

CIRCULAR TO SHAREHOLDERS

76TH ANNUAL GENERAL MEETING OF THE COMPANY

Dear Shareholder/s,

Taking into consideration the current regulations/restrictions prevailing in the country due to the COVID 19 pandemic, the Board of Directors of the Diesel & Motor Engineering PLC has decided to hold the 76th Annual General Meeting (AGM) as a virtual Meeting on 28th June, 2021 at 9.00 a.m., in line with the guidelines issued by Colombo Stock Exchange (CSE) for hosting of virtual/hybrid AGMs and on the assumption that no curfew will be in force on that date and that there would be no restrictions imposed by the authorities on conducting meetings. The Board of Directors and the Company Secretary will be physically present at DIMO 800, Sirimavo Bandaranaike Mawatha, Colombo 14. Auditors and Registrars to the company would join the meeting either by being physically present or virtually, depending on the country's situation.

Shareholders will only be able to participate in the AGM by virtual means via the designated online platform. The shareholders and proxy holders who wish to participate virtually, should forward the dully filled "Shareholder/proxy holder virtual AGM Registration Form" together with a copy of the National Identity Card or Passport of the Shareholder/Proxy holder (if a Proxy is appointed) to agm@dimolanka.com not less than seventy two (72) hours prior to the date of the AGM in order to enable the Company to share the relevant meeting login information. DIMO will verify identification details received with the shareholders' register and accept the registrations for the AGM. Once the registration is accepted, shareholders will receive an email confirmation acknowledging the registration. Full instructions for the use of platform, voting and using the chat function will be shared with the registered shareholders.

The login information will be authorised only for the use by individual shareholders, proxy holders and authorised representatives in the case of institutional shareholders. The Company will not be responsible or liable for misuse of the login details provided to the shareholder or proxy holder, as the case may be. Where the proxy holders are concerned, please note that the login information will only be shared with those in whose favour a valid proxy has been submitted by the shareholder.

Voting in respect of the items of business of the Agenda will be registered by using an online platform or a designated ancillary online application. The relevant procedure will be explained to the shareholders prior to the commencement of the meeting.

Shareholders who wish to submit their forms of proxy should duly complete the same as per the instructions given therein. The duly completed forms of proxy should be deposited at the Registered Office of the Company at No.65, Jetawana Road, Colombo 14 or forwarded by email to agm@dimolanka.com in order to enable the Company to receive the same not less than seventy two (72) hours prior to the time appointed for the holding of the AGM.

If shareholders are unable to participate at the meeting virtually, they are encouraged to appoint the Chairman or a Director as their proxy, having marked their preferences in respect of the agenda items.

All Shareholders could send in their queries/ questions, if any, to agm@dimolanka.com before twenty-four hours (24) of the commencement of the meeting.

The Shareholders are advised to login to the meeting by 8.45 a.m.

This year, the Annual Report and Financial Statements of the Company are available on the

1. Corporate Website of Diesel & Motor Engineering PLC - <https://www.dimolanka.com/wp-content/uploads/2021/05/AR-2020-2021.pdf>
2. Colombo Stock Exchange – <https://www.cse.lk/pages/company-profile/company-profile.component.html?symbol=DIMO.N0000>



The Annual Report and Financial Statements of Diesel & Motor Engineering PLC for 2020/21 can also be accessed by scanning the QR code above.

Should Shareholders wish to obtain a hard copy of the Annual Report, they may send a written request to the registered office of the Company by filling the request form attached herein. A copy of the Annual Report will be forwarded by the Company within eight (8) market days from the date of receipt of the request.

Below mentioned documents are attached herewith

1. Notice of meeting
2. Form of Proxy
3. Request note for the hard copy of the Annual Report
4. Shareholder/Proxy holder virtual AGM Registration Form
5. Virtual AGM Procedures

For any query with regard to the virtual/Hybrid AGM, please contact Mr. Thilanka Udara on 074-0772177 or Mr. Minura Hemachandra on 078-9044094, during office hours.

By Order of the Board

Signed by

A handwritten signature in black ink, appearing to read 'B.C.S.A.P. Gooneratne', written over a horizontal line.

