

Bottlers Nepal Limited
Minutes of the 39th Annual General Meeting
Held on 11th December 2017
At Hotel Annapurna, Kathmandu, Nepal

Bottlers Nepal Limited
Minutes of the 39th Annual General Meeting (Fiscal Year (2073/74 B.S))
Company Registration No: 140

1. Annual General Meeting

The 39th Annual General Meeting (the "Meeting") of Bottlers Nepal Limited (the "Company") for the Fiscal Year (2073/074 B.S) was held under the Chairpersonship of Ms. Shukla Wassan, the Chairperson of Board of Directors of the Company, on Monday, Mangsir 25, 2074 (11th December, 2017) at Hotel Annapurna, Durbar Marg from 09:30 A.M. to 10:30 A.M.

Discussions and approved proposals of this Meeting are recorded as follows.

2. Attendance

2.1. Attendance of Director(s)

Ms. Shukla Wassan
Mr. Puneet Varshney
Mr. Debabrata Mukherjee
Mr. Gaurav Khosla
Mr. Amar Baidya, Alternate Director to Mr. Surendra Silwal
Mr. Narmadeshwar Narayan Singh
Mr. Trilochan Upreti

2.2 Attendance of Shareholders

In Person or through proxy : 14

2.3 Attendance of the office-bearers

Mr. Sandesh Oli, Representative of M/s T.R Upadhyay & Co, Statutory Auditors
Mr. Sumit Goyal, Country Finance Manager
Ms. Pratima Burma, Company Secretary

3. Notice of 39th Annual General Meeting

Ms. Pratima Burma, Company Secretary informed that the notice for convening 39th Annual General Meeting of the Company on 11th December 2017 was first published in Kantipur Dainik, a national daily newspaper on 16th November, 2017 (30 Kartik, 2074) and the 2nd notice was published on 23rd November, 2017 (07th Mangsir, 2074) in Arthik Abhiyan, a national daily newspaper. Notice along with the Annual Report of the Company was sent through courier to the shareholders at their respective addresses as recorded in Company's Shareholder Register.

4. Quorum

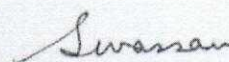
Total shareholders including proxy present: 14

Total number of shares: 1,492,775

Representing 76.6% of the total company shares of 1,948,887







5. Agenda of the Meeting

5.1. Agenda:

- 5.1.1. To adopt the Director's Report for the Fiscal Year 2073/74.
- 5.1.2. To consider and approve the remuneration and other facilities of Managing Director.
- 5.1.3. To elect one Director representing Public Shareholder.
- 5.1.4. To Adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 31st Ashad, 2074, Income Statement as of 31st Ashad, 2074, Profit & Loss Account and Cash Flow Statement for the same period and Auditors' Report thereon;
- 5.1.5. To consider and approve the appointment of Statutory auditor and their remuneration for the Fiscal Year 2074/75 as per Section 111 of the Companies Act, 2006 (2063).
- 5.1.6. To consider & approve the amount spend for corporate social responsibility under Section 105(1)(c) of Companies Act, 2006.

5.2. Any other item

- 5.2.1. To consider and approve amendment in Articles of Association.
- 5.2.2. To consider and approve amendment in Memorandum of Association.

6. Meeting begins

The Shareholders present confirmed that 39th Annual General Meeting of the Company was convened in compliance with the provisions of the Companies Act 2063(2006) and Article of Association of the Company.

Ms. Burma informed the Members that in pursuance to Section 74 of Companies Act, 2063 read with Article 13(c) of Articles of Association of the Company, Ms. Shukla Wassan, Chairperson of the Board, shall chair the 39th Annual General Meeting of the Company.

Ms. Wassan, after ascertaining the requisite quorum being present, called the Meeting to order.

The Chairperson welcomed all the distinguished Shareholders, guests and employees to the 39th Annual General Meeting of the Company and introduced all the Members of the Board present on dais.

7. Chairperson's Speech

The Chairperson informed the Shareholders that the year 2073/74 was an excellent year for the company. She informed that the Company had achieved a consolidated net profit of NPR 703 Million after tax, with an Earning Per Share of NPR 338/-.

She also apprised the Shareholders that the Company was continuing to modernize its production and Information Technology (IT) system and had therefore, implemented Coke One Plus Lite during the year 2073/74 to have operational efficiencies and to effectively respond to customers and market demand. She expressed her delight that the Company was awarded as the First Runner-up for the "National Best



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Presented Annual Report (BPA) Award, 2015", organized by the Institute of Chartered Accountant of Nepal on July 17, 2017.

