

INTERIM FINANCIAL STATEMENTS

For the Period Ended 31 December 2020



UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Group						Company					
	Un-audited 9 Months ended	Un-audited 9 Months ended	Variance	Un-audited 3 Months ended	Un-audited 3 Months ended	Variance	Un-audited 9 Months ended	Un-audited 9 Months ended	Variance	Equipment & mach 3 Months ended	Un-audited 3 Months ended	Variance
	31.12.2020	31.12.2019		31.12.2020	31.12.2019		31.12.2020	31.12.2019		31.12.2020	31.12.2019	
Revenue from contracts with customers	9,534,296	8,074,378	18.1%	3,326,957	2,694,742	23.5%	5,717,600	4,787,976	19.4%	1,896,847	1,750,873	8.3%
Cost of sales	(7,479,209)	(6,444,484)	-16.1%	(2,692,809)	(2,108,658)	-27.7%	(4,015,184)	(3,392,307)	-18.4%	(1,434,938)	(1,212,287)	-18.4%
Gross profit	2,055,087	1,629,894	26.1%	634,148	586,084	8.2%	1,702,416	1,395,669	22.0%	461,909	538,586	-14.2%
Distribution expenses	(295,396)	(279,338)	-5.7%	(99,220)	(115,076)	13.8%	(168,075)	(156,758)	-7.2%	(48,684)	(65,234)	25.4%
Administrative and other expenses	(1,249,268)	(1,298,152)	3.8%	(430,382)	(442,388)	2.7%	(1,052,715)	(1,116,822)	5.7%	(362,703)	(390,467)	7.1%
Other income	81,905	64,136	27.7%	28,739	30,067	-4.4%	95,519	76,069	25.6%	33,093	31,063	6.5%
Profit from operating activities	592,328	116,540	408.3%	133,285	58,687	127.1%	577,145	198,158	191.3%	83,615	113,948	-26.6%
Finance income	109,114	30,229	261.0%	60,951	19,615	210.7%	145,535	170,245	-14.5%	71,433	64,920	10.0%
Finance cost	(309,278)	(347,847)	11.1%	(51,815)	(124,468)	58.4%	(189,438)	(219,769)	13.8%	(38,608)	(84,734)	54.4%
Net finance (cost)/income	(200,164)	(317,618)	37.0%	9,136	(104,853)	108.7%	(43,903)	(49,524)	11.3%	32,825	(19,814)	265.7%
Profit/(loss) before income tax expense	392,164	(201,078)	295.0%	142,421	(46,166)	408.5%	533,242	148,634	258.8%	116,440	94,134	23.7%
Income tax expense	(143,654)	(63,095)	-127.7%	(34,572)	(32,486)	-6.4%	(142,184)	(61,683)	-130.5%	(34,082)	(32,054)	-6.3%
Profit/(loss) for the period	248,510	(264,173)	194.1%	107,849	(78,652)	237.1%	391,058	86,951	349.7%	82,358	62,080	32.7%
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	131,578	42,646		54,401	20,440		104,950	38,256		47,401	16,991	
Net gain on disposal of equity investments at fair value through other comprehensive income	1,199			1,199								
Other comprehensive income for the period	132,777	42,646		55,600	20,440		104,950	38,256		47,401	16,991	
Total comprehensive income for the period	381,287	(221,527)		163,449	(58,212)		496,008	125,207		129,759	79,071	
Profit/(loss) attributable to:												
Owners of United Motors Lanka PLC	248,510	(264,173)		107,849	(78,652)		391,058	86,951		82,358	62,080	
Profit/(loss) for the period	248,510	(264,173)		107,849	(78,652)		391,058	86,951		82,358	62,080	
Total comprehensive income attributable to:												
Owners of United Motors Lanka PLC	381,287	(221,527)		163,449	(58,212)		496,008	125,207		129,759	79,071	
Total comprehensive income for the period	381,287	(221,527)		163,449	(58,212)		496,008	125,207		129,759	79,071	

Basic earnings / (loss) per share (LKR.) 2.46 (2.62) 1.07 (0.78) 3.88 0.86 0.82 0.62

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

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
STATEMENT OF FINANCIAL POSITION

