

Coca-Cola 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 Second Quarter (14/01/2020) of the Fiscal Year 2076/77 (FY 2019-2020)

NPR in Thousand

S.N	Particulars	As on date 14.01.2020 (Unaudited)		As on date 14.01.2019 (Unaudited)	
A	ASSETS				
	Non-Current Assets				
	Intangible Assets	56,015		48,584	
	Property, Plant and Equipment	6,425,857		3,615,449	
	Current Assets				
	Inventories	1,047,023		1,105,883	
	Non Financial Current Assets				
	Prepayments	68,158		35,905	
	Advances	517,151		379,494	
	Income Tax Receivable	-		28,143	
	Financial Assets				
	Other Current Assets	70,821		75,009	
	Trade receivables	102,335		94,302	
	Cash and cash equivalents	259,278		269,393	
	Total Assets	8,546,638		5,652,162	
B	EQUITY AND LIABILITIES				
	Equity				
	Equity Share Capital	121,000		121,000	
	Reserve and Surplus	2,387,592		2,017,969	
	Non-current liabilities				
	Retirement Benefit Obligation	477,030		359,933	
	Deferred Tax Liability	116,346		60,344	
	Financial Liabilities				
	Non current Borrowing	3,146,240		815,257	
	Current Liabilities				
	Financial Liabilities				
	Borrowings:	546,247		859,284	
	Trade payables	900,290		602,939	
	Other Financial Liabilities	767,283		748,720	
	Non Financial Liabilities	66,492		66,717	
	Income Tax Payable	18,118		-	
	Total Equity and Liabilities	8,546,638		5,652,162	
C	Profit and Loss Account				
		Current Period		Previous Period	
		18.10.2019 to 14.01.2020 (3 Month)	17.07.2019 to 14.01.2020 (6 Month)	18.10.2018 to 14.01.2019 (3 Month)	17.07.2018 to 14.01.2019 (6 Month)
	Revenue from operations	658,386	2,717,909	410,235	2,563,496
	Cost of sales	(561,222)	(1,806,337)	(346,377)	(1,711,347)
	Gross Profit	97,163	911,573	63,858	852,149
	Other operating income	86,939	125,084	6,463	23,313
	Selling and distribution expenses	(219,120)	(533,537)	(153,931)	(508,980)
	Administrative and operating expenses	326	(100,616)	(5,155)	(83,617)
	Profit from Operations	(34,691)	402,503	(88,765)	282,864
	Finance Costs	(25,379)	(73,735)	(20,155)	(27,765)
	Finance Income	6,123	9,713	9,387	9,397
	Profit Before Tax	(53,947)	338,480	(99,533)	264,496
	Income Tax Expense				
	Income Tax	(17,610)	(53,058)	32,324	(43,069)
	Deferred Tax	14,489	(42,203)	2,087	(11,688)
	Net Profit	(57,069)	243,220	(65,122)	209,739
D	Major Indicators				
		Current Period		Previous Period	
		17.07.2019 to 14.01.2020 (6 Month)	Annualized	17.07.2018 to 14.01.2019 (6 Month)	Annualized
	1. Earnings per Share (NPR)	201	402	173	347
	2. Market Value Per Share (NPR)	6,140	6,140	6,579	6,579
	3. Price Earnings Ratio	31	15	38	19
	4. Current Ratio	0.90		0.87	
	5. Return on Equity	10%	19%	10%	20%
	6. Return on Total Assets	3%	6%	4%	7%
	7. Net Worth Per Share (NPR)	2,073		1,768	



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 Second Quarter profit (Q2 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.	287,073
Transfer fee payable to BNL	39,627
Transfer fee receivable from BNL	17,029

F Management Analysis

- a) The Profit before tax has improved by NPR 74 MM at the end of Second quarter over previous year same period due to Other Income
- 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	6400
Minimum Price	6011
Closing Price	6140
No. of Trades	2139
Days of Trading	32

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 Meetings and AGM on 14th November, 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: 7th February, 2020 (24th Magh, 2076)