

DIESEL & MOTOR ENGINEERING PLC

INTERIM FINANCIAL STATEMENTS - FOR THE 09 MONTHS PERIOD ENDED 31ST DECEMBER 2023



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group		Group					
Audited Year ended 31-03-2023 Rs.'000		Unaudited 9 months ended 31-12-2023 Rs.'000	Unaudited 9 months ended 31-12-2022 Rs.'000	Variance %	Unaudited 3 months ended 31-12-2023 Rs.'000	Unaudited 3 months ended 31-12-2022 Rs.'000	Variance %
35,520,333	Gross Revenue	36,006,086	26,887,783	34	16,086,581	10,530,822	53
(221,132)	Sales taxes	(437,995)	(134,176)	100	(170,949)	(134,176)	100
35,299,201	Net Revenue	35,568,091	26,753,607	33	15,915,632	10,396,646	53
(21,750,718)	Cost of sales	(26,135,565)	(15,965,072)	64	(12,105,700)	(6,565,967)	84
13,548,483	Gross profit	9,432,526	10,788,535	(13)	3,809,932	3,830,679	(1)
295,694	Other operating income	537,730	188,679	185	100,116	27,222	268
(536,020)	Selling and distribution expenses	(720,285)	(390,774)	84	(351,056)	(200,741)	75
(79,680)	Impairment (loss) / reversal on trade receivables	(111,599)	62,460	(279)	(18,369)	(33,889)	(46)
(7,929,324)	Administrative expenses	(6,418,383)	(5,979,734)	7	(2,029,655)	(2,185,669)	(7)
5,299,153	Operating profit	2,719,989	4,669,166	(42)	1,510,968	1,437,602	5
141,859	Finance income	57,778	78,341	(26)	14,584	33,122	(56)
(4,708,351)	Finance costs	(2,194,156)	(3,467,473)	(37)	(656,397)	(1,072,710)	(39)
(4,566,492)	Net finance costs	(2,136,378)	(3,389,132)	(37)	(641,813)	(1,039,588)	(38)
4,595	Share of results of equity-accounted investees, net of tax	(9,229)	(2,751)	235	(3,477)	(19,127)	(82)
737,256	Profit before tax	574,382	1,277,283	(32)	865,679	378,887	128
(39,112)	Income tax expense	(226,546)	(807,669)	(72)	(263,627)	(575,756)	(54)
698,144	Profit/(loss) for the period	347,836	469,614	(26)	602,052	(196,869)	(406)
	Other comprehensive income						
	Items that will not be reclassified to profit or loss in subsequent periods						
49,315	Remeasurement gain on defined benefit obligation	-	-	-	-	-	-
(13,660)	Deferred tax (charge) on actuarial gain	-	-	-	-	-	-
(493,462)	Income tax rate change impact on revaluation of land	-	-	-	-	-	-
(1,604)	Net change in fair value of equity investments at FVOCI	1,837	671	174	-	(872)	(100)
(459,411)		1,837	671		-	(872)	
	Items that are or may be reclassified to profit or loss in subsequent periods						
(87,509)	Foreign currency translation differences of foreign operations	16,306	48,617	66	87,049	935	9,210
(87,509)		16,306	48,617		87,049	935	
(546,920)	Total other comprehensive income for the period, net of tax	18,143	49,288	63	87,049	63	138,073
151,224	Total comprehensive income for the period	365,979	518,902	(29)	689,101	(196,806)	(450)
	Profit / (loss) attributable to:						
579,060	Equity holders of the parent	302,681	384,026		556,446	(222,897)	
119,084	Non-controlling interest	45,154	85,588		45,606	26,028	
698,144		347,835	469,614		602,052	(196,869)	
	Total comprehensive income attributable to:						
33,403	Equity holders of the parent	320,835	433,662		643,515	(222,780)	
117,821	Non-controlling interest	45,143	85,240		45,586	25,974	
151,224		365,979	518,902		689,101	(196,806)	
62.73	Basic and diluted earnings / (loss) per share (Rs.)	32.79	41.60		60.28	(24.15)	

