

DIESEL & MOTOR ENGINEERING PLC

INTERIM FINANCIAL STATEMENTS - FOR THE 6 MONTHS PERIOD ENDED 30TH SEPTEMBER 2022



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group Audited Year ended 31-03-2022 Rs.'000	Group					
	Unaudited 6 months to 30-09-2022 Rs.'000	Unaudited 6 months to 30-09-2021 Rs.'000	Variance %	Unaudited 3 months to 30-09-2022 Rs.'000	Unaudited 3 months to 30-09-2021 Rs.'000	Variance %
37,507,480	Revenue	18,339,539	(11)	8,755,752	10,646,798	(18)
(27,643,775)	Cost of sales	(14,065,526)	(33)	(5,207,855)	(8,086,559)	(36)
9,863,705	Gross profit	4,274,013	63	3,547,897	2,560,239	39
220,499	Other operating income	136,825	18	100,298	46,755	115
(497,640)	Selling and distribution expenses	(274,347)	(31)	(121,307)	(168,810)	(28)
(117,195)	Impairment reversal/(loss) on trade receivables	16,555	482	71,667	67,392	6
(6,055,956)	Administrative expenses	(2,710,326)	40	(1,994,369)	(1,359,491)	47
3,413,413	Operating profit	1,442,720	124	1,604,186	1,146,085	40
56,313	Finance income	11,107	307	19,579	6,544	199
(2,320,011)	Finance costs	(426,772)	461	(896,313)	(275,718)	225
(2,263,698)	Net finance costs	(415,665)	465	(876,734)	(269,174)	226
15,630	Share of results of equity-accounted investees, net of tax	(120)	(13,747)	13,678	(1,036)	(1,420)
1,165,345	Profit before tax	1,026,935	(13)	741,130	875,875	(15)
(310,975)	Income tax expense	(244,015)	(5)	(207,547)	(223,905)	(7)
854,370	Profit for the period	782,920	(15)	533,583	651,970	(18)
	Other comprehensive income					
	Items that will not be reclassified to profit or loss in subsequent periods					
(15,399)	Remeasurement loss on defined benefit obligation	-	-	-	-	-
3,696	Deferred tax reversal on actuarial loss	-	-	-	-	-
2,224	Net change in fair value of equity investments at FVOCI	1,099	40	3,879	798	386
(9,479)		1,099		3,879	798	
	Items that are or may be reclassified to profit or loss in subsequent periods					
62,471	Foreign currency translation differences of foreign operations	(31,435)	252	(25,320)	(18,882)	(34)
62,471		(31,435)		(25,320)	(18,882)	
52,992	Total other comprehensive income for the period, net of tax	(30,336)	262	(21,441)	(18,084)	(19)
907,362	Total comprehensive income for the period	752,584	(5)	512,142	633,886	(19)
	Profit attributable to:					
702,119	Equity holders of the parent	662,236		508,002	562,839	
152,251	Non-controlling interest	120,684		25,581	89,131	
854,370		782,920		533,583	651,970	
	Total comprehensive income attributable to:					
753,108	Equity holders of the parent	635,618		486,356	546,953	
154,254	Non-controlling interest	116,966		25,786	86,933	
907,362		752,584		512,142	633,886	
76.06	Basic and diluted earnings per share (Rs.)	71.74		55.03	60.97	