B.C.S.A.P. Gooneratne
Secretary

28th May 2021
Colombo

NOTICE OF MEETING

NOTICE is hereby given that the 76th Annual General Meeting of **DIESEL & MOTOR ENGINEERING PLC** will be held at the DIMO 800, Sirimavo Bandaranaike Mawatha, Colombo 14 to be convened through an “online virtual” platform by using “audio-visual” tools on 28th June 2021 at 9.00 a.m. and the business to be brought before the meeting will be:

Agenda

1. To receive and consider the Audited Financial Statements for the Year Ended 31st March 2021, the Report of the Auditors and the Annual Report of the Board of Directors for the said year.
2. Directors
 - (i) To re-elect Mr. Mudiyanseelage Vijitha Bandara, Director, who retires by rotation in terms of Article 66 of the Association of the Company.
 - (ii) To re-elect Dr. Harsha Cabral, Director, who retires by rotation in terms of Article 66 of the Association of the Company.
 - (iii) To re-elect Mr. Bodiyaabaduge Charindra Suresh Alexius Perera Gooneratne, Director, who retires by rotation in terms of Article 66 of the Articles of Association of the Company.
 - (iv) To re-elect Mr. Aruna Gahanath Pandithage, Director, who retires by rotation in terms of Article 66 of the Articles of Association of the Company.
 - (v) To elect Mr. Jayantha Michael De Silva, Director, who retires in terms of Article 71 of the Articles of Association of the Company.
 - (vi) To re-appoint as a Director Mr. Asoka Ranjith Pandithage, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No.7 (the Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Act, in relation to his re-appointment.

“RESOLVED THAT Mr. Asoka Ranjith Pandithage, who is over the age of 70 years be and is hereby re-appointed a Director of the Company and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr. Asoka Ranjith Pandithage”.

- (vii) To re-appoint as a Director Mr. Sarath Chandrasiri Algama, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No. 7 of 2007 (the Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Act, in relation to his re-appointment.

“RESOLVED THAT Mr. Sarath Chandrasiri Algama, who is over the age of 70 years be and is hereby re-appointed a Director of the Company and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr. Sarath Chandrasiri Algama”.

(viii) To re-appoint as a Director Mr. Abeykumar Mohan Pandithage, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No. 7 of 2007 (the Act).

Notice is hereby given to propose the undernoted Ordinary Resolution in compliance with Section 211 of the Act, in relation to his re-appointment.

“RESOLVED THAT Mr. Abeykumar Mohan Pandithage, who is over the age of 70 years be and is hereby re-appointed a Director of the Company and it is hereby declared that the age limit of 70 years referred to in Section 210 of the Companies Act No. 7 of 2007 shall not apply to the said Mr. Abeykumar Mohan Pandithage”.

3. To re-appoint the retiring Auditors Messrs KPMG, Chartered Accountants, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration.
4. To authorise the Directors to determine contributions to charities.

The profiles of the Directors proposed for re-election are given on the Annual Report.

Notes:

A shareholder is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a shareholder of the Company.

1. A Form of Proxy is enclosed for this purpose. The instrument appointing a proxy must be deposited at Registered Office of the Company at No.65, Jetawana Road, Colombo 14 or forwarded by email to agm@dimolanka.com not less than seventy two (72) hours prior to the time appointed for the holding the AGM, together with the dully filled “Shareholder/Proxyholder virtual AGM Registration Form”

By Order of the Board,

Diesel & Motor Engineering PLC
Company Registration No. PQ-146



B.C.S.A.P. Gooneratne
Secretary

Colombo

28th May 2021

FORM OF PROXY

I/We the undersigned,
of
being a shareholder / shareholders of **DIESEL & MOTOR ENGINEERING PLC**, hereby appoint
.....
of
.....Holder of NIC No.whom failing,

- | | |
|--|--------------|
| Mr. Asoka Ranjith Pandithage | whom failing |
| Mr. Aruna Gahanath Pandithage | whom failing |
| Mr. Sarath Chandrasiri Algama | whom failing |
| Mr. Mudiyansele Vijitha Bandara | whom failing |
| Dr. Harsha Cabral | whom failing |
| Mr. Bodiyaaduge Charindra Suresh Alexius Perera Gooneratne | whom failing |
| Mr. Pushpawela Kankanamge Wijith Mahendra | whom failing |
| Mr. Abeykumar Mohan Pandithage | whom failing |
| Mr. Sri Rama Waidayasekera Mudiyansele Chaminda Ranawana | whom failing |
| Mr. Asite Drupath Bandara Talwatte | whom failing |
| Mr. Jayantha Michael De Silva | |

as my/our* proxy to represent me/us*and to vote and **..... as indicated hereunder for me/us and on my/our behalf at the SEVENTY SIXTH ANNUAL GENERAL MEETING of the Company to be held on Monday 28th June 2021 and at any adjournment thereof, and at every poll which may be taken in consequence thereof. I/We* the undersigned hereby authorise my/our* proxy to vote on my/our* behalf in accordance with the preference indicated below: -

