



**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 Third Quarter (13/04/2018) of the Fiscal Year 2074/75 (FY 2017-2018)

NPR in Thousand

S.N	Particulars	As on date 13.04.2018 (Unaudited)		As on date 13.04.2017 (Unaudited)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	64,460		2,324	
	Property, Plant and Equipment	2,884,936		2,663,971	
	Current Assets				
	Inventories	1,388,513		748,524	
	Non Financial Current Assets				
	Prepayments	40,791		25,823	
	Financial Assets				
	Advances	8,612		7,807	
	Other Current Assets	80,334		181,323	
	Trade receivables	131,537		191,365	
	Cash and cash equivalents	286,429		21,601	
	Total Assets	4,885,612		3,842,738	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	1,371,919		959,277	
	Non-current liabilities				
	Retirement Benefit Obligation	404,399		252,698	
	Deferred Tax Liability	81,462		32,433	
	Financial Liabilities				
	Borrowing			558,000	
	Current Liabilities				
	Financial Liabilities				
	Borrowings	972,696		201,230	
	Trade payables	1,419,056		1,227,995	
	Other Financial Liabilities	515,080		490,105	
	Total Equity and Liabilities	4,885,612		3,842,738	
C	Profit and Loss Account	Current Period		Previous Period	
		15.01.2018 to 13.04.2018 (3 Month)	16.07.2017 to 13.04.2018 (9 Month)	14.01.2017 to 13.04.2017 (3 Month)	16.07.2016 to 13.04.2017 (9 Month)
	Revenue from operations	1,368,637	3,651,525	1,104,607	2,888,517
	Cost of sales	(872,147)	(2,355,545)	(695,629)	(2,015,921)
	Gross Profit	496,489	1,295,980	408,978	872,596
	Other operating income	13,065	27,725	27,385	26,748
	Selling and distribution expenses	(294,937)	(746,883)	(182,129)	(432,809)
	Administrative and operating expenses	(64,596)	(121,267)	(39,527)	(119,186)
	Profit from Operations	150,021	455,556	214,707	347,349
	Finance Costs	(12,555)	(26,574)	(17,972)	(48,820)
	Finance Income	739	10,250	54	176
	Profit Before Tax	138,205	439,231	196,789	298,705
	Income Tax Expense				
	Current Tax	(7,992)	(76,128)	(16,664)	(48,385)
	Deferred Tax	66,965	(40,077)	(1,901)	1,901
	Net Profit	197,177	323,027	178,224	252,222
D	Major Indicators	Current Period		Previous Period	
		16.07.2017 to 13.04.2018 (9 Month)	Annualized	16.07.2016 to 13.04.2017 (9 Month)	Annualized
	1. Earnings per Share (NPR)	267	356	208	278
	2. Market Value Per Share (NPR)	6,300	6,300	4,010	4010
	3. Price Earnings Ratio	24	18	19	14
	4. Current Ratio	0.67		0.61	
	5 Return on Equity	22%	29%	23%	31%
	6 Return on Total Assets	7%	9%	7%	9%
	7. Net Worth Per Share (NPR)	1,234		893	

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 is calculated on the basis of accumulated Third Quarter profit (Q3 YTD).

E Related Party Disclosure

During the period, the following related party transactions occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Atlantic Industries	1,214,493
Transfer fee payable to BNL	36,159
Transfer fee receivable from BNL	18,229

F Management Analysis

- a) The Profit before tax has increased by NPR 141 MM at the end of third quarter over previous year same period due to higher volume and pack mix
- b) Management effort is focused on cost management, efficiency improvement, Portfolio expansion and Optimum resource management
- c) The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes, enhancing productivity.
- d) This has been regrouped from Administrative and operating expenses to Cost of sales amounting to NPR 84 MM and Selling and distribution expenses amounting to NPR 42 MM respectively
- e) One day lesser 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	7,424
Minimum Price	5,336
Closing Price	6,300
No. of Trades	6,076
Days of Trading	35

I Risks and Challenges

Internal Problem & Challenges

Rise in cost of operations with Inflation.

Rural distribution at effective cost.

External Problem & Challenges

Unstable socio-political environment under new 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 one Audit Committee Meeting on 20th February, 2018 and one Board Meetings on 21st February, 2018

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.

Puneet Varshney

Chief Executive Officer

Date