She then, informed that in Fiscal Year 2074/75 and beyond, the Company will be focusing on five strategic imperatives: accelerating the growth of our consumer-centric brand portfolio, driving revenue growth, strengthening our system, digitizing our enterprise and unlocking the power of our people.

She commended the existing management team and the employees of the Company for their continued hard work and dedication. She also expressed her gratitude to the business partners, Labour Unions, Statutory & governmental bodies, bankers and financial institutions, diplomatic officials, media, local community shareholders and the entire team of the company for their continued support.

Thereafter the Chairperson requested the Company Secretary to take up the Agenda Item(s).

8. Discussion and Decision

8.1. To adopt the Director's Report of the Company for the Fiscal Year 2073/74.

Ms. Burma tabled the Director's Report of the Company for the Fiscal Year 2073/74 before the Shareholders and requested to propose and second the Resolution as an "Ordinary Resolution". Ms. Burma, then invited the shareholders to share their queries/comments/ suggestions.

8.1.1 Shareholder, Mr. Amrit Nath Regmi, firstly, appreciate the efforts of Management Team and Board of Directors for excellent performance of the Company. He also appreciated that the presentation of Annual Report had improved a lot. He suggested to mention date in Chairperson Speech and the date of financial statement to be put in Nepali instead of English date. He also requested the Board Members to explore possibility of issuing bonus shares and dividend in the company.

8.1.2 Shareholder Mr. Rajesh Shakya, firstly extended thanks to the Chairman of the Meeting, Board of Director. He then inquired as to the reason for organizing Annual General Meeting of Bottlers Nepal Limited and its subsidiary company on the same day. He further suggested that the shareholders should also be invited in the launch of new products program. He requested the Board Members to organize a meeting prior to the Annual General Meeting with shareholders, so that the shareholders can put forward their ideas before passing any resolution. He requested the Board to clarify the role of share registrar i.e. Nabil Investment Banking Limited. He further requested the Board Members to explore possibility of issuing bonus shares and dividend in the company. He also requested the Management to organize the AGM during the usual office hours.

8.1.3 Management response to the questions raised by the shareholders

Chairperson appreciated the comments/recommendation and valuable inputs of the Shareholders. She informed that the suggestions from Mr. Amrit Nath Regmi with regards to date on Chairperson Speech and Financial Statement is taken note of. She also informed that the



Board will take into consideration the usual office hours while fixing the timings of General Meeting.

With the permission of the Chairperson, Mr. Gaurav Khosla Chairman of Audit Committee informed the shareholders that the Company is in healthy phase and the Management is working on maximizing the profitability of the Company. Accordingly, the Board will evaluate the distribution of dividend in future.

Mr. Gaurav Khosla further apprised the shareholders about the distribution of bonus shares that the Company will duly consider as per profits made by the Company in coming days.

After detailed deliberation and discussions, Mr. Rajesh Shakya, Shareholder, proposed the following resolution as Ordinary Resolution.

"RESOLVED THAT the shareholders of the Company do hereby receive, consider and adopt the Director's Report of the Company, for the Fiscal Year 2073/74."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was approved unanimously.

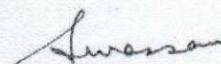
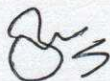
8.2. To consider and approve the remuneration and other facilities of Managing Director.

Ms. Burma informed the Shareholders that the Board of Directors has proposed for the increment of remuneration of base Salary of Managing Director, Mr. Puneet Varshney by 8% i.e. INR 10,159,872/- to 10,978,662/- She then informed that except for other incentives (annual/long term) and environment allowance, which shall proportionately increase, all other terms and condition shall remain same as earlier.

Ms. Burma requested the shareholders to propose and second the Resolution as "Ordinary Resolution".

After some discussions, Mr. Amrit Nath Regmi, Shareholder, proposed the following resolution as Ordinary Resolution.

"RESOLVED THAT in part modification of earlier resolution vide dated 25th December, 2016 and pursuant to Section 91(1) and other applicable provisions of the Companies Act, 2006 (2063) (including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for increment of base salary of Managing Director by 8% from INR 10,159,872/- to INR 10,978,662/- per annum, except for other incentives (annual/long term) and environment allowance, which shall proportionately increase, all other terms and condition shall remain same as earlier.



Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was approved unanimously.

8.3. To elect one Director representing Public Shareholder.

Ms. Burma informed the Shareholders that the Board of Directors vide its resolution dated on 6th November, 2017 had appointed Mr. Khadananda Kandel of Gandhi & Associates as Election Officer to conduct the election for the appointment of one Director representing Public Shareholder and requested Mr. Khadananda Kandel to take the proceedings further for declaration of the result of election.

Thereafter, Mr. Khadananda Kandel introduced himself to the Shareholders and informed that he had conducted the procedures of election in line with the prevailing laws and "Procedures relating to Election of Director, 2074" of the Company. He then informed that the notice of election was published on the notice board of the company on 19th November, 2017 and thereafter, first voter list was published on 27th November, 2017 and subsequently, second voter list was published on 28th November, 2017. He then apprised that the registration of candidate for election was opened till 29th November, 2017 and the name list of candidates was published at the end of same day and was open for any contest on 30th November, 2017. He further informed that the final list of candidate was published on 1st December, 2017.

Since the Company had received request from only one shareholder, Mr. Narmadeshwar Narayan Singh, offering himself for election as Director representing public shareholder, Mr. Kandel declared Mr. Singh to have been elected as a Director representing public shareholder unopposed.

Ms. Burma requested the Shareholders to propose and second the Resolution as "Ordinary Resolution".

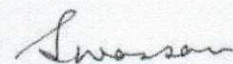
After some discussions, Mr. Rajesh Shakya, Shareholder, proposed the following resolution as a Special Resolution.

"RESOLVED THAT the consent of the Shareholders, be and is hereby accorded for appointment of Mr. Narmadeshwar Narayan Singh as a Director representing Public Shareholder of the Company for a period of 4 years w.e.f 13th December, 2017."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was approved unanimously.

Mr. Kandel, then handover the certificate of appointment and congratulated Mr. Singh for his appointment and wished him a great success for his tenure. In compliance to the provision of



Section 99(3) of Companies Act, 2063 (2006), Mr. Singh took oath of honesty and secrecy and, signed the same.

Mr. Kandel then, handover all the election related documents to the Company Secretary and thanked Board Members and the Management for giving him opportunity for conducting this election.

- 8.4. To Adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 31st Ashad, 2074, Income Statement as of 31st Ashad, 2074, Profit & Loss Account and Cash flow Statement for the same period and Auditors' Report thereon;

Ms. Burma presented the Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 31st Ashad, 2074, Income Statement for the Fiscal Year 2073/74, Profit & Loss Account and, Cash Flow Statement for the same period along with Auditors' Report thereon for adoption of Shareholders, and requested the shareholders to propose and second the Resolution as an "Special Resolution" as per Article 15(b)(5) of Article of Association.

After some discussions, Mr. Rajesh Shakya, Shareholder, proposed the following resolution as a Special Resolution.

"RESOLVED THAT the Audited Financial Statements including the Consolidated Financial Statements comprising of Balance Sheet as of 31st Ashad, 2074, Income Statement as of 31st Ashad, 2074, Profit & Loss Account and Cash flow Statement for the same period along with the Auditors' Report thereon, be and is hereby received, considered and adopted by the Company."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands and was approved unanimously.

- 8.5. To consider & approve the appointment of Statutory auditor and their remuneration for Fiscal Year 2074/75 as per Section 111 of Companies Act, 2006 (2063).

Ms. Burma informed the Shareholders that on recommendation of Audit Committee, the Board of Directors of your Company has proposed the appointment of M/s B.K Agrawal & Co. Chartered Accountants (Firm Registration No. 2) (Mr. Bijay Kumar Agrawal) as the Statutory Auditors of the Company for the Fiscal Year 2074/75 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, at a consolidated Statutory Audit Fee of NPR 500,000 (Five Hundred Thousands Only) (excluding out of pocket expenses) (inclusive of applicable taxes excluding VAT).

Ms. Burma requested the shareholders to propose and second the Resolution as "Special Resolution" as per Article 15(b)(5) of Article of Association.



After some discussions, Mr. Rajesh Shakya, Shareholder, proposed the following resolution as Special Resolution.

