

# **DIESEL & MOTOR ENGINEERING PLC**

**INTERIM FINANCIAL STATEMENTS - FOR THE 06 MONTHS PERIOD ENDED 30TH SEPTEMBER 2025**



Diesel & Motor Engineering PLC  
Interim Financial Statements - For the 06 months period ended 30th September 2025

## STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Group Audited Year ended 31-03-2025 Rs.'000		Group					
		Unaudited 6 months ended 30-09-2025 Rs.'000	Unaudited 6 months ended 30-09-2024 Rs.'000	Variance %	Unaudited 3 months ended 30-09-2025 Rs.'000	Unaudited 3 months ended 30-09-2024 Rs.'000	Variance %
50,174,979	<b>Revenue</b>	<b>43,994,002</b>	21,518,668	104	<b>27,183,457</b>	11,507,098	136
(38,781,289)	Cost of sales	(34,962,032)	(16,194,026)	116	(21,764,295)	(8,439,213)	158
11,393,690	<b>Gross profit</b>	<b>9,031,970</b>	5,324,642	70	<b>5,419,162</b>	3,067,885	77
455,382	Other operating income	<b>140,694</b>	285,556	(51)	<b>85,726</b>	82,764	4
(1,561,974)	Selling and distribution expenses	(2,005,657)	(1,371,063)	46	(1,165,169)	(760,485)	53
(370,648)	Impairment (loss)/reversal on trade receivables	(68,364)	(37,134)	84	(82,072)	64,442	(227)
(9,262,873)	Administrative expenses	(4,771,389)	(3,525,938)	35	(2,844,915)	(1,843,551)	54
653,577	<b>Operating profit</b>	<b>2,327,254</b>	676,063	244	<b>1,412,732</b>	611,055	131
50,907	Finance income	<b>205,555</b>	50,150	310	<b>68,289</b>	23,467	191
(2,650,714)	Finance costs	(1,492,379)	(1,292,895)	15	(825,674)	(558,316)	48
(2,599,807)	<b>Net finance costs</b>	<b>(1,286,824)</b>	(1,242,745)	4	<b>(757,385)</b>	(534,849)	42
(1,825)	Share of results of equity-accounted investees, net of tax	<b>1,548</b>	29,334	(95)	<b>(6,066)</b>	20,382	(130)
(1,948,055)	<b>Profit/(loss) before tax</b>	<b>1,041,978</b>	(537,348)	294	<b>649,281</b>	96,588	572
639,589	Income tax reversal/(expense)	(312,619)	166,543	(288)	(169,756)	(2,906)	(5,742)
(1,308,466)	<b>Profit/(loss) for the period</b>	<b>729,359</b>	(370,805)	297	<b>479,525</b>	93,682	412
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>							
(261,370)	Remeasurement loss on defined benefit obligation	-	-	-	-	-	-
78,411	Deferred tax reversal on actuarial gain	-	-	-	-	-	-
-	Net change in fair value of equity investments at FVOCI	-	3	(100)	-	(4)	(100)
(182,959)		-	3		-	(4)	
<b>Items that are or may be reclassified to profit or loss in subsequent periods</b>							
27,290	Foreign currency translation differences of foreign operations	<b>906</b>	21,814	96	<b>1,076</b>	<b>(9,852)</b>	(111)
27,290		<b>906</b>	21,814		<b>1,076</b>	<b>(9,852)</b>	
(155,669)	<b>Total other comprehensive income for the period, net of tax</b>	<b>906</b>	21,817	96	<b>1,076</b>	<b>(9,856)</b>	(111)
(1,464,135)	<b>Total comprehensive income for the period</b>	<b>730,265</b>	(348,988)	309	<b>480,601</b>	83,826	473
<b>Profit / (loss) attributable to:</b>							
(1,264,745)	Equity holders of the parent	<b>748,894</b>	(355,093)		<b>464,620</b>	101,081	
(43,721)	Non-controlling interest	(19,535)	(15,712)		<b>14,905</b>	(7,399)	
(1,308,466)		<b>729,359</b>	(370,805)		<b>479,525</b>	93,682	
<b>Total comprehensive income / (loss) attributable to:</b>							
(1,425,382)	Equity holders of the parent	<b>750,001</b>	(337,229)		<b>465,854</b>	90,708	
(38,753)	Non-controlling interest	(19,736)	(11,759)		<b>14,747</b>	(6,882)	
(1,464,135)		<b>730,265</b>	(348,988)		<b>480,601</b>	83,826	
(137.00)	Basic and diluted earnings per share (Rs.)	<b>81.12</b>	(38.47)		<b>50.33</b>	10.95	

Figures in brackets indicate deductions

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

<b>Company</b>		<b>Company</b>					
		<b>Unaudited 6 months ended 30-09-2025 Rs.'000</b>	<b>Unaudited 6 months ended 30-09-2024 Rs.'000</b>	<b>Variance %</b>	<b>Unaudited 3 months ended 30-09-2025 Rs.'000</b>	<b>Unaudited 3 months ended 30-09-2024 Rs.'000</b>	<b>Variance %</b>
38,923,793	<b>Revenue</b>	<b>37,440,143</b>	16,823,287	123	<b>23,688,262</b>	8,729,552	171
(30,011,486)	Cost of sales	<b>(29,707,712)</b>	(12,567,740)	136	<b>(18,987,787)</b>	(6,331,617)	200
8,912,307	<b>Gross profit</b>	<b>7,732,431</b>	4,255,547	82	<b>4,700,475</b>	2,397,935	96
1,051,470	Other operating income	<b>471,226</b>	559,064	(16)	<b>245,935</b>	273,720	(10)
(1,429,887)	Selling and distribution expenses	<b>(1,859,432)</b>	(1,227,645)	51	<b>(1,109,659)</b>	(686,128)	62
(312,499)	Impairment (loss)/reversal on trade receivables	<b>(14,572)</b>	10,004	(246)	<b>(39,503)</b>	73,995	(153)
(7,378,620)	Administrative expenses	<b>(3,869,961)</b>	(2,738,581)	41	<b>(2,441,679)</b>	(1,405,909)	74
842,771	<b>Operating profit</b>	<b>2,459,692</b>	858,389	187	<b>1,355,569</b>	653,613	107
248,900	Finance income	<b>363,871</b>	136,783	166	<b>190,013</b>	54,379	249
(1,934,291)	Finance costs	<b>(1,180,765)</b>	(991,986)	19	<b>(692,783)</b>	(460,334)	50
(1,685,391)	<b>Net finance costs</b>	<b>(816,894)</b>	(855,203)	(4)	<b>(502,770)</b>	(405,955)	24
(1,825)	Share of results of equity-accounted investees, net of tax	<b>1,548</b>	29,334	(95)	<b>(6,066)</b>	20,382	(130)
(844,445)	<b>Profit/(loss) before tax</b>	<b>1,644,346</b>	32,520	4,956	<b>846,733</b>	268,040	216
282,690	Income tax reversal/(expense)	<b>(467,706)</b>	658	(71,180)	<b>(250,076)</b>	(63,053)	297
(561,755)	<b>Profit/(loss) for the period</b>	<b>1,176,640</b>	33,178	3,446	<b>596,657</b>	204,987	191
<b>Other comprehensive income</b>							
<b>Items that will not be reclassified to profit or loss in subsequent periods</b>							
(223,829)	Remeasurement loss on defined benefit obligation	-	-	-	-	-	-
67,149	Deferred tax reversal on actuarial gain	-	-	-	-	-	-
-	Net change in fair value of equity investments at FVOCI	3	(100)		(4)	(100)	
(156,680)		-	3		-	(4)	
<b>Items that are or may be reclassified to profit or loss in subsequent periods</b>							
27,984	Foreign currency translation differences of foreign operations	<b>1,297</b>	23,340	94	<b>(4,940)</b>	(5,246)	(6)
27,984		<b>1,297</b>	23,340		<b>(4,940)</b>	(5,246)	
(128,696)	<b>Total other comprehensive income for the period, net of tax</b>	<b>1,297</b>	23,343	94	<b>(4,940)</b>	(5,250)	(6)
(690,451)	<b>Total comprehensive income for the period</b>	<b>1,177,937</b>	56,521	1,984	<b>591,717</b>	199,737	196
(60.85)	Basic and diluted earnings per share (Rs.)	<b>127.46</b>	3.59		<b>64.63</b>	22.21	

*Figures in brackets indicate deductions*

**STATEMENT OF FINANCIAL POSITION**

<b>Group</b>	<b>Company</b>	<b>Group</b>		<b>Company</b>	
		<b>Unaudited as at 30-09-2025 Rs.'000</b>	<b>Unaudited as at 30-09-2024 Rs.'000</b>	<b>Unaudited as at 30-09-2025 Rs.'000</b>	<b>Unaudited as at 30-09-2024 Rs.'000</b>
<b>ASSETS</b>					
19,247,115	16,428,633	21,854,015	18,063,219	16,709,576	16,235,724
736,705	604,661	906,940	537,672	624,255	333,158
2,129,162	843,415	1,836,873	2,105,169	902,657	788,876
-	3,433,003	-	-	5,031,171	1,956,292
-	-	Investments in equity accounted investees	178,084	-	178,084
-	-	Equity securities	139	-	139
8,898	-	Other financial assets	7,986	9,182	-
1,315,468	-	Deferred tax assets	1,527,028	1,073,197	-
23,437,348	21,309,712	<b>Total non-current assets</b>	<b>26,132,842</b>	<b>21,966,662</b>	<b>23,267,659</b>
10,610,519	7,348,234	Inventories	16,814,370	11,141,946	13,759,913
15,733,645	10,477,796	Trade and other receivables	18,834,502	13,229,782	13,117,617
3,712,034	1,920,957	Other current assets	5,984,488	4,380,333	4,277,853
112,707	16,632	Income tax receivable	105,812	110,879	-
376	2,673,570	Amounts due from related parties	-	33,209	6,745,403
2,315	-	Other financial assets	2,389	3,925	-
3,055,406	1,942,577	Cash and cash equivalents	3,562,952	2,953,557	2,582,297
33,227,002	24,379,766		<b>45,304,513</b>	<b>31,853,631</b>	<b>40,483,083</b>
38,545	38,545	<b>Total current assets</b>	<b>45,304,513</b>	<b>31,853,631</b>	<b>23,035,935</b>
33,265,547	24,418,311	<b>TOTAL ASSETS</b>	<b>71,437,355</b>	<b>53,820,293</b>	<b>63,750,742</b>
<b>EQUITY AND LIABILITIES</b>					
<b>EQUITY</b>					
620,578	620,578	Stated capital	620,578	620,578	620,578
7,125,675	7,136,866	Other components of equity	7,126,782	7,119,923	7,138,163
7,191,029	6,933,904	Revenue reserves	7,939,923	8,281,775	8,110,544
14,937,282	14,691,348	<b>Equity attributable to equity holders of the parent</b>	<b>15,687,283</b>	<b>16,022,276</b>	<b>15,869,285</b>
501,061	-	<b>Non-controlling interests</b>	<b>481,325</b>	<b>531,214</b>	<b>-</b>
15,438,343	14,691,348	<b>TOTAL EQUITY</b>	<b>16,168,608</b>	<b>16,553,490</b>	<b>15,869,285</b>
2,638,267	2,282,170	Interest bearing borrowings	5,043,352	2,017,916	3,605,530
755,605	616,886	Lease liabilities	900,115	524,268	624,895
1,643,258	1,426,889	Employee benefits	1,713,405	1,288,135	1,493,543
2,569,978	2,509,093	Deferred tax liabilities	2,888,171	2,911,484	2,801,331
646,156	272,246	Contract liabilities	156,461	433,506	47,769
8,253,264	7,107,284	<b>Total non-current liabilities</b>	<b>10,701,504</b>	<b>7,175,309</b>	<b>8,573,068</b>
3,145,497	2,107,811	Trade payables	3,531,084	793,395	2,468,197
2,045,104	1,356,161	Other current liabilities	2,134,186	2,236,460	1,552,009
735,483	609,060	Current portion of long-term interest bearing borrowings	602,161	777,690	476,780
96,540	73,673	Lease liabilities	135,960	136,369	100,530
2,332,543	1,810,083	Contract liabilities	3,832,091	1,888,584	2,853,237
21,279	1,564	Income tax payable	200,596	46,965	159,426
24,549,436	16,530,765	Short-term interest-bearing borrowings	34,046,160	24,113,377	30,841,466
85,406	1,440,274	Amounts due to related parties	85,005	98,654	856,744
33,011,288	23,929,391	<b>Total current liabilities</b>	<b>44,567,243</b>	<b>30,091,494</b>	<b>39,308,389</b>
41,264,552	31,036,675	<b>Total liabilities</b>	<b>55,268,747</b>	<b>37,266,803</b>	<b>47,881,457</b>
56,702,895	45,728,023	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>71,437,355</b>	<b>53,820,293</b>	<b>63,750,742</b>

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 - Group Finance*

The Board of Directors is responsible for these Financial Statements.

Signed for and on behalf of the Board.

(Sgd.) A. R. Pandithage

*Chairman*

13th November 2025

(Sgd.) B.C.S.A.P. Gooneratne

*Director/Chief Financial Officer*

## Statement of Changes in Equity

### Group

For the six months ended 30th September	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	Rs.'000		
<b>As at 01st April 2024</b>	620,578	7,157,700	(268)	(55,373)	5,392,290	3,287,245	446,463	16,848,635	
<b>Total comprehensive income</b>							(355,093)	(15,712)	(370,805)
Loss for the period	-	-	-	-	-	-	(355,093)	3,953	21,817
Other comprehensive income, net of tax	-	-	3	17,861	-	-	(355,093)	(11,759)	(348,988)
<b>Dividends to equity holders</b>							(46,157)	-	(46,157)
- 2023/24 Final dividend	-	-	-	-	-	-	(46,157)	-	(46,157)
<b>Transactions due to change in group holdings</b>									
Shares issued by subsidiaries to non-controlling interest								100,000	100,000
Changes in group holdings							3,490	(3,490)	-
<b>Total contributions and distributions</b>							(42,667)	96,510	53,843
<b>As at 30th September 2024</b>	<b>620,578</b>	<b>7,157,700</b>	<b>(265)</b>	<b>(37,512)</b>	<b>5,392,290</b>	<b>2,889,485</b>		<b>531,214</b>	<b>16,553,490</b>
<b>As at 01st April 2025</b>	620,578	7,157,700	-	(32,025)	5,392,290	1,798,739	501,061	15,438,343	
<b>Total comprehensive income</b>									
Profit for the period	-	-	-	-	-	748,894	(19,535)	729,359	
Other comprehensive income, net of tax	-	-	-	1,107	-	-	(201)	906	
<b>Total contributions and distributions</b>				<b>1,107</b>		<b>748,894</b>		<b>(19,736)</b>	<b>730,265</b>
<b>As at 30th September 2025</b>	<b>620,578</b>	<b>7,157,700</b>	<b>-</b>	<b>(30,918)</b>	<b>5,392,290</b>	<b>2,547,633</b>		<b>481,325</b>	<b>16,168,608</b>

### Company

For the six months ended 30th September	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	Rs.'000	
<b>As at 01st April 2024</b>	620,578	7,134,773	(1,185)	(25,891)	4,929,464	2,770,216	15,427,955	
<b>Total comprehensive income</b>								
Profit for the period	-	-	-	-	-	33,178	33,178	
Other comprehensive income, net of tax	-	-	3	23,340	-	-	23,343	
<b>Dividends to equity holders</b>								
- 2023/24 Final dividend	-	-	-	-	-	(46,157)	(46,157)	
<b>As at 30th September 2024</b>	<b>620,578</b>	<b>7,134,773</b>	<b>(1,182)</b>	<b>(2,551)</b>	<b>4,929,464</b>	<b>2,757,237</b>		<b>15,438,319</b>
<b>As at 01st April 2025</b>	<b>620,578</b>	<b>7,134,773</b>	<b>-</b>	<b>2,093</b>	<b>4,929,464</b>	<b>2,004,440</b>		<b>14,691,348</b>
<b>Total comprehensive income</b>								
Profit for the period	-	-	-	-	-	1,176,640	1,176,640	
Other comprehensive income, net of tax	-	-	-	1,297	-	-	1,297	
<b>As at 30th September 2025</b>	<b>620,578</b>	<b>7,134,773</b>	<b>-</b>	<b>3,390</b>	<b>4,929,464</b>	<b>3,181,080</b>		<b>15,869,285</b>

Figures in brackets indicate deductions.

### Statement of Cash Flows

	Group		Company	
	Unaudited 6 months ended 30-09-2025 Rs.'000	Unaudited 6 months ended 30-09-2024 Rs.'000	Unaudited 6 months ended 30-09-2025 Rs.'000	Unaudited 6 months ended 30-09-2024 Rs.'000
<b>Cash Flows from Operating Activities</b>				
Profit/(loss) before tax	<b>1,041,978</b>	(537,348)	<b>1,644,346</b>	32,520
<b>Adjustments for:</b>				
Depreciation on property, plant and equipment	<b>299,982</b>	238,479	<b>235,157</b>	183,475
Amortisation of intangible assets	<b>36,811</b>	37,121	<b>34,946</b>	37,028
Provision for impairment of investments in subsidiaries	-	-	<b>31,556</b>	-
Provision for related party receivables	-	-	<b>324,371</b>	-
Impairment of goodwill	<b>388,641</b>	-	-	-
Adjustment due to provision reversal	<b>(142,000)</b>	-	-	-
Depreciation and derecognition of right-of-use assets	<b>70,958</b>	75,308	<b>55,147</b>	46,983
Exchange rates impact on term loan revaluation	<b>4,785</b>	5,304	<b>3,788</b>	7,305
Gains on sale of property, plant and equipment	<b>3,047</b>	(29,518)	<b>(1,821)</b>	(28,225)
Interest expenses	<b>1,492,379</b>	1,292,895	<b>1,180,765</b>	991,986
Finance income	<b>(205,555)</b>	(50,150)	<b>(363,871)</b>	(136,783)
Share of (gain)/loss of equity-accounted investees, net of tax	<b>(1,548)</b>	(29,334)	<b>(1,548)</b>	(29,334)
Gain on disposal of equity-accounted investee	<b>(26,598)</b>	-	<b>(26,598)</b>	-
Impairment reversal /loss on trade receivables	<b>68,364</b>	37,134	<b>14,572</b>	(10,004)
Impairment loss on equity-accounted investees	<b>3,322</b>	-	<b>3,322</b>	-
(Reversal) /Provision on inventories	<b>69,513</b>	(26,327)	<b>120,831</b>	(103,096)
Provision for employee benefits obligation excluding actuarial gain	<b>117,279</b>	116,599	<b>100,000</b>	101,530
	<b>3,221,358</b>	1,130,163	<b>3,354,963</b>	1,093,385
<b>Changes in working capital</b>				
Increase in inventories	<b>(6,249,156)</b>	(1,398,548)	<b>(6,508,301)</b>	(105,620)
Increase in trade and other receivables	<b>(3,169,221)</b>	(1,635,982)	<b>(2,654,393)</b>	(2,036,037)
Increase in other current assets	<b>(2,338,901)</b>	(1,394,230)	<b>(2,434,572)</b>	(827,347)
(Increase)/decrease in amounts due from related parties	<b>376</b>	(513)	<b>(4,396,204)</b>	1,195,462
Increase /(decrease) in trade payables	<b>527,587</b>	(368,195)	<b>360,386</b>	(37,255)
Increase in other current liabilities	<b>80,282</b>	216,294	<b>210,633</b>	299,503
Increase in contract liabilities	<b>1,019,139</b>	593,123	<b>840,374</b>	597,672
Decrease in amounts due to related parties	<b>(401)</b>	(85,511)	<b>(583,530)</b>	(107,026)
<b>Cash from / (used in) operating activities</b>	<b>(6,908,935)</b>	(2,943,399)	<b>(11,810,647)</b>	72,737
Interest paid	<b>(1,484,371)</b>	(1,235,416)	<b>(1,174,709)</b>	(953,239)
Employee benefits paid	<b>(47,132)</b>	(69,834)	<b>(33,346)</b>	(65,544)
Income tax paid	<b>(26,033)</b>	(84,429)	<b>(10)</b>	-
<b>Net cash used in operating activities</b>	<b>(8,466,471)</b>	(4,333,078)	<b>(13,018,712)</b>	(946,046)
<b>Cash Flows from Investing Activities</b>				
Net proceeds from sale of property, plant and equipment	<b>3,874</b>	66,150	<b>2,648</b>	62,902
Interest received	<b>205,555</b>	43,689	<b>218,933</b>	120,443
Investment in subsidiaries and equity accounted investees	-	-	<b>(1,629,723)</b>	(60,000)
Acquisition and construction of property, plant and equipment and capital work-in-progress	<b>(2,937,671)</b>	(846,720)	<b>(539,994)</b>	(183,151)
Proceeds from disposal of equity-accounted investee	<b>55,000</b>	-	<b>55,000</b>	-
Acquisition of intangible assets and capital work-in-progress	<b>(133,162)</b>	(185,755)	<b>(94,188)</b>	(125,756)
<b>Net cash used in investing activities</b>	<b>(2,806,405)</b>	(922,637)	<b>(1,987,324)</b>	(185,562)
<b>Cash Flows from Financing Activities</b>				
Proceeds from long-term borrowings	<b>2,654,000</b>	300,000	<b>1,500,000</b>	-
Repayment of long-term borrowings	<b>(389,913)</b>	(368,330)	<b>(308,920)</b>	(302,560)
Net movement of short-term borrowings	<b>9,366,529</b>	4,559,232	<b>14,318,058</b>	838,444
Repayment of lease liabilities	<b>(105,188)</b>	(102,970)	<b>(39,874)</b>	(69,087)
Dividend paid to equity holders of the parent	-	(44,910)	-	(44,910)
<b>Net cash from financing activities</b>	<b>11,525,428</b>	4,343,022	<b>15,469,264</b>	421,887
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>252,552</b>	(912,693)	<b>463,228</b>	(709,721)
Cash and cash equivalents as at 01st April	<b>2,914,811</b>	3,383,640	<b>1,942,577</b>	2,019,556
Effect of exchange rate changes on cash and cash equivalents	<b>90,975</b>	25,862	<b>43,254</b>	24,322
<b>Cash and cash equivalents as at 30th September (Note-A)</b>	<b>3,258,338</b>	2,496,809	<b>2,449,059</b>	1,334,157

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 group annual consolidated financial statements for the 6 months ended 30th September 2025.

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 2025, on guarantees given by the Company in respect of bid bonds, performance bonds and advance payments amounted to Rs.5016.08 million (Rs.5,470.1million as at 31st March 2025).

#### **4.2 Capital expenditure commitments**

Capital expenditure committed, for which no provision has been made in the interim condensed financial statements, amounted to approximately Rs. 719.82 million (Rs.224.7 million as at 31st March 2025).

#### **4.3 Comparative information**

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

#### **4.4 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 30th september 2025 .

## NOTES TO THE FINANCIAL STATEMENTS

### OPERATING SEGMENT INFORMATION

The Group comprises of the following main business segments.

Segment	Product & Services
<b>Mobility</b>	Sale of brand new vehicles, special purpose vehicles , pre-owned vehicles and transportation service
<b>Automotive Engineering Solutions</b>	Premium vehicles aftersales, mainstream vehicles aftersales, marine and general engineering, assembly of vehicles and pumps, recreation of vehicles (camper trailer) and education in engineering and automotive solutions
<b>Retail</b>	Sale of automotive parts, tyres, auto-care solutions, lighting products, power tools, home appliances, gardening and construction solutions
<b>Infrastructure Engineering</b>	Sales and services of construction machinery, storage & material handling solutions, car parking solutions , projects in water & fluid management
<b>Agriculture</b>	Import, processing, distribution of fertilizer, seeds, agrochemical , plant nutrients & agri machinery, sale of value-added organic food (fruits, vegetables) products for local market , R&D techno parks, agri advisory services, agriculture pipes, advance agri technologies including micro-irrigation & greenhouse projects, processing & sales of coconut shell charcoal for local market and operates customer experience centre.
<b>Power Engineering &amp; Building Technologies</b>	Engineering and related solutions in power & energy, generation of solar power, building technologies , elevator and escalator solutions
<b>Healthcare</b>	Medical equipments, consumables, pharmaceuticals, cardiology devices and contrast mediums

For the period ended 30th September	Mobility		Automotive Engineering Solutions		Retail		Infrastructure Engineering		Agriculture		Power Engineering & Building Technologies		Healthcare		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	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	Rs.'000	Rs.'000
<b>Business Segment Turnover and Results</b>																
Total segment revenue	16,144,375	2,088,883	4,752,432	3,877,740	4,376,694	4,107,063	2,490,501	967,420	13,486,769	7,655,493	2,197,299	2,174,220	1,721,854	1,263,329	45,169,924	22,134,148
Inter-segment revenue	(266,871)	(232,184)	(489,512)	(257,065)	(35,513)	(18,133)	(215,437)	(28,926)	(122,411)	(35,483)	(46,178)	(43,688)	-	-	(1,175,922)	(615,480)
<b>Total external revenue</b>	<b>15,877,504</b>	<b>1,856,699</b>	<b>4,262,920</b>	<b>3,620,675</b>	<b>4,341,181</b>	<b>4,088,930</b>	<b>2,275,064</b>	<b>938,494</b>	<b>13,364,358</b>	<b>7,620,010</b>	<b>2,151,121</b>	<b>2,130,532</b>	<b>1,721,854</b>	<b>1,263,329</b>	<b>43,994,002</b>	<b>21,518,668</b>
<b>Segment results</b>	<b>1,789,617</b>	<b>273,911</b>	<b>1,010,702</b>	<b>1,074,996</b>	<b>403,480</b>	<b>613,572</b>	<b>270,336</b>	<b>43,800</b>	<b>850,009</b>	<b>115,411</b>	<b>158,344</b>	<b>58,578</b>	<b>(15,834)</b>	<b>98,592</b>	<b>4,466,654</b>	<b>2,278,861</b>
Unallocated other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	40,067	60,931
Unallocated expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,179,467)	(1,663,738)
Unallocated Finance income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	205,555	50,150
Unallocated Finance expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,492,379)	(1,292,895)
Share of results of equity-accounted investees	-	-	1,691	37,254	-	-	-	-	-	-	(143)	(7,920)	-	-	1,548	29,334
Income tax expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(312,619)	166,553
<b>Pro/ (Loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>729,359</b>	<b>(370,805)</b>
<b>Business Segment Assets and Liabilities</b>																
Segment assets	8,022,395	1,024,407	3,861,731	3,938,579	4,678,951	5,024,111	3,128,196	3,028,429	15,727,665	12,200,987	8,757,769	3,975,051	3,755,754	2,290,708	47,932,461	32,213,701
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	23,504,894	21,606,592
<b>Total assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,437,355</b>	<b>53,820,293</b>
Segment liabilities	8,154,363	1,063,761	776,997	1,324,868	2,197,617	2,620,723	1,066,964	801,153	7,672,179	7,245,222	4,480,235	1,625,842	1,592,348	1,737,169	25,940,703	16,418,738
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	29,328,044	20,848,065
Equity	-	-	-	-	-	-	-	-	-	-	-	-	-	-	16,168,608	16,553,490
<b>Total equity and liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,437,355</b>	<b>53,820,293</b>
<b>Other Information</b>																
Capital expenditure	91,367	4,981	107,122	37,182	2,339	11,383	467	1,044	42,158	125,922	1,598,794	408,592	24,896	59,887	1,867,143	648,990
Unallocated capital expenditure	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,070,528	197,731
Depreciation and amortisation	9,397	6,317	48,231	36,417	7,640	6,561	13,339	9,192	73,722	69,834	37,392	14,857	11,165	877	200,886	144,054
Unallocated depreciation and amortisation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	135,907	131,546

## 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-25		Quarter to 30-Sep-24	
	Rs.		Rs.	
Highest price per share	2,150.00	September 30, 2025	670.00	July 1, 2024
Lowest price per share	1,120.00	July 2, 2025	514.00	August 30, 2024
Last Traded price per share	2,070.75	September 30, 2025	594.25	September 30, 2024

### Market Capitalisation

	As at 30-Sep-25	As at 30-Sep-24
Market Capitalisation (Rs.'000)	19,116,116	5,485,815

Ratios	<u>Group</u>		<u>Company</u>	
	30-Sep-25	30-Sep-24	30-Sep-25	30-Sep-24
E.P.S. Rs*	81.12	(38.47)	127.46	3.59
Net asset value per share*	1,699.32	1,735.61	1,719.04	1,482.11
Quick asset ratio	0.64	0.69	0.68	0.74
Interest cover (times)	1.70	0.58	2.39	1.03

\* Earnings & net assets per share are based on 9,231,494 shares in issue as at 30th September 2025.

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

**Statement of share holding of Directors (Including Spouses)**

**30th September 2025**

<b>Name</b>	<b>Shares</b>	<b>%</b>
Mr.A.R.Pandithage	2,012,047	21.80%
Mr.A.G.Pandithage	593,695	6.43%
Mr.A.M.Pandithage	233,138	2.53%
Mr.C.R.Pandithage	239,944	2.60%
	<b>3,078,824</b>	<b>33.35%</b>

Dr.H.Cabral, Mr. H.M.A. Jayasinghe, R.A.Jayawardane, H.A.C. Perera, Mr. I.A Wicramasinghe, Mr.B.C.S.A.P Gooneratne, Mr. P. K. W. Mahendra, Mr. S. R. W. M. C. Ranawana and D.N.K Kurukulasuriya who are Directors of the Company did not hold any shares of the Company as at 30th September 2025.

**Public holding %**

**As at 30th September 2025**

Public Holding %	33%
Number of Public shareholders	2,251
Float Adjusted Market Capitalization (Rs.)	6,309,018,218

The Company complies with Option 03 of Listing Rules 7.13.1.(I) (a), which stipulates that where the minimum Float Adjusted Market Capitalization is Rs. 5 billion, a minimum public holding of 7.5% is required.

**Top twenty major shareholders**

**30th September 2025**

<b>Name</b>	<b>Shares</b>	<b>%</b>
Hayleys Plc	1,040,291	11.27%
Mr. A.R. Pandithage	1,030,882	11.17%
Mrs. J.C. Pandithage	981,165	10.63%
Employee'S Provident Fund	923,149	10.00%
A & G Investments Pvt Limited	667,395	7.23%
Mr. S.C. Algama	590,497	6.40%
Mr. A.G. Pandithage	546,846	5.92%
Mr. C.R. Pandithage	239,944	2.60%
Mr A.N. Algama	222,288	2.41%
Assetline Finance Limited/Suhada Gas Distributors	221,601	2.40%
Mr. A.M. Pandithage	189,611	2.05%
Dr. D. Jayanatha	166,400	1.80%
Miss. T.R.N.C. Peries	153,929	1.67%
Mr. T.G.H. Peries	134,407	1.46%
Mr. N.U. Algama	123,598	1.34%
Seylan Bank Plc/Karagoda Loku Gamage Udayananda	109,334	1.18%
Mr M.L. Algama	69,976	0.76%
Ms L.S. Algama	69,975	0.76%
Moma Advisory (Pvt) Ltd	56,877	0.62%
Ms. J. Tharshana	55,000	0.60%
<b>Sub Total</b>	<b>7,593,165</b>	<b>82%</b>
Others	1,638,329	17.75%
<b>Total Issued Shares</b>	<b>9,231,494</b>	<b>100.00%</b>

## 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)  
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  
P. K. W. Mahendra - B.Eng (University of Greenwich-UK)  
A. M. Pandithage - Fellow of CILT (UK)  
S. R. W. M. C. Ranawana - MBA (Wanborough University-UK)  
D. N. K. Kurukulasuriya - Attorney at Law, EMBA (UWL)  
C. R. Pandithage - BCom (Monash University-Aus), MBA (RMIT University - Aus).  
R.A.Jayawardane- MBA (USJ), Dip in Mkt (CIM-UK)  
H.A.C.Perera - MBA (ECU-Australia), B.Sc. Computer Science & Engineering (University of Moratuwa)  
I.A.Wickramasinghe -MBA (USJ),Dip in Mkt (CIM-UK),FCIM (CIM-UK)

### Company Secretary

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

### Registrars

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

### Audit Committee

H.M.A.Jayasinghe (Chairman)  
Dr. H. Cabral  
A. M. Pandithage  
R.A.Jayawardane  
H.A.C.Perera  
I.A.Wickramasinghe

### Remuneration Committee

H.M.A.Jayasinghe (Chairman)  
Dr. H. Cabral  
A. M. Pandithage  
I.A.Wickramasinghe

### Nomination & Governance Committee

H.M.A.Jayasinghe (Chairman)  
Dr. H. Cabral  
A. M. Pandithage  
I.A.Wickramasinghe

### Related Party Transactions Review Committee

H.M.A.Jayasinghe (Chairman)  
Dr. H. Cabral  
A. M. Pandithage  
R.A.Jayawardane  
H.A.C.Perera  
I.A.Wickramasinghe

### Group Management Committee

A. R. Pandithage (Chairman)  
A. G. Pandithage  
S. C. Algama  
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  
H.M.P.D.B. Dematawa  
G.P.M.S. Karunaratne  
M.D.H.Pieris  
M H B U S B Mahagedara

### 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  
Union Bank of Colombo PLC

### 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,  
Julius & Creasy Building,  
No. 371, R.A. de Mel Mawatha,  
Colombo 3 , Sri Lanka

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