As at	Group		Company	
	Un-audited 31.12.2020	Audited 31.03.2020	Un-audited 31.12.2020	Audited 31.03.2020
Assets				
Non-current assets				
Property, plant & equipment	7,789,826	7,942,818	7,143,410	7,279,449
Investment property	-	-	513,050	513,050
Intangible assets	220,245	236,492	217,035	233,037
Right-of-use assets	261,364	250,125	248,450	279,325
Investments in subsidiaries	-	-	222,400	222,400
Financial assets at fair value through other comprehensive income	327,615	208,256	273,435	168,485
Reimbursable right	67,210	67,210	62,788	62,788
Deferred tax assets	433,228	477,549	138,605	182,926
Total non-current assets	9,099,488	9,182,450	8,819,173	8,941,460
Current assets				
Inventories	3,026,099	7,105,025	1,657,896	3,969,655
Trade and other receivables	2,022,119	3,469,036	905,937	2,791,963
Amounts due from related parties	8	-	2,141,041	135,744
Current tax receivables	8,657	66,378	-	57,718
Financial assets at fair value through profit or loss	4,243,607	54,924	3,492,683	54,924
Cash and cash equivalents	323,565	261,960	233,862	208,790
Total current assets	9,624,055	10,957,323	8,431,419	7,218,794
Total assets	18,723,543	20,139,773	17,250,592	16,160,254
Equity and liabilities				
Equity				
Stated capital	336,335	336,335	336,335	336,335
Capital reserve	5,258,843	5,258,843	4,904,258	4,904,258
Other components of equity	1,376,805	1,245,227	1,417,162	1,312,212
Retained earnings	5,979,397	5,881,039	6,192,303	5,952,596
Total equity attributable to the equity holders of the parent	12,951,380	12,721,444	12,850,058	12,505,401
Non-current liabilities				
Interest bearing borrowings	18,900	-	-	-
Employee benefits	267,506	239,546	237,812	214,145
Lease liabilities	201,826	109,514	113,646	153,539
Deferred tax liabilities	319,000	322,866	319,639	323,505
Total non-current liabilities	807,232	671,926	671,097	691,189
Current liabilities				
Interest bearing borrowings	3,411,250	5,662,003	2,505,088	2,096,853
Trade and other payables	1,353,881	747,615	830,714	500,810
Lease liabilities	63,591	138,801	143,555	132,918
Amounts due to related parties	-	-	135,899	64,796
Current tax liabilities	41,047	-	40,559	-
Bank overdrafts	95,162	197,984	73,622	168,287
Total current liabilities	4,964,931	6,746,403	3,729,437	2,963,664
Total liabilities	5,772,163	7,418,329	4,400,534	3,654,853
Total equity and liabilities	18,723,543	20,139,773	17,250,592	16,160,254
Net assets per share -LKR	128.36	126.08	127.35	123.94

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.

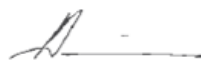


Thushara Jayasekara
Group Chief Financial Officer

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



Sunil G. Wijesinha
Chairman
9 February 2021
Colombo



Chanaka Yatawara
Group Chief Executive Officer / Executive Director

UNITED MOTORS LANKA PLC

INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020

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	
Group								
Balance as at 01.04.2019	336,335	4,556,009	785,400	308,900	466,250	(252,766)	6,678,979	12,879,107
Total comprehensive income for the nine months period								
Loss for the nine months ended 31.12.2019	-	-	-	-	-	-	(264,173)	(264,173)
Other comprehensive income								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	42,646	-	42,646
Total comprehensive income for the period	-	-	-	-	-	42,646	(264,173)	(221,527)
Transactions with owners in their capacity as owners :								
Balance as at 31.12.2019	336,335	4,556,009	785,400	308,900	466,250	(210,120)	6,414,806	12,657,580
Total comprehensive income for the three months period								
Loss for the three months ended 31.03.2020	-	-	-	-	-	-	(145,502)	(145,502)
Other comprehensive income								
Re-measurements of post employment benefit obligations	-	-	-	-	-	-	17,828	17,828
Deferred tax on re-measurements of post employment benefit obligations	-	-	-	-	-	-	(2,490)	(2,490)
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	(105,203)	-	(105,203)
Revaluation of land	-	780,927	-	-	-	-	-	780,927
Deferred tax on revaluation of land	-	(78,093)	-	-	-	-	-	(78,093)
Total comprehensive income for the period	-	702,834	-	-	-	(105,203)	(130,164)	467,467
Transactions with owners in their capacity as owners :								
Final dividend paid 2018/2019	-	-	-	-	-	-	(403,603)	(403,603)
Balance as at 31.03.2020	336,335	5,258,843	785,400	308,900	466,250	(315,323)	5,881,039	12,721,444
Total comprehensive income for the nine months period								
Profit for the nine months ended 31.12.2020	-	-	-	-	-	-	248,510	248,510
Other comprehensive income								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	131,578	-	131,578
Net gain on disposal of equity investments at fair value through other comprehensive income	-	-	-	-	-	-	1,199	1,199
Total comprehensive income for the period	-	-	-	-	-	131,578	249,709	381,287
Transactions with owners in their capacity as owners :								
Interim dividend payable 2020/2021	-	-	-	-	-	-	(151,351)	(151,351)
Balance as at 31.12.2020	336,335	5,258,843	785,400	308,900	466,250	(183,745)	5,979,397	12,951,380

