



AGILE BY **NATURE**

BUSINESS REPORTS

Business Segments Overview

We are reporting on seven segments this year! Healthcare will be a standalone segment for the first time.



Vehicle Sales

Mercedes Benz | Jeep | TATA passenger cars | TATA commercial vehicles | Motor vehicle assembly.



Automotive Engineering Solutions

Mercedes Benz and Jeep premium aftercare | Mercedes Benz & Jeep parts sales | DIMO Autolab | TATA vehicles aftercare | TATA parts sales counter | Engine care | Diesel lab | Marine engineering | Agri machinery aftercare



Retail

Tyres | Automotive parts | Power tools | Lighting appliances | Auto care products | Lubricants | Home appliances | Construction solutions



Agriculture

Fertilizer | Agro chemicals | Agri machinery | Paddy, fruit & vegetable seeds | Micro irrigation projects | Agriculture techno farm | Agri experience centre | Coconut charcoal production | Coconut milk | Coconut water | Coconut oil | Flava brand products | Tropical fruit exports.



Infrastructure Engineering

Fluid & water projects | Storage & material handling solutions | Automated car parking solutions | Construction machinery sales | Construction machinery rentals | Fleet Management | Engineering projects



Power Engineering and Building Services

Medium voltage & low voltage projects | Renewable energy production | Rooftop solar panel installation projects | Type tested panel manufacturing



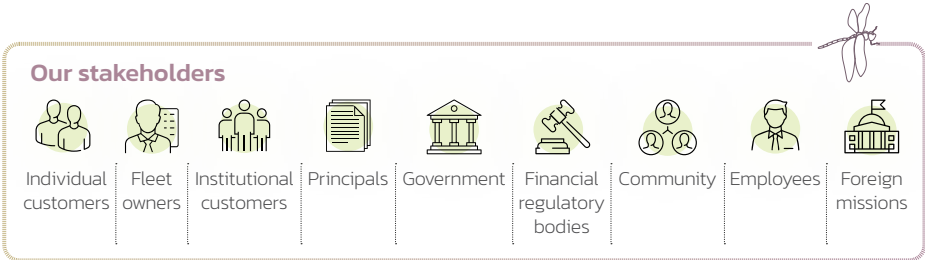
Healthcare

Capital equipment sales | Capital equipment services | Consumables & devices | Pharmaceuticals



Vehicle Sales

Vehicles for transportation of passengers and goods (brand-new motor vehicles, special purpose vehicles and pre-owned vehicles).



Segment Activities

Sourcing, modifications and repairs of pre-owned vehicles, delivering, customer engagement, assembly

“The Vehicle Sales segment will endeavour to deliver value to our stakeholders by providing mobility solutions to our diverse groups of customers. We are focused on delivering the best engineered mobility solutions in a sustainable manner to our customers whilst meeting our stakeholders’ expectations in a consistent manner.”

Rajeev Pandithage
Executive Director

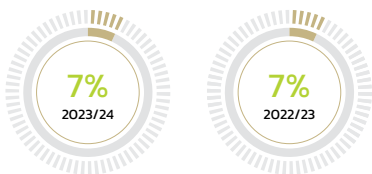
Industry Analysis

Import bans on motor vehicles, which were in place since 2020, have not yet been lifted, affecting the ability of the business to grow in terms of revenue. Presently, the opportunities are available only in pre-owned vehicle sales and locally assembled brand-new vehicles.

Segment Strategy

Having operated in a state of survival since the ban of motor vehicle imports in 2020, the segment’s strategy was to redefine operations, focusing on the pre-owned vehicle market. Continuously maintaining collaboration with our principals was a key priority to ensure preparedness for the demand that would arise in the event of a change in vehicle import policy. Meanwhile, DIMO continued with the vehicle assembly line of the “TATA Ace”, fondly known as the “DIMO Batta”.

Graph 01: Vehicle sales segment revenue contribution to the Group



Vehicle Sales Video

<https://www.dimolanka.com/2023-2024-dimo-annual-report/url.php?id=12>



Modern mobility solutions, particularly those related to electric vehicles (EVs), play a critical role in a country’s development. At DIMO, we ensure that every automobile we sell provides a unique and unparalleled customer experience, not just during the handover but throughout its lifetime of use.

“Throughout the years of my interactions with the DIMO Tribe, from the Pandithages to the sales and service staff, have been many. The consistently outstanding service I have received is truly amazing. A memory that stands out is from about five years ago, when I was driving one of my Mercedes in Nuwara-Eliya. It encountered some trouble at about 6 in the evening. One call to DIMO was all it took, and by 6 the next morning, I had the service staff from Colombo over in Nuwara Eliya repairing my car. Within a few short minutes, it was all done. The swift response showcased their unwavering support to their customers. Thank you DIMO for being an integral part of our lives over the years.”

Mr. Asgi Akbarally
Director of Akbar Brothers, Chairman Amana Bank PLC, Chairman Windforce PLC & Honorary Consul for the Kingdom of Jordan

Value Creation Dashboard

Table 05: Vehicle Sales – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	2,943	2,617	
	Contribution to the group's revenue	%	7	7	
	Segment result	Rs. million	84	(38)	
	Contribution to the group's segment result	%	1	(0.50)	
Manufactured	Total investment in Manufactured Capital	Rs. million	4	4	
Human	Engagement score	Index	4	4	
	Employee benefits	Rs. million	119	149	
	Investment on training & development	Rs. million	0.69	0.97	
Social & Relationship	Customer Satisfaction Index	%	93.45	92.33	
	Principal brands	No.	5	5	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	10	8	
	Accredited management systems	No.	5	3	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.62	0.1	
	Energy consumption to generate one-million-rupee turnover	GJ	0.83	0.09	

 Business
  Community
  Environment

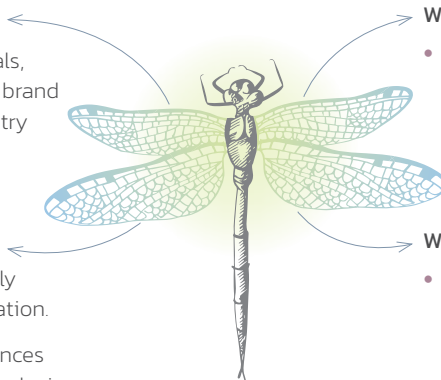
Where We Are

How we have grown

- By partnering with world renowned principals, and becoming established as a well-known brand name in the Sri Lankan motor vehicle industry while accumulating a loyal customer base.

