

# INTERIM FINANCIAL STATEMENTS

**For the Period Ended 30 September 2020**



**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	Group						Company					
	Un-audited 6 Months ended	Un-audited 6 Months ended	Variance	Un-audited 3 Months ended	Un-audited 3 Months ended	Variance	Un-audited 6 Months ended	Un-audited 6 Months ended Restated	Variance	Un-audited 3 Months ended	Un-audited 3 Months ended Restated	Variance
	30.09.2020	30.09.2019		30.09.2020	30.09.2019		30.09.2020	30.09.2019		30.09.2020	30.09.2019	
Revenue from contracts with customers	6,207,339	5,379,636	15.4%	4,301,750	3,062,833	40.5%	3,820,753	3,037,103	25.8%	2,848,280	1,832,153	55.5%
Cost of sales	(4,786,400)	(4,335,826)	-10.4%	(3,265,795)	(2,447,565)	-33.4%	(2,580,246)	(2,180,020)	-18.4%	(1,925,597)	(1,310,391)	-46.9%
Gross profit	1,420,939	1,043,810	36.1%	1,035,955	615,268	68.4%	1,240,507	857,083	44.7%	922,683	521,762	76.8%
Distribution expenses	(196,176)	(164,262)	-19.4%	(138,214)	(88,262)	-56.6%	(119,391)	(89,992)	-32.7%	(82,282)	(45,175)	-82.1%
Administrative and other expenses	(818,886)	(855,764)	4.3%	(390,336)	(392,801)	0.6%	(690,012)	(727,887)	5.2%	(329,685)	(331,981)	0.7%
Other income	53,166	34,069	56.1%	19,676	15,629	25.9%	62,426	45,005	38.7%	24,126	23,734	1.7%
<b>Profit from operating activities</b>	<b>459,043</b>	<b>57,853</b>	<b>693.5%</b>	<b>527,081</b>	<b>149,834</b>	<b>251.8%</b>	<b>493,530</b>	<b>84,209</b>	<b>486.1%</b>	<b>534,842</b>	<b>168,340</b>	<b>217.7%</b>
Finance income	48,163	10,614	353.8%	33,524	6,756	396.2%	74,102	105,325	-29.6%	52,747	60,133	-12.3%
Finance cost	(257,463)	(223,379)	-15.3%	(85,909)	(116,118)	26.0%	(150,830)	(135,035)	-11.7%	(55,107)	(76,581)	28.0%
Net finance cost	(209,300)	(212,765)	1.6%	(52,385)	(109,362)	52.1%	(76,728)	(29,710)	-158.3%	(2,360)	(16,448)	85.7%
Profit/(loss) before income tax expense	249,743	(154,912)	261.2%	474,696	40,472	1072.9%	416,802	54,499	664.8%	532,482	151,892	250.6%
Income tax expense	(109,082)	(30,609)	-256.4%	(108,592)	(26,893)	-303.8%	(108,102)	(29,629)	-264.9%	(108,102)	(26,452)	-308.7%
<b>Profit/(loss) for the period</b>	<b>140,661</b>	<b>(185,521)</b>	<b>175.8%</b>	<b>366,104</b>	<b>13,579</b>	<b>2596.1%</b>	<b>308,700</b>	<b>24,870</b>	<b>1141.3%</b>	<b>424,380</b>	<b>125,440</b>	<b>238.3%</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	77,177	22,206		40,294	27,368		57,549	21,265		31,110	24,341	
<b>Other comprehensive income for period</b>	<b>77,177</b>	<b>22,206</b>		<b>40,294</b>	<b>27,368</b>		<b>57,549</b>	<b>21,265</b>		<b>31,110</b>	<b>24,341</b>	
<b>Total comprehensive income for the period</b>	<b>217,838</b>	<b>(163,315)</b>		<b>406,398</b>	<b>40,947</b>		<b>366,249</b>	<b>46,135</b>		<b>455,490</b>	<b>149,781</b>	
Profit/(loss) attributable to:												
Owners of United Motors Lanka PLC	140,661	(185,521)					308,700	24,870				
<b>Profit/(loss) for the period</b>	<b>140,661</b>	<b>(185,521)</b>		<b>366,104</b>	<b>13,579</b>		<b>308,700</b>	<b>24,870</b>		<b>424,380</b>	<b>125,440</b>	
Total comprehensive income attributable to:												
Owners of United Motors Lanka PLC	217,838	(163,315)					366,249	46,135				
<b>Total comprehensive income for the period</b>	<b>217,838</b>	<b>(163,315)</b>		<b>406,398</b>	<b>40,947</b>		<b>366,249</b>	<b>46,135</b>		<b>455,490</b>	<b>149,781</b>	

