

INTERIM FINANCIAL STATEMENTS

For the Year Ended 31 March 2024



UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Note	Group						Company					
		Un-audited Year ended	Audited Year ended	Variance	Un-audited 3 Months ended	Un-audited 3 Months ended	Variance	Un-audited Year ended	Audited Year ended	Variance	Un-audited 3 Months ended	Un-audited 3 Months ended	Variance
		31.03.2024	31.03.2023		31.03.2024	31.03.2023		31.03.2024	31.03.2023		31.03.2024	31.03.2023	
Revenue from contracts with customers	6	11,577,471	10,736,341	7.8%	2,830,558	2,576,823	9.8%	6,129,073	4,940,801	24.1%	1,465,354	1,246,440	17.6%
Cost of sales		(8,671,787)	(7,868,859)	-10.2%	(2,113,658)	(1,881,959)	-12.3%	(4,066,903)	(3,202,145)	-27.0%	(937,844)	(769,363)	-21.9%
Gross profit		2,905,684	2,867,482	1.3%	716,900	694,864	3.2%	2,062,170	1,738,656	18.6%	527,510	477,077	10.6%
Distribution expenses		(665,399)	(380,575)	-74.8%	(258,328)	(113,375)	-127.9%	(317,191)	(205,589)	-54.3%	(99,230)	(70,133)	-41.5%
Administrative expenses		(2,384,271)	(2,506,293)	4.9%	(598,524)	(490,572)	-22.0%	(1,995,270)	(1,808,895)	-10.3%	(479,124)	(477,162)	-0.4%
Net impairment gains/(losses) on trade and other receivables		60,820	(24,214)	351.2%	7,896	50,885	-84.5%	(107,396)	12,116	-986.4%	(20,154)	32,855	-161.3%
Other gains/(losses)-net	7	79,411	193,210	-58.9%	88	25,893	-99.7%	143,692	288,872	-50.3%	13,664	64,707	-78.9%
Other income		157,259	112,253	40.1%	74,487	36,870	102.0%	291,521	279,376	4.3%	120,099	110,866	8.3%
Profit from operations		153,504	261,863	-41.4%	(57,481)	204,565	-128.1%	77,526	304,536	-74.5%	62,765	138,210	-54.6%
Finance income		165,499	88,404	87.2%	70,294	22,156	217.3%	456,261	520,462	-12.3%	90,895	167,712	-45.8%
Finance cost		(563,215)	(662,703)	15.0%	(140,791)	(195,520)	28.0%	(46,336)	(35,665)	-29.9%	(12,722)	(23,889)	46.7%
Net finance (cost)/income		(397,716)	(574,299)	30.7%	(70,497)	(173,364)	59.3%	409,925	484,797	-15.4%	78,173	143,823	-45.6%
(Loss)/profit before income tax expense		(244,212)	(312,436)	21.8%	(127,978)	31,201	-510.2%	487,451	789,333	-38.2%	140,938	282,033	-50.0%
Income tax (expense)/reversal		(28,735)	181,345	-115.8%	42,779	13,069	227.3%	(131,576)	(236,817)	44.4%	(34,286)	(48,818)	29.8%
(Loss)/profit for the period		(272,947)	(131,091)	-108.2%	(85,199)	44,270	-292.5%	355,875	552,516	-35.6%	106,652	233,215	-54.3%
Other Comprehensive Income													
Items that will never be reclassified to profit or loss													
Changes in the fair value of equity investments at fair value through Other Comprehensive Income		77,216	12,640		3,514	32,085		65,012	6,207		2,392	27,564	
Re-measurements of post employment benefit obligations		(145,836)	18,562		(144,208)	18,562		(131,711)	17,200		(131,711)	17,200	
Deferred tax on re-measurements of post employment benefit obligations		42,766	(7,046)		42,278	(7,046)		38,529	(6,583)		38,529	(6,583)	
Revaluation of land		322,759	412,500		322,759	412,500		263,000	390,000		263,000	390,000	
Deferred tax on gains on revaluation of land	7.2	(100,955)	(405,125)		(100,955)	(123,750)		(78,900)	(379,975)		(78,900)	(117,000)	
Other Comprehensive Income for the period		195,950	31,531		123,388	332,351		155,930	26,849		93,310	311,181	
Total Comprehensive (loss)/income for the period		(76,997)	(99,560)		38,189	376,621		511,805	579,365		199,962	544,396	
(Loss)/profit attributable to: Owners of United Motors Lanka PLC		(272,947)	(131,091)		(85,199)	44,270		355,875	552,516		106,652	233,215	
(Loss)/profit for the period		(272,947)	(131,091)		(85,199)	44,270		355,875	552,516		106,652	233,215	
Total Comprehensive Income attributable to: Owners of United Motors Lanka PLC		(76,997)	(99,560)		38,189	376,621		511,805	579,365		199,962	544,396	
Total Comprehensive (loss)/Income for the period		(76,997)	(99,560)		38,189	376,621		511,805	579,365		199,962	544,396	
Earnings per share-basic and diluted (LKR)		(2.71)	(1.30)		(0.84)	0.44		3.53	5.48		1.06	2.31	