Notes:

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Figures in the brackets indicate deduction.

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
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	
Company								
Balance as at 01.04.2019	336,335	4,242,869	785,400	308,900	466,250	(204,665)	6,224,863	12,159,952
Total comprehensive income for the nine months period								
Profit for the nine months ended 31.12.2019	-	-	-	-	-	-	86,951	86,951
Other comprehensive income								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	38,256	-	38,256
Total comprehensive income for the period	-	-	-	-	-	38,256	86,951	125,207
Transactions with owners in their capacity as owners :								
Balance as at 31.12.2019	336,335	4,242,869	785,400	308,900	466,250	(166,409)	6,311,814	12,285,159
Total comprehensive income for the three months period								
Profit for the three months ended 31.03.2020	-	-	-	-	-	-	30,376	30,376
Other comprehensive income								
Re-measurements of post employment benefit obligations	-	-	-	-	-	-	15,986	15,986
Deferred tax on re-measurements of post employment benefit obligations	-	-	-	-	-	-	(1,977)	(1,977)
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	(81,929)	-	(81,929)
Revaluation of land	-	734,877	-	-	-	-	-	734,877
Deferred tax on revaluation of land	-	(73,488)	-	-	-	-	-	(73,488)
Total comprehensive income for the period	-	661,389	-	-	-	(81,929)	44,385	623,845
Transactions with owners in their capacity as owners :								
Final dividend paid 2018/2019	-	-	-	-	-	-	(403,603)	(403,603)
Balance as at 31.03.2020	336,335	4,904,258	785,400	308,900	466,250	(248,338)	5,952,596	12,505,401
Total comprehensive income for the nine months period								
Profit for the nine months ended 31.12.2020	-	-	-	-	-	-	391,058	391,058
Other comprehensive income								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	104,950	-	104,950
Total comprehensive income for the period	-	-	-	-	-	104,950	391,058	496,008
Transactions with owners in their capacity as owners :								
Interim dividend payable 2020/2021	-	-	-	-	-	-	(151,351)	(151,351)
Balance as at 31.12.2020	336,335	4,904,258	785,400	308,900	466,250	(143,388)	6,192,303	12,850,058

