

CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
30TH SEPTEMBER 2021

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 30TH SEPTEMBER 2021

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Interim Comprehensive Income Statement - by function of expenses

(Amounts in Rs.000's)

	Note	Three months ended 30th September			Period ended 30th September		
		2021	2020	Change %	2021	2020	Change %
Revenue		5,195,853	3,605,093	44	12,311,385	8,989,735	37
Cost of sales		(3,453,833)	(2,132,611)	62	(7,746,439)	(5,438,327)	42
Gross profit		1,742,020	1,472,482	18	4,564,946	3,551,408	29
Distribution costs		(243,346)	(183,091)	33	(640,419)	(563,817)	14
Administrative expenses		(229,329)	(201,435)	14	(654,331)	(604,170)	8
Other operating income		740	3,023	(76)	7,423	3,722	99
Operating profit		1,270,085	1,090,979	16	3,277,619	2,387,143	37
Finance income		14,271	37,193	(62)	46,154	76,903	(40)
Finance costs		(33,071)	(10,220)	224	(106,503)	(31,356)	240
Profit before income tax		1,251,285	1,117,952	12	3,217,270	2,432,690	32
Income tax expense		(231,483)	(315,071)	(27)	(197,389)	(685,597)	(71)
Profit for the period		1,019,802	802,881	27	3,019,881	1,747,093	73
Earnings per share attributable to the equity holders of the company during the year							
Basic earnings per share (expressed in LKR)		4.25	3.35		12.58	7.28	

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 September			Period ended 30th September		
		2021	2020	Change %	2021	2020	Change %
Profit for the period		1,019,802	802,881	27	3,019,881	1,747,093	73
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		1,019,802	802,881	27	3,019,881	1,747,093	73

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 September 2021	31st December 2020
ASSETS		
Non-current assets		
Property, Plant & Equipment	1,673,782	1,758,141
Right of Use Asset - Leases	306,612	342,747
Trade and other receivables	61,815	79,268
	2,042,209	2,180,156
Current assets		
Inventories	4,071,199	2,690,695
Trade and other receivables	1,746,331	1,082,247
Cash and cash equivalents	2,850,659	1,898,556
	8,668,189	5,671,498
Total assets	10,710,398	7,851,654
EQUITY AND LIABILITIES		
Stated capital	600,000	600,000
Retained earnings	4,442,668	3,580,188
Total equity	5,042,668	4,180,188
Liabilities		
Non-current liabilities		
Retirement benefit obligations	210,389	192,005
Deferred tax liabilities	154,222	246,670
Lease Liabilities	323,068	332,367
	687,679	771,042
Current liabilities		
Trade and other payables	4,433,064	2,167,148
Current income tax liabilities	516,120	699,029
Lease Liabilities	30,867	34,247
	4,980,051	2,900,424
Total liabilities	5,667,730	3,671,466
Total equity and liabilities	10,710,398	7,851,654
Net Assets per Share (Rs.)	21.01	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 28th October 2021

(Sgd)Najam Shamsuddin
Managing Director / Chief Executive
Officer

(Sgd)Erande De Silva
Director / Chief Financial Officer

28th October 2021

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 30th September	
		2021	2020
Cash flows from operating activities			
Cash generated from operations	(i)	3,632,244	3,322,743
Interest paid		(28,954)	(31,356)
Retirement benefits paid		(5,558)	(16,375)
Income tax paid		(472,746)	(563,106)
Net cash generated from operating activities		3,124,986	2,711,906
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(55,895)	(36,959)
Proceeds from disposal of Property, Plant & Equipment		9,428	4,407
Interest received		46,263	49,142
Net cash used in investing activities		(204)	16,590
Cash flows from financing activities			
Payment of Lease liabilities		(12,679)	(13,829)
Dividends paid		(2,160,000)	(1,320,000)
Net cash used in financing activities		(2,172,679)	(1,333,829)
Net increase / (decrease) in cash and cash equivalents		952,103	1,394,667
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		952,103	1,394,667
Cash and cash equivalents at end of period		2,850,659	2,264,302