Figures in brackets indicate deductions

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Company	Company						
	Unaudited	Unaudited	Variance	Unaudited	Unaudited	Variance	
	9 months ended	9 months ended		3 months ended	3 months ended		
31-12-2023	31-12-2022	%	31-12-2023	31-12-2022	%		
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
26,812,304	Gross Revenue	28,103,489	20,414,295	38	13,182,227	7,719,309	71
(144,187)	Sales taxes	(303,468)	(116,022)	162	(120,436)	(116,022)	4
26,668,117	Net Revenue	27,800,021	20,298,273		13,061,791	7,603,287	
(15,591,191)	Cost of sales	(20,048,248)	(11,419,815)	76	(9,772,770)	(4,554,458)	115
11,076,926	Gross profit	7,751,773	8,878,458	(13)	3,289,021	3,048,829	8
511,783	Other operating income	613,984	415,259	48	181,604	116,612	56
(496,629)	Selling and distribution expenses	(653,097)	(316,181)	107	(324,011)	(158,827)	104
(124,838)	Impairment loss on trade receivables	(66,613)	(14,290)	366	(15,646)	(30,324)	(48)
(6,433,095)	Administrative expenses	(5,152,056)	(4,947,959)	4	(1,715,933)	(1,799,726)	(5)
4,534,147	Operating profit	2,493,991	4,015,287	(38)	1,415,035	1,176,564	20
491,979	Finance income	409,497	310,687	32	129,960	144,124	(10)
(4,232,256)	Finance costs	(1,785,175)	(3,297,036)	(46)	(534,720)	(953,050)	(44)
(3,740,277)	Net finance costs	(1,375,678)	(2,986,349)	(54)	(404,760)	(808,926)	(50)
4,595	Share of results of equity-accounted investees, net of tax	(9,229)	(2,751)	235	(3,477)	(19,127)	(82)
798,465	Profit before tax	1,109,084	1,026,187	(2)	1,006,798	348,511	189
(154,649)	Income tax expense	(322,535)	(634,620)	(49)	(289,514)	(483,336)	(40)
643,816	Profit/(loss) for the period	786,549	391,567	101	717,284	(134,825)	(632)
	Other comprehensive income						
	Items that will not be reclassified to profit or loss in subsequent periods						
42,712	Remeasurement gain on defined benefit obligation	-	-	-	-	-	-
(12,814)	Deferred tax (charge) on actuarial gain	-	-	-	-	-	-
(480,800)	Income tax rate change impact on revaluation of land	-	-	-	-	-	-
(2,529)	Net change in fair value of equity investments at FVOCI	1,837	(463)	(497)	-	(407)	(100)
(453,431)		1,837	(463)		-	(407)	
	Items that are or may be reclassified to profit or loss in subsequent periods						
(58,313)	Foreign currency translation differences of foreign operations	22,771	38,571	41	18,780	2,669	604
(58,313)		22,771	38,571		18,780	2,669	
(511,744)	Total other comprehensive income for the period, net of tax	24,608	38,108	35	18,780	2,262	730
132,072	Total comprehensive income for the period	811,157	429,675	89	736,064	(132,563)	(655)
69.74	Basic and diluted earnings per share (Rs.)	85.20	42.42		77.70	(14.60)	

