

**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 First Quarter (16/10/2020) of the Fiscal Year 2077/78 (FY 2020-2021)

NPR in Thousand

S.N	Particulars	As on date 16.10.2020 (Unaudited)		As on date 17.10.2019 (Unaudited)	
<b>A</b>	<b>ASSETS</b>				
	<b>Non-Current Assets</b>				
	Intangible Assets	48,496		60,550	
	Property, Plant and Equipment	6,070,715		6,191,633	
	<b>Financial Assets</b>				
	Advances	8,699		6,824	
	<b>Current Assets</b>				
	<b>Non Financial Assets</b>				
	Inventories	774,940		926,734	
	Prepayments	69,232		50,004	
	Advances	441,066		514,999	
	Other Current Assets	-		2,887	
	<b>Financial Assets</b>				
	Other Current Assets	2,354		7,321	
	Trade receivables	389,897		201,362	
	Cash and cash equivalents	530,563		566,145	
	<b>Total Assets</b>	<b>8,335,962</b>		<b>8,528,459</b>	
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	2,344,858		2,529,773	
	<b>Non-current liabilities</b>				
	Retirement Benefit Obligation	445,713		400,545	
	Deferred Tax Liability	138,489		127,041	
	<b>Financial Liabilities</b>				
	Non current Borrowing	1,700,407		1,132,313	
	<b>Current Liabilities</b>				
	<b>Financial Liabilities</b>				
	Retirement Benefit Obligation	59,623		30,028	
	Borrowings	2,091,722		1,533,135	
	Trade payables	367,433		1,524,920	
	Other Financial Liabilities	1,026,907		1,127,865	
	Income Tax Payable	39,810		1,839	
	<b>Total Equity and Liabilities</b>	<b>8,335,962</b>		<b>8,528,459</b>	
<b>C</b>	<b>Profit and Loss Account</b>	<b>Current Period</b>		<b>Previous Period</b>	
		<b>16.07.2020 to 16.10.2020</b>		<b>17.07.2019 to 17.10.2019</b>	
	Revenue from operations	1,844,182		2,059,523	
	Cost of sales	(1,115,670)		(1,245,114)	
	<b>Gross Profit</b>	<b>728,511</b>		<b>814,409</b>	
	Other operating income	19,581		38,144	
	Selling and distribution expenses	(253,665)		(314,418)	
	Administrative and operating expenses	(68,452)		(100,943)	
	<b>Profit from Operations</b>	<b>425,976</b>		<b>437,194</b>	
	Finance Costs	(70,755)		(48,356)	
	Finance Income	3,559		3,590	
	<b>Profit Before Tax</b>	<b>358,780</b>		<b>392,427</b>	
	<b>Income Tax Expense</b>				
	Current Tax	(56,570)		(25,271)	
	Prior period tax adjustments	-		(10,176)	
	Deferred Tax	(16,199)		(56,691)	
	<b>Net Profit</b>	<b>286,011</b>		<b>300,289</b>	
<b>D</b>	<b>Major Indicators</b>	<b>16.07.2020 to 16.10.2020</b>		<b>17.07.2019 to 17.10.2019</b>	
		<b>Quarterly</b>	<b>Annualized</b>	<b>Quarterly</b>	<b>Annualized</b>
	1. Earnings per Share (NPR)	236	945	248	993
	2. Market Value Per Share (NPR)	6,500	6,500	6,446	6,446
	3. Price Earnings Ratio	27	7	26	6
	4. Current Ratio	0.62		0.54	
	5 Return on Equity	12%	46%	11%	45%
	6. Return on Total Assets	3%	14%	4%	14%
	7. Net Worth Per Share (NPR)	2,038		2,191	
<b>Note:</b>	<p>1 Figures are regrouped wherever necessary for consistent presentation and comparison.</p> <p>2 Above presented figures may vary with the audited figures if amended by the external auditors and/or regulator.</p> <p>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 1st Quarter profit.</p>				
<b>E</b>	<b>Related Party Disclosure</b>	During the period, the following related party transactions occurred:			
		<b>Particulars</b>		<b>NPR in Thousand</b>	
	Purchase of Concentrate from Pacific Refreshments Pte. Ltd.			243,515	
	Transfer fee payable to BNL			14,467	
	Transfer fee receivable from BNL			17,942	
<b>F</b>	<b>Management Analysis</b>	<p>a) Plant remain closed from 16 August to 16 September for 1 month in compliance with order from local authorities for second lockdown to curb COVID-19 pandemic impact. This resulted in volume drop of 14%. Similarly interest cost has increased with term loan utilization for new line. Consequently the Profit after tax has decreased by NPR 14 MM at the end of first quarter over previous year same period.</p> <p>b) The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes, enhancing productivity.</p>			
<b>G</b>	<b>Details Related to Legal Proceedings</b>	No legal case was filed in this Quarter by or against the Company.			
<b>H</b>	<b>Analysis of Share Transactions</b>	<p><b>i) Management's view on the performance of the stocks of the body corporate</b> 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.</p> <p><b>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</b></p>			
		<b>Particulars</b>		<b>NPR</b>	
	Maximum Price			6,777	
	Minimum Price			6,099	
	Closing Price			6,500	
	No. of Trades			3,565	
	Days of Trading			56	
<b>I</b>	<b>Risks and Challenges</b>	<p><b>Internal Problem &amp; Challenges</b> Reduction in Operating cost during COVID 19 pandemic to sustain profitability. Rural distribution at effective cost.</p> <p><b>External Problem &amp; Challenges</b> Market and economic recovery in progress from COVID 19. Fluctuation in Foreign Exchange impacting material cost.</p> <p><b>Strategy</b> Proactively monitor the internal and external environmental changes Develop cost effective distribution models for upcountry areas.</p>			
<b>J</b>	<b>Corporate Governance</b>	The Company follows prudent Corporate Governance Practices in all business transactions. During the Quarter under review, the Company had convened Board Meeting on 24th September, 2020.			
<b>K</b>	<b>Declaration by Chief Executive Officer on the Truthfulness and accuracy of Information</b>	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.			
	<b>Pradip Pandey</b> <b>Chief Executive Officer</b> <b>Date: 11th November, 2020 (26th Kartik, 2077)</b>				