

Bottlers Nepal Terai

Valuation Report

2025

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Nepal's Macroeconomic Outlook

Nepal's economy has experienced fluctuating growth in recent years, with GDP growth rates typically ranging around 3-5%. The country faces challenges including infrastructure deficits, political instability, and heavy dependence on imports, but shows promising potential in hydropower, tourism, and manufacturing sectors. Nepal's economic growth continues to lag behind regional peers in terms of per capita income and industrialization.

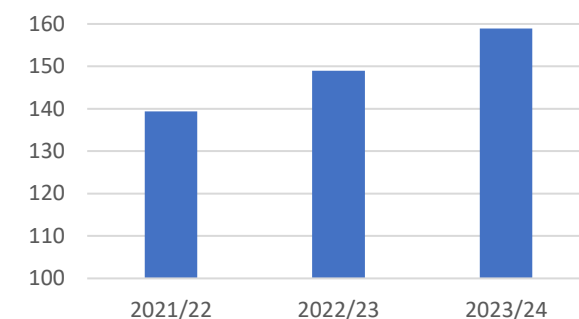
The Fast-Moving Consumer Goods (FMCG) sector comprises products that are sold quickly at relatively low costs, encompassing a wide range of items such as perishable foods, non-perishable groceries, personal care products, and household goods. These goods, often referred to as final goods, are purchased for direct consumption rather than for further production, making them a vital component of everyday consumer spending.

As per Investment Borad Nepal, the manufacturing industries had steady growth throughout the last decade, with a compound average annual growth rate of 13.17%. FMCG production, has been a key contributor to Nepal's manufacturing sector growth. In Nepal, the FMCG industry has experienced robust growth, expanding at an impressive annual rate of 20% [\(source\)](#), significantly outpacing the country's general economic growth, which has remained modest around 3-5%. This rapid expansion is driven by increasing urbanization, rising disposable incomes, and the proliferation of modern retail and e-commerce platforms.

Leading players like Chaudhary Group (CG), Unilever Nepal, Yashoda Foods and other have played a pivotal role in this growth, establishing strong domestic and regional market presence through their recognized brand image.

Despite this progress, challenges such as import dependency, supply chain inefficiencies, and competition from international brands persist. As per NRB, GDP growth rate in manufacturing had only growth of 0.98% in 22/23 compared to that of 8.84% growth in 21/22, and was projected to grow at 2.31% in 23/24. Nevertheless, with increasing consumer demand and strategic investments in local production, Nepal's FMCG and manufacturing sectors are poised for sustained growth, offering significant opportunities for companies like Bottlers Nepal Terai Limited to capitalize on evolving market trends.

Consumer Price Index: Non-alcoholic drinks



2014/15 = 100

Annual Average Consumer Inflation			
Particulars	Percent		
	21/22	22/23	23/24
Consumer Price Index	6.32	7.74	5.44
Food and Beverage	5.69	6.62	6.47
Non-food and Service	6.83	8.62	4.64

Bottler's Nepal Terai

Established in 1985, Bottlers Nepal (Terai) Limited (BNTL) is a licensed bottling partner of The Coca-Cola Company in Nepal. It is one of only two authorized franchise bottlers in the country. BNTL operates primarily in the Terai and adjoining hilly regions, with its production plant based in Bharatpur, Chitwan. The company plays a vital role in distributing some of the world's most recognizable beverage brands, including Coca-Cola, Sprite, Fanta, Kinley, and newer additions such as Coke Zero and Charged Berry Bolt.

BNTL is listed on the Nepal Stock Exchange (NEPSE), with a paid-up capital of NPR 121 million. As of the latest filings, approximately 90.78% of the company's shares are held by its parent company, Bottlers Nepal Limited (BNL), aligning it closely with global Coca-Cola operations and standards.

Comparative Advantages

Coca-Cola remains one of the most trusted and visible global brands, giving BNTL an inherent edge in consumer recall and loyalty. As a Coca-Cola franchisee, BNTL benefits from extensive technical know-how and stringent quality control. It has developed a strong and widespread distribution network that reaches both urban population centers and under-served rural areas—ensuring last-mile delivery in a market where logistical efficiency is often a challenge. The company's ability to deliver across both densely populated cities and geographically isolated regions adds value in a market where retail infrastructure is still maturing.

The introduction of variants like Coke Zero responds to shifting consumer preferences toward healthier, sugar-free alternatives. Similarly, Charged Berry Bolt targets younger demographics looking for flavored energy drinks.

Challenges

Many raw materials and ingredients are imported, making the company vulnerable to currency fluctuations, geopolitical trade disruptions, and inflationary pressures. Ingredients like Acidulant 330 have seen price spikes due to rising fermentation costs.

BNTL also operates in a dynamic product category where evolving health regulations and ingredient scrutiny present ongoing challenges. Ingredients such as Acidulants 330 and 338 have their health concerns, while synthetic colors like 122 and 124, have faced regulatory bans or restrictions in neighboring markets due to health risks. While currently permitted in Nepal, rising health consciousness may prompt future reformulations and labeling requirements.

Multinational and domestic players alike continue to expand aggressively in Nepal's FMCG landscape. Brands like PepsiCo, Red Bull, Nimbu Pani, and local beverages pose competition not only in pricing but in niche offerings and promotional activities

Conclusion

In conclusion, Bottlers Nepal (Terai) Limited stands at a strategic inflection point. It has the operational capacity, brand strength, and market access to drive future growth. Yet, success in the coming years will depend on how effectively it navigates regulatory challenges, environmental sustainability, and the evolving preferences of Nepal's youthful, urbanizing population.