Figures in brackets indicate deductions

STATEMENT OF FINANCIAL POSITION

Group		Company		Group		Company	
Audited as at 31-03-2023 Rs.'000	Audited as at 31-03-2023 Rs.'000			Unaudited as at 31-12-2023 Rs.'000	Unaudited as at 31-12-2022 Rs.'000	Unaudited as at 31-12-2023 Rs.'000	Unaudited as at 31-12-2022 Rs.'000
ASSETS							
14,429,034	13,536,452	Property, plant and equipment		15,227,764	14,385,363	14,052,995	13,569,591
678,523	464,367	Right-of-use assets		575,631	548,196	395,924	488,581
1,467,922	551,306	Intangible assets and goodwill		1,610,395	1,195,191	693,952	312,148
-	1,669,224	Investments in subsidiaries		-	-	1,669,225	1,669,224
101,933	101,933	Investments in equity accounted investees		119,265	97,784	119,265	97,784
864	864	Equity securities		129	8,500	129	6,489
18,461	-	Other financial assets		14,353	-	-	-
565,422	-	Deferred tax assets		766,118	241,912	-	-
17,262,159	16,324,146	Total non-current assets		18,313,655	16,476,946	16,931,490	16,143,817
9,978,466	6,103,387	Inventories		9,676,093	11,364,793	6,460,595	7,179,046
6,604,589	4,095,221	Trade and other receivables		14,566,660	9,221,060	10,792,807	5,575,535
1,938,063	1,142,192	Other current assets		3,094,539	2,449,939	1,842,756	1,315,501
111,453	16,632	Income tax receivable		98,850	112,142	-	16,432
53,206	2,823,242	Amounts due from related parties		47,475	31,929	4,025,081	2,782,427
755,481	-	Other financial assets		2,218	-	-	-
2,858,970	1,552,370	Cash and cash equivalents		5,858,081	2,852,099	3,791,935	1,479,803
22,300,228	15,733,044	Total current assets		33,343,916	26,031,962	26,913,174	18,348,744
39,562,387	32,057,190	TOTAL ASSETS		51,657,571	42,508,908	43,844,665	34,492,561
EQUITY AND LIABILITIES							
EQUITY							
620,578	620,578	Stated capital		620,578	620,578	620,578	620,578
5,611,961	5,601,495	Other components of equity		5,632,691	6,252,333	5,626,103	6,187,205
8,743,765	7,477,206	Revenue reserves		8,954,131	8,506,240	8,171,440	7,189,099
14,976,304	13,699,279	Equity attributable to equity holders of the parent		15,207,400	15,379,151	14,418,121	13,996,882
377,327	-	Non-controlling interests		412,338	357,844	-	-
15,353,631	13,699,279	TOTAL EQUITY		15,619,738	15,736,995	14,418,121	13,996,882
1,258,065	1,094,703	Interest bearing borrowings		2,485,378	1,469,211	2,201,293	1,218,860
348,696	135,685	Lease liabilities		557,303	472,966	393,556	418,054
990,362	869,903	Employee benefits		1,104,393	1,022,619	975,191	881,399
2,131,667	2,066,118	Deferred tax liabilities		2,338,893	2,055,945	2,280,079	2,052,476
287,355	7,736	Contract liabilities		593,771	581,097	95,651	34,611
5,016,145	4,174,145	Total non-current liabilities		7,079,738	5,601,838	5,945,770	4,605,400
1,506,933	944,545	Trade and other payables		1,296,649	2,337,589	980,694	1,546,437
2,952,500	1,781,028	Other current liabilities		2,805,666	3,662,542	1,715,740	2,545,943
714,746	524,846	Current portion of interest bearing borrowings		614,707	720,094	493,165	571,235
424,984	397,727	Lease liabilities		150,298	165,521	97,212	134,819
1,302,993	470,970	Contract liabilities		1,239,506	1,069,889	788,135	338,113
87,372	-	Income tax payable		153,996	98,740	87,217	-
11,757,223	9,977,541	Short-term interest bearing borrowings		22,545,905	12,585,545	19,266,275	10,558,564
445,860	87,109	Amounts due to related parties		151,367	530,155	52,338	195,168
19,192,611	14,183,766	Total current liabilities		28,958,094	21,170,075	23,480,776	15,890,279
24,208,756	18,357,911	Total liabilities		36,037,832	26,771,913	29,426,545	20,495,679
39,562,387	32,057,190	TOTAL EQUITY AND LIABILITIES		51,657,571	42,508,908	43,844,665	34,492,561

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
15th February 2024

(Sgd.) A.G. Pandithage
Managing Director/Group Chief Executive Officer

(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		
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000		
For the nine months ended 31st December								
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	-	-	-	-	-	384,026	85,588	469,614
Profit for the period	-	-	671	48,965	-	-	(348)	49,288
Other comprehensive income, net of tax	-	-	671	48,965	-	384,026	85,240	518,902
Acquisition of Subsidiary with non-controlling interest	-	-	-	-	-	-	(133,000)	(133,000)
Dividends to equity holders	-	-	-	-	-	(115,394)	-	(115,394)
- 2021/22 Final dividend	-	-	-	-	-	(115,394)	(133,000)	(248,394)
As at 31st December 2022	620,578	6,112,161	7,042	133,130	5,392,290	3,113,950	357,844	15,736,995
As at 01st April 2023	620,578	5,618,699	(2,070)	(2,081)	5,392,290	3,351,475	377,327	15,353,631
Total comprehensive income	-	-	-	-	-	302,681	45,154	347,835
Profit/(Loss) for the period	-	-	-	-	-	302,681	45,154	347,835
Derecognition of financial assets due to disposal -FVOCI	-	-	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	1,837	16,306	-	-	(11)	18,132
	-	-	1,837	16,306	-	302,681	45,143	365,967
Dividends to equity holders	-	-	-	-	-	(92,315)	(10,132)	(102,447)
- 2022/23 Final dividend	-	-	-	-	-	(92,315)	(10,132)	(102,447)
As at 31st December 2023	620,578	5,618,699	(233)	14,225	5,392,290	3,561,841	412,338	15,619,738

