

CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
30TH JUNE 2023

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2023

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Chevron Lubricants Lanka PLC

Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note	Three months ended 30th June			Period ended 30th June		
		2023	2022	Change %	2023	2022	Change %
Revenue		5,326,698	6,174,172	(14)	11,577,428	13,875,564	(17)
Cost of sales		(3,710,968)	(3,296,257)	13	(7,881,119)	(7,681,704)	3
Gross profit		1,615,730	2,877,915	(44)	3,696,309	6,193,860	(40)
Distribution costs		(257,995)	(354,439)	(27)	(501,048)	(646,353)	(22)
Administrative expenses		(348,482)	(395,853)	(12)	(729,842)	(675,592)	8
Other operating income		200	1,053	(81)	731	1,540	(53)
Operating profit		1,009,453	2,128,676	(53)	2,466,150	4,873,455	(49)
Finance income	5	145,415	157,872	(8)	380,098	220,952	72
Finance costs	6	(13,214)	(1,259,918)	(99)	(33,519)	(2,906,929)	(99)
Profit before income tax		1,141,654	1,026,630	11	2,812,729	2,187,478	29
Income tax expense	7	(347,245)	(186,643)	86	(853,048)	(404,691)	111
Profit for the period		794,409	839,987	(5)	1,959,681	1,782,787	10
Earnings per share attributable to the equity holders of the company during the year							
Basic earnings per share (expressed in LKR)		3.31	3.50		8.17	7.43	

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 30th June			Period ended 30th June		
	2023	2022	Change %	2023	2022	Change %
Profit for the period	794,409	839,987	(5)	1,959,681	1,782,787	10
Other comprehensive income:						
Actuarial (loss)/gain on retirement benefit obligations	-	-	-	-	-	
Tax on other comprehensive income	-	-	-	-	-	
Other Comprehensive income for the period, net of tax	-	-	-	-	-	-
Total comprehensive income for the period	794,409	839,987	(5)	1,959,681	1,782,787	10

Notes -The above figures are not audited.

Figures in brackets indicate deductions.

Chevron Lubricants Lanka PLC

Interim Statement of Financial Position

(Amounts in Rs.000's)

Note	30th June 2023	31st December 2022
ASSETS		
Non-current assets		
Property, Plant & Equipment	1,546,221	1,588,867
Right of Use Asset - Leases	394,521	341,532
Trade and other receivables	64,583	70,328
	2,005,325	2,000,727
Current assets		
Inventories	7,102,539	5,178,418
Trade and other receivables	2,805,066	1,978,262
Cash and cash equivalents	1,330,295	3,876,290
	11,237,900	11,032,970
Total assets	13,243,225	13,033,697
EQUITY AND LIABILITIES		
Stated capital	600,000	600,000
Retained earnings	7,524,612	5,559,131
Total equity	8,124,612	6,159,131
Liabilities		
Non-current liabilities		
Retirement benefit obligations	311,013	282,787
Deferred tax liabilities	226,720	234,197
Lease Liabilities	430,035	358,186
	967,768	875,170
Current liabilities		
Trade and other payables	3,199,892	5,039,867
Current income tax liabilities	916,820	924,652
Lease Liabilities	34,133	34,877
	4,150,845	5,999,396
Total liabilities	5,118,613	6,874,566
Total equity and liabilities	13,243,225	13,033,697
Net Assets per Share (Rs.)	33.85	25.66

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 31 July 2023

(Sgd) Bertram Paul
Managing Director / Chief Executive
Officer

(Sgd) Erande De Silva
Director / Chief Financial Officer

31 July 2023

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 30th June	
		2023	2022
Cash flows from operating activities			
Cash generated from operations	(i)	(1,656,948)	3,868,165
Interest paid		(33,519)	(18,405)
Retirement benefits paid		(2,410)	(8,786)
Income tax paid		(868,357)	(887,389)
Net cash generated from operating activities		(2,561,234)	2,953,585
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(47,690)	(4,997)
Proceeds from disposal of Property, Plant & Equipment		525	-
Interest received		69,719	193,077
Net cash used in investing activities		22,554	188,080
Cash flows from financing activities			
Payment of Lease liabilities		(7,315)	(7,131)
Dividends paid		-	(480,000)
Net cash used in financing activities		(7,315)	(487,131)
Net increase / (decrease) in cash and cash equivalents		(2,545,995)	2,654,534
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period		3,876,290	4,025,116
Increase in cash and cash equivalents		(2,545,995)	2,654,534
Cash and cash equivalents at end of period		1,330,295	6,679,650

Note (i)

	Period ended 30th June	
	2023	2022
Cash generated from operations		
Profit before taxation	2,812,729	2,187,478
Adjustments for :		
Depreciation on property, plant and equipment	90,335	90,417
Depreciation on right-of-use assets	25,430	21,203
Property, plant and equipment Writtenoff	-	-
Amortisation of marketing support fee paid	10,091	12,736
(Profit)/Loss on disposal of property, plant and equipment	(525)	
Interest income	(69,719)	(220,952)
Interest expense	33,519	18,405
(Reversal of provision)/Provision for impairment on trade receivables	-	-
Defined benefit obligations	30,637	20,922
Changes in working capital	-	-
- trade and other receivables	(831,150)	(1,594,159)
- inventories	(1,924,121)	287,990
- payables	(1,834,174)	3,044,125
Cash generated from operations	(1,656,948)	3,868,165

