

# INTERIM FINANCIAL STATEMENTS

**For the Period Ended 30 June 2023**



UNITED MOTORS LANKA PLC  
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group			Company		
		Un-audited Period ended 30.06.2023	Un-audited Period ended 30.06.2022	Variance	Un-audited Period ended 30.06.2023	Un-audited Period ended 30.06.2022	Variance
Revenue from contracts with customers	5	2,439,829	3,038,217	-19.7%	1,248,268	1,280,357	-2.5%
Cost of sales		(1,757,086)	(2,254,540)	22.1%	(800,617)	(936,544)	14.5%
Gross profit		682,743	783,677	-12.9%	447,651	343,813	30.2%
Distribution expenses		(132,673)	(90,226)	-47.0%	(73,844)	(54,152)	-36.4%
Administrative expenses		(595,627)	(560,551)	-6.3%	(490,868)	(426,811)	-15.0%
Net impairment gains/(losses) on trade and other receivables		4,924	(46,727)	110.5%	5,981	4,374	36.8%
Other (losses)/gains-net	6	(471)	(141,123)	99.7%	135,464	94,175	43.8%
Other income		20,824	14,688	41.8%	53,172	46,424	14.5%
<b>(Loss)/profit from operations</b>		<b>(20,280)</b>	<b>(40,262)</b>	<b>49.6%</b>	<b>77,556</b>	<b>7,823</b>	<b>891.4%</b>
Finance income		18,600	17,761	4.7%	45,525	46,012	-1.1%
Finance cost		(159,211)	(112,234)	-41.9%	(7,246)	(4,234)	-71.1%
Net finance (cost)/income		(140,611)	(94,473)	-48.8%	38,279	41,778	-8.4%
(Loss)/profit before income tax expense		(160,891)	(134,735)	-19.4%	115,835	49,601	133.5%
Income tax reversal/(expense)		27,093	(3,490)	876.3%	(28,626)	(17,832)	-60.5%
<b>(Loss)/profit for the period</b>		<b>(133,798)</b>	<b>(138,225)</b>	<b>3.2%</b>	<b>87,209</b>	<b>31,769</b>	<b>174.5%</b>
<b>Other Comprehensive Income</b>							
<b>Items that will never be reclassified to profit or loss</b>							
Changes in the fair value of equity investments at fair value through Other Comprehensive Income		12,125	(30,674)		9,448	(26,338)	
<b>Other Comprehensive Income/(loss) for the period</b>		<b>12,125</b>	<b>(30,674)</b>		<b>9,448</b>	<b>(26,338)</b>	
<b>Total Comprehensive (loss)/Income for the period</b>		<b>(121,673)</b>	<b>(168,899)</b>		<b>96,657</b>	<b>5,431</b>	
(Loss)/profit attributable to:							
Owners of United Motors Lanka PLC		(133,798)	(138,225)		87,209	31,769	
<b>(Loss)/profit for the period</b>		<b>(133,798)</b>	<b>(138,225)</b>		<b>87,209</b>	<b>31,769</b>	
Total Comprehensive Income attributable to:							
Owners of United Motors Lanka PLC		(121,673)	(168,899)		96,657	5,431	
<b>Total Comprehensive (loss)/Income for the period</b>		<b>(121,673)</b>	<b>(168,899)</b>		<b>96,657</b>	<b>5,431</b>	

Earnings per share-basic and diluted (LKR) (1.33) (1.37) 0.86 0.31

Note:  
All amounts are in LKR.'000s, unless otherwise stated.  
Figures in brackets indicate deductions.

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023**  
**STATEMENT OF FINANCIAL POSITION**

