

**CHEVRON LUBRICANTS LANKA PLC
INTERIM FINANCIAL STATEMENTS
31ST DECEMBER 2020**

CHEVRON LUBRICANTS LANKA PLC

INTERIM FINANCIAL STATEMENTS - 31ST DECEMBER 2020

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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 31st December			Period ended 31st December		
		2020	2019	Change %	2020	2019	Change %
Revenue		2,647,646	2,541,279	4	11,637,381	11,856,057	(2)
Cost of sales		(1,582,097)	(1,560,872)	1	(7,020,423)	(7,421,332)	(5)
Gross profit		1,065,549	980,407	9	4,616,958	4,434,725	4
Distribution costs		(213,876)	(200,848)	6	(777,693)	(789,281)	(1)
Administrative expenses		(203,808)	(182,925)	11	(807,978)	(729,799)	11
Other operating income		771	501	54	4,493	1,731	160
Operating profit		648,636	597,135	9	3,035,780	2,917,376	4
Finance income		28,549	26,613	7	105,452	71,306	48
Finance costs		(10,629)	(10,743)	(1)	(41,985)	(45,448)	(8)
Profit before income tax		666,556	613,005	9	3,099,247	2,943,234	5
Income tax expense		(187,958)	(178,451)	5	(873,555)	(843,826)	4
Profit for the period		478,598	434,554	10	2,225,692	2,099,408	6
Earnings per share attributable to the equity holders of the company during the year							
Basic earnings per share (expressed in LKR)		1.99	1.81		9.27	8.75	

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 December			Period ended 31st December		
	2020	2019	Change %	2020	2019	Change %
Profit for the period	478,598	434,554	10	2,225,692	2,099,408	6
Other comprehensive income:						
Actuarial (loss)/gain on retirement benefit obligations	(33,326)	(26,609)	-	(33,326)	(26,609)	
Tax on other comprehensive income	9,331	7,450	-	9,331	7,450	
Other Comprehensive (loss)/ income for the period	(23,995)	(19,159)	-	(23,995)	(19,159)	-
Total comprehensive income for the period	454,603	415,395	10	2,201,697	2,080,249	6

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	31st December 2020	31st December 2019
ASSETS		
Non-current assets		
Property, Plant & Equipment	1,784,107	1,883,219
Right of Use Asset - Leases	342,747	389,369
Trade and other receivables	79,268	74,366
	2,206,122	2,346,954
Current assets		
Inventories	2,690,695	1,939,297
Trade and other receivables	1,073,972	1,079,620
Cash and cash equivalents	1,898,556	869,635
	5,663,223	3,888,552
Total assets	7,869,345	6,235,506
EQUITY AND LIABILITIES		
Stated capital	600,000	600,000
Retained earnings	3,580,151	3,536,297
Total equity	4,180,151	4,136,297
Liabilities		
Non-current liabilities		
Retirement benefit obligations	192,005	146,952
Deferred tax liabilities	246,905	266,010
Lease Liabilities	332,367	358,792
	771,277	771,754
Current liabilities		
Trade and other payables	2,184,839	789,383
Current income tax liabilities	698,831	501,953
Lease Liabilities	34,247	36,119
	2,917,917	1,327,455
Total liabilities	3,689,194	2,099,209
Total equity and liabilities	7,869,345	6,235,506
Net Assets per Share (Rs.)	17.42	17.23

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 25th February 2021.

(sgd) Najam Shamsuddin
Managing Director / Chief
Executive Officer

(sgd)Erande De Silva
Director / Chief Financial Officer

25th February 2021

Chevron Lubricants Lanka PLC

Interim Statement of Cash Flows

(Amounts in Rs.000's)

	Note	Period ended 31st December	
		2020	2019
Cash flows from operating activities			
Cash generated from operations	(i)	3,983,800	3,305,624
Interest paid		(41,985)	(45,448)
Retirement benefits paid		(17,468)	(45,987)
Income tax paid		(686,452)	(658,699)
Net cash generated from operating activities		3,237,895	2,555,490
Cash flows from investing activities			
Purchase of Property, Plant & Equipment		(84,847)	(99,835)
Proceeds from disposal of Property, Plant & Equipment		4,486	3,269
Interest received		65,568	41,341
Net cash used in investing activities		(14,793)	(55,225)
Cash flows from financing activities			
Payment of Lease liabilities		(34,181)	(29,395)
Dividends paid		(2,160,000)	(1,860,000)
Net cash used in financing activities		(2,194,181)	(1,889,395)
Net increase / (decrease) in cash and cash equivalents		1,028,921	610,870
Movement in cash and cash equivalents			
Cash and cash equivalents at beginning of period		869,635	258,766
Increase in cash and cash equivalents		1,028,921	610,870
Cash and cash equivalents at end of period		1,898,556	869,636

