

Vivo Energy Mauritius Limited - Abridged Financial Statements

INCOME STATEMENT

FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019

	Unaudited Three months ended 30 June 2019 Rs'000	Unaudited Six months ended 30 June 2019 Rs'000	(Restated)	(Restated)
			Unaudited Three months ended 30 June 2018 Rs'000	Unaudited Six months ended 30 June 2018 Rs'000
Revenue from contracts with customers	2,843,874	5,757,891	3,171,152	5,902,481
Cost of sales	(2,598,813)	(5,276,079)	(2,956,446)	(5,497,341)
Gross profit	245,061	481,812	214,706	405,140
Other income	11,407	26,769	17,184	32,955
Other gains on exchange	9,820	6,135	10,311	9,174
Distribution costs	(10,469)	(20,468)	(9,598)	(18,972)
Administrative expenses	(138,592)	(266,908)	(140,317)	(253,184)
Operating profit	117,227	227,340	92,286	175,113
Finance income	1,268	3,147	1,157	2,149
Finance costs	(10,788)	(21,206)	(9,175)	(18,180)
Finance costs - net	(9,520)	(18,059)	(8,018)	(16,031)
Share of profit of joint ventures	7,581	9,387	1,273	3,337
Profit before income tax	115,288	218,668	85,541	162,419
Income tax credit/(expense)	4,069	(12,645)	(14,113)	(26,797)
Profit for the period	119,357	206,023	71,428	135,622
Basic and diluted earnings per share	Rs 4.07	7.03	2.44	4.63
Number of shares used in the calculation	000's 29,322	29,322	29,322	29,322

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2019

	Unaudited Three months ended 30 June 2019 Rs'000	Unaudited Six months ended 30 June 2019 Rs'000	(Restated)	(Restated)
			Unaudited Three months ended 30 June 2018 Rs'000	Unaudited Six months ended 30 June 2018 Rs'000
Profit for the period	119,357	206,023	71,428	135,622
Other comprehensive income				
Items that will not be reclassified to profit or loss				
Re-measurements of post-employment benefit obligations	13,507	35,824	31,089	31,089
Deferred tax liability on re-measurements of post-employment benefit obligations	(2,295)	(6,089)	(5,285)	(5,285)
Other comprehensive income for the period, net of tax	11,212	29,735	25,804	25,804
Total comprehensive income for the period	130,569	235,758	97,252	161,426

STATEMENT OF FINANCIAL POSITION - 30 JUNE 2019

	Unaudited 30 June 2019 Rs'000	Audited 31 December 2018 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,177,739	1,178,431
Right-of-use assets	270,348	292,985
Prepaid leases	8,338	8,627
Intangible assets	647	1,006
Financial assets at amortised cost	9,622	3,540
Investment in joint ventures	43,448	37,811
	1,510,142	1,522,400
Current assets		
Inventories	783,888	844,513
Trade and other receivables	921,525	965,035
Cash and cash equivalents	69,034	447,804
	1,774,447	2,257,352
Total assets	3,284,589	3,779,752
EQUITY & LIABILITIES		
Equity		
Share capital	293,223	293,223
Retained earnings	815,922	764,014
Total equity	1,109,145	1,057,237
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	80,925	76,624
Retirement benefit obligations	40,625	74,528
Lease liability	266,656	288,624
	388,206	439,776
Current liabilities		
Borrowings	100,304	206,975
Trade and other payables	1,204,753	1,607,063
Deposits on LPG cylinders	407,829	393,674
Current income tax liabilities	20,373	22,016
Lease liability	53,979	53,011
	1,787,238	2,282,739
Total liabilities	2,175,444	2,722,515
Total equity and liabilities	3,284,589	3,779,752

STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Share capital Rs'000	Retained earnings Rs'000	Total equity Rs'000
At 01 January 2019	293,223	764,014	1,057,237
Comprehensive income			
Profit for the period	-	206,023	206,023
Other comprehensive income	-	29,735	29,735
Total comprehensive income	-	235,758	235,758
Transactions with owners			
Dividends declared	-	(183,850)	(183,850)
Total transactions with owners	-	(183,850)	(183,850)
At 30 June 2019	293,223	815,922	1,109,145
At 01 January 2018 (as restated)	293,223	708,175	1,001,398
Comprehensive income			
Profit for the period	-	135,622	135,622
Other comprehensive income	-	25,804	25,804
Total comprehensive income (as restated)	-	161,426	161,426
Transactions with owners			
Dividends declared	-	(105,853)	(105,853)
Total transactions with owners	-	(105,853)	(105,853)
At 30 June 2018 (as restated)	293,223	763,748	1,056,971

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Unaudited Six months ended 30 June 2019 Rs'000	(Restated) Unaudited Six months ended 30 June 2018 Rs'000
Cash flows from operating activities		
Profit before income tax	218,668	162,419
Adjustments for:		
Depreciation on property, plant and equipment	59,467	56,743
Depreciation on right-of-use assets	22,637	24,486
Amortisation of intangible assets	360	732

STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2019

	Unaudited Six months ended 30 June 2019 Rs'000	(Restated) Unaudited Six months ended 30 June 2018 Rs'000
Amortisation of prepaid leases	289	289
Increase/(decrease) in loss allowance for receivables	833	(5,510)
Interest expense	18,001	18,180
Loss on disposal of property, plant and equipment	-	953
Interest income	(3,026)	(2,149)
Unrealised (gain)/loss on exchange	(5,556)	(2,799)
Share of profit of joint venture	(9,387)	(3,337)
Charge for retirement benefit obligations	11,373	2,448
Cash generated before working capital changes	313,659	252,455
Decrease in inventories	60,625	103,883
Decrease/(increase) in receivables and prepayments	36,594	(77,766)
(Decrease)/increase in trade and other payables	(401,034)	66,390
Increase in deposits on LPG cylinders	14,155	4,937
Cash generated from/(used in) operations	23,999	349,899
Interest paid	(18,001)	(18,180)
Income tax paid	(16,078)	(22,386)
Retirement benefits contributions paid	(9,451)	(9,329)
Net cash generated from/(used in) operating activities	(19,531)	300,004
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	-	210
Interest received	3,026	2,149
Payments for purchase of property, plant and equipment	(58,776)	(68,572)
Dividends received from joint venture	3,750	2,500
Net cash used in investing activities	(52,000)	(63,713)
Cash flows from financing activities		
Dividends paid to Company's shareholders	(183,850)	(105,853)
Repayment of lease liability	(21,000)	(20,540)
Net cash used in financing activities	(204,850)	(126,393)
Net (decrease)/increase in cash, cash equivalents and bank overdrafts	(276,381)	109,898
Cash, cash equivalents and bank overdrafts at beginning of year	240,829	269,800
Effect of exchange rate changes on cash and bank overdrafts	4,282	2,696
Cash, cash equivalents and bank overdrafts at end of period	(31,270)	382,394

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2019

1. GENERAL INFORMATION

Vivo Energy Mauritius Limited (the "Company") is a limited liability company listed on the Stock Exchange of Mauritius and is incorporated and domiciled in Mauritius.

This condensed interim financial information was authorised for issue by the Board of Directors on 15 August 2019.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed interim financial information for the six months ended 30 June 2019 has been prepared in accordance with and complies with International Accounting Standard IAS 34, Interim Financial Reporting. This condensed interim financial information should be read in conjunction with the audited financial statements for the year ended 31 December 2018.

The principal accounting policies applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the previous year's audited financial statements.

3. PRIOR YEAR RESTATEMENT

In November 2014, there has been a change in Vivo Group depreciation policy for LPG cylinders, from 5 to 10 years. This change has not been applied by Vivo Energy Mauritius Limited. In line with IAS 8, the financial statements have been restated to that effect.

4. SEGMENT INFORMATION

Three months ended 30 June 2019

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Revenue from contracts with customers	1,681,639	1,162,235	2,843,874
Segment results	97,507	62,258	159,765
Unallocated costs			(42,538)
Operating profit			117,227

Three months ended 30 June 2018 (Restated)

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Revenue from contracts with customers	1,931,118	1,240,034	3,171,152
Segment results	49,741	66,153	115,894
Unallocated costs			(23,608)
Operating profit			92,286

Six months ended 30 June 2019

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Revenue from contracts with customers	3,368,265	2,389,626	5,757,891
Segment results	162,818	117,146	279,964
Unallocated costs			(52,624)
Operating profit			227,340

Six months ended 30 June 2018 (Restated)

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Revenue from contracts with customers	3,678,580	2,223,901	5,902,481
Segment results	106,419	121,810	228,229
Unallocated costs			(53,116)
Operating profit			175,113

30 June 2019

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Segment assets	1,407,032	1,509,540	2,916,572
Joint venture	21,793	21,655	43,448
Unallocated assets			324,569
Total assets			3,284,589
Segment liabilities	832,420	834,774	1,667,194
Unallocated liabilities			508,250
Total liabilities			2,175,444

31 December 2018

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Segment assets	1,573,422	1,130,581	2,704,003
Joint venture	19,125	18,686	37,811
Unallocated assets			1,037,938
Total assets			3,779,752
Segment liabilities	680,308	572,514	1,252,822
Unallocated liabilities			1,469,693
Total liabilities			2,722,515

5. REVIEW OF RESULTS

A strong performance versus 2018. Overall, the profit before tax for the period is 35% higher than both the same period last year and on a year to date basis.

Despite a Rs.327m reduction in overall sales, the gross profit increased by Rs. 30.4m (14%) due to lower cost of regulated products in the first half of 2019 as compared to same period last year.

6. FUTURE DEVELOPMENTS

Two stations are currently under construction at Highlands and Mare D'albert. They are expected to open in the third quarter this year.

7. CONDENSED INTERIM FINANCIAL INFORMATION

This condensed interim financial information is unaudited.

The statement of direct and indirect interests of officers of the Company required under Rule 8 (2)(m) of the Securities (Disclosure Obligations of Reporting Issuers) Rules 2007 is available upon request from the Company Secretary, Executive Services Limited, Les Jamalacs Building, Jules Koenig Street, Port Louis.

Copies of this condensed interim financial information are available free of charge on request at the registered office of the Company, Roche-Bois, Port Louis.

This condensed interim financial information is issued pursuant to Listing Rule 12.20.

The Board of Directors of Vivo Energy Mauritius Limited accepts full responsibility for the information contained in this unaudited condensed interim financial information.

BY ORDER OF THE BOARD
15 August 2019