

Coca-Cola BOTTLEERS NEPAL LIMITED

(Authorized Bottler of The Coca-Cola Company)

Balaju Industrial District, Balaju, Kathmandu

Unaudited Financial Results (Quarterly)

As at the end of First Quarter (17/10/2019) of the Fiscal Year 2076/77 (FY 2019-2020)

NPR in Thousand

S.N	Particulars	As on date 17.10.2019 (Unaudited)		As on date 17.10.2018 (Unaudited)		
		(Group)		(Group)		
A	ASSETS					
	Non-current assets					
	Intangible Assets		126,576		108,915	
	Property, Plant and Equipment		7,679,876		4,249,482	
	Financial Assets					
	Investments		110,641		112,628	
	Prepayment		31,518		33,056	
	Current Assets					
	Inventories		1,318,579		1,339,164	
	Advances		5,737		-	
	Income Tax Receivable		5,367		-	
	Non Financial Current Assets					
	Prepayments		57,364		17,659	
	Financial Assets					
	Advances		21,595		16,025	
	Other Current Assets		251,985		101,167	
	Trade receivables		290,339		585,450	
	Cash and Cash Equivalents		1,077,929		451,445	
	Total Assets		10,977,506		7,014,990	
B	EQUITY AND LIABILITIES					
	Equity					
	Equity Share capital		194,889		194,889	
	Reserve and Surplus		4,160,442		3,482,236	
	Non Controlling Interest		128,011		121,014	
	Non-current liabilities					
	Retirement Benefit Obligation		925,174		718,779	
	Deferred Tax Liability		97,307		32,572	
	Financial Liabilities					
	Borrowing		1,132,312		-	
	Current liabilities					
	Financial Liabilities					
	Borrowings		1,162,242		-	
	Trade payables		2,100,864		1,453,007	
	Other Financial liabilities		1,041,886		1,012,495	
	Non Financial Liabilities					
	Income Tax Payable		34,379		-	
	Total Equity and Liabilities		10,977,506		7,014,990	
C	Profit and Loss Account					
			Current Period (Group)		Previous Period (Group)	
			17.07.2019 to 17.10.2019		17.07.2018 to 17.10.2018	
	Revenue from operations		3,108,652		3,151,966	
	Cost of sales		(1,984,002)		(2,085,157)	
	Gross Profit		1,124,650		1,066,809	
	Other operating income		26,041		14,542	
	Selling and distribution expenses		(463,411)		(522,391)	
	Administrative and operating expenses		(179,406)		(151,613)	
	Profit from Operations		507,874		407,347	
	Finance Costs		(48,969)		(7,494)	
	Finance Income		13,433		4,835	
	Profit Before Tax		472,338		404,689	
	Income Tax Expense					
	Current Tax		(54,847)		(89,032)	
	Deferred Tax		(78,032)		(21,358)	
	Net Profit		339,459		294,299	
	Owners of the Company (Net Profit)		311,781		268,965	
	Non Controlling Interest (Net profit)		27,678		25,335	
D	Major Indicators					
			Current Period (Group)		Previous Period (Group)	
			17.07.2019 to 17.10.2019		17.07.2018 to 17.10.2018	
			Quarterly	Annualized	Quarterly	
			Annualized		Annualized	
	1. Earnings per Share (NPR)		160	640	138	552
	2. Market Value Per Share (NPR)		1,830	1,830	1,693	1,693
	3. Price Earnings Ratio		11	3	12	3
	4. Current Ratio		0.70		1.02	
	5 Return on Equity		8%	30%	8%	31%
	6 Return on Total Assets		3%	12%	4%	17%
	7. Net Worth Per Share (NPR)		2,300		1,949	

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.	881,488
Transfer fee payable to BNTL	14,965
Transfer fee receivable from BNTL	23,629

F Management Analysis

- a) The Profit after tax has increased by NPR 45 MM at the end of first quarter over previous year same period due to pack mix.
- 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	1,830
Minimum Price	1,795
Closing Price	1,830
No. of Trades	124
Days of Trading	1

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 24th September, 2019 and Audit Committee Meeting on 23rd September, 2019.

K Declaration by Managing Director 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
Managing Director

Date: 14th November, 2019 (28th Kartik, 2076)