Company

	Other Components of Equity				Revenue Reserves		Total
	Stated Capital	Revaluation Reserve	Fair Value Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings	
	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	
For the six months ended 31st December							
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	-	-	-	-	-	391,567	391,567
Profit for the period	-	-	(463)	38,571	-	-	38,108
Other comprehensive income, net of tax	-	-	(463)	38,571	-	391,567	429,675
Dividends to equity holders	-	-	-	-	-	(115,394)	(115,394)
- 2021/22 Final dividend	-	-	-	-	-	(115,394)	(115,394)
As at 31st December 2022	620,578	6,090,133	5,039	92,033	4,929,464	2,259,635	13,996,882
As at 01st April 2023	620,578	5,609,333	(2,987)	(4,851)	4,929,464	2,547,742	13,699,279
Total comprehensive income	-	-	-	-	-	786,549	786,549
Profit for the period	-	-	-	-	-	786,549	786,549
Other comprehensive income, net of tax	-	-	1,837	22,771	-	-	24,608
	-	-	1,837	22,771	-	786,549	811,157
Dividends to equity holders	-	-	-	-	-	(92,315)	(92,315)
- 2022/23 Final dividend	-	-	-	-	-	(92,315)	(92,315)
As at 31st December 2023	620,578	5,609,333	(1,150)	17,920	4,929,464	3,241,976	14,418,121

Figures in brackets indicate deductions.

Statement of Cash Flows

Group		Company		Statement of Cash Flows			
Audited	Audited	Group		Company		Unaudited	Unaudited
31-03-2023	31-03-2023	Unaudited	Unaudited	Unaudited	Unaudited	2022	2022
Rs.'000	Rs.'000	2023	2022	2023	2022	Rs.'000	Rs.'000
		Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
For the period ended 31st December							
Cash Flows from Operating Activities							
737,256	798,465						
		574,382	1,277,283	1,109,084		1,026,187	
Profit before taxation							
Adjustments for;							
402,872	337,891	339,457	295,840	256,519		250,468	
11,145	7,454	6,277	8,266	6,104		5,696	
146,015	113,020	131,199	101,985	93,098		85,469	
12,553	32,642	-	(28,754)	-		49,648	
-	-	12,778	-	2,069		-	
(281)	(3,116)	24,879	(6,538)	(218)		(6,538)	
5,696	5,696	-	-	-		-	
3,386,283	2,862,266	2,584,495	2,384,107	1,958,361		2,028,302	
(141,859)	(491,979)	(57,778)	(78,341)	(409,497)		(310,687)	
(320)	(320)	(38,578)	(320)	(38,578)		(320)	
(4,595)	(4,595)	(17,332)	2,751	(17,332)		2,751	
79,680	124,838	111,599	(62,460)	66,613		14,290	
783,327	669,140	-	541,141	-		512,443	
193,117	164,583	190,545	140,060	166,054		119,636	
5,610,889	4,615,985	3,861,923	4,575,020	3,192,277		3,777,345	
Changes in working capital							
(921,206)	756,673	302,373	(2,065,347)	(357,208)		(162,289)	
1,935,955	2,724,925	(8,073,669)	896,434	(6,764,200)		1,355,160	
470,193	6,783	(1,156,476)	(426,594)	(705,288)		(175,914)	
36,468	(1,752,257)	5,731	140,245	(1,201,839)		(1,551,832)	
(6,460,673)	(6,347,650)	(210,284)	(5,633,040)	36,149		(5,745,758)	
(240,466)	(398,194)	(146,834)	509,535	(65,289)		262,474	
(93,690)	65,779	214,862	67,890	399,759		(15,297)	
-	10,841	(294,493)	(132,068)	(34,771)		50,150	
337,471	(317,115)	(5,496,867)	(2,067,925)	(5,500,412)		(2,205,960)	
Cash (used in)/from operating activities							
(3,136,991)	(2,709,148)	(2,125,719)	(2,270,416)	(1,909,377)		(1,914,611)	
(62,972)	(33,859)	(76,514)	(25,228)	(60,766)		(20,129)	
(620,315)	(457,883)	(140,789)	(561,148)	-		(457,883)	
(3,482,807)	(3,518,006)	(7,839,890)	(4,924,717)	(7,470,555)		(4,598,583)	
Cash Flows from Investing Activities							
45,888	45,018	23,875	12,036	-		12,036	
320	320	38,578	320	38,578		320	
141,859	491,979	57,778	57,789	409,497		151,077	
(23,277)	-	762,529	(181,161)	2,569		-	
6,989	3,568	-	-	-		-	
(51,250)	(917,194)	-	(37,912)	-		(263,776)	
(512,465)	-	-	(512,285)	-		(640,080)	
(497,395)	(271,251)	(1,188,388)	(277,493)	(766,831)		(176,892)	
(365,546)	(365,303)	(148,750)	(123,440)	(148,750)		(123,117)	
(1,254,876)	(1,012,863)	(454,378)	(1,062,145)	(464,938)		(1,040,432)	
Net cash used in investing activities							
Cash Flows from Financing Activities							
440,000	440,000	1,585,909	440,000	1,500,000		440,000	
-	-	-	-	-		-	
4,212,568	4,048,665	-	-	-		500,000	
(654,151)	(580,921)	(426,309)	(473,316)	(412,027)		(432,673)	
-	-	-	-	-		(435,000)	
290,817	187,585	10,367,459	5,363,183	9,269,789		4,884,773	
(165,222)	(135,942)	(142,939)	(65,079)	(105,932)		(56,939)	
(115,394)	(115,394)	(102,458)	(115,394)	(92,315)		(115,394)	
4,008,618	3,843,993	11,281,663	5,149,394	10,159,516		4,784,767	
(729,066)	(686,876)	2,987,394	(837,469)	2,224,024		(854,249)	
Net (decrease)/increase in cash and cash equivalents							
3,653,478	2,299,207	2,858,970	3,653,478	1,552,370		2,299,207	
(65,442)	(59,961)	11,718	36,090	15,542		34,845	
2,858,970	1,552,370	5,858,081	2,852,099	3,791,935		1,479,803	
Cash and cash equivalents as at 31st December (Note-A)							
Note - A							
Analysis of Cash and Cash Equivalents as at 31st December							
3,149,787	1,739,957	8,167,765	3,162,047	5,490,473		1,660,086	
(290,817)	(187,587)	(2,309,684)	(309,948)	(1,698,538)		(180,283)	
2,858,970	1,552,370	5,858,081	2,852,099	3,791,935		1,479,803	