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

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	Un-audited 31.03.2024	Audited 31.03.2023	Un-audited 31.03.2024	Audited 31.03.2023
Assets				
Non-current assets				
Property, plant & equipment	9,013,146	8,519,939	8,057,729	7,860,162
Investment property	-	-	603,500	580,000
Intangible assets	144,742	168,339	141,854	165,451
Right-of-use assets	180,006	251,682	110,469	131,138
Investments in subsidiaries	-	-	922,400	222,400
Other financial assets at amortised cost	414,066	-	-	-
Financial assets at fair value through other comprehensive income	170,513	122,532	131,746	96,448
Reimbursable right	88	19,619	88	13,584
Deferred tax assets	1,147,943	925,524	260,472	213,138
Total non-current assets	11,070,504	10,007,635	10,228,258	9,282,321
Current assets				
Inventories	4,121,507	5,537,596	1,825,513	2,245,136
Trade and other receivables	3,061,541	2,642,257	1,406,960	1,070,440
Amounts due from related parties	-	5,845	382,979	72,903
Current tax receivables	19,630	19,544	-	-
Other financial assets at amortised cost	97,579	-	433,148	2,694,773
Financial assets at fair value through profit or loss	1,898,780	615,479	1,898,780	312,619
Cash and cash equivalents	254,016	329,583	158,228	203,053
Total current assets	9,453,053	9,150,304	6,105,608	6,598,924
Total assets	20,523,557	19,157,939	16,333,866	15,881,245
Equity and liabilities				
Equity				
Stated capital	336,335	336,335	336,335	336,335
Capital reserve	6,051,377	5,829,573	5,620,383	5,436,283
Other components of equity	(98,112)	1,390,247	(72,000)	1,428,563
Retained earnings	7,135,648	6,072,216	8,740,485	7,038,343
Total equity attributable to the equity holders of the parent	13,425,248	13,628,371	14,625,203	14,239,524
Non-current liabilities				
Employee benefit obligations	411,911	234,612	320,136	208,286
Lease liabilities	122,625	153,884	95,534	96,524
Deferred tax liabilities	909,734	821,589	856,474	785,034
Total non-current liabilities	1,444,270	1,210,085	1,272,144	1,089,844
Current liabilities				
Interest bearing borrowings	3,996,915	2,926,236	-	-
Trade and other payables	1,270,944	1,143,205	323,041	344,630
Lease liabilities	60,821	94,957	25,742	28,883
Amounts due to related parties	-	-	39,071	33,803
Current tax liabilities	153,763	90,198	38,636	88,203
Bank overdrafts	171,596	64,887	10,029	56,358
Total current liabilities	5,654,039	4,319,483	436,519	551,877
Total liabilities	7,098,309	5,529,568	1,708,663	1,641,721
Total equity and liabilities	20,523,557	19,157,939	16,333,866	15,881,245
Net assets per share -LKR	133.05	135.07	144.95	141.12

Note:

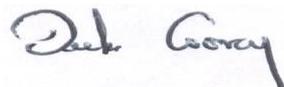
All amounts are in LKR.'000s, unless otherwise stated.