Figures in brackets indicate deductions

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company Audited Year ended 31-03-2022 Rs.'000	Company					
	Unaudited 6 months to 30-09-2022 Rs.'000	Unaudited 6 months to 30-09-2021 Rs.'000	Variance %	Unaudited 3 months to 30-09-2022 Rs.'000	Unaudited 3 months to 30-09-2021 Rs.'000	Variance %
30,086,993	Revenue	14,587,894	(13)	6,698,927	8,243,644	(19)
(21,741,818)	Cost of sales	(11,190,441)	(39)	(3,833,262)	(6,263,033)	(39)
8,345,175	Gross profit	3,397,453	72	2,865,665	1,980,611	45
506,333	Other operating income	248,458	20	173,693	107,955	61
(518,780)	Selling and distribution expenses	(218,239)	(28)	(77,763)	(131,690)	(41)
(40,370)	Impairment reversal/(loss) on trade receivables	11,359	41	55,217	50,791	9
(5,289,252)	Administrative expenses	(2,345,954)	34	(1,668,163)	(1,209,595)	38
3,003,106	Operating profit	1,093,077	160	1,348,649	798,072	(69)
27,565	Finance income	7,062	2,259	105,312	4,107	2,464
(2,303,824)	Finance costs	(350,775)	568	(815,611)	(225,542)	262
(2,276,259)	Net finance costs	(343,713)	534	(710,299)	(221,435)	221
15,630	Share of results of equity-accounted investees, net of tax	(120)	13,747	13,678	(1,036)	1,420
742,477	Profit before tax	749,244	(10)	652,028	575,601	13
(159,500)	Income tax expense	(179,564)	(16)	(145,749)	(147,662)	(1)
582,977	Profit for the period	569,680	(8)	506,279	427,939	18
	Other comprehensive income					
	Items that will not be reclassified to profit or loss in subsequent periods					
(14,723)	Remeasurement (loss)/gain on defined benefit obligation	-	-	-	-	-
3,534	Deferred tax reversal/(charge) on actuarial (loss)/gain	-	-	-	-	-
1,415	Net change in fair value of equity investments at FVOCI	1,090	(105)	1,881	798	136
(9,774)		1,090		1,881	798	
	Items that are or may be reclassified to profit or loss in subsequent periods					
48,941	Foreign currency translation differences of foreign operations	(11,324)	417	(152)	(6,887)	(98)
48,941		(11,324)		(152)	(6,887)	
39,167	Total other comprehensive income for the period, net of tax	(10,234)	450	1,729	(6,089)	128
622,144	Total comprehensive income for the period	559,446	0	508,008	421,850	20
63.15	Basic and diluted earnings per share (Rs.)	61.71		54.84	46.36	

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

Group		Company		Group		Company	
Audited as at 31-03-2022 Rs.'000	Audited as at 31-03-2022 Rs.'000	Unaudited as at 30-09-2022 Rs.'000	Unaudited as at 30-09-2021 Rs.'000	Unaudited as at 30-09-2022 Rs.'000	Unaudited as at 30-09-2021 Rs.'000	Unaudited as at 30-09-2022 Rs.'000	Unaudited as at 30-09-2021 Rs.'000
ASSETS							
14,071,712	13,648,665	14,409,071	13,891,242	13,625,460	13,509,445		
624,385	548,254	569,848	449,559	504,727	362,417		
316,123	194,726	1,121,723	139,682	240,882	16,950		
-	728,278	-	-	1,669,224	823,979		
45,430	45,430	116,877	1,739	116,877	1,739		
7,829	6,952	9,372	6,704	6,896	6,627		
164,436	-	273,301	161,619	-	-		
15,229,915	15,172,305	16,500,192	14,650,545	16,164,066	14,721,157		
Total non-current assets							
9,799,949	7,529,200	10,266,637	8,355,859	7,214,692	6,604,693		
9,299,796	6,944,985	8,940,454	9,819,759	5,528,626	7,340,842		
2,032,933	1,149,175	2,989,756	3,258,722	1,280,154	2,039,058		
83,377	-	95,772	94,231	-	-		
40,923	1,070,985	26,384	30,161	1,748,029	165,631		
3,818,097	2,337,628	2,541,278	2,512,569	1,533,568	1,578,319		
25,075,075	19,031,973	24,860,281	24,071,301	17,305,069	17,728,543		
40,304,990	34,204,278	41,360,473	38,721,846	33,469,135	32,449,700		
TOTAL ASSETS							
EQUITY AND LIABILITIES							
EQUITY							
620,578	620,578	620,578	620,578	620,578	620,578		
6,202,697	6,149,097	6,252,216	6,113,387	6,184,943	6,088,507		
8,237,608	6,912,926	8,729,137	8,209,428	7,323,924	6,910,818		
15,060,883	13,682,601	15,601,931	14,943,393	14,129,445	13,619,903		
405,604	-	335,068	368,316	-	-		
15,466,487	13,682,601	15,936,999	15,311,709	14,129,445	13,619,903		
Total equity							
1,164,133	1,164,133	1,194,026	1,272,960	919,305	1,272,960		
574,443	505,849	478,791	367,472	427,161	293,929		
864,286	781,892	984,449	829,751	848,917	738,652		
1,417,856	1,417,856	1,127,154	1,821,246	1,127,154	1,821,246		
361,524	22,663	361,569	328,939	-	39,215		
4,382,242	3,892,393	4,145,989	4,620,368	3,322,537	4,166,002		
Total non-current liabilities							
7,793,051	7,292,195	2,828,428	3,730,502	1,901,054	2,841,156		
3,045,424	2,179,222	2,630,966	2,875,654	1,946,339	1,987,221		
564,441	559,541	820,493	498,804	573,926	483,854		
105,140	78,039	164,503	135,409	130,982	98,702		
1,221,572	365,358	1,470,409	1,167,725	438,648	603,774		
-	-	-	36,254	-	36,254		
503,666	441,451	503,144	353,954	450,492	246,265		
7,222,967	5,712,212	12,329,387	9,991,467	10,272,837	8,235,181		
-	1,266	530,155	-	302,875	131,388		
20,456,261	16,629,284	21,277,485	18,789,769	16,017,153	14,663,795		
24,838,503	20,521,677	25,423,474	23,410,137	19,339,690	18,829,797		
40,304,990	34,204,278	41,360,473	38,721,846	33,469,135	32,449,700		
TOTAL EQUITY AND LIABILITIES							