How we can grow

- In the short term, opportunities in the rapidly growing tourism sector for luxury transportation.
- In the medium and long-term, forming alliances with providers of finance to provide an all-inclusive solution to the user.



We need to focus on

- Increasing the operational efficiency of the vehicle assembly production line as it is still in the introductory phase of operations.

What could affect us

- Growing unaffordability of vehicles due to government tax regulations and frequent changes in related policies.

Developments and highlights during the year

- The DIMO assembly line was able to produce 195 units of the TATA Ace model and sell 166 units during the year.
- The segment continued operations under the "DIMO certified" brand focused on dealing in pre-owned luxury vehicles and achieved sales of 110 units.

What's new?

DIMO established "CARPITAL", a luxury vehicle advisory service offering complimentary expert advice, real market value assessments and reinvestment options for luxury vehicles in order to guide clients on decision making.

Vehicle Sales

Contribution Towards SDGs



Decent work and economic growth
The TATA Ace, also known as the 'DIMO batta' lorry is assembled and sold targeting affordability and utility for small and medium sized businessmen.



Industry innovation and infrastructure
DIMO's Mercedes Benz showroom is designed to allow maximum natural light into the building as an initiative for more efficient usage of the organisation's energy. The showroom building and premises is also certified by the Leed rating system of U.S Green Building Council.



Responsible consumption and production
DIMO ensures sustainable practices in terms of meeting all emission standards, environmentally friendly practices in assembly lines, and stringent sustainability reporting standards



Climate action
In an effort to reduce the negative environmental impact of motor vehicle emissions, DIMO has begun focusing on the importation and sale of electric motor vehicles, when permitted.

Alignment with Seven strategic priorities

1 Reduce dependencies on individual business domains

3 Drive for sustainable products, services, and practices

Refer page 22 – 24 to read more on seven strategic priorities

Future outlook

- Supporting the revival in the tourism sector, DIMO will offer the full range of VITO, EVITO & EVQ Mercedes-Benz luxury vans for maximum traveler satisfaction.
- DIMO will introduce the latest range of TATA electric passenger vehicles, once the the vehicle import restrictions are lifted.
- The newest addition to the assembly line, 'Xenon Yodha' will be assembled and sold by DIMO in 2024/25





Automotive Engineering Solutions

Premium vehicles aftersales, mainstream vehicles aftersales, general engineering, vehicle assembly, recreational vehicles manufacturing and education in engineering.

Our stakeholders



Segment Activities

Solution mapping, sourcing, engineering, customer engagement

"The focus of the Automotive Engineering Solutions segment is to provide unparalleled aftersales services through advanced technologies and comprehensive training. We ensure efficient, reliable, and seamless delivery of a World Class Customer Experience. Our commitment to delivering excellence drives us to continually innovate and invest in our operations, ensuring that we meet and exceed our customers' evolving needs."

Mahesh Karunaratne

Chief Operating Officer – Automotive Engineering Solutions

Industry Analysis

Aftersales market for both, goods and passenger transportation sectors, witnessed year-on-year growth, for both land and sea, owing to increased demand for maintenance services. It is our belief that customers, who are now unable to purchase brand new motor vehicles due to continued import restrictions, took greater measures to focus on higher quality maintenance.

At the same time, it was challenging to provide our premium services at attractive price levels owing to high prices of spare parts, lubricants and labour costs, though the company came up with several propositions to provide solutions to our customers, at the best possible price point.

Segment Strategy

The segment continued to provide a differentiated, premium service to its esteemed customer base ensuring a best-in-class service along with genuine parts that enable the optimum performance of each and every motor vehicle. Additionally, the segment also enhanced its diversification strategy by focusing substantially on marine repairs and maintenance projects in Sri Lanka and the Maldives. The segment pursued new opportunities such as fabrication of recreational vehicles.

The segment also collaborated with the agriculture segment to conduct awareness programs on the proper maintenance and care of agri-machinery, to create more value for customers.

Graph 02: Automotive Engineering Solutions segment revenue contribution to the Group



Even the best-engineered vehicles require regular maintenance, repairs, and occasional replacement of parts to ensure optimal performance and safety. A reliable aftersales service ensures your vehicle remains in top condition, preventing breakdowns and potential accidents.

Prioritizing after-sales service is not just about fixing issues; it's about building lasting relationships, ensuring customer safety, and enhancing satisfaction across all areas of operation. As a trusted partner to the Sri Lanka Navy, we offer comprehensive after-sales support for marine vessels, prioritizing the continuous operation of mission-critical engines to safeguard national security.

"Trusting DIMO engineering capabilities was one of the best decisions I have taken as DGE of Sri Lanka Navy. DIMO exhibited the reputation of being an Industrial Giant in the country with unmatched reliability, efficiency and economy."

Rear Admiral Ravi Ranasinghe
Director General Engineering SL Navy

Automotive Engineering Solutions

Value Creation Dashboard

Table 06: Automotive Engineering Solutions Segment – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	6,052	5,607	
	Contribution to the group's revenue	%	14	16	
	Segment result	Rs. million	1,424	1,150	
	Contribution to the group's segment result	%	22	15	
Manufactured	Total investment in Manufactured Capital	Rs. million	25	88	
Human	Engagement score	Index	4.43	4.28	
	Employee benefits	Rs. million	695	563	
	Investment on training & development	Rs. million	4	1	
Social & Relationship	Customer Satisfaction Index	%	89.93	88.43	
	Principal brands	No.	33	33	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	68	78	
	Accredited management systems	No.	5	3	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.57	0.22	
	Energy consumption to generate one-million-rupee turnover	GJ	0.77	0.19	



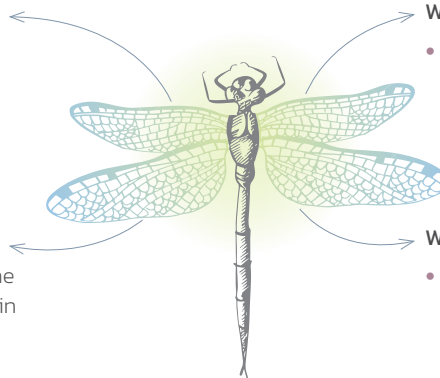
Where We Are

How we have grown

- Island wide presence at 19 locations across the country to serve customers over a vast geographical spread.