Basic earnings / (loss) per share (LKR.) 1.39 (1.84) 3.63 0.13 3.06 0.25 4.21 1.24

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

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020**  
**STATEMENT OF FINANCIAL POSITION**

As at	Group		Company	
	Un-audited 30.09.2020	Audited 31.03.2020	Un-audited 30.09.2020	Audited 31.03.2020
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant & equipment	7,847,049	7,942,818	7,189,297	7,279,449
Investment property	-	-	513,050	513,050
Intangible assets	227,462	236,492	224,171	233,037
Right-of-use assets	271,122	250,125	270,990	279,325
Investments in subsidiaries	-	-	222,400	222,400
Financial assets at fair value through other comprehensive income	285,433	208,256	226,035	168,485
Reimbursable right	67,210	67,210	62,788	62,788
Deferred tax assets	439,563	477,549	144,940	182,926
<b>Total non-current assets</b>	<b>9,137,839</b>	<b>9,182,450</b>	<b>8,853,671</b>	<b>8,941,460</b>
<b>Current assets</b>				
Inventories	4,361,621	7,105,025	2,764,744	3,969,655
Trade and other receivables	2,001,107	3,469,036	1,092,978	2,791,963
Amounts due from related parties	360	-	2,132,167	135,744
Current tax receivables	8,657	66,378	-	57,718
Financial assets at fair value through profit or loss	1,951,835	54,924	1,200,219	54,924
Cash and cash equivalents	422,078	261,960	347,076	208,790
<b>Total current assets</b>	<b>8,745,658</b>	<b>10,957,323</b>	<b>7,537,184</b>	<b>7,218,794</b>
<b>Total assets</b>	<b>17,883,497</b>	<b>20,139,773</b>	<b>16,390,855</b>	<b>16,160,254</b>
<b>Equity and liabilities</b>				
<b>Equity</b>				
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	1,322,404	1,245,227	1,369,761	1,312,212
Retained earnings	6,021,700	5,881,039	6,261,296	5,952,596
<b>Total equity attributable to the equity holders of the parent</b>	<b>12,939,282</b>	<b>12,721,444</b>	<b>12,871,650</b>	<b>12,505,401</b>
<b>Non-current liabilities</b>				
Interest bearing borrowings	18,900	-	-	-
Employee benefits	257,869	239,546	229,923	214,145
Lease liabilities	200,442	109,514	137,851	153,539
Deferred tax liabilities	323,907	322,866	324,546	323,505
<b>Total non-current liabilities</b>	<b>801,118</b>	<b>671,926</b>	<b>692,320</b>	<b>691,189</b>
<b>Current liabilities</b>				
Interest bearing borrowings	2,666,020	5,662,003	1,519,662	2,096,853
Trade and other payables	1,230,761	747,615	885,153	500,810
Lease liabilities	72,011	138,801	145,886	132,918
Amounts due to related parties	-	-	117,165	64,796
Current tax liabilities	8,393	-	7,905	-
Bank overdrafts	165,912	197,984	151,114	168,287
<b>Total current liabilities</b>	<b>4,143,097</b>	<b>6,746,403</b>	<b>2,826,885</b>	<b>2,963,664</b>
<b>Total liabilities</b>	<b>4,944,215</b>	<b>7,418,329</b>	<b>3,519,205</b>	<b>3,654,853</b>
<b>Total equity and liabilities</b>	<b>17,883,497</b>	<b>20,139,773</b>	<b>16,390,855</b>	<b>16,160,254</b>
<b>Net assets per share -LKR</b>	<b>128.24</b>	<b>126.08</b>	<b>127.57</b>	<b>123.94</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  
Group Chief Financial Officer