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

UNITED MOTORS LANKA PLC

INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020

Statement of Cash Flows

For the period ended 31 December	Group		Company	
	2020 LKR '000	2019 LKR '000	2020 LKR '000	2019 LKR '000
Cash flows from operating activities				
Profit/(loss) before income tax expense	392,164	(201,078)	533,242	148,634
Adjustments for;				
Provision for depreciation/amortisation	194,945	173,522	160,437	143,915
Profit on disposal of property, plant & equipment	(7,178)	(2,640)	(7,053)	(2,640)
Net gains on disposal of financial asset at fair value through profit or loss	(7,830)	-	(7,830)	-
Net change in fair value - financial asset at fair value through profit or loss	(33,420)	(9,933)	(33,420)	(9,933)
Interest expense	308,089	347,016	189,309	218,944
Interest income	(55,545)	(11,754)	(95,532)	(155,337)
Dividend income	(6,724)	(5,458)	(6,370)	(3,758)
Impairment of trade receivables and losses on warranty claims	8,638	23,257	8,363	21,055
Provision for employee benefit obligations	29,293	28,217	23,669	22,757
Amortisation of right-of-use assets	104,357	135,604	109,303	120,849
Provision for slow moving/obsolete inventories	8,077	5,386	23,774	2,089
Adjustment for rent concessions	(9,500)	-	(3,728)	-
Fair value adjustment on unit trust	(35,937)	-	(35,013)	-
Operating profit before working capital changes	889,429	482,139	859,151	506,575
Decrease/(increase) in inventories	4,070,849	(510,099)	2,287,985	(712,119)
Decrease/(increase) in trade and other receivables	1,438,278	(2,338,001)	1,877,662	(2,158,055)
Increase in amounts due from related parties	(9)	-	(2,005,297)	(1,327,440)
Increase in amounts due to related parties	-	-	71,103	69,205
Increase in trade and other payables	454,919	1,893,092	178,553	1,923,131
Cash generated from/(used in) operating activities	6,853,466	(472,869)	3,269,157	(1,698,703)
Interest paid	(320,354)	(337,057)	(191,651)	(207,952)
Income tax paid	(4,430)	(80,488)	(3,451)	(79,106)
Contribution paid and received from investment plan (net)	(1,333)	(63)	-	-
Net cash inflow/(outflow) from operating activities	6,527,349	(890,477)	3,074,055	(1,985,761)
Cash flows from investing activities				
Investment in shares/unit trust	(5,977,433)	(14,403)	(3,727,433)	(14,403)
Proceeds from disposal of investments/unit trust	1,879,355	180,187	365,937	180,187
Acquisitions of property, plant & equipment and intangible assets	(31,957)	(224,208)	(14,471)	(194,647)
Proceeds from disposal of property, plant & equipment	13,430	2,640	13,126	2,640
Lease rentals paid in advance	-	(27,299)	-	(16,225)
Interest received	55,545	11,754	95,532	155,337
Dividend received	6,724	5,458	6,370	3,758
Net cash (out flow)/in flow from investing activities	(4,054,336)	(65,871)	(3,260,939)	116,647
Cash flows from financing activities				
Dividend paid	-	(403,603)	-	(403,603)
Principal element of lease payments	(88,997)	(86,777)	(103,956)	(86,112)
Loans obtained	39,325,309	41,062,946	28,445,851	26,186,454
Loans paid	(41,544,898)	(39,759,995)	(28,035,274)	(23,933,500)
Net cash (out flow)/in flow from financing activities	(2,308,586)	812,571	306,621	1,763,239
Net increase/(decrease) in cash & cash equivalents	164,427	(143,777)	119,737	(105,875)
Cash & cash equivalents at the beginning of the period	63,976	371,155	40,503	315,899
Cash and cash equivalents at end of the period	228,403	227,378	160,240	210,024
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
	LKR.'000	LKR.'000	LKR.'000	LKR.'000
Cash and bank balances	309,643	326,822	219,941	289,882
Short term deposits	13,922	42,173	13,921	42,173
Bank overdrafts	323,565	368,995	233,862	332,055
Total cash & cash equivalents	(95,162)	(141,617)	(73,622)	(122,031)
	228,403	227,378	160,240	210,024

Notes:

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

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
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 31 December 2020 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, 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 2020.

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 2020.

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. Impact due to the COVID-19

4.1 Lockdown of business operations

United Motors main workshop at Orugodawatte was in a lockdown area and as a result we could not operate it from 23 October 2020 to 11 January 2021. However the performance of the group was well above the revised forecast done considering the impact of COVID-19.

4.2 Rent concessions

As a practical expedient given in Exposure Draft (COVID- 19 – Related Rent Concessions Proposed amendments to IFRS 16), Company and the Group elected not to assess COVID-19 related rent concessions as a lease modification. Accordingly rent concessions received LKR 9,499,718 by the Group and LKR 3,727,718 by the Company were accounted as a gain in profit or loss during the period ended 31 December 2020.

4.3 Temporary suspension of vehicle imports

The temporary suspension of vehicle imports has been extended by the Government until further notice.

5. Fair values Vs. carrying amounts

5.1 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 fair value.

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

Below note 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 fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standards.

At each reporting period, the Group/Company's equity securities are measured at fair value referring to quoted market prices in the active market.

