

**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 (12/04/2020) of the Fiscal Year 2076/77 (FY 2019-2020)

NPR in Thousand

S.N	Particulars	As on date 12.04.2020 (Unaudited)		As on date 13.04.2019 (Unaudited)	
<b>A</b>	<b>ASSETS</b>				
	<b>Non-Current Assets</b>				
	Intangible Assets		63,314		44,409
	Property, Plant and Equipment		6,297,489		5,260,550
	Advances		10,555		16,365
	<b>Current Assets</b>				
	<b>Non Financial Current Assets</b>				
	Inventories		1,323,739		1,435,282
	Prepayments		105,275		59,665
	Other Current Assets		749,982		397,515
	Income Tax Receivable		26,872		14,211
	<b>Financial Assets</b>				
	Trade receivables		225,473		143,164
	Cash and cash equivalents		212,879		217,917
	<b>Total Assets</b>		<b>9,015,578</b>		<b>7,589,078</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>				
	<b>Equity</b>				
	Equity Share Capital		121,000		121,000
	Reserve and Surplus		2,211,526		2,002,408
	<b>Non-current liabilities</b>				
	Retirement Benefit Obligation		464,455		373,189
	Deferred Tax Liability		114,345		60,344
	Borrowing		2,555,407		1,262,647
	<b>Current Liabilities</b>				
	<b>Financial Liabilities</b>				
	Borrowings:		1,473,938		1,308,984
	Trade payables		1,150,922		1,492,545
	Other Financial Liabilities		923,985		967,961
	<b>Total Equity and Liabilities</b>		<b>9,015,578</b>		<b>7,589,078</b>
<b>C</b>	<b>Profit and Loss Account</b>				
		<b>Current Period</b>		<b>Previous Period</b>	
		15.01.2020 to 12.04.2020 (3 Month)	17.07.2019 to 12.04.2020 (9 Month)	15.01.2019 to 13.04.2019 (3 Month)	17.07.2018 to 13.04.2019 (9 Month)
	Revenue from operations	1,156,308	3,874,217	844,094	3,407,590
	Cost of sales	(1,012,651)	(2,818,988)	(632,664)	(2,344,011)
	<b>Gross Profit</b>	<b>143,657</b>	<b>1,055,230</b>	<b>211,430</b>	<b>1,063,579</b>
	Other operating income	4,140	129,224	87,226	110,539
	Selling and distribution expenses	(244,825)	(778,362)	(254,341)	(763,321)
	Administrative and operating expenses	(34,607)	(135,223)	(44,889)	(128,506)
	<b>Profit from Operations</b>	<b>(131,634)</b>	<b>270,869</b>	<b>(573)</b>	<b>282,291</b>
	Finance Costs	(97,344)	(171,079)	(1,783)	(29,548)
	Finance Income	1,568	11,281	1,066	10,463
	<b>Profit Before Tax</b>	<b>(227,409)</b>	<b>111,071</b>	<b>(1,290)</b>	<b>263,207</b>
	<b>Income Tax Expense</b>				
	Current Tax	-	(24,436)	-	(57,905)
	Deferred Tax	(11,798)	(54,000)	(0)	(11,688)
	<b>Net Profit</b>	<b>(239,207)</b>	<b>32,635</b>	<b>(1,290)</b>	<b>193,613</b>
<b>D</b>	<b>Major Indicators</b>				
		<b>Current Period</b>		<b>Previous Period</b>	
		17.07.2019 to 12.04.2020 (9 Month)	Annualized	17.07.2018 to 13.04.2019 (9 Month)	Annualized
	1. Earnings per Share (NPR)	27	36	160	213
	2. Market Value Per Share (NPR)	6,598	6,598	6,600	6,600
	3. Price Earnings Ratio	245	183	41	31
	4. Current Ratio	0.75		0.60	
	5. Return on Equity	1%	1.9%	9%	12%
	6. Return on Total Assets	0.4%	0.5%	3%	3%
	7. Net Worth Per Share (NPR)	1,928		1,755	



**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 regulators.
- 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 based on 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.	510,338
Transfer fee payable to BNL	54,093
Transfer fee receivable from BNL	18,392

**F Management Analysis**

- a) The Profit before tax has declined by NPR 152 MM at the end of third quarter over previous year same period due to higher interest cost of New ASSP Line and Lesser volume sold due to COVID-19 Lock down. The plant was shut down for twenty days in third quarter, which coincides with our consumption season.
- b) The annual profit is expected to decline due to Covid-19.
- c) The company is continuously working on upgrading IT infrastructure, enhancing transactions security, automating work processes and 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**

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	9274
Minimum Price	6100
Closing Price	6598
No. of Trades	4983
Days of Trading	37

The only stock market, Nepal Stock Exchange (NEPSE), is not intact: NEPSE closed its transactions (both online and physical) from 22nd March 2020 onwards.

**I Risks and Challenges****Internal Problems & Challenges**

Rise in cost of operations and reduced efficiency in business due to the Pandemic.

**External Problems & Challenges**

Country lockdown & adverse global economic situation due to the Pandemic.

Fluctuation in foreign currency exchange rates impacting the Raw material & Packing material costs.

**Strategy**

Proactively monitor the changing internal and external environment and consumer behavior, particularly due to Covid-19.

**J Corporate Social Responsibility (CSR)**

We are all facing an unparalleled global health and humanitarian crisis in the form of COVID-19 and there is no greater corporate purpose than the need to stand together with the government, our partners, people and communities, with greater resilience to steer ourselves out of these testing times. Bottlers Nepal Terai Limited (BNTL) has extended immediate relief support for frontline health and emergency workers, through beverage support and food relief packages to the impacted communities dependent on daily wages. The initiations are carried out in joint efforts with partners, NGOs and Communities.

**K Corporate Governance**

The Company follows prudent Corporate Governance Practices in all business transactions.

During the Quarter under review, the Company had convened one "Board Meeting" and "Audit Committee Meeting" 20th January, 2020

**L 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: 23rd June, 2020 (19th Ashad, 2077)