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



Sunil G. Wijesinha  
Chairman  
3-Nov-2020  
Colombo



Chanaka Yatawara  
Group Chief Executive Officer / Executive Director

UNITED MOTORS LANKA PLC

INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020

STATEMENT OF CHANGES IN EQUITY

	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
<b>Group</b>								
<b>Balance as at 01.04.2019</b>	336,335	4,556,009	785,400	308,900	466,250	(252,766)	6,678,979	12,879,107
<b>Total comprehensive income for the six months period</b>								
Loss for the six months ended 30.09.2019	-	-	-	-	-	-	(185,521)	(185,521)
<b>Other comprehensive income</b>								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	22,206	-	22,206
<b>Total comprehensive income for the period</b>	-	-	-	-	-	22,206	(185,521)	(163,315)
<b>Transactions with owners in their capacity as owners :</b>								
<b>Balance as at 30.09.2019</b>	336,335	4,556,009	785,400	308,900	466,250	(230,560)	6,493,458	12,715,792
<b>Total comprehensive income for the six months period</b>								
Loss for the six months ended 31.03.2020	-	-	-	-	-	-	(224,154)	(224,154)
<b>Other comprehensive income</b>								
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	-	-	-	-	-	(84,763)	-	(84,763)
Revaluation of land	-	780,927	-	-	-	-	-	780,927
Deferred tax on revaluation of land	-	(78,093)	-	-	-	-	-	(78,093)
<b>Total comprehensive income for the period</b>	-	702,834	-	-	-	(84,763)	(208,816)	409,255
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend paid 2018 / 2019	-	-	-	-	-	-	(403,603)	(403,603)
<b>Balance as at 31.03.2020</b>	336,335	5,258,843	785,400	308,900	466,250	(315,323)	5,881,039	12,721,444
<b>Total comprehensive income for the six months period</b>								
Profit for the six months ended 30.09.2020	-	-	-	-	-	-	140,661	140,661
<b>Other comprehensive income</b>								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	77,177	-	77,177
<b>Total comprehensive income for the period</b>	-	-	-	-	-	77,177	140,661	217,838
<b>Transactions with owners in their capacity as owners :</b>								
<b>Balance as at 30.09.2020</b>	336,335	5,258,843	785,400	308,900	466,250	(238,146)	6,021,700	12,939,282

Notes:

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Figures in the brackets indicate deduction.

