

CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
31ST MARCH 2021

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 31ST MARCH 2021

CONTENTS

Interim Comprehensive Income Statement

Interim Statement of Financial Position

Interim Statement of Changes in Equity

Interim Statement of Cash Flows

Selective Notes to the Interim Financial Statements

Corporate Information

Chevron Lubricants Lanka PLC

Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note	Three months ended 31st March		
		2021	2020	Change %
Revenue		4,353,304	2,846,120	53
Cost of sales		(2,518,712)	(1,700,885)	48
Gross profit		1,834,592	1,145,235	60
Distribution expenses		(200,362)	(228,175)	(12)
Administrative expenses		(211,252)	(200,116)	6
Other operating income		5,727	395	1,352
Operating profit		1,428,705	717,339	99
Finance income		15,980	16,007	(0)
Finance costs		(51,272)	(10,641)	382
Profit before income tax		1,393,413	722,705	93
Income tax expense	6	145,440	(205,513)	(171)
Profit for the period		1,538,853	517,192	198
Earnings per share attributable to the owners of the Company during the period				
Basic earnings per share (expressed in LKR)		6.41	2.15	

Notes -The above figures are not audited.

Figures in brackets indicate deductions.

Chevron Lubricants Lanka PLC

Interim Comprehensive Income Statement - *Continued*

(Amounts in Rs.000's)

	Note	Three months ended 31st March		
		2021	2020	Change %
Profit for the period		1,538,853	517,192	198
Other comprehensive income:				
Actuarial (loss)/gain on retirement benefit obligations		-	-	-
Tax on other comprehensive income		-	-	-
Other Comprehensive income for the period		-	-	-
Total comprehensive income for the period		1,538,853	517,192	198

Chevron Lubricants Lanka PLC

Interim Statement of Financial Position

(Amounts in Rs.000's)

	Note	31st March 2021	31st December 2020
ASSETS			
Non-current assets			
Property, Plant & Equipment		1,761,151	1,758,141
Right of Use Asset - Leases		329,984	342,747
Trade and other receivables		73,639	79,268
		2,164,774	2,180,156
Current assets			
Inventories		2,727,937	2,690,695
Trade and other receivables		1,612,453	1,082,247
Cash and cash equivalents		2,561,592	1,898,556
		6,901,982	5,671,498
Total assets		9,066,756	7,851,653
EQUITY AND LIABILITIES			
Stated Capital (240,000,000 shares)		600,000	600,000
Retained earnings		4,641,640	3,580,188
Total equity		5,241,640	4,180,188
Liabilities			
Non-current liabilities			
Retirement benefit obligations		199,986	192,005
Deferred tax liabilities		157,675	246,670
Lease Liabilities		329,109	332,367
		686,770	771,042
Current liabilities			
Trade and other payables		2,628,662	2,167,148
Current income tax liabilities		477,004	699,029
Lease Liabilities		32,680	34,247
		3,138,346	2,900,424
Total liabilities		3,825,116	3,671,466
Total equity and liabilities		9,066,756	7,851,653
Net Assets per Share (Rs.)		21.84	17.42

Note: The above figures are not audited.

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act No 07 of 2007.

(Sgd) Yasora Kodagoda
Manager Finance & Planning

The Board of Directors is responsible for the preparation and presentation of these financial statements. The financial statements were authorised for issue by the Board of Directors on 12th May 2021.

(Sgd) Najam Shamsuddin
Managing Director / CEO
12th May 2021

(Sgd) Erande De Silva
Director / Chief Financial Officer

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 31st March	
		2021	2020
Cash flows from operating activities			
Cash generated from operations	(i)	1,353,211	464,888
Interest paid		(9,868)	(10,641)
Retirement benefits paid		-	(9,658)
Income tax paid		(165,579)	(210,731)
Net cash generated from operating activities		1,177,764	233,858
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(51,743)	(15,512)
Proceeds from disposal of Property, Plant & Equipment		8,362	-
Interest received		13,306	16,006
Net cash used in investing activities		(30,075)	494
Cash flows from financing activities			
Payment of Lease liabilities		(4,653)	(4,664)
Dividends paid		(480,000)	(480,000)
Net cash used in financing activities		(484,653)	(484,664)
Net increase / (decrease) in cash and cash equivalents		663,036	(250,312)
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period		1,898,556	869,635
Increase in cash and cash equivalents		663,036	(250,312)
Cash and cash equivalents at end of period		2,561,592	619,323