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
28-May-2024
Colombo



Chanaka Yatawara
Group Chief Executive Officer / Executive Director

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
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		
Group								
Balance as at 01.04.2022	336,335	5,822,198	785,400	308,900	466,250	(176,909)	6,337,108	13,879,282
Loss for the year							(131,091)	(131,091)
Other Comprehensive Income								
Items that will not be reclassified to profit or loss								
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							12,640	12,640
Net gains on disposal of equity investments at fair value through Other Comprehensive Income							(6,034)	-
Revaluation of land		412,500						412,500
Deferred tax on revaluation of land		(405,125)						(405,125)
Total comprehensive income for the year	-	7,375	-	-	-	6,606	(113,541)	(99,560)
Transactions with owners in their capacity as owners :								
Final dividend paid for 2021 / 2022							(50,450)	(50,450)
Interim dividend payable 2022 / 2023							(100,901)	(100,901)
Total Dividends	-	-	-	-	-	-	(151,351)	(151,351)
Balance as at 31.03.2023	336,335	5,829,573	785,400	308,900	466,250	(170,303)	6,072,216	13,628,371
Loss for the year							(272,947)	(272,947)
Other Comprehensive Income								
Items that will not be reclassified to profit or loss								
Re-measurements of post employment benefit obligations							(145,836)	(145,836)
Deferred tax on re-measurements of post employment benefit obligations							42,766	42,766
Net change in equity investments at fair value through Other Comprehensive Income							77,216	77,216
Net gains on disposal of equity investments at fair value through Other Comprehensive Income							(5,025)	-
Revaluation of land		322,759						322,759
Deferred tax on revaluation of land		(100,955)						(100,955)
Transfers to retained earnings			(785,400)	(308,900)	(466,250)		1,560,550	-
Total comprehensive income for the year	-	221,804	(785,400)	(308,900)	(466,250)	72,191	1,189,558	(76,997)
Transactions with owners in their capacity as owners :								
Final dividend paid for 2022 / 2023							(126,126)	(126,126)
Total Dividends	-	-	-	-	-	-	(126,126)	(126,126)
Balance as at 31.03.2024	336,335	6,051,377	-	-	-	(98,112)	7,135,648	13,425,248

Notes:
All amounts are in LKR.'000s, unless otherwise stated.
Figures in the brackets indicate deduction.

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
STATEMENT OF CHANGES IN EQUITY

Company	Stated Capital	Capital Reserve	Other Components of Equity				Retained Earnings	Total Equity
	LKR '000	LKR '000	Development Reserve LKR '000	Property, Plant & Equipment Replacement Reserve LKR '000	General Reserves LKR '000	FVOCI Reserve LKR '000	LKR '000	LKR '000
Balance as at 01.04.2022	336,335	5,426,258	785,400	308,900	466,250	(133,932)	6,622,299	13,811,510
Profit for the year							552,516	552,516
Other Comprehensive Income								
Items that will not be reclassified to profit or loss								
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						6,207	-	6,207
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)
Total comprehensive income for the year	-	10,025	-	-	-	1,945	567,395	579,365
Transactions with owners in their capacity as owners :								
Final dividend paid for 2021 / 2022							(50,450)	(50,450)
Interim dividend payable 2022 / 2023							(100,901)	(100,901)
Total Dividends	-	-	-	-	-	-	(151,351)	(151,351)
Balance as at 31.03.2023	336,335	5,436,283	785,400	308,900	466,250	(131,987)	7,038,343	14,239,524
Profit for the year							355,875	355,875
Other Comprehensive Income								
Items that will not be reclassified to profit or loss								
Re-measurements of post employment benefit obligations							(131,711)	(131,711)
Deferred tax on re-measurements of post employment benefit obligations							38,529	38,529
Net change in equity investments at fair value through Other Comprehensive Income						65,012	-	65,012
Net gains on disposal of equity investments at fair value through Other Comprehensive Income						(5,025)	5,025	-
Revaluation of land		263,000						263,000
Deferred tax on revaluation of land		(78,900)						(78,900)
Transfers to retained earnings			(785,400)	(308,900)	(466,250)		1,560,550	-
Total comprehensive income for the year	-	184,100	(785,400)	(308,900)	(466,250)	59,987	1,828,268	511,805
Transactions with owners, recognised directly in equity								
Final dividend payable for 2022 / 2023							(126,126)	(126,126)
Total Dividends	-	-	-	-	-	-	(126,126)	(126,126)
Balance as at 31.03.2024	336,335	5,620,383	-	-	-	(72,000)	8,740,485	14,625,203

Notes:
All amounts are in LKR.'000s, unless otherwise stated.
Figures in the brackets indicate deduction.

