

**CHEVRON LUBRICANTS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS**  
**30TH JUNE 2019**

**CHEVRON LUBRICANTS LANKA PLC**

**INTERIM FINANCIAL STATEMENTS - 30TH JUNE 2019**

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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			Six months ended 30th June		
		2019	2018	Change %	2019	2018	Change %
Revenue		2,748,997	2,784,854	(1)	6,013,969	5,764,325	4
Cost of sales		(1,769,585)	(1,748,246)	1	(3,819,081)	(3,463,389)	10
<b>Gross profit</b>		<b>979,412</b>	<b>1,036,608</b>	<b>(6)</b>	<b>2,194,888</b>	<b>2,300,936</b>	<b>(5)</b>
Distribution costs		(189,774)	(169,374)	12	(388,866)	(315,713)	23
Administrative expenses		(181,711)	(173,491)	5	(361,363)	(330,918)	9
Other operating income		367	4,485	(92)	782	4,889	(84)
<b>Operating profit</b>		<b>608,294</b>	<b>698,228</b>	<b>(13)</b>	<b>1,445,441</b>	<b>1,659,194</b>	<b>(13)</b>
Finance income		16,701	8,445	98	34,040	18,660	82
Finance costs		(12,507)	(633)	1,876	(23,496)	(1,292)	1,719
<b>Profit before income tax</b>		<b>612,487</b>	<b>706,040</b>	<b>(13)</b>	<b>1,455,985</b>	<b>1,676,562</b>	<b>(13)</b>
Income tax expense		(173,051)	(199,269)	(13)	(413,421)	(472,422)	(12)
<b>Profit for the period</b>		<b>439,436</b>	<b>506,771</b>	<b>(13)</b>	<b>1,042,564</b>	<b>1,204,140</b>	<b>(13)</b>
<b>Earnings per share attributable to the equity holders of the company during the year</b>							
Basic earnings per share (expressed in LKR)		1.83	2.11		4.34	5.02	

**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			Six months ended 30th June		
		2019	2018	Change %	2019	2018	Change %
<b>Profit for the period</b>		<b>439,436</b>	<b>506,771</b>	<b>(13)</b>	<b>1,042,564</b>	<b>1,204,140</b>	<b>(13)</b>
<b>Other comprehensive income:</b>							
Actuarial (loss)/gain on retirement benefit obligations		-	-	-	-	-	-
Tax on other comprehensive income		-	-	-	-	-	-
<b>Other Comprehensive (loss)/ income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>439,436</b>	<b>506,771</b>	<b>(13)</b>	<b>1,042,564</b>	<b>1,204,140</b>	<b>(13)</b>

**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 2019	31st December 2018
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, Plant & Equipment	1,934,161	1,963,377
Right of Use Asset - Leases	418,751	-
Trade and other receivables	79,005	76,239
	<b>2,431,917</b>	<b>2,039,616</b>
<b>Current assets</b>		
Inventories	1,841,521	2,755,735
Trade and other receivables	1,403,241	1,013,719
Cash and cash equivalents	393,293	258,766
	<b>3,638,055</b>	<b>4,028,220</b>
<b>Total assets</b>	<b>6,069,972</b>	<b>6,067,836</b>
<b>EQUITY AND LIABILITIES</b>		
Stated capital	600,000	600,000
Retained earnings	3,458,612	3,314,473
<b>Total equity</b>	<b>4,058,612</b>	<b>3,914,473</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Retirement benefit obligations	146,646	139,638
Lease Liabilities	385,497	
Deferred tax liabilities	256,338	257,505
	<b>788,481</b>	<b>397,143</b>
<b>Current liabilities</b>		
Trade and other payables	712,337	1,423,439
Lease Liabilities	36,720	
Current income tax liabilities	473,822	332,781
	<b>1,222,879</b>	<b>1,756,220</b>
<b>Total liabilities</b>	<b>2,011,360</b>	<b>2,153,363</b>
<b>Total equity and liabilities</b>	<b>6,069,972</b>	<b>6,067,836</b>
Net Assets per Share (Rs.)	16.91	16.31

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 5th August 2019.

(Sgd)Patrick McCloud  
Managing Director / CEO  
5th August 2019

(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 30th June	
		2019	2018
<b>Cash flows from operating activities</b>			
Cash generated from operations	(i)	1,339,570	2,398,405
Interest paid		23,497	(1,292)
Retirement benefits paid		(6,032)	(36,842)
Income tax paid		(273,546)	(352,476)
<b>Net cash generated from operating activities</b>		<b>1,083,490</b>	<b>2,007,795</b>
<b>Cash flows from investing activities</b>			
Purchase of Property, Plant & Equipment		(60,214)	(13,628)
Proceeds from disposal of Property, Plant & Equipment		2,206	4,262
Interest received		13,552	11,769
<b>Net cash used in investing activities</b>		<b>(44,456)</b>	<b>2,403</b>
<b>Cash flows from financing activities</b>			
Payment of Lease liabilities		(4,506)	-
Dividends paid		(900,000)	(1,080,000)
<b>Net cash used in financing activities</b>		<b>(904,506)</b>	<b>(1,080,000)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>134,527</b>	<b>930,198</b>
<b>Movement in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of period		258,766	24,699
Increase in cash and cash equivalents		134,527	930,198
<b>Cash and cash equivalents at end of period</b>		<b>393,293</b>	<b>954,897</b>

Note (i)