Healthier beverages, functional drinks, and low-sugar alternatives are rapidly gaining traction. Investments in R&D and market testing will be crucial to meet changing consumer tastes.

Bottlers Nepal (Terai) Limited - One Page Profile

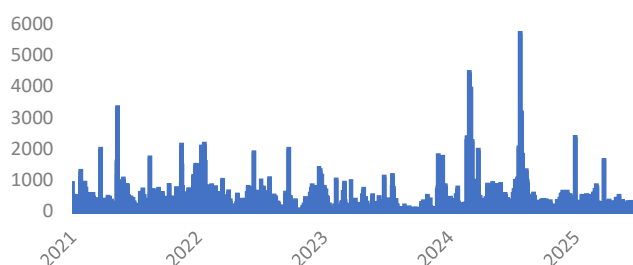


Recognized as one of the most prestigious multinational companies in Nepal, Bottlers Nepal (Terai) Limited (BNTL) is a publicly listed company with over 38 years of operation in Nepal. It is primarily engaged in the production, manufacture, sale, and distribution of carbonated beverages and packaged drinking water under brands such as Coca-Cola®, Sprite®, Fanta®, Coke-Zero®, and Kinley®. BNTL, along with its parent company Bottlers Nepal Limited (BNL), holds the exclusive rights as the authorized bottler and supplier of The Coca-Cola Company (TCCC) in Nepal.

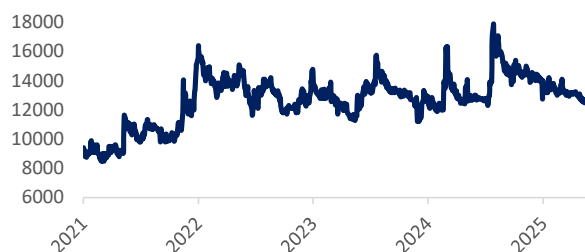
NRS MM

Key Financial Metrics	3/77	3/78	3/79	3/80	3/81
Total Revenue	4,693	6,164	9,114	9,320	8,771
Revenue Growth (y-o-y)	-15.91%	31.34%	47.85%	2.26%	-5.89%
Gross Profit Margin (%)	25.36%	28.53%	26.28%	25.32%	24.75%
EBITDA Margin (%)	16.08%	20.65%	18.37%	16.47%	14.51%
EBIT Margin (%)	6.21%	12.86%	12.81%	11.01%	8.22%
Net Profit Margin (%)	0.12%	6.87%	6.87%	6.85%	3.87%
Earnings Per Share (Rs)	4.65	350.18	517.15	527.96	280.73
EPS Growth (y-o-y)	-98.76%	7426.56%	47.68%	2.09%	-46.83%
Dividend Per Share (Rs)	40	0	0	60	60

Volume - 5Y



Share Price - 5Y



Key Financial Ratios	3/77	3/78	3/79	3/80	3/81
Price to Earning (P/E)	1,333.0x	35.0x	30.0x	26.0x	46.0x
Price to Book (P/B)	3.3x	5.5x	5.6x	4.3x	3.8x
EV / EVITDA	14.9x	13.9x	12.5x	12.7x	14.4x
EV / Sales	2.4x	2.9x	2.3x	2.1x	2.1x
Return on Equity (%)	0.25%	15.74%	18.87%	16.35%	8.13%
Return on Capital Employed (%)	6.57%	18.06%	25.09%	21.95%	14.69%

Shareholding	N. Shares	Percentage	Market Value (MM)
Bottlers Nepal Limited	1,098,427	90.78%	13631.5
Other Shareholders	111,528	9.22%	1384.1
Total	1,209,955	100.00%	15015.5

Capital Structure	
Market Capitalization	15015.54155
Less: Cash & Equivalent	-20.09588
Add: Debt	2589.715495
Enterprise Value	17585.16117

Note: The shareholding and market capitalization information are as of Jestha 25

Disclaimer: This report is made as part of educational assignment purpose only. The author of this report is not liable for any losses due to action taken on basis of this report.