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Statement of Cash Flows

For the year ended 31 March	Group		Company	
	2024 LKR '000	2023 LKR '000	2024 LKR '000	2023 LKR '000
Cash flows from operating activities				
(Loss)/profit before income tax expense	(244,212)	(312,436)	487,451	789,333
Adjustments for;				
Provision for depreciation / amortisation	155,190	182,398	130,436	159,901
Profit on disposal of property, plant & equipment	(40,377)	(34,674)	(24,561)	(33,514)
Net gains on disposal of financial asset at fair value through profit or loss	(28,351)	(8,330)	(28,351)	(8,330)
Net change in fair value - financial asset at fair value through profit or loss	(63,738)	(13,855)	(63,738)	(13,855)
Change in fair value of investment property	-	-	(23,500)	(22,000)
Interest expense	563,215	662,703	46,336	35,665
Interest income	(165,499)	(88,404)	(139,301)	(81,127)
Dividend income from equity investments	(11,994)	(10,536)	(11,481)	(9,533)
Dividend received from subsidiary	-	-	(51,000)	(43,031)
Impairment of trade & other receivables and losses on warranty claims	(60,820)	24,214	107,396	(12,116)
Provision for employee benefit obligations	65,091	51,906	50,296	44,959
Amortisation of right-of-use assets	140,296	162,316	39,015	145,427
Return on reimbursable right	(2,837)	(4,557)	(2,221)	(3,823)
Write-down of inventory to lower of cost or NRV (Net Realisable Value)	103,846	124,355	70,540	14,560
WIP write offs	-	188	-	188
Gain on bargain purchase of subsidiary	(9,323)	-	-	-
Fair value adjustment on unit trust and commercial papers	(14,196)	(3,053)	(51,525)	(156,501)
Operating profit before working capital changes	386,291	732,235	535,792	806,203
Decrease/(increase) in inventories	1,783,863	566,487	349,083	(300,096)
Decrease/(Increase) in trade and other receivables	838,817	448,360	(299,746)	29,677
Decrease/(increase) in amounts due from related parties	5,845	(5,845)	(371,606)	(7,402)
Increase in amounts due to related parties	-	-	5,268	22,035
Decrease in trade and other payables	(322,570)	(2,371,573)	(21,589)	(562,918)
Cash inflow/(outflow) from operating activities	2,692,246	(630,336)	197,202	(12,501)
Interest paid	(570,011)	(644,469)	(46,336)	(35,665)
Taxes paid	(243,174)	(199,178)	(197,408)	(178,952)
Contribution paid and received from investment plan (net)	(73,187)	(3,399)	(54,440)	(24)
Net cash inflow/(outflow) from operating activities	1,805,874	(1,477,382)	(100,982)	(227,142)
Cash flows from investing activities				
Investment in shares, unit trust and commercial papers	(8,055,748)	(1,900,000)	(8,665,749)	(3,701,948)
Proceeds from disposal of investments/unit trust/commercial papers	6,932,640	2,469,822	9,431,900	4,020,017
Acquisitions of property, plant & equipment and intangible assets	(120,472)	(44,980)	(46,131)	(30,769)
Proceeds from disposal of property, plant & equipment	62,231	45,097	29,286	38,017
Net cash & cash equivalents on acquisition of a subsidiary	(873,336)	-	(700,000)	-
Interest received	165,499	88,404	139,301	81,127
Dividend received	11,994	10,536	62,481	52,564
Net cash (outflow)/inflow from investing activities	(1,877,192)	668,879	251,088	459,008
Cash flows from financing activities				
Dividend paid	(126,125)	(151,351)	(126,125)	(151,351)
Principal element of lease payments	(135,751)	(169,559)	(22,477)	(154,506)
Loans obtained	34,970,739	8,404,990	2,872,399	768,726
Loans paid	(34,819,821)	(7,353,599)	(2,872,399)	(768,726)
Net cash (outflow)/inflow from financing activities	(110,958)	730,481	(148,602)	(305,857)
Net (decrease)/increase in cash & cash equivalents	(182,276)	(78,022)	1,504	(73,991)
Cash & cash equivalents at the beginning of the year	264,696	342,718	146,695	220,686
Cash and cash equivalents at the end of the year	82,420	264,696	148,199	146,695
	Group		Company	
	31.03.2024 LKR.'000	31.03.2023 LKR.'000	31.03.2024 LKR.'000	31.03.2023 LKR.'000
Cash and bank balances	211,654	214,117	115,866	137,730
Short term deposits	42,362	115,466	42,362	65,323
Bank overdrafts	254,016	329,583	158,228	203,053
Total cash & cash equivalents	82,420	264,696	148,199	146,695