How we can grow

- Building a skilled and trained labour pipeline through DIMO academy to solve shortages in skilled labour in the medium-term.



We need to focus on

- Continuously improving the customer experience that we offer, whilst coming up with more cost effective options to reduce cost to the customer.

What could affect us

- Rising temperature and climate change could negatively effect productivity in the labour-intensive workshop environment.


Developments and highlights during the year

- Total marine solutions business revenue recorded a substantial growth with a Rs. 1,139 million revenue compared to Rs. 353 million in 2022/23.
- Premium vehicle aftersales saw a 13% growth in revenue amounting to Rs. 2,600 million.

What's New?

Expanding geographically, DIMO established a branch in Balagolla, Kandy, focused on the maintenance of TATA vehicles. This multi-purpose facility is engaged in Sales, Service and Spare parts.

Contribution Towards SDGs

	Quality education DIMO provides training opportunities free of charge to over 200 trainees from external technical training institutions.
	Gender equality The segment has given priority towards improving female presence in traditionally male-dominated environments such as motor vehicle workshops.
	Affordable and clean energy DIMO's main workshop buildings in the western province has rooftop solar panels that produce 2,700 kWh (2023/24) of clean energy annually, which is released to the national electricity grid.
	Decent work and economic growth DIMO has obtained ISO 9001, 14001, and 45001 in complying to international standards in maintaining a decent workplace to all, while minimizing our environmental impact.
	Responsible consumption and production DIMO continues to educate customers on best practices of vehicle maintenance, while ensuring compliance with ISO standards to vehicle waste generated – to treat and dispose in a sustainable manner.
	Climate action The premium service delivered by DIMO ensures optimum levels of motor vehicle maintenance. This in turn, results in the least amount of emissions released into the environment.

Future outlook

- DIMO commenced operations to build and export recreational vehicles to Australia in the coming financial year.
- The segment will initiate discussions with relevant principals on the related diversification into micro-mobility.
- DIMO aims to be the authorized sales and aftersales partner for generators for a well-known brand.
- As a result of continuous training and development, the premium workshops are geared to cater to a range of premium and mainstream vehicles, including electric vehicles, which will enhance our revenue streams.



DIMO Academy

DIMO Academy Timeline

<p>The DIMO academy was established as the CSR arm of the Company offering a free two year diploma in automobile engineering.</p>	<p>The academy opened its second branch in Jaffna, and due to the high demand experienced, a competitive assessment was used for admission to the course.</p>	<p>The academy received accreditation from the German Chamber of Commerce to conduct a three-year diploma in automobile mechatronics.</p>	<p>This year marked the graduation of the 3rd batch of German diploma in automobile mechatronics since becoming a profit-making training institute in 2018. The academy also entered into relationships with several European parties to source the technically skilled talent we produce through our academy.</p>
1990	2010	2018	2024

The DIMO academy aspires to be recognised as a provider of education, offering an array of programmes including a degree programme, early childhood education, and vocational and technical training which will result in DIMO academy becoming established as a standalone segment of the group in the near future.

Dilrukshi Kurukulasooriya
Head of cluster – Education

Alignment with Seven strategic priorities

- 1 Reduce dependencies on individual business domains
- 2 Increase business presence in essential goods and services while focusing on geographical expansions
- 3 Drive for sustainable products, services, and practices
- 6 Creating a conducive environment for employees to collaborate seamlessly, ensuring a unified brand voice and consistent customer journey(s)


 Refer page 22 – 24 to read more on seven strategic priorities




Agriculture

Fertilizer, seeds and agrochemicals, agri machinery, organic food products for export and local market, R&D techno-parks, agri advisory services.


Our stakeholders




Corporates




Employees




Principals



Government



Farmers



Community

Segment Activities

Research and development, supply of agriculture inputs, production, processing and value addition to agricultural produce, export, and sales to retail markets.

"We wish to be an important contributor to the National Agriculture Development efforts, whilst fulfilling our goal of being the leader in "next generation agriculture solutions", improving productivity in the sector and enhancing farmer household income."

Priyanga Dematawa
Chief Operating Officer – Agriculture

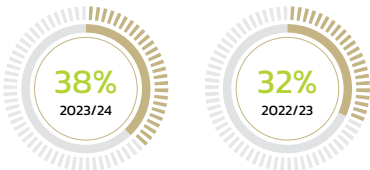
Industry Analysis

Following a tumultuous period in the country, this year, the agriculture industry saw a revival on its path towards stable production of agri-produce. With the relaxation of restrictions on chemical fertilizer, and availability of foreign currency for import of fertilizer, increased focus on agriculture was observed throughout the country. The increased price of goods resulted in the loss of purchasing power among farmers to purchase basic agricultural products such as tractors, agri-machinery, and pesticides. The industry worked together towards making agricultural inputs more affordable to farmers, which in turn placed pressure on margins from agricultural inputs.

Segment Strategy

Aligning with the DIMO corporate strategy, and displaying the company's agile nature, the segment adopted a vertical integration strategy from farming its own produce to developing an Agri-products brand to ensure collaboration within the business. Going a step further, the business aimed to geographically diversify its customer base by developing an export market for dried and fresh fruits.

Graph 03: Agriculture segment revenue contribution to the Group



Agriculture Video 
<https://www.dimolanka.com/2023-2024-dimo-annual-report/url.php?id=14>



As a company deeply entrenched in the entire agricultural value chain, we recognize the paramount importance of agriculture in a country's development. Our commitment lies in equipping farmers with cutting-edge technologies and solutions, thereby enhancing their operational efficiencies, crop development, and overall growth. We remain steadfast in providing continuous technical advice, expert assistance, and unwavering support to ensure our farmers reap maximum benefits.