Note (i)

	Period ended 31st December	
	2020	2019
Cash generated from operations		
Profit before taxation	3,099,247	2,943,234
Adjustments for :		
Depreciation on property, plant and equipment	182,033	176,399
Depreciation on right-of-use assets	52,506	49,077
Property, plant and equipment Writtenoff	-	759
Amortisation of marketing support fee paid	22,149	17,361
(Profit)/Loss on disposal of property, plant and equipment	(2,559)	(435)
Interest income	(66,248)	(42,582)
Interest expense	41,985	45,448
(Reversal of provision)/Provision for impairment on trade receivables	(46)	(2,058)
Defined benefit obligations	29,195	26,693
Changes in working capital	0	
- trade and other receivables	(20,677)	(92,230)
- inventories	(751,398)	816,438
- payables	1,397,613	(632,480)
Cash generated from operations	3,983,800	3,305,624

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 2019	600,000	3,314,473	3,914,473
Profit for the period	Nil	2,099,408	2,099,408
Other comprehensive loss for the period	Nil	(19,158)	(19,158)
Transactions with owners - Dividends	Nil	(1,860,000)	(1,860,000)
Unclaimed Dividends transferred to Retained Earnings		1,574	1,574
Audited balance as at 31st December 2019	600,000	3,536,297	4,136,297
Balance as at 1st January 2020	600,000	3,536,297	4,136,297
Profit for the period	Nil	2,225,692	2,225,692
Other comprehensive loss for the period	Nil	(23,995)	(23,995)
Transactions with owners - Dividends		(2,160,000)	(2,160,000)
Unclaimed Dividends transferred to Retained Earnings		2,157	2,157
Unaudited balance as at 31st December 2020	600,000	3,580,151	4,180,151

Chevron Lubricants Lanka PLC

Notes to the Financial Statement for the period ended 31/12/2020

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 25th February 2021.

2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC for the period ended 31st December 2020, 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.

The Department of Inland Revenue of Sri Lanka had issued Notices PN/IT/2020-03 dated 12 February 2020, PN/IT/2020-03 (Amended) dated 18 February 2020 and PN/IT/2020-03 (Revised) dated 8 April 2020 indicating implementation of proposed changes to the Inland Revenue Act, No. 24 of 2017. These proposed changes which include revisions to Income Tax have not been applied by the Company for Interim Reporting as the proposed changes have not been enacted to tax laws nor substantively enacted as at the date of the statement of financial position.

4 Net assets per share has been computed based on number of shares in issue as at 31/12/2020.

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

6 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.

7 Share price movement

The market prices during the quarter	2020	2019	Year ended 31.12.2020
Highest price Rs.	112.00	83.00	112.00
Lowest price Rs.	77.00	59.50	46.00
Last traded price Rs.	108.00	74.90	108.00

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

Notes to the Financial Statement for the year ended 31/12/2020 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 31st Decemberr 2020 :

	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	BNYM RE-FRONTAURA GLOBAL FRONTIER FUND LLC	2,425,000	1.01
8	BBH-PIONEER MULTI-ASSET INCOME FUND	2,117,467	0.88
9	CRESCENT LAUNDERERS AND DRY CLEANERS PVT LIMITED	2,000,000	0.83
10	BANK OF CEYLON-NO2 A/C (BOC PTF)	1,688,823	0.70
11	MRS. SELLIAH ARUNTHATHI	1,425,000	0.59
12	BNYMSANV RE-NEON LIBERTY EMERGING MARKETS FUND LP	1,404,635	0.59
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 Pathiramage	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. SAMARANAYAKE NIHAL PARAKRAMA DE ALWIS	900,000	0.38
19	BANK OF CEYLON NO. 1 ACCOUNT	837,966	0.35
20	RUBBER INVESTMENT TRUST LTD A/C NO 01	763,746	0.32
		178,178,603	74.41

10 Public Holding : 49%. The Number of shareholders representing the public holding was 7,505

Compliant with CSE Rule 7.13.1 under option 1 - Float Adjusted Market Capitalization (Rs.) **12,700,800,000**

11 None of the Directors hold shares in the company

12 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
Nicolas Bossut
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.41, Janadhipathi Mawatha ,Colombo 1.

Principal Bankers

Citibank NA
Deutsche Bank AG
Commercial Bank of Ceylon PLC

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