	Group					
	31.12.2020			31.03.2020		
	LKR '000 Carrying amount	LKR '000 Fair value	LKR '000	LKR '000 Carrying amount	LKR '000 Fair value	LKR '000
	Level 1	Level 2		Level 1	Level 2	
Financial assets at fair value through profit or loss (FVPL)						
Equity shares	487,670	487,670	-	54,924	-	54,924
Investments in unit trusts	3,755,937	-	3,755,937	-	-	-
Financial assets at amortised cost						
Trade & other receivables excluding prepayments	1,873,889	-	-	3,210,485	-	-
Amounts due from related parties	8	-	-	-	-	-
Cash & cash equivalents	323,565	-	-	261,960	-	-
Financial assets measured at fair value through other comprehensive income (FVOCI)						
Equity shares	327,615	327,615	-	208,256	-	208,256
	<u>6,768,684</u>	<u>815,285</u>	<u>3,755,937</u>	<u>3,735,625</u>	<u>-</u>	<u>263,180</u>
Financial liabilities at amortised cost						
Interest bearing borrowings	3,430,150	-	-	5,662,003	-	-
Bank overdrafts	95,162	-	-	197,984	-	-
	<u>3,525,312</u>	<u>-</u>	<u>-</u>	<u>5,859,987</u>	<u>-</u>	<u>-</u>

UNITED MOTORS LANKA PLC
 INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
 NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

	Company					
	31.12.2020			31.03.2020		
	LKR '000 Carrying amount	LKR '000 Fair value	LKR '000	LKR '000 Carrying amount	LKR '000 Fair value	LKR '000
		Level 1	Level 2		Level 1	Level 2
Financial assets at fair value through profit or loss (FVPL)						
Equity shares	487,670	487,670	-	54,924	-	54,924
Investments in unit trusts	3,005,013	-	3,005,013	-	-	-
Financial assets at amortised cost						
Trade & other receivables excluding prepayments	870,870	-	-	2,738,763	-	-
Amounts due from related parties	2,141,041	-	-	135,744	-	-
Cash & cash equivalents	233,862	-	-	208,790	-	-
Financial assets measured at fair value through other comprehensive income (FVOCI)						
Equity shares	273,435	273,435	-	168,485	-	168,485
	<u>7,011,891</u>	<u>761,105</u>	<u>3,005,013</u>	<u>3,306,706</u>	<u>-</u>	<u>223,409</u>
Financial liabilities at amortised cost						
Interest bearing borrowings	2,505,088	-	-	2,096,853	-	-
Bank overdrafts	73,622	-	-	168,287	-	-
	<u>2,578,710</u>	<u>-</u>	<u>-</u>	<u>2,265,140</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 for the period ended 31 March 2020.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Investments in equity shares	Fair value is based on quoted prices that are not traded in an active market .	None	None

5.2 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.

6. Approval of financial statements

These consolidated interim financial statements for the nine months period ended 31 December 2020 were authorized for issue by the Board of Directors on 9 February 2021.

7. Operating segments

An operating segment is a distinguishable component of the Group / Company that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risk and rewards that are different from those of other segments.

Segmentation has been determined based on the Group's management and internal reporting structure. Segment Information is based on the primary format representing the industry segments of the Company and the Group. The Group has six reportable segments whilst the Company has five.

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

Reportable segment	Nature of business
Spare parts & workshop	Sale of spare parts and repairs and servicing of vehicles
Vehicles	Sale of passenger vehicles, commercial vehicles and special purpose vehicles.
Equipment & machinery	Sale of heavy equipment & machinery
Tyres	Sale of tyres
Lubricant & other services	Sale of lubricant & hiring of vehicles
3D Printers & services	Sale of 3D printers, filaments, spare parts and related services.

8. Contingencies, capital and other commitments

There has been no significant change in the nature of the contingencies and other commitments, which were disclosed in the Annual Report 2019 / 2020 .

9. 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.

UNITED MOTORS LANKA PLC
 INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
 NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

10. Related party transactions

10.1 Transactions with the parent company

Transaction type	Nine months ended 31.12.2020 LKR.'000s	Nine months ended 31.12.2019 LKR.'000s
Repairs & services provided	902	618
Rent paid in advance	-	463
Rentals paid for premises occupied	770	3,442
Refundable rent deposit	-	1,045
Reimbursement of expenses	14	435