"RESOLVED THAT M/s B.K Agrawal & Co. Chartered Accountants, (Firm Registration No. 02) (Mr. Bijay Kumar Agrawal) be and is hereby appointed as the Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company with the remuneration of NPR 500,000/- (Five Hundred Thousand Only) (including consolidation) (excluding out of pocket expenses) (inclusive of all applicable taxes, excluding to VAT).

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote and was approved unanimously.

8.6. To consider & approve the amount spend for corporate social responsibility under Section 105(1) (c) of Companies Act, 2006;

Ms. Burma informed the Shareholders that the Board of Directors vide their resolution dated on 6th November, 2017 had proposed to contribute 1% of annual profits every Fiscal year towards corporate social responsibility activity as mandated by the Industrial Enterprise Act, 2016.

Ms. Burma requested the shareholders to propose and second the Resolution as "Special Resolution" as per Section 105(1)(b) of Companies Act, 2006 (2063).

After some discussions, Mr. Rajesh Shakya, Shareholder, proposed the following resolution as Special Resolution.

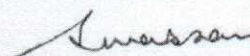
"RESOLVED THAT pursuant to Section 105(1)(c) of Companies Act, 2063 (2006) the proposal for contributing 1% of annual profits every Fiscal Year towards corporate social responsibility activity as mandated by the Industrial Enterprise Act, 2016, be and is hereby received, considered and approved."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was approved unanimously.

8.7. Any other Business

With the permission of the Chair, Ms. Burma informed that M/s Coca-Cola Southwest Asia Holding Limited had proposed for below item to be considered in the General Meeting invoking their right pursuant to Section 67(3) of Companies Act, 2063.



With the unanimous consent of all the Shareholders present, the following items were taken up in the Meeting.

8.7.1 To consider & approve modification in Articles of Association.

Ms. Burma informed that in order to cater new distribution expansion and capacity enhancement at the plant including pre-production for season preparation, it was necessary to open two additional branch offices at (a) Chandragiri and (b) Chitwan.

Ms. Burma thereafter, requested the shareholders to propose and second the Resolution as "Special Resolution". She also invited the shareholders to provide queries/comments/ suggestions.

After some discussions, Ms. Shukla Wassan representing M/s Coca-Cola Southwest Asia Holdings Limited, proposed the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Companies Act, 2006(2063) (including any statutory modification(S) or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to substitute the existing Section 1 (b) of Articles of Association with the new Section 1(b) as detailed herein below:

SECTION 1(B) OF ARTICLES OF ASSOCIATION

"b. Registered Office of the Company: Will be situated at Balaju Industrial District, Balaju, Kathmandu.

The Branch office(s) of the Company shall be at following places:

- i. Chitwan -2 Branch office*
- ii. Banke -1 Branch office*
- iii. Chandragiri-2 Branch office*
- iv. Sunsari- 1 Branch office*

The Company may open other branch office(s) within or outside Nepal or close any branch office(s) as per the requirements of business and subject to compliance with the applicable laws of Nepal."

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to make any changes/modification(s) to the amendment, if any, be required or recommended by the competent governmental authorities.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take all necessary steps for ensuring compliances with respect to the above including but not limited to filing of necessary information / disclosure with the Office of Company Registrar, Nepal Stock Exchange, Securities Board of Nepal and/ or any other Authorities as may be necessary."



Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was passed unanimously.

8.7.2 To consider and approve modification in Memorandum of Association.

Ms. Burma informed that in order to cater new distribution expansion and capacity enhancement at the plant including pre-production for season preparation, it was necessary to open two additional branch offices at (a) Chandragiri and (b) Chitwan.

Ms. Burma thereafter, requested the shareholders to propose and second the Resolution as "Special Resolution". She also invited the shareholders to provide queries/comments/ suggestions.

After some discussions, Ms. Shukla Wassan representing M/s Coca-Cola Southwest Asia Holdings Limited, proposed the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Companies Act, 2006(2063) (including any statutory modification(S) or re-enactment thereof, for the time being in force), consent of the shareholders be and is hereby accorded to substitute the existing Section 2 of Memorandum of Association with the new Section 2 as detailed herein below:

SECTION - 2 OF MEMORANDUM OF ASSOCIATION:

"Registered Office of the Company: Shall be situated at Balaju Industrial District, Balaju, Kathmandu.

