

DIPPED PRODUCTS PLC

INTERIM REPORT FOR THE SIX MONTHS ENDED 30TH SEPTEMBER 2022

CORPORATE INFORMATION

LEGAL FORM

A Public Limited Company
Incorporated in Sri Lanka in 1976

COMPANY NUMBER

PQ60

DIRECTORS

Mr. Mohan Pandithage - Chairman
Mr. Rajitha Kariyawasan - Deputy Chairman
Mr. Ng Soon Huat - Managing Director
Mr. Pushpika Janadheera - Deputy Managing Director
Mr. Dhammika Perera (Resigned w.e.f 10.06.2022)
Mr. Sarath Ganegoda
Mr. Faiz Mohideen
Mr. Sujeewa Rajapakse
Mr. Ramesh Nanayakkara
Mr. Sujeewa Peiris
Mr. Gamini Gunaratne
Mr. Indika Prasad
Mr. Chandika Ratnasiri (Appointed w.e.f. 01.04.2022)
Mr. Giorgio Molinari (Appointed w.e.f. 01.04.2022)
Ms. Brindhini Perera (Appointed w.e.f 19.10.2022)
Ms. Yogadinusha Bhaskaran - Alternate Director to Mr. Dhammika Perera (Ceased w.e.f 10.06.2022)

SUBSIDIARIES

Hand Protection

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

Plantations

D P L Plantations (Private) Limited
Kelani Valley Plantations PLC
Hayleys Plantation Services (Private) Limited
Talawakelle Tea Estates PLC

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			Group		
Audited Year to 31/03/2022 Rs.'000	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30/09/2022 Rs.'000	Unaudited 03 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %
	Revenue from contracts with customers					
55,293,983	41,994,058	30,013,255	40	21,263,582	13,231,334	61
(44,561,333)	(31,989,523)	(23,965,788)	33	(16,614,963)	(10,524,082)	58
10,732,650	10,004,535	6,047,467	65	4,648,619	2,707,252	72
833,407	202,879	261,806	(23)	134,387	102,366	31
(1,402,795)	(1,560,815)	(664,407)	>100	(833,871)	(296,540)	>100
(4,803,655)	(3,276,870)	(2,519,369)	30	(1,750,526)	(1,096,363)	60
(706,458)	(748,030)	(411,610)	82	(357,611)	(242,916)	47
2,943,626	2,625,643	377,800	>100	393,912	199,408	98
7,596,775	7,247,342	3,091,687	>100	2,234,910	1,373,207	63
(1,185,975)	(1,167,394)	(619,168)	89	(407,598)	(292,081)	40
6,410,800	6,079,948	2,472,519	>100	1,827,312	1,081,126	69
	Attributable to :					
5,382,651	4,875,908	2,207,136	>100	1,173,589	961,595	22
1,028,149	1,204,040	265,383	>100	653,723	119,531	>100
6,410,800	6,079,948	2,472,519	>100	1,827,312	1,081,126	69
8.99	8.15	3.69		1.96	1.61	
8.99	8.15	3.69		1.96	1.61	
2.50	1.40	1.55		1.25	0.95	

* Computed based on 598,615,120 ordinary shares on issue as at 30/09/2022

The notes to the financial statements on page 10 and 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			Company		
	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30/09/2022 Rs.'000	Unaudited 03 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %
Audited Year to 31/03/2022 Rs.'000						
	Revenue from contracts with customers	5,520,360	3,562,495	2,676,102	1,651,868	62
	(5,289,337) Cost of sales	(3,557,480)	(2,882,092)	(1,916,022)	(1,382,294)	39
	1,320,940 Gross profit	1,962,880	680,403	760,080	269,574	>100
	1,455,815 Other income and gains	2,589,175	1,127,308	1,985,323	449,586	>100
	(38,364) Distribution costs	(198,081)	(14,860)	(104,942)	(12,775)	>100
	(1,028,196) Administrative expenses	(626,500)	(444,986)	(333,772)	(220,908)	51
	(311,712) Finance costs	(382,174)	(127,113)	(194,390)	(71,441)	>100
	1,644,069 Finance income	1,345,203	140,340	229,716	104,527	>100
	3,042,552 Profit / (loss) before tax	4,690,503	1,361,092	2,342,015	518,563	>100
	(242,132) Tax expense	(411,711)	(28,211)	(114,503)	(5,235)	>100
	2,800,420 Profit / (loss) for the period	4,278,792	1,332,881	2,227,512	513,328	>100
	Basic earnings / (loss) per ordinary share for the period (Rs.) *	7.15	2.23	3.72	0.86	
	Diluted earnings / (loss) per ordinary share for the period (Rs.) *	7.15	2.23	3.72	0.86	
	2.50 Dividend per share (Rs) *	1.40	1.55	1.25	0.95	