UNITED MOTORS LANKA PLC  
INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020  
STATEMENT OF CHANGES IN EQUITY

	Stated Capital	Capital Reserve	Other Components of Equity				Retained Earnings	Total Equity
	LKR '000	LKR '000	Development Reserve	Property, Plant & Equipment Replacement Reserve	General Reserves	FVOCI Reserve	LKR '000	LKR '000
<b>Company</b>								
<b>Balance as at 01.04.2019</b>	336,335	4,242,869	785,400	308,900	466,250	(204,665)	6,224,863	12,159,952
<b>Total comprehensive income for the six months period</b>								
Profit for the six months ended 30.09.2019	-	-	-	-	-	-	24,870	24,870
<b>Other comprehensive income</b>								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	21,265	-	21,265
<b>Total comprehensive income for the period</b>	-	-	-	-	-	21,265	24,870	46,135
<b>Transactions with owners in their capacity as owners :</b>								
<b>Balance as at 30.09.2019</b>	336,335	4,242,869	785,400	308,900	466,250	(183,400)	6,249,733	12,206,087
<b>Total comprehensive income for the six months period</b>								
Profit for the six months ended 31.03.2020	-	-	-	-	-	-	92,457	92,457
<b>Other comprehensive income</b>								
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	-	-	-	-	-	(64,938)	-	(64,938)
Revaluation of land	-	734,877	-	-	-	-	-	734,877
Deferred tax on revaluation of land	-	(73,488)	-	-	-	-	-	(73,488)
<b>Total comprehensive income for the period</b>	-	661,389	-	-	-	(64,938)	106,466	702,917
<b>Transactions with owners in their capacity as owners :</b>								
Final dividend paid 2018 / 2019	-	-	-	-	-	-	(403,603)	(403,603)
<b>Balance as at 31.03.2020</b>	336,335	4,904,258	785,400	308,900	466,250	(248,338)	5,952,596	12,505,401
<b>Total comprehensive income for the six months period</b>								
Profit for the six months ended 30.09.2020	-	-	-	-	-	-	308,700	308,700
<b>Other comprehensive income</b>								
Net change in equity investments at fair value through other comprehensive income	-	-	-	-	-	57,549	-	57,549
<b>Total comprehensive income for the period</b>	-	-	-	-	-	57,549	308,700	366,249
<b>Transactions with owners in their capacity as owners :</b>								
<b>Balance as at 30.09.2020</b>	336,335	4,904,258	785,400	308,900	466,250	(190,789)	6,261,296	12,871,650

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

UNITED MOTORS LANKA PLC

INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 2020

Statement of Cash Flows

For the period ended 30 September	Group		Company	
	2020 LKR '000	2019 LKR '000	2020 LKR '000	2019 LKR '000 Restated
<b>Cash flows from operating activities</b>				
<b>Profit/(loss) before income tax expense</b>	249,743	(154,912)	416,802	54,499
Adjustments for;				
Provision for depreciation/amortisation	130,264	114,032	107,501	95,528
Profit on disposal of property, plant & equipment	(578)	(2,640)	(578)	(2,640)
Net gain on disposal of financial asset at fair value through profit or loss	(1,273)	-	(1,273)	-
Net change in fair value - financial asset at fair value through profit or loss	(28,977)	(3,123)	(28,977)	(3,123)
Interest expense	263,671	222,506	158,331	134,169
Interest income	(9,876)	(2,833)	(37,728)	(98,118)
Dividend income	(4,096)	(4,297)	(3,816)	(2,948)
