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# DIMO Reborn:

A shift from Vehicles to Agri

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29 September 2022

Bloomberg ticker – DIMO.SL

GICS Industry Group - Retailing

Price (LKR) – 589.25

Target Price (LKR) – 1,027.10

Total Return (%) – 84%

## Share Data

Market Cap (USD mn)	14.9
Market Cap (LKR bn)	5.4
12M H/L (LKR)	1450.0/280.0
Free Float (%)	53.1%

## Analysts

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# Executive Summary: From Vehicles to Agri – The 3<sup>rd</sup> largest fertilizer, seed and agro-chem supplier in SL with an LKR 10bn Agri segment

## The Agri Drive



### **The Crisis Induced Demand...**

*As SL faces its largest economic crisis, food supply and self sufficiency in paddy are a key focus, resulting in a strong demand for seeds, fertilizer, agro-chemicals and heavy farm-use machinery.*

*All these key verticals are expected to grow as harvested area increases, home gardening increases and plantations thrive.*

## The DIMO Shift



### **From Vehicles to Agri...**

*Currently, 66% of segmental earnings of the group come from the agri segment, in testament to the shift the company has undertaken. Currently DIMO is the 2<sup>nd</sup> largest paddy seed supplier in SL and sells fertilizer as well as agro-chemicals.*



## The Forex Factor

### **One-off Losses...**

*DIMO's profitability remains muted due to a major translation loss via LKR depreciation accounting for c. LKR 2.4 bn in Q1 and Q2. Besides this, recurring earnings witnessed a strong growth.*



## The Turn-around

### **An LKR 1bn Boost...**

*However, with the stabilizing of the forex rate in Q2, the group earnings may witness an immediate LKR 1bn advantage in the upcoming quarter as the USD has remained flat at the LKR 260 level for the fast few months. This could result in a 2Q FY23 EPS of over LKR 100, putting DIMO on track for a strong year.*

# DIMO, An Agri Giant: DIMO's Agri-sector has grown significantly over the past few years with 66% of group EBIT in Q1 FY23 coming via Agri

## Industry

## Trend

## DIMO's Stance

### Fertilizers/ Agro-chem

Shortage driven price hikes drove fertilizer prices and margins to phenomenal levels as retail prices jumped 10x higher than 2020 levels.

**DIMO is one of the top 3 suppliers of fertiliser, crop care, seeds and chemicals**

### Seeds

The seed demand has significantly increased as the country aims to make up for low yields, incentivizing farmers to bump up production.

**DIMO is the 2<sup>nd</sup> Largest Paddy seed supplier in SL**

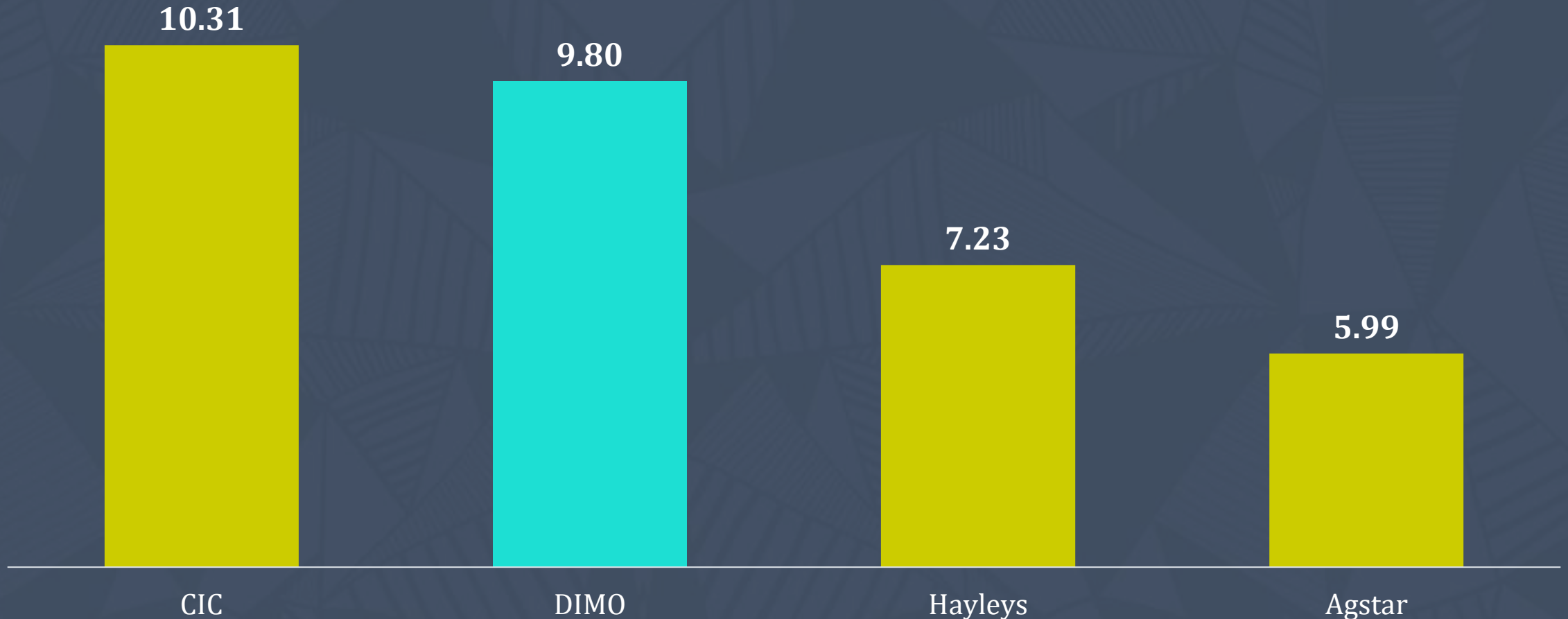
### Agro Machinery

The allocation of fresh lands for cultivation and the increased incentives drive up demand for machinery used in sowing and harvesting.

**DIMO is the 2<sup>nd</sup> largest in machinery and agri equipment (18% market-share)**

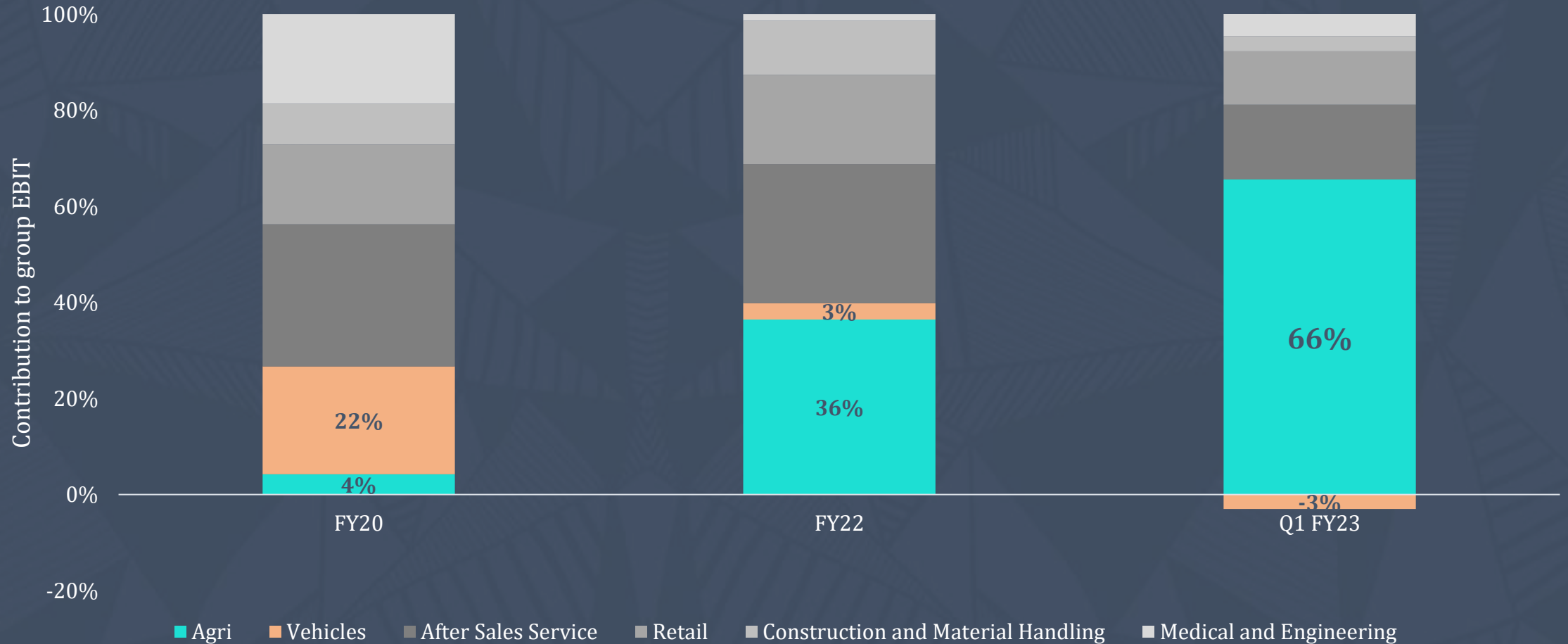
**Investment Thesis:** The 2<sup>nd</sup> largest listed agri player, almost on par with CIC as at FY22, with an agri segment amounting to c. LKR 10bn

**Agro-Sector Revenue as at FY22 (LKR Bn)**



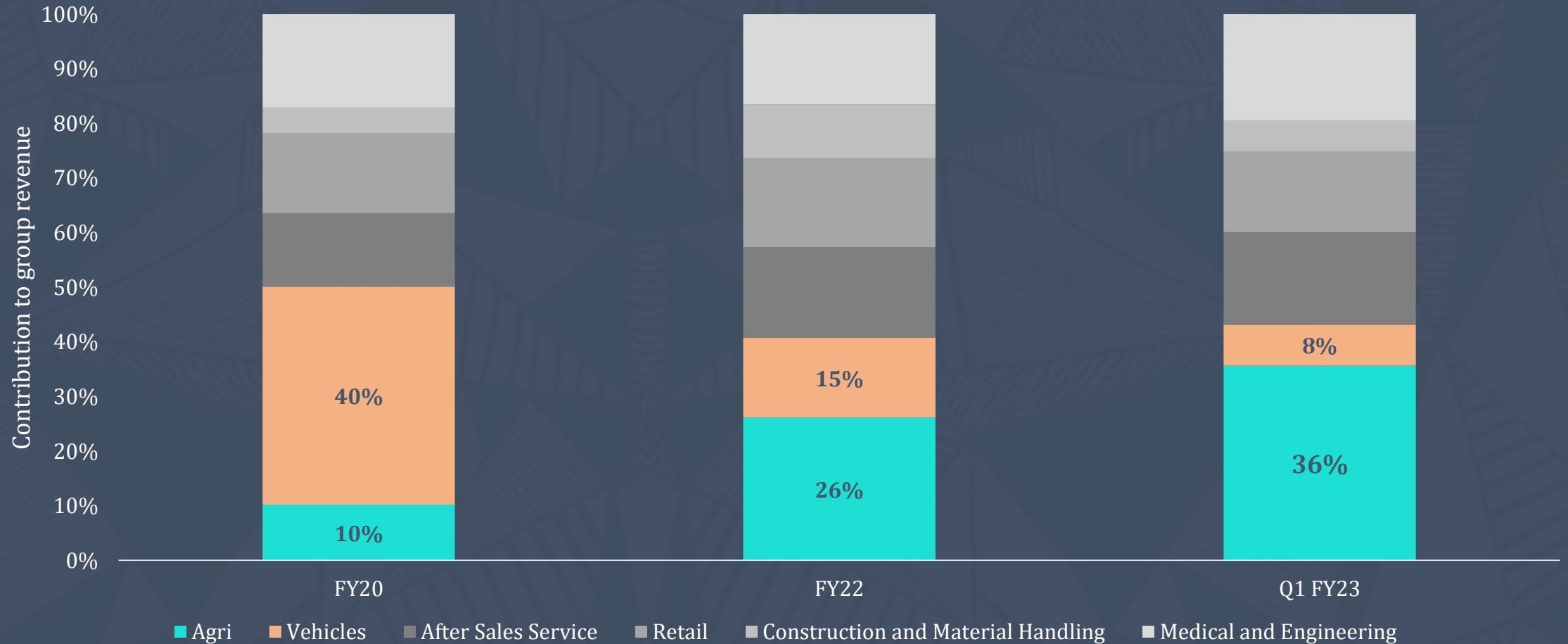
# Investment Thesis: Shift in DIMO's product mix has resulted in Agri becoming the key driving force behind segmental earnings

DIMO's Agri conversion 2020 - 2023

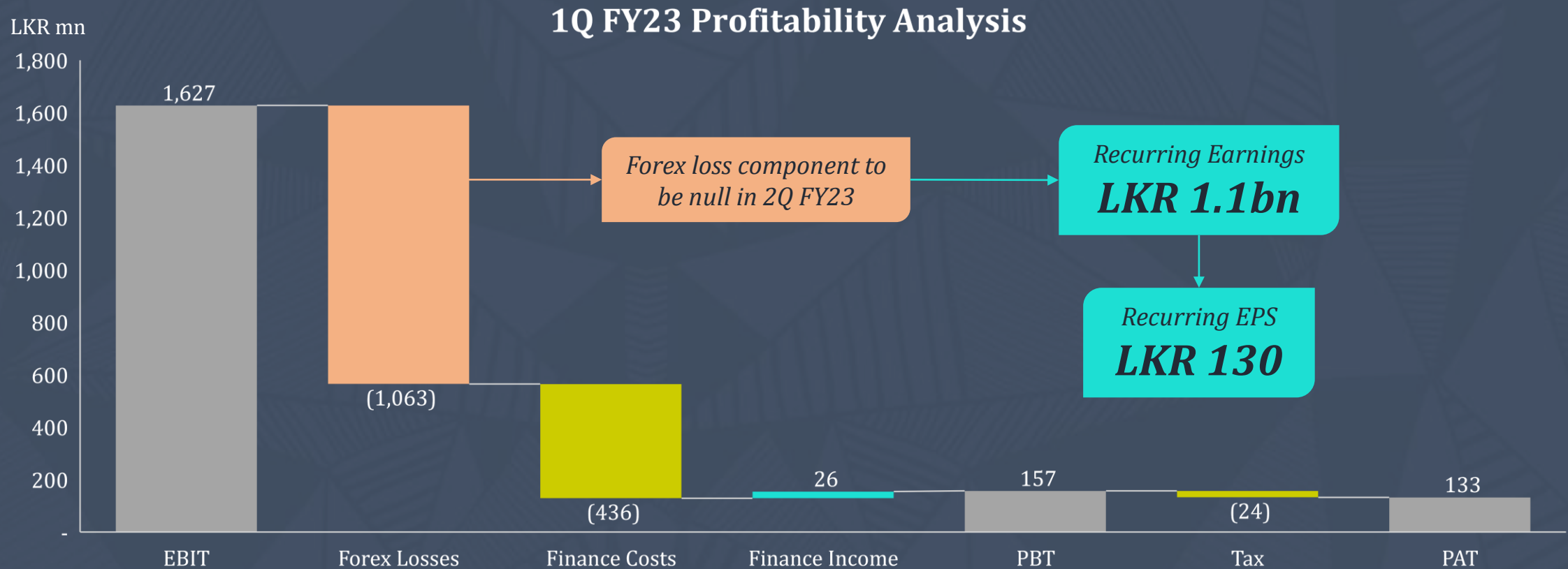


# Investment Thesis: Segmental revenue too continued to grow as Agri gradually becomes the key medium-term growth driver

DIMO's Agri conversion 2020 - 2023



# Investment Thesis: A valuation play – A strong Q2 on the cards, with the forex losses out of the equation and an expected Q2 EPS of c. LKR 100