Historical Financial Statement - Bottlers Nepal (Terai) Limited

Years	3/74	3/75	3/76	3/77	3/78	3/79	3/80	3/81
# Income Statement								
Revenue	4,574.0	5,658.4	5,581.4	4,693.3	6,164.4	9,114.1	9,320.0	8,771.3
Revenue Growth		23.71%	-1.36%	-15.91%	31.34%	47.85%	2.26%	-5.89%
COGS	2,886.7	3,361.8	3,490.3	3,039.8	3,925.6	6,212.2	6,450.6	6,049.0
COGS % Sales		16.46%	3.82%	-12.91%	29.14%	58.25%	3.84%	-6.23%
Gross Profit	1,687.3	2,296.6	2,091.1	1,653.5	2,238.8	2,901.8	2,869.4	2,722.3
Gross Margin	36.89%	40.59%	37.47%	35.23%	36.32%	31.84%	30.79%	31.04%
Other Operating income	65.1	59.8	229.8	154.6	47.2	84.4	80.9	31.8
Selling & General Expenses	877.2	1,160.1	1,289.4	1,053.7	1,013.2	1,311.7	1,415.4	1,481.3
S&G Exp % Sales	19.18%	20.50%	23.10%	22.45%	16.44%	14.39%	15.19%	16.89%
EBITDA	875.3	1,196.3	1,031.5	754.5	1,272.8	1,674.6	1,534.9	1,272.9
EBITDA Margins	19.14%	21.14%	18.48%	16.08%	20.65%	18.37%	16.47%	14.51%
Interest	60.6	30.4	43.8	283.0	280.2	203.5	311.1	272.7
Interest % Sales	1.32%	0.54%	0.78%	6.03%	4.54%	2.23%	3.34%	3.11%
Depreciation	225.4	254.6	363.1	463.2	479.9	507.1	509.1	551.8
Depreciation % Sales	4.93%	4.50%	6.50%	9.87%	7.79%	5.56%	5.46%	6.29%
Earnings Before Tax	589.3	911.3	624.7	8.3	512.6	964.0	714.7	448.4
EBT % Sales	12.88%	16.11%	11.19%	0.18%	8.32%	10.58%	7.67%	5.11%
Tax	106.7	170.0	171.1	2.6	88.9	338.3	75.9	108.8
Effective Tax Rate	18.10%	18.66%	27.39%	31.83%	17.35%	35.09%	10.61%	24.25%
Net Profit	482.6	741.3	453.5	5.6	423.7	625.7	638.8	339.7
Net Margins	10.55%	13.10%	8.13%	0.12%	6.87%	6.87%	6.85%	3.87%
No of Equity Shares	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.21
Earnings per Share	398.86	612.67	374.83	4.65	350.18	517.15	527.96	280.73
EPS Growth %		53.60%	-38.82%	-98.76%	7426.56%	47.68%	2.09%	-46.83%
Dividend per Share	28.4	25.0	40.0	40.0	-	-	60.0	60.0
Dividend payout ratio	5.88%	3.37%	8.82%	710.52%	-	-	9.39%	17.66%
Retained Earnings	94.12%	96.63%	91.18%	0.00%	100.00%	100.00%	90.61%	82.34%
# Financial Position								
Property, Plant and Equipment	2,776.2	2,887.9	6,076.2	6,158.9	5,807.2	5,677.4	5,712.6	5,526.5
Intangible Assets	72.3	57.9	40.2	54.5	30.5	13.5	6.1	10.6
Advances	-	-	6.6	1.0	0.3	0.7	1.7	5.1
Total Non-Current Assets	2,848.5	2,945.8	6,123.1	6,214.4	5,838.0	5,691.5	5,720.5	5,542.2

Historical Financial Statement - Bottlers Nepal (Terai) Limited								
Years	3/74	3/75	3/76	3/77	3/78	3/79	3/80	3/81
Cash and Cash Equivalents	309.6	24.6	251.2	219.7	248.3	91.4	19.0	20.1
Trade Receivables	69.4	159.5	133.8	125.8	223.7	255.1	431.0	923.4
Inventories	858.8	884.9	861.1	1,086.8	1,114.1	1,496.4	1,887.1	2,710.2
Other Current Asset	117.6	234.3	377.6	676.3	614.1	794.3	1,183.2	900.6
Current Assets	1,355.3	1,303.4	1,623.6	2,108.7	2,200.2	2,637.2	3,520.3	4,554.3
Total Assets	4,203.8	4,249.2	7,746.7	8,323.1	8,038.3	8,328.7	9,240.7	10,096.5
Borrowings	810.6	496.6	1,599.3	2,245.6	2,070.3	1,842.6	2,776.4	2,589.7
Trade Payables	1,275.8	797.0	1,437.3	763.6	344.0	581.1	513.7	1,220.4
Other Current Liability	502.3	596.0	943.5	882.4	1,235.1	1,251.9	1,277.7	1,375.9
Current liability	2,588.7	1,889.6	3,980.1	3,891.6	3,649.4	3,675.5	4,567.8	5,186.0
Equity Share Capital	121.0	121.0	121.0	121.0	121.0	121.0	121.0	121.0
Reserve and Surplus	1,145.8	1,866.0	2,219.9	2,145.1	2,570.8	3,196.0	3,787.3	4,055.9
Borrowing	-	-	959.0	1,700.4	1,130.4	560.4	-	-
Other Non Current Liability	348.4	372.5	466.8	465.0	566.6	775.8	764.6	733.6
Total equity and liability	4,203.8	4,249.2	7,746.7	8,323.1	8,038.3	8,328.7	9,240.7	10,096.5
# Cash Flow Statements								
Operating Activities								
Profit for the year	589.3	911.3	624.7	8.3	512.6	964.0	714.7	448.4
Adjustments:	332.8	341.8	459.8	827.2	854.3	801.8	910.4	926.4
Working capital adjustments:								
Trade payable & other liabilities	500.6	(370.4)	959.4	(775.4)	(74.7)	332.3	57.3	838.8
Provisions	15.4	28.6	45.1	41.4	38.4	34.6	(12.6)	(52.0)
Trade and other receivables	77.4	(215.1)	36.8	12.1	(102.9)	(263.4)	(85.4)	(520.2)
Loans and advances	(2.6)	7.5	(160.3)	(297.4)	68.3	52.8	(482.8)	290.0
Inventories	(3.6)	(26.1)	23.8	(225.7)	(27.3)	(382.3)	(390.7)	(823.1)
Cash generated from operations	1,509.4	677.7	1,989.3	(409.4)	1,268.8	1,539.8	710.8	1,108.4
Direct taxes paid (net of refunds)	(71.1)	(180.0)	(138.0)	(35.1)	(11.7)	(242.9)	(146.1)	(101.0)
NET CF FROM OP. ACTIVITIES	1,438.2	497.6	1,851.4	(444.6)	1,257.1	1,296.9	564.8	1,007.4
Investing Activities								
Acquisition of PPE	(435.0)	(405.0)	(3,619.2)	(617.7)	(198.5)	(451.6)	(635.1)	(459.1)
Purchase of Intangibles	(78.3)	(3.7)	(0.4)	(36.8)	-	-	-	(14.7)
Proceeds from sale of PPE	5.4	-	19.2	7.4	0.1	0.2	8.0	1.7
Interest Received	0.7	10.6	15.7	16.0	9.4	10.8	7.0	0.2
NET CF FROM INV. ACTIVITES	(507.1)	(398.2)	(3,584.7)	(631.2)	(189.0)	(440.6)	(620.1)	(471.9)
Financing Activities								
Repayment of Borrowings	(544.2)	(314.0)	2,061.6	1,387.7	(745.3)	(797.8)	373.4	(186.7)
Interest paid	(63.9)	(40.2)	(53.3)	(295.0)	(294.3)	(215.4)	(317.9)	(275.1)
Dividend paid	(34.3)	(30.3)	(48.4)	(48.4)	-	-	(72.6)	(72.6)
NET CF FROM FIN. ACTIVITES	(642.4)	(384.5)	1,959.9	1,044.3	(1,039.5)	(1,013.1)	(17.1)	(534.4)
INC/(DEC) IN CASH & CASH EQ.	288.7	(285.0)	226.6	(31.4)	28.5	(156.9)	(72.4)	1.1
CASH & CASH EQ. Start of Year	20.8	309.6	24.6	251.2	219.7	248.3	91.4	19.0
CASH & CASH EQ. End of Year	309.6	24.6	251.2	219.7	248.3	91.4	19.0	20.1

