

DIPPED PRODUCTS PLC

INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2020

CORPORATE INFORMATION

LEGAL FORM

A Public Limited Company
Incorporated in Sri Lanka in 1976

COMPANY NUMBER

PQ60

DIRECTORS

Mr. A.M. Pandithage - Chairman
Mr.Ng Soon Huat - Managing Director
Mr. Dhammika Perera
Mr. S.C.Ganegoda
Mr. F. Mohideen
Mr. M. Bottino (Resigned w.e.f May 01, 2020)
Mr. S. Rajapakse
Mr. N.A.R.R.S.Nanayakkara
Mr. S.P.Peiris
Ms.Y.Bhaskaran - Alternate Director to Mr.Dhammika Perera
Mr.K.D.G.Gunaratne
Mr.H.S.R.Kariyawasan
Mr.R.H.P.Janadheera
Mr.K.M.D.I. Prasad
Ms.R.N.Obeyesekere (Resigned w.e.f. August 14,2019)

SUBSIDIARIES

Hand Protection

Palma Limited
Venigros (Private) Limited
Texnil (Private) Limited
Feltex (Private) Limited
Dipped Products (Thailand) Limited
ICOGUANTI S.p.A
Hanwella Rubber Products Limited
D P L Premier Gloves Limited
D P L Universal Gloves Limited
D P L International Limited

Plantations

D P L Plantations (Private) Limited
Kelani Valley Plantations PLC
Kalupahana Power Company (Private) Limited
Kelani Valley Instant Tea (Private) Limited
Mabroc Teas (Private) Limited
Hayleys Plantation Services (Private) Limited
Talawakelle Tea Estates PLC
TTEL Hydro Power Company (Private) Limited
TTEL Somerset Hydro Power (Private) Limited
Kelani Valley Resorts (Private) Limited

SECRETARIES

Hayleys Group Services (Private) Limited
400, Deans Road, Colombo 10, Sri Lanka
Telephone: 2627650-6 (7 Lines)
Fax: 2627655

STOCK EXCHANGE LISTING

The ordinary shares of the Company are listed with the Colombo Stock Exchange of Sri Lanka

REGISTERED OFFICE

400, Deans Road, Colombo 10, Sri Lanka
Telephone: 2627000
Fax: 2699018 & 2699299
E-mail: postmast@dplgroup.com
Website: www.dplgroup.com

PRINCIPAL LINES OF BUSINESS

Manufacture and marketing of industrial, general purpose and medical rubber gloves,
Management of tea and rubber plantations.

DIPPED PRODUCTS PLC

STATEMENT OF PROFIT OR LOSS

	Group			Group		
	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %	Unaudited 03 months to 31/03/2020 Rs.'000	Unaudited 03 months to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %
Revenue from contracts with customers	30,562,982	30,089,318	2	7,332,733	7,631,610	(4)
Cost of sales	(25,858,623)	(25,143,301)	3	(6,179,902)	(6,320,744)	(2)
Gross profit	4,704,359	4,946,017	(5)	1,152,831	1,310,866	(12)
Other income and gains	282,508	229,663	23	112,680	116,091	(3)
Distribution costs	(701,298)	(597,762)	17	(210,763)	(154,896)	36
Administrative expenses	(2,839,359)	(2,805,922)	1	(719,894)	(728,311)	(1)
Other expenses	(14,944)	-	-	(14,944)	-	-
Finance costs	(481,576)	(493,597)	(2)	(127,427)	(148,035)	(14)
Finance income	200,530	149,599	34	86,066	(22,876)	476
Change in fair value of						
Investment properties	10,206	9,895	-	10,206	9,895	3
Deemed disposal gain on equity accounted investee	-	204,653	(100)	-	-	
Profit / (loss) before tax	1,160,426	1,642,546	(29)	288,755	382,734	(25)
Tax expense	(310,133)	(418,720)	(26)	(157,198)	(180,996)	(13)
Profit / (loss) for the period	850,293	1,223,826	(31)	131,557	201,738	(35)
Attributable to :						
Equity holders of the parent	748,097	868,424	(14)	107,070	102,704	4
Non-controlling interest	102,196	355,402	(71)	24,487	99,034	(75)
Profit / (loss) for the period	850,293	1,223,826	(31)	131,557	201,738	(35)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	12.50	14.51		1.79	1.72	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	12.50	14.51		1.79	1.72	
Dividend per share (Rs)	4.00	4.50		2.00	2.00	