As at	Group		Company	
	Un-audited 30.06.2023	Audited 31.03.2023	Un-audited 30.06.2023	Audited 31.03.2023
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant & equipment	8,510,353	8,519,939	7,836,441	7,860,162
Investment property	-	-	580,000	580,000
Intangible assets	161,571	168,339	158,683	165,451
Right-of-use assets	243,072	251,682	123,172	131,138
Investments in subsidiaries	-	-	222,400	222,400
Financial assets at fair value through other comprehensive income	134,658	122,532	105,896	96,448
Reimbursable right	19,619	19,619	13,584	13,584
Deferred tax assets	986,903	925,524	209,633	213,138
<b>Total non-current assets</b>	<b>10,056,176</b>	<b>10,007,635</b>	<b>9,249,809</b>	<b>9,282,321</b>
<b>Current assets</b>				
Inventories	5,188,228	5,537,596	2,284,848	2,245,136
Trade and other receivables	2,595,079	2,642,257	957,474	1,070,440
Amounts due from related parties	-	5,845	144,127	72,903
Current tax receivables	19,544	19,544	-	-
Other financial assets at amortised cost	-	-	2,611,532	2,694,773
Financial assets at fair value through profit or loss	271,732	615,479	271,732	312,619
Cash and cash equivalents	613,500	329,583	398,210	203,053
<b>Total current assets</b>	<b>8,688,083</b>	<b>9,150,304</b>	<b>6,667,923</b>	<b>6,598,924</b>
<b>Total assets</b>	<b>18,744,259</b>	<b>19,157,939</b>	<b>15,917,732</b>	<b>15,881,245</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
Stated capital	336,335	336,335	336,335	336,335
Capital reserve	5,829,573	5,829,573	5,436,283	5,436,283
Other components of equity	1,402,372	1,390,247	1,438,011	1,428,563
Retained earnings	5,812,292	6,072,216	6,999,426	7,038,343
<b>Total equity attributable to the equity holders of the parent</b>	<b>13,380,572</b>	<b>13,628,371</b>	<b>14,210,055</b>	<b>14,239,524</b>
<b>Non-current liabilities</b>				
Employee benefit obligations	231,000	234,612	218,738	208,286
Lease liabilities	124,629	153,884	95,205	96,524
Deferred tax liabilities	819,096	821,589	780,541	785,034
<b>Total non-current liabilities</b>	<b>1,174,725</b>	<b>1,210,085</b>	<b>1,094,484</b>	<b>1,089,844</b>
<b>Current liabilities</b>				
Interest bearing borrowings	2,720,137	2,926,236	-	-
Trade and other payables	1,180,072	1,143,205	391,202	344,630
Lease liabilities	110,426	94,957	28,052	28,883
Amounts due to related parties	-	-	52,314	33,803
Current tax liabilities	45,764	90,198	44,865	88,203
Bank overdrafts	132,563	64,887	96,760	56,358
<b>Total current liabilities</b>	<b>4,188,962</b>	<b>4,319,483</b>	<b>613,193</b>	<b>551,877</b>
<b>Total liabilities</b>	<b>5,363,687</b>	<b>5,529,568</b>	<b>1,707,677</b>	<b>1,641,721</b>
<b>Total equity and liabilities</b>	<b>18,744,259</b>	<b>19,157,939</b>	<b>15,917,732</b>	<b>15,881,245</b>
<b>Net assets per share -LKR</b>	<b>132.61</b>	<b>135.07</b>	<b>140.83</b>	<b>141.12</b>

Note:

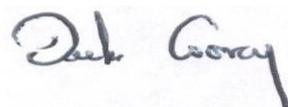
All amounts are in LKR.'000s, unless otherwise stated.

I certify that these interim financial statements are in compliance with the requirements of the Companies Act No. 07 of 2007.



Thushara Jayasekara  
Executive Director - Finance

The Board of Directors is responsible for the preparation and presentation of these interim financial statements.



Devaka Cooray  
Chairman  
8-Aug-2023  
Colombo



Chanaka Yatawara  
Group Chief Executive Officer / Executive Director

UNITED MOTORS LANKA PLC  
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023  
STATEMENT OF CHANGES IN EQUITY

	Stated Capital LKR '000	Capital Reserve LKR '000	Other Components of Equity				Retained Earnings LKR '000	Total Equity LKR '000
			Development Reserve LKR '000	Property, Plant & Equipment Replacement Reserve LKR '000	General Reserves LKR '000	FVOCI Reserve LKR '000		
<b>Group</b>								
<b>Balance as at 01.04.2022</b>	336,335	5,822,198	785,400	308,900	466,250	(176,909)	6,337,108	13,879,282
Loss for the three months ended 30.06.2022							(138,225)	(138,225)
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Net change in equity investments at fair value through Other Comprehensive Income						(30,674)	-	(30,674)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	(30,674)	(138,225)	(168,899)
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend payable 2021 / 2022							(50,450)	(50,450)
Total Dividends	-	-	-	-	-	-	(50,450)	(50,450)
<b>Balance as at 30.06.2022</b>	336,335	5,822,198	785,400	308,900	466,250	(207,583)	6,148,433	13,659,933
Profit for the nine months ended 31.03.2023							7,134	7,134
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Re-measurements of post employment benefit obligations							18,562	18,562
Deferred tax on re-measurements of post employment benefit obligations							(7,046)	(7,046)
Net change in equity investments at fair value through Other Comprehensive Income						43,314	-	43,314
Net gains on disposal of equity investments at fair value through Other Comprehensive Income						(6,034)	6,034	-
Revaluation of land		412,500					-	412,500
Deferred tax on revaluation of land		(405,125)					-	(405,125)
<b>Total comprehensive income for the period</b>	-	7,375	-	-	-	37,280	24,684	69,339
<b>Transactions with owners in their capacity as owners :</b>								
Interim dividend payable 2022 / 2023							(100,901)	(100,901)
Total Dividends	-	-	-	-	-	-	(100,901)	(100,901)
<b>Balance as at 31.03.2023</b>	336,335	5,829,573	785,400	308,900	466,250	(170,303)	6,072,216	13,628,371
Loss for the three months ended 30.06.2023							(133,798)	(133,798)
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Net change in equity investments at fair value through Other Comprehensive Income						12,125	-	12,125
<b>Total comprehensive income for the period</b>	-	-	-	-	-	12,125	(133,798)	(121,673)
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend payable for 2022 / 2023							(126,126)	(126,126)
Total Dividends	-	-	-	-	-	-	(126,126)	(126,126)
<b>Balance as at 30.06.2023</b>	336,335	5,829,573	785,400	308,900	466,250	(158,178)	5,812,292	13,380,572