The Branch office(s) of the Company shall be at following places:

- i. Chitwan -2 branch offices
- ii. Banke -1 branch office
- iii. Chandragiri -2 branch offices
- iv. Sunsari – 1 branch office

The Company may open other branch office(s) within or outside Nepal or close any branch office(s) as per the requirements of business and subject to compliance with the applicable laws of Nepal."

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorized to make any changes/modification(s) to the amendment, if any, be required or recommended by the competent governmental authorities.



RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to take all necessary steps for ensuring compliances with respect to the above including but not limited to filing of necessary information / disclosure with the Office of Company Registrar, Nepal Stock Exchange, Securities Board of Nepal and/ or any other Authorities as may be necessary."

Mr. Achyut Sharma, Shareholder representing M/s Himal City Beverage Private Limited, seconded the same.

The resolution was then put to vote, by show of hands, and was approved unanimously.

9. Listing of the decisions taken at 39th Annual General Meeting of the Company

9.1 Ordinary Resolution:

- 9.1.1 Unanimous approval of resolution passed for adoption of Directors' Report of the Company for Fiscal Year 2073/74 (i.e. 2016-17).
- 9.1.2 Unanimous approval of resolution passed for the increment of remuneration of base Salary by 8% i.e. INR 10,159,872/- to 10,978,662/- and all other terms and conditions shall remain same as earlier, except for other incentives (annual/long term) and environment allowance, which shall proportionately increase
- 9.1.3 Unanimous approval of resolution passed for the appointment of Mr. Narmadeshwar Narayan Singh as Director representing Public Shareholder for a period of 4 years w.e.f 13th December, 2017

9.2 Special Resolution:

- 9.2.1 Unanimous approval of resolution passed for adoption of Audited Financial Statements including the Consolidated Financial Statements of the Company comprising of Balance Sheet as of 31st Ashad, 2074, Income Statement, Profit & Loss Account and Cash Flow Statement for the fiscal year 2073/74 along with Auditor's Report thereon.
- 9.2.2 Unanimous approval of resolution passed for appointment of M/s B. K Agrawal & Co. Chartered Accountants, (Firm Registration No. 2) as Statutory Auditors of the Company for the Fiscal Year 2074/75 to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting with the remuneration of NPR 500,000 (Five Hundred Thousands Only) (including consolidation (excluding out of pocket expenses) (inclusive of all applicable taxes, excluding VAT)."
- 9.2.3 Unanimous approval of resolution passed for the contribution of 1% of annual profits every Fiscal Year towards corporate social responsibility activity under Section 105(1) (c) of the Companies Act, 2006 and mandated by Industrial Enterprise Act, 2016.
- 9.2.4 Unanimous approval of resolution passed for modification of Section 1(b) of Articles of Association as below:

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SECTION 1(b) OF ARTICLES OF ASSOCIATION

"b. Registered Office of the Company: Will be situated at Balaju Industrial District, Balaju, Kathmandu.

The Branch office(s) of the Company shall be at following places:

- i. Chitwan – 2 branch offices
- ii. Banke -1 branch office
- iii. Chandragiri- 2 branch offices
- iv. Sunsari- 1 branch office

The Company may open other branch office(s) within or outside Nepal or close any branch office(s) as per the requirements of business and subject to compliance with the applicable laws of Nepal."

- 9.2.5 Unanimous approval of resolution passed for modification of Section 2 of Memorandum of Association as below:

SECTION - 2 OF MEMORANDUM OF ASSOCIATION:

"Registered Office of the Company: Shall be situated at Balaju Industrial District, Balaju, Kathmandu.

The Branch office(s) of the Company shall be at following places:

- i. Chitwan -2 branch offices
- ii. Banke -1 branch office
- iii. Chandragiri -2 branch offices
- iv. Sunsari – 1 branch office

The Company may open other branch office(s) within or outside Nepal or close any branch office(s) as per the requirements of business and subject to compliance with the applicable laws of Nepal."

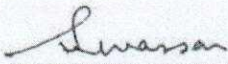
- 9.3 Meeting recorded that minutes of the Meeting will be signed by the Chairperson & Company Secretary.



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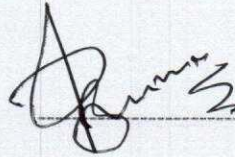
10. Vote of thanks & Closure of Meeting

Since there were no other agenda to be discussed, the Meeting concluded with a vote of thanks to the Chair.



Shukla Wassan
Chairperson

Date: 2018.01.08



Pratima Burma
Company Secretary

Date: 2018.01.08