- | | For | Against |
|--|--------------------------|--------------------------|
| 1. To receive and consider the Audited Financial Statements for the Year Ended 31st March 2021, the Report of the Auditors and the Annual Report of the Board of Directors for the said year. | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. To re-elect Mr. Mudiyansele Vijitha Bandara, Director, who retires by rotation in terms of Article 66 of the Association of the Company | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. To re-elect Dr. Harsha Cabral, Director, who retires by rotation in terms of Article 66 of the Association of the Company | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. To re-elect Mr. Bodiyaaduge Charindra Suresh Alexius Perera Gooneratne, Director, who retires by rotation in terms of Article 66 of the Articles of Association of the Company. | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. To re-elect Mr. Aruna Gahanath Pandithage, Director, who retires by rotation in terms of Article 66 of the Articles of Association of the Company | <input type="checkbox"/> | <input type="checkbox"/> |
| 6. To elect Mr. Jayantha Michael De Silva, Director, who retires in terms of Article 71 of the Articles of Association of the Company | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. To re-appoint as a Director Mr. Asoka Ranjith Pandithage, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No.7 (the Act) | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. To re-appoint as a Director Mr. Sarath Chandrasiri Algama, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No. 7 of 2007 (the Act). | <input type="checkbox"/> | <input type="checkbox"/> |

- | | | |
|---|--------------------------|--------------------------|
| 9. To re-appoint as a Director Mr. Abeykumar Mohan Pandithage, who is over the age of 70 years and who vacates his office in terms of Section 210 of the Companies Act No. 7 of 2007 (the Act). | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. To re-appoint the retiring Auditors Messrs KPMG, Chartered Accountants, to hold office until the conclusion of the next Annual General Meeting and to authorise the Directors to determine their remuneration | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. To authorise the Directors to determine contributions to charities | <input type="checkbox"/> | <input type="checkbox"/> |

As witness my/our hand this day of Two Thousand and Twenty One.

.....
Signature of Shareholder

*Please delete as appropriate.

Notes:

If you wish your Proxy to speak at the Meeting you should insert the words “to speak and” in the place indicated with two asterisks () and initial such insertion.**

Please indicate with an “x” in the space provided how your Proxy is to vote. If there is in the view of the Proxy holder doubt (by reason of the way in which the instructions contained in the Proxy have been completed) as to the way in which the Proxy holder should vote, the Proxy holder shall vote as he thinks fit.

A Proxy holder need not be a member of the Company

Shareholders who are unable to participate at the meeting are encouraged to duly complete the form of proxy clearly setting out their preference of vote under each matter set out therein and to appoint a director of the Company to act on their behalf.

As mentioned in the Circular to the shareholders dated 28th May 2021, the 76th AGM will be held as a virtual meeting. Instructions given in the Circular to Shareholder must be followed to join the meeting virtually.

Instructions as to completion appear below.

Instruction as to Completion

1. To be valid this Form of Proxy must be deposited at the Registered Office of the Company at No.65, Jetawana Road, Colombo 14 or forwarded by email to agm@dimolanka.com not less than seventy two (72) hours prior to the time appointed for the holding the AGM, together with the dully filled “Shareholder/ Proxyholder virtual AGM Registration Form”
2. The full name and address of the Proxy holder and of the Shareholder appointing the Proxy holder should be entered legibly in the Form of Proxy.
3. If you wish to appoint a person other than the Chairman or a Director as your Proxy, please insert the relevant details overleaf and initial against this entry.
4. In the case of a Company/Corporation, the proxy must be under its Common Seal, which should be affixed and attested in the manner prescribed by its Articles of Association.
5. If the Proxy Form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed Form of Proxy if it had not being already registered with the Company.

