

Vivo Energy Mauritius Limited - Abridged Financial Statements

INCOME STATEMENT

FOR THE THREE AND NINE MONTHS ENDED 30 SEPTEMBER 2020

| | Unaudited Three months ended 30 September 2020 Rs'000 | Unaudited Nine months ended 30 September 2020 Rs'000 | Unaudited Three months ended 30 September 2019 Rs'000 | Unaudited Nine months ended 30 September 2019 Rs'000 |
|------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|
| Revenue from contracts with customers | 2,137,865 | 6,158,920 | 3,131,591 | 8,889,482 |
| Cost of sales | (1,947,468) | (5,589,528) | (2,858,550) | (8,134,629) |
| Gross profit | 190,397 | 569,392 | 273,041 | 754,853 |
| Other income | 13,859 | 40,566 | 9,008 | 35,777 |
| Other (losses)/gains on exchange – net | (169) | 25,863 | 11,358 | 17,493 |
| Distribution costs | (9,622) | (28,562) | (10,631) | (31,099) |
| Administrative expenses | (132,982) | (393,751) | (164,553) | (431,461) |
| Operating profit | 61,483 | 213,508 | 118,223 | 345,563 |
| Finance income | 416 | 1,661 | 326 | 3,473 |
| Finance costs | (8,948) | (26,157) | (10,441) | (31,647) |
| Finance costs - net | (8,532) | (24,496) | (10,115) | (28,174) |
| Share of profit of joint ventures | 1,844 | 4,734 | (3,482) | 5,905 |
| Profit before income tax | 54,795 | 193,746 | 104,626 | 323,294 |
| Income tax expense | (4,434) | (32,709) | (9,272) | (21,917) |
| Profit for the period | 50,361 | 161,037 | 95,354 | 301,377 |
| Basic and diluted earnings per share | Rs 1.72 | 5.49 | 3.25 | 10.28 |
| 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 NINE MONTHS ENDED 30 SEPTEMBER 2020

| | Unaudited Three months ended 30 September 2020 Rs'000 | Unaudited Nine months ended 30 September 2020 Rs'000 | Unaudited Three months ended 30 September 2019 Rs'000 | Unaudited Nine months ended 30 September 2019 Rs'000 |
|------------------------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|
| Profit for the period | 50,361 | 161,037 | 95,354 | 301,377 |
| Other comprehensive income | | | | |
| Items that will not be reclassified to profit or loss: | | | | |
| Re-measurements of post-employment benefit obligations | 45,626 | (110,852) | (16,579) | 19,245 |
| Deferred tax (liability)/asset on re-measurements of post-employment benefit obligations | (7,756) | 18,845 | 2,818 | (3,271) |
| Other comprehensive income for the period, net of tax | 37,870 | (92,007) | (13,761) | 15,974 |
| Total comprehensive income for the period | 88,231 | 69,030 | 81,593 | 317,351 |

STATEMENT OF FINANCIAL POSITION - 30 SEPTEMBER 2020

| | Unaudited 30 September 2020 Rs'000 | Audited 31 December 2019 Rs'000 |
|-------------------------------------|---------------------------------------------|------------------------------------------|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 1,275,966 | 1,251,449 |
| Intangible assets | 35 | 345 |
| Right-of-use assets | 207,012 | 247,711 |
| Prepaid leases | 7,623 | 8,050 |
| Financial assets at amortised cost | 4,144 | 4,695 |
| Investment in joint ventures | 35,049 | 33,315 |
| | 1,529,829 | 1,545,565 |
| Current assets | | |
| Inventories | 727,707 | 625,854 |
| Trade and other receivables | 898,736 | 1,109,721 |
| Cash and cash equivalents | 411,676 | 214,524 |
| | 2,038,119 | 1,950,099 |
| Total assets | 3,567,948 | 3,495,664 |
| EQUITY & LIABILITIES | | |
| Equity | | |
| Share capital | 293,223 | 293,223 |
| Retained earnings | 726,875 | 770,149 |
| Total equity | 1,020,098 | 1,063,372 |
| LIABILITIES | | |
| Non-current liabilities | | |
| Deferred income tax liabilities | 61,671 | 81,591 |
| Retirement benefit obligations | 153,491 | 52,339 |
| Lease liability | 206,666 | 245,576 |
| | 421,828 | 379,506 |
| Current liabilities | | |
| Borrowings | 420,279 | 90,994 |
| Trade and other payables | 1,168,742 | 1,468,402 |
| Deposits on LPG cylinders | 473,168 | 428,028 |
| Current income tax liabilities | 14,093 | 11,101 |
| Lease liability | 49,740 | 54,261 |
| | 2,126,022 | 2,052,786 |
| Total liabilities | 2,547,850 | 2,432,292 |
| Total equity and liabilities | 3,567,948 | 3,495,664 |

STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

| | Share capital Rs'000 | Retained earnings Rs'000 | Total equity Rs'000 |
|---------------------------------------|----------------------------|--------------------------------|---------------------------|
| At 01 January 2020 | 293,223 | 770,149 | 1,063,372 |
| Comprehensive income | | | |
| Profit for the period | - | 161,037 | 161,037 |
| Other comprehensive income | - | (92,007) | (92,007) |
| Total comprehensive income | - | 69,030 | 69,030 |
| Transactions with owners | | | |
| Dividends declared | - | (112,304) | (112,304) |
| Total transactions with owners | - | (112,304) | (112,304) |
| At 30 September 2020 | 293,223 | 726,875 | 1,020,098 |
| At 01 January 2019 | 293,223 | 764,014 | 1,057,237 |
| Comprehensive income | | | |
| Profit for the period | - | 301,377 | 301,377 |
| Other comprehensive income | - | 15,974 | 15,974 |
| Total comprehensive income | - | 317,351 | 317,351 |
| Transactions with owners | | | |
| Dividends declared | - | (248,359) | (248,359) |
| Total transactions with owners | - | (248,359) | (248,359) |
| At 30 September 2019 | 293,223 | 833,006 | 1,126,229 |

4. REVIEW OF RESULTS

2020 is an exceptional year due to the COVID-19 pandemic. Reduced economic activity has affected our results compared to the same period last year. Mild economic recovery was observed in the 3rd quarter of 2020 with the easing of sanitary restrictions. The improvement in economic performance resulted in improved results as compared to the 2nd quarter of 2020.

5. FUTURE DEVELOPMENTS

Due to the uncertainty caused by the COVID-19 pandemic across the globe, many variables used to forecast performance in 2020 are changing and are not easily discernible. We expect that this situation will improve in the future. Nevertheless, our responsive and resilient business model will enable our Company to adapt to the changing conditions in 2020. Further guidance on 2020 performance will be provided later as the situation improves.

STATEMENT OF CASH FLOWS

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

| | Unaudited Nine months ended 30 September 2020 Rs'000 | Unaudited Nine months ended 30 September 2019 Rs'000 |
|--------------------------------------------------------------------|---------------------------------------------------------------------|---------------------------------------------------------------------|
| Cash flows from operating activities | | |
| Profit before income tax | 193,746 | 323,294 |
| Adjustments for: | | |
| Depreciation on property, plant and equipment | 93,267 | 86,558 |
| Depreciation on right-of-use assets | 32,338 | 33,956 |
| Amortisation of intangible assets | 311 | 539 |
| Amortisation of prepaid leases | 427 | 193 |
| Increase in loss allowance for receivables | 26,616 | 2,472 |
| Interest expense | 22,168 | 23,838 |
| Profit on disposal of property, plant and equipment | - | (128) |
| Interest income | (532) | (3,473) |
| Unrealised gain on exchange | (12,407) | (17,662) |
| Gain on de-recognition of leases | (2,503) | - |
| Share of profit of joint venture | (4,734) | (5,905) |
| Charge for retirement benefit obligations | 3,811 | 12,385 |
| Increase in provision for slow moving inventory | - | 1,721 |
| Cash generated before working capital changes | 352,508 | 457,788 |
| (Increase)/decrease in inventories | (101,853) | 363,091 |
| Decrease in receivables and prepayments | 196,306 | 3,900 |
| Decrease in trade and other payables | (277,216) | (362,423) |
| Increase in deposits on LPG cylinders | 45,141 | 24,081 |
| Cash generated from operations | 214,886 | 486,437 |
| Interest paid | (22,168) | (23,838) |
| Income tax paid | (30,792) | (27,438) |
| Retirement benefits contributions paid | (13,511) | (13,943) |
| Net cash generated from operating activities | 148,415 | 421,218 |
| Cash flows from investing activities | | |
| Proceeds from disposal of property, plant and equipment | - | 128 |
| Interest received | 532 | 3,473 |
| Loan to dealers | - | (10,000) |
| Payments for purchase of property, plant and equipment | (140,975) | (79,464) |
| Dividends received from joint venture | 3,000 | 3,750 |
| Net cash used in investing activities | (137,443) | (82,113) |
| Cash flows from financing activities | | |
| Dividends paid to Company's shareholders | (112,304) | (248,359) |
| Repayment of lease liability | (32,568) | (29,156) |
| Net cash used in financing activities | (144,872) | (277,515) |
| Net decrease in cash, cash equivalents and bank overdrafts | (133,900) | 61,590 |
| Cash, cash equivalents and bank overdrafts at beginning of year | 123,530 | 240,829 |
| Effect of exchange rate changes on cash and bank overdrafts | 1,767 | 12,903 |
| Cash, cash equivalents and bank overdrafts at end of period | (8,603) | 315,322 |

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

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 13 November 2020.

2. BASIS OF PREPARATION AND ACCOUNTING POLICIES

This condensed interim financial information for the nine months ended 30 September 2020 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 2019.

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. SEGMENT INFORMATION

Three months ended 30 September 2020

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------------------------|---------------------|-------------------------|-----------------|
| Revenue from contracts with customers | 1,558,705 | 579,160 | 2,137,865 |
| Segment results | 68,986 | 10,700 | 79,686 |
| Unallocated costs | | | (18,203) |
| Operating profit | | | 61,483 |

Three months ended 30 September 2019

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------------------------|---------------------|-------------------------|-----------------|
| Revenue from contracts with customers | 1,812,012 | 1,319,579 | 3,131,591 |
| Segment results | 80,525 | 76,382 | 156,907 |
| Unallocated costs | | | (38,684) |
| Operating profit | | | 118,223 |

Nine months ended 30 September 2020

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------------------------|---------------------|-------------------------|-----------------|
| Revenue from contracts with customers | 4,028,107 | 2,130,813 | 6,158,920 |
| Segment results | 170,065 | 109,921 | 279,986 |
| Unallocated costs | | | (66,478) |
| Operating profit | | | 213,508 |

Nine months ended 30 September 2019

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------------------------|---------------------|-------------------------|-----------------|
| Revenue from contracts with customers | 5,180,277 | 3,709,205 | 8,889,482 |
| Segment results | 243,343 | 193,527 | 436,870 |
| Unallocated costs | | | (91,307) |
| Operating profit | | | 345,563 |

30 September 2020

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------|---------------------|-------------------------|-----------------|
| Segment assets | 1,295,305 | 1,420,456 | 2,715,761 |
| Joint venture | 17,055 | 17,994 | 35,049 |
| Unallocated assets | | | 817,138 |
| Total assets | | | 3,567,948 |
| Segment liabilities | 851,519 | 837,675 | 1,689,194 |
| Unallocated liabilities | | | 858,656 |
| Total liabilities | | | 2,547,850 |

31 December 2019

| | Regulated Rs'000 | Non-regulated Rs'000 | Total Rs'000 |
|----------------------------|---------------------|-------------------------|-----------------|
| Segment assets | 1,545,643 | 1,146,511 | 2,692,154 |
| Joint venture | 15,563 | 17,752 | 33,315 |
| Unallocated assets | | | 770,195 |
| Total assets | | | 3,495,664 |
| Segment liabilities | 1,088,793 | 997,766 | 2,086,559 |
| Unallocated liabilities | | | 345,733 |
| Total liabilities | | | 2,432,292 |

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

13 November 2020