Notes:

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

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024
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 year ended 31 March 2024 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, assembling of vehicles and manufacturing of trailers.

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. Acquisition of a subsidiary

4.1 United Motors Lanka PLC has been continuously pursuing multiple investment opportunities that generate stable profits due to changing economic condition which has impacted the automobile industry in Sri Lanka. As a result, United Motors Lanka PLC acquired 100% stake in Dutch Lanka Trailer Manufacturers Limited (DLT) along with Dutch Lanka Engineering (Pvt) Limited (DLE), a 100% subsidiary of DLT on 11 December 2023.

DLT is a BOI registered company incorporated in 1992 and is engaged in the design, engineering and manufacture of a range of port and road trailers for both domestic and export markets. DLT established Dutch Lanka Engineering (Pvt) Limited (DLE) in 2004. DLE manufactures trailers for the local market, provides aftermarket service support, supplies spare parts for trailers, undertakes steel fabrication work and refurbishment.

The primary reason for the acquisition is to diversify the existing business to different business sectors and to give more returns to the stakeholders.

4.2 Details of the purchase consideration, contingent consideration and gain on bargain purchase are as follows;

	LKR'000
Purchase consideration paid in cash	700,000
Contingent consideration	75,000
Gain on bargain purchase	9,323
Fair values of the identifiable assets and liabilities	<u>784,323</u>

4.3 Contingent consideration

As per the sales purchase agreement (SPA) between United Motors Lanka PLC and TRF Singapore PTE Ltd on the acquisition of Dutch Lanka Trailer Manufacturers Ltd, the United Motors Lanka PLC (buyer), retained LKR 75 MN cash in lieu of all representations and warranties of the seller and that the seller shall not be liable for any loss, damage, claim or expense other than fundamental warranties. Accordingly, LKR 75 MN has been recorded as a liability in the consolidated balance sheet as at the acquisition date. The outcome of the maximum payment is unlimited and cannot be estimated. At every balance sheet date, the management will assess the liabilities that are settled, cancelled, or expired and relevant amounts will be adjusted in profit or loss in accordance with SLFRS 3.

4.4 The provisional fair values of the identifiable assets and liabilities based on un-audited financial statements as at the date of acquisition were as follows.

	LKR'000
Assets	
Property, plant and equipment	203,422
Right of use assets	3,867
Deferred tax assets	45,679
Investment in equity shares	480
Other financial assets	442,072
Inventories	471,620
Trade and other receivables	1,197,282
Other current financial assets	93,769
Cash and short-term deposits	<u>34,764</u>
	2,492,955
Liabilities	
Retirement benefit obligations	61,927
Deferred tax liability	16,281
Interest bearing loans and borrowings	932,161
Trade and other payables	375,309
Income tax payable	114,854
Bank overdrafts	<u>208,100</u>
	1,708,632
Net assets acquired	<u>784,323</u>

4.5 Acquired receivables

The fair value of the acquired trade receivables is LKR 1,045.4 MN. The gross contractual amount for trade receivable due is LKR 1,068.2 MN, with a loss allowance of LKR 22.8 MN recognised on acquisition.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

4.6 Revenue and profit contribution

Revenue of LKR 547.8 MN and profit after tax of LKR 46.7 MN of Dutch Lanka Trailer Manufacturers Limited and its subsidiary, since the acquisition date of 11 December 2023 have been included in the consolidated financial statements for the year ended 31 March 2024.

4.7 Acquisition-related costs

Acquisition-related costs of LKR 3.6 MN have been included in administrative expenses in the statement of profit or loss for the year ended 31 March 2024.