Figures in brackets indicate deductions.

NOTES TO THE FINANCIAL STATEMENTS
OPERATING SEGMENT INFORMATION

The Group comprises of the following main business segments.

Segment	Product and Services
Vehicle sales	Sale of brand-new motor vehicles, special purpose vehicles and pre-owned vehicles
After-sales services & auto-engineering	Premium vehicles after-sales, mainstream vehicles after-sales, general engineering, assembly and camper trailer, education in engineering
Retail	Sale of automotive parts, tyres, power tools, lighting products, home and garden products
Construction and logistical solutions	Sale and services of construction machinery, storage & material handling solutions and car parking solutions
Agriculture	Fertilizer, seeds and agrochemicals, agri machinery, organic food products for export and local market, R&D techno-parks, agri advisory services
Engineering solutions	Engineering and related solutions in power & energy, building technologies, water and fluid management, and healthcare

	Vehicle sales		After-sales services & auto-engineering		Retail		Construction and logistical solutions		Agriculture		Engineering solutions		Total	
	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000	2023 Rs.'000	2022 Rs.'000
For the period ended 30th September														
Business Segment Turnover and Results														
Total segment revenue	2,852,097	2,096,343	5,225,599	4,664,119	6,265,173	5,203,325	1,369,001	1,546,441	14,634,928	8,468,283	6,017,743	6,005,234	36,364,541	27,983,745
Inter-segment revenue	(43,580)	(809)	(431,625)	(396,718)	(162,971)	(178,065)	(29,138)	(43,478)	(91,178)	(71,279)	(37,958)	(405,613)	(796,450)	(1,095,962)
Total external revenue	2,808,517	2,095,534	4,793,974	4,267,401	6,102,202	5,025,260	1,339,863	1,502,963	14,543,750	8,397,004	5,979,785	5,599,621	35,568,091	26,887,783
Segment results	35,823	(91,492)	890,294	1,180,075	655,562	1,245,436	284,074	368,866	2,006,713	3,306,123	628,095	690,836	4,500,561	6,699,844
Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	537,730	188,679
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	(2,318,301)	(2,219,357)
Finance income	-	-	-	-	-	-	-	-	-	-	-	-	57,778	78,341
Finance costs	-	-	-	-	-	-	-	-	-	-	-	-	(2,194,156)	(3,467,473)
Share of results of equity-accounted investees	-	-	-	-	-	-	-	-	-	-	(9,229)	(2,751)	(9,229)	(2,751)
Income tax (expense)/reversal	-	-	-	-	-	-	-	-	-	-	-	-	(226,546)	(807,669)
Profit for the period	-	-	-	-	-	-	-	-	-	-	-	-	347,836	469,614
Business Segment Assets and Liabilities														
Segment assets	537,383	856,837	2,947,286	1,795,157	5,888,228	5,017,815	1,218,374	1,679,276	14,373,593	7,906,705	3,027,746	7,140,343	27,992,610	24,396,133
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	23,664,961	18,112,775
Total assets	-	-	-	-	-	-	-	-	-	-	-	-	51,657,571	42,508,908
Segment liabilities	154,452	538,141	1,216,474	592,693	1,759,465	2,210,920	601,827	703,188	4,983,849	4,135,482	1,306,518	3,335,591	10,022,585	11,516,015
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	26,015,247	15,255,898
Equity	-	-	-	-	-	-	-	-	-	-	-	-	15,619,738	15,736,995
Total equity and liabilities	-	-	-	-	-	-	-	-	-	-	-	-	51,657,571	42,508,908
Other Information														
Capital expenditure	4,464	2,950	18,919	31,070	4,007	22,701	77,930	8,413	683,221	97,514	30,349	27,660	818,890	190,308