Notes:  
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Figures in the brackets indicate deduction.

UNITED MOTORS LANKA PLC  
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023  
STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Capital Reserve	Other Components of Equity				Retained Earnings	Total Equity
			Development Reserve	Property, Plant & Equipment Replacement Reserve	General Reserves	FVOCI Reserve		
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
<b>Company</b>								
<b>Balance as at 01.04.2022</b>	336,335	5,426,258	785,400	308,900	466,250	(133,932)	6,622,299	13,811,510
Profit for the three months ended 30.06.2022							31,769	31,769
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Net change in equity investments at fair value through Other Comprehensive Income						(26,338)	-	(26,338)
<b>Total comprehensive income for the period</b>	-	-	-	-	-	(26,338)	31,769	5,431
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend payable 2021 / 2022							(50,450)	(50,450)
Total Dividends	-	-	-	-	-	-	(50,450)	(50,450)
<b>Balance as at 30.06.2022</b>	336,335	5,426,258	785,400	308,900	466,250	(160,270)	6,603,618	13,766,491
Profit for the nine months ended 31.03.2023							520,747	520,747
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Re-measurements of post employment benefit obligations							17,200	17,200
Deferred tax on re-measurements of post employment benefit obligations							(6,583)	(6,583)
Net change in equity investments at fair value through Other Comprehensive Income	-	-	-	-	-	32,545	-	32,545
Net gains on disposal of equity investments at fair value through Other Comprehensive Income						(4,262)	4,262	-
Revaluation of land		390,000						390,000
Deferred tax on revaluation of land		(379,975)						(379,975)
<b>Total comprehensive income for the period</b>	-	10,025	-	-	-	28,283	535,626	573,934
<b>Transactions with owners, recognised directly in equity</b>								
Interim dividend payable 2022 / 2023							(100,901)	(100,901)
Total Dividends	-	-	-	-	-	-	(100,901)	(100,901)
<b>Balance as at 31.03.2023</b>	336,335	5,436,283	785,400	308,900	466,250	(131,987)	7,038,343	14,239,524
Profit for the three months ended 30.06.2023							87,209	87,209
<b>Other Comprehensive Income</b>								
<b>Items that will not be reclassified to profit or loss</b>								
Net change in equity investments at fair value through Other Comprehensive Income						9,448	-	9,448
<b>Total comprehensive income for the period</b>	-	-	-	-	-	9,448	87,209	96,657
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend payable for 2022 / 2023							(126,126)	(126,126)
Total Dividends	-	-	-	-	-	-	(126,126)	(126,126)
<b>Balance as at 30.06.2023</b>	336,335	5,436,283	785,400	308,900	466,250	(122,539)	6,999,426	14,210,055

Notes:  
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Figures in the brackets indicate deduction.