"I am the owner of a banana (kolikuttu) cultivation and have grown the latest crops for the last 3½ months. Penergetic from DIMO is a non-chemical, 100% organic product introduced to us. DIMO Agribusinesses staff guided us in the usage and how to get the best results from our crops. Penergetic has a positive influence on soil life and actively helps to strengthen plants. It stimulates root growth and intensifies plant properties. It optimizes root, leaf and flower formation. I urge my fellow farmers to get the guidance of DIMO Agribusinesses experts to develop their crops."

Mr Ranjith
Udarota, Embilipitiya

Value Creation Dashboard

Table 07: Agriculture – Value creation dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	16,422	11,330	
	Contribution to the group's revenue	%	38	32	
	Segment result	Rs. million	2,038	3,753	
	Contribution to the group's segment result	%	32	49	
Manufactured	Total investment in Manufactured Capital	Rs. million	922	498	
Human	Engagement score	Index	4.31	4.30	
	Employee benefits	Rs. million	723	599	
	Investment on training & development	Rs. million	6	0.917	
Social & Relationship	Customer Satisfaction Index	%	92	91	
	Principal brands	No.	17	17	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	19	14	
	Accredited management systems	No.	6	6	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.64	0.45	
	Energy consumption to generate one-million-rupee turnover	GJ	0.87	0.38	

 Business
  Community
  Environment

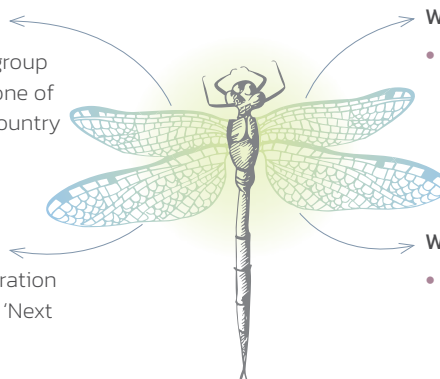
Where We Are

How we have grown

- Becoming the largest contributor to DIMO group revenue while positioning the business as one of the largest agriculture input sellers in the country within a seven-year period.

How we can grow

- Active collaboration with the younger generation on Agri modernization, under the theme of 'Next Generation Agriculture'.



We need to focus on

- Improving our storage and distribution facilities, supported by technological innovation.

What could affect us

- Climate change, global warming, and unpredictable weather patterns negatively affecting crop growth, demand for fertilizer and agri equipment.

Developments and highlights during the year

- Assets were acquired from an existing enterprise to establish DIMO Cococarb. With this acquisition, DIMO frayed into new areas as a producer of charcoal, in the back drop of a CAGR of 9.5% in the global market for activated carbon. This will provide an opportunity to further climb on the value chain as a manufacturer of activated carbon.
- DIMO Cocofresh was established as a producer of coconut milk with a production capacity of 120,000 litres of coconut milk per month.
- These acquisitions were made with an investment of Rs. 325 million.

What's New?

The DIMO agri experience centre opened its doors to the public on the 5th of April 2024. It offers a total experience including a restaurant, coffee shop, juice bar, retail store, and even a display of the latest agri machinery that DIMO has to offer.

Agriculture

Contribution Towards SDGs



Zero hunger

Improving agricultural productivity, agricultural research conducted in techno parks, and improving income of small-scale producers with DIMO agri advisory services.



Clean water and sanitation

Ensuring that any chemicals or waste products in DIMO farms and experience centers are not released into waterways, reducing the proportion of untreated wastewater.



Decent work and economic growth

DIMO's continuous focus on integrating technology such as drones for chemical and fertilizer application into the agriculture sector contributes to economic productivity and value addition in this labour-intensive industry.



Responsible consumption and production

DIMO is dedicated to following the quality management, safety and environmental standards for all agriculture related chemicals, reducing impact on humans and the environment.

Alignment with Seven strategic priorities

- 1

Reduce dependencies on individual business domains
- 2

Increase business presence in essential goods and services while focusing on geographical expansions
- 3

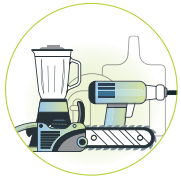
Drive for sustainable products, services, and practices
- 

Refer page 22 – 24 to read more on seven strategic priorities

Future outlook

- Launch of our very own agriculture outputs brand.
- By the year 2028, the segment aims to secure 50% of its income from the export of agricultural products.
- Exporting under the Miditer brand name, the group expects a substantial growth in foreign currency revenue in the financial year 2024/25.
- With a small inventory of rooms currently in hand, and a concept that is in design stage, agri- tourism may be added to the existing product portfolio.





Retail

Automotive, lighting, home and garden products, power tools.

Our stakeholders



End customer



Dealers



Distributors



Suppliers



Principals



Community



Segment Activities

Business development, sourcing, distribution, marketing, stakeholder engagement

"We serve as the retail arm for the mainstream businesses that the Company operates in. Within this space, our goal is to establish a dominant market position by leveraging the strengths in relation to the brands we represent, and our human and financial capital"

Rakhita Gunasekara

Chief Operating Officer – Retail

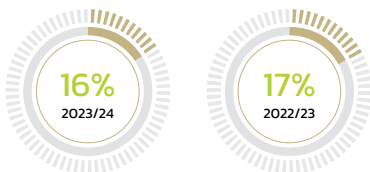
Industry Analysis

Consecutive years of contraction in the economy resulted in a significant slowdown in capital driven contributors such as the construction and transportation industries, with a resultant adverse impact on the retail business. The loss of purchasing power in the country, exacerbated by restructured tax policies, led to limited demand for an array of products.

Segment Strategy

The strategy is built based on the key elements of channel and marketing initiatives to win a dominant place in the market. In doing so, a hybrid approach was carried out in terms of resourcing areas of potential and rationalizing the ones which were not delivering the desired outcome.

