

Unaudited Financial Results (Quarterly)

As at the end of Third Quarter (12/04/2024) of the Fiscal Year 2080/81 (FY 2023-2024)

NPR in Thousands

S.N	Particulars	As on date 12.04.2024 (Unaudited)		As on date 13.04.2023 (Unaudited)		
A	ASSETS					
	NON-CURRENT ASSETS					
	Non-Financial Assets:					
	Intangible Assets	3,486		10,778		
	Property, Plant and Equipment	5,583,795		5,673,885		
		5,587,281		5,684,663		
	CURRENT ASSETS					
	Non Financial Assets:					
	Inventories	2,330,321		2,493,618		
	Advances	1,371,430		1,297,413		
Income Tax Receivable	144,236		47,051			
Financial Assets:						
Other Current Assets	21,299		97,267			
Trade Receivables	604,180		497,304			
Cash and Cash Equivalents	685,462		450,447			
	5,156,928		4,883,099			
Total Assets	10,744,209		10,567,762			
B	EQUITY AND LIABILITIES					
	EQUITY					
	Equity Share Capital	121,000		121,000		
	Reserve and Surplus	3,988,971		3,588,249		
		4,109,971		3,709,249		
	NON-CURRENT LIABILITIES					
	Non-Financial Liabilities:					
	Deferred Tax Liability	196,025		166,032		
	Financial Liabilities:					
	Retirement Benefit Obligation	414,983		480,749		
	Non Current Borrowing	-		525,407		
	Lease Liabilities	84,523		77,206		
		695,531		1,249,394		
	CURRENT LIABILITIES					
	Financial Liabilities:					
	Retirement Benefit Obligation	62,403		67,286		
	Borrowings	3,510,148		3,293,571		
Trade Payables	939,564		984,512			
Lease Liabilities	9,318		17,746			
Other Financial Liabilities	1,371,815		1,246,004			
Non Financial Liabilities	45,459		-			
	5,938,707		5,609,119			
Total Equity and Liabilities	10,744,209		10,567,762			
C	Profit and Loss Account	Current Period		Previous Period		
		15.01.2024 to 12.04.2024 (Qtr)	17.07.2023 to 12.04.2024 (YTD)	15.01.2023 to 13.04.2023 (Qtr)	17.07.2022 to 13.04.2023 (YTD)	
		Revenue from Operations	2,125,250	5,813,600	2,125,132	5,994,050
		Cost of Sales	(1,353,597)	(4,214,411)	(1,473,737)	(4,411,365)
		Gross Profit	771,655	1,599,189	651,396	1,582,685
Other Operating Income	5,592	15,554	38,405	62,032		
Selling and Distribution Expenses	(325,310)	(922,836)	(297,685)	(852,687)		
Administrative and Operating Expenses	(38,804)	(205,150)	(63,525)	(203,219)		
Profit from Operations	413,132	486,757	328,591	588,811		
Finance Costs	(60,769)	(201,286)	(94,296)	(208,051)		
Finance Income	30	83	26	4,613		
Profit Before Tax	352,393	285,554	234,320	385,374		
Income Tax Expense						
Current Tax	(44,592)	(47,096)	(40,950)	(67,658)		
Prior Period Tax Adjustments	-	-	-	-		
Deferred Tax	27,782	22,969	14,436	43,308		
Net Profit	335,581	261,427	207,806	361,025		
D	Major Indicators	17.07.2023 to 12.04.2024 (YTD)	Annualized	17.07.2022 to 13.04.2023 (YTD)	Annualized	
		1. Earnings per Share (NPR)	216	288	298	398
		2. Market Value per Share (NPR)	12,702	12,702	12,054	12,054
		3. Price Earnings Ratio	59	44	40	30
		4. Current Ratio	0.9		0.9	
5. Return on Equity	6%	8%	10%	13%		
6. Return on Total Assets	2.4%	3.2%	3.4%	4.6%		
7. Net Worth per Share (NPR)		3,397		3,065		

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 quarter, the following related party transactions have occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	2,215,112
Transfer fee payable to BNL	146,781
Transfer fee receivable from BNL	2,356

F. Management Analysis

- The Company generated a net profit of NPR 335 MM (61% growth vs. same period PY) during the third quarter due to cost efficiency and better productivity. The YTD profit reached 261 MM despite the slow-down in consumer spending, challenge in raw materials sourcing along with macroeconomic impact of currency devaluation and inflation.
- The company is enhancing profitability through strategic initiatives such as optimizing production processes, expanding market reach, implementing cost-saving measures, and innovating with new product offerings. Additionally, the company is focusing on sustainability practices, effective marketing strategies, strengthening distribution channels, and leveraging digital technologies for operational efficiencies and increased market penetration.

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	18.10.2023 to 14.01.2024 (Qtr)
Maximum Price (NPR)	17,508
Minimum Price (NPR)	11,700
Closing Price (NPR)	12,702
No. of Trades (Total Transaction)	2,780
Days of Trading	76

I. Risks and Challenges

Internal Problem & Challenges

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

External Problem & Challenges

- Market and economic slowdown adversely impacting the manufacturing sector.
- Devaluation of Nepalese Rupees against the Foreign Exchange Currencies resulting in higher material cost.

Strategy

- Implementation of Coke Buddy for online order processing and 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 10th April 2024. The company also convened the Audit Committee Meeting and Risk Committee Meeting on 9th April 2024.

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: 21st May, 2024 (8th Jestha, 2081)