It is certified that the Financial Statements have been prepared in accordance with the requirements of the Companies Act No.7 of 2007.

(Sgd.) M.H.B.U.S.B. Mahagedara
General Manager - Finance

The Board of Directors is responsible for these Financial Statements.
Signed for and on behalf of the Board.

(Sgd.) A.R.Pandithage
Chairman/Managing Director
15th November 2022

(Sgd.) B.C.S.A.P.Gooneratne
Director/Chief Financial Officer

Statement of Changes in Equity

Group

	Other Components of Equity				Revenue Reserves		Non-Controlling Interests	Total
	Stated Capital	Revaluation Reserve	Fair value Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings		
For the six months ended 30th September	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
As at 01st April 2021	425,297	6,112,161	4,147	23,697	5,392,290	2,584,390	419,270	14,961,252
Total comprehensive income								
Profit for the period	-	-	-	-	-	662,236	120,684	782,920
Other comprehensive income/(loss), net of tax	-	-	1,099	(27,717)	-	-	(3,718)	(30,336)
	-	-	1,099	(27,717)	-	662,236	116,966	752,584
Dividends to equity holders								
2020/21 Final dividend	-	-	-	-	-	(110,955)	-	(110,955)
Acquisition of non-controlling interest - contributions and distributions	-	-	-	-	-	(123,252)	(167,920)	(291,172)
Reserve capitalisation	195,281	-	-	-	-	(195,281)	-	-
	195,281	-	-	-	-	(429,488)	(167,920)	(402,127)
As at 30th September 2021	620,578	6,112,161	5,246	(4,020)	5,392,290	2,817,138	368,316	15,311,709
As at 01st April 2022	620,578	6,112,161	6,371	84,165	5,392,290	2,845,318	405,604	15,466,487
Total comprehensive income								
Profit for the period	-	-	-	-	-	606,923	59,560	666,483
Other comprehensive income/(loss), net of tax	-	-	1,543	47,976	-	-	(294)	49,225
	-	-	1,543	47,976	-	606,923	59,266	715,708
Acquisition of subsidiary with non-controlling interests	-	-	-	-	-	-	(129,802)	(129,802)
Dividends to equity owners								
-2021/22 Final dividend	-	-	-	-	-	(115,394)	-	(115,394)
	-	-	-	-	-	(115,394)	(129,802)	(245,196)
As at 30th September 2022	620,578	6,112,161	7,914	132,141	5,392,290	3,336,847	335,068	15,936,999

