

Unaudited Financial Results (Quarterly)

As at the end of Fourth Quarter (15/07/2024) of the Fiscal Year 2080/81 (FY 2023-2024)

NPR in Thousands

S.N	Particulars	As on date 15.07.2024		As on date 16.07.2023		
		(Group)		(Group)		
A	ASSETS					
	NON-CURRENT ASSETS					
	Non-Financial Assets:					
	Intangible Assets		3,260		14,152	
	Property, Plant and Equipment		7,154,924		6,945,122	
			7,158,185		6,959,274	
	CURRENT ASSETS					
	Non Financial Assets:					
	Inventories		3,620,486		2,459,100	
	Advances		2,750,707		2,933,047	
Income Tax Receivable		86,152		112,668		
Financial Assets:						
Other Current Assets		39,737		124,872		
Trade Receivables		1,185,429		779,497		
Cash and Cash Equivalents		107,527		65,048		
		7,790,040		6,474,232		
Total Assets		14,948,224		13,433,506		
B	EQUITY AND LIABILITIES					
	EQUITY					
	Equity Share Capital		194,889		194,889	
	Reserve and Surplus		6,003,817		5,629,166	
	Non Controlling Interest		391,129		362,378	
			6,589,836		6,186,432	
	NON-CURRENT LIABILITIES					
	Non-Financial Liabilities:					
	Deferred Tax Liability		85,113		80,836	
	Financial Liabilities:					
	Retirement Benefit Obligation		871,648		984,096	
	Lease Liabilities		129,804		93,525	
			1,086,565		1,158,457	
	CURRENT LIABILITIES					
	Retirement Benefit Obligation		99,238		124,871	
	Borrowings		3,147,195		2,935,262	
	Trade Payables		2,085,878		1,025,403	
	Lease Liabilities		14,575		9,347	
	Other Financial Liabilities		1,887,169		1,981,419	
Non Financial Liabilities		37,768		12,313		
		7,271,823		6,088,616		
Total Equity and Liabilities		14,948,224		13,433,506		
C	Profit and Loss Account	Current Period (Group)		Previous Period (Group)		
		13.04.2024 to 15.07.2024 (Qtr)	17.07.2023 to 15.07.2024 (YTD)	14.04.2023 to 16.07.2023 (Qtr)	17.07.2022 to 16.07.2023 (YTD)	
		Revenue from Operations	4,033,897	11,218,283	4,327,509	12,619,246
		Cost of Sales	(3,169,625)	(8,312,853)	(3,183,680)	(9,125,620)
		Gross Profit	864,271	2,905,430	1,143,827	3,493,627
Other Operating Income	8,562	30,876	11,633	21,570		
Selling and Distribution Expenses	(387,762)	(1,536,704)	(459,229)	(1,623,441)		
Administrative and Operating Expenses	7,099	(462,775)	(33,802)	(484,977)		
Profit from Operations	492,170	936,827	662,428	1,406,779		
Finance Costs	(76,036)	(309,388)	(97,229)	(239,888)		
Finance Income	762	2,719	1,379	14,808		
Profit Before Tax	416,896	630,157	566,578	1,181,700		
Income Tax Expense						
Current Tax	(95,963)	(232,935)	(106,387)	(181,110)		
Prior Period Tax Adjustments	-	(1,910)	(8,505)	(11,443)		
Deferred Tax	15,038	550	(360)	(11,035)		
Net Profit	335,971	395,862	451,328	978,112		
Owners of the Company (Net Profit)	326,806	362,601	431,724	919,256		
Non Controlling Interest (Net profit)	9,166	33,261	19,604	58,856		
D	Major Indicators	Current Period (Group)		Previous Period (Group)		
		17.07.2023 to 15.07.2024 (YTD)	Annualized	17.07.2022 to 16.07.2023 (YTD)	Annualized	
		1. Earnings per Share (NPR)	186	186	472	472
		2. Market Value per Share (NPR)	15,705	15,705	2,222	2,222
		3. Price Earnings Ratio	84.4	84.4	4.7	4.7
4. Current Ratio	1.1		1.1			
5. Return on Equity	6.0%	6.0%	15.8%	15.8%		
6. Return on Total Assets	2.6%	2.6%	7.3%	7.3%		
7. Net Worth per Share (NPR)		3,381		3,174		

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. The comparatives for fourth quarter performance (Q4 only) are based on the unaudited quarterly financials published last year while the comparatives for year-to-date figures are based on the Audited Financial Statements.

E. Related Party Disclosure

Up to the end of the quarter, the following related party transactions have occurred:

Particulars	NPR in Thousand
Purchase of Concentrate from Pacific Refreshments Pte. Ltd.	3,299,547
Transfer fee payable to BNTL	14,488
Transfer fee receivable from BNTL	209,169

F. Management Analysis

- The Company generated a net profit of NPR 395 MM during the Fiscal Year 2080-81 despite the challenges caused by slow-down in consumer spending, challenges 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, digitalizing value chain, 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	13.04.2024 to 15.07.2024 (Qtr)
Maximum Price (NPR)	17,222
Minimum Price (NPR)	15,123
Closing Price (NPR)	15,705
No. of Trades (Total Transaction)	1,833
Days of Trading	50

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.

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.
- Focus on channel financing with the goal of providing easier liquidity access to distributors.
- 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 9th July, 2024. The company also convened the Audit Committee Meeting and Risk Committee Meeting on 9th July, 2024.

K. Declaration by Managing Director 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

Managing Director

Date: 13th August, 2024 (29th Shrawan, 2081)