Unallocated capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	284,561	210,625
Depreciation and amortisation	7,941	23,679	59,001	60,307	24,446	25,096	12,469	15,075	25,988	56,476	15,265	26,686	145,110	207,319
Unallocated depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	193,135	96,787

The basis of classification of segment assets and unallocated assets were changed during the period and comparative figures have been restated accordingly

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 group annual consolidated financial statements as at 31st March 2023.

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 31st December 2023, on guarantees given by the Company in respect of bid bonds, performance bonds and advance payments amounted to Rs.3,505.2 million (Rs.5,094.9 million as at 31st March 2023).

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.1,907.1 million (Rs. 1,193.7 million as at 31st March 2023).

4.3 Comparative information

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

4.4 Investment and acquisition of subsidiaries

Following companies were incorporated during the 09 months period ended 31st December 2023

Name of the Company	Date of Incorporation
DI Solar Beliatta (Private) Limited	22nd August 2023
DIMO Solar Galle (Private) Limited	20th December 2023
DIMO Solar Anuradhapura (Private) Limited	28th December 2023

4.5 Finance cost

4.5.1 Net foreign exchange loss

The finance cost of the Group and the Company comprises a net foreign exchange gain amounting to Rs. 195.6 million (2022/23 exchange loss - Rs. 1,083.4 million) and Rs. 170.2 million (2022/23 exchange loss - Rs. 1,269.4 million) respectively. The decrease in net foreign exchange loss was due to lower fluctuation of the exchange rates, compared to the same quarter in previous year.

4.5.2 Net interest cost

The interest cost of the group decreased due to the decrease in interest rates compared to the same period in last financial period (2023/24 - Rs. 2,281.1 million, 2022/23 - Rs. 2,335.6 million).

4.6 Construction related businesses

Business segments & units related to construction industry were adversely affected due to the downturn in the country's construction sector, thus affecting the performance of subsidiaries.

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 for the period ended 31st December 2023.

INVESTOR INFORMATION

Market Value of Shares

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

	Quarter ended 31-Dec-23 Rs.		Quarter ended 31-Dec-22 Rs.	
Highest price per share	600.00	16th October 2023	736.00	October 3, 2022
Lowest price per share	502.00	6th December 2023	566.50	December 28, 2022
Last Traded price per share	511.50	29th December 2023	599.00	December 30, 2022

Market Capitalisation

	As at 31-Dec-23	As at 31-Dec-22
Market Capitalisation (Rs.'000)	4,721,909	5,529,665

Ratios

	<u>Group</u>		<u>Company</u>	
	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22
E.P.S. Rs*	32.79	41.60	60.28	42.42
Net asset value per share*	1,647.34	1,665.94	1,561.84	1,516.21
Quick asset ratio	0.82	0.69	0.87	0.70
Interest cover (times)	1.25	1.54	1.58	1.51

* Earnings and net assets per share are based on 9,231,494 shares in issue as at 31st December 2023.

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

Statement of share holding of Directors (Including Spouses)**31st December 2023**

Name	Shares	%
Mr. A. R. Pandithage	2,006,924	21.74%
Mr. A. G. Pandithage	593,695	6.43%
Mr. A. M. Pandithage	233,138	2.53%
Mr. C. R. Pandithage	228,144	2.47%
Mr. M. V. Bandara	1,749	0.02%
	3,063,650	33.19%

Mr. A. D. B. Talwatte, Dr.H.Cabral, Mr. B. C. S. A. P. Gooneratne, Mr. H. M. A. Jayasinghe, 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 31st December 2023.

Public holding %**As at 31st December 2023**

Public Holding %	59.58%
Number of Public shareholders	2,188
Float Adjusted Market Capitalization (Rs.)	2,813,458,172

The Company complies with option 04 of the Listing Rules 7.13.1 i (a) – Float Adjusted Market Capitalization of Rs.2.5 Billion requires 10% minimum Public Holding.

Top twenty major shareholders**31st December 2023**

Name	Shares	%
Employee's Provident Fund	1,835,870	19.89%
A.R. Pandithage	1,030,882	11.17%
J.C. Pandithage	976,042	10.57%
A & G Investments (Pvt) Ltd	667,395	7.23%
S.C. Algama	590,497	6.40%
A.G. Pandithage	546,846	5.92%
C.R. Pandithage	228,144	2.47%
A.N. Algama	222,288	2.41%
Almar Trading Co (Pvt) Ltd	198,900	2.15%
A.M. Pandithage	189,611	2.05%
T.G.H. Peries	189,407	2.05%
D. Jayanntha	166,400	1.80%
T.R.N.C. Peries	153,929	1.67%
N.U. Algama	123,598	1.34%
Ideal Automobile (Pvt) Ltd	87,938	0.95%
M.L. Algama	69,976	0.76%
L.S. Algama	69,975	0.76%
Bank Of Ceylon No. 1 Account	61,054	0.66%
Rubber Investment Trust Ltd A/C No 01	52,761	0.57%
I.S. Salgado	47,840	0.52%
Sub Total	7,509,353	81.34%
Others	1,722,141	18.66%
Total Issued Shares	9,231,494	100.00%

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 - Dip. in Eng (Chairman)
A. G. Pandithage - FCMA (Managing Director, Group Chief Executive Officer)
M. V. Bandara - Alumni of Harvard Business School (AMP)
Dr. H. Cabral - PC, PhD (University of Canberra)
B. C. S. A. P. Gooneratne - FCA (ICASL), FCMA, MBA (USJ)
H. M. A. Jayasinghe FCA (ICASL), FCMA, CPFA (Appointed w.e.f 01.09.2023)
P. K. W. Mahendra - B.Eng (University of Greenwich-UK)
A. M. Pandithage - Fellow of CLT (UK)
S. R. W. M. C. Ranawana - MBA (Wanborough University-UK)
J. M. De Silva - FBCS, FCIIT, FCITP.
A. D. B. Talwatte - FCMA (UK), FCA (ICASL), MBA (USJ)
D. N. K. Kurukulasuriya - Attorney at Law, EMBA (UWL).
C. R. Pandithage - BBA (Monash University-Aus), MBA (RMIT University - Aus).

Company Secretary

B. C. S. A. P. Gooneratne - FCA, FCMA, MBA (USJ)

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
B. C. S. A. P. Gooneratne
D. N. K. Kurukulasuriya
P. K. W. Mahendra
C. R. Pandithage
S. R. W. M. C. Ranawana
R. K. J. Gunasekera
R. D. M. P. Wickramasinghe
H. M. P. D. B. Dematawa
G. P. M. S. Karunarathne

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

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Julius & Creasy
Attorneys-at-law & Notaries Public,
Julius & Creasy Building,
No. 371, R.A. de Mel Mawatha,
Colombo 3, Sri Lanka

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