Company

	Other Components of Equity				Revenue Reserves		Total
	Stated Capital	Revaluation Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings	
For the six months ended 30th September	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
As at 01st April 2021	425,297	6,090,133	4,087	4,521	4,929,464	1,717,910	13,171,412
Total comprehensive income							
Profit for the period	-	-	-	-	-	569,680	569,680
Other comprehensive income/(loss), net of tax	-	-	1,090	(11,324)	-	-	(10,234)
	-	-	1,090	(11,324)	-	569,680	559,446
Dividends to equity owners							
2020/21 Final dividend	-	-	-	-	-	(110,955)	(110,955)
Reserve capitalisation	195,281	-	-	-	-	(195,281)	-
	195,281	-	-	-	-	(306,236)	(110,955)
As at 30th September 2021	620,578	6,090,133	5,177	(6,803)	4,929,464	1,981,354	13,619,903
As at 01st April 2022	620,578	6,090,133	5,502	53,462	4,929,464	1,983,462	13,682,601
Total comprehensive income							
Profit for the period	-	-	-	-	-	526,392	526,392
Other comprehensive income/(loss), net of tax	-	-	(56)	35,902	-	-	35,846
	-	-	(56)	35,902	-	526,392	562,238
Dividends to equity owners							
-2021/22 Final dividend	-	-	-	-	-	(115,394)	(115,394)
	-	-	-	-	-	(115,394)	(115,394)
As at 30th September 2022	620,578	6,090,133	5,446	89,364	4,929,464	2,394,460	14,129,445

Figures in brackets indicate deductions.

Statement of Cash Flows

Group	Company	Group		Company	
Audited Year Ended 31-03-2022 Rs.'000	Audited Year Ended 31-03-2022 Rs.'000	Unaudited 2022 Rs.'000	Unaudited 2021 Rs.'000	Unaudited 2022 Rs.'000	Unaudited 2021 Rs.'000
For the Period Ended 30th September					
Cash Flows from Operating Activities					
1,165,345	742,477	898,396	1,026,935	677,676	749,244
Profit before taxation					
Adjustments for;					
383,785	325,957	268,171	206,034	162,240	160,084
11,615	8,309	5,652	5,446	3,914	3,812
100,751	78,948	68,343	52,120	57,332	41,329
68,030	68,030	(25,343)	-	48,539	-
-	96,649	-	-	-	-
(21,092)	(22,093)	(6,355)	(9,912)	(6,538)	(9,912)
115,358	115,358	-	45	-	-
850,492	652,993	1,244,852	316,297	1,066,097	256,401
(56,313)	(27,565)	(45,219)	(11,107)	(166,563)	(7,062)
(235)	(235)	(320)	(235)	(320)	(235)
(15,630)	(15,630)	(16,376)	120	(16,376)	120
117,195	40,370	(96,349)	(16,555)	(16,034)	(11,359)
97,915	112,091	304,889	30,985	293,281	23,061
125,721	110,050	92,266	75,552	79,827	65,458
2,942,937	2,285,709	2,692,607	1,675,725	2,183,075	1,270,941
Changes in working capital					
(3,699,046)	(3,254,795)	(730,939)	(2,188,026)	21,227	(2,241,258)
(835,439)	(714,172)	1,017,535	(1,560,166)	1,432,393	(1,185,256)
(408,975)	(32,775)	(966,411)	(1,496,862)	(140,567)	(802,201)
(22,281)	(1,043,714)	145,790	(11,519)	(575,429)	(138,360)
2,661,826	2,967,798	(5,142,201)	(1,285,787)	(5,391,141)	(1,368,305)
502,136	446,349	(483,064)	105,951	(297,639)	27,933
(546,521)	(546,521)	-	(510,267)	-	(510,267)
399,886	(120,468)	248,882	313,454	50,627	134,500
-	(42,130)	(120,818)	-	(1,474)	87,992
994,523	(54,719)	(3,338,619)	(4,957,497)	(2,718,928)	(4,724,281)
(842,042)	(644,543)	(1,173,461)	(312,241)	(954,125)	(252,345)
(74,842)	(58,720)	(15,371)	(43,809)	(12,802)	(42,645)
(417,628)	(269,912)	(519,034)	(131,065)	(432,944)	(85,306)
(339,989)	(1,027,894)	(5,046,485)	(5,444,612)	(4,118,799)	(5,104,577)
Net cash used in operating activities					
Cash Flows from Investing Activities					
43,523	43,406	12,036	29,190	12,036	29,190
235	235	320	235	320	235
48,555	27,565	32,599	11,107	64,948	7,062
(192,850)	-	-	-	-	-
(202,184)	(202,184)	(34,162)	(61,299)	(260,026)	(61,299)
-	-	(512,285)	-	(640,080)	-
(753,695)	(676,491)	(272,748)	(266,191)	(144,533)	(253,806)
(180,630)	(180,449)	(50,070)	-	(50,070)	-
(1,237,046)	(987,918)	(824,310)	(286,958)	(1,017,405)	(278,618)
Net cash used in investing activities					
Cash Flows from Financing Activities					
652,130	652,130	-	500,000	-	500,000
-	-	-	-	500,000	-
(481,796)	(460,678)	(289,425)	(217,508)	(285,618)	(206,440)
-	-	-	-	(320,000)	-
4,154,507	3,502,787	4,507,610	6,564,132	4,138,617	6,032,204
(99,999)	(58,956)	(50,394)	(52,473)	(39,852)	(28,442)
(110,955)	(110,955)	(115,394)	(110,955)	(115,394)	(110,955)
4,113,887	3,524,328	4,052,397	6,683,196	3,877,753	6,186,367
2,536,852	1,508,516	(1,818,398)	951,626	(1,258,451)	803,172
1,040,328	745,684	3,653,478	1,040,328	2,299,207	745,684
76,298	45,007	25,572	(2,879)	32,383	(2,510)
3,653,478	2,299,207	1,860,652	1,989,075	1,073,139	1,546,346
Cash and cash equivalents at the end of the period (Note-A)					
Note - A					
Analysis of Cash and Cash Equivalents at the end of the period					
3,818,097	2,337,628	2,541,278	2,512,569	1,533,568	1,578,319
(164,619)	(38,421)	(680,626)	(523,494)	(460,429)	(31,973)
3,653,478	2,299,207	1,860,652	1,989,075	1,073,139	1,546,346