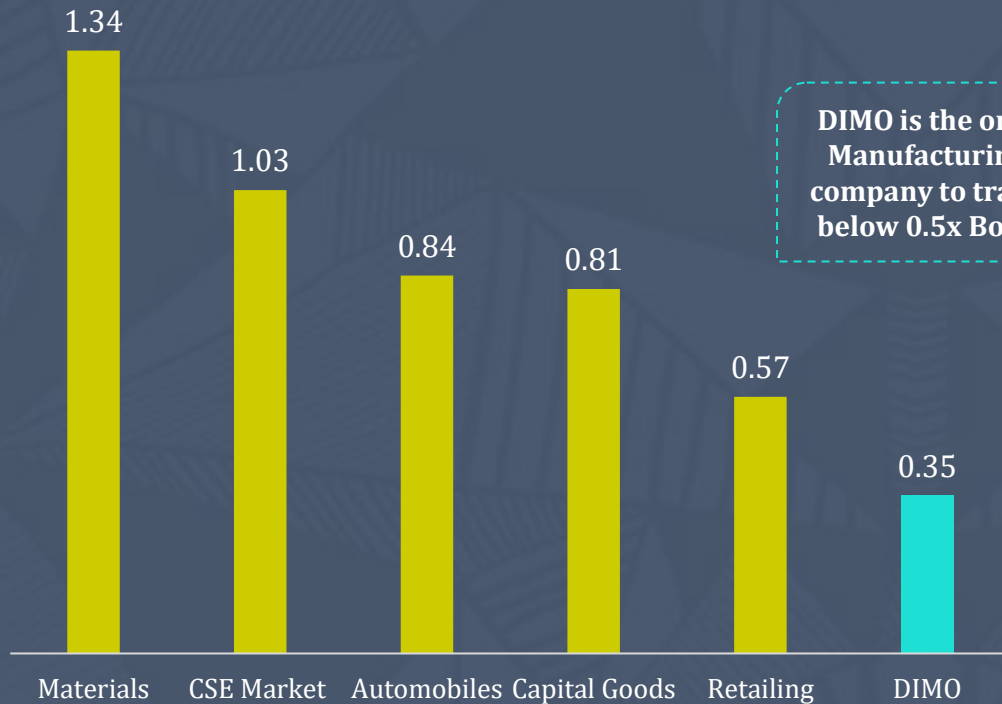


Forex losses made EPS drop by almost (-120). However, since the exchange rate has remained flat over the past 3 months, the quarterly earnings may reach c. LKR 1bn in Q2 FY23E. This means DIMO may have an EPS of c. LKR 100 in Q2



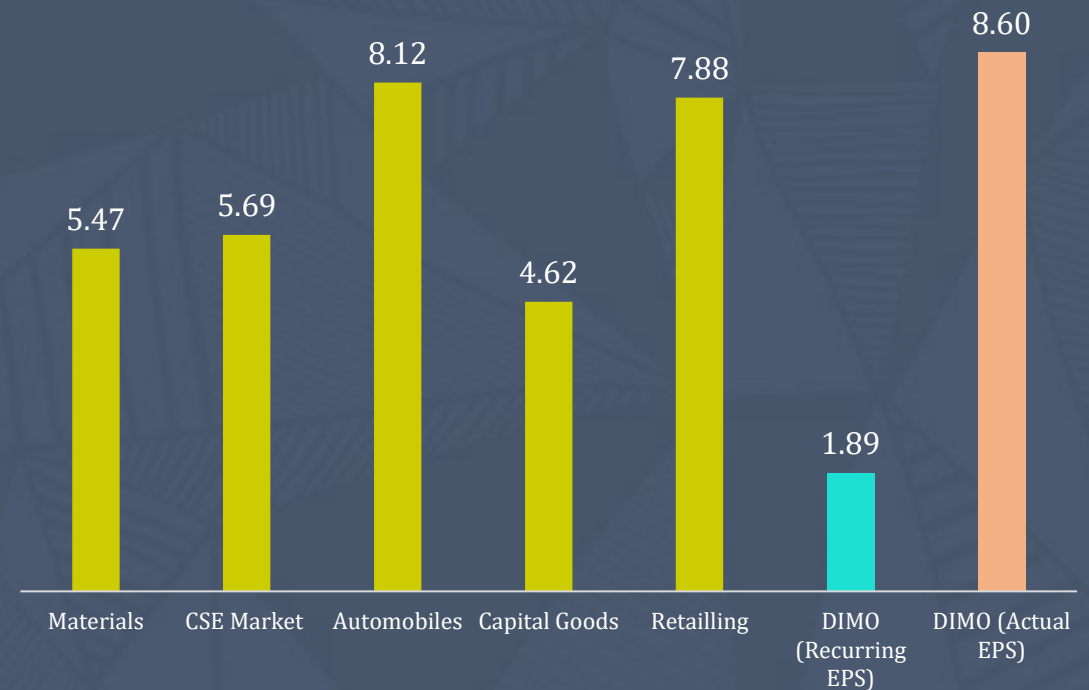
# Investment Thesis: Adjusting for one off forex losses over the last two quarters, DIMO is trading at a significant discount to peer valuations

## PBV vs Peers



DIMO is the only Manufacturing company to trade below 0.5x Book

## TTM PER vs Peers



Actual EPS is low due to forex losses, giving a high PER

DIMO's recurring EPS is a calculation done to showcase the earnings potential of the company, barring a one-off impact arising from imports budgeted for at around LKR200/USD which resulted in a c. LKR2.5bn loss during the past 6 months.



## The Agri Boom

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The food shortage has driven up seed and fertilizer demand in 2022

# The Agri Boom – With a major emphasis by the GoSL, a focus on home-gardening & the strong growth of plantations, Agri is poised for growth

## 1 - The Agri Boom

*Lifting of bans and quotas allow private players to capture the market. Forex shortages have affected imports, driving retail fertilizer prices up 8-10x higher than pre-covid levels.*

## 2 - The Seed Supply

*As paddy harvests yield as low as 60% and forex reserves remain low, the supply of seeds to make up for the low harvests in 2021/2022 would boost demand for DIMO's paddy seeds.*

## 3 - The Demand Creation

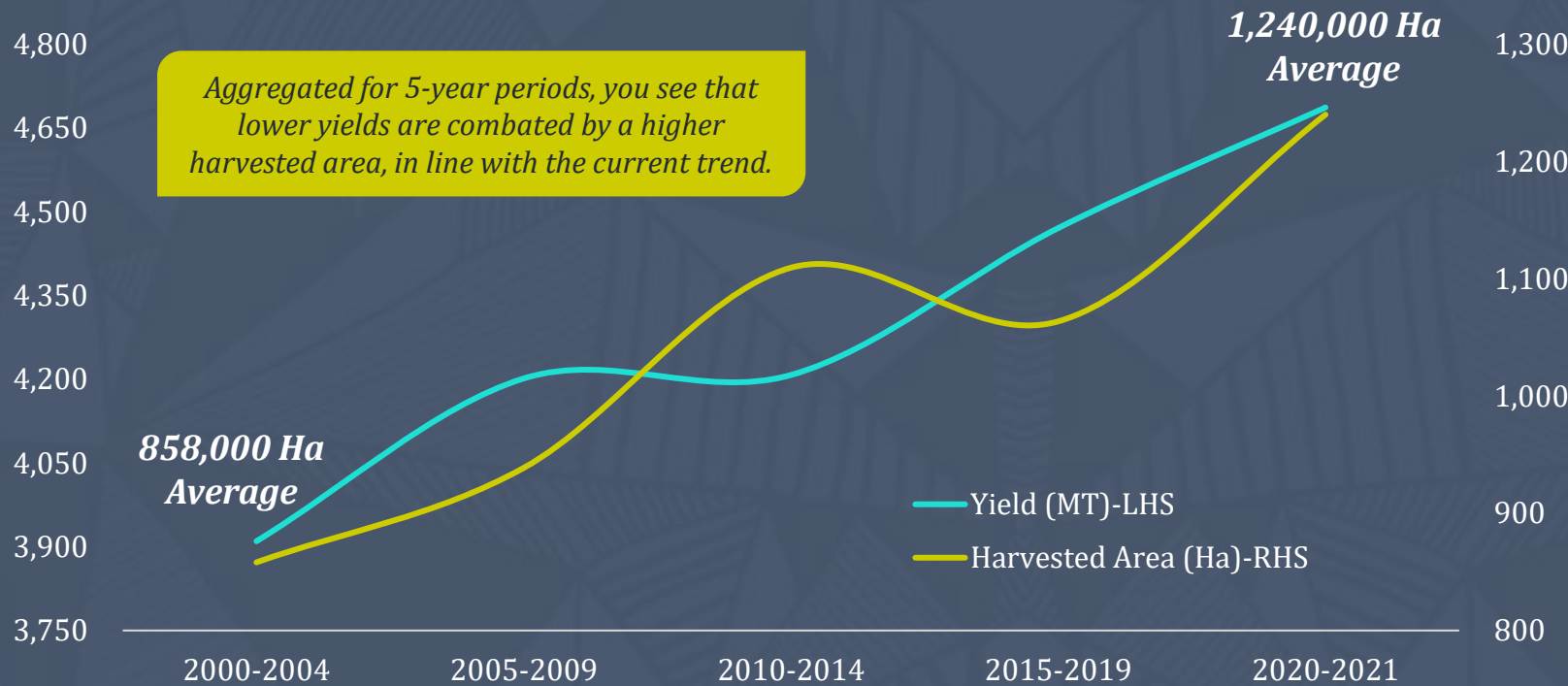
*As the state begins to step out of fertilizer imports and as the GoSL begins to allocate fresh lands for cultivation whilst heavily promoting home-gardening, a new fertilizer demand is created.*

## 4 - The Plantation Boom

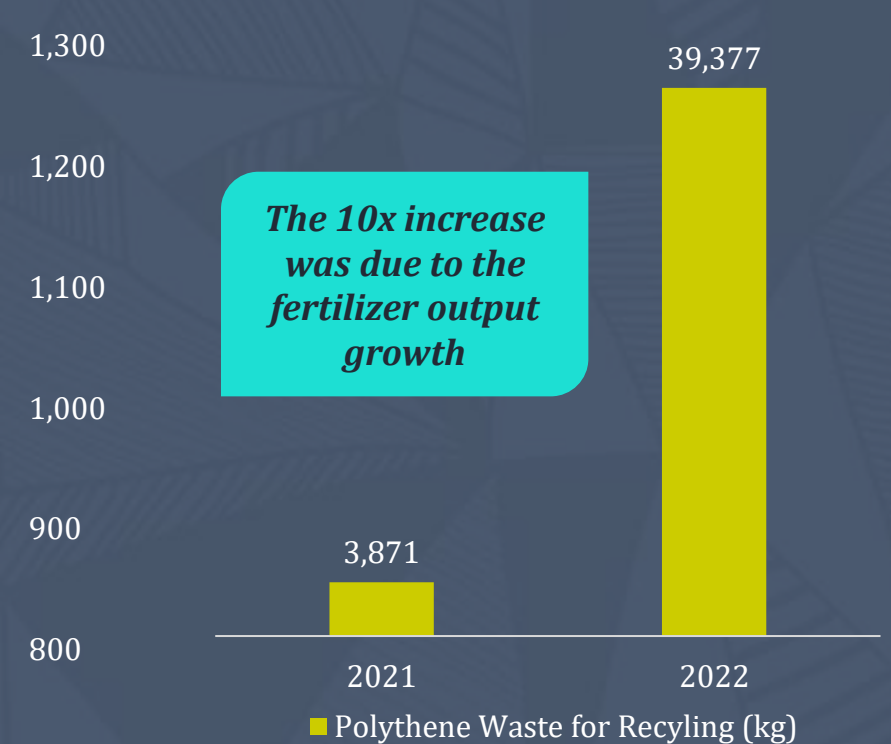
*Farmer's losses due to the lack of fertilizer last season, backed by loan cancellations, an LKR 40bn payoff to farmers and export growth may drive demand for seeds, fertilizer and agro-chem*

# The Agri Boom: A long-term growth despite yearly fluctuations bodes well for DIMO, the 3<sup>rd</sup> largest fertilizer, seed and agro-chem player in SL