Note (i)

	Period ended 31st March	
	2021	2020
Cash generated from operations		
Profit before taxation	1,393,241	722,541
Adjustments for :		
Depreciation on property, plant and equipment	45,868	45,038
Depreciation on right-of-use assets	12,763	13,592
Property, plant and equipment Writtenoff	-	-
Amortisation of marketing support fee paid	5,222	4,462
(Profit)/Loss on disposal of property, plant and equipment	(5,497)	-
Interest income	(15,980)	(16,757)
Interest expense	9,868	10,641
(Reversal of provision)/Provision for impairment on trade receivables	-	586
Defined benefit obligations	7,981	6,661
Changes in working capital	-	-
- trade and other receivables	(527,126)	(131,728)
- inventories	(37,242)	(332,219)
- payables	464,113	142,071
Cash generated from operations	1,353,211	464,888

Chevron Lubricants Lanka PLC

Interim Statement of Changes in Equity

(Amounts in Rs.000's)

	<u>Stated Capital</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance at 1st January 2020	600,000	3,536,297	4,136,297
Profit for the period	Nil	517,192	517,192
Other comprehensive income for the period	Nil	-	-
Transactions with owners - Dividends	Nil	(480,000)	(480,000)
Unclaimed Dividends transferred to Retained Earnings	Nil	2,157	2,157
Unaudited balance as at 31st March 2020	600,000	3,575,646	4,175,646
Balance at 1st January 2021	600,000	3,580,188	4,180,188
Profit for the period	Nil	1,538,853	1,538,853
Other comprehensive income for the period	Nil	-	-
Transactions with owners - Dividends	Nil	(480,000)	(480,000)
Unclaimed Dividends transferred to Retained Earnings		2,599	2,599
Unaudited balance as at 31st March 2021	600,000	4,641,640	5,241,640

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 31/03/2021

1 General information

Chevron Lubricants Lanka PLC carries on the business of importing, blending, distributing and marketing of lubricant oils and greases. The Company is a public limited liability company incorporated and domiciled in Sri Lanka. The address of its registered office is Level 16, MAGA ONE, 200 Nawala Road, Narahenpita, Colombo 5.

The Company has its primary listing on the Colombo Stock Exchange.

These financial statements have been approved for issue by the Board of Directors on 12th May 2021.

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC for the period ended 31st March 2021, do not include all the information required for full annual financial statements. They have been prepared in accordance with LKAS 34 and with those SLFRS and IFRIC interpretations issued and effective at the time of their preparation and applicable for interim financial statements.

3 Accounting policies

The accounting policies adopted are consistent with those of the previous financial year.

4 Net assets per share has been computed based on number of shares in issue as at 31/03/2021.

5 No circumstances have arisen since the Statement of Financial Position date, which would require adjustments to or disclosure in the Financial Statements.

6 Income Tax

The following Disclosure is made reference to LKAS 12 - Income Taxes - (Paragraph 81 (d))

The Institute of Chartered Accountants of Sri Lanka issued a Guideline in April 2021 on "Application of Tax Rates in Measurement of Current Tax and Deferred Tax". In reference to LKAS 12, the guideline defined 'Substantively enacted' as the Bill introducing the change being taken up at the Parliament for the First Reading. Accordingly, the Bill to amend the Inland Revenue Act, No.24 of 2017 was placed on the Order Paper of the Parliament for the First Reading on 26th March 2021. Based on the guideline, Financial Statements having a period end after 26th March 2021, should use such proposed tax rules and rates in the Bill for determination of current tax and deferred tax. Therefore, the Company has applied 18% for Manufacturing, 14% for Exports, 24% Standard Rate for other sources of Business Income and 24% for Investment Income. During the Comparative period in 2020, the Company had accounted for Business and Investment Income applying the standard rate of 28%. The Tax adjustments (reversals) as a consequence of the revised rates which take effect since 01.01.2020 have been recognized in these interim financial statements.