*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2020

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC

STATEMENT OF PROFIT OR LOSS

	Company			Company		
	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %	Unaudited 03 months to 31/03/2020 Rs.'000	Unaudited 03 months to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %
Revenue from contracts with customers	4,057,442	3,898,365	4	901,400	984,259	(8)
Cost of sales	(3,054,301)	(3,025,141)	1	(700,262)	(729,889)	(4)
Gross profit	1,003,141	873,224	15	201,138	254,370	(21)
Other income and gains	260,031	240,238	8	15,482	58,616	(74)
Distribution costs	(41,164)	(33,671)	22	(7,919)	4,541	(274)
Administrative expenses	(562,342)	(621,200)	(9)	(137,973)	(112,057)	23
Impairment reversal / (loss) on investment and other amounts due	(287)	(100,406)	(100)	(50)	(100,100)	(100)
Finance costs	(105,865)	(127,298)	(17)	(18,264)	(57,473)	(68)
Finance income	35,435	55,832	(37)	(3,979)	2,256	(276)
Change in fair value of Investment properties	6,324	6,276	1	6,324	6,276	-
Profit / (loss) before tax	595,273	292,995	103	54,759	56,429	(3)
Tax (expense) / release	(36,049)	34,772	(204)	(37,593)	19,922	(289)
Profit / (loss) for the period	559,224	327,767	71	17,166	76,351	(78)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	9.34	5.48		0.29	1.28	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	9.34	5.48		0.29	1.28	
Dividend per share (Rs)	4.00	4.50		2.00	2.00	

*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2020

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC

STATEMENTS OF COMPREHENSIVE INCOME

	Group			Group		
	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %	Unaudited 03 months to 31/03/2020 Rs.'000	Unaudited 03 months to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %
Profit / (loss) for the period	850,293	1,223,826	(31)	131,557	201,738	(35)
Other comprehensive income						
<u>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
Currency translation of foreign operations	39,972	289,466	(86)	(85,978)	(24,791)	247
<u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
Revaluation of land	-	57,560	(100)	-	57,560	(100)
Actuarial gain/(loss) on defined benefit plans	(301)	(252,536)	(100)	(301)	(252,536)	(100)
Tax effect on actuarial gain/(loss)	(497)	34,948	(101)	(497)	34,948	(101)
Net gain/(loss) on equity instruments designated at Fair Value through OCI	(1)	89,336	(100)	(8)	89,342	(100)
Tax effect on land revaluation	-	(8,058)	(100)	-	(8,058)	(100)
Other comprehensive income / (loss) for the period, net of tax	39,173	210,716	(81)	(86,784)	(103,535)	(16)
Total comprehensive income / (loss) for the period, net of tax	889,466	1,434,542	(38)	44,773	98,203	(54)
Attributable to :						
Equity holders of the parent	783,816	1,131,223	(31)	18,122	52,815	(66)
Non-controlling interest	105,650	303,319	(65)	26,651	45,388	(41)
Total comprehensive income / (loss) for the period, net of tax	889,466	1,434,542	(38)	44,773	98,203	(54)

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC
STATEMENTS OF COMPREHENSIVE INCOME

	Company			Company		
	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %	Unaudited 03 months to 31/03/2020 Rs.'000	Unaudited 03 months to 31/03/2019 Rs.'000	Increase/ Increase/ (Decrease) %
Profit / (loss) for the period	559,224	327,767	71	17,166	76,351	(78)
Other comprehensive income						
<u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
Revaluation of land	-	57,560	(100)	-	57,560	(100)
Actuarial gain/(loss) on defined benefit plans	(15,564)	509	(3,158)	(15,564)	509	(3,158)
Tax effect on actuarial gain/(loss)	2,179	(71)	3,169	2,179	(71)	3,169
Tax effect on Land revaluation	-	(8,058)	(100)	-	(8,058)	(100)
Other comprehensive income / (loss) for the period, net of tax	(13,385)	49,940	(127)	(13,385)	49,940	(127)
Total comprehensive income / (loss) for the period, net of tax	545,839	377,707	45	3,781	126,291	(97)