## Maha-Season Sown Area and Yields



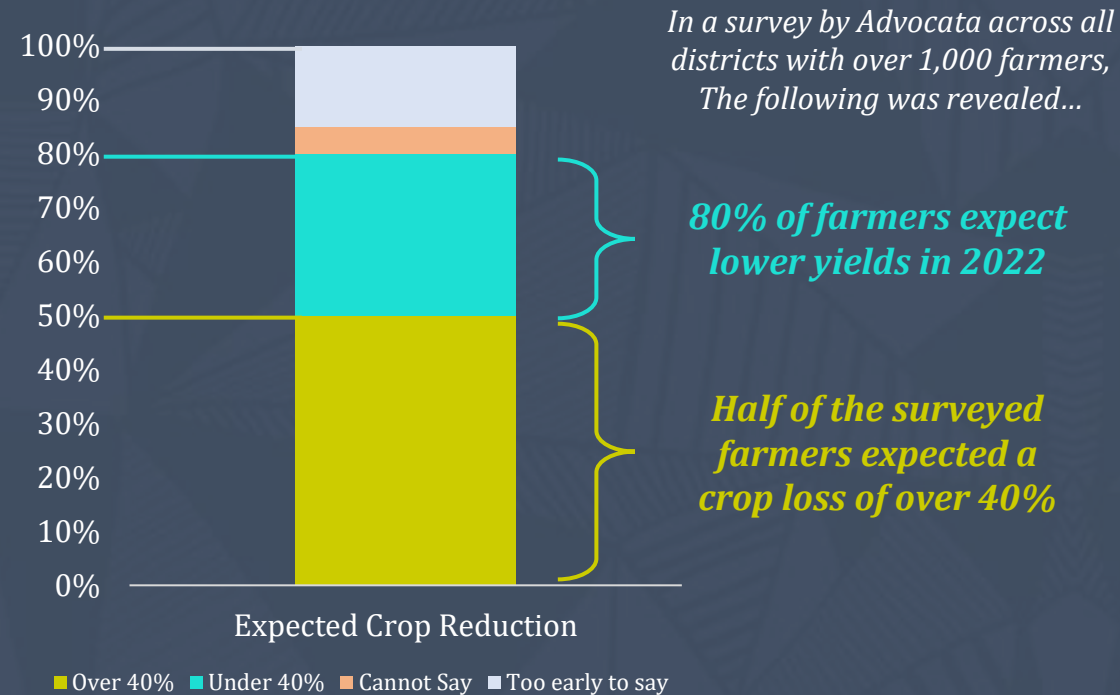
## DIMO's fertilizer focus



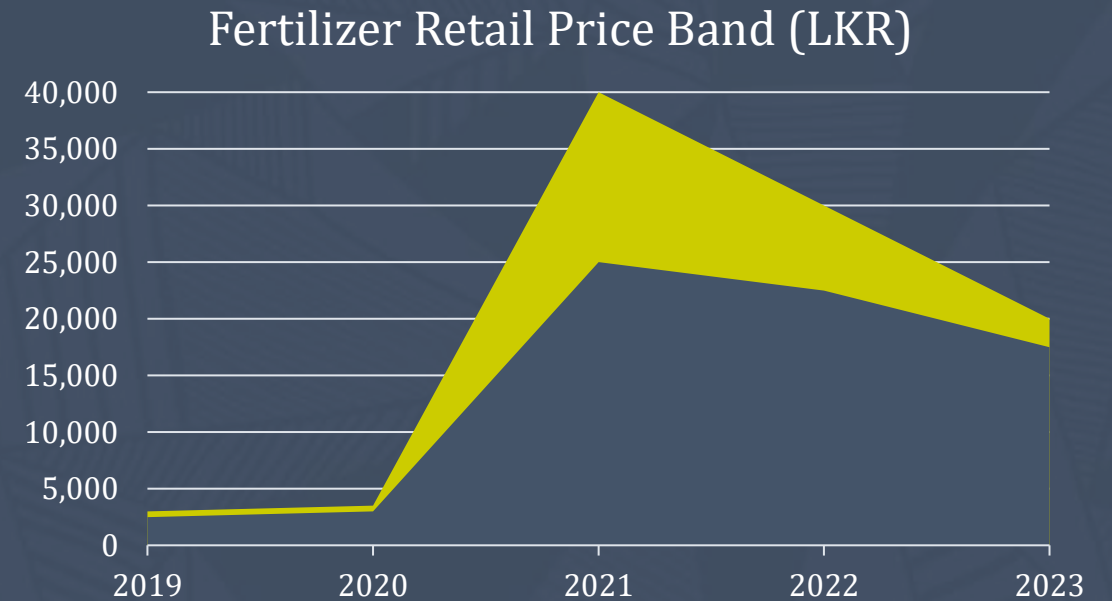
Over the past two decades, the cultivated land area, fertilizer requirement with SL using approximately 150kg of fertilizer per hectare and approximately 75Kg of seeds per hectare prior to import restrictions.

# A Food Shortage: The lack of fertilizers and agro-chemicals severely impacted farmers, driving prices by c. 10x in the short run

A sizable drop in output is expected during 2022 due to the lack of growth supplements...



...This has resulted in the prices of fertilizers skyrocketing to c. 10x more than the FY20 Prices



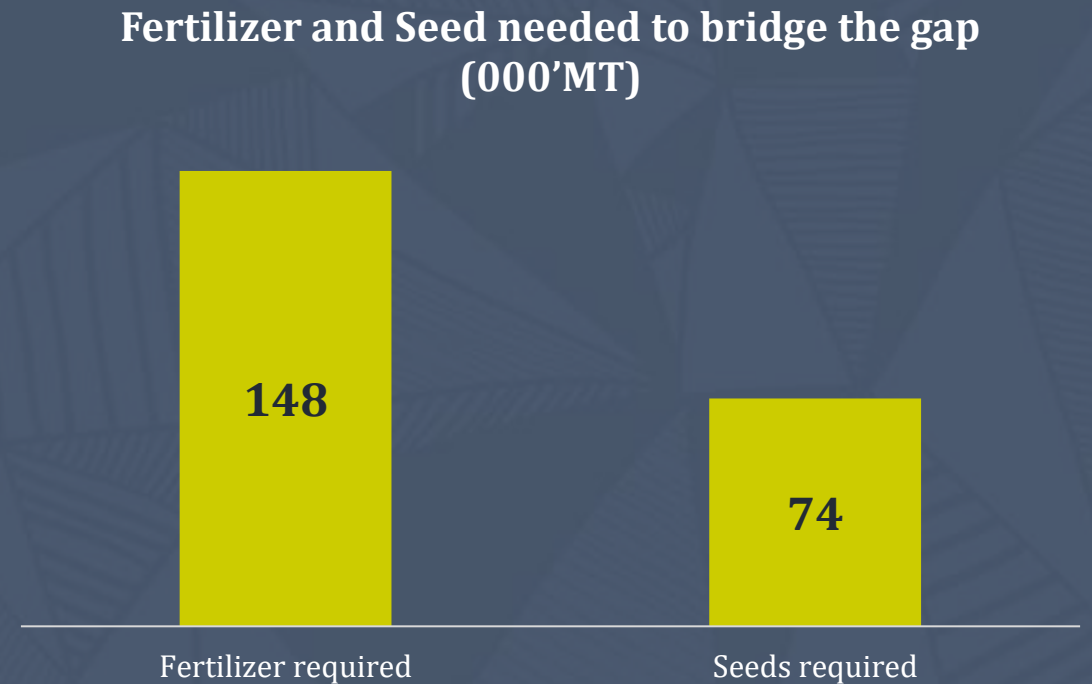
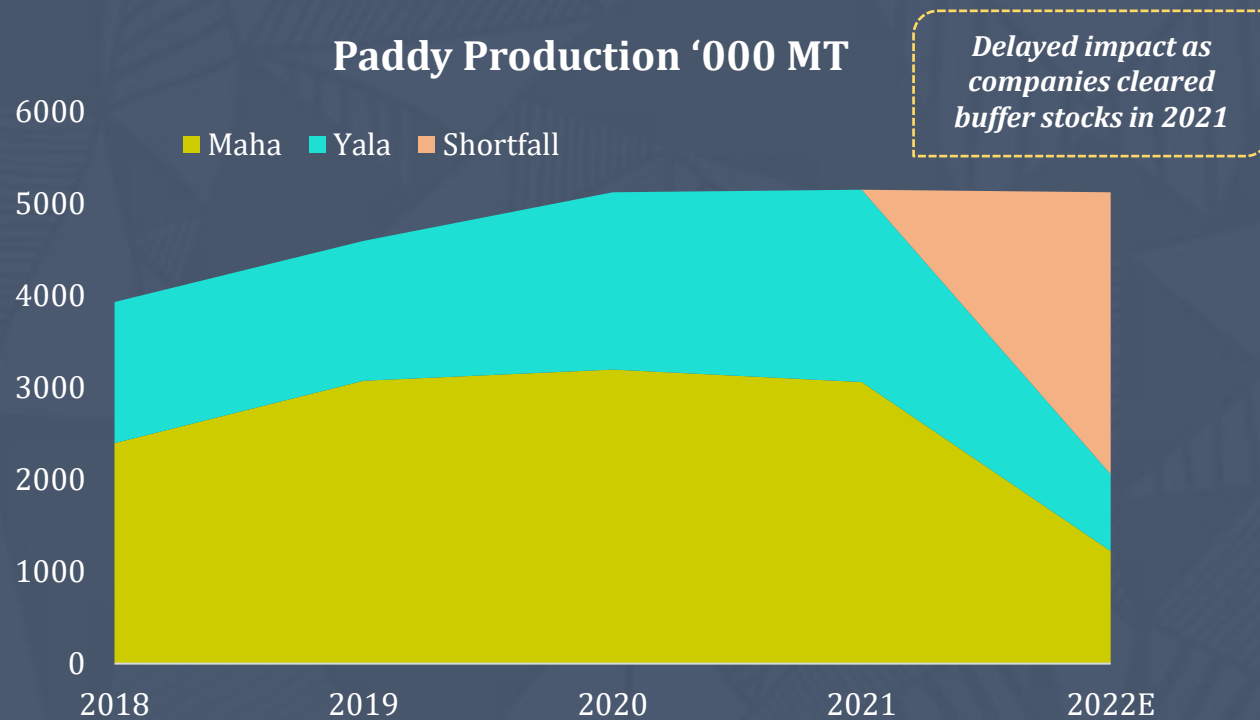
We believe that this major price increase may normalise in FY23E, settling at c. 3x higher than FY20 levels

Whilst some farmers had to buffer stocks held by private players that were used in 2021, by 2022 the true impact of the lack of fertilizers and agro-chemicals will start to manifest, as the yields drop in the agri segment.

# The Seed Supply: Farmers suffering due to low yields need to recover it this harvest, driving revenue for DIMO, SL's 2<sup>nd</sup> largest paddy seed supplier

2022 Yields are expected to drop as much as 60%, as farmers are more in need of fertilizer than ever

DIMO is the 2<sup>nd</sup> largest supplier of paddy seeds in SL, ideally poised to capitalize on this growth

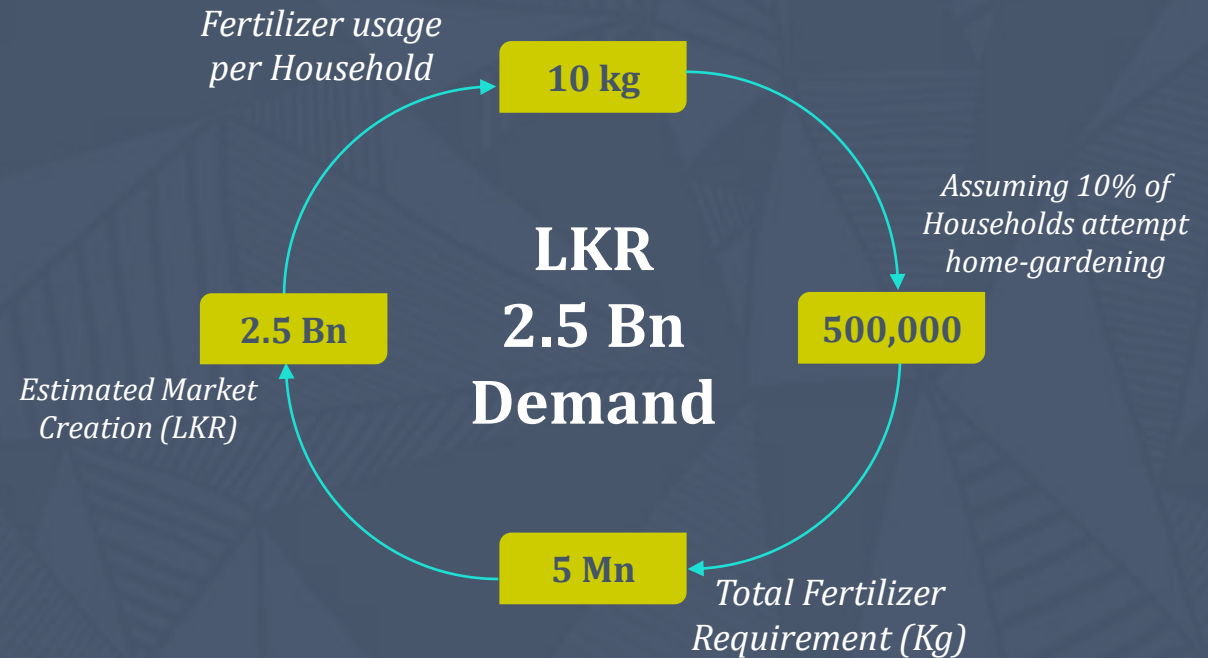
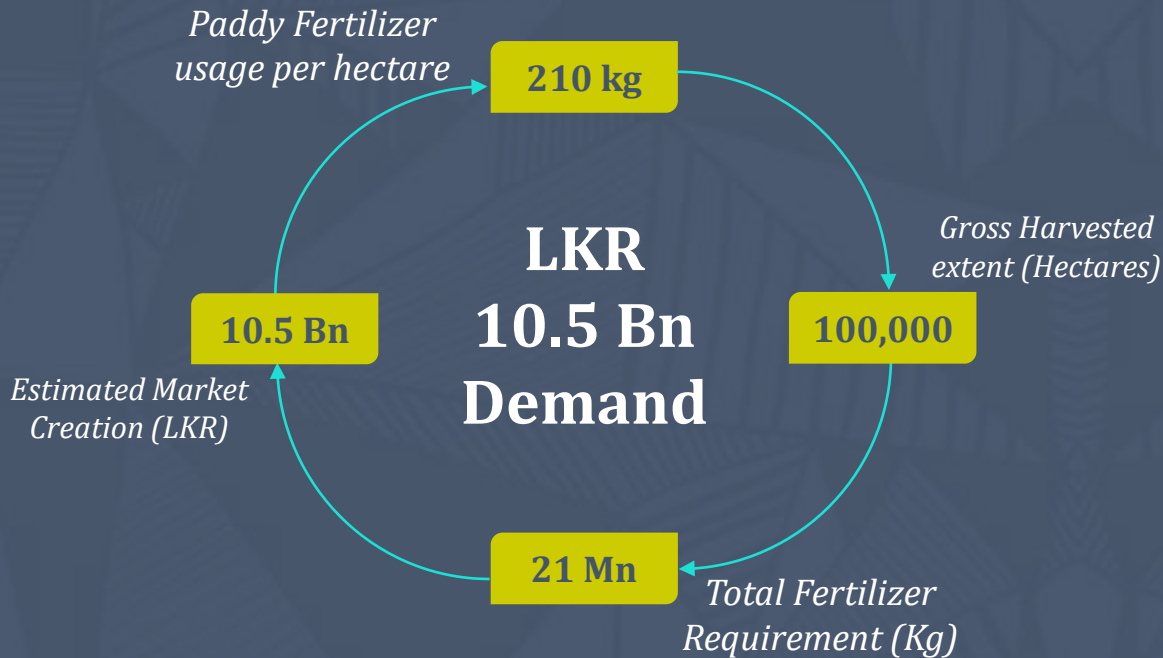


As DIMO caters to both the seed and fertilizer aspect, they face a major market opportunity of an estimated 148,000 MT of fertilizer and 74,000 MT of seeds required to bridge the shortfall over the coming seasons.

# The Demand Creation: Using idle lands for cultivation and the home gardening drive may create an LKR 10-15 Bn fertilizer market

GoSL estimated c. 100,000 ha of barren paddy fields to be given to farmers for 6-12 months...

...Whilst home gardening has been intensely promoted to help the cause at a household level



The GoSL has already deployed the military to work in c. 3,000 acres of barren land and it plans to assign any such bare plots to farmers for the next couple of agri cycles to ensure food security. This would also boost demand for seeds.