10.2 Transactions with subsidiaries

Transaction type	Nine months ended 31.12.2020 LKR.'000s	Nine months ended 31.12.2019 LKR.'000s
Sale of goods	10,321	1,720
Purchase of goods	7,460	8,240
Repairs and services provided	49,417	44,435
Repairs & services obtained	256	-
Expenses incurred	57,461	45,525
Reimbursement of expenses	8,319	4,316
Hiring income received	3,550	2,492
Hiring rentals paid for vehicles	600	-
Interest received	58,089	144,052
Loans granted	6,239,700	5,554,000
Loan settlements	4,241,021	4,289,000
Rentals paid for premises occupied	73,533	74,866
Rentals received for premises occupied	17,598	17,144

10.3 Transactions with other related entities of the parent company

Company	Transaction type	Nine months ended 31.12.2020 LKR.'000s	Nine months ended 31.12.2019 LKR.'000s
Foodbuzz (Pvt) Ltd	Repairs & services provided	92	308

10.4 Non – recurrent related party transactions

There were no non – recurrent transactions for the period ended 31 December 2020 which requires immediate market disclosure.

11. Share information

11.1 Stated capital

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

As at	31.12.2020	31.03.2020
Ordinary shares	100,900,626	100,900,626

11.2 Public shareholding

As at	31.12.2020	31.03.2020
Number of public shareholders	3,838	3,743
Percentage of shares held by the public	24.59%	24.84%

The float adjusted market capitalisation as at 31 December 2020 - LKR. 1,960,284,828

Public shareholding percentage as at 31 December 2020 is 24.59% and the Company is in compliance with option 5 of Section 7.13.1 (a) of the Listing Rules of Colombo Stock Exchange.

11.3 Directors' shareholding

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

As at	31.12.2020	31.03.2020
Mr. Sunil G. Wijesinha	-	-
Mr. Chanaka Yatawara	1,672,902	1,421,321
Mr. Ananda Atukorala	3,000	3,000
Ms. Hiroshini Fernando	-	-
Mr. Ramesh Yaseen	10,620	10,620
Prof. Malik Ranasinghe	-	-
Mr. Stuart Chapman	-	-
Mr. Yoshisuke Ishii	-	-
	<u>1,686,522</u>	<u>1,434,941</u>

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NOTES TO THE INTERIM FINANCIAL STATEMENTS (contd.)

11.4 Twenty largest shareholders of the Company are as follows:

As at	31.12.2020		31.03.2020	
	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	1,672,902	1.66	1,421,321	1.41
Mr. A. M. Weerasinghe	1,537,280	1.52	301,880	0.30
Mr. D. G. Wijemanna	1,000,000	0.99	-	-
Bank of Ceylon A/C No. 1	524,677	0.52	404,478	0.40
J. B. Cocoshell (Pvt) Limited	480,000	0.48	-	-
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. 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. M. Anndreino Yaseen	119,430	0.12	119,430	0.12
Mr. V. A. Yaseen	119,427	0.12	119,427	0.12
Mr. J. A. Yaseen	119,427	0.12	119,427	0.12
Mrs. M. P. R. Silva	110,000	0.11	-	-
Mr. M. H. M. Nazeer	100,984	0.10	100,984	0.10

11.5 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.

11.6 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.

11.7 Market price per share

For the quarter ended 31 December	2020	2019
	LKR	LKR
Highest price	83.00	73.60
Lowest price	50.00	60.00
Last traded price	79.00	63.00

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INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
SEGMENT INFORMATION