4.8 Purchase consideration - cash outflow

	LKR'000	LKR'000
Purchase consideration paid		700,000
Cash and cash equivalents acquired		
Cash in hand	(34,764)	
Bank overdrafts	208,100	173,336
Net cash used in acquisition		<u>873,336</u>

5. 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
Trailers	Manufacturing and selling of trailers, carriage of cargo containers and related services.

6. Revenue from contracts with customers

	Group		Company	
	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Spare parts, repairs and services	3,403,968	2,612,660	3,531,464	2,611,894
Vehicles	4,895,199	6,171,173	499,304	908,261
Local charges and brokering fees - vehicles	34,292	15,329	34,292	15,329
Equipment and machinery	388,823	389,974	-	-
3D printers and services	9,178	12,617	9,178	12,617
Tyres	268,020	148,152	-	-
Lubricants and car care products	2,030,121	1,386,436	2,046,075	1,388,421
Trailers	547,870	-	-	-
Hiring	-	-	8,760	4,279
	<u>11,577,471</u>	<u>10,736,341</u>	<u>6,129,073</u>	<u>4,940,801</u>

Timing of revenue recognition

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

	Group		Company	
	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Revenue recognised at a point in time	11,577,471	10,736,341	6,129,073	4,940,801
	<u>11,577,471</u>	<u>10,736,341</u>	<u>6,129,073</u>	<u>4,940,801</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

Revenue by nature of transactions

	Group		Company	
	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Sale of goods	10,893,890	10,186,560	5,302,740	4,323,576
Rendering of services	649,289	534,452	783,281	597,617
Service support income	34,292	15,329	43,052	19,608
	<u>11,577,471</u>	<u>10,736,341</u>	<u>6,129,073</u>	<u>4,940,801</u>

7. Other gains/(losses)-net

	Group		Company	
	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Foreign exchange (losses)/gains-net	(19,844)	167,972	(7,069)	88,186
Gain on bargain purchase of a subsidiary	9,323	-	-	-
Impairment losses on borrowings	(16,353)	-	(16,353)	-
Net change in fair value of financial assets at				
Fair value through profit or loss-equity investments	63,738	13,855	63,738	13,855
Fair value through profit or loss-unit trust	14,196	3,053	14,196	193
Fair value through profit or loss-commercial papers	-	-	37,329	156,308
Change in fair value of investment property	-	-	23,500	22,000
Net gains on disposal of				
Financial assets at fair value through profit or loss	<u>28,351</u>	<u>8,330</u>	<u>28,351</u>	<u>8,330</u>
	<u>79,411</u>	<u>193,210</u>	<u>143,692</u>	<u>288,872</u>

8. Fair values Vs. carrying amounts

8.1 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	31.03.2024 Fair value		Carrying amount	31.03.2023 Fair value	
		Level 1 LKR '000	Level 2 LKR '000		Level 1 LKR '000	Level 2 LKR '000
Financial assets at fair value through profit or loss (FVPL)						
Equity shares	134,584	134,584	-	252,426	252,426	-
Investments in unit trusts	1,764,196	-	1,764,196	363,053	-	363,053
Financial assets at amortised cost						
Trade & other receivables excluding prepayments	2,754,569	-	-	2,304,238	-	-
Amounts due from related parties	-	-	-	5,845	-	-
Other financial assets at amortised cost-investments in fixed deposits	511,645	-	-	-	-	-
Cash & cash equivalents	254,016	-	-	329,583	-	-
Financial assets measured at fair value through other comprehensive income (FVOCI)						
Equity shares	170,513	170,513	-	122,532	122,532	-
	<u>5,589,523</u>	<u>305,097</u>	<u>1,764,196</u>	<u>3,377,677</u>	<u>374,958</u>	<u>363,053</u>
Financial liabilities at amortised cost						
Interest bearing borrowings	3,996,915	-	-	2,926,236	-	-
Bank overdrafts	171,596	-	-	64,887	-	-
	<u>4,168,511</u>	<u>-</u>	<u>-</u>	<u>2,991,123</u>	<u>-</u>	<u>-</u>