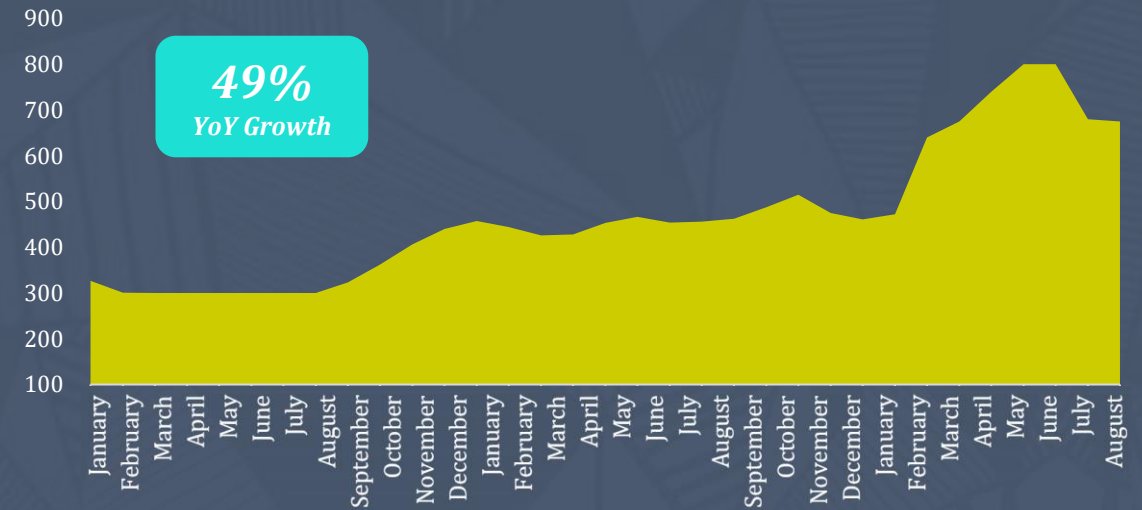
# The Plantation Boom: Exporters thrive as auction prices hit record highs due to the LKR devaluation, driving a strong demand for fertilizer despite the significant increase in price

With the rise of the USD to c. LKR 360, all tea auction prices nearly tripled from LKR 591/kg to LKR 1,508 and a similar movement was seen in Rubber prices as it shot up from LKR 456/kg to surpass LKR 800/kg.

Tea Auction Prices (LKR/Kg)



Rubber Auction Price (LKR/Kg)

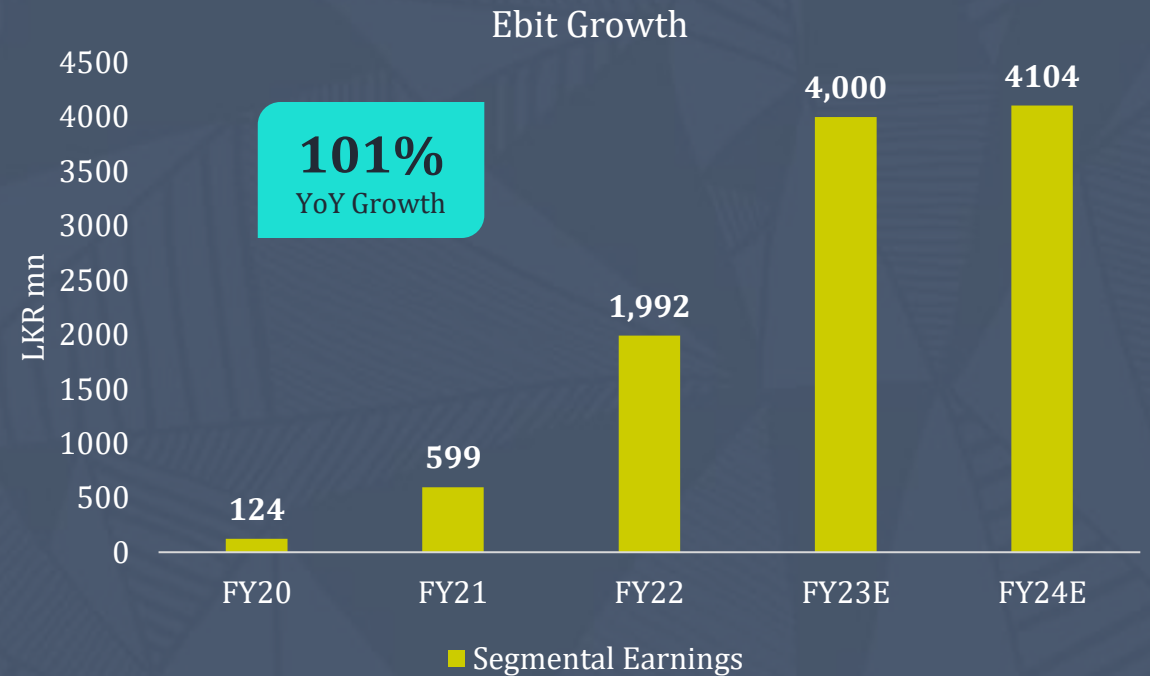
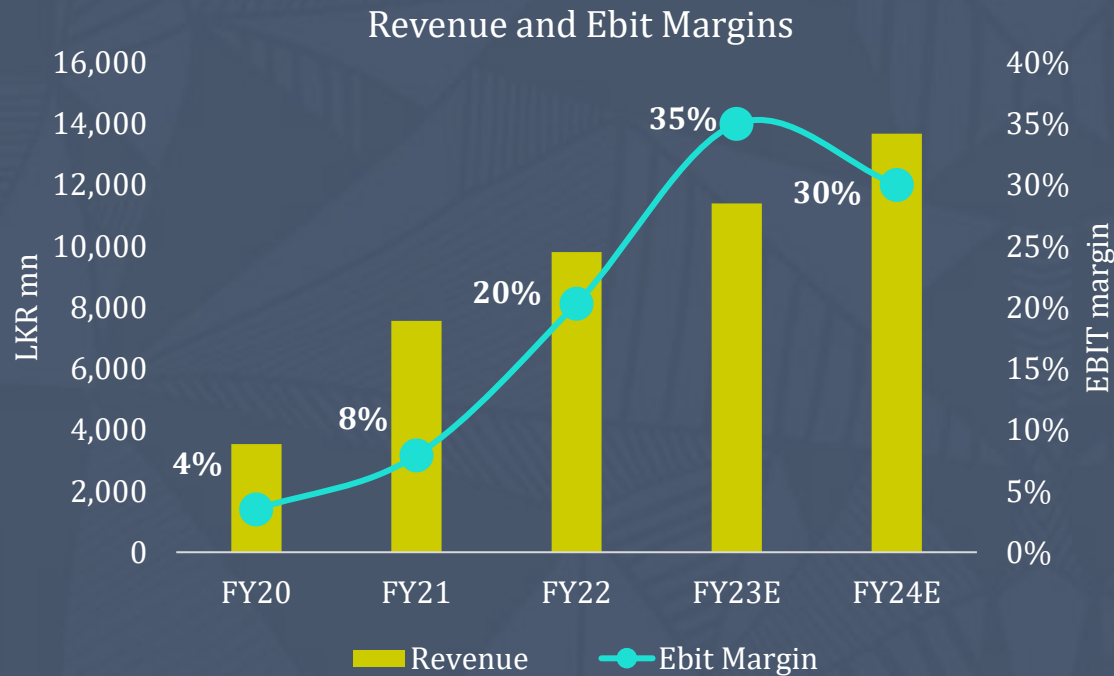


The higher earning capacity from these sectors despite the low output incentivizes the plantation sector to maximize yields via fertilizers in order to capitalize on the currency depreciation that helped grow margins.



# The Agri Overview: The main growth driver for DIMO in terms of both Revenue and profitability, with margins soaring in FY23E

The crop solutions segment is forecasted to enjoy a c. 101% YoY growth in FY23E EBIT due to margin expansions, whilst revenue growth remains at a more conservative range of around 16%



The fertilizer segment is expected to see a strong one-off growth in FY23, followed by a consistent c. 15% - 20% growth on a YoY basis post FY23E.



## After Sales Service: Built to Last

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The shortage confirms demand, whilst price revisions enable better margins

# Built to Last– Showing a strong growth amidst the import restrictions, with a Bangladesh expansion in the construction machinery services

## 1 - The Cash Cow

*The after-sales segment has been a stable cash cow over the past few years with consistent margins. We forecast the demand to continue as margins improve due to shortages.*

## 2 - The Mobility Boost

*With the absence of lockdowns and travel restrictions as seen in FY22, and with the fuel crisis affecting Q1 FY23 being resolved to a large extent, we expect the earnings potential to improve.*

## 3 - The Recurring Demand

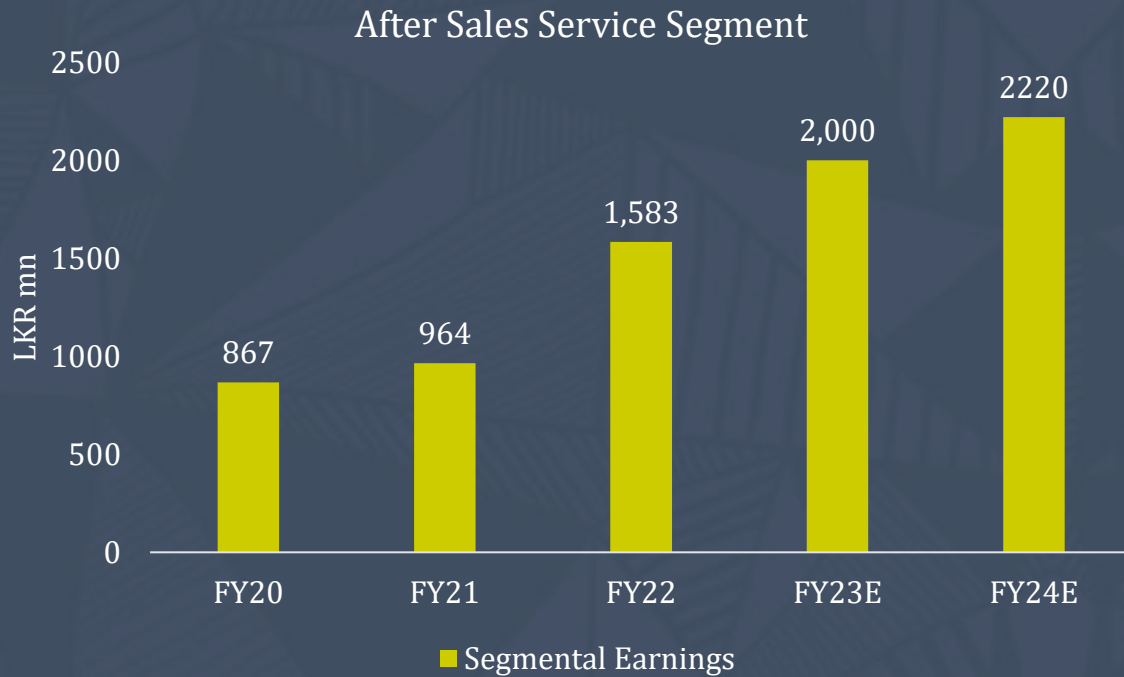
*The recurring nature combined by inflation adjusted pricing is expected to drive earnings growth in FY23 on an actual basis, whilst volumes improve after the factory begins operation.*

## 4 - The Bangladesh Story

*DIMO expanded its operations overseas, with an LKR 213mn investment in Bangladesh which would enable DIMO to replicate its successful business model overseas, generating forex income.*

# The Cash Cow: DIMO has maintained steady growth over the years in after sales service and FY23 may witness a growth as mobility recovers

After sales has maintained a stable growth over the years despite the volatility in vehicle sales



The days in lockdown during FY22 that were unproductive days can be recovered in FY23



The end of lockdowns and the availability of fuel is expected to increase maintenance demand on a YoY basis

The recurring demand of the vehicles sold in previous years is a key factor in maintaining performance over the years. Going forward, cost inflation and mobility are expected to drive revenues and price increases may adjust for margins.

# The Recurring Demand: The recurring demand model and the price hikes provide room for local growth, whilst Bangladesh earnings begin

A recurring demand model and high customer satisfaction rates ensure stable future demand...

## Luxury Vehicles

*Largely inelastic to a great extent as luxury vehicle owners for brands like Mercedes may still be able to afford maintenance amidst a crisis.*

## Heavy Vehicles

*Vehicles involved in the manufacturing processes and material handling would continue as large-scale businesses have the edge in a crisis.*

## Construction Vehicles

*The company's transition into a rental model of construction equipment would generate internal demand for maintenance.*

...Whilst the expansion to overseas markets may provide a strong long-term potential



*DIMO Bangladesh (Private) Limited formed with a 99% stake in May 2022*

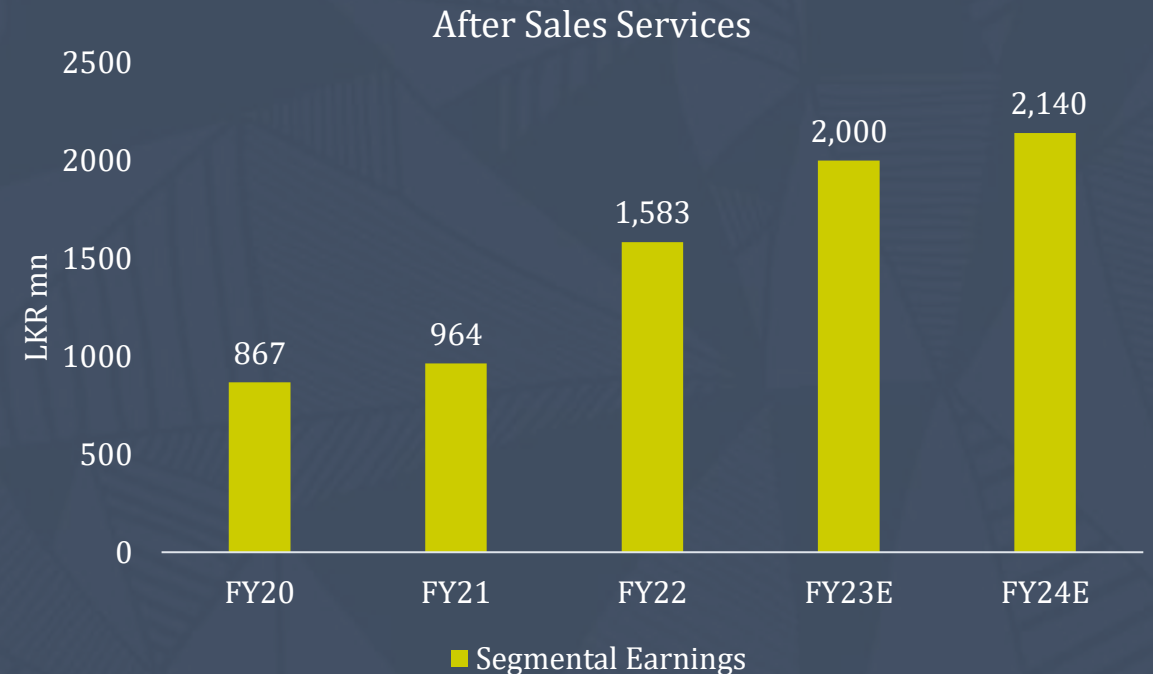
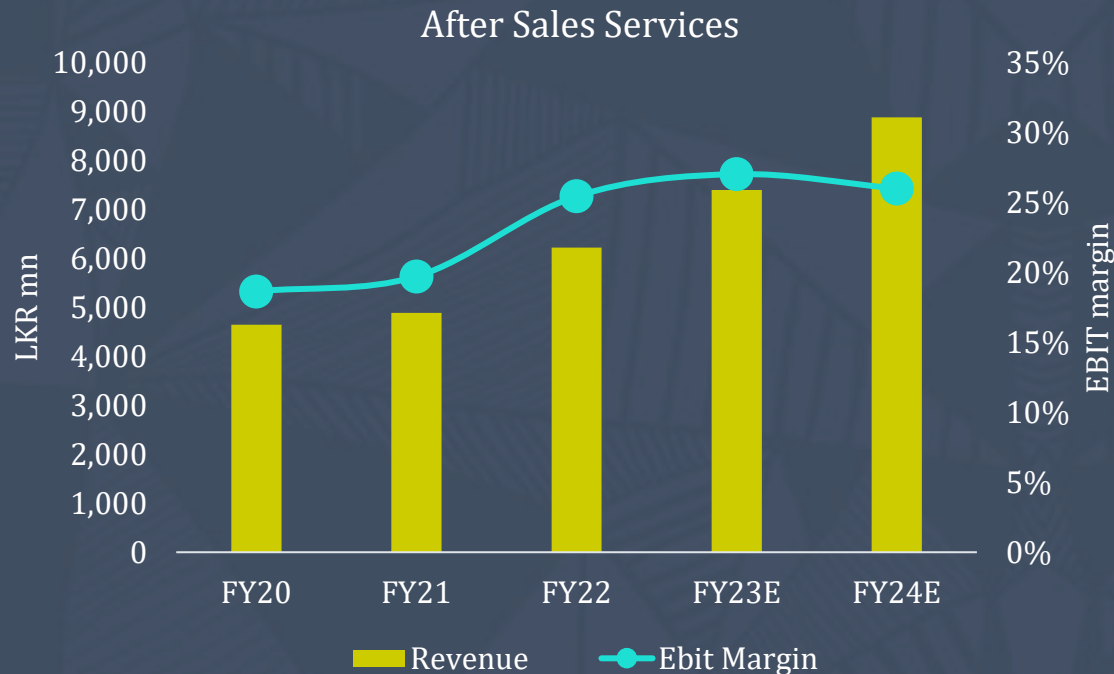


*United DIMO Company Limited formed with a 70% take in Nov 2017*

The shift to the rental model may be beneficial in the long run, hedging the business risk, whilst also building an alternate revenue stream that may be capitalized on even after vehicle sales resume.