Impairment of trade receivables and losses on warranty claims	7,084	9,693	8,210	7,389
Provision for employee benefit obligations	19,528	19,195	15,779	15,535
Amortisation of right-of-use assets	67,540	97,785	72,723	79,305
Provision for slow moving/obsolete inventories	(2,982)	20,406	6,700	9,499
Adjustment for rent concessions	(5,938)	-	(2,506)	-
Fair value adjustment on unit trust	(7,614)	-	(5,998)	-
<b>Operating profit before working capital changes</b>	<b>676,496</b>	<b>315,812</b>	<b>705,170</b>	<b>289,095</b>
Decrease/(increase) in inventories	2,746,386	(87,829)	1,198,211	(388,765)
Decrease/(increase) in trade and other receivables	1,460,845	(905,758)	1,690,775	(822,501)
Increase in amounts due from related parties	(360)	-	(1,996,423)	(298,693)
Increase in amounts due to related parties	-	-	52,369	49,077
Increase in trade and other payables	483,168	375,321	384,339	518,259
<b>Cash generated from/(used in) operating activities</b>	<b>5,366,535</b>	<b>(302,454)</b>	<b>2,034,441</b>	<b>(653,528)</b>
Interest paid	(280,177)	(220,952)	(164,298)	(126,882)
Income tax paid	(3,940)	(33,433)	(3,451)	(32,348)
Contribution paid and received from investment plan (net)	(1,228)	(227)	-	(227)
<b>Net cash inflow/(outflow) from operating activities</b>	<b>5,081,190</b>	<b>(557,066)</b>	<b>1,866,692</b>	<b>(812,985)</b>
<b>Cash flows from investing activities</b>				
Investment in shares/unit trust	(2,190,492)	(13,740)	(1,440,492)	(13,740)
Proceeds from disposal of investments/unit trust	331,446	180,187	331,446	180,187
Acquisitions of property, plant & equipment and intangible assets	(25,465)	(80,869)	(8,484)	(64,807)
Proceeds from disposal of property, plant & equipment	578	2,640	578	2,640
Lease rentals paid in advance	-	(31,823)	-	(14,723)
Interest received	9,876	2,833	37,728	98,118
Dividend received	4,096	4,297	3,816	2,948
<b>Net cash (out flow)/in flow from investing activities</b>	<b>(1,869,961)</b>	<b>63,525</b>	<b>(1,075,408)</b>	<b>190,623</b>
<b>Cash flows from financing activities</b>				
Dividend paid	-	(403,603)	-	(403,603)
Principal element of lease payments	(58,461)	(78,326)	(64,602)	(57,450)
Loans obtained	35,156,620	26,196,346	25,492,851	16,371,812
Loans paid	(38,117,198)	(25,512,950)	(26,064,074)	(15,555,894)
<b>Net cash (out flow)/in flow from financing activities</b>	<b>(3,019,039)</b>	<b>201,467</b>	<b>(635,825)</b>	<b>354,865</b>
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	<b>192,190</b>	<b>(292,074)</b>	<b>155,459</b>	<b>(267,497)</b>
<b>Cash &amp; cash equivalents at the beginning of the period</b>	<b>63,976</b>	<b>371,155</b>	<b>40,503</b>	<b>315,899</b>
<b>Cash and cash equivalents at end of the period</b>	<b>256,166</b>	<b>79,081</b>	<b>195,962</b>	<b>48,402</b>
	<b>30.09.2020</b>	<b>30.09.2019</b>	<b>30.09.2020</b>	<b>30.09.2019</b>
	<b>LKR.'000</b>	<b>LKR.'000</b>	<b>LKR.'000</b>	<b>LKR.'000</b> <b>Restated</b>
Cash and bank balances	362,758	239,171	287,756	187,233
Short term deposits	59,320	20,846	59,320	20,847
Bank overdrafts	422,078	260,017	347,076	208,080
Total cash & cash equivalents	<b>(165,912)</b>	<b>(180,936)</b>	<b>(151,114)</b>	<b>(159,678)</b>
	<b>256,166</b>	<b>79,081</b>	<b>195,962</b>	<b>48,402</b>