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 2022	600,000	4,398,615	4,998,615
Adjustment for surcharge tax	Nil	(788,737)	(788,737)
Profit for the period	Nil	1,782,787	1,782,787
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners - Dividends	Nil	(480,000)	(480,000)
Unclaimed Dividends transferred to Retained Earnings	Nil	2,081	2,081
Unaudited balance as at 30th June 2022	600,000	4,914,746	5,514,746
Balance at 1st January 2023	600,000	5,559,131	6,159,131
Profit for the period	Nil	1,959,681	1,959,681
Other comprehensive loss for the period	Nil	Nil	Nil
Transactions with owners - Dividends	Nil	Nil	Nil
Unclaimed Dividends transferred to Retained Earnings	Nil	5,800	5,800
Unaudited balance as at 30th June 2023	600,000	7,524,612	8,124,612

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 30/06/2023

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 **31 July 2023**.

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC for the period ended 30th June 2023, 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 30/06/2023.

5 Finance Income

Period ended 30th June

	2023	2022
Interest Income	69,718,875	220,951,857
Foreign exchange transaction and translation gains	310,378,771	-
	<u>380,097,646</u>	<u>220,951,857</u>

6 Finance Cost

Period ended 30th June

	2023	2022
Interest charge on lease liabilities	(24,828,654)	(18,404,915)
Interest expense on bank overdraft	(25)	-
Interest expense on overdue trade liabilities	(8,690,580)	-
Foreign exchange transaction and translation losses	-	(2,888,523,929)
	<u>(33,519,259)</u>	<u>(2,906,928,844)</u>

7 Income Taxes & Deferred Tax

(a) Income Tax

Consequent to the enactment of the Inland Revenue (Amendment) Act, No.45 of 2022, The Company has used a Tax Rate of 30% in computing and accounting the Income Tax Expense in these condensed interim financial statements for the period ended 31st March 2023. The Tax Rates of 18% for gains and profits from Manufacturing, 14% for gains and profits from Export of Goods, 24% for all other sources of Business Income and Investment Income were applied for the comparative period.

(b) Deferred Tax

Deferred tax is calculated on all temporary differences under the liability method using an effective tax rate of 30.00%. During the comparative period the Company applied 18% for gains and profits from Manufacturing, 14% for gains and profits from Export of Goods, 24% for all other sources of Business Income which resulted in an effective tax rate of 17.79%.

8 No events have occurred since the statement of financial position date which would require adjustments to, or disclosure in, the financial statements.

9 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 2022.

10 Share price movement

The market prices during the quarter	2023	2022	Year ended 31.12.2022
Highest price Rs.	96.10	99.80	137.00
Lowest price Rs.	78.00	60.00	60.00
Last traded price Rs.	89.20	74.50	96.50

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

Notes to the Financial Statement for the year ended 30/06/2023 *Continued*

12 Names and the Number of Shares held by the largest 20 shareholders as at 30th June 2023 :

	Name of Shareholders	Number of Shares	%
1	CHEVRON CEYLON LIMITED	122,400,000	51.00
2	BNYM RE-BARCA GLOBAL MASTER FUND LP	12,931,372	5.39
3	RENUKA HOTELS PLC	5,201,918	2.17
4	SSBT-CHANGE GLOBAL FRONTIER MARKETS,LP	4,930,007	2.05
5	CARGO BOAT DEVELOPMENT COMPANY PLC	3,417,818	1.42
6	SRI LANKA INSURANCE CORPORATION LTD-LIFE FUND	3,400,000	1.42
7	CRESCENT LAUNDERERS AND DRY CLEANERS PVT LIMITED	2,000,000	0.83
8	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	1,954,055	0.81
9	BNYM RE- PIONEER MULTI-ASSET INCOME FUND	1,752,813	0.73
10	MRS. A. SELLIAH	1,600,000	0.67
11	BANK OF CEYLON NO. 1 ACCOUNT	1,272,121	0.53
12	MR. M.M.C. COORAY	1,250,192	0.52
13	BANK OF CEYLON-NO2 A/C (BOC PTF)	1,216,941	0.51
14	MR. A.P. SOMASIRI	1,200,000	0.50
15	MRS. A. KAILASAPILLAI	1,100,000	0.46
16	EMPLOYEE'S PROVIDENT FUND	1,015,916	0.42
17	MR. S.N.P. PALIHENA	1,000,000	0.42
18	MR. L.E. BADER	932,642	0.39
19	BNPP SIN/2S-BNP PARIBAS AS TRUSTEE FOR HARVEST FUND SERIES (HONG KONG)-ASIA FRONTIER EQUITY FUND	928,000	0.39
20	DR. S.P. JAYAWARDENA	900,399	0.38
		170,404,194	71.01

13 Public Holding : 49%. The Number of shareholders representing the public holding was 9667

Compliant with CSE Rule 7.13.1 under option 1 - Float Adjusted Market Capitalization (Rs.) 10,489,920,000

14 None of the Directors hold shares in the company

15 Mr. Bertram Paul 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

Najam Shamsuddin - Chairman
Bertram Paul - Managing Director / CEO
Erande De Silva
Haider Manasawala
Asite Talwatte
Harsha Cabral

Company 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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