Ratio Analysis

Historical Financial Statement - Bottlers Nepal (Terai) Limited										
Years	3/74	3/75	3/76	3/77	3/78	3/79	3/80	3/81	Average	Median
SalesGrowth	23.71%	-1.36%	-15.91%	31.34%	47.85%	2.26%	-5.89%	11.71%	2.26%	
EBITDA Growth	36.68%	-13.78%	-26.85%	68.69%	31.57%	-8.34%	-17.07%	10.13%	-8.34%	
EBIT Growth	44.90%	-29.02%	-56.43%	172.22%	47.26%	-12.14%	-29.70%	19.58%	-12.14%	
Net Profit Growth	53.60%	-38.82%	-98.76%	7426.56%	47.68%	2.09%	-46.83%	1049.36%	2.09%	
Dividend Growth	-11.86%	60.00%	0.00%	-100.00%	0.00%	0.00%	0.00%	-7.41%	0.00%	
Gross Margin	36.89%	40.59%	37.47%	35.23%	36.32%	31.84%	30.79%	31.04%	35.02%	35.77%
EBITDA Margin	19.14%	21.14%	18.48%	16.08%	20.65%	18.37%	16.47%	14.51%	18.10%	18.43%
EBIT Margin	14.21%	16.64%	11.98%	6.21%	12.86%	12.81%	11.01%	8.22%	11.74%	12.39%
EBT Margin	12.88%	16.11%	11.19%	0.18%	8.32%	10.58%	7.67%	5.11%	9.00%	9.45%
Net Profit Margin	10.55%	13.10%	8.13%	0.12%	6.87%	6.87%	6.85%	3.87%	7.05%	6.87%
SalesExpenses%Sales	19.18%	20.50%	23.10%	22.45%	16.44%	14.39%	15.19%	16.89%	18.52%	18.03%
Depreciation%Sales	4.93%	4.50%	6.50%	9.87%	7.79%	5.56%	5.46%	6.29%	6.36%	5.93%
OperatingIncome%Sales	14.21%	16.64%	11.98%	6.21%	12.86%	12.81%	11.01%	8.22%	11.74%	12.39%
Return on Capital Employed	40.24%	39.91%	17.75%	6.57%	18.06%	25.09%	21.95%	14.69%	23.03%	20.01%
Retained Earnings%	94.12%	96.63%	91.18%	0.00%	100.00%	100.00%	90.61%	82.34%	81.86%	92.65%
Return on Equity%	38.10%	37.31%	19.37%	0.25%	15.74%	18.87%	16.35%	8.13%	19.26%	17.61%
Self Sustained Growth Rate	35.86%	36.05%	17.67%	0.00%	15.74%	18.87%	14.81%	6.70%	18.21%	16.70%
Interest Coverage Ratio	10.7x	31.0x	15.3x	1.0x	2.8x	5.7x	3.3x	2.6x	906.85%	451.69%
Debtor Turnover Ratio	65.9x	35.5x	41.7x	37.3x	27.6x	35.7x	21.6x	9.5x	3435.26%	3560.47%
Creditor Turnover Ratio	2.3x	4.2x	2.4x	4.0x	11.4x	10.7x	12.6x	5.0x	656.31%	458.72%
Inventory Turnover	3.4x	3.8x	4.1x	2.8x	3.5x	4.2x	3.4x	2.2x	341.70%	347.10%
Fixed Asset Turnover	1.6x	1.9x	0.9x	0.8x	1.1x	1.6x	1.6x	1.6x	138.32%	159.28%
Capital Turnover Ratio	2.8x	2.4x	1.5x	1.1x	1.4x	2.0x	2.0x	1.8x	1.9x	1.9x
Receivable Days	6days	10days	9days	10days	13days	10days	17days	38days	14	10
Payable Days	161days	87days	150days	92days	32days	34days	29days	74days	82	80
Inventory Days	109days	96days	90days	130days	104days	88days	107days	164days	111	105
Cash Conversion Cycle	-47days	20days	-52days	49days	85days	64days	95days	128days	43	56
CFO/Sales	33.00%	11.98%	35.64%	-8.72%	20.58%	16.89%	7.63%	12.64%	16.20%	14.77%
CFO/Total Assets	35.90%	15.95%	25.68%	-4.92%	15.78%	18.49%	7.69%	10.98%	15.69%	15.87%
CFO/Total Debt	186.21%	136.46%	77.76%	-10.38%	39.64%	64.08%	25.60%	42.80%	70.27%	53.44%