Figures in brackets indicate deductions.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. Corporate information

Diesel & Motor Engineering PLC (the Company) is a public limited liability Company, incorporated and domiciled in Sri Lanka. The registered office and principal place of business of the Company is located at No. 65, Jethawana Road, Colombo 14. The ordinary shares of the Company are listed at the Colombo Stock Exchange.

2. Basis of preparation

The interim condensed financial statements have been prepared in accordance with Sri Lanka Accounting Standard - LKAS 34 Interim Financial Reporting. These interim condensed financial statements should be read in conjunction with the annual financial statements for the year ended 31st March 2022.

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

3. Operating segment information

The operating business segments are organised and managed separately according to the nature of the products and services provided. The primary segment reporting format is determined based on products and services offered as the Group's risk and returns are affected predominantly by differences in the products and services offered.

4. Other information

4.1 Contingent liabilities

The Contingent liabilities as at 30th September 2022, on guarantees given by the Company in respect of bid bonds, performance bonds and advance payments amounted to Rs. 5,547 million (Rs.4,106.7 million as at 31st March 2022).

4.2 Capital expenditure commitments

Capital expenditure committed by the Board of Directors for which a provision has not been made in the interim condensed financial statements amounted to approximately Rs.657.4 million (Rs. 745.5 million as at 31st March 2022).

4.3 Comparative information

Where necessary comparative figures have been reclassified to conform with the current year's presentation.

4.4 Investment and Acquisition of Subsidiaries

a) DIMO Bangladesh (Private) Limited was incorporated on 10th May 2022 in Bangladesh with an investment of Rs. 213 million (99.99% holding) by Diesel and Motor Engineering PLC. The Group invested in the company as a part of an expansion into construction machinery and after-sales services in overseas.

b) The Group acquired equity interest in the following companies during the 6 month period ended 30th September 2022 as stated herein below as part of its agriculture and healthcare business expansion plan.

Acquiree	Date of acquisition	Nature of the business operation	Investment amount (million)	% of shareholding	Total net Assets/ (liabilities) acquired (million)	Non-controlling interests (million)	Provisional Goodwill recognised in the Interim Financial statements (million)
Tropical Health Food (Private) Limited	25th May 2022	Processing and preparing fruits and vegetables for export market.	450.0	94.45%	201.5	11.8	248.5
Virgin Oil International (Private) Limited	02nd August 2022	Producing, processing and exporting pure virgin coconut oil and coconut based products.	40.0	51%	(94.4)	(90.7)	134.4
Mansel (Ceylon) (Private) Limited	28th September 2022	Importation, sale and distribution of pharmaceutical products.	179.9	75%	(25.1)	(8.3)	205.0
Associated Laboratories (Private) Limited	28th September 2022	Importation, sale and distribution of pharmaceutical products.	45.0	75%	(128.0)	(42.7)	173.0

The non-controlling interest in the acquiree was measured at the proportionate share of its interest in the acquiree's identifiable net assets/(liabilities).