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023**

**Statement of Cash Flows**

For the period ended 30 June	Group		Company	
	2023 LKR '000	2022 LKR '000	2023 LKR '000	2022 LKR '000
<b>Cash flows from operating activities</b>				
<b>(Loss)/profit before income tax expense</b>	(160,891)	(134,735)	115,835	49,601
Adjustments for;				
Provision for depreciation / amortisation	37,953	49,283	33,202	42,138
Profit on disposal of property, plant & equipment	(205)	(469)	(201)	(2)
Net gains on disposal of financial asset at fair value through profit or loss	-	3	-	3
Net change in fair value - financial asset at fair value through profit or loss	(19,306)	46,619	(19,306)	46,619
Interest expense	159,212	112,235	7,246	4,234
Interest income	(18,600)	(17,761)	(16,948)	(15,807)
Dividend income from equity investments	(3,577)	(1,785)	(3,577)	(1,534)
Impairment of trade & other receivables and losses on warranty claims	(4,924)	46,727	(5,981)	(4,374)
Provision for employee benefit obligations	12,763	11,813	10,453	9,502
Amortisation of right-of-use assets	35,615	43,763	7,966	39,088
Write-down/(write back) of inventory to lower of cost or NRV (Net Realisable Value)	179	3,712	8,058	1,449
Fair value adjustment on unit trust and commercial papers	-	(1,521)	(121,274)	(59,723)
<b>Operating profit before working capital changes</b>	<b>38,219</b>	<b>157,884</b>	<b>15,473</b>	<b>111,194</b>
Decrease/(increase) in inventories	349,189	(209,585)	(47,770)	17,836
Decrease/(increase) in trade and other receivables	52,101	(34,463)	118,947	162,888
Decrease/(Increase) in amounts due from related parties	5,845	-	(71,225)	(35,074)
Increase in amounts due to related parties	-	-	18,511	21,593
Decrease in trade and other payables	(89,263)	(784,938)	(79,556)	(132,678)
<b>Cash inflow/(outflow) from operating activities</b>	<b>356,091</b>	<b>(871,102)</b>	<b>(45,620)</b>	<b>145,759</b>
Interest paid	(166,752)	(101,886)	(7,246)	(4,234)
Taxes paid	(81,212)	(39,937)	(72,953)	(38,800)
Contribution paid and received from investment plan (net)	(16,376)	(282)	-	-
<b>Net cash inflow/(outflow) from operating activities</b>	<b>91,751</b>	<b>(1,013,207)</b>	<b>(125,819)</b>	<b>102,725</b>
<b>Cash flows from investing activities</b>				
Investment in shares, unit trust and commercial papers	(744,000)	(360,000)	(744,000)	(1,444,108)
Proceeds from disposal of investments/unit trust/commercial papers	1,107,052	1,082,635	1,008,707	1,404,975
Acquisitions of property, plant & equipment and intangible assets	(21,886)	(10,256)	(2,747)	(5,321)
Proceeds from disposal of property, plant & equipment	492	803	238	327
Interest received	18,600	17,761	16,948	15,807
Dividend received	3,577	1,785	3,577	1,534
<b>Net cash inflow/(outflow) from investing activities</b>	<b>363,835</b>	<b>732,728</b>	<b>282,723</b>	<b>(26,786)</b>
<b>Cash flows from financing activities</b>				
Dividend paid	-	(50,450)	-	(50,450)
Principal element of lease payments	(40,790)	(41,790)	(2,149)	(33,755)
Loans obtained	3,983,488	2,211,918	242,399	-
Loans paid	(4,182,043)	(1,569,137)	(242,399)	-
<b>Net cash (outflow)/inflow from financing activities</b>	<b>(239,345)</b>	<b>550,541</b>	<b>(2,149)</b>	<b>(84,205)</b>
<b>Net increase/ (decrease) in cash &amp; cash equivalents</b>	<b>216,241</b>	<b>270,062</b>	<b>154,755</b>	<b>(8,266)</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>264,696</b>	<b>342,718</b>	<b>146,695</b>	<b>220,686</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>480,937</b>	<b>612,780</b>	<b>301,450</b>	<b>212,420</b>
		<b>Group</b>		<b>Company</b>
	<b>30.06.2023</b>	<b>30.06.2022</b>	<b>30.06.2023</b>	<b>30.06.2022</b>
	<b>LKR.'000</b>	<b>LKR.'000</b>	<b>LKR.'000</b>	<b>LKR.'000</b>
Cash and bank balances	341,191	727,933	176,006	275,336
Short term deposits	272,309	14,362	222,204	14,361
	613,500	742,295	398,210	289,697
Bank overdrafts	(132,563)	(129,515)	(96,760)	(77,277)
<b>Total cash &amp; cash equivalents</b>	<b>480,937</b>	<b>612,780</b>	<b>301,450</b>	<b>212,420</b>

Notes:

All amounts are in LKR.'000s, unless otherwise stated.  
Figures in brackets indicate deductions.

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**1. Reporting entity**

United Motors Lanka PLC (the "Company"), is a Public Quoted Company incorporated on 9 May 1989 and domiciled in Sri Lanka. The registered office and the principal place of business of the Company are located at No.100, Hyde Park Corner, Colombo 02.

The ultimate parent company - R I L Property PLC holds 51% of the issued shares of the Company.

**2. Interim consolidated financial statements**

The consolidated interim financial statements of the Group as at and for the period ended 30 June 2023 comprise the Company and its subsidiaries. All the group entities are limited liability companies, incorporated and domiciled in Sri Lanka.