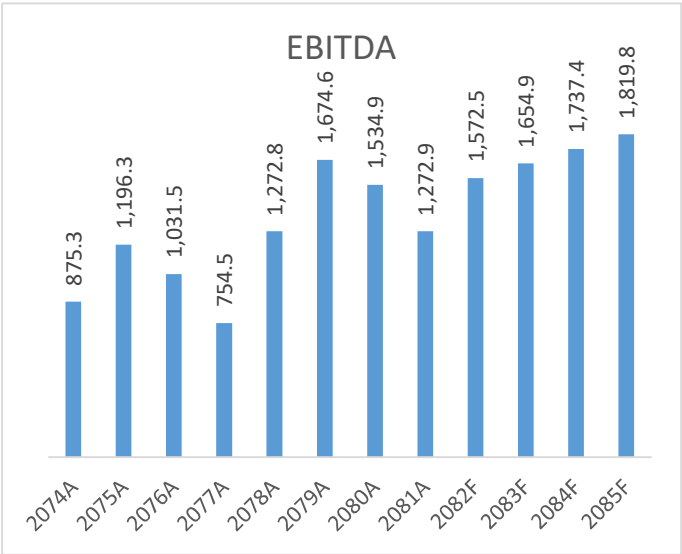
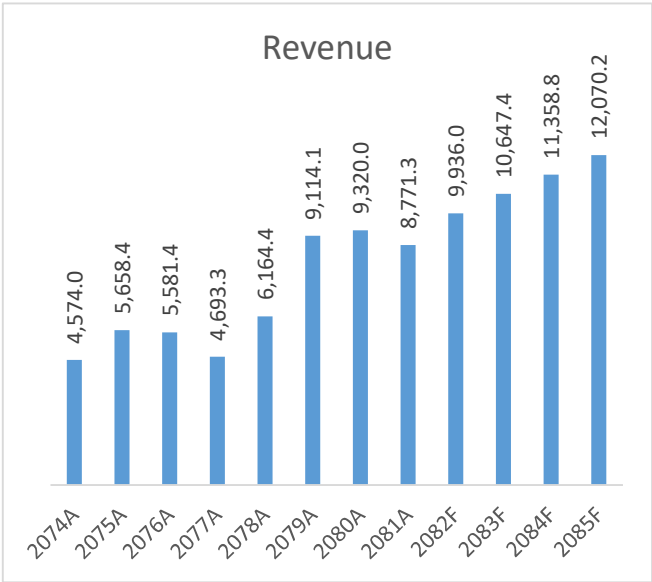
Forecasting

BNT - Revenue Forecasting

Weight	Year	Revenue	Sales Growth
1	2074A	4,574.0	
2	2075A	5,658.4	23.71%
3	2076A	5,581.4	-1.36%
4	2077A	4,693.3	-15.91%
5	2078A	6,164.4	31.34%
6	2079A	9,114.1	47.85%
7	2080A	9,320.0	2.26%
8	2081A	8,771.3	-5.89%
9	2082F	9,936.0	13.28%
10	2083F	10,647.4	7.16%
11	2084F	11,358.8	6.68%
12	2085F	12,070.2	6.26%

BNT - EBITDA Forecasting

Weight	Year	EBITDA	EBITDA Growth
1	2074A	875.3	
2	2075A	1,196.3	36.68%
3	2076A	1,031.5	-13.78%
4	2077A	754.5	-26.85%
5	2078A	1,272.8	68.69%
6	2079A	1,674.6	31.57%
7	2080A	1,534.9	-8.34%
8	2081A	1,272.9	-17.07%
9	2082F	1,572.5	23.54%
10	2083F	1,654.9	5.24%
11	2084F	1,737.4	4.98%
12	2085F	1,819.8	4.74%