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	Company					
	Carrying amount	31.03.2024 Fair value		Carrying amount	31.03.2023 Fair value	
		LKR '000	Level 1 LKR '000		Level 2 LKR '000	LKR '000
Financial assets at fair value through profit or loss (FVPL)						
Equity shares	134,584	134,584	-	252,426	252,426	-
Investments in unit trusts	1,764,196	-	1,764,196	60,193	-	60,193
Financial assets at amortised cost						
Trade & other receivables excluding prepayments	1,332,404	-	-	1,010,006	-	-
Amounts due from related parties	382,979	-	-	72,903	-	-
Other financial assets at amortised cost-investments in commercial papers	433,148	-	-	2,694,773	-	-
Cash & cash equivalents	158,228	-	-	203,053	-	-
Financial assets measured at fair value through other comprehensive income (FVOCI)						
Equity shares	131,746	131,746	-	96,448	96,448	-
	<u>4,337,285</u>	<u>266,330</u>	<u>1,764,196</u>	<u>4,389,802</u>	<u>348,874</u>	<u>60,193</u>
Financial liabilities at amortised cost						
Interest bearing borrowings	-	-	-	-	-	-
Bank overdrafts	10,029	-	-	56,358	-	-
	<u>10,029</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).

8.2 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.

9. Approval of financial statements

These consolidated interim financial statements for the year ended 31 March 2024 were authorized for issue by the Board of Directors on 28 May 2024.

10 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.

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11. 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 except below;

During the quarter ended 30 September 2023, Unimo Enterprises Ltd (UEL) a fully owned subsidiary of United Motors Lanka PLC (UML) settled the dispute it had with a licensed Commercial bank on settlement of some Letters of Credit which was disclosed under other matters in the Annual Report for the year 2022/23. According to the mutually agreed settlement, LKR 99 million was debited to UEL accounts during the period ended 31 December 2023.

12. Events after the reporting period and other matters

Appointment of Director

Mr.V.Govindasamy has been appointed to the Board as an Independent Non-Executive Director w.e.f 15 May 2024.

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

13. Related party transactions

13.1 Transactions with the parent company

Transaction type	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
United Motors Lanka PLC		
Repairs & services provided	2,088	1,979
Subsidiary-Unimo Enterprises Ltd		
Reimbursement of expenses	-	67
Sale of vehicles	-	8,845

13.2 Transactions with subsidiaries

Transaction type	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Sale of goods	59,095	9,427
Sale of fixed assets	50	64
Purchase of goods	17,527	1,971
Repairs and services provided	225,476	127,649
Repairs & services obtained	2,083	2,002
Fees on financial services provided	90,157	90,600
Expenses incurred	662,964	88,807
Reimbursement of expenses	6,560	7,023
Hiring income received	8,760	4,279
Hiring rentals paid for vehicles	801	801
Interest received	356,336	595,766
Interest paid	3,167	4,997
Loans granted	1,302,316	73,600
Loan settlements	965,000	73,600
Commission on sales	961	-
Dividend received	51,000	43,031
Investments in commercial papers	610,000	1,753,800
Settlement of commercial papers including interest	3,143,274	1,547,847
Rentals paid for premises occupied	98,043	98,043
Rentals received for premises occupied	37,787	40,396

13.3 Transactions with other related entities of the parent company

Company	Transaction type	Year ended 31.03.2024 LKR'000	Year ended 31.03.2023 LKR'000
Pap Solar One (Pvt) Ltd	Repairs & services provided	820	369

13.4 Non – recurrent related party transactions

There were no non – recurrent transactions for the year ended 31 March 2024 which requires immediate market disclosure.

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

14. Share information

14.1 Stated capital

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

As at	31.03.2024	31.03.2023
Ordinary shares	100,900,626	100,900,626

14.2 Public shareholding

As at	31.03.2024	31.03.2023
Number of public shareholders	3,567	3,593
Percentage of shares held by the public	24.48%	24.47%

The float adjusted market capitalisation as at 31 March 2024 - LKR. 1,432,417,474.

Public shareholding percentage as at 31 March 2024 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.