* Computed based on 598,615,120 ordinary shares on issue as at 30/09/2022

The notes to the financial statements on page 10 and 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC
STATEMENTS OF COMPREHENSIVE INCOME

Group		Group			Group		
Audited Year to 31/03/2022 Rs.'000		Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30/09/2022 Rs.'000	Unaudited 03 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %
6,410,800	Profit / (loss) for the period	6,079,948	2,472,519	>100	1,827,312	1,081,126	69
	Other comprehensive income						
	<u>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
2,276,284	Currency translation of foreign operations	615,941	89,778	>100	(499,895)	(198,024)	>100
	<u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
40,589	Actuarial gain/(loss) on defined benefit plans	-	-		-	-	
3,055	Tax effect on actuarial gain/(loss)	-	-		-	-	
32	Net gain/(loss) on equity instruments designated at Fair Value through OCI	3	44	(93)	36	23	57
128,028 (16,041)	Revaluation of land Tax effect on land revaluation	-	-		-	-	
2,431,947	Other comprehensive income / (loss) for the period, net of tax	615,944	89,822	>100	(499,895)	(198,001)	>100
8,842,747	Total comprehensive income / (loss) for the period, net of tax	6,695,892	2,562,341	>100	1,327,453	883,125	50
	Attributable to :						
7,756,719	Equity holders of the parent	5,488,480	2,300,097	>100	675,867	764,776	(12)
1,086,028	Non-controlling interest	1,207,412	262,244	>100	651,586	118,349	>100
8,842,747	Total comprehensive income / (loss) for the period, net of tax	6,695,892	2,562,341	>100	1,327,453	883,125	50

The notes to the financial statements on page 10 and 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC
STATEMENTS OF COMPREHENSIVE INCOME

Company	Company			Company		
Audited Year to 31/03/2022 Rs.'000	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %	Unaudited 03 months to 30/09/2022 Rs.'000	Unaudited 03 months to 30/09/2021 Rs.'000	Increase/ (Decrease) %
2,800,420	4,278,792	1,332,881	>100	2,227,512	513,328	>100
	Profit / (loss) for the period					
	Other comprehensive income					
	<u>Other comprehensive income</u>					
	<u>not to be reclassified to profit or</u>					
	<u>loss in subsequent periods (net</u>					
	<u>of tax)</u>					
(55,248)						
7,735	-	-		-	-	
51,862	-	-		-	-	
(7,261)	-	-		-	-	-
(2,912)	-	-		-	-	
2,797,508	4,278,792	1,332,881	>100	2,227,512	513,328	>100
	Total comprehensive income /					
	(loss) for the period, net of tax					

The notes to the financial statements on page 10 and 11 form an integral part of the financial statements.