Intrinsic Growth

Calculation of Return on Invested Capital	3/74	3/75	3/76	3/77	3/78	3/79	3/80	3/81
Current Asset								
Cash and Cash Equivalents	309.6	24.6	251.2	219.7	248.3	91.4	19.0	20.1
Trade Receivables	69.4	159.5	133.8	125.8	223.7	255.1	431.0	923.4
Inventories	858.8	884.9	861.1	1,086.8	1,114.1	1,496.4	1,887.1	2,710.2
Other Current Asset	117.6	234.3	377.6	676.3	614.1	794.3	1,183.2	900.6
Total Current Assets	1,355.3	1,303.4	1,623.6	2,108.7	2,200.2	2,637.2	3,520.3	4,554.3
Current Liabilities								
Borrowings	810.6	496.6	1,599.3	2,245.6	2,070.3	1,842.6	2,776.4	2,589.7
Trade Payables	1,275.8	797.0	1,437.3	763.6	344.0	581.1	513.7	1,220.4
Other Current Liability	502.3	596.0	943.5	882.4	1,235.1	1,251.9	1,277.7	1,375.9
Total Current Liabilities	2,588.7	1,889.6	3,980.1	3,891.6	3,649.4	3,675.5	4,567.8	5,186.0
Net Working Capital	(1,233.4)	(586.3)	(2,356.4)	(1,782.9)	(1,449.2)	(1,038.3)	(1,047.6)	(631.7)
Non Current Assets								
Property, Plant and Equipment	2,776.2	2,887.9	6,076.2	6,158.9	5,807.2	5,677.4	5,712.6	5,526.5
Intangible Assets	72.3	57.9	40.2	54.5	30.5	13.5	6.1	10.6
Total Non Current Assets	2,848.5	2,945.8	6,116.4	6,213.4	5,837.8	5,690.9	5,718.7	5,537.0
Invested Capital	1,615.1	2,359.5	3,760.0	4,430.5	4,388.5	4,652.5	4,671.2	4,905.3
EBIT	649.9	941.7	668.4	291.2	792.8	1,167.5	1,025.8	721.1
ROIC	40.24%	39.91%	17.78%	6.57%	18.07%	25.09%	21.96%	14.70%
Calculation of Reinvestment Rate								
	3/74	3/75	3/76	3/77	3/78	3/79	3/80	3/81
Net Capex	507.9	408.7	3,600.4	647.2	198.4	451.4	627.1	472.1
Change In Working Capital		647.1	(1,770.1)	573.5	333.7	410.9	(9.2)	415.8
EBIT	649.9	941.7	668.4	291.2	792.8	1,167.5	1,025.8	721.1
Marginal Rate	16%	16%	16%	16%	16%	16%	16%	16%
EBIT(1-T)	545.9	791.0	561.5	244.6	666.0	980.7	861.7	605.7
Reinvestment		1,055.8	1,830.3	1,220.7	532.1	862.3	617.9	887.9
Reinvestment Rate		133.47%	325.97%	498.95%	79.90%	87.92%	71.71%	146.59%
						7 Year Average	192.07%	
						7 Year Median	192.07%	
						Forecasted	66.33%	
Calculation of Growth Rate				3/77	3/78	3/79	3/80	3/81
Reinvestment Rate	133.47%		325.97%	498.95%	79.90%	87.92%	71.71%	146.59%
ROIC	39.91%		17.78%	6.57%	18.07%	25.09%	21.96%	14.70%
Intrinsic Growth	53.27%		57.95%	32.80%	14.43%	22.06%	15.75%	21.55%
						7 Year Average	31.12%	
						7 Year Median	22.06%	

Beta Regression

Regression Beta - 2 Years Weekly

Bottlers Nepal (Terai) Limited Weekly Returns

Date	Closing Price	Return
4/16/2023	11907	
4/23/2023	11650	-2.16%
4/30/2023	11450	-1.72%
5/7/2023	11670	1.92%
5/14/2023	11600	-0.60%
5/21/2023	13005	12.11%
5/28/2023	12362.4	-4.94%
6/4/2023	13000	5.16%
6/11/2023	13083	0.64%
6/18/2023	13431	2.66%
6/25/2023	13426	-0.04%
7/2/2023	13394.6	-0.23%
7/9/2023	13800	3.03%
7/17/2023	15695	13.73%
7/23/2023	14601	-6.97%
7/30/2023	14405	-1.34%
8/6/2023	14406	0.01%
8/13/2023	14300	-0.74%
8/20/2023	13525	-5.42%
8/27/2023	13377	-1.09%
9/3/2023	13200	-1.32%
9/11/2023	13464	2.00%
9/17/2023	13500.1	0.27%
9/24/2023	13300	-1.48%
10/2/2023	13000	-2.26%
10/8/2023	13000	0.00%
10/16/2023	13363	2.79%
10/29/2023	13158	-1.53%
11/5/2023	12703	-3.46%
11/20/2023	12590	-0.89%
11/26/2023	11200	-11.04%
12/3/2023	11315.1	1.03%
12/11/2023	12443.1	9.97%
12/17/2023	13100	5.28%
12/24/2023	12580	-3.97%
1/1/2024	12350.2	-1.83%
1/7/2024	12750	3.24%
1/14/2024	12446	-2.38%
1/21/2024	12001	-3.58%
1/28/2024	11900	-0.84%
2/4/2024	12300	3.36%
2/11/2024	12011	-2.35%
2/18/2024	13950	16.14%
3/3/2024	14000	0.36%