Note (i)

	Period ended 30th September	
	2021	2020
Cash generated from operations		
Profit before taxation	3,217,270	2,432,690
Adjustments for :		
Depreciation on property, plant and equipment	137,378	136,047
Depreciation on right-of-use assets	36,134	39,550
Property, plant and equipment Writtenoff	10	-
Amortisation of marketing support fee paid	18,530	16,322
(Profit)/Loss on disposal of property, plant and equipment	(6,562)	(2,565)
Interest income	(46,154)	(49,333)
Interest expense	28,954	31,356
(Reversal of provision)/Provision for impairment on trade receivables	-	370
Defined benefit obligations	23,941	19,983
Changes in working capital	-	-
- trade and other receivables	(665,268)	(225,880)
- inventories	(1,380,504)	(141,547)
- payables	2,268,515	1,065,750
Cash generated from operations	3,632,244	3,322,743

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 as at 1st January 2020	600,000	3,536,297	4,136,297
Profit for the period	Nil	1,747,093	1,747,093
Other comprehensive income for the period	Nil	-	-
Transactions with owners - Dividends	Nil	(1,320,000)	(1,320,000)
Unclaimed Dividends transferred to Retained Earnings		2,157	2,157
Unaudited balance as at 30th September 2020	600,000	3,965,547	4,565,547
Balance as at 1st January 2021	600,000	3,580,188	4,180,188
Profit for the period	Nil	3,019,881	3,019,881
Other comprehensive loss for the period	Nil	-	-
Transactions with owners - Dividends		(2,160,000)	(2,160,000)
Unclaimed Dividends transferred to Retained Earnings		2,599	2,599
Unaudited balance as at 30th September 2021	600,000	4,442,668	5,042,668

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 30/09/2021

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 **28th October 2021**

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC for the period ended 30th September 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 30/09/2021.

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))

In reference to the Inland Revenue (Amendment) Act, No. 10 of 2021, the Company has applied Tax Rates of 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 Current and Deferred 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.	121.00	90.00	112.00
Lowest price Rs.	103.00	58.10	46.00
Last traded price Rs.	106.75	86.80	108.00

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

Notes to the Financial Statement for the year ended 30/09/2021 *Continued*

10 Names and the Number of Shares held by the largest 20 shareholders as at 30th September 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	NUWARA ELIYA PROPERTY DEVELOPERS (PVT) LTD	2,339,816	0.97
8	COMMERCIAL BANK OF CEYLON PLC/METROCORP (PVT) LTD	2,020,000	0.84
9	CRESCENT LAUNDERERS AND DRY CLEANERS PVT LIMITED	2,000,000	0.83
10	ACUITY PARTNERS (PVT) LIMITED/MR.ELAYATHAMBY THAVAGNANASOORIYAM/MR.ELAYATHAMBY THAVAGNANASUNDARAM	1,862,100	0.78
11	BBH-PIONEER MULTI-ASSET INCOME FUND	1,752,813	0.73
12	BANK OF CEYLON-NO2 A/C (BOC PTF)	1,688,823	0.70
13	MRS. A. SELLIAH	1,600,000	0.67
14	MR. N.P.D.A. SAMARANAYAKE	1,200,000	0.50
15	BANK OF CEYLON NO. 1 ACCOUNT	1,122,121	0.47
16	MR. A.P. SOMASIRI	1,110,000	0.46
17	MRS. A. KAILASAPILLAI	1,100,000	0.46
18	EMPLOYEE'S PROVIDENT FUND	1,015,916	0.42
19	MR. S.N.P. PALIHENA	1,000,000	0.42
20	DR. S.P. JAYAWARDENA	843,660	0.35
		179,646,469	74.85

11 Public Holding : 49%. The Number of shareholders representing the public holding was 8,156.

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

12,553,800,000

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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