The figures in brackets indicate deductions

DIPPED PRODUCTS PLC

STATEMENTS OF FINANCIAL POSITION

Group		Company		Group		Company	
Audited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
As at	As at	As at	As at	As at	As at	As at	As at
31/03/2022	31/03/2022	30/09/2022	30/09/2022	30/09/2022	30/09/2022	30/09/2021	30/09/2021
Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000	Rs.'000
ASSETS							
Non-Current Assets							
Tangible assets							
16,344,832	1,166,197	17,455,399	14,842,943	1,275,836	1,030,046		
436,494	90,166	525,416	369,971	122,665	125,576		
599,064	-	606,741	541,829	-	-		
1,345,567	24,657	1,286,620	1,373,073	16,283	35,097		
315,131	23,666	331,244	312,812	17,729	29,569		
-	5,892,658	-	-	5,892,658	4,142,658		
393,261	1,000	391,737	393,521	726	-		
169,425	-	184,579	136,168	-	72,082		
19,603,774	7,198,344	20,781,736	17,970,317	7,325,897	5,435,028		
Current Assets							
12,070,081	1,170,925	15,017,792	9,832,713	1,800,304	934,196		
12,129,696	1,644,784	15,788,781	10,966,659	1,817,044	1,360,784		
1,201,284	115,490	1,919,537	1,168,310	259,316	101,045		
-	1,686,497	-	-	2,496,616	2,204,667		
9,044,765	3,088,241	6,575,452	7,483,648	803,464	3,680,477		
34,445,826	7,705,937	39,301,562	29,451,330	7,176,744	8,281,169		
54,049,600	14,904,281	60,083,298	47,421,647	14,502,641	13,716,197		
EQUITY AND LIABILITIES							
Equity							
598,615	598,615	598,615	598,615	598,615	598,615		
580,773	283,785	580,773	483,755	283,785	239,184		
64,776	-	64,778	64,784	-	-		
20,662,636	5,770,095	25,020,671	15,871,681	9,007,302	4,918,754		
21,906,800	6,652,495	26,264,837	17,018,836	9,889,702	5,756,553		
4,452,443	-	5,348,416	3,686,318	-	-		
26,359,243	6,652,495	31,613,253	20,705,154	9,889,702	5,756,553		
Non-Current Liabilities							
1,402,351	-	2,319,716	1,260,609	-	-		
1,133,218	351	1,179,949	1,071,402	-	11,390		
809,083	-	802,332	811,066	-	-		
2,866,645	611,422	3,244,375	2,937,887	669,269	553,843		
131,118	-	154,981	106,649	-	-		
775,949	113,377	865,244	725,041	206,089	-		
-	-	-	82,880	-	-		
7,118,364	725,150	8,566,597	6,995,534	875,358	565,233		
Current liabilities							
7,885,885	880,841	9,623,769	6,845,048	1,119,369	913,465		
315,739	315,739	768,817	374,790	768,817	374,790		
10,094,227	5,203,242	6,611,291	11,345,383	1,334,477	5,190,006		
1,701,927	-	2,034,201	448,005	-	-		
77,480	29,684	66,602	75,502	21,091	29,684		
-	1,064,548	-	-	174,536	872,556		
496,735	32,582	798,768	632,231	319,291	13,910		
20,571,993	7,526,636	19,903,448	19,720,959	3,737,581	7,394,411		
27,690,357	8,251,786	28,470,045	26,716,493	4,612,939	7,959,644		
54,049,600	14,904,281	60,083,298	47,421,647	14,502,641	13,716,197		

The notes to the financial statements on page 10 and 11 form an integral part of the financial statements.

The Financial Position as at 30/09/2022, and Income Statements, Statement of Changes in Equity and Statements of Cash Flow for the six months 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
09/11/2022