Nepse Returns

Closing Price	Return
1904.4	
1889.73	-0.77%
1869.73	-1.06%
1838.59	-1.67%
1877.32	2.11%
1959.12	4.36%
1866.34	-4.74%
1939.61	3.93%
2042.07	5.28%
2055.53	0.66%
2150.99	4.64%
2049.38	-4.72%
2084.93	1.73%
2163.92	3.79%
2126.48	-1.73%
2089.84	-1.72%
2066.05	-1.14%
2033.13	-1.59%
2013.93	-0.94%
1990.59	-1.16%
1932.45	-2.92%
2007.06	3.86%
2029.78	1.13%
2004.3	-1.26%
1956.92	-2.36%
1874.6	-4.21%
1903.84	1.56%
1847.7	-2.95%
1852.08	0.24%
1860.2	0.44%
1858.53	-0.09%
1852.77	-0.31%
1994.6	7.66%
2109.1	5.74%
2068.9	-1.91%
2049.28	-0.95%
2088.99	1.94%
2155.82	3.20%
2084.09	-3.33%
2067.01	-0.82%
2096.38	1.42%
2062.03	-1.64%
2005.83	-2.73%
2030.55	1.23%

Beta Drifting

Levered Raw Beta	0.63
Raw Beta Weight	75.00%
Market Beta	1.00
Market Beta Weight	25.00%

Adjusted Beta 0.72

SUMMARY OUTPUT

Regression Statistics	
Multiple R	0.369776
R Square	0.136734
Adjusted R Square	0.128187
Standard Error	0.048776
Observations	103

ANOVA	
	df
Regression	1
Residual	101
Total	102

Coefficients	
Intercept	-0.000271
X Variable 1	0.626557

Weighted Average Cost of Capital

All figures are in NRP unless stated otherwise.

Cost of Debt		
Pre-tax Cost of Debt		10.06%
Tax Rate		16.00%
After Tax Cost of Debt		8.45%

Cost of Equity		
Risk Free Rate		10.00%
Equity Risk Premium		3.12%
Levered Beta 4		0.72
Cost of Equity		12.25%

Capital Structure		
		Current
Total Debt	2,589.72	14.58%
Market Capitalization	15,175.82	85.42%
Total Capitalization	17,765.5	100.00%
Debt / Equity		17.06%

Weighted Average Cost of Capital		
Cost of Equity		12.25%
Equity Weight		85.42%
Cost of Debt		8.45%
Debt Weight		14.58%
WACC		11.69%

DCF Valuation

Calculation of PV of FCFF	3/81A	3/82F	3/83F	3/84F	3/85F	3/86F
EBIT	721.1	945.5	1,239.7	1,625.4	2,131.2	2,794.4
Tax Rate	16%	16%	16%	16%	16%	16%
EBIT (1-T)	605.7	794.2	1,041.3	1,365.4	1,790.2	2,347.3
Less: Reinvestment rate	0.7	0.7	0.7	0.7	0.7	0.7
Free Cash Flow to Firm (FCFF)	203.9	267.4	350.6	459.7	602.8	790.3
Mid Year Convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		0.946	0.847	0.758	0.679	0.608
PV of FCFF		253.0	297.0	348.7	409.3	480.5

Expected Growth	31.12%
Terminal Growth	4.5%
WACC	11.69%

Calculation of Terminal Value	
FCFF(n+1)	1,036.2
WACC	11.69%
Terminal Growth Rate	4.50%

Terminal Value	14,406.7
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Calculation of Intrinsic Value of Equity Share	
PV of FCFF	1,788.6
PV of Terminal Value	14,406.7
Enterprise Value	16,195.3

Add: Cash	20.1
Less: Debt	2,589.7
Equity Value	13,625.7
No. of shares	1.2

Intrinsic Value of Equity Share	11,260.9
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Current Share Price	12410 As of 06/09/2025
Premium/(Discount)	1.1x

Note: The company is special industry as defined u/s 11 of Income Tax Act 2058, the normal applicable tax rate for which is 20%. Company has further availed rebate of 20% provided to special industries employing 300 or more Nepalese employees during the year. Therefore tax rate applicable for income from special industry is 16%.

Sensitivity Analysis: Terminal Value					
Terminal Value ↑	WACC →				
	9.00%	11.69%	13.00%	15.00%	
	4.00%	20724.89	13470.35	11513.83	9420.406
	5.00%	25906.12	15483.01	12953.06	10362.45
	6.50%	42123.77	20110.38	16040.94	12248.76
	7.00%	51812.23	22081.66	17270.74	12953.06
	8.00%	103624.5	28061.34	20724.89	14803.5

Comparable Company Valuation

Figures in MM

Company	Ticker	Market Data					Financials			Valuation		
		Share Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Bottlers Nepal Terai	BNT	12410	1.21	15,016	2,569.62	12,446	8,771	1,273	340	1.42x	9.78x	44.21x
Unilever Nepal Limited	UNL	46000	0.92	42,366	(858.53)	41,507	8,481	4,678	1,955	4.89x	8.87x	21.67x
Bottlers Nepal Limited	BNL	15584	1.95	30,372	3,114.09	33,486	11,227	3,574	383	2.98x	9.37x	79.30x
Himalayan Distillery	HDL	1177	30.73	36,173	(1,239.20)	34,934	4,155	483	356	8.41x	72.29x	101.60x
Average										4.43x	25.08x	61.69x
Median										3.94x	9.57x	61.75x