Graph 04: Retail segment revenue contribution to the Group



Retail Video

<https://www.dimolanka.com/2023-2024-dimo-annual-report/url.php?id=15>



Retail business plays an important role in any organization. Not only does it allow regular interaction with the public, but it also provides opportunities for diversification. DIMO's retail business encompasses power tools, lighting equipment, tyres, home appliances, and genuine parts. Under the homegrown brand 'DIMO Lumin,' we offer cutting-edge lighting solutions sourced from top principals worldwide. Our extensive network of dealers enables us to expand our brand presence across the country.

"I have been working with DIMO for 15 years as a leading dealer. I mainly manage their DIMO Lumin range of lighting solutions, Osram lighting and the Siemens range of products. I am very satisfied with their sales staff for the support given to me to grow my business. Therefore, I have developed a lot of trust in DIMO. I plan to continue working with them for many years ahead."







Mr Phenomi Pathirana

(Proprietor), Phenomenal Trading Company, Colombo 11.

Retail

Value Creation Dashboard

Table 08: Retail – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	6,940	5,973	
	Contribution to the group's revenue	%	16	17	
	Segment result	Rs. million	746	1,313	
	Contribution to the group's segment result	%	12	17	
Manufactured	Total investment in Manufactured Capital	Rs. million	6	31	
Human	Engagement score	Index	4.16	4.01	
	Employee benefits	Rs. million	661	607	
	Investment on training & development	Rs. million	2	2	
Social & Relationship	Customer Satisfaction Index	%	92.65	88.14	
	Principal brands	No.	6	8	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	24	27	
	Accredited management systems	No.	3	2	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.63	0.26	
	Energy consumption to generate one-million-rupee turnover	GJ	0.85	0.22	



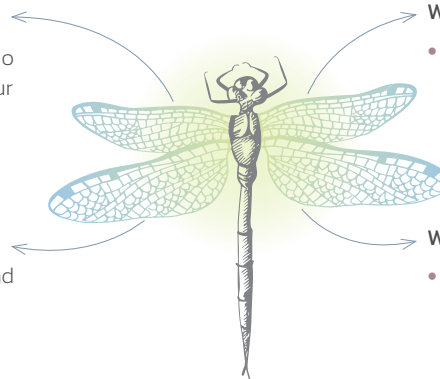
Where We Are

How we have grown

- Through expansion of our business portfolio to include a array of products to cater to our customer needs.

How we can grow

- By understanding the areas of potential and our ability to win, targeting and exploiting opportunities in the relevant area.



We need to focus on

- Making improvements in terms of our market positioning and channel presence for a better distribution network.

What could affect us

- The shift of market from branded to generic products in times of downturn.

Developments and highlights during the year

- The segment expanded its Lighting product portfolio by partnering with Siemens for the distribution of switchgear products as well as introducing a new LED bulb range under the name "ECO" to meet the needs of a wider population of the market.

What's New?

With unwavering partnership from our brands, we stepped foot into the previously unexplored area of passenger vehicle related automotive parts.

Contribution Towards SDGs



Decent work and economic growth

DIMO power tools are engineered towards a safer and easier working experience for those engaged in highly labour intensive, strenuous working environments.



Industry, Innovation and Infrastructure

DIMO retail products such as tools, home appliances, lubricants are essential parts of day-to-day life enhancing infrastructure that improve human wellbeing.



Responsible consumption and production

Partnering with globally accepted brands to ensure ethically produced, high quality products for the consumption of DIMO's customers



Climate Action

DIMO is focused on reducing energy consumption using Lumin LED bulbs which reduce energy usage

Alignment with Seven strategic priorities

- 3 Drive for sustainable products, services, and practices
- 6 Creating a conducive environment for employees to collaborate seamlessly, ensuring a unified brand voice and consistent customer journey(s)
- 7 Address climate risk

Refer page 22 – 24 to read more on seven strategic priorities

Future outlook

- We are hopeful of an upward trend in the market in consideration of a projected economic growth as opposed to the two consecutive years of decline. Thus, we are organising ourselves to capitalize on the probable opportunity with the envisaged growth.





Power Engineering & Building Services

Power engineering and related solutions, building services

Our stakeholders

Private sector institution

Government

Ceylon Electricity Board

Construction companies

Property developers

Consultants & Architects

Water Supplies & Drainage Board of Sri Lanka

Segment Activities

Solution mapping, sourcing, engineering, installation and testing, aftersales services, customer engagement, project management

"To be a leading force in the transition to Green Energy through our best-in-class engineering solutions not only in renewable power generation, but also by playing a pivotal role in grid upgrades required for the evacuation of power from renewable plants. There will be special focus on the building services space to offer energy performance solutions for commercial & industrial establishments while maintaining market leadership position in the Extra Low Voltage sphere"

Wijith Pushpawela
Executive Director – Power Engineering & Building Services

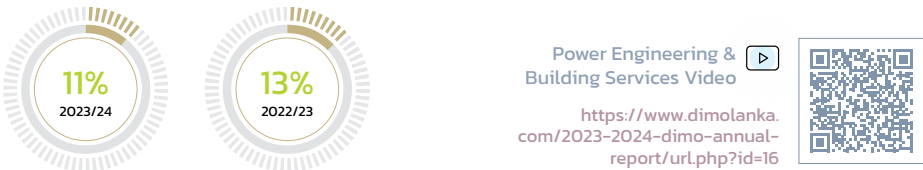
Industry Analysis

The government aims to diversify energy sources and expand generation capacity through various power projects, with a particular emphasis on renewable energy initiatives. These projects are expected to support the country's commitment to sourcing 70% of its energy from renewable sources by 2030. Power transmission projects which were largely funded by the Asian Development Bank (ADB) and the Japan International Cooperation Agency (JICA) experienced a decline in funding scarcity during the economic crisis, resulting in the market for infrastructure projects shrinking. Meanwhile, development projects at the east and west container terminals of the Port of Colombo continued through the year.

Segment Strategy

In line with the DIMO corporate strategy, the segment followed a diversification strategy to initiate backward integration by becoming a producer of power distribution panels. The segment continuously collaborates with principals to bring together DIMO's technological expertise and world-renowned brand names. We are able to customize products and services to meet specific requirements of our customers and also to offer value engineered solutions, while moving into foreign markets to expand our customer base geographically.

