

**Coca-Cola** BOTTLEERS 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 (13/04/2019) of the Fiscal Year 2075/76 (FY 2018-2019)

NPR in Thousand

S.N	Particulars	As on date 13.04.2019 (Unaudited)		As on date 13.04.2018 (Unaudited)	
<b>A</b>	<b>ASSETS</b>				
	<b>Non-Current Assets</b>				
	Intangible Assets		44,409		64,460
	Property, Plant and Equipment		5,260,550		2,884,936
	<b>Current Assets</b>				
	Inventories		1,435,282		1,388,513
	<b>Non Financial Current Assets</b>				
	Prepayments		59,665		40,791
	<b>Financial Assets</b>				
	Advances		7,746		8,612
	Other Current Assets		397,515		486,650
	Trade receivables		143,164		131,537
	Cash and cash equivalents		217,917		286,429
	<b>Total Assets</b>		<b>7,566,248</b>		<b>5,291,928</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
	Equity Share Capital		121,000		121,000
	Reserve and Surplus		2,002,408		1,371,919
	<b>Non-current liabilities</b>				
	Retirement Benefit Obligation		373,189		404,399
	Deferred Tax Liability		60,344		81,462
	Borrowing		1,712,647		-
	<b>Current Liabilities</b>				
	Financial Liabilities				
	Borrowings		858,984		972,696
	Trade payables		1,862,027		1,825,372
	Other Financial Liabilities		575,649		515,080
	<b>Total Equity and Liabilities</b>		<b>7,566,248</b>		<b>5,291,928</b>
<b>C</b>	<b>Profit and Loss Account</b>	<b>Current Period</b>		<b>Previous Period</b>	
		<b>15.01.2019 to 13.04.2019 (3 Month)</b>	<b>17.07.2018 to 13.04.2019 (9 Month)</b>	<b>15.01.2018 to 13.04.2018 (3 Month)</b>	<b>16.07.2017 to 13.04.2018 (9 Month)</b>
	Revenue from operations	844,094	3,407,590	1,368,637	3,651,525
	Cost of sales	(632,664)	(2,344,011)	(872,147)	(2,355,545)
	<b>Gross Profit</b>	<b>211,430</b>	<b>1,063,579</b>	<b>496,489</b>	<b>1,295,980</b>
	Other operating income	87,226	110,539	13,065	27,725
	Selling and distribution expenses	(254,341)	(763,321)	(294,937)	(746,883)
	Administrative and operating expenses	(44,889)	(128,506)	(64,596)	(121,267)
	<b>Profit from Operations</b>	<b>(573)</b>	<b>282,291</b>	<b>150,021</b>	<b>455,556</b>
	Finance Costs	(1,783)	(29,548)	(12,555)	(26,574)
	Finance Income	1,066	10,463	739	10,250
	<b>Profit Before Tax</b>	<b>(1,290)</b>	<b>263,207</b>	<b>138,205</b>	<b>439,231</b>
	<b>Income Tax Expense</b>				
	Current Tax	-	(57,905)	(7,992)	(76,128)
	Deferred Tax	(0)	(11,688)	66,965	(40,077)
	<b>Net Profit</b>	<b>(1,290)</b>	<b>193,613</b>	<b>197,177</b>	<b>323,027</b>
<b>D</b>	<b>Major Indicators</b>	<b>Current Period</b>		<b>Previous Period</b>	
		<b>17.07.2018 to 13.04.2019 (9 Month)</b>	<b>Annualized</b>	<b>16.07.2017 to 13.04.2018 (9 Month)</b>	<b>Annualized</b>
	1. Earnings per Share (NPR)	160	213	267	356
	2. Market Value Per Share (NPR)	6,600	6,600	6,300	6,300
	3. Price Earnings Ratio	41	31	24	18
	4. Current Ratio	0.69	-	0.71	-
	5. Return on Equity	9%	12%	22%	29%
	6. Return on Total Assets	3%	3%	6%	8%
	7. Net Worth Per Share (NPR)	1,755	-	1,234	-

Notes:



**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 Pacific Refreshments Pte. Ltd.	970,081
Transfer fee payable to BNL	32,432
Transfer fee receivable from BNL	59,703

**F Management Analysis**

- a) The Profit after tax has declined by NPR 129 MM at the end of third quarter over previous year same period due to pack mix, and higher excise duty and factory shut down for a month for setting up of new production line.
- 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**

Particulars	NPR
Maximum Price	6710
Minimum Price	6297
Closing Price	6600
No. of Trades	986
Days of Trading	41

**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 "Property Liability Committee Meeting and Risk Management Committee Meeting" on 11th February, 2019 and Board Meetings on 12th February, 2019

**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.

**Pradip Pandey**

**Chief Executive Officer**

**Date: 10th May, 2019 (27th Baisakh, 2076)**