	Period ended 30th June	
	2019	2018
<b>Cash generated from operations</b>		
Profit before taxation	1,455,985	1,676,563
Adjustments for :		
Depreciation	109,083	86,357
Property, plant and equipment Writtenoff	396	35
Amortisation of marketing support fee paid	8,552	9,090
(Profit)/Loss on disposal of property, plant and equipment	(143)	(4,146)
Interest income	(13,552)	(14,246)
Interest expense	(23,497)	1,292
(Reversal of provision)/Provision for impairment on trade receivables	19	(1,126)
Defined benefit obligations	13,040	12,405
Changes in working capital		
- trade and other receivables	(414,998)	(51,931)
- inventories	914,214	(472,878)
- payables	(709,528)	1,156,990
<b>Cash generated from operations</b>	<b>1,339,570</b>	<b>2,398,405</b>

## 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>
<b>Balance as at 1st January 2018</b>	<b>600,000</b>	<b>3,406,914</b>	<b>4,006,914</b>
Profit for the period	Nil	1,204,140	1,204,140
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners - Dividends	Nil	(1,080,000)	(1,080,000)
Unclaimed Dividends transferred to Retained Earnings		12,539	12,539
<b>Balance as at 30th June 2018</b>	<b>600,000</b>	<b>3,543,593</b>	<b>4,143,593</b>
<b>Balance as at 1st January 2019</b>	<b>600,000</b>	<b>3,314,473</b>	<b>3,914,473</b>
Profit for the period	Nil	1,042,564	1,042,564
Other comprehensive income for the period	Nil	Nil	Nil
Transactions with owners - Dividends		(900,000)	(900,000)
Unclaimed Dividends transferred to Retained Earnings		1,574	1,574
<b>Balance as at 30th June 2019</b>	<b>600,000</b>	<b>3,458,612</b>	<b>4,058,612</b>

# Chevron Lubricants Lanka PLC

## Notes to the Financial Statement for the period ended 30/06/2019

### 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 5th August 2019.

### 2 Basis of preparation

These condensed interim financial statements of Chevron Lubricants Lanka PLC for the period ended 30th June 2019, 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, except for the following. The Company has adopted SLFRS 16 Leases from 1 January 2019. The company has applied the simplified transition approach and has not restated comparative amounts for the year prior to first adoption. The right of use assets were measured at the amount of the lease liability on adoption (adjusted for any pre-paid or accrued lease expenses)

The interest expense related to the lease liability has been recognized under finance cost, whilst the right-of-use assets have been depreciated over the shorter of the asset's useful life and the lease term on a straight line basis and recognized under depreciation in the interim comprehensive income statement.

4 Net assets per share has been computed based on number of shares in issue as at 30/06/2019.

5 No circumstances have arisen since the Balance Sheet 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 Annual Report for the year ended 31st December 2018.

### 7 Share price movement

The market prices during the quarter	2019	2018	Year ended 31.12.2018
Highest price Rs.	64.50	107.00	122.00
Lowest price Rs.	50.00	74.00	64.80
Last traded price Rs.	59.00	76.50	72.80

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

## Notes to the Financial Statement for the year ended 30.06.2019 *Continued*

9 Names and the Number of Shares held by the largest 20 shareholders as at 30th June 2019 :

	Name of Shareholders	Number of Shares	%
1	Chevron Ceylon Limited	122,400,000	51.00
2	Caceis Bank, Luxembourg Branch-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	4,270,250	1.78
5	BNYMSANV RE-NEON LIBERTY EMERGING MARKETS FUND,LP	4,102,067	1.71
6	Northern Trust Global Services London S/A Verdipapirfondet Odin Emerging Markets	3,444,194	1.44
7	Sri Lanka Insurance Corporation LTD- LIFE FUND	3,400,000	1.42
7	Cargo Boat Development Company Limited	3,400,000	1.42
9	BNYM SA/NV- FRONTAURA GLOBAL FRONTIER FUND LLC	2,756,627	1.15
10	BBH-PIONEER MULTI-ASSET INCOME FUND	2,117,467	0.88
11	Crescent Launderers & Dry Cleaners (Pvt) Ltd	2,000,000	0.83
12	BNYM RE-FRONTIER MARKET OPPORTUNITIES MASTER FD,L.P	1,730,763	0.72
13	Bank of Ceylon -No 2 A/C	1,688,823	0.70
14	SSBT- PARAMETRIC TAX- MANAGED EMERGING MARKETS FUND	1,378,614	0.57
15	MRS. SELIAH ARUNTHATHI	1,350,000	0.56
16	EMPLOYEES PROVIDENT FUND	1,015,916	0.42
17	MELLON BANK N.A-EATON VANCE TRUST CO.COLLECTIVE INV.TRUST FOR EMPLOYEE BENEFIT PLANS-EATON VANCE T	918,502	0.38
18	MRS. KAILASAPILLAI ABIRAMIPILLAI	900,000	0.38
19	BNYM RE-GHI HOLDINGS MAURITIUS	870,000	0.36
20	MR. UDABAGE REVATA MAHIPALA	844,078	0.35
	Total	<b>183,591,926</b>	<b>76.49</b>

10 Public Holding : 49%. The Number of shareholders representing the public holding was 6,347

Compliant with CSE Rule 7.13.1 under option 3 - Float Adjusted Market Capitalization (Rs.)

**6,938,400,000**

11 None of the Directors hold shares in the company

12 Mr. Patrick McCloud 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*  
Patrick McCloud - *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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