# After Sales Service: A strong stable growth on the back of lower imports and the resale model, with price revisions driving margins.

The After Sales segment is forecasted to maintain a sustainable revenue growth of 10-15% in the medium term, whilst margins shift from the c.20% range to the c.25% range going forward.



The after-sales service arm is expected to see a strong sustainable growth in the medium term, followed by a more rapid growth in the medium term once imports resume and the DIMO-Batta factory reaches its capacity.



## Vehicles: A Sleeping Giant

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Import restrictions result in a subdued short to medium term outlook

# A Sleeping Giant – Import restrictions may continue in the mid term, a damper on the group’s potential until the assembly plant

## 1 - The Import Bans

*The import bans have clamped the brakes on DIMO’s main line of business, vehicle imports, however this has enabled the company to successfully diversify its product portfolio*

## 2 - The Re-sale Model

*The resale model has been the saving grace of the vehicle segment, as DIMO enters the used vehicle market offering DIMO Certified Pre-owned Vehicles.*

## 3 - The DIMO-Batta Plant

*DIMO has invested in a vehicle assembly plant in Sri Lanka with the capacity to assemble 900 DIMO-Batta lorries per year. This would help boost performance post FY23.*

## 4 - A Sleeping Giant

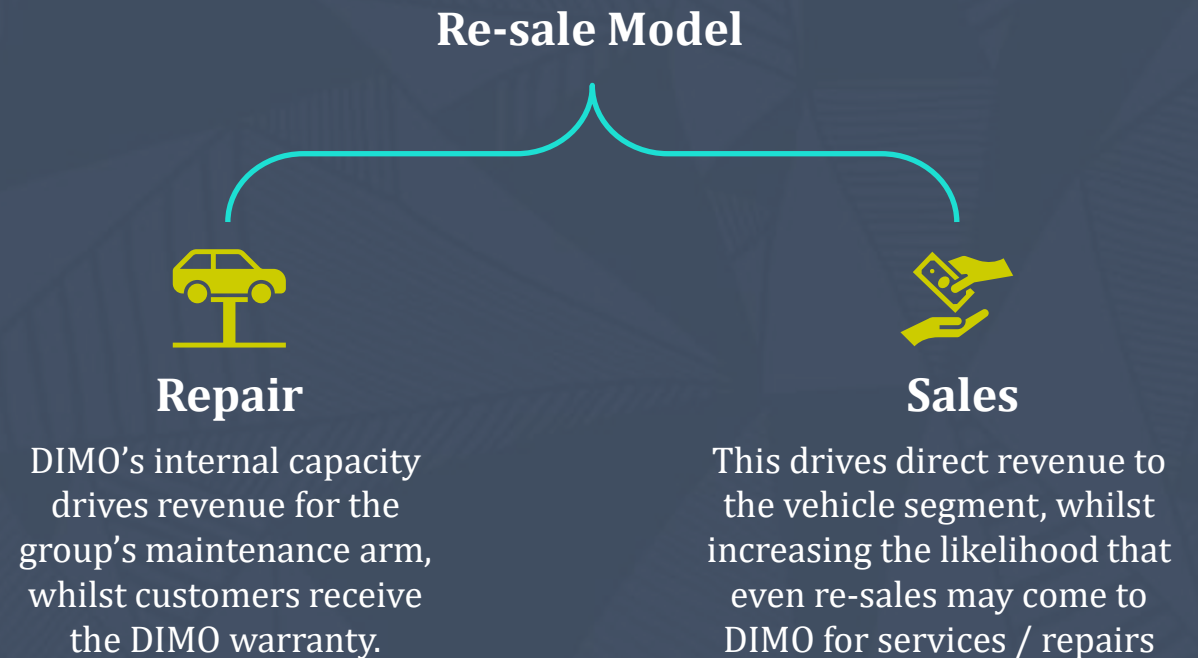
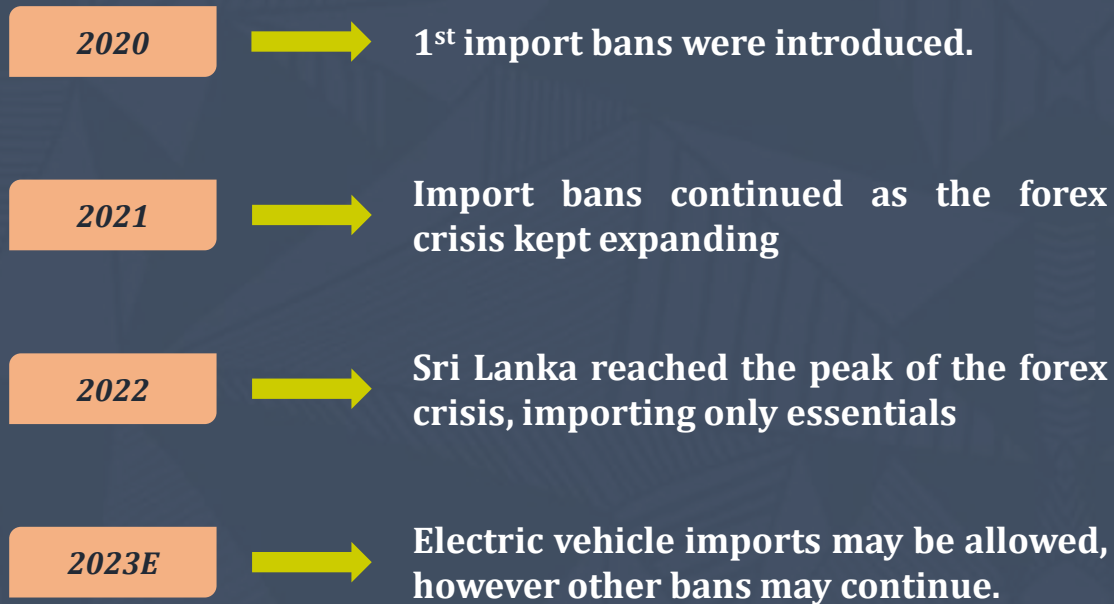
*As the group currently grows its other segments, the reversal of the import ban may boost vehicle segment performance in the long run.*



# The Re-sale Switch: DIMO has successfully diverted its attention to release amidst the import bans, generating LKR 5.4bn in FY22

Import bans and new allowance for electric three-wheelers and bikes...

...while the resale model helps drive revenues amidst the assurance of the DIMO certification



The shift to the resale model may be beneficial in the long run, hedging the business risk, whilst also building an alternate revenue stream that may be capitalized on even after imports resume.

# The Capacity Expansion: A 300 vehicle pa DIMO-batta factory was set up in Q2 FY23, and will increase to 900 vehicles pa by end FY23E

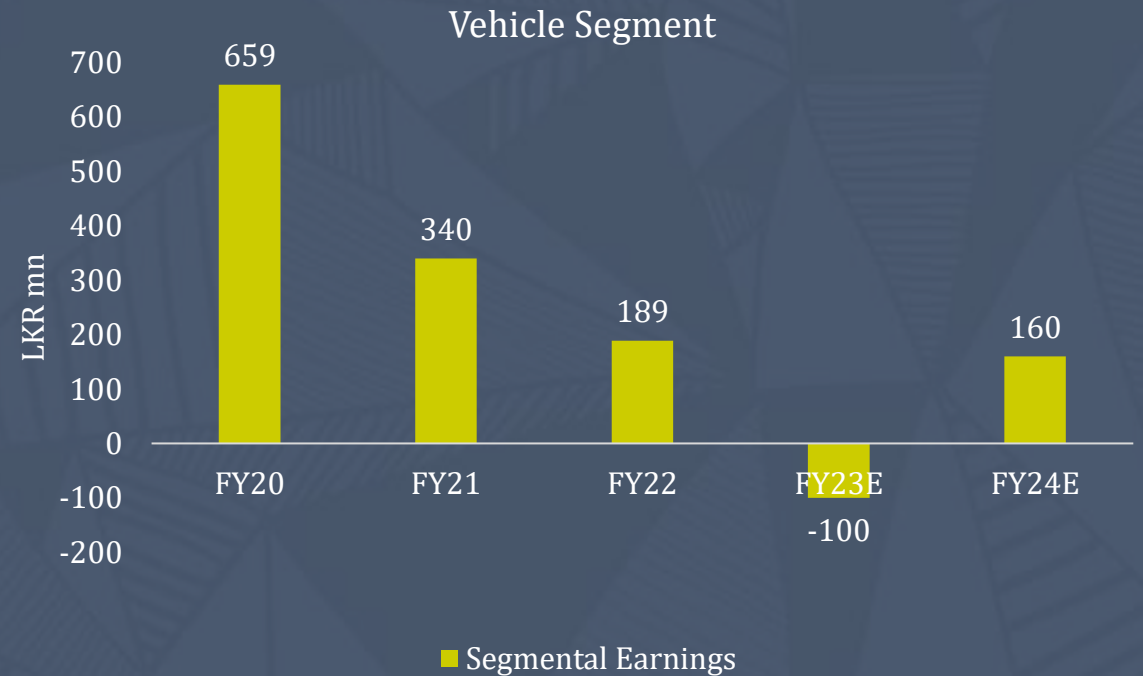
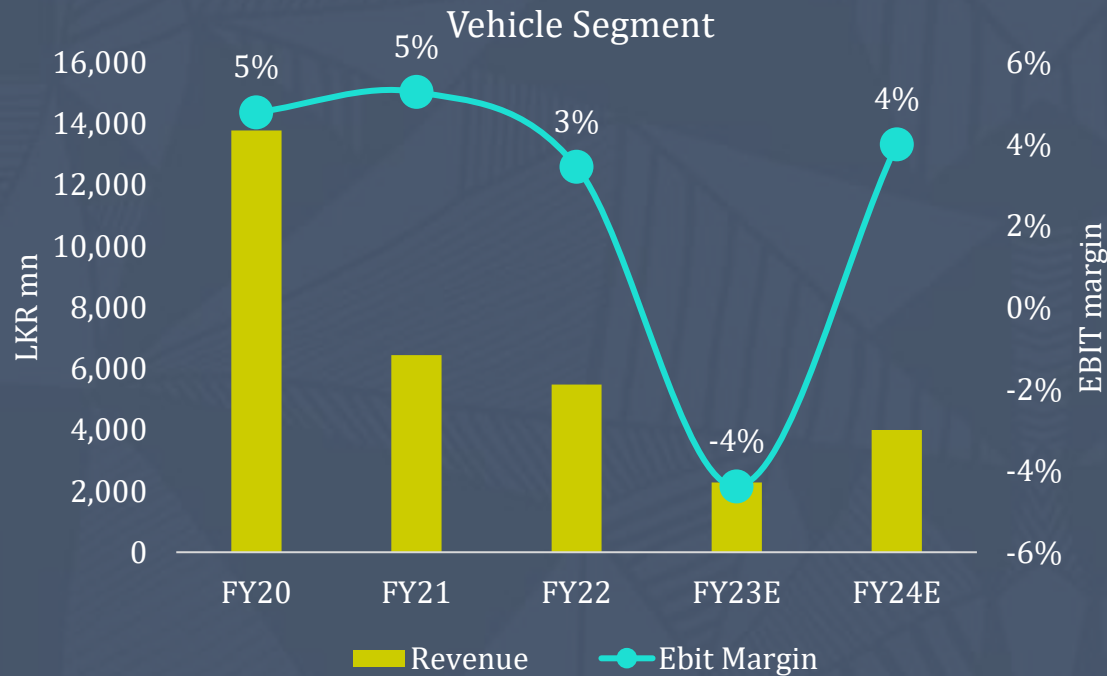
A 900-unit pa local assembly line was launched this year, however the current capacity is c. 300 vehicles pa and this will gradually increase 2x over to reach its 900-vehicle pa peak capacity.



The assembly line has the capacity to generate LKR 3bn in fresh revenue for the company by FY24E and may be a key catalyst in the recovery of the vehicle sales segment in the medium term.

# The Vehicle Overview: A sleeping giant building a pent-up demand with each passing day, waiting for a green light to capitalize its potential

The vehicle segment is forecasted to enjoy a c. 101% YoY growth in FY23E EBIT due to margin expansions, whilst revenue growth remains at a more conservative range of around 16%



The vehicle segment is expected to witness a 100% YoY growth in FY24E driven by the DIMO-Batta factory, which may also be the saving grace for the upcoming FY23E in terms of a margin recovery enabling the segment to break even by Q4 FY23.