The Company is primarily involved in distribution of brand new Mitsubishi and Fuso vehicles, used vehicles, spare parts, lubricants, 3D printers and filaments, after sales services and related services and other companies in the Group are engaged in distribution of vehicles of other brands, heavy equipment, generators, accessories, tyres and assembling of vehicles.

**3. Basis of preparation**

The interim financial statements of the Company and the Group have been prepared based on the Sri Lanka Accounting Standards SLFRS/LKAS and consistently applied the accounting policies as stated in the most recent annual report for the year ended 31 March 2023.

These interim financial statements have been prepared in compliance with the requirements of the Sri Lanka Accounting Standard - LKAS 34 on "Interim Financial Reporting" and should be read in conjunction with the annual financial statements for the year ended 31 March 2023.

These financial statements provide the information as required in terms of Rule 7.4 of the Colombo Stock Exchange.

The presentation and classification of the consolidated financial statements of the previous periods have been amended where relevant, for better presentation and to be comparable with those of current period.

**4. Operating segments**

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components whose operating results are reviewed regularly by the Group Chief Executive Officer/Executive Director to make decisions about resources allocated to each segment and assess its performance and for which discrete financial information is available.

The business segments of the Group are highlighted in the table below:

Reportable segment	Nature of business
Spare parts & workshop	Repair and service of vehicles, machinery and equipment, Sale of vehicle spare parts, accessories and related components.
Vehicles	Sale of passenger vehicles, assembled vehicles, commercial vehicles, special purpose vehicles, pre-owned passenger vehicles and commercial vehicles. Provide vehicle sales facilitation and brokering services.
Equipment & machinery	Sale of heavy equipment, generators & machinery
3D Printers & services	Sale of 3D printers, filaments, spare parts and related services
Tyres	Sale of tyres
Lubricant and car care products	Sale of lubricants and car care products

**5. Revenue from contracts with customers**

	Group		Company	
	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000
Spare parts, repairs and services	693,398	598,651	732,655	596,199
Vehicles	1,167,227	1,938,794	77,978	275,329
Local charges and brokering fees - vehicles	8,513	625	8,513	625
Equipment and machinery	87,409	57,705	-	-
3D printers and services	4,964	5,784	4,964	5,784
Tyres	55,873	35,560	-	-
Lubricants and car care products	422,445	401,098	423,216	401,362
Hiring	-	-	942	1,058
	<u>2,439,829</u>	<u>3,038,217</u>	<u>1,248,268</u>	<u>1,280,357</u>

**Timing of revenue recognition**

The group recognised total revenue from the transfer of goods and services at a point in time.

	Group		Company	
	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000
Revenue recognised at a point in time	2,439,829	3,038,217	1,248,268	1,280,357
	<u>2,439,829</u>	<u>3,038,217</u>	<u>1,248,268</u>	<u>1,280,357</u>

UNITED MOTORS LANKA PLC  
INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023  
NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

Revenue by nature of transactions

	Group		Company	
	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000
Sale of goods	2,314,381	2,925,625	1,065,861	1,157,545
Rendering of services	116,935	111,967	172,952	121,129
Service support income	8,513	625	9,455	1,683
	<u>2,439,829</u>	<u>3,038,217</u>	<u>1,248,268</u>	<u>1,280,357</u>

6. Other (losses)/gains-net

	Group		Company	
	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000	3 months ended 30.06.2023 LKR'000	3 months ended 30.06.2022 LKR'000
Foreign exchange (losses)/gains-net	(19,777)	(96,022)	(5,116)	81,074
Net change in fair value of financial assets at				
Fair value through profit or loss-equity investments	19,306	(46,619)	19,306	(46,619)
Fair value through profit or loss-unit trust	-	1,521	-	1,521
Fair value through profit or loss-commercial papers	-	-	121,274	58,202
Net losses on disposal of				
Financial assets at fair value through profit or loss	-	(3)	-	(3)
	<u>(471)</u>	<u>(141,123)</u>	<u>135,464</u>	<u>94,175</u>

7. Fair values Vs. carrying amounts

7.1 The following notes show the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of the fair value.

Trade receivable includes the contractual amounts for settlement of trade and other obligations due to the Company. Trade and other payables and borrowings represent contract amounts and obligations due from the Company.

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value in the financial statements. To provide an indication about the reliability of the inputs used in determining the fair values, the Group has classified its financial instruments into the three levels prescribed in the accounting standard.