Notes:

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

**UNITED MOTORS LANKA PLC**  
**INTERIM FINANCIAL STATEMENTS FOR SIX MONTHS ENDED 30 SEPTEMBER 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 30 September 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, 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.

The comparatives of the income statement of the Company were restated due to amalgamation of Orient Motor Company Limited as given in note 6.

**4. 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 5,937,728 by the Group and LKR 2,505,728 by the Company were accounted as a gain in profit or loss during the period ended 30 September 2020.

**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					
	LKR '000 Carrying amount	30.09.2020 LKR '000 Fair value		LKR '000	31.03.2020 LKR '000 Fair value	
		Level 1	Level 2		Level 1	Level 2
<b>Financial assets at fair value through profit or loss (FVPL)</b>						
Equity shares	194,221	194,221	-	54,924	-	54,924
Investments in unit trusts	1,757,614	1,757,614	-	-	-	-
<b>Financial assets at amortised cost</b>						
Trade & other receivables excluding prepayments	1,812,060	-	-	3,210,485	-	-
Cash & cash equivalents	422,078	-	-	261,960	-	-
<b>Financial assets measured at fair value through other comprehensive income (FVOCI)</b>						
	285,433	285,433	-	208,256	-	208,256
	<b>4,471,406</b>	<b>2,237,268</b>	<b>-</b>	<b>3,735,625</b>	<b>-</b>	<b>263,180</b>
<b>Financial liabilities at amortised cost</b>						
Interest bearing borrowings	2,666,020	-	-	5,662,003	-	-
Bank overdrafts	165,912	-	-	197,984	-	-
	<b>2,831,932</b>	<b>-</b>	<b>-</b>	<b>5,859,987</b>	<b>-</b>	<b>-</b>
	Company					
	LKR '000 Carrying amount	30.09.2020 LKR '000 Fair value		LKR '000	31.03.2020 LKR '000 Fair value	
		Level 1	Level 2		Level 1	Level 2
<b>Financial assets at fair value through profit or loss (FVPL)</b>						
Equity shares	194,221	194,221	-	54,924	-	54,924
Investments in unit trusts	1,005,998	1,005,998	-	-	-	-
<b>Financial assets at amortised cost</b>						
Trade & other receivables excluding prepayments	1,038,297	-	-	2,738,763	-	-
Amounts due from related parties	2,132,167	-	-	135,744	-	-
Cash & cash equivalents	347,076	-	-	208,790	-	-
<b>Financial assets measured at fair value through other comprehensive income (FVOCI)</b>						
	226,035	226,035	-	168,485	-	168,485
	<b>4,943,794</b>	<b>1,426,254</b>	<b>-</b>	<b>3,306,706</b>	<b>-</b>	<b>223,409</b>
<b>Financial liabilities at amortised cost</b>						
Interest bearing borrowings	1,519,662	-	-	2,096,853	-	-
Bank overdrafts	151,114	-	-	168,287	-	-
	<b>1,670,776</b>	<b>-</b>	<b>-</b>	<b>2,265,140</b>	<b>-</b>	<b>-</b>

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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. Amalgamation of Orient Motor Company Limited with United Motors Lanka PLC.**

As per Section 242(1) of the Companies Act No.07 of 2007, Orient Motor Company Limited, a fully owned subsidiary of United Motors Lanka PLC was amalgamated with United Motors Lanka PLC with effect from 30 November 2019.

Accordingly, book value of assets and liabilities of Orient Motor Company Limited was amalgamated with the United Motors Lanka PLC (Company) and the investment in subsidiary LKR 50 Mn recorded in United Motors Lanka PLC was set off against the equity of Orient Motor Company Limited, as if the amalgamation has taken place prior to 1 April 2019.

Accordingly, the comparative figures for the period ended 30 September 2019 have been re-stated in accordance with the guidelines issued by the CA Sri Lanka under the Statement of Recommended Practice (SORP) - merger accounting for common control combinations.

**7. Approval of financial statements**

These consolidated interim financial statements for the six months period ended 30 September 2020 were authorized for issue by the Board of Directors on 3 November 2020.

**8. 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 four.

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.

**9. 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 .

**10. Events after the reporting period**

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	Six months ended 30.09.2020 LKR.'000s	Six months ended 30.09.2019 LKR.'000s
Repairs & services provided	823	337
Rent paid in advance	-	742
Rentals paid for premises occupied	770	2,275
Refundable rent deposit	-	1,045
Reimbursement of expenses	14	296

12.2 Transactions with subsidiaries

Transaction type	Six months ended 30.09.2020 LKR.'000s	Six months ended 30.09.2019 Restated LKR.'000s
Sale of goods	2,402	1,415
Purchase of goods	1,159	7,199
Repairs and services provided	37,721	28,748
Repairs & services obtained	256	-
Expenses incurred	27,267	30,773
Reimbursement of expenses	2,967	724
Hiring income received	2,492	1,548
Hiring rentals paid for vehicles	400	-
Interest received	29,868	95,585
Loans granted	6,038,700	3,832,000
Loan settlements	4,039,021	3,602,000
Rentals paid for premises occupied	46,021	50,022
Rentals received for premises occupied	11,949	11,522

12.3 Transactions with other related entities of the parent company

Company	Transaction type	Six months ended 30.09.2020 LKR.'000s	Six months ended 30.09.2019 LKR.'000s
Foodbuzz (Pvt) Ltd	Repairs & services provided	92	227

12.4 Non – recurrent related party transactions

There were no non – recurrent transactions for the period ended 30 September 2020 which requires immediate market disclosure.