The goodwill has arisen due to the present value of the projected future cashflows shown a excess over the net assets/(liabilities) acquired reflecting the value of expected synergies arising from the acquisition.

c) Diesel and Motor Engineering PLC made an additional investment of Rs. 12.0 million in Moveflex (Private) Limited (fully owned subsidiary) on 31st August 2022 and Rs. 51.2 million in Azend Technologies (Private) Limited (joining venture) on 08th July 2022.

Other than disclosed above, there has not been a change in the composition of the Group to what was disclosed in the audited financial statements for the year ended 31st March 2022.

4.5 Finance Cost

The finance cost of the Group and the Company comprises a net foreign exchange loss amounting to Rs. 1,149.9 million (2021/22 - Rs. 110.4 million) and Rs. 1,277.9 million (2021/22 - Rs. 94.3 million) respectively.

The selling rate of the USD published by the Central Bank of Sri Lanka as at the beginning of the financial year was Rs. 299.49 whilst as at the end of the quarter it was Rs. 369.91. The limitation in availability of foreign currency for imports compels Group to establish letters of credits on a usance basis compelled the Group to carry an exposure as payables denominated in foreign currency. The higher exposure together with rapid increases in the exchange rate led to a substantial forex loss, as noted above.

4.6 Administration Cost

The administrative expenses of the Group and the Company are Rs. 3,794.1 million (2021/22 - Rs. 2,710.3 million) and Rs. 3,148.2 million (2021/22 - Rs. 2,345.9 million) respectively.

The main reason for the increase in administration cost was price increases of supply of goods and services consumed driven by inflation in the backdrop of substantially higher exchange rates, interest rates and fuel prices.

4.7 Events occurring after the reporting period

There were no material events that occurred after the reporting date that require adjustments or disclosure to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

OPERATING SEGMENT INFORMATION

The Group comprises of the following main business segments.

Segment	Product & Services
Vehicles	Sale of brand new passenger vehicles, commercial vehicles, special purpose vehicles and pre-owned passenger vehicles.
After sale services	Repair and service of vehicles included in the vehicle-sales segment, sale of franchised vehicle spare parts, accessories and components.
Retail	Sale and service of power tools and accessories, lamps, lighting controls, switchgear, Consumer products, fittings and accessories, home appliances, paints, tyres, original equipment spare parts and auto components, water pumps, industrial chemicals and pharmaceutical products.
Construction Industry and logistical solutions	Sales and services of earth moving machinery, road construction machinery, material handling machinery, forklifts, storage systems, dock levellers, car parking systems and gondolas.
Agriculture	Import, sale and after sales services of agri machinery, import, processing, producing and sale of agro chemicals, seeds and fertilizer.
Engineering solutions	Sale and after sales in the business domains of bio-medical engineering, generating sets, elevators and escalators, diesel engines for marine propulsion and rail traction, building management systems, fluid management systems, industrial refrigeration systems and power engineering equipment and systems and Joint ventures with providing IT and Marine solutions.

