



UNILEVER NEPAL LIMITED

**Unilever Nepal Limited****Statement of Financial Position As at 29<sup>th</sup> Poush 2080 (Unaudited)**

(NRs In Lakhs)

Particulars	2nd Qtr. 2080-81	2nd Qtr. 2079-80
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	14,891	14,032
Intangible assets	25	221
Right of use Assets -Lease	2,320	2,472
Deferred tax assets	331	219
<b>Total Non-Current Assets</b>	<b>17,566</b>	<b>16,944</b>
<b>Current Assets</b>		
Inventories	10,252	8,066
Trade and other receivables	12,732	18,592
Investments in Fixed Deposit	21,792	15,340
Prepayments	9	130
Cash and cash equivalents	12,000	7,168
Current Tax Assets	-	-
<b>Total Current Assets</b>	<b>56,785</b>	<b>49,296</b>
<b>Total Assets</b>	<b>74,351</b>	<b>66,240</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	921	921
Retained earnings	37,784	33,345
<b>Total Equity</b>	<b>38,705</b>	<b>34,266</b>
<b>Liabilities</b>		
<b>Non Current Liabilities</b>		
Lease Liabilities	2,071	1,898
Provisions	9	211
<b>Total Non Current Liabilities</b>	<b>2,080</b>	<b>2,110</b>
<b>Current Liabilities</b>		
Trade and other payables	30,671	27,652
Lease Liabilities	483	816
Provisions	1,588	965
Current Tax Liability	823	431
<b>Total Current Liabilities</b>	<b>33,566</b>	<b>29,864</b>
<b>Total Liabilities</b>	<b>35,646</b>	<b>31,974</b>
<b>Total Equity and Liabilities</b>	<b>74,351</b>	<b>66,240</b>

Previous year's figures have been regrouped whenever necessary.

**Statement of Profit & Loss For the Quarter ended Poush 2080 (Unaudited)**

(NRs in Lakhs)

Particulars	2nd Qtr. 2080-81	2nd Qtr. 2079-80
Revenue from operations	18,457	22,025
Other income	764	456
<b>TOTAL INCOME</b>	<b>19,221</b>	<b>22,481</b>
<b>EXPENSES</b>		
Cost of materials consumed	8,463	11,376
Employee benefits expenses	1,874	1,180
Depreciation and amortisation expenses	777	803
Finance Cost	81	82
Other expenses	2,953	2,401
<b>TOTAL EXPENSES</b>	<b>14,148</b>	<b>15,842</b>
<b>Profit before tax</b>	<b>5,073</b>	<b>6,640</b>
Income Tax Expense	863	1,115
<b>Profit from continuing operations</b>	<b>4,210</b>	<b>5,525</b>
<b>Net Profit for the Quarter</b>	<b>4,210</b>	<b>5,525</b>

Annexure 14:

(Related with Rule 26 (1))

Unilever Nepal Limited has articulated its purpose as,

**"To earn the love and respect of Nepal by making a real difference to every Nepali."**

The company intends to do this by driving our brands and business to create a 'Swastha' and 'Saksham' Nepal.

**1. Financial Statements****a) Second Quarter Balance Sheet and P&L Account**

Profit &amp; Loss A/C for 2nd Quarter of 2080-81 and the corresponding Balance Sheet are attached. Data provided for the 2nd Quarter is for period Kartik to Poush this year &amp; for last year.

There have been no material related party transactions, pecuniary transaction or relationship between Unilever Nepal Ltd. and its Directors for the period ended on Poush 2080 that may have a potential conflict with the interests of the company at large.

**b) Earnings Per Share, P/E Ratio, Net worth per share and ratio of liquidity.****- Earnings Per Share:**

- For the 2nd Qtr. of Year of 2080-81 is Rs 457 (Rs 2,079 annualized) against Rs 601 (Rs 1,987 annualized) of previous year same period.

**- P/E Ratio:** (Based on closing price at NEPSE as on Ashad end and EPS for last 4 quarters)

- Current Year (2nd Qtr.) 19.24 &amp; Previous Year (2nd Qtr.) 9.14

**Net worth Per Share:**

- Current Year (2nd Qtr.) Rs. 4,214 &amp; Previous Year (2nd Qtr.) Rs. 3,722.

**- Ratio of liquidity:**

- Current Year (end of 2nd Qtr.) 1.69 against of 1.66 for end of 2nd t Qtr. of previous year.

**2. Analysis of Management**

a) Although the company demonstrated substantial growth in both revenue and profit in the previous fiscal year, the performance in the recent quarter has been impacted by factors such as a slowdown in consumption of premium categories and the prolonged liquidity crisis impacting distributor health.

b) Company's revenue from operation for the current quarter is Rs. 1,845 million, decline by 16.2% over the same period previous year. Decline in consumption being the lead cause of the above.

c) Net Profit for the current quarter is Rs. 421 million, declined by 23% over previous corresponding quarter. Majorly led by volume drop and fixed cost deleverage.

3. During the period under reference no case has been filed either by the corporate body or against the corporate body in the name of any Director/Promoter of the company.

**4. Analysis of the share transaction of the corporate body:**

a) Dealing of our company's share is the prerogative of the Nepalese public. We however prefer to focus on company's performance, i.e., on the top line &amp; bottom-line growth of the company.

b) Share transaction details as taken from the NEPSE Website for the last 90 days are mentioned below:

Maximum Price: Rs 45,151

Minimum Price: Rs 35,210

Closing Price: Rs 40,000

Total transaction days: 60 Days

Transaction Nos.: 5,240 Shares

**5. Problems & Challenges**

The recent monetary policy reflects a prudent approach to monetary management by lowering the policy rate and deposit collection rate, while keeping stability intact through unchanged cash and statutory liquidity ratios. We anticipate a gradual improvement in the current liquidity crisis in the forthcoming quarters; however, uncertainties persist due to reduced consumer spending and material inflation. Capitalizing on the softening inflation in certain commodities, our primary focus is on passing on the benefits to consumers and regaining volume growth which has already started following in the market. We will strive to strengthen growth by increasing investments in Brand Marketing to ensure that the upcoming quarters deliver sustained, competitive, profitable, and responsible 4G growth.

6. The company believes in the highest standards of corporate behavior which are laid out through a written Code of business principles for transparency &amp; all statutory/legal compliance by the company, its redistribution stockiest, suppliers, transporters, contractors, and other business partners with whom the company associates through its operations. The management has achieved good governance and responsible management practices which are benchmarked to the best managed global companies.

I take full responsibility of the facts, data and information which have been mentioned in the report till today and submitted with the report. I declare that as per my knowledge all the details and information of this report are true, factual, and full and we did not hide any details, notice, information which are required by the investors to take their decision.

On behalf of Unilever Nepal Limited

**Amlan Mukherjee**  
Managing Director