

Unaudited Financial Results (Quarterly)

As at the end of First Quarter (17/10/2023) of the Fiscal Year 2080/81 (FY 2023-2024)

NPR in Thousand

S.N	Particulars	As on date 17.10.2023 (Unaudited)	As on date 17.10.2022 (Unaudited)
A	ASSETS		
	NON-CURRENT ASSETS		
	Non-Financial Assets:		
	Intangible Assets	7,117	14,453
	Property, Plant and Equipment	5,633,945	5,679,811
	Financial Assets:		
	Advances	10,210	8,005
	CURRENT ASSETS		
	Non Financial Assets:		
	Inventories	2,059,458	1,455,879
	Prepayments	31,875	30,468
	Advances	1,518,476	1,013,105
	Income Tax Receivable	64,828	-
	Financial Assets:		
	Advances	-	-
	Other Current Assets	21,162	200,085
	Trade Receivables	810,224	489,248
	Cash and Cash Equivalents	580,075	84,369
	Total Assets	10,737,372	8,975,424
B	EQUITY AND LIABILITIES		
	EQUITY		
	Equity Share Capital	121,000	121,000
	Reserve and Surplus	3,920,877	3,513,702
	NON-CURRENT LIABILITIES		
	Non-Financial Liabilities:		
	Deferred Tax Liability	215,258	179,800
	Financial Liabilities:		
	Retirement Benefit Obligation	456,414	474,650
	Non Current Borrowing	-	560,407
	Lease Liabilities	91,627	96,433
	CURRENT LIABILITIES		
	Financial Liabilities:		
	Retirement Benefit Obligation	45,678	89,539
	Borrowings	3,613,674	1,733,433
	Trade Payables	793,618	773,962
	Lease Liabilities	8,982	17,746
	Other Financial Liabilities	1,470,244	1,369,710
	Income Tax Payable	-	45,041
	Total Equity and Liabilities	10,737,372	8,975,424

C	Profit and Loss Account	Current Period		Previous Period	
		17.07.2023 to 17.10.2023	Annualized	16.07.2022 to 17.10.2022	Annualized
	Revenue from Operations	2,468,553		2,992,674	
	Cost of Sales	(1,748,294)		(2,102,301)	
	Gross Profit	720,260		890,373	
	Other Operating Income	6,461		14,822	
	Selling and Distribution Expenses	(395,518)		(394,462)	
	Administrative and Operating Expenses	(108,829)		(111,729)	
	Profit from Operations	222,374		399,005	
	Finance Costs	(65,042)		(51,579)	
	Finance Income	-		3,358	
	Profit Before Tax	157,331		350,783	
	Income Tax Expense				
	Current Tax	(25,755)		(57,761)	
	Prior Period Tax Adjustments	-		-	
	Deferred Tax	1,460		23,766	
	Net Profit	133,036		316,788	
D	Major Indicators	17.07.2023 to 17.10.2023	Annualized	16.07.2022 to 17.10.2022	Annualized
	1. Earnings per Share (NPR)	110	440	262	1,047
	2. Market Value per Share (NPR)	12,951	12,951	12,299	12,299
	3. Price Earnings Ratio	118	29	47	12
	4. Current Ratio	0.7		0.7	
	5. Return on Equity	3%	14%	9%	38%
	6. Return on Total Assets	1.5%	5.9%	3.9%	15.5%
	7. Net Worth per Share (NPR)		3,235		2,789

Note:

- Figures are regrouped wherever necessary for consistent presentation and comparison.
- Above presented figures may vary with the audited figures if amended by the external auditors and/or regulator.
- Quarterly earnings per share, Price earning ratio, return on equity, return on total assets and net worth per share are calculated based on quarterly accumulated 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 accumulated unaudited profits and number of equity shares outstanding at the reporting date.

E. Related Party Disclosure

Upto the end of the fourth quarter, the following related party transactions have occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	809,775
Transfer fee payable to BNL	38,817
Transfer fee receivable from BNL	1,066

F. Management Analysis

- The net profit has decreased by NPR 183 MM at the end of the quarter as compared to first quarter of previous year mainly due to drop in volume along with the increase in currency devaluation, rise in interest rates, diesel prices, selling and distribution cost, etc. that have increased the cost base of the company.
- 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

- 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.
- High, Low and Closing Price of the stocks of the company during this quarter along with total volume of trading of shares and number of days traded**

Particulars	17.07.2023 to 17.10.2023 (1 st Quarter)
Maximum Price (NPR)	16,200
Minimum Price (NPR)	12,800
Closing Price (NPR)	12,951
No. of Trades (Total Transaction)	510
Days of Trading	61

I. Risks and Challenges

Internal Problem & Challenges

- Rise in cost of operations.
- Rural distribution at effective cost.

External Problem & Challenges

- Market and economic slowdown due to external factors resulting in upward trend of operational costs for manufacturing sector.
- Devaluation of Nepalese Rupees against the Foreign Exchange Currencies resulting in higher material cost.
- Rise in cost of operations due to increase in indirect tax, commodity prices and energy price hikes caused by inflationary pressures.

Strategy

- Implementation of Vxceed, a solution for Demand Chain Execution process, by the company to manage the distributor network and obtain real-time data for better decision making.
- Continuous assessment of the risk exposure of the company to the internal and external factors and effective implementation of risk management procedures.
- Continuous development of 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 13th September 2023.

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.

G. Deepak Senthil Nath

Chief Executive Officer

Date: 10th November, 2023 (24th Kartik, 2080)