	Vehicles		After sale services		Retail		Construction Industry and logistical solutions		Agriculture		Engineering solutions		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
For the period ended 30th September	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
Business Segment Turnover and Results														
Total segment revenue	1,434,622	2,882,696	2,993,796	2,900,259	2,990,309	2,820,256	1,055,896	1,883,607	4,716,533	5,647,857	3,981,995	2,780,731	17,173,151	18,915,406
Inter-segment revenue	(307)	(2,829)	(252,916)	(278,495)	(111,571)	(124,857)	(33,425)	(32,814)	(33,758)	(56,300)	(384,213)	(80,572)	(816,190)	(575,867)
Total external revenue	1,434,315	2,879,867	2,740,880	2,621,764	2,878,738	2,695,399	1,022,471	1,850,793	4,682,775	5,591,557	3,597,782	2,700,159	16,356,961	18,339,539
Segment results	(14,418)	160,530	820,250	594,607	803,811	284,493	228,863	322,071	2,207,450	942,248	447,118	61,395	4,493,074	2,365,344
Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	161,457	136,825
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	(1,422,967)	(1,059,449)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	45,219	11,107
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(2,394,763)	(426,772)
Share of results of equity-accounted investees	-	-	-	-	-	-	-	-	-	-	16,376	(120)	16,376	(120)
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	(231,913)	(244,015)
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	666,483	782,920
Business Segment Assets and Liabilities														
Segment assets	996,729	1,956,649	2,086,986	2,217,740	4,802,309	3,970,720	1,484,177	1,414,435	7,696,575	6,842,007	10,048,735	6,793,844	27,115,511	23,195,395
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	14,244,962	15,526,451
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	41,360,473	38,721,846
Segment liabilities	539,918	545,174	1,139,914	1,667,467	2,069,417	1,623,053	575,142	1,119,403	4,784,542	5,006,752	2,218,947	3,199,818	11,327,880	13,161,667
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	14,095,594	10,248,470
Equity	-	-	-	-	-	-	-	-	-	-	-	-	15,936,999	15,311,709
Total equity and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	41,360,473	38,721,846
Other Information														
Capital expenditure	2,950	334.00	18,291	20,670	9,283	69,501	8,413	1,241	64,432	8,599	23,285	7,855	126,654	108,200
Unallocated capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	196,164	157,991
Depreciation and amortisation	16,298	16,880	40,362	40,618	15,958	10,235	10,074	5,420	38,508	27,561	17,477	22,654	138,677	123,368
Unallocated depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	135,146	88,112

INVESTOR INFORMATION

Market Value of Shares

The market value of an ordinary share of Diesel & Motor Engineering PLC is as follows:

	Quarter to 30-Sep-22 Rs.		Quarter to 30-Sep-21 Rs.	
Highest Price per Share	740.00	September 30, 2022	526.00	July 5, 2021
Lowest Price per Share	315.50	July 11, 2022	452.00	September 24, 2021
Last Traded Price per Share	701.50	September 30, 2022	460.00	September 30, 2021

Market Capitalisation

	As at 30-Sep-22	As at 30-Sep-21
Market Capitalisation (Rs.'000)	6,475,893	4,246,487

Ratios

	Group		Company	
	30-Sep-22	30-Sep-21	30-Sep-22	30-Sep-21
E.P.S. Rs*	65.74	71.74	57.02	61.71
Net asset value per share*	1,690.08	1,618.74	1,530.57	1,475.37
Quick asset ratio	0.69	0.84	0.63	0.76
Interest cover (times)	1.72	3.41	1.64	3.14

* Earnings & net assets per share are based on 9,231,494 shares in issue as at 30th September 2022.

The stated capital consists of 9,231,494 Ordinary shares.

Statement of share holding of Directors (Including Spouses)

NAME	30TH SEPTEMBER 2022	
	SHARES	%
Mr.A.R.Pandithage	2,006,924	21.74%
Mr.S.C.Algama	597,769	6.48%
Mr.A.G.Pandithage	593,695	6.43%
Mr.A.M.Pandithage	233,138	2.53%
Mr.C.R.Pandithage	222,644	2.41%
Mr.M.V.Bandara	1,749	0.02%
	3,655,919	39.60%

Mr. A. D. B. Talwatte, Dr.H.Cabral, Mr.B.C.S.A.P Gooneratne, Mr. P. K. W. Mahendra, Mr. S. R. W. M. C. Ranawana, D.N.K Kurukulasuriya and Mr. J. M. De Silva who are Directors of the Company did not hold any shares of the Company as at 30th September 2022.

PUBLIC HOLDING**As at 30th September 2022**

Public Holding %	53.17%
Number of Public shareholders	2,175
Float adjusted market capitalisation	3,443,088,270

The Company complies with option 04 of the Listing Rules 7.14.1 (a) – Float Adjusted Market Capitalization of Rs.2.5 Billion requires 10% minimum Public Holding.