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC

STATEMENTS OF FINANCIAL POSITION

	Group		Company	
	Unaudited	Audited	Unaudited	Audited
	As at 31/03/2020 Rs.'000	As at 31/03/2019 Rs.'000	As at 31/03/2020 Rs.'000	As at 31/03/2019 Rs.'000
ASSETS				
Non-Current Assets				
Tangible assets				
Property, plant and equipment	12,316,577	12,217,758	680,019	637,484
Lease rental paid in advance	-	57,115	-	-
Formers (moulds)	344,575	293,916	109,732	67,363
Investment Properties	368,160	357,955	169,500	163,176
Biological assets	505,240	449,926	-	-
Right of use assets	1,237,647	-	50,515	-
Intangible assets	306,486	319,844	47,345	59,185
Investment in subsidiaries	-	-	4,400,546	3,500,546
Amounts due from subsidiaries	-	-	8,210	23,748
Other non-current financial assets	392,621	390,933	1,689	-
Deferred tax assets	98,621	137,408	59,766	87,230
	15,569,927	14,224,855	5,527,322	4,538,732
Current Assets				
Inventories	4,661,463	4,690,253	611,711	711,417
Trade and other receivables	4,658,649	5,340,315	1,024,080	1,080,365
Advance and prepayments	598,012	204,029	101,319	59,535
Amounts due from subsidiaries	-	-	303,432	1,266,170
Cash and short term deposits	1,791,056	1,742,202	58,685	181,113
	11,709,180	11,976,799	2,099,227	3,298,600
Total assets	27,279,107	26,201,654	7,626,549	7,837,332
EQUITY AND LIABILITIES				
Equity				
Stated capital (Issued and fully paid 59,861,512 ordinary shares)	598,615	598,615	598,615	598,615
Capital reserves	520,422	508,965	239,184	239,184
Fair value reserve of financial assets at fair value through OCI	64,720	64,721	-	-
Revenue reserves	9,953,105	9,249,276	4,038,077	3,732,466
Equity attributable to equity holders of the parent	11,136,862	10,421,577	4,875,876	4,570,265
Non-controlling interest	2,894,169	2,791,075	-	-
Total equity	14,031,031	13,212,652	4,875,876	4,570,265
Non-Current Liabilities				
Interest-bearing loans and borrowings	347,541	883,102	-	-
Lease Liabilities	1,029,593	-	34,887	-
Deferred income	756,156	741,178	-	-
Defined benefit obligations	2,894,372	2,736,670	512,638	472,031
Agents' indemnity fund	70,136	62,905	-	-
Deferred tax liabilities	717,332	761,058	-	-
Other Non Current Liabilities	200,411	-	-	-
	6,015,541	5,184,913	547,525	472,031
Current liabilities				
Trade and other payables	3,666,558	3,212,873	394,599	439,612
Unclaimed dividends / dividends payable	128,020	118,439	128,020	118,439
Short-term loans and bank overdrafts	3,124,003	3,951,213	867,330	1,506,303
Interest-bearing loans and borrowings	205,279	435,988	-	-
Lease Liabilities	55,803	-	20,511	-
Amounts due to subsidiaries	-	-	792,688	730,682
Income tax payable	52,872	85,576	-	-
	7,232,535	7,804,089	2,203,148	2,795,036
Total liabilities	13,248,076	12,989,002	2,750,673	3,267,067
Total equity and liabilities	27,279,107	26,201,654	7,626,549	7,837,332

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.

The Financial Position as at 31/03/2020, and Income Statements, Statement of Changes in Equity and Statements of Cash Flow for the year then ended are drawn up from the unaudited financial statements of the Company and its subsidiaries and provide the information required by the Colombo Stock Exchange.