Graph 05: Power Engineering & Building Services segment revenue contribution to the Group



DIMO collaborates with the most advanced, leading global partners to deliver cutting-edge solutions for building and energy-related challenges. Microgrids are the future of energy distribution in Sri Lanka.

"ADB and LECO wanted to identify a technology partner who will also be the microgrid implementer for all the distribution utilities in Sri Lanka in future. So we went through our usual selection process and DIMO was selected for this venture. At the outset, I insisted that DIMO should not be just another contractor, but should capture this technology and be a technology resource person in the future.

This was a very technical and difficult challenge, but I'm very happy to tell you that today DIMO has become everything we expected. DIMO downloaded, captured, and learnt this entire technology and acquired that competency. Today your engineers can independently implement any microgrid project, anywhere - not only in Sri Lanka. So, I'm very proud and happy about your engineers and your competencies."

Dr Narendra De Silva
General Manager, LECO

Value Creation Dashboard

Table 09: Power Engineering & Building Services – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	4,675	4,588	
	Contribution to the group's revenue	%	11	13	
	Segment result	Rs. million	566	763	
	Contribution to the group's segment result	%	9	10	
Manufactured	Total Investment in Manufactured Capital	Rs. million	5	0.47	
Human	Engagement score	Index	3.96	4.11	
	Employee benefits	Rs. million	301	306	
	Investment on training & development	Rs. million	1	1	
Social & Relationship	Customer Satisfaction Index	%	90	85	
	Principal brands	No.	5	5	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	12	16	
	Accredited management systems	No.	4	4	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.64	0.18	
	Energy consumption to generate one-million-rupee turnover	GJ	0.86	0.15	



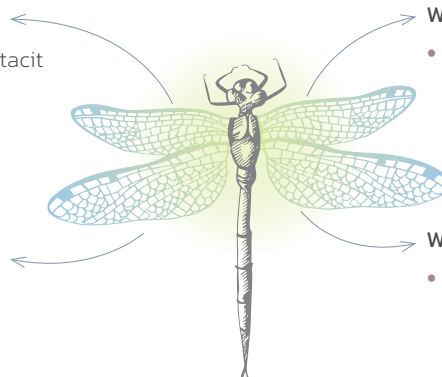
Where We Are

How we have grown

- Delivery of value engineered solutions via tacit knowledge and expertise of our staff.

How we can grow

- By becoming a recognized major clean energy producer in the country.
- Grow the Electrical Distribution Board manufacturing business commenced in January 2024 in collaboration with Siemens.



We need to focus on

- Minimizing brain drain through the retention of our critical talent, with equitable compensation.

What could affect us

- We have seen long delivery periods mainly adducing to supply chain issues. Also, lack of funding towards government power projects could affect us in the short term.
- Decline in FDI due to the prevailing credit rating of the country.

Developments and highlights during the year

- Increased focus on 'Engineering Procurement & Construction' projects with emphasis on rooftop solar panel installations for private institutional customers.
- DIMO entered a partnership with the German electrical component manufacturer, OBO Bettermann as an authorized distributor of OBO products for Sri Lanka & Maldives.

What's New?

DIMO began production of "Type Tested" power distribution boards under license from Siemens. Currently focused on Sri Lanka and Maldives – this newest addition to the product portfolio has the potential to reach other neighbouring countries as well.

Power Engineering & Building Services

Contribution Towards SDGs




Affordable and clean energy
DIMO's Independent Power Production (IPP) ventures actively contribute to clean energy. This is through our own investments in ground mounted solar plants. We continued providing Engineering Procurement and Construction (EPC) expertise in grid sub-station upgradations required to evacuate power from wind and solar energy plants.



Industry Innovation and Infrastructure
High end building management systems & energy performance services offered by the segment contributes to increased energy efficiency in buildings and industries, thus reducing energy consumption while providing comfort to the occupants.

Alignment with Seven strategic priorities

- 1 Reduce dependencies on individual business domains
- 2 Increase business presence in essential goods and services while focusing on geographical expansions
- 3 Drive for sustainable products, services, and practices
- 5 Critical talent retention via equitable compensation
- 7 Address climate risk

 Refer page 22 - 24 to read more on seven strategic priorities

Future outlook

- Commence activities as an Independent Power Producer (IPP) with a total expected contribution of 30MW to the national grid from solar power plants in Beliatta, Anuradhapura and Galle.
- Favourable market conditions are expected with stabilization of the exchange rates, giving way to opportunities in medium voltage, Extra Low Voltage (ELV), elevators, industrial water pumps and lighting, focused on high-rise buildings and industrial projects.





Infrastructure Engineering

Construction machinery, storage, material handling and warehouse solutions, car parking solutions, fluid and water related solutions

Our stakeholders



Government institutions



Corporate customers



Construction companies



Contractors



Water Supplies & Drainage Board of Sri Lanka



Segment Activities

Designing solution mapping, sourcing, engineering installation & testing, aftersales services, continuous customer engagement.

"We aspire to be the leader in all areas that we represent in the infrastructure engineering sector, in terms of market share, references and profitability. This will be accomplished through the continuous identification of opportunities, adoption of new technologies, and implementation of innovative solutions by our professional team, who will actively disseminate knowledge. We aim to ensure reliability by meeting the needs of our customers and the general public"

Chaminda Ranawana

Executive Director – Infrastructure Engineering

Industry Analysis

Recovering from the market stagnation during and after COVID 19 and the economic crisis, the government resumed regional development projects by conducting several projects under the program 'Siyak Nagara', focusing on the development of regional town centres. The National Water Supply and Drainage Board (NWSDB) completed several water supply projects during the year. The material handling equipment market experienced continuous activity as the manufacturing industry, supermarket chains and third-party logistic operations continued uninterrupted operations.