BNT Comparable Valuation										EV/Revenue	EV/EBITDA	P/E
Implied Enterprise Value										34,546	12,187	23,546
Net Debt										2,570	2,570	2,570
Implied Market Value										31,976	9,617	20,976
Shares Outstanding										1.21	1.21	1.21
Implied value per Share										26,426	7,948	17,336
										Undervalued	Overvalued	Undervalued

Monte Carlo Simulation

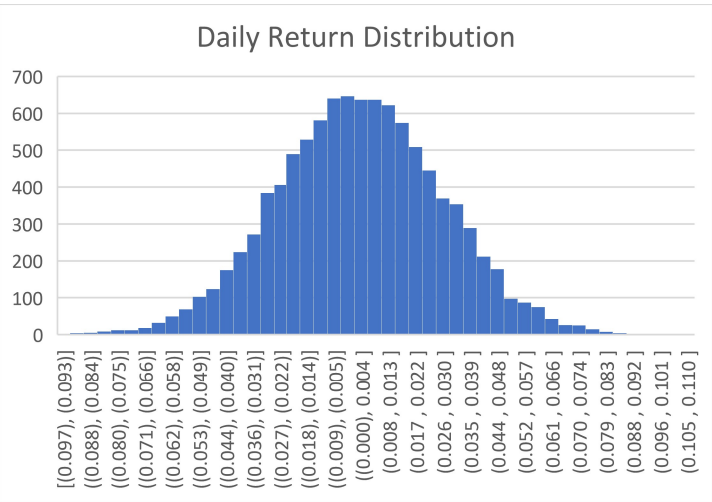
Date	Close	Shorted Return	Replication	Simulated Returns
12/17/2017	7800	0.114	1	(0.002)
7/24/2024	16412	0.100	2	(0.002)
2/28/2024	16144.7	0.100	3	(0.001)
11/15/2021	13007.5	0.100	4	(0.007)
11/14/2021	11825	0.100	5	0.041
5/11/2021	10065	0.100	6	(0.029)
12/10/2017	6490	0.100	7	(0.004)
5/21/2017	6644	0.100	8	(0.048)
5/18/2017	6040	0.100	9	0.068
5/17/2017	5491	0.100	10	(0.007)
5/12/2021	11071	0.100	11	(0.060)
11/24/2020	10400	0.100	12	(0.010)
2/21/2024	13194	0.100	13	(0.008)
11/19/2020	9290	0.100	14	(0.006)
2/19/2020	7727	0.100	15	(0.032)
2/20/2020	8499	0.100	16	0.007
11/18/2020	8446	0.100	17	(0.035)
5/15/2017	4539	0.100	18	0.010
5/16/2017	4992	0.100	19	(0.002)
12/26/2021	14598	0.098	20	0.037
9/6/2021	10699	0.092	21	0.034
5/6/2024	14069.8	0.090	22	0.002
12/2/2020	9599	0.088	23	(0.000)
2/27/2024	14677	0.087	24	(0.018)
5/23/2017	7354	0.085	25	0.014
3/5/2020	7423	0.082	26	0.003
7/25/2017	7300	0.081	27	0.054
8/16/2018	6075	0.081	28	0.036
11/16/2021	14051	0.080	29	(0.012)
7/20/2023	15695	0.079	30	0.047
4/8/2018	6167	0.078	31	(0.048)
10/31/2021	11104	0.078	32	0.027
4/30/2024	13500	0.076	33	0.030
11/17/2022	12700	0.075	34	(0.039)
12/6/2021	12600	0.074	35	0.023
7/23/2024	14920	0.073	36	0.005
1/19/2020	6650	0.073	37	0.004
6/29/2022	13050	0.070	38	0.009
11/9/2020	7350	0.069	39	(0.027)
12/22/2020	8550	0.069	40	(0.001)
1/26/2021	9750	0.066	41	0.031
12/29/2022	14650	0.065	42	0.013
3/25/2021	9500	0.063	43	0.012
3/10/2021	9019	0.063	44	0.007
1/3/2021	9422	0.062	45	(0.015)
7/29/2022	14115	0.061	46	0.006
3/4/2024	16344.4	0.061	47	(0.001)
1/1/2025	13530	0.061	48	(0.021)
7/14/2022	13530	0.061	49	0.002
7/19/2023	14550	0.060	50	(0.043)
12/13/2017	7140	0.060	51	0.023
10/1/2024	15038	0.059	52	0.009

Calculation of Value at Risk - BNT (Simulation)

Historical Approach	
Mean	0.0011
Std. Dev	0.0268
Min	(0.0999)
Max	0.1140
CMP	12410

Monte Carlo Simulation	
Mean	0.0011
Std Deviation	0.0268
Min	(0.0973)
Max	0.1086
CMP	12410

Percentile	Confidence	VAR	Stock Price	VAR (NRP)
5.00%	95%	-0.04262	12,938.9	(528.9)
1.00%	99%	-0.06121	13,169.6	(759.6)
0.10%	100%	-0.0857	13,473.5	(1,063.5)



Sources

- NRB Website (<https://www.nrb.org.np/>)
- Investment Board Nepal (<https://ibn.gov.np/>)
- NEPSE Alpha (<https://www.nepsealpha.com/>)
- Company's Website (<https://bnl.com.np/about>)
- <https://century.com.np/fmcg-industry-in-nepal/>

Disclaimer: This is an academic project and is not meant for commercial usage.