## Retail: The Volatile Segment

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Whilst local tyre manufacturing takes off, consumer electronics may decline

# The Volatile Segment – The tyre distribution may be the saving grace for the sector whilst kitchen appliances decline.

## 1 - Local Tyre Production

*The launch of locally manufactured three-wheel / bike tyres as well as off-road tyres to thrive amidst import constraints, whilst other vehicle spares and accessories' demand continues.*

## 2 - The Inflation Boost

*The sharp levels of inflation on a MoM basis allows DIMO to reprice its inventory sourced at lower prices, getting a short-run boost in margins that would help negate impact of low volumes.*

## 3 - The Kitchen Crunch

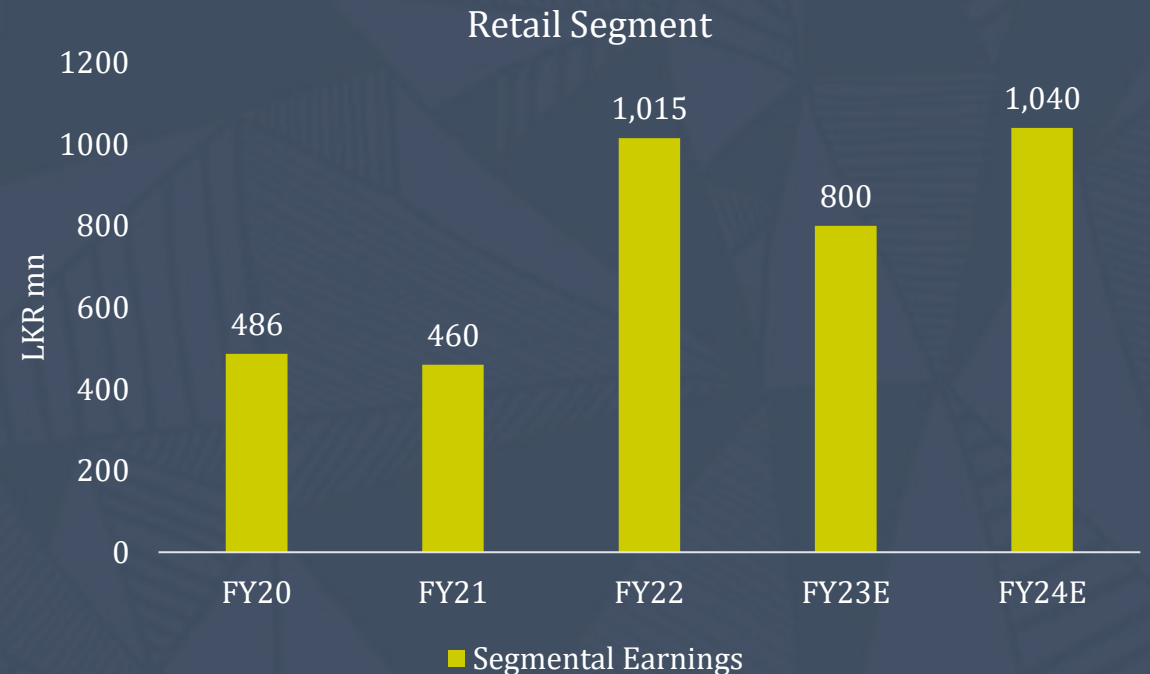
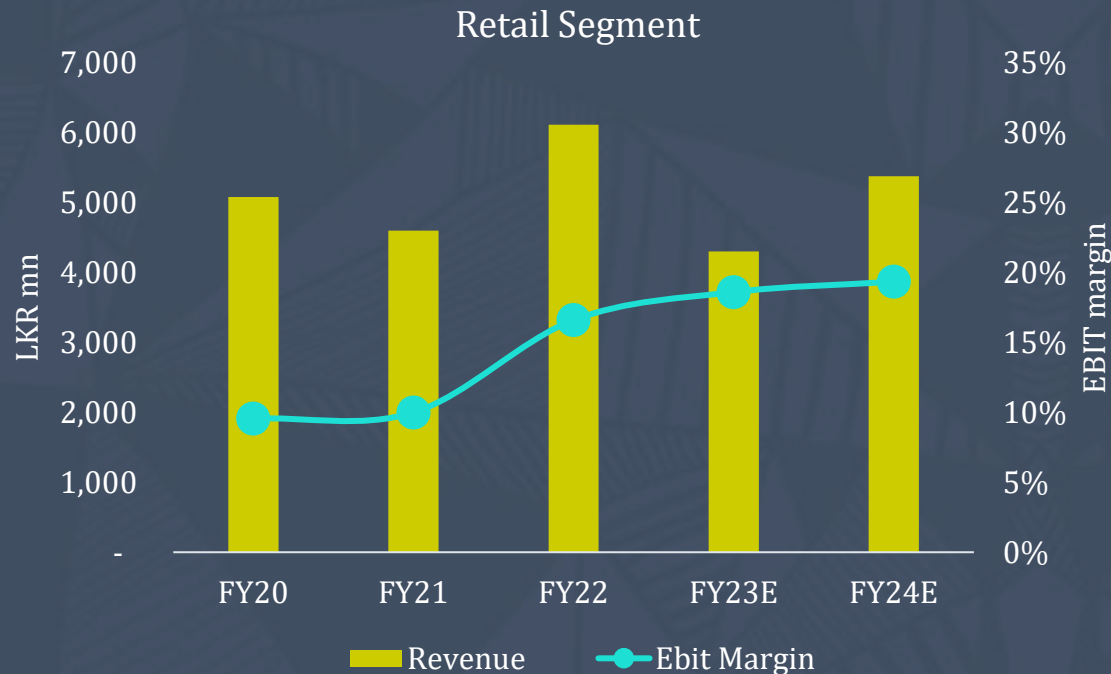
*The kitchen utensil demand such as Black & Decker products may remain muted as import restrictions kick in, however with the IMF agreements in place this should recover by mid 2023.*

## 4 - The Long Game

*The retail sector remains volatile in the short run amidst the harsh economic conditions, but it may bounce back strong at the point of a recovery, potentially prior to the vehicle recovery.*

# The Retail Overview: Tyres and essential parts for vehicles may continue whilst non-essentials dip in revenues and profitability

The Retail segment is forecasted to decline by c. 20% YoY in FY23E EBIT due to revenue constraints, with a potential recovery post FY23E



The retail segment is expected to see a sluggish growth in the medium terms owing to volatility in import laws and the forex crisis, however locally manufactured tyres may be the key growth driver during this period.



## Construction/Logistics: A Rental Model

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A new rental model for heavy machinery to be the way forward for DIMO

# The Rental Model – With the construction sector significantly lagging behind, machinery rentals may drive medium-term performance

## 1 - The Construction Lag

*With many construction projects on hold over the past year and contractors unable to complete projects due to raw material shortages and price hikes, a pent-up demand is being built*

## 2 - A Market Creation

*Furthermore, the strong inflationary pressures on other raw materials and construction costs make it difficult for contractors to buy equipment, creating a market for rentals*

## 3 - Rentals for the Win

*Being one of the key importers and distributors of heavy machinery with a 30% market share in earth moving and compaction equipment, DIMO is the perfect rental agent*

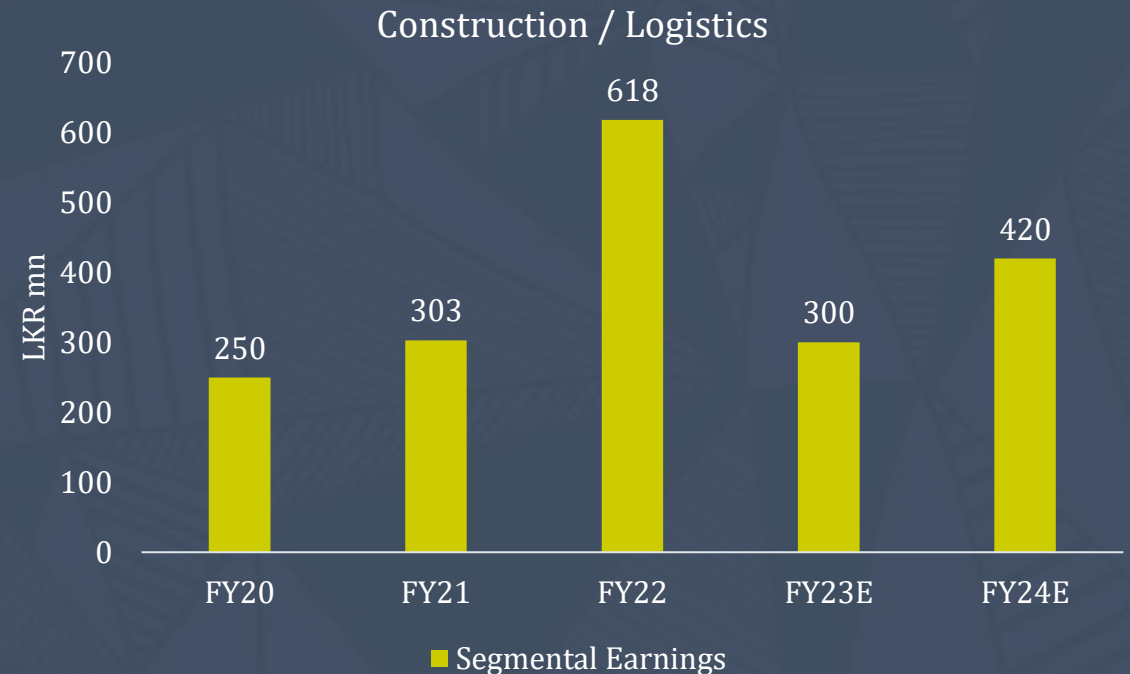
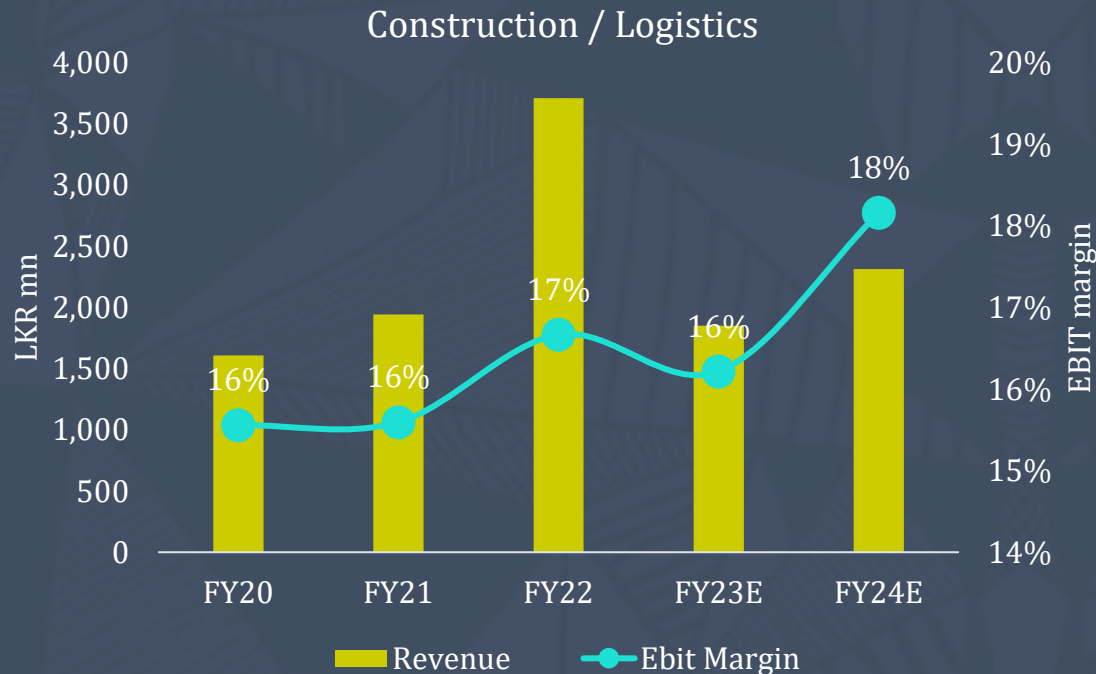
## 4 - A Parallel Revenue

*With the further diversification into the subset of the rental business, the group stands to create a parallel revenue stream that may continue even once imports resume*



# The Construction Overview: Earnings to normalise in FY23E, whilst the success of the rental model would be the key catalyst for growth

The construction and logistics segment is forecasted to decline by c. 51% YoY in FY23E EBIT due to margin pressures, in line with the growth constraints faced by the construction sector



The construction segment is expected to see growth moderating in FY23, due to the decline in construction and related activity, as such, we maintain a conservative stance for FY23E expecting a decline in earnings by over 50%.



## Engineering: A One-stop Shop

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From water/electrical installations, to medical products, to marine solutions

**A One-stop Shop** – The sector caters to a diverse array of engineering solutions, diversifying further to reduce exposure to state contracts.

## 1 - The Medical Need

*With many construction projects on hold over the past year and contractors unable to complete projects due to raw material shortages and price hikes, a pent-up demand is being built*

## 2 - A Renewables Story

*Furthermore, the strong inflationary pressures on other raw materials and construction costs make it difficult for contractors to buy equipment, creating a market for rentals*

## 3 - A 2tn Water Project

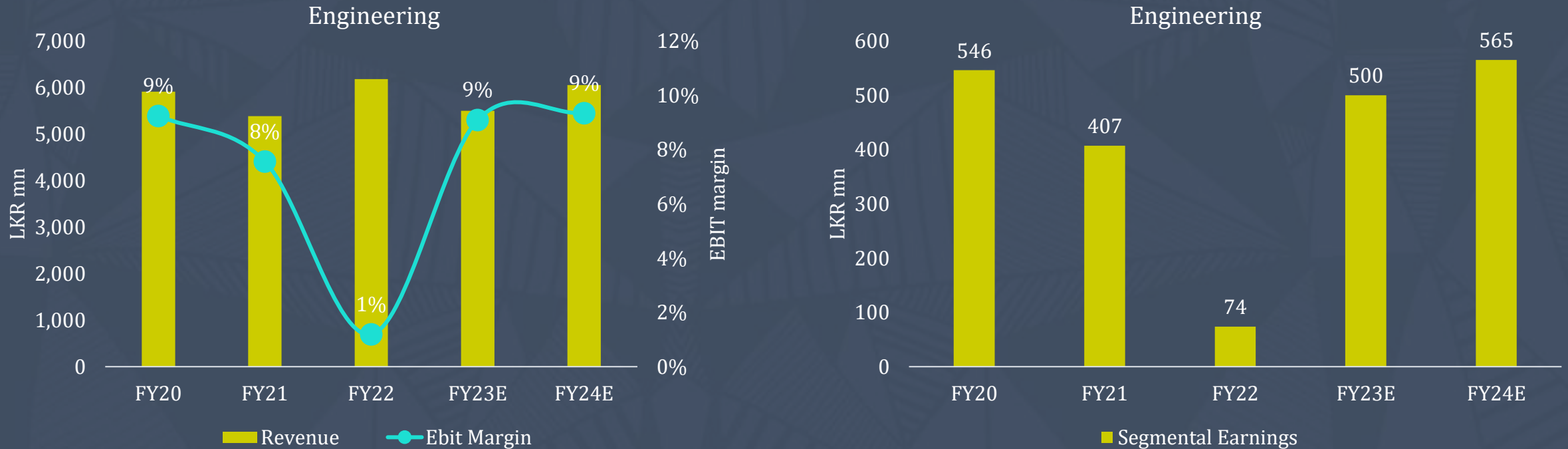
*Being one of the key importers and distributors of heavy machinery with a 30% market share in earth moving and compaction equipment, DIMO is the perfect rental agent*

## 4 - A Parallel Revenue

*With the further diversification into the subset of the rental business, the group stands to create a parallel revenue stream that may continue even once imports resume*

# The Engineering Overview: A strong earnings recovery, following a dip in FY22 owing to an unforeseen spike in sourcing costs

The vehicle segment is forecasted to enjoy a c. 575% YoY growth in FY23E EBIT due to a margin recovery, whilst revenue growth may be slow given the economic uncertainties



The Engineering segment revenues are expected to moderate around the LKR 5.5-6.0 bn range whilst the lack of the one-off losses help usher in a recovery in terms of margins and earnings.