Segment Strategy

During the period of economic crisis the segment maintained a strategy of survival by focusing on several key projects to complete in the Fluid & Water and Storage & Material Handling sectors. Subsequently, taking on new initiatives, the segment actively worked to exploit opportunities in collaboration with organisations such as the Meteorological Department, Ceylon Petroleum Corporation and the Ministry of Agriculture. The segment is exploring geographical expansion, with potential future operations in the United Arab Emirates under consideration, while concurrently maintaining existing operations in Bangladesh.

Graph 06: Infrastructure Engineering revenue contribution to the Group



Infrastructure Engineering Video

<https://www.dimolanka.com/2023-2024-dimo-annual-report/url.php?id=17>



Infrastructure engineering solutions play a pivotal role in a country's development. It is crucial to execute such projects in collaboration with proven partners who possess the expertise to deliver round-the-clock, world-class after-sales support. Access to clean water is essential for human health, agriculture, and industry. Fluid management solutions ensure a reliable water supply, reducing scarcity and promoting economic growth. By optimizing water use, countries can minimize waste and enhance water availability for various purposes, including irrigation, sanitation, and industrial processes.

"At the National Water Supply and Drainage Board, we always encourage contractors to be an integral part of our water and power structure development. We expect the contractors to possess the required technical expertise, financial capacity, as well as strong project management and construction experiences to deliver quality products that meet our expectations. We expect them to choose equipment from globally reputed brands to enhance the energy efficiency and ensure reliability of the end product. We believe that DIMO is one such contractor in the country."







Mr. V.G.U. Ranjith

Deputy General Manager – National Water Supply and Drainage Board

Infrastructure Engineering

Value Creation Dashboard

Table 10: Infrastructure Engineering – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	4,367	3,506	
	Contribution to the group's revenue	%	10	10	
	Segment result	Rs. million	728	358	
	Contribution to the group's segment result	%	11	5	
Manufactured	Total Investment in Manufactured Capital	Rs. million	75	11	
Human	Engagement score	Index	4.06	4.27	
	Employee benefits	Rs. million	325	292	
	Investment on training & development	Rs. million	0.65	0.71	
Social & Relationship	Customer Satisfaction Index	%	91.36	89.49	
	Principal brands	No.	35	34	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	11	11	
	Accredited management systems	No.	3	3	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.64	0.14	
	Energy consumption to generate one-million-rupee turnover	GJ	0.86	0.12	



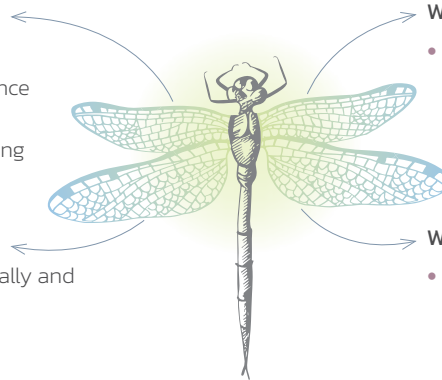
Where We Are

How we have grown

- World renowned principals, partners and suppliers help create the DIMO brand presence in the industry. The scale and the count of projects undertaken also has increased during the recent past.

How we can grow

- Expanding geographically into more politically and economically stable markets



We need to focus on

- Keeping up with the rapidly changing market conditions and consumer needs through the latest technologies and innovations.

What could affect us

- Government taxation and other regulatory changes in the country could directly impact the stability of the business

Developments and highlights during the year

- Revolutionized car parking with one of the largest automated parking solutions comprising of 300 parking units at 'The Grand' apartment complex, Colombo 7
- DIMO was awarded its largest water project to date – winning a tender for a large scale design and build project, spanning a contract period of 18 months. DIMO will be involved in the civil, mechanical and electrical engineering aspects of this project.
- Undertook a project to replace the deep cycle batteries of Automated Weather Stations and Automated Rain Gauges belonging to the Meteorological Department in 165 locations across the island.

What's New?

With the latest initiative to support the Agri Modernization Project of the Ministry of Agriculture, the segment is now involved in the supply of post-harvest equipment used for drying chillies, corn and fruit.

Contribution Towards SDGs



Clean water and sanitation

DIMO's water projects involve working with the Sri Lankan government to provide clean and safe water for citizens of the country



Industry innovation and infrastructure

DIMO facilitates modern technologies, contributing to high quality infrastructure in a developing country



Climate action

DIMO introduced to Sri Lanka the energy efficient "Hybrid Excavator" which consume 40% less fuel than traditional excavators.

Alignment with Seven strategic priorities

- 1 Reduce dependencies on individual business domains
- 2 Increase business presence in essential goods and services while focusing on geographical expansions
- 3 Drive for sustainable products, services, and practices

Refer page 22 – 24 to read more on seven strategic priorities

Future outlook

- Exploring possibilities in the production of renewable energy through 'Green Hydro' with the Ambatale Energy Saving project.
- DIMO will consider opportunities relating to gas and compressed air, and petroleum sector solutions focused on pipelines, valves, fittings, and pumps.
- DIMO will extend its reach to access niche markets with 'special projects' customized to customer requirements.





Healthcare

Capital equipment and services, consumables & devices and pharmaceuticals

Our stakeholders

Private & government hospitals

Individuals

Distributors

Ministry of Health



Segment Activities

Sourcing, distribution, customer engagement

"Our vision is to become a top manufacturer and the best agency house for our principals in the domain of medicine. We aim to lead in innovation, ensuring high-quality, reliable healthcare products while maintaining ethical and sustainable practices. We strive to enhance national healthcare and wellbeing with integrity and excellence, by cultivating strong relationships with partners and customers".

Priyantha Dissanayake
Chief Operating Officer – Healthcare

A healthy population is essential for economic development. Advanced healthcare solutions enhance disease prevention, diagnosis, and treatment. By improving disease management, countries can save lives and reduce the burden on healthcare systems. As representatives for leading global healthcare providers, we are committed to delivering state-of-the-art healthcare technologies and solutions to our country. Our unwavering dedication ensures that the best services are always accessible to the public, complemented by exceptional after-sales care.

"DIMO has always been at the frontline of providing therapeutic and diagnostic equipment for Sri Lanka, particularly in eye-care. During the last few years, I have observed that we received the newest diagnostic equipment and therapeutic equipment especially at the National Eye Hospital, the National Hospital and at the Ministry of Health. Their (DIMO's) services, hardware and software services are up to date, and I should appreciate the services they provide."

Dr. Kapila Bandutilake
Consultant Vitreo Retinal Surgeon, President College of Ophthalmologists of Sri Lanka, President Association of Vitreo Retine Specialists of Sri Lanka

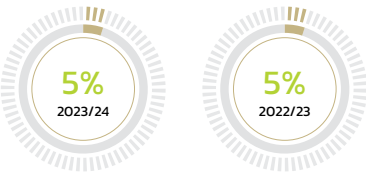
Industry Analysis

The state healthcare sector experienced pressures from budget limitations in the procurement of medicines and healthcare equipment for hospitals. The demand from private sector hospitals for medical equipment too faced a decline. Active encouragement of public private partnerships in the provision of healthcare and production of medicines and medical equipment was noted.

Segment Strategy

By demonstrating its constant growth through agility, DIMO healthcare evolved to become a standalone segment of the group. Previously limited to dealing in capital equipment, the business expanded into the fast-moving market of pharmaceuticals, through acquisitions. The product portfolio was expanded to include lifesaving consumables and devices, which play a pivotal role in improving the wellbeing of our citizens.

Graph 07: Healthcare revenue contribution to the Group



Healthcare Video

<https://www.dimolanka.com/2023-2024-dimo-annual-report/url.php?id=18>

Introducing the Segment

The latest inclusion in our portfolio now stands as a distinct segment. The report outlines the components encompassed within the segment.

Capital equipment and consumables under DIMO (Pvt) Ltd

Capital equipment sales and services

- The import and sale of equipment such as CT scanners, MRI scanners, X-ray machines, Therapeutic Equipment, Ophthalmological Equipment and Surgical and Critical Care Equipment, and Operating Theatre Equipment as authorized agents of Siemens, CARL ZEISS and Drager. We also undertake the installation, commissioning, maintenance and repair of the equipment listed above.

Consumables and Medical devices

- This includes devices such as ultrasound printers, ultrasound papers, pace makers, cardiac stents, peripheral stents and perishable consumables.

Associate Laboratories (Pvt) Ltd

- A subsidiary of Diesel & Motor Engineering PLC – This recent acquisition enables DIMO Healthcare to offer pharmaceutical products that cover Pain Management, Respiratory Disorders, Gastroenterology, Liver Diseases, Antibiotics, Endocrinology, Cardiovascular Antihistamines, Vitamins & Supplements, Neurology, Dermatology, and Psychiatric treatment

Mansel Ceylon (Pvt) Ltd







- Combining Mansel (Ceylon) (Pvt) Ltd's 50 years of experience in the pharmaceutical industry with DIMO's 85 years of excellence in providing world class medical technology to Sri Lanka, this partnership aims to support and raise the local healthcare industry to new heights.

DIMO Lifeline Pvt Ltd

- DIMO Lifeline (Pvt) Ltd is a subsidiary of Diesel & Motor Engineering PLC. This company is engaged in the supply of implanting devices, vascular stents, consumables and a similar range of medical products.

Value Creation Dashboard

Table 11: Healthcare – Value Creation Dashboard

Capital	KPI's		Availability, Affordability & Quality of capitals		Sustainability pillars
			2023/24	2022/23	
Financial	Revenue	Rs. million	2,245	1,678	
	Contribution to the group's revenue	%	5	5	
	Segment result	Rs. million	786	404	
	Contribution to the group's segment result	%	12	5	
Manufactured	Total Investment in Manufactured Capital	Rs. million	24	79	
Human	Engagement score	Index	4.16	4.25	
	Employee benefits	Rs. million	344	202	
	Investment on training & development	Rs. million	0.447	1	
Social & Relationship	Customer Satisfaction Index	%	N/A	N/A	
	Principal brands	No.	29	29	
Intellectual	IT spending (process & knowledge management, data security)	Rs. million	7	5	
	Accredited management systems	No.	5	5	
Natural	Water consumption to generate one-million-rupee turnover	m ³	0.65	0.07	
	Energy consumption to generate one-million-rupee turnover	GJ	0.87	0.06	



Healthcare

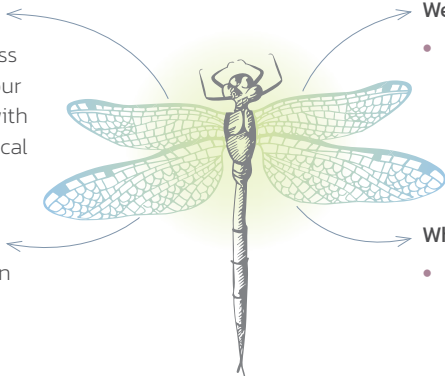
Where We Are

How we have grown

- Forging pivotal partnerships with best in class principals such as Siemens to broadening our offerings and specializing in specific fields with brands such as CARL ZEISS and Dräger Medical

How we can grow

- Leading the change in healthcare innovation nationwide.



We need to focus on

- Mitigating potential risks arising from the highly regulated nature of the healthcare sector.

What could affect us

- Global volatility of Active Pharmaceutical Ingredients affecting supply and prices

Developments and highlights during the year

- DIMO partnered with Varian, as authorized agents for the brand, to focus on cancer related treatment.
- Moving into the eye care sector, DIMO introduced Intra Ocular Lenses under the CARL ZEISS brand



Future outlook

- DIMO healthcare is in a constant process of change and evolution, embracing cutting edge technologies such as AI and robotic-assisted care.
- Taking the next big step, DIMO Healthcare will consider shifting its business model for pharmaceutical products from import-and-sell to manufacture-and-sell .



Contribution Towards SDGs



Good health and wellbeing

Providing high quality equipment and medicines for the early detection, prevention and treatment of diseases.

Alignment with Seven strategic priorities

- 1 Reduce dependencies on individual business domains
- 2 Increase business presence in essential goods and services while focusing on geographical expansions

Refer page 22 – 24 to read more on seven strategic priorities