14.3 Directors' shareholding

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

As at	31.03.2024	31.03.2023
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 - (Resigned w.e.f. 31.03.2024)	-	-
Mr. Stuart Chapman	-	-
Ms. Coralie Pietersz	-	-
Mr. Junya Takami	-	-
Mr. Thushara Jayasekara	-	-
	<u>1,759,813</u>	<u>1,759,813</u>

14.4 Twenty largest shareholders of the Company are as follows:

As at	31.03.2024		31.03.2023	
	Number of shares	%	Number of shares	%
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	200,000	0.20	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
Mr. S. A. C. Keerthisinghe & Mrs. D. M. J. S. Dissanayaka	141,000	0.14	131,000	0.13
Akbar Brothers (Pvt) Ltd A/C No. 1	136,648	0.14	136,648	0.14
Mr. M. Anndreino Yaseen	119,430	0.12	119,430	0.12

14.5 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 year end.

14.6 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 year end.

14.7 Market price per share

For the quarter ended 31 March	2024	2023
	LKR	LKR
Highest price	70.00	65.90
Lowest price	57.00	56.30
Last traded price	58.00	59.90

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SEGMENT INFORMATION

Group In LKR'000	Spare parts and workshop		Vehicles		Equipment and machinery		Trailers		3D Printers and services		Tyres		Lubricants and car care products		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited	Un-audited	Audited
Segment revenue	3,620,734	2,689,736	4,938,741	6,186,502	388,823	391,976	547,870	-	9,178	12,617	275,595	150,123	2,094,238	1,392,700	11,875,179	10,823,654
Inter segment revenue	(216,766)	(77,076)	(9,250)	-	-	(2,002)	-	-	-	-	(7,575)	(1,971)	(64,117)	(6,264)	(297,708)	(87,313)
Revenue from external customers	3,403,968	2,612,660	4,929,491	6,186,502	388,823	389,974	547,870		9,178	12,617	268,020	148,152	2,030,121	1,386,436	11,577,471	10,736,341
Revenue from contracts with customers																
Goods transferred at a point in time	2,814,949	2,078,208	4,895,199	6,171,173	388,823	389,974	487,600	-	9,178	12,617	268,020	148,152	2,030,121	1,386,436	10,893,890	10,186,560
Services rendered at a point in time	589,019	534,452	34,292	15,329	-	-	60,270	-	-	-	-	-	-	-	683,581	549,781
Total revenue from contracts with customers	3,403,968	2,612,660	4,929,491	6,186,502	388,823	389,974	547,870		9,178	12,617	268,020	148,152	2,030,121	1,386,436	11,577,471	10,736,341
Segment profit/(loss)	597,258	593,940	107,753	458,154	(7,803)	(61,585)	51,689		(9,862)	(10,520)	39,880	33,257	131,773	274,141	910,688	1,287,387
Unallocated income															157,259	112,253
Unallocated expenses															(914,443)	(1,137,777)
Profit from operations before finance cost															153,504	261,863
Finance income															165,499	88,404
Finance cost															(563,215)	(662,703)
Net finance (cost)/income															(397,716)	(574,299)
Loss before income tax expenses															(244,212)	(312,436)
Income tax (expense)/reversal															(28,735)	181,345
Loss for the year															(272,947)	(131,091)
Segment assets	4,050,623	4,276,408	5,601,739	6,950,010	521,702	695,317	1,919,968	-	9,065	18,126	387,254	290,034	3,283,308	2,958,016	15,773,659	15,187,911
Unallocated assets															4,749,898	3,970,028
Total assets	4,050,623	4,276,408	5,601,739	6,950,010	521,702	695,317	1,919,968		9,065	18,126	387,254	290,034	3,283,308	2,958,016	20,523,557	19,157,939
Segment liabilities	68,920	80,738	222,983	432,617	5,134	13,293	1,050,721	-	167	805	317	-	9,466	10,309	1,357,708	537,762
Unallocated liabilities															5,740,601	4,991,806
Total liabilities	68,920	80,738	222,983	432,617	5,134	13,293	1,050,721		167	805	317	-	9,466	10,309	7,098,309	5,529,568
Segment capital expenditure-allocated	37,180	10,946	53,843	25,919	4,247	1,634	-	-	100	53	2,927	620	22,175	5,808	120,472	44,980
Depreciation and amortisation-allocated	61,277	59,178	181,253	243,199	12,085	13,346	2,130	-	131	217	3,820	2,552	34,790	26,222	295,486	344,714
Non cash expenses/(income)	102,303	52,595	(64,406)	101,741	11,003	9,160	-	-	3,062	398	(9,701)	6,157	765	(21,482)	43,026	148,569

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