REQUEST LETTER

Finance Division
Diesel & Motor Engineering PLC
No 65
Jethawana Road
Colombi 14

REQUEST FOR A PRINTED VERSION OF THE 2020/21 ANNUAL REPORT OF DIESEL & MOTOR ENGINEERING PLC

With reference to the Circular to Shareholders dated 28th May 2021 we hereby request you to please forward to me/us a printed copy of the Annual Report of the above Company for the Financial Year 2020/21.

Name :

Address :
.....
.....
.....

.....
Signature

.....
Date

Notes:

The Form should be filled legibly, signed and dated.
The completed Form should reach the following address:

Finance Division
Diesel & Motor Engineering PLC
No 65
Jetawana Road
Colombo 14

- In the case of Joint holders, the letter may be executed by the Shareholder whose name is indicated first.
- In the event that the Shareholder is a Company, the letter may be executed under the Common Seal of the Company or by a duly authorised representative.

Date:

SHAREHOLDER/PROXYHOLDER VIRTUAL AGM REGISTRATION FORM

| | | |
|--|---|-------|
| Full name of Shareholder | : | ..... |
| NIC No/ Passport No./ Company Registration No. | : | ..... |
| CDS Account No. | : | ..... |
| Residential Address | : | ..... |
| Telephone No/s | : | ..... |
| Email | : | ..... |
| In the event Proxy holder is appointed by the shareholder following details of his/her's will also be required: | | |
| Full name of Proxyholder | : | ..... |
| NIC No/ Passport No. | : | ..... |
| Telephone No/s | : | ..... |
| Email | : | ..... |

.....
Shareholder Signature

.....
Date

Notes:

- To be valid the dully filled registration form together with a copy of the National Identity Card or Passport of the Shareholder/Proxyholder (if a Proxy is appointed) should be emailed to agm@dimolanka.com not less than seventy two (72) hours prior to the time appointed for the holding the AGM.
- DIMO will verify identification details received with the shareholders' register and accept the registrations for AGM. Once the registration is accepted, shareholders will receive an email confirmation acknowledging the registration. Full instructions for the use of platform, voting and using the chat function will be shared with the registered shareholders.
- Please perfect the Registration Form by filling in legibly your full name, address, email, contact number, signing in the space provided and filling in the date of signature.
- If the Shareholder is a company or corporation, the Form should be executed under its Common Seal or by a duly authorised officer of the company or corporation in accordance with its Articles of Association or Constitution.
- If the registration form is signed by an Attorney, the relevant Power of Attorney or a notarially certified copy thereof, should also accompany the completed registration form if it had not being already registered with the Company.

VIRTUAL AGM PROCEDURES

METHOD OF HOLDING THE AGM

The Board of Directors and the Company Secretary will be physically present at DIMO 800, Sirimavo Bandaranaike Mawatha, Colombo 14. Auditors and Registrars to the company would join the meeting either by being physically present or virtually, depending on the country's situation. All others, including shareholders, will participate via an online meeting hosted on the ZOOM platform. These measures are being adopted to observe "social distancing" requirements to mitigate the dangers of spreading the virus

REGISTRATION PROCEDURE

Those Shareholders and Proxy holders who wish to participate via audio visual conferencing technology means should notify the Company of such intention by completing the REGISTRATION FORM. The duly completed REGISTRATION FORM should be emailed to agm@dimolanka.com, not less than seventy-two (72) hours prior to the date of the AGM in order to enable the Company to share the relevant meeting login information.

PARTICIPATION VIA AN ONLINE MEETING PLATFORM

The login information will be authorized only for the use by individual Shareholders, Proxy holders and authorized representatives in case of Institutional Shareholders and the Company will not be responsible or liable for any misuse. Where the Proxy holders are concerned, please note that the login information will only be shared with those in whose favour a valid proxy has been submitted by the Shareholder. Shareholders can send in their queries, if any, to agm@dimolanka.com twenty-four (24) hours prior to the commencement of the meeting.

Full instructions for the use of platform, voting and using the chat function will be shared with the registered shareholders.

VOTING

Resolutions will pop up in shareholder screen when it's time for voting. Shareholders can vote by selecting their preference & click on the submit button.

(Shareholders must download & save Zoom app in Mobile or PC for voting)