13. Share information

13.1 Stated capital

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

As at	30.09.2020	31.03.2020
Ordinary shares	100,900,626	100,900,626

13.2 Public shareholding

As at	30.09.2020	31.03.2020
Number of public shareholders	3,757	3,743
Percentage of shares held by the public	24.84%	24.84%

The float adjusted market capitalisation as at 30 September 2020 - LKR. 1,379,757,830

Public shareholding percentage as at 30 September 2020 is 24.84% 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:

As at	30.09.2020	31.03.2020
Mr. Sunil G. Wijesinha	-	-
Mr. Chanaka Yatawara	1,422,902	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>1,436,522</u>	<u>1,434,941</u>

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

As at	30.09.2020		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
Sterling Holdings (Private) Limited	3,284,637	3.26	3,284,637	3.26
Mr. Chanaka Yatawara	1,422,902	1.41	1,421,321	1.41
Bank of Ceylon A/C No. 1	404,478	0.40	404,478	0.40
Mr. A. M. Weerasinghe	346,280	0.34	301,880	0.30
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. Andreino 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
Mr. M. H. M. Nazeer	100,984	0.10	100,984	0.10
Perera and Sons (Bakers) Limited	100,000	0.10	100,000	0.10
Mrs. I.S. Jayasinghe	80,794	0.08	65,794	0.07

**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**

For the quarter ended 30 September	2020	2019
	LKR	LKR
Highest price	59.00	80.00
Lowest price	45.10	65.00
Last traded price	55.00	65.50

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Group	Spare parts & workshop		Vehicles		Equipment & machinery		3D Printers & services		Tyres		Lubricant & other services		Total	
	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended
	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019
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
<b>Revenue from contracts with customers</b>														
External - Goods transferred at a point in time	217,359	696,939	3,980,041	3,665,996	178,844	70,531	4,897	6,147	132,107	105,323	528,127	478,570	5,041,375	5,023,506
- Services rendered	750,216	238,707	415,748	117,423	-	-	-	-	-	-	-	-	1,165,964	356,130
<b>Total revenue from contracts with customers</b>	<b>967,575</b>	<b>935,646</b>	<b>4,395,789</b>	<b>3,783,419</b>	<b>178,844</b>	<b>70,531</b>	<b>4,897</b>	<b>6,147</b>	<b>132,107</b>	<b>105,323</b>	<b>528,127</b>	<b>478,570</b>	<b>6,207,339</b>	<b>5,379,636</b>
<b>Segment results</b>	<b>241,931</b>	<b>159,156</b>	<b>408,632</b>	<b>108,973</b>	<b>2,481</b>	<b>(12,716)</b>	<b>(7,734)</b>	<b>(7,660)</b>	<b>16,920</b>	<b>5,051</b>	<b>41,931</b>	<b>46,770</b>	<b>704,161</b>	<b>299,574</b>
Unallocated income													53,166	34,069
Unallocated expenses													(298,284)	(275,790)
Profit from operations before finance cost													459,043	57,853
Net finance cost													(209,300)	(212,765)
Profit/(loss) before income tax expense													249,743	(154,912)
Income tax expenses													(109,082)	(30,609)
<b>Profit/(loss) from ordinary activities</b>													<b>140,661</b>	<b>(185,521)</b>
Changes in the fair value of equity investments at fair value through other comprehensive income													77,177	22,206
<b>Total comprehensive income attributable to Owners of United Motors Lanka PLC</b>													<b>217,838</b>	<b>(163,315)</b>
Segment assets	2,813,423	3,271,919	8,645,384	9,481,139	456,036	221,877	11,093	19,207	352,389	380,021	1,263,667	1,236,537	13,541,992	14,610,700
Unallocated assets													4,341,505	4,127,149
<b>Total assets</b>	<b>2,813,423</b>	<b>3,271,919</b>	<b>8,645,384</b>	<b>9,481,139</b>	<b>456,036</b>	<b>221,877</b>	<b>11,093</b>	<b>19,207</b>	<b>352,389</b>	<b>380,021</b>	<b>1,263,667</b>	<b>1,236,537</b>	<b>17,883,497</b>	<b>18,737,849</b>
Segment liabilities													4,944,215	6,425,660
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,944,215</b>	<b>6,425,660</b>
Segment capital expenditure - allocated	3,969	14,065	18,034	56,874	734	1,060	20	92	542	1,583	2,167	7,195	25,465	80,869
Unallocated (Solar system)													-	-
													25,465	80,869
Depreciation & amortisation - allocated	34,246	59,997	139,650	128,070	6,633	2,700	821	2,130	2,772	3,860	13,681	15,060	197,803	211,817
Non cash expenses / (income)	12,813	13,010	(15,538)	11,398	-	-	-	-	(1,940)	2,290	8,767	3,830	4,102	30,528