sgd.
Ng Soon Huat
Managing Director

DIPPED PRODUCTS PLC
STATEMENTS OF CHANGES IN EQUITY

Group
For the period ended 30/09/2022

	-----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 01/04/2021	598,615	167,409	269,724	83,289	64,752	1,190,950	201,516	17,997	11,465,289	1,586,711	15,646,252	3,495,286	19,141,538
Profit for the year	-	-	-	-	-	-	-	-	2,207,136	-	2,207,136	265,383	2,472,519
Other comprehensive income													
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	92,929	92,929	(3,151)	89,778
Net gain/(loss) on equity instrument designated at fair value through OCI	-	-	-	-	32	-	-	-	-	-	32	12	44
Total other comprehensive income	-	-	-	-	32	-	-	-	-	92,929	92,961	(3,139)	89,822
Total comprehensive income for the year	-	-	-	-	32	-	-	-	2,207,136	92,929	2,300,097	262,244	2,562,341
Transactions with owners, recorded directly in equity													
Dividends to equity holders	-	-	-	-	-	-	-	-	(927,853)	-	(927,853)	(69,292)	(997,145)
Realisation of Investment Properties	-	-	(36,667)	-	-	-	-	-	36,667	-	-	-	-
Total contributions by and distributions to owners	-	-	(36,667)	-	-	-	-	-	(891,187)	-	(927,853)	(69,292)	(997,145)
Changes in ownership interests in subsidiaries													
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	340	-	340	(1,920)	(1,580)
Total changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	340	-	340	(1,920)	(1,580)
Balance as at 30/09/2021	-	-	(36,667)	-	32	-	-	-	1,316,289	92,929	1,372,244	191,032	1,565,196
Balance as at 01/04/2022	598,615	167,409	330,075	83,289	64,776	1,190,950	227,109	20,985	15,368,413	3,855,179	21,906,800	4,452,442	26,359,243
Impact on Surcharge Tax	-	-	-	-	-	-	-	-	(292,382)	-	(292,382)	(29,282)	(321,664)
Adjusted Balance as at 01/04/2022	598,615	167,409	330,075	83,289	64,776	1,190,950	227,109	20,985	15,076,031	3,855,179	21,614,418	4,423,161	26,037,579
Profit for the year	-	-	-	-	-	-	-	-	4,875,908	-	4,875,908	1,204,040	6,079,948
Other comprehensive income													
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	612,570	612,570	3,371	615,941
Net gain/(loss) on equity instrument designated at fair value through OCI	-	-	-	-	2	-	-	-	-	-	2	1	3
Total other comprehensive income	-	-	-	-	2	-	-	-	-	612,570	612,572	3,372	615,944
Total comprehensive income for the year	-	-	-	-	2	-	-	-	4,875,908	612,570	5,488,480	1,207,412	6,695,892
Transactions with owners, recorded directly in equity													
Dividends to equity holders	-	-	-	-	-	-	-	-	(838,061)	-	(838,061)	(282,157)	(1,120,218)
Realisation of Investment Properties	-	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	-	-	-	(838,061)	-	(838,061)	(282,157)	(1,120,218)
Balance as at 30/09/2022	598,615	167,409	330,075	83,289	64,778	1,190,950	227,109	20,985	19,113,878	4,467,749	26,264,837	5,348,416	31,613,253

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

DIPPED PRODUCTS PLC
STATEMENTS OF CHANGES IN EQUITY

Company

For the period ended 30/09/2022

	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 01/04/2021	598,615	239,004	180	4,513,726	5,351,525
Profit for the year	-	-	-	1,332,881	1,332,881
Total comprehensive income for the year	-	-	-	1,332,881	1,332,881
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(927,853)	(927,853)
Total transactions with owners, recorded directly in equity	-	-	-	(927,853)	(927,853)
Balance as at 30/09/2021	598,615	239,004	180	4,918,754	5,756,553
Balance as at 01/04/2022	598,615	283,605	180	5,770,095	6,652,495
Impact on Surcharge Tax	-	-	-	(203,525)	(203,525)
Adjusted Balance as at 01/04/2022	598,615	283,605	180	5,566,571	6,448,971
Profit for the year	-	-	-	4,278,792	4,278,792
Total comprehensive income for the year	-	-	-	4,278,792	4,278,792
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(838,061)	(838,061)
Total transactions with owners, recorded directly in equity	-	-	-	(838,061)	(838,061)
Balance as at 30/09/2022	598,615	283,605	180	9,007,302	9,889,702