## The Company in Numbers

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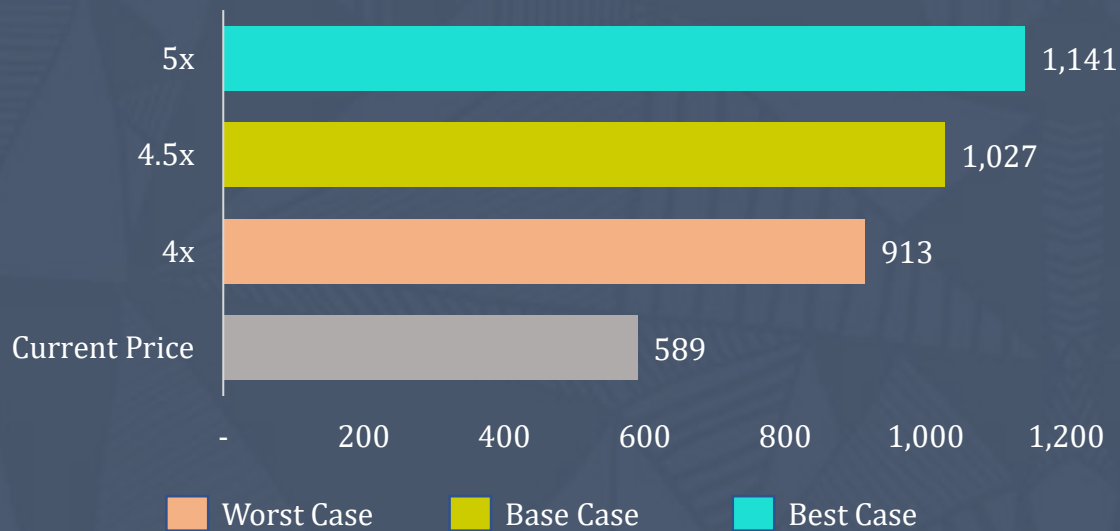
DIMO is expected to generate a c. 84% total return with a TP of LKR 1,027/share

# Diesel and Motor Engineering PLC – BUY: DIMO offers a 74% upside at just 4.5x Fwd PER, with a dividend yield of 10% generating a total return of 84%

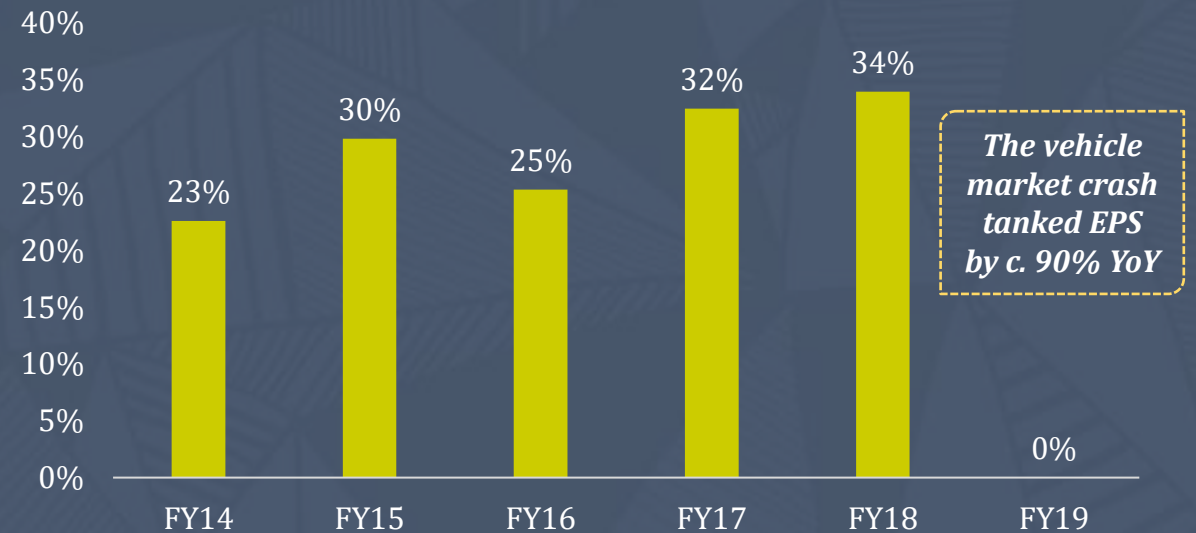
A PER multiple indicates a valuation of LKR 1,027 which is on a base case valuation of 4.5x forward PER multiple

DIMO has maintained a strong dividend policy during the pre-covid era, with payouts reaching 34%

Potential Share price

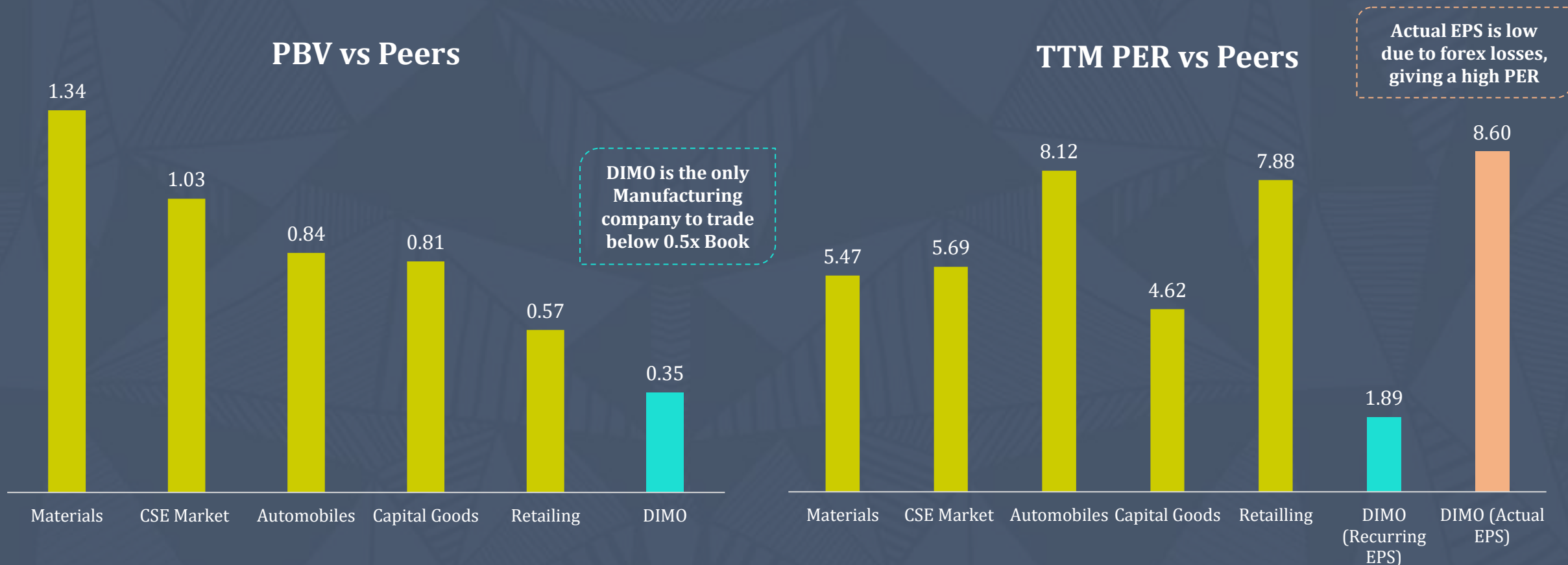


Historical Dividend Payout Ratio



DIMO has maintained a strong dividend payout historically, with a payout ranging from 23% - 34% over the past few years. We believe that DIMO would be able to sustain a c.25% payout going forward due to its strong performance expectations.

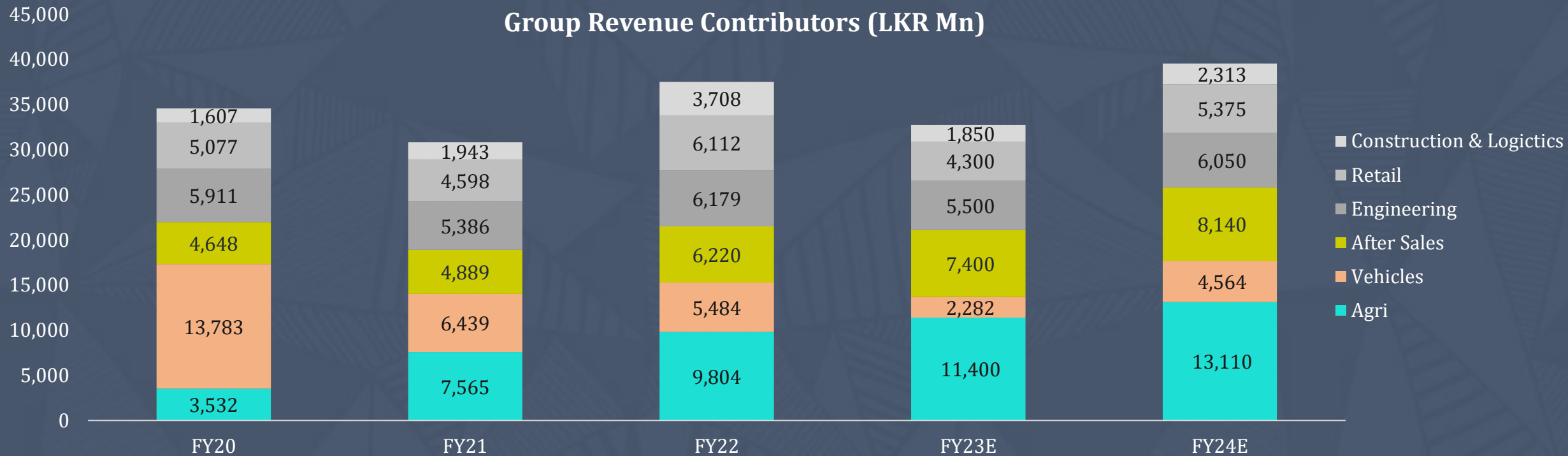
DIMO trades at a PBV of 0.35x which is at a significant discount to its comparable peers and the CSE. Whereas PER is artificially high due to one-off exchange losses which will not be applicable in 2Q FY23.



DIMO's recurring EPS is a calculation done to showcase the earnings potential of the company, barring a one-off impact arising from imports budgeted for at around LKR200/USD which was realised after the currency crash.

# The agri segment is the main growth driver, with a major advantage due to the shortage driven price hikes, whilst after sales remains a cash cow

The inflationary impact on retail prices would also boost revenue across the board compared to FY22, however certain shortage driven spikes may taper off in FY24E

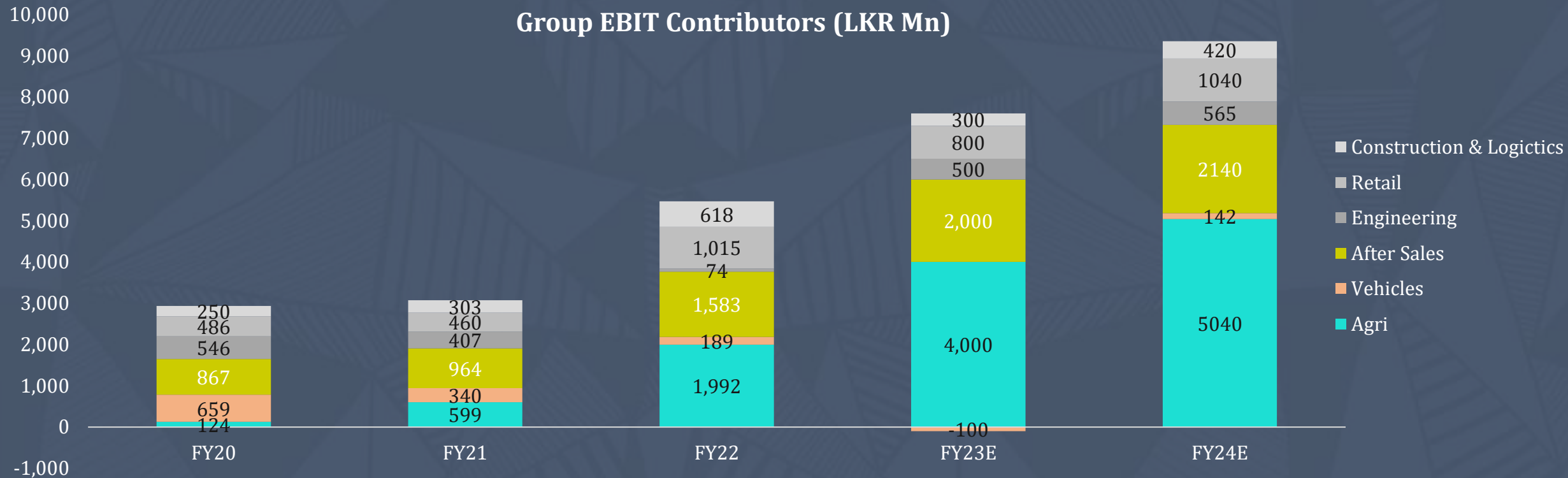


The agri segment is expected to continue its overall growth trajectory alongside the after-sales segment, whilst vehicles hit an all time low in FY23E, followed by a marginal recovery thereafter in FY24E.