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

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Company	Spare parts & workshop		Vehicles		3D Printers & services		Lubricant & other services		Total	
	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended	6 Months ended
	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019	30.09.2020	30.09.2019
In LKR'000	Un-audited	Un-audited Restated	Un-audited	Un-audited Restated	Un-audited	Un-audited	Un-audited	Un-audited Restated	Un-audited	Un-audited Restated
<b>Revenue from contracts with customers</b>										
External - Goods transferred at a point in time	210,672	693,826	1,887,480	1,481,520	4,897	6,147	530,624	478,880	2,633,673	2,660,373
- Services rendered	768,840	256,687	415,748	117,423	-	-	2,492	2,620	1,187,080	376,730
<b>Total revenue from contracts with customers</b>	<b>979,512</b>	<b>950,513</b>	<b>2,303,228</b>	<b>1,598,943</b>	<b>4,897</b>	<b>6,147</b>	<b>533,116</b>	<b>481,500</b>	<b>3,820,753</b>	<b>3,037,103</b>
<b>Segment results</b>	<b>270,327</b>	<b>186,068</b>	<b>425,511</b>	<b>103,719</b>	<b>(7,734)</b>	<b>(7,660)</b>	<b>44,422</b>	<b>49,389</b>	<b>732,526</b>	<b>331,516</b>
Unallocated income									62,426	45,005
Unallocated expenses									(301,422)	(292,312)
Profit from operations before finance cost									493,530	84,209
Net finance income									(76,728)	(29,710)
Profit before income tax expense									416,802	54,499
Income tax expenses									(108,102)	(29,629)
<b>Profit from ordinary activities</b>									<b>308,700</b>	<b>24,870</b>
Changes in the fair value of equity investments at fair value through other comprehensive income									57,549	21,265
<b>Total comprehensive income attributable to Owners of United Motors Lanka PLC</b>									<b>366,249</b>	<b>46,135</b>
Segment assets	2,974,143	3,580,081	6,311,802	5,866,747	14,227	25,431	1,611,338	1,728,090	10,911,510	11,200,349
Unallocated assets									5,479,345	4,060,039
<b>Total assets</b>	<b>2,974,143</b>	<b>3,580,081</b>	<b>6,311,802</b>	<b>5,866,747</b>	<b>14,227</b>	<b>25,431</b>	<b>1,611,338</b>	<b>1,728,090</b>	<b>16,390,855</b>	<b>15,260,388</b>
Segment liabilities									3,519,205	3,457,907
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,519,205</b>	<b>3,457,907</b>
Segment capital expenditure - allocated	2,175	20,282	5,114	34,119	11	131	1,184	10,275	8,484	64,807
Unallocated (solar system)									8,484	64,807
Depreciation & amortisation - allocated	61,997	72,100	93,200	79,460	882	2,205	20,461	21,068	176,540	174,833
Non cash expenses / (income)	12,768	13,007	(7,302)	-	-	-	8,768	3,831	14,234	16,838

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