It is certified that the interim financial statements have been prepared in compliance with the requirements of the Companies Act No.7 of 2007.

sgd.

N.A.R.R.S. Nanayakkara

Director Finance

Signed on behalf of the Board

sgd.

A.M.Pandithage

Chairman

11/06/2020

sgd.

Ng Soon Huat

Managing Director

DIPPED PRODUCTS PLC
STATEMENTS OF CHANGES IN EQUITY

Group
For the year ended 31/03/2020

	-----Attributable to equity holders of the Company-----										Non- controlling Interest	Total Equity	
	Stated Capital	Capital Reserves		Other Component s of Equity Fair Value Reserve of Financial Assets at FVTOCI	Revenue Reserves					Total			
		Reserve on scrip Issue	Revaluation Reserve		Other Capital Reserves	General Reserve	Timber Reserve	Bearer Biological Produce	Retained Earnings				Exchange Fluctuation Reserve
Balance as at 01/04/2018	598,615	167,409	220,222	59,581	15	1,190,950	162,316	12,824	6,640,309	687,074	9,739,315	2,566,261	12,305,576
Profit for the year	-	-	-	-	-	-	23,540	3,338	841,546	-	868,424	355,402	1,223,826
Realised Gain on Timber Sales	-	-	-	-	-	-	(2,230)	-	2,230	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation of land	-	-	57,560	-	-	-	-	-	-	-	57,560	-	57,560
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	288,103	288,103	1,363	289,466
Net gain/(loss) on equity instrument designated at fair value through OCI	-	-	-	-	64,706	-	-	-	-	-	64,706	24,630	89,336
Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	(161,749)	-	(161,749)	(90,787)	(252,536)
Tax effect on Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	22,237	-	22,237	12,711	34,948
Tax effect on Land revaluation	-	-	(8,058)	-	-	-	-	-	-	-	(8,058)	-	(8,058)
Total other comprehensive income	-	-	49,502	-	64,706	-	-	-	(139,512)	288,103	262,799	(52,083)	210,716
Total comprehensive income for the year	-	-	49,502	-	64,706	-	21,310	3,338	704,264	288,103	1,131,223	303,319	1,434,542
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	(448,961)	-	(448,961)	(78,505)	(527,466)
Transfers	-	-	-	12,251	-	-	-	-	(12,251)	-	-	-	-
Total contributions by and distributions to owners	-	-	-	12,251	-	-	-	-	(461,212)	-	(448,961)	(78,505)	(527,466)
Balance as at 01/04/2019	598,615	167,409	269,724	71,832	64,721	1,190,950	183,626	16,162	6,883,361	975,177	10,421,577	2,791,075	13,212,652
Effect of transition to SLFRS 16	-	-	-	-	-	-	-	-	169,319	-	169,319	65,775	235,094
Balance as at 01/04/2019 - Restated	598,615	167,409	269,724	71,832	64,721	1,190,950	183,626	16,162	7,052,680	975,177	10,590,896	2,856,850	13,447,746
Profit for the year	-	-	-	-	-	-	24,781	(9,904)	733,220	-	748,097	102,196	850,293
Realised Gain on Timber Sales	-	-	-	-	-	-	(11,494)	-	11,494	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	39,366	39,366	606	39,972
Net gain/(loss) on equity instrument designated at fair value through OCI	-	-	-	-	(1)	-	-	-	-	-	(1)	-	(1)
Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	(3,682)	-	(3,682)	3,381	(301)
Tax effect on Actuarial loss on defined benefit plans	-	-	-	-	-	-	-	-	(24)	-	(24)	(473)	(497)
Total other comprehensive income	-	-	-	-	(1)	-	-	-	(3,706)	39,366	35,659	3,514	39,173
Total comprehensive income for the year	-	-	-	-	(1)	-	13,287	(9,904)	741,008	39,366	783,756	105,710	889,466
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	(239,446)	-	(239,446)	(68,391)	(307,837)
Unclaimed dividend written-back	-	-	-	-	-	-	-	-	1,656	-	1,656	-	1,656
Transfers	-	-	-	11,457	-	-	-	-	(11,457)	-	-	-	-
Total contributions by and distributions to owners	-	-	-	11,457	-	-	-	-	(249,247)	-	(237,790)	(68,391)	(306,181)
Balance as at 31/03/2020	598,615	167,409	269,724	83,289	64,720	1,190,950	196,913	6,258	7,544,441	1,014,543	11,136,862	2,894,169	14,031,031

The notes to the financial statements on pages from 10 to 11 form an integral part of the financial statements.

DIPPED PRODUCTS PLC
STATEMENTS OF CHANGES IN EQUITY

Company

For the year ended 31/03/2020

	Stated Capital	-----Capital Revaluation Reserve	Reserves----- Capital Redemption Reserve Fund	--Revenue Reserves-- Retained Earnings	Total
	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>	<u>Rs'000</u>
Balance as at 01/04/2018	598,615	189,502	180	3,853,222	4,641,519
Profit for the year	-	-	-	327,767	327,767
Other comprehensive income					
Actuarial gain/(loss) on defined benefit plans	-	-	-	509	509
Tax effect on Actuarial gain/(loss) on defined benefit plans	-	-	-	(71)	(71)
Revaluation of land	-	57,560	-	-	57,560
Tax effect on Land revaluation	-	(8,058)	-	-	(8,058)
Total other comprehensive income	-	49,502	-	438	49,940
Total comprehensive income for the year	-	49,502	-	328,205	377,707
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(448,961)	(448,961)
Total transactions with owners, recorded directly in equity	-	-	-	(448,961)	(448,961)
Balance as at 01/04/2019	598,615	239,004	180	3,732,466	4,570,265
Effect of transition to SLFRS 16	-	-	-	(2,438)	(2,438)
Balance as at 01/04/2019 - Restated	598,615	239,004	180	3,730,028	4,567,827
Profit for the year	-	-	-	559,224	559,224
Other comprehensive income					
Actuarial gain on defined benefit plans	-	-	-	(15,564)	(15,564)
Tax effect on Actuarial loss on defined benefit plans	-	-	-	2,179	2,179
Total other comprehensive income	-	-	-	(13,385)	(13,385)
Total comprehensive income for the year	-	-	-	545,839	545,839
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(239,446)	(239,446)
Unclaimed dividend written-back	-	-	-	1,656	1,656
Total transactions with owners, recorded directly in equity	-	-	-	(237,790)	(237,790)
Balance as at 31/03/2020	598,615	239,004	180	4,038,077	4,875,876

The notes to the financial statements on pages from 10 to 11 form an integral part of the financial statements.
The figures in brackets indicate deductions.

DIPPED PRODUCTS PLC
STATEMENT OF CASH FLOWS

	<u>Group</u>		<u>Company</u>	
	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2020 Rs.'000	Unaudited Year to 31/03/2020 Rs.'000	Audited Year to 31/03/2019 Rs.'000
Cash flows from operating activities				
Cash generated from operations (Note A)	4,166,342	2,405,395	908,121	(83,547)
Interest paid	(453,204)	(425,789)	(105,865)	(113,931)
Taxes paid	(416,382)	(238,999)	(20,781)	(20,589)
Retiring gratuity paid	(307,718)	(254,399)	(50,421)	(34,305)
Release in defined benefit obligation due to employee transfers	-	2,664	-	2,664
Agents' indemnity paid	(2,969)	(1,588)	-	-
Net cash flow from operating activities	<u>2,986,070</u>	<u>1,487,284</u>	<u>731,054</u>	<u>(249,708)</u>
Cash flows from investing activities				
Purchase & construction of property, plant and equipment	(1,690,419)	(425,072)	(125,960)	(40,475)
Payment of lease rental in advance	-	(1,446)	-	-
Field development expenditure	-	(304,968)	-	-
Purchase of formers (moulds)-net	(117,223)	(77,067)	(60,088)	(20,074)
Acquisition of intangible assets	-	(20,529)	-	(17,864)
Grants received	37,631	36,627	-	-
Proceeds from disposal of property, plant and equipment	28,981	26,673	226	926
Development cost (net) incurred on biological assets	183	(3,409)	-	-
Investment in other non current financial assets	-	(96,920)	-	-
Interest received	104,639	101,434	27,492	51,977
Dividend received from subsidiary companies	-	-	171,046	106,736
Net cash flows from investing activities	<u>(1,636,208)</u>	<u>(764,677)</u>	<u>12,716</u>	<u>81,226</u>
Cash flows from financing activities				
Long term loans obtained	300,000	-	-	-
Repayment of long term loans	(438,497)	(1,072,986)	-	-
Loan repayment by subsidiary company	-	-	14,783	14,149
Capital payment on lease liabilities	(38,701)	(2,760)	(13,799)	-
Dividend paid to equity holders of the parent	(228,209)	(337,322)	(228,209)	(337,322)
Dividend paid to shareholders with non-controlling interest	(68,391)	(78,505)	-	-
Net cash flows from financing activities	<u>(473,798)</u>	<u>(1,491,573)</u>	<u>(227,225)</u>	<u>(323,173)</u>
Net increase / (decrease) in cash & cash equivalents	876,064	(768,966)	516,545	(491,655)
Cash & cash equivalents at beginning of the period	<u>(2,209,011)</u>	<u>(1,440,045)</u>	<u>(1,325,190)</u>	<u>(833,535)</u>
Cash & cash equivalents at end of the period (Note B)	<u>(1,332,947)</u>	<u>(2,209,011)</u>	<u>(808,645)</u>	<u>(1,325,190)</u>
Cash generated from operations				
Profit before tax	1,160,426	1,642,546	595,273	292,995
Adjustments for:				
Interest cost	453,204	425,789	105,865	113,931
Deemed disposal gain on equity accounted investee	-	(204,653)	-	-
Gain on fair value change in consumable biological assets	(39,650)	(35,972)	-	-
Gain on change in fair value of produce on bearer biological assets	14,944	(3,464)	-	-
Gain on fair value change in investment properties	(10,206)	(9,895)	(6,324)	(6,276)
Depreciation on property, plant and equipment	1,071,706	1,051,642	83,325	82,951
Amortization of lease rentals paid in advance	-	1,279	-	-
Depreciation on right of use assets	86,460	-	16,243	-
Impairment / (reversal) of formers	30,050	35,107	4,866	7,485
Write-off & breakages of formers	36,514	27,388	12,852	2,874
Amortisation of intangible assets	13,357	13,183	11,840	11,840
Gain / (loss) on disposal of property, plant & equipment	(8,561)	(20,023)	(125)	(381)
Amortisation of grants	(22,653)	(23,449)	-	-
Impairment provision for / (reversal of) bad & doubtful debts	(46,131)	13,067	(15,314)	6,169
Provision for retiring gratuity	470,125	418,826	75,464	70,361
Provision for agents' indemnity fund	8,073	5,927	-	-
Impairment loss/(reversal) on investment and other amounts due	-	-	287	100,406
Provision for/(reversal of) slow-moving / obsolete inventories	18,671	21,916	4,702	2,607
Interest and dividend income	(104,639)	(101,434)	(270,038)	(291,089)
Differences of exchange on translation of foreign entities	(1,671)	281,941	-	-
	<u>3,130,020</u>	<u>3,539,721</u>	<u>618,916</u>	<u>393,873</u>
(Increase) / decrease in trade and other receivables	773,227	(715,409)	147,490	(663,107)
(Increase) / decrease in advances and prepayments	(374,547)	(34,408)	(41,784)	(6,880)
(Increase) / decrease in inventories	(4,824)	(162,372)	95,004	(108,692)
Increase / (decrease) in trade and other payables	642,466	(222,137)	88,495	301,259
	<u>1,036,322</u>	<u>(1,134,326)</u>	<u>289,205</u>	<u>(477,420)</u>
	<u>4,166,342</u>	<u>2,405,395</u>	<u>908,121</u>	<u>(83,547)</u>
Analysis of cash & cash equivalents at end of the period				
Cash at bank and in hand	631,903	710,717	58,685	181,113
Short term deposits	1,159,153	1,031,485	-	-
Short term loans and overdraft	(3,124,003)	(3,951,213)	(867,330)	(1,506,303)
	<u>(1,332,947)</u>	<u>(2,209,011)</u>	<u>(808,645)</u>	<u>(1,325,190)</u>

The notes to the financial statements on pages from 9 to 11 form an integral part of the financial statements.
The figures in brackets indicate deductions

DIPPED PRODUCTS PLC

Notes to the Financial Statements

1. These Interim Financial Statements which have not been audited, comply with the LKAS 34 - Interim Financial Reporting and also provide the information required by the Colombo Stock Exchange.
2. No other circumstances have arisen since the balance sheet date, which would require adjustments to or disclosure in the financial statements other than those disclosed.
3. There has not been a significant change in the nature of the contingent liabilities, which were disclosed in the Annual Report for the year ended 31/03/2019.

4. Industry Segment Revenue from Contracts with Customers

	<u>Group</u>	
	Unaudited Year to 31/03/2020	Audited Year to 31/03/2019
	Rs'000	Rs'000
Hand Protection Plantations	17,893,040	17,130,046
	12,796,734	13,192,031
	30,689,774	30,322,077
Inter - segment sales / services	(126,791)	(232,759)
	30,562,982	30,089,318

5. Industry Segment Results

	<u>Group</u>	
	Unaudited Year to 31/03/2020	Audited Year to 31/03/2019
	Rs. '000	Rs. '000
Hand Protection Plantations	1,101,037	964,870
	411,935	888,521
	1,512,972	1,853,391
Inter - segment results	(71,500)	(71,500)
Segment results	1,441,472	1,781,891
Finance cost	(481,576)	(493,597)
Finance income	200,530	149,599
Deemed disposal gain on equity accounted investee	-	204,653
Profit before tax	1,160,426	1,642,546

DIPPED PRODUCTS PLC

Notes to the Financial Statements

6. Changes in Accounting policies and Disclosures

There were no changes to the Accounting Policies and methods of computation since the publication of the Annual Report for the year ended March 31, 2019, except for the Accounting Policies and methods of computation adopted to be in compliant with the requirements of the Sri Lanka Accounting Standard SLFRS - 16 on Leases, which became effective for Annual Financial periods from January 01, 2019.

SLFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ('Lessee') and the supplier ('Lessor'). SLFRS 16 replaced Sri Lanka Accounting Standard – LKAS 17 (Leases) and related interpretations. The Company has adopted SLFRS 16 using modified retrospective method from April 01, 2019, without restating comparative information. Instead, it has recognized the cumulative effect of initially applying this standard as an adjustment to the opening balance of Retained earnings at the date of initial application, as permitted under the specific transitional provisions in the standard.

The Group has adopted these standards for the first time. The nature and effect of the changes as a result of adoption of SLFRS 16 as at April 01, 2019 is as follows,

	Rs.'000
Assets	
Right of use assets	558,796
Total assets	558,796
Equity and liabilities	
Revenue reserves	169,318
Non-controlling interest	65,775
Interest bearing borrowings/Lease liability	323,703
Total Equity and Liabilities	558,796

Set out below, are the carrying amounts of right of use assets and lease liability and the movements for the period ended March 31, 2020.

	Right of use assets Rs.'000	Lease liability Rs.'000
Balance as at 01/04/2019	558,796	949,960
Additions	165,607	165,607
Transfer from property, plant and equipment	546,040	
Transfer from lease rental paid in advance	57,115	
Amortization	(89,912)	-
Interest cost	-	141,765
Payment	-	(180,470)
Effects of movements in foreign exchange		8,534
Balance as at 31/12/2019	1,237,647	1,085,396

DIPPED PRODUCTS PLC

INVESTOR INFORMATION

	31/03/2020 Rs.	31/03/2019 Rs.
Market Value of Shares		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	57.00	78.00
Highest price recorded for the year ending	92.00	99.10
Lowest price recorded for the year ending	55.60	66.20
Highest price recorded for the three months ending	89.00	99.00
Lowest price recorded for the three months ending	55.60	77.00
Market Capitalisation (Rs. M)	3,412	4,669
Ratios		
Net assets per share at the period end*	186.04	174.09
Price earnings ratio annualised (times)	4.56	5.38
Share Trading information from 01/04/2019 to 31/03/2020		
Number of transactions	1,513	1,265
Number of shares traded	812,961	1,263,724
Value of shares traded (Rs.)	66,647,656.20	105,461,554.40

Dividend Payments

First interim dividend of Rs 0.50 per share for the year 2019/2020 paid on 16/10/2019
 Second interim dividend of Rs 1.50 per share for the year 2019/2020 paid on 22/01/2020
 Third interim dividend of Rs 2.00 per share for the year 2019/2020 paid on 26/05/2020

*Computed based on 59,861,512 shares on issue as at 31/03/2020

First twenty shareholders as at 31/03/2020

	Shareholder	No. of Shares as at 31/03/2020	%
1	Hayleys PLC	25,210,938	42.12
2	Employees Provident Fund	7,637,280	12.76
3	Volanka (Pvt) Limited	4,873,640	8.14
4	Promar Overseas SA	4,285,585	7.16
5	Haycarb PLC	4,068,746	6.80
6	Employees Trust Fund Board	1,331,355	2.22
7	Ravi Industries Limited	567,000	0.95
8	E. W. Balasuriya & Co. (Pvt) Ltd	500,673	0.84
9	Dr.D.Jayanththa	415,000	0.69
10	Renuka Properties Limited	324,934	0.54
11	Miss.L.A.Pieris	253,418	0.42
12	Mr.A.M.Weerasinghe	250,000	0.42
13	Mr. N. G. Wickremeratne & Mrs K.V.Wickremeratne	246,224	0.41
14	Akbar Brothers (Pvt) Ltd A/C No.1	233,771	0.39
15	Mr. Henry Anthony Rohan Pieris	221,400	0.37
16	Mr. D.F.G. Dalpethado & Mrs. H.F.A.K.D.Fonseka	210,061	0.35
17	Hallsville Trading Group Inc.	204,024	0.34
18	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
19	Deutsche Bank Ag Singapore A/C 2 (Dcs Clt Acc For Deutsche Bank Ag Singapore-Pwm Wm Client)	190,320	0.32
20	Mrs.L.Sivaqurunathan	163,044	0.27
	TOTAL	51,387,413	85.84

Public Holding as at 31/03/2020

Percentage of Public Holding 41.82%

Total number of shareholders representing the public holding 2,543

Float - Adjusted Market Capitalization (Rs.) 1,426,942,806.15

The Company complies with option 5 of the Listing Rules 7.13.1 (a) – Less than Rs.2.5Bn Float Adjusted Market Capitalization which requires 20% minimum Public Holding.

Directors' shareholding as at 31/03/2020

Name of Director	No. of Shares as at 31/03/2020
Mr.A.M.Pandithage	-
Mr.Ng Soon Huat	-
Mr.Dhammika Perera*	1,000
Mr.S.C.Ganegoda	-
Mr.F.Mohideen	-
Mr.M.Bottino (Resigned w.e.f May 01, 2020)	-
Mr.S. Rajapakse	-
Mr.N.A.R.R.S.Nanayakkara	14,526
Mr.S.P.Peiris	6,100
Ms.Y. Bhaskaran (Alternate Director to Mr.Dhammika Perera)	-
Mr.K.D.G.Gunaratne	-
Mr.H.S.R.Kariyawasan & K.H.S.Kariyawasan - 2,500	82,486
Mr.H.S.R.Kariyawasan & H.B.Kariyawasan - 79,986	-
Mr.R.H.P.Janadheera	-
Mr.K.M.D.I. Prasad	-
Total	104,112

*Mr.Dhammika Perera holds 51.01% directly and indirectly of the total issued shares of Hayleys PLC which holds 25,210,938 shares in Dipped Products PLC.

There were no non-voting shares as at 31/03/2020.