

Vivo Energy Mauritius Limited - Abridged Financial Statements

INCOME STATEMENT

FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Unaudited Three months ended 31 March 2018 Rs'000	(Restated) Unaudited Three months ended 31 March 2017 Rs'000
Sales	2,731,329	2,345,522
Cost of sales	(2,542,224)	(2,161,282)
Gross profit	189,105	184,240
Other income	15,771	19,703
Other losses on exchange - net	(1,137)	(3,509)
Distribution costs	(9,374)	(10,665)
Administrative expenses	(112,867)	(104,004)
Operating profit	81,498	85,765
Finance income	992	555
Finance costs	(9,005)	(9,757)
Finance costs - net	(8,013)	(9,202)
Share of profit of joint ventures	2,064	2,115
Profit before income tax	75,549	78,678
Income tax expense	(12,458)	(12,911)
Profit for the period	63,091	65,767
Basic and diluted earnings per share	Rs 2.15	2.24
Number of shares used in the calculation	000's 29,322	29,322

STATEMENT OF COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Unaudited Three months ended 31 March 2018 Rs'000	(Restated) Unaudited Three months ended 31 March 2017 Rs'000
Profit for the period	63,091	65,767
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Re-measurements of post-employment benefit obligations	-	6,933
Deferred tax liability on re-measurements of post-employment benefit obligations	-	(1,179)
Other comprehensive income for the period, net of tax	63,091	5,754
Total comprehensive income for the period	63,091	71,521

STATEMENT OF FINANCIAL POSITION - 31 MARCH 2018

	Unaudited 31 March 2018 Rs'000	Audited 31 December 2017 Rs'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,049,885	1,074,779
Right-of-use assets	337,493	326,255
Prepaid leases	9,061	9,205
Intangible assets	1,998	2,363
Other long-term assets	2,356	2,919
Investment in joint ventures	39,858	37,794
	1,440,651	1,453,315
Current assets		
Inventories	952,966	792,709
Trade and other receivables	769,269	890,930
Cash and cash equivalents	253,099	269,800
	1,975,334	1,953,439
Total assets	3,415,985	3,406,754
EQUITY & LIABILITIES		
Equity		
Share capital	293,223	293,223
Retained earnings	684,064	668,182
Total equity	977,287	961,405
LIABILITIES		
Non-current liabilities		
Deferred income tax liabilities	66,680	65,848
Retirement benefit obligations	65,657	68,815
Lease liability	336,723	330,772
	469,060	465,435
Current liabilities		
Trade and other payables	1,520,661	1,552,311
Deposits on LPG cylinders	376,343	374,260
Current income tax liabilities	28,027	16,513
Lease liability	44,607	36,830
	1,969,638	1,979,914
Total liabilities	2,438,698	2,445,349
Total equity and liabilities	3,415,985	3,406,754

STATEMENT OF CHANGES IN EQUITY

FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Share capital Rs'000	Retained earnings Rs'000	Total equity Rs'000
At 01 January 2018	293,223	668,182	961,405
Comprehensive income			
Profit for the period	-	63,091	63,091
Other comprehensive income	-	-	-
Total comprehensive income	-	63,091	63,091
Transactions with owners			
Dividends declared	-	(47,209)	(47,209)
Total transactions with owners	-	(47,209)	(47,209)
At 31 March 2018	293,223	684,064	977,287
At 01 January 2017	293,223	583,290	876,513
Adjustment on adoption of IFRS16 (net of tax)	-	(27,418)	(27,418)
At 01 January 2017 (as restated)	293,223	555,872	849,095
Comprehensive income			
Profit for the period	-	67,504	67,504
IFRS impact on profit for the period	-	(1,737)	(1,737)
Profit for the period (as restated)	-	65,767	65,767
Other comprehensive income	-	5,754	5,754
Total comprehensive income (as restated)	-	71,521	71,521
Transactions with owners			
Dividends declared	-	(71,840)	(71,840)
Total transactions with owners	-	(71,840)	(71,840)
At 31 March 2017 (as restated)	293,223	555,553	848,776

STATEMENT OF CASH FLOWS

FOR THE THREE MONTHS ENDED 31 MARCH 2018

	Unaudited Three months ended 31 March 2018 Rs'000	(Restated) Unaudited Three months ended 31 March 2017 Rs'000
Cash flows from operating activities		
Profit before income tax	75,549	78,678
Adjustments for:		
Depreciation on property, plant and equipment	29,600	31,000
Depreciation on right-of-use assets	12,263	11,285
Amortisation of intangible assets	366	262
Amortisation of prepaid leases	144	145
Increase/(decrease) in provision for impairment of receivables	510	(1,383)
Interest expense	9,005	9,757
Profit on disposal of property, plant and equipment	(116)	-
Interest income	(992)	(555)
Unrealised loss on exchange	2,419	3,630
Share of profit of joint venture	(2,064)	(2,115)
Decrease in retirement benefit obligations	(3,158)	(1,137)
Cash generated before working capital changes	123,526	129,567
Increase in inventories	(160,257)	(279,467)
Decrease in receivables and prepayments	122,871	43,845
Decrease in trade and other payables	(80,128)	(105,091)
Increase in deposits on LPG cylinders	2,083	6,703
Cash generated from/(used in) operations	8,095	(204,443)
Interest paid	(9,005)	(9,757)
Income tax paid	(112)	(744)
Net cash used in operating activities	(1,022)	(214,944)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	210	-
Interest received	992	555
Loan to dealers	-	(3,000)
Payments for purchase of property, plant and equipment	(4,799)	(16,179)
Dividends received from joint venture	-	-
Net cash used in investing activities	(3,597)	(18,624)
Cash flows from financing activities		
Dividends paid to Company's shareholders	-	-
Repayment of lease liability	(9,773)	(9,207)
Net cash used in financing activities	(9,773)	(9,207)
Net decrease in cash, cash equivalents and bank overdrafts	(14,392)	(242,775)
Cash, cash equivalents and bank overdrafts at beginning of year	269,800	397,785
Effect of exchange rate changes on cash and bank overdrafts	(2,309)	(1,947)
Cash, cash equivalents and bank overdrafts at end of period	253,099	153,063

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE THREE MONTHS ENDED 31 MARCH 2018

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 14 May 2018.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed interim financial information for the three months ended 31 March 2018 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 2017.

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.

As already mentioned in our annual report as at 31/12/2017, the Company early adopted IFRS 16 during the year ended 31 December 2017, which is why the comparatives for 31 March 2017 have been restated.

3. SEGMENT INFORMATION

Three months ended 31 March 2018

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Sales	1,747,463	983,866	2,731,329
Segment results	55,625	55,380	111,005
Unallocated costs			(29,507)
Operating profit			81,498

Three months ended 31 March 2017 (Restated)

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Sales	1,537,353	808,170	2,345,523
Segment results	53,095	65,719	118,814
Unallocated costs			(33,049)
Operating profit			85,765

31 March 2018

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Segment assets	1,385,971	1,294,039	2,680,010
Joint venture	17,421	22,437	39,858
Unallocated assets			696,117
Total assets			3,415,985
Segment liabilities	645,189	559,709	1,204,898
Unallocated liabilities			1,233,800
Total liabilities			2,438,698

31 December 2017

	Regulated Rs'000	Non-regulated Rs'000	Total Rs'000
Segment assets	1,516,882	1,052,320	2,569,202
Joint venture	17,421	20,373	37,794
Unallocated assets			799,758
Total assets			3,406,754
Segment liabilities	813,219	620,246	1,433,465
Unallocated liabilities			1,011,884
Total liabilities			2,445,349

4. REVIEW OF RESULTS

Sales proceeds for the first quarter increased by Rs. 386 m (16%) as compared to 2017, whilst the gross profit increased by Rs. 5 m (3%). Following a slow start to the year 2018 with the bad climate conditions in January and February, sales picked up in March such that the performance has generally remained good across all the segments.

As far as inland trade is concerned, the price of regulated products has not been reviewed upwards since December 2017, whilst unit margins have remained at the same level since August 2017, thus mitigating the effect of higher volumes. Costs have remained within control. Overall, the profit for the period is 4% lower than same period last year.

5. FUTURE DEVELOPMENTS

The construction of tanks at the joint industry depot of Mer Rouge Oil Storage Terminal Co. Ltd. (MOST) is progressing well and the depot is expected to be completed in July 2018.

6. 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
14 May 2018