Group	Spare parts & workshop		Vehicles		Equipment & machinery		3D Printers & services		Tyres		Lubricant & other services		Total	
	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended
	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019
In LKR'000	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
Revenue from contracts with customers														
External - Goods transferred at a point in time	315,820	1,095,603	6,351,531	5,250,047	404,249	217,046	10,035	7,874	175,178	163,208	754,544	729,935	8,011,357	7,463,713
- Services rendered	1,042,582	384,409	480,357	226,265	-	-	-	-	-	-	-	(9)	1,522,939	610,665
Total revenue from contracts with customers	1,358,402	1,480,012	6,831,888	5,476,312	404,249	217,046	10,035	7,874	175,178	163,208	754,544	729,926	9,534,296	8,074,378
Segment results	285,216	311,296	581,171	112,489	21,333	5,161	(9,192)	(12,705)	26,095	9,941	53,975	66,977	958,598	493,159
Unallocated income													81,905	64,136
Unallocated expenses													(448,175)	(440,755)
Profit from operations before finance cost													592,328	116,540
Net finance cost													(200,164)	(317,618)
Profit/(loss) before income tax expense													392,164	(201,078)
Income tax expenses													(143,654)	(63,095)
Profit/(loss) from ordinary activities													248,510	(264,173)
Net gain on disposal of equity investments at fair value through other comprehensive income													1,199	-
Changes in the fair value of equity investments at fair value through other comprehensive income													131,578	42,646
Total comprehensive income attributable to Owners of United Motors Lanka PLC													381,287	(221,527)
Segment assets	2,378,021	3,214,572	7,485,787	9,973,713	652,228	305,440	15,189	19,996	295,094	421,331	1,262,511	1,276,830	12,088,830	15,211,882
Unallocated assets													6,634,713	5,513,745
Total assets	2,378,021	3,214,572	7,485,787	9,973,713	652,228	305,440	15,189	19,996	295,094	421,331	1,262,511	1,276,830	18,723,543	20,725,627
Segment liabilities													5,772,163	8,471,650
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	-	5,772,163	8,471,650
Segment capital expenditure-allocated	4,553	41,097	22,899	152,065	1,355	6,027	34	219	587	4,532	2,529	20,268	31,957	224,208
Depreciation & amortisation-allocated	41,537	88,582	219,862	181,527	13,235	6,987	931	3,325	3,715	6,140	20,022	22,565	299,302	309,126
Non cash expenses/(income)	29,849	23,034	(18,146)	(1,798)	-	-	-	-	(4,266)	2,679	9,278	5,147	16,715	29,062

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

UNITED MOTORS LANKA PLC
INTERIM FINANCIAL STATEMENTS FOR NINE MONTHS ENDED 31 DECEMBER 2020
SEGMENT INFORMATION

Company	Spare parts & workshop		Vehicles		Equipment & machinery		3D Printers & services		Lubricant & other services		Total	
	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended	9 Months ended
	31.12.2020 Un-audited	31.12.2019 Un-audited	31.12.2020 Un-audited	31.12.2019 Un-audited	31.12.2020 Un-audited	31.12.2019 Un-audited	31.12.2020 Un-audited	31.12.2019 Un-audited	31.12.2020 Un-audited	31.12.2019 Un-audited	31.12.2020 Un-audited	31.12.2019 Un-audited
In LKR'000												
Revenue from contracts with customers												
External - Goods transferred at a point in time	307,879	1,091,220	3,085,434	2,319,714	7,415	-	10,035	7,874	758,342	730,246	4,169,105	4,149,054
- Services rendered	1,064,587	408,737	480,358	226,265	-	-	-	-	3,550	3,920	1,548,495	638,922
Total revenue from contracts with customers	1,372,466	1,499,957	3,565,792	2,545,979	7,415	-	10,035	7,874	761,892	734,166	5,717,600	4,787,976
Segment results	327,007	343,179	556,935	168,400	1,133	-	(9,192)	(12,705)	57,525	70,906	933,408	569,780
Unallocated income											95,519	76,069
Unallocated expenses											(451,782)	(447,691)
Profit from operations before finance cost											577,145	198,158
Net finance income											(43,903)	(49,524)
Profit before income tax expense											533,242	148,634
Income tax expenses											(142,184)	(61,683)
Profit from ordinary activities											391,058	86,951
Changes in the fair value of equity investments at fair value through other comprehensive income											104,950	38,256
Total comprehensive income attributable to Owners of United Motors Lanka PLC											496,008	125,207
Segment assets	2,681,293	3,422,592	5,244,422	6,454,622	-	-	19,697	24,762	1,610,904	1,725,141	9,556,316	11,627,117
Unallocated assets											7,694,276	6,463,370
Total assets	2,681,293	3,422,592	5,244,422	6,454,622	-	-	19,697	24,762	1,610,904	1,725,141	17,250,592	18,090,487
Segment liabilities											4,400,534	6,208,932
Total liabilities	-	-	-	-	-	-	-	-	-	-	4,400,534	6,208,932
Segment capital expenditure-allocated	3,478	60,978	9,037	103,502	-	-	25	320	1,931	29,847	14,471	194,647
Depreciation & amortisation-allocated	90,629	106,581	147,864	123,536	-	-	1,063	3,417	30,184	31,230	269,740	264,764
Non cash expenses/(income)	29,804	23,032	(7,670)	(5,086)	-	-	-	-	9,279	5,148	31,413	23,094

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