# The high margins in the agri segment is expected to double its EBIT contribution in FY23E, whilst volumes kick in by FY24E

The fertilizer retail price hike driven margin improvements may reduce in FY24E, however this will be negated for crop solutions due to a volume growth

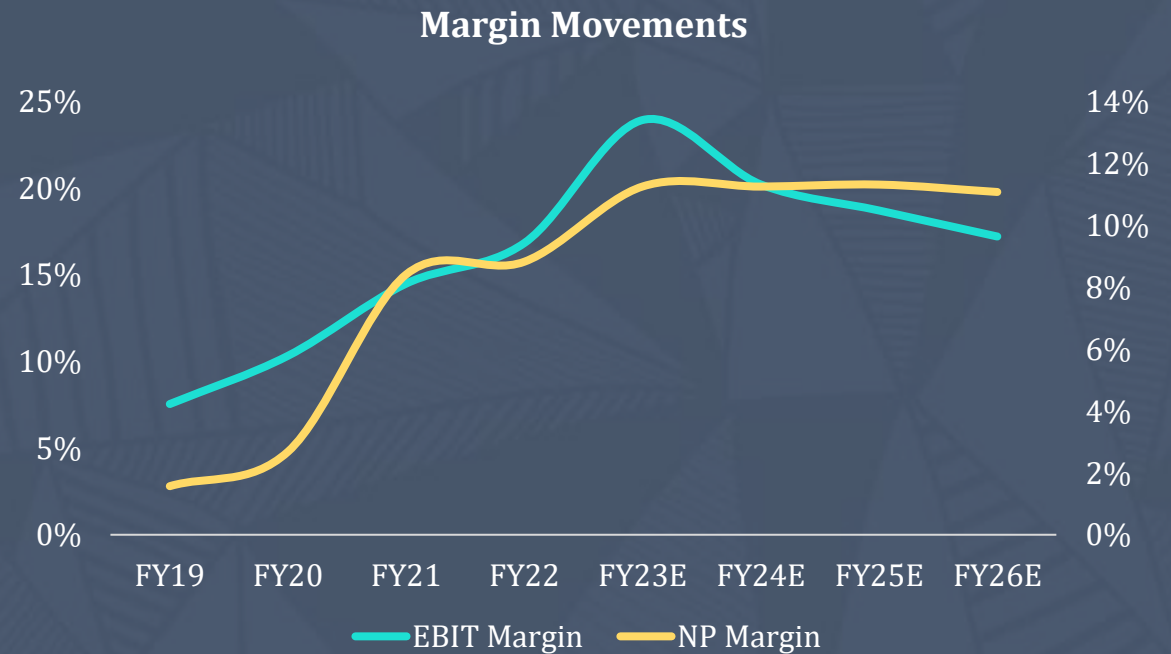
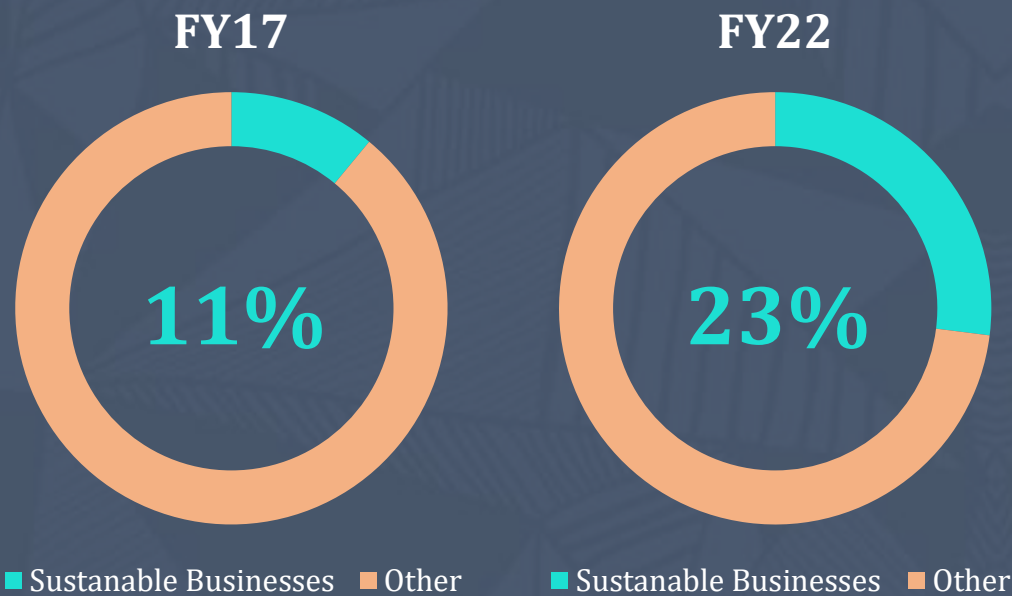


From an earnings standpoint, the agri segment is expected to dominate the pack as the main contributor whilst vehicles attempts to break even in the medium term. However, the lack of imports would make after-sales a key growth driver.

# Agri to drive growth in FY23, whilst vehicles may recover post FY23 via the assembly line, generating a strong growth trajectory for DIMO

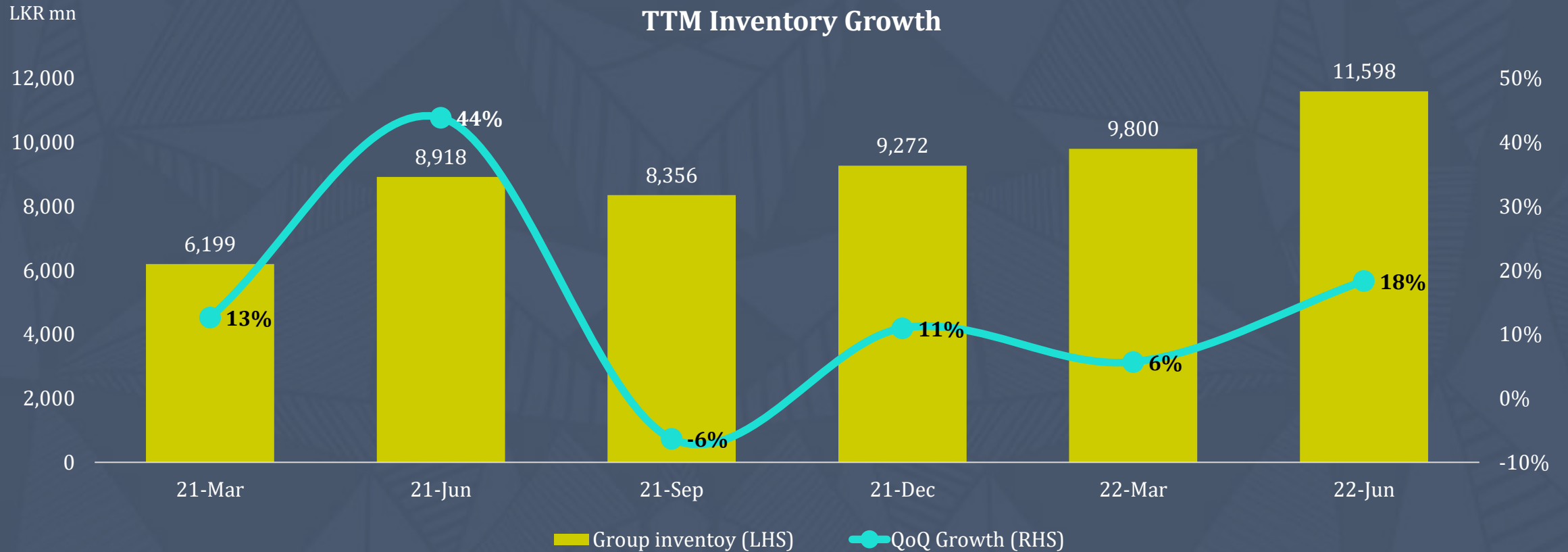
Sustainable businesses to be the way forward as per management reports, implying an added focus on agri

EBIT Margins to peak in FY23E owing to the sharp price increases of fertilizer, food and industrial goods



The peak in FY23E margins may not be sustainable as it is due to the current crisis driven shortages that have sent prices to astronomical levels. However, despite the expected normalizing of prices, volume growth may come with an economic recovery

# Ready To Grow: DIMO has been able to continuously source inventory despite the dollar shortage, providing some assurance of short-term revenue stability



DIMO has managed to build up on their inventory despite dollar shortages and difficulties in opening LCs which ensures short term performance.



# The Financial Statements

Forecasting the future

# Financial Statements – Income statement

INCOME STATEMENT (YE Mar/LKR mn)	FY19	FY20	FY21	FY22	FY23E	FY24E	FY25E
<b>Revenue</b>	<b>34,385</b>	<b>30,819</b>	<b>37,507</b>	<b>32,732</b>	<b>39,552</b>	<b>43,507</b>	<b>34,385</b>
Cost of sales	27,053	23,352	27,644	17,578	23,613	27,280	27,053
<b>Gross profit</b>	<b>7,332</b>	<b>7,467</b>	<b>9,864</b>	<b>15,154</b>	<b>15,939</b>	<b>16,227</b>	<b>7,332</b>
Other operating income	158	119	220	286	344	361	158
Selling and distribution expenses	(687)	(772)	(498)	(597)	(657)	(690)	(687)
Impairment reversal/(loss) on trade receivables	(323)	(158)	(117)	(88)	(66)	(49)	(323)
Administrative expenses	(5,032)	(5,276)	(6,056)	(7,873)	(8,660)	(9,093)	(5,032)
<b>Operating profit</b>	<b>1,448</b>	<b>1,379</b>	<b>3,413</b>	<b>6,883</b>	<b>6,899</b>	<b>6,756</b>	<b>1,448</b>
Finance income	238	93	56	169	203	243	238
Finance costs	(1,390)	(734)	(2,320)	(3,744)	(3,370)	(3,033)	(1,390)
<b>Net finance costs</b>	<b>(1,152)</b>	<b>(640)</b>	<b>(2,264)</b>	<b>(3,575)</b>	<b>(3,167)</b>	<b>(2,790)</b>	<b>(1,152)</b>
Share of results of equity-accounted investees (net)	(16)	(19)	16	11	11	11	(16)
<b>Profit before tax</b>	<b>279</b>	<b>720</b>	<b>1,165</b>	<b>3,318</b>	<b>3,743</b>	<b>3,977</b>	<b>279</b>
Tax Expense	(78)	(184)	(311)	(796)	(1,123)	(1,193)	(78)
<b>Profit for the period</b>	<b>201</b>	<b>536</b>	<b>854</b>	<b>2,522</b>	<b>2,620</b>	<b>2,784</b>	<b>201</b>
<b>EPS</b>	<b>6</b>	<b>21</b>	<b>53</b>	<b>76</b>	<b>228</b>	<b>237</b>	<b>252</b>



D



E



# The Annexures

On the shelf



# Glossary of Terms

Agri	Agriculture	EBITDA	Earnings Before Interest, Taxes, Depreciation, and Amortization
DIMO	Diesel and Motor Engineering PLC	PER	Price Earnings Ratio
BUY	Total return may exceed 15% over the next 12 months	PBV	Price to Book Value
GICS	Global Industry Classification Standard	CAGR	Compound Annual Growth Rate
GoSL	Government of Sri Lanka	ROE	Return On Equity
CBSL	Central Bank of Sri Lanka	ROA	Return On Assets
MMT	Modern Monetary Theory		
CIDA	Construction Industry Development Authority		
BOP	Balance of Plant		
CCPI	Colombo Consumer Price Index		
NCPI	National Consumer Price Index		
BCI	Bath Curry Index		
TTM	Trailing Twelve Month		
USD	United States Dollar		
LKR	Sri Lankan Rupee		
AWFDR	Average Weighted Fixed Deposit Rate		
EBIT	Earnings Before Interest and Tax		

# Paddy Cultivation: Dry Zone

## Recommended paddy varieties

### 2 ½ Month (days 80 ± 5) variety

Bg 250	Average yeild 1200-1400/Kg/Ac Suitable for late planting
Bg 251 GSR	Average yeild 1200-1400/Kg/Ac Suitable for water shortage paddy lands

### 3 Month (days 90 ± 5) variety

Bg 300	Average yeild 1400-1600/Kg/ac
Bg 304	Average yeild 1200-1400/Kg/ac
Bg 310	Average yeild 1400-1600/Kg/ac Resistant to Salinity

### 3 ½ Month (days 105 ± 5) variety

Bg 352	Average yeild 1600-1800/Kg/ac
Bg 358	Average yeild 1400-1600/Kg/ac
Bg 359	Average yeild 1600-1800/Kg/ac
At 367	Average yeild 1600-1800/Kg/ac
At 369	Average yeild 1600-1800/Kg/ac Resistant to Salinity

## Seed Paddy Requirement Kg/ac

Broadcasting -	Medium Elongate & elongate (Nadu)	40
	Round Short Shape (Samba)	30
Planting -	Medium Elongate & elongate (Nadu)	20
	Round Short Shape (Samba)	15
Seeding Broadcasting (parachute)		12

## Fertilizer Recommendation (kg/ac)

Time Duration	Urea	T.S.P	M.O.P
<b>For 2½ Month Variety</b>			
Broadcasting time (basal fertilizer)			14
10 Days after broadcasting	12		
25 Days after broadcasting	26		10
35 Days after broadcasting	20		14
40 Days after broadcasting	12		
<b>Total</b>	<b>70</b>	<b>14</b>	<b>24</b>
<b>For 3 Month Variety</b>			
Broadcasting/planting (basal fertilizer)			14
2 weeks after broadcasting/2 weeks after planting	12		
4 weeks after broadcasting/3 weeks after planting	26		10
6 weeks after broadcasting/5 weeks after planting	20		14
7 weeks after broadcasting/6 weeks after planting	12		
<b>Total</b>	<b>70</b>	<b>14</b>	<b>24</b>
<b>For 3½ Month Variety</b>			
Broadcasting/planting (basal fertilizer)			14
3 weeks after broadcasting/2 weeks after planting	12		
5 weeks after broadcasting/4 weeks after planting	26		10
7 weeks after broadcasting/6 weeks after planting	20		14
8 weeks after broadcasting/7 weeks after planting	12		
<b>Total</b>	<b>70</b>	<b>14</b>	<b>24</b>



# Paddy Cultivation: Wet Zone

## Recommended paddy varieties

### 2 ½ Month (days 80 ± 5) variety

Bg 250	Average yeild 1200-1400/Kg/Ac Suitable for late planting
Bg 251 GSR	Average yeild 1000-1200/Kg/Ac Suitable for late planting

### 3 Month (days 90 ± 5) variety

Bg 300	Average yeild 1200-1400/Kg/ac
Bg 272-6b	Average yeild 1000-1200/Kg/Ac Suitable for marsh lands
Bg 310	Average yeild 1200-1400/Kg/ac Resistant to Salinity

### 3 ½ Month (days 105 ± 5) variety

Bg 359	Average yeild 1400-1600/Kg/ac
Bw 361	Average yeild 1200-1400/Kg/ac
At 362	Average yeild 1600-1800/Kg/ac
Ld 365	Average yeild 1200-1400/Kg/ac
Bw 367	Average yeild 1400-1600/Kg/ac
Bw 372	Average yeild 1400-1600/Kg/ac

### 4 - 4 ½ Month (days 120-135 ± 5) variety

Bg 379-2	Average yeild 1600-1800/Kg/ac
Bg 455	Average yeild 1400-1600/Kg/ac Resistant to flooding

## Seed Paddy Requirement Kg/ac

Broadcasting -	Medium Elongate & elongate (Nadu)	40
	Round Short Shape (Samba)	30
Planting -	Medium Elongate & elongate (Nadu)	20
	Round Short Shape (Samba)	15
Seeding Broadcasting (parachute)		12

## Fertilizer Recommendation (kg/ac)

Time Duration	Irrigated			Rainfed		
	Urea	T.S.P	M.O.P	Urea	T.S.P	M.O.P
<b>For 2½ Month Variety</b>						
Broadcasting time (basal fertilizer)			14			22
10 Days after broadcasting	8			10		14
25 Days after broadcasting	22		10	12		18
35 Days after broadcasting	18		10	10		12
40 Days after broadcasting	8			8		
<b>Total</b>	<b>56</b>	<b>14</b>	<b>24</b>	<b>40</b>	<b>22</b>	<b>44</b>
<b>For 3 Month Variety</b>						
Broadcasting/planting (basal fertilizer)			14			22
2 weeks after broadcasting/2 weeks after planting	8			10		14
4 weeks after broadcasting/3 weeks after planting	22		10	12		18
6 weeks after broadcasting/5 weeks after planting	18		10	10		12
7 weeks after broadcasting/6 weeks after planting	8			8		
<b>Total</b>	<b>56</b>	<b>14</b>	<b>20</b>	<b>40</b>	<b>22</b>	<b>44</b>
<b>For 3½ Month Variety</b>						
Broadcasting/planting (basal fertilizer)			14			22
3 weeks after broadcasting/2 weeks after planting	8			10		14
5 weeks after broadcasting/4 weeks after planting	22		10	12		18
7 weeks after broadcasting/6 weeks after planting	18		10	10		12
8 weeks after broadcasting/7 weeks after planting	8			8		
<b>Total</b>	<b>56</b>	<b>14</b>	<b>20</b>	<b>40</b>	<b>22</b>	<b>44</b>

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