Twenty Major Shareholders

NAME	30TH SEPTEMBER 2022	
	SHARES	%
EMPLOYEE'S PROVIDENT FUND	1,835,870	19.89%
MR.A.R.PANDITHAGE	1,030,882	11.17%
MRS.J.C.PANDITHAGE	976,042	10.57%
A & G INVESTMENTS (PVT) LTD	667,395	7.23%
MR.S.C.ALGAMA	590,497	6.40%
MR.A.G.PANDITHAGE	546,846	5.92%
MR.C.R.PANDITHAGE	222,644	2.41%
MR.A.N.ALGAMA	222,288	2.41%
ALMAR TRADING CO (PVT) LTD	198,900	2.15%
MR.A.M.PANDITHAGE	189,611	2.05%
MR.T.G.H.PERIES	189,407	2.05%
MR.D.JAYANNTHA	166,400	1.80%
MISS.T.R.N.C.PERIES	153,929	1.67%
MR.N.U.ALGAMA	123,598	1.34%
IDEAL AUTOMOBILE (PVT) LTD	87,938	0.95%
MR.M.L.ALGAMA	69,976	0.76%
MS.L.S.ALGAMA	69,975	0.76%
SEYLAN BANK PLC/ARRC CAPITAL (PVT) LTD	62,567	0.68%
BANK OF CEYLON	61,054	0.66%
MRS.I.S.SALGADO	47,840	0.52%
	7,513,659	81.39%

CORPORATE INFORMATION

Name of the Company

Diesel & Motor Engineering PLC

Legal Form

A Quoted Public Company with Limited Liability, incorporated in Sri Lanka in 1945.

Company Registration Number

PQ 146

Board of Directors

A. R. Pandithage - Dipl. Ing (Chairman, Managing Director)
A. G. Pandithage - FCMA (Chief Executive Officer)
S. C. Algama - FIED (SL)
M.V. Bandara - Postgraduate Certificate (USQ-Aus)
Dr. H. Cabral - PC, PhD
B. C. S. A. P. Gooneratne - FCA, MBA (Sri.J)
P. K. W. Mahendra - B.Eng (University of Greenwich-UK)
A. M. Pandithage
S. R. W. M. C. Ranawana - MBA (Warnborough University-UK)
J. M. De Silva - FBCS, FCITP
A. D. B. Talwatte - FCMA, FCA, MBA (Sri.J)
D.N.K.Kurukulasuriya - EMBA, Attorney at Law (appointed w.e.f 30/05/2022)
C.R.Pandithage - BCom (Australia), Certified Manager (Daimler) (appointed w.e.f 30/05/2022)

Company Secretary

B. C. S. A. P. Gooneratne - FCA, MBA (Sri.J)

Registrars

Jacey and Company
No.9/5, Thambiah Avenue,
Off Independence Avenue,
Colombo 07, Sri Lanka

Audit Committee

A. D. B. Talwatte (Chairman)
J. M. De Silva
Dr. H. Cabral
A. M. Pandithage

Remuneration Committee

Dr. H. Cabral (Chairman)
A. M. Pandithage
J. M. De Silva
A. D. B. Talwatte

Nomination Committee

Dr. H. Cabral (Chairman)
A. R. Pandithage
A. M. Pandithage
J. M. De Silva
A. D. B. Talwatte

Related Party Transactions Review Committee

J. M. De Silva (Chairman)
Dr. H. Cabral
A. M. Pandithage
A. D. B. Talwatte

Group Management Committee

A. R. Pandithage (Chairman)
A. G. Pandithage
S. C. Algama
M.V. Bandara
B. C. S. A. P. Gooneratne
R. K. J. Gunasekera
D.N.K.Kurukulasuriya
P. K. W. Mahendra
C. R. Pandithage
S.R.W.M.C.Ranawana
R.D.M.P. Wickramasinghe

Bankers

Bank of Ceylon
Commercial Bank of Ceylon PLC
DFCC Bank PLC
Hatton National Bank PLC
Hong Kong & Shanghai Banking Corporation Ltd
Nations Trust Bank PLC
People's Bank
Sampath Bank PLC
Seylan Bank PLC
Standard Chartered Bank

Auditors

KPMG
Chartered Accountants,
P.O. Box 186,
No.32A, Sir Mohamed Macan Markar Mawatha,
Colombo 03, Sri Lanka

Lawyers

Julius & Creasy
Attorneys-at-law & Notaries Public
P.O.Box 154,
No 41, Janadhipathi Mawatha
Colombo 01, Sri Lanka

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