7 There has not been a significant change in the nature of the contingent Liabilities which were disclosed in the Financial Statements for the year ended 31st December 2020.

8 Share price movement

The market prices during the quarter	2021	2020	Year ended 31.12.2020
Highest price Rs.	114.00	75.40	112.00
Lowest price Rs.	86.60	52.70	46.00
Last traded price Rs.	90.00	53.50	108.00

9 Stated Capital is represented by 240,000,000 ordinary Shares.

Notes to the Financial Statement for the year ended 31/03/2021 *Continued*

10 Names and the Number of Shares held by the largest 20 shareholders as at 31st March 2021 :

	Name of Shareholders	Number of Shares	%
1	Chevron Ceylon Limited	122,400,000	51.00
2	BNYM RE-BARCA GLOBAL MASTER FUND LP	19,802,707	8.25
3	Renuka Hotels Limited	5,201,918	2.17
4	SSBT-CHANGE GLOBAL FRONTIER MARKETS,LP	4,768,777	1.99
5	CARGO BOAT DEVELOPMENT COMPANY PLC	3,417,818	1.42
6	Sri Lanka Insurance Corporation LTD- LIFE FUND	3,400,000	1.42
6	COMMERCIAL BANK OF CEYLON PLC/METROCORP (PVT) LTD	2,564,798	1.07
8	CRESCENT LAUNDERERS AND DRY CLEANERS PVT LIMITED	2,000,000	0.83
9	BBH-PIONEER MULTI-ASSET INCOME FUND	1,814,382	0.76
10	BANK OF CEYLON-NO2 A/C (BOC PTF)	1,688,823	0.70
11	MRS. SELLIAH ARUNTHATHI	1,425,000	0.59
12	BANK OF CEYLON NO. 1 ACCOUNT	1,328,350	0.55
13	CB LONDON S/A VERDIPAPIRFONDET ODIN EMERGING MARKETS	1,250,000	0.52
14	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	1,248,830	0.52
15	Mr.Somasiri Addara Pathiranage	1,110,000	0.46
16	EMPLOYEE'S PROVIDENT FUND	1,015,916	0.42
17	Mrs.Kailasapillai Abiramipillai	1,000,000	0.42
18	Mr. Nihal Parakrama De Alwis Samaranyake	1,000,000	0.42
19	MR. THEAGARAJAH MANICKAM VALLIPURAM	724,800	0.30
20	DR. JAYAWARDENA SUNIL PIERIS	722,147	0.30
		177,884,266	74.12

11 Public Holding : 49%. The Number of shareholders representing the public holding was 7,931

Compliant with CSE Rule 7.13.1 under option 1 - Float Adjusted Market Capitalization (Rs.)

10,584,000,000

12 None of the Directors hold shares in the company

13 Mr. Najam Shamsuddin is the Managing Director and the Chief Executive Officer of the Company.

Chevron Lubricants Lanka PLC

Corporate Information

Name of Company

Chevron Lubricants Lanka PLC

Legal Form

Public Limited Liability Company
(Incorporated in 1992 and listed on the
Colombo Stock Exchange)

Company Registration Number

PQ 54

Registered Office

Chevron Lubricants Lanka PLC
Level 16, MAGA ONE,
200, Nawala Road,
Narahenpita ,Colombo 5

Directors

Rochna Kaul - *Chairperson*
Najam Shamsuddin - *Managing Director / CEO*
Harsha Amarasekera
Asite Talwatte
Haider Manasawala
Erande De Silva

Secretary

Erande De Silva
Chevron Lubricants Lanka PLC
Level 16, MAGA ONE,
200, Nawala Road,
Narahenpita ,Colombo 5

Registrars to the Company

S S P Corporate Services (Private)Limited
546, Galle Road,
Colombo 3

Auditors to the Company

PricewaterhouseCoopers
Chartered Accountants
P.O.Box 918,100, Braybrooke Place ,Colombo 2.

Lawyers to the Company

Julius & Creasy
Attorneys-at-Law and Notaries Public
No.371, R.A. De Mel Mawatha, Colombo 03

Principal Bankers

Citibank NA
Deutsche Bank AG
Commercial Bank of Ceylon PLC

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