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

**DIPPED PRODUCTS PLC
STATEMENT OF CASH FLOWS**

Group		Company		Group		Company	
Audited Year to 31/03/2022 Rs.'000	Audited Year to 31/03/2022 Rs.'000	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000	Unaudited 06 months to 30/09/2022 Rs.'000	Unaudited 06 months to 30/09/2021 Rs.'000
Cash flows from operating activities							
10,765,934	1,045,892	4,596,216	4,917,032	1,083,780	777,128		
(688,678)	(311,712)	(723,805)	(311,816)	(382,174)	(127,114)		
(1,976,236)	(187,970)	(1,019,140)	(1,093,234)	(32,289)	(178,655)		
(290,428)	(60,987)	(237,280)	(123,845)	(1,354)	(26,323)		
1,107	1,266	-	-	-	-		
(4,110)	-	-	-	-	-		
-	-	(321,664)	-	(203,525)	-		
7,807,589	486,489	2,294,328	3,388,137	464,439	445,035		
Cash flows from investing activities							
(3,964,844)	(399,256)	(1,787,588)	(2,334,977)	(171,896)	(255,038)		
(126,335)	(5,039)	(132,780)	(23,407)	(97)	(40,357)		
(19,483)	-	(25,640)	(10,041)	-	-		
38,874	-	11,997	22,825	-	-		
62,929	11,189	15,841	32,244	1,006	11,189		
400,000	195,000	-	400,000	-	195,000		
1,060	-	(7,678)	(11,286)	-	-		
238,629	196,677	374,294	115,231	221,860	95,927		
-	709,549	-	-	1,462,603	709,549		
-	509,017	-	-	-	509,017		
(3,369,170)	1,217,138	(1,551,554)	(1,809,411)	1,513,476	1,225,288		
Cash flows from financing activities							
2,205,964	-	1,860,490	718,741	-	-		
(1,075,356)	-	(901,455)	(266,723)	-	-		
-	8,270	-	-	-	8,270		
(64,203)	(21,383)	(21,048)	(23,565)	(8,944)	(10,344)		
(1,188,076)	(1,188,076)	(384,983)	(560,340)	(384,983)	(560,340)		
(126,924)	-	(282,157)	(69,292)	-	-		
2,512,606	1,510,000	(3,142,571)	2,126,374	(2,995,928)	1,935,000		
2,264,009	308,811	(2,871,723)	1,925,196	(3,389,855)	1,372,586		
6,702,427	2,012,437	(2,128,950)	3,503,923	(1,411,940)	3,042,909		
(1,155,461)	(402,438)	5,546,966	(1,155,461)	1,609,999	(402,438)		
5,546,966	1,609,999	3,418,016	2,348,462	198,059	2,640,471		
Cash & cash equivalents at end of the period (Note B)							
A Cash generated from operations							
7,596,775	3,042,552	7,247,342	3,091,687	4,690,503	1,361,092		
Profit before tax							
Adjustments for:							
688,678	311,712	723,805	311,816	382,174	127,114		
(2,510)	-	-	-	-	-		
(67,692)	-	-	-	-	-		
1,148,362	108,282	733,270	546,016	62,257	48,352		
118,333	20,879	58,948	65,050	8,374	10,439		
49,866	2,297	29,245	19,655	4,406	(2,191)		
27,290	4,126	17,243	13,136	1,707	8,522		
18,736	11,839	10,914	9,076	5,937	5,937		
(26,507)	(11,189)	(2,149)	(23,903)	(1,006)	(11,189)		
(7,378)	(6,720)	-	(7,378)	-	(6,720)		
(35,950)	-	(18,748)	(17,919)	-	-		
50,075	(564)	(9,363)	(4,983)	1,273	1,625		
397,332	88,529	592,826	325,091	59,200	52,800		
18,654	-	12,464	9,973	-	-		
304,381	(15,543)	(58,051)	246,320	5,166	(13,003)		
(238,629)	(1,262,426)	(374,294)	(115,231)	(2,799,473)	(945,176)		
2,877,279	-	934,996	236,969	-	-		
-	(251,129)	-	-	-	(251,129)		
12,917,096	2,042,645	9,898,448	4,705,374	2,420,518	386,473		
(1,858,004)	(2,251,192)	(3,432,205)	(863,124)	(1,170,972)	(736,554)		
1,507,220	116,358	(718,253)	1,540,194	(143,826)	130,803		
(1,268,288)	205,101	(2,889,660)	1,024,631	(661,507)	439,290		
(532,090)	932,980	1,737,886	(1,490,043)	639,567	557,116		
(2,151,162)	(996,753)	(5,302,232)	211,658	(1,336,738)	390,655		
10,765,934	1,045,892	4,596,216	4,917,032	1,083,780	777,128		
B Analysis of cash & cash equivalents at end of the period							
4,329,403	720,220	3,591,945	2,110,955	803,464	369,732		
4,715,362	2,368,021	2,983,507	5,372,693	-	3,310,745		
(3,497,799)	(1,478,242)	(3,157,435)	(5,135,186)	(605,405)	(1,040,006)		
5,546,966	1,609,999	3,418,017	2,348,462	198,059	2,640,471		

The notes to the financial statements on page 10 and 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 31/03/2022.

4. 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 31/03/2022.

5. Industry Segment Revenue from Contracts with Customers

<u>Group</u> Audited Year to 31/03/2022		<u>Group</u> Unaudited 6 months to 30/09/2022	Unaudited 6 months to 30/09/2021
Rs'000		Rs'000	Rs'000
37,917,944	Hand Protection	27,335,788	21,501,482
17,665,702	Plantations	14,827,321	8,897,762
55,583,646		42,163,108	30,399,245
(289,663)	Inter - segment sales / services	(169,050)	(385,990)
<u>55,293,983</u>		<u>41,994,058</u>	<u>30,013,255</u>

6. Industry Segment Results

<u>Group</u> Audited Year to 31/03/2022		<u>Group</u> Unaudited 6 months to 30/09/2022	Unaudited 6 months to 30/09/2021
		Rs. '000	Rs. '000
3,107,451	Hand Protection	2,990,439	2,375,220
2,463,556	Plantations	2,646,040	889,977
5,571,007		5,636,479	3,265,197
(211,200)	Inter - segment results	(266,750)	(139,700)
5,359,807	Segment results	5,369,729	3,125,497
(706,458)	Finance cost	(748,030)	(411,610)
2,943,426	Finance income	2,625,643	377,800
<u>7,596,775</u>	Profit before tax	<u>7,247,342</u>	<u>3,091,687</u>

DIPPED PRODUCTS PLC

Notes to the Financial Statements

7. Surcharge Tax

The Surcharge Tax Act No. 14 of 2022 was enacted on 8th April 2022, confirming the imposition of a one-time tax of 25% on entities in which the taxable income exceeded Rs. 2 bn for the financial year ended 31st March 2021. The surcharge tax is applicable to the Dipped Products Group as the cumulative taxable income of group entities calculated in accordance with the provisions of the Inland Revenue Act No. 24 of 2017, exceeded the set threshold.

The total Surcharge Tax liability of the group amounted to Rs. 321,663,665. It was paid by group entities on 20th April 2022 and on 20th July 2022.

8. Impact of Recent Economic Conditions

The Directors are continuously monitoring the existing and the anticipated effects of the economic crisis, the circumstances of the external environment, as well as the resulting consequences to the company in order to take appropriate measures to manage the impact.

i. Increase in interest rates

The sharp increase in interest rates adversely impacted the interest cost of the group and the company and it is expected to increase marginally in the coming months as well. This increment in finance cost was mainly due to higher working capital requirements in the group as a result of the sharp depreciation of the Rupee along with curtailing of supplier credits by foreign suppliers due to the downgrade of the country's credit rating by international credit rating agencies subsequent to the weakening of the economic stability of Sri Lanka.

The following measures were taken to reduce the impact of increase in interest rates;

- Fixed the interest of short – term working capital loans for a longer period based on money market conditions.
- Minimised borrowings by reducing credit periods offered to the customers whilst encouraging advance payments, thereby improving the liquidity of the company
- Continues control and monitoring measures taken to improve the recoveries from debtors to reduce the borrowings
- Strategic initiatives driven by the management to prioritise essential capital expenditure

ii. Fluctuation of foreign currency and significant rupee depreciation

The rupee depreciation positively affected the export company's within the group which resulted on increase in the topline and bottom line. However, maintaining the exchange rate at a fixed level for an extended period posed challenges in maintaining competitiveness in the international market place given the expected tax changes and high inflation rate.

iii. Other Considerations

Despite the current slowdown of the economy, the marketing and business development teams of the group continues to pursue new business opportunities to diversify the business risk whilst the operational teams focus on improving production efficiencies and reducing costs in order to increase the gross profit margin.

DIPPED PRODUCTS PLC

INVESTOR INFORMATION

	30/09/2022 Rs.	30/09/2021 Rs.
Market Value of Shares		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Last Traded Price	42.80	58.60
Highest price recorded for the six months ending	48.70	79.50
Lowest price recorded for the six months ending	21.00	46.00
Highest price recorded for the three months ending	48.70	79.50
Lowest price recorded for the three months ending	23.00	50.40
Market Capitalisation (Rs. M)	25,621	35,079
Ratios		
Net assets per share at the period end*	43.88	28.43
Price earnings ratio annualised (times)	2.63	7.95
Share Trading information from 01/04/2022 to 30/09/2022		
Number of transactions	37,111	160,321
Number of shares traded	65,836,724	343,560,905
Value of shares traded (Rs.)	2,480,854,088.90	20,002,906,367.80

Dividend Payments

Final dividend of Rs 0.15 per share for the year 2021/2022 paid on 11/07/2022

First interim dividend of Rs 1.25 per share for the year 2022/2023 paid on 21/10/2022

First twenty shareholders as at 30/09/2022

	Shareholder	No.of Shares as at 30/09/2022	%
1	HAYLEYS PLC	252,109,380	42.12
2	VOLANKA (PRIVATE) LIMITED	48,736,400	8.14
3	HