	Financial Liabilities				
	Borrowing				
	Current Liabilities				
	Financial Liabilities				
	Borrowings	550,000		58,880	
	Trade payables	747,533		1,616,352	
	Other Financial Liabilities	682,067		544,887	
	Total Equity and Liabilities	4,593,839		4,110,824	
C	Profit and Loss Account	Current Period		Previous Period	
		17.07.2018 to 17.10.2018		16.07.2017 to 17.10.2017	
	Revenue from operations	2,153,262		1,727,182	
	Cost of sales	(1,364,970)		(1,064,011)	
	Gross Profit	788,291		663,171	
	Other operating income	16,850		10,742	
	Selling and distribution expenses	(355,050)		(281,209)	
	Administrative and operating expenses	(78,463)		(77,869)	
	Profit from Operations	371,629		314,835	
	Finance Costs	(7,610)		(11,430)	
	Finance Income	10		4,861	
	Profit Before Tax	364,029		308,265	
	Income Tax Expense				
	Current Tax	(75,392)		(38,998)	
	Deferred Tax	(13,776)		(44,890)	
	Net Profit	274,862		224,376	
D	Major Indicators	17.07.2018 to 17.10.2018		16.07.2017 to 17.10.2017	
		Quarterly	Annualized	Quarterly	Annualized
	1. Earnings per Share (NPR)	227	909	185	742
	2. Market Value Per Share (NPR)	6,750	6,750	6,550	6,550
	3. Price Earnings Ratio	30	7	35	9
	4. Current Ratio	0.83		0.60	
	5. Return on Equity	12%	50%	15%	60%
	6. Return on Total Assets	6%	24%	5%	22%
	7. Net Worth Per Share (NPR)	1,831		1,232	

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 profit calculated basis 1st Quarter profit.

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.	386,125
Transfer fee payable to BNL	15,380
Transfer fee receivable from BNL	4,003

F Management Analysis

- The Profit after tax has increased by NPR 50 MM at the end of first quarter over previous year same period due to improved volume.
- The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes and enhancing productivity.
- One day less in this quarter as compared to same quarter in the previous year.

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

Particulars	NPR
Maximum Price	7,339
Minimum Price	5,243
Closing Price	6,750
No. of Trades	10,693
Days of Trading	51

I Risks and Challenges**Internal Problem & Challenges**

Rise in cost of operations with inflation.

Rural distribution at effective cost.

External Problem & Challenges

Unstable tax regime under federal state.

Fluctuation in international fuel prices impacting packaging material cost and transportation cost.

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 21st August, 2018 and 1st October, 2018 and Audit Committee Meeting on 20th August, 2018.

The Company had convened its 32nd Annual General Meeting on 2nd October, 2018.

K Declaration by Chairperson 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.

Shukla Wassan

Chairperson

Date: 15th November, 2018 (29th Kartik, 2075)