

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 (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)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	60,550		52,759	
	Property, Plant and Equipment	6,191,633		2,902,403	
	Current Assets				
	Inventories	926,734		764,882	
	Non Financial Current Assets				
	Prepayments	50,004		14,024	
	Financial Assets				
	Advances	9,750		7,814	
	Other Current Assets	124,196		18,058	
	Trade receivables	205,640		528,525	
	Cash and cash equivalents	566,145		305,373	
	Total Assets	8,134,652		4,593,839	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	2,529,773		2,093,993	
	Non-current liabilities				
	Retirement Benefit Obligation	430,573		340,690	
	Deferred Tax Liability	127,042		58,555	
	Financial Liabilities				
	Non current Borrowing	1,132,312		-	
	Current Liabilities				
	Financial Liabilities				
	Borrowings	1,533,135		550,000	
	Trade payables	1,487,502		747,533	
	Other Financial Liabilities	773,315		682,067	
	Total Equity and Liabilities	8,134,652		4,593,839	
C	Profit and Loss Account	Current Period		Previous Period	
		17.07.2019 to 17.10.2019		17.07.2018 to 17.10.2018	
	Revenue from operations	2,059,523		2,153,262	
	Cost of sales	(1,245,114)		(1,364,970)	
	Gross Profit	814,409		788,291	
	Other operating income	38,144		16,850	
	Selling and distribution expenses	(314,417)		(355,050)	
	Administrative and operating expenses	(100,942)		(78,463)	
	Profit from Operations	437,194		371,629	
	Finance Costs	(48,356)		(7,610)	
	Finance Income	3,590		10	
	Profit Before Tax	392,428		364,029	
	Income Tax Expense				
	Current Tax	(35,447)		(75,392)	
	Deferred Tax	(56,692)		(13,776)	
	Net Profit	300,289		274,862	
D	Major Indicators	17.07.2019 to 17.10.2019		17.07.2018 to 17.10.2018	
		Quarterly	Annualized	Quarterly	Annualized
	1. Earnings per Share (NPR)	248	993	227	909
	2. Market Value Per Share (NPR)	6,446	6,446	6,750	6750
	3. Price Earnings Ratio	26	6	30	7
	4. Current Ratio	0.50		0.83	
	5. Return on Equity	11%	45%	12%	50%
	6. Return on Total Assets	4%	15%	6%	24%
	7. Net Worth Per Share (NPR)	2,191		1,831	

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.	711,168
Transfer fee payable to BNL	23,629
Transfer fee receivable from BNL	14,965

F Management Analysis

- a) The Profit after tax has increased by NPR 25 MM at the end of first quarter over previous year same period due to improved volume .
- 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	7,074
Minimum Price	6,076
Closing Price	6,446
No. of Trades	1,363
Days of Trading	24

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 23rd September, 2019 and Audit Committee Meeting on 23rd September, 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: 14th November, 2019 (28th Kartik, 2076)