	Group					
	Carrying amount	30.06.2023 Fair value		Carrying amount	31.03.2023 Fair value	
		LKR '000	Level 1 LKR '000		Level 2 LKR '000	LKR '000
<b>Financial assets at fair value through profit or loss (FVPL)</b>						
Equity shares	271,732	271,732	-	252,426	252,426	-
Investments in unit trusts	-	-	-	363,053	-	363,053
<b>Financial assets at amortised cost</b>						
Trade & other receivables excluding prepayments	2,238,080	-	-	2,304,238	-	-
Amounts due from related parties	-	-	-	5,845	-	-
Cash & cash equivalents	613,500	-	-	329,583	-	-
<b>Financial assets measured at fair value through other comprehensive income (FVOCI)</b>						
Equity shares	134,658	134,658	-	122,532	122,532	-
	<u>3,257,970</u>	<u>406,390</u>	<u>-</u>	<u>3,377,677</u>	<u>374,958</u>	<u>363,053</u>
<b>Financial liabilities at amortised cost</b>						
Interest bearing borrowings	2,720,139	-	-	2,926,236	-	-
Bank overdrafts	132,563	-	-	64,887	-	-
	<u>2,852,702</u>	<u>-</u>	<u>-</u>	<u>2,991,123</u>	<u>-</u>	<u>-</u>

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 INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023  
 NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

	Company					
	Carrying amount	30.06.2023		Carrying amount	31.03.2023	
		Level 1	Level 2		Level 1	Level 2
LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	
<b>Financial assets at fair value through profit or loss (FVPL)</b>						
Equity shares	271,732	271,732	-	252,426	252,426	-
Investments in unit trusts	-	-	-	60,193	-	60,193
<b>Financial assets at amortised cost</b>						
Trade & other receivables excluding prepayments	925,033	-	-	1,010,006	-	-
Amounts due from related parties	144,128	-	-	72,903	-	-
Other financial assets at amortised cost-investments in commercial papers	2,611,532	-	-	2,694,773	-	-
Cash & cash equivalents	398,210	-	-	203,053	-	-
<b>Financial assets measured at fair value through other comprehensive income (FVOCI)</b>						
Equity shares	105,896	105,896	-	96,448	96,448	-
	<u>4,456,531</u>	<u>377,628</u>	<u>-</u>	<u>4,389,802</u>	<u>348,874</u>	<u>60,193</u>
<b>Financial liabilities at amortised cost</b>						
Interest bearing borrowings	-	-	-	-	-	-
Bank overdrafts	96,760	-	-	56,358	-	-
	<u>96,760</u>	<u>-</u>	<u>-</u>	<u>56,358</u>	<u>-</u>	<u>-</u>

The following table shows the valuation technique used in measuring level 2 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investments in unit trusts	Fair value is based on the published unit prices.	Based on published unit prices.	The estimated fair value will increase/(decrease) if; the published unit prices are higher/(lower).

## 7.2 Fair value hierarchy

Fair value of financial instruments are based on a fair value hierarchy which is defined below.

### Level 1

Inputs that are quoted market prices (unadjusted) in active market for identical instruments. The Company measures the fair value of an instrument using active quoted prices or dealer price quotations without any deductions for transaction cost. Market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions at arm's length basis.

### Level 2

Inputs other than quoted prices included within level one that are observable either directly or indirectly. This category includes instruments valued using : quoted market prices in an active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or valuation techniques in which whole significant inputs are directly or indirectly observable from market data.

### Level 3

The input that are unobservable. This category includes all the instruments for which valuation techniques includes input not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

## 8. Approval of financial statements

These consolidated interim financial statements for the period ended 30 June 2023 were authorized for issue by the Board of Directors on 8 August 2023.

## 9 Temporary suspension of vehicle imports

The temporary suspension of vehicle imports brought in through the Gazette Extraordinary No 2176/19 and later amended by Gazette Extraordinary No. 2182/10 is still in force.

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)**

**10. Capital commitments and other Contingent liabilities**

There has been no significant change in nature of the contingencies, capital commitments and other matters which were disclosed in the Annual Report 2022/23 under note number 39 and 42.

**11. Events after the reporting period and other matters**

Subsequent to the reporting date, no circumstances have arisen, which would require adjustments or disclosures in the financial statements.

**12. Related party transactions**

**12.1 Transactions with the parent company**

Transaction type	Period ended 30.06.2023 LKR'000	Period ended 30.06.2022 LKR'000
<b>United Motors Lanka PLC</b>		
Repairs & services provided	274	123

**12.2 Transactions with subsidiaries**

Transaction type	Period ended 30.06.2023 LKR'000	Period ended 30.06.2022 LKR'000
Sale of goods	8,145	515
Purchase of goods	1,129	140
Repairs and services provided	52,881	18,116
Repairs & services obtained	40	44
Fees on financial services provided	23,796	22,651
Expenses incurred	30,071	24,020
Reimbursement of expenses	1,241	1,655
Hiring income received	942	1,058
Hiring rentals paid for vehicles	200	200
Interest received	149,852	88,407
Interest paid	291	-
Loans granted	-	13,600
Loan settlements	-	13,600
Investments in commercial papers	-	1,076,000
Settlement of commercial papers including interest	183,965	344,439
Rentals paid for premises occupied	24,511	24,511
Rentals received for premises occupied	9,631	10,244

**12.3 Transactions with other related entities of the parent company**

Company	Transaction type	Period ended 30.06.2023 LKR'000	Period ended 30.06.2022 LKR'000
Pap Solar One (Pvt) Ltd	Repairs & services provided	235	121

**12.4 Non – recurrent related party transactions**

There were no non – recurrent transactions for the period ended 30 June 2023 which requires immediate market disclosure.

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**INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 JUNE 2023**  
**NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)**

**13. Share information**

**13.1 Stated capital**

Stated capital is represented by number of shares in issue as given below:

<b>As at</b>	<b>30.06.2023</b>	<b>31.03.2023</b>
Ordinary shares	100,900,626	100,900,626

**13.2 Public shareholding**

<b>As at</b>	<b>30.06.2023</b>	<b>31.03.2023</b>
Number of public shareholders	3,606	3,593
Percentage of shares held by the public	24.48%	24.48%

The float adjusted market capitalisation as at 30 June 2023 - LKR. 1,345,970,859

Public shareholding percentage as at 30 June 2023 is 24.48% and the Company is in compliance with option 5 of Section 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange.

**13.3 Directors' shareholding**

The number of shares held by the Board of Directors are as follows:

<b>As at</b>	<b>30.06.2023</b>	<b>31.03.2023</b>
Mr. Devaka Cooray	50,000	50,000
Mr. Chanaka Yatawara	1,696,193	1,696,193
Mr. Ananda Atukorala	3,000	3,000
Ms. Hiroshini Fernando	-	-
Mr. Ramesh Yaseen	10,620	10,620
Prof. Malik Ranasinghe	-	-
Mr. Stuart Chapman	-	-
Ms. Coralie Pietersz	-	-
Mr. Junya Takami	-	-
Mr. Thushara Jayasekara	-	-
	<u>1,759,813</u>	<u>1,759,813</u>

**13.4 Twenty largest shareholders of the Company are as follows:**

<b>As at</b>	<b>30.06.2023</b>		<b>31.03.2023</b>	
	<b>Number of shares</b>	<b>%</b>	<b>Number of shares</b>	<b>%</b>
R I L Property PLC	51,459,320	51.00	51,459,320	51.00
Ms. R. R. Takahashi	11,762,041	11.66	11,762,041	11.66
Mr. M. A. Yaseen	11,178,511	11.08	11,178,511	11.08
Mrs. S. M. Chrysostom	6,945,471	6.88	6,945,471	6.88
Mitsubishi Motors Corporation	4,937,142	4.89	4,937,142	4.89
Mr. Chanaka Yatawara	1,696,193	1.68	1,696,193	1.68
Mr. A. M. Weerasinghe	1,369,743	1.36	1,369,743	1.36
Amana Bank PLC / Mr. M. Z. Mohamed Ghouse	636,500	0.63	636,000	0.63
Rubber Investment Trust LTD A/C No. 01	389,427	0.39	389,427	0.39
Seylan Bank PLC / Mr. Mohamed Nayaz Deen	359,175	0.36	359,175	0.36
Amana Bank PLC / Mr. Mohamed Nayaz Deen	255,683	0.25	255,683	0.25
Mr. S. D. Yaseen	243,300	0.24	243,300	0.24
Mrs. L. E. M. Yaseen	200,000	0.20	200,000	0.20
Mr. M. S. Bahaudeen	189,302	0.19	184,497	0.18
Hatton National Bank PLC / Mohamed Zulficar Mohamed	171,000	0.17	171,000	0.17
Mr. P. Rathnayaka	156,000	0.15	156,000	0.15
Mercantile Investments and Finance PLC	150,000	0.15	150,000	0.15
Akbar Brothers (Pvt) Ltd A/C No. 1	136,648	0.14	136,648	0.14
Mr. S. A. C. Keerthisinghe & Mrs. D. M. J. S. Dissanayaka	132,000	0.13	131,000	0.13
Mr. M. Anndreino Yaseen	119,430	0.12	119,430	0.12

**13.5 Earnings per share (EPS)**

Earnings per share has been calculated for all the periods based on the number of shares in issue as at the current period end.

**13.6 Net assets per share**

Net assets per share has been calculated for all the periods based on the number of shares in issue as at the current period end.

**13.7 Market price per share**

<b>For the quarter ended 30 June</b>	<b>2023</b>	<b>2022</b>
	<b>LKR</b>	<b>LKR</b>
Highest price	62.90	67.50
Lowest price	50.00	51.50
Last traded price	54.50	57.70

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**SEGMENT INFORMATION**

Group	Spare parts and workshop		Vehicles		Equipment and machinery		3D Printers and services		Tyres		Lubricants and car care products		Total	
	3 Months ended 30.06.2023 Un-audited	3 Months ended 30.06.2022 Un-audited												
In LKR'000														
Segment revenue	752,900	609,473	1,175,740	1,939,419	87,449	57,750	4,964	5,784	56,995	35,700	430,907	402,420	2,508,955	3,050,546
Inter segment revenue	(59,502)	(10,822)	-	-	(40)	(44)	-	-	(1,122)	(140)	(8,462)	(1,323)	(69,126)	(12,329)
<b>Revenue from external customers</b>	<b>693,398</b>	<b>598,651</b>	<b>1,175,740</b>	<b>1,939,419</b>	<b>87,409</b>	<b>57,706</b>	<b>4,964</b>	<b>5,784</b>	<b>55,873</b>	<b>35,560</b>	<b>422,445</b>	<b>401,097</b>	<b>2,439,829</b>	<b>3,038,217</b>
<b>Revenue from contracts with customers</b>														
Goods transferred at a point in time	576,463	486,684	1,167,227	1,938,794	87,409	57,706	4,964	5,784	55,873	35,560	422,445	401,097	2,314,381	2,925,625
Services rendered at a point in time	116,935	111,967	8,513	625	-	-	-	-	-	-	-	-	125,448	112,592
<b>Total revenue from contracts with customers</b>	<b>693,398</b>	<b>598,651</b>	<b>1,175,740</b>	<b>1,939,419</b>	<b>87,409</b>	<b>57,706</b>	<b>4,964</b>	<b>5,784</b>	<b>55,873</b>	<b>35,560</b>	<b>422,445</b>	<b>401,097</b>	<b>2,439,829</b>	<b>3,038,217</b>
<b>Segment profit/(loss)</b>	<b>71,303</b>	<b>130,918</b>	<b>71,400</b>	<b>82,622</b>	<b>(28,440)</b>	<b>(76,038)</b>	<b>(2,958)</b>	<b>(1,941)</b>	<b>13,555</b>	<b>10,424</b>	<b>52,945</b>	<b>64,912</b>	<b>177,805</b>	<b>210,897</b>
Unallocated income													20,824	14,688
Unallocated expenses													(218,909)	(265,847)
Loss from operations before finance cost													(20,280)	(40,262)
Finance income													18,600	17,761
Finance cost													(159,211)	(112,234)
Net finance (cost)/income													(140,611)	(94,473)
Loss before income tax expenses													(160,891)	(134,735)
Income tax reversal/(expense)													27,093	(3,490)
<b>Loss for the year</b>													<b>(133,798)</b>	<b>(138,225)</b>
Segment assets	3,841,116	5,636,563	6,697,135	7,495,669	620,381	646,500	21,250	24,738	378,275	221,705	3,311,447	2,153,476	14,869,604	16,178,651
Unallocated assets													3,874,655	3,804,766
<b>Total assets</b>	<b>3,841,116</b>	<b>5,636,563</b>	<b>6,697,135</b>	<b>7,495,669</b>	<b>620,381</b>	<b>646,500</b>	<b>21,250</b>	<b>24,738</b>	<b>378,275</b>	<b>221,705</b>	<b>3,311,447</b>	<b>2,153,476</b>	<b>18,744,259</b>	<b>19,983,417</b>
Segment liabilities	32,856	174,159	433,423	1,402,514	4,137	145,001	853	382	-	-	38,358	171,195	509,627	1,893,251
Unallocated liabilities													4,854,060	4,430,233
<b>Total liabilities</b>	<b>32,856</b>	<b>174,159</b>	<b>433,423</b>	<b>1,402,514</b>	<b>4,137</b>	<b>145,001</b>	<b>853</b>	<b>382</b>	<b>-</b>	<b>-</b>	<b>38,358</b>	<b>171,195</b>	<b>5,363,687</b>	<b>6,323,484</b>
Segment capital expenditure-allocated	6,220	2,021	10,547	6,547	784	195	46	20	500	120	3,789	1,353	21,886	10,256
Depreciation and amortisation-allocated	13,786	14,659	49,124	67,013	3,035	2,616	78	96	881	591	6,664	8,071	73,568	93,046
Non cash expenses/(income)	6,549	4,218	(5,143)	42,337	(7,384)	8,670	1,921	172	2,573	1,145	(3,261)	(6,103)	(4,745)	50,439

Notes:

All amounts are in LKR.'000s, unless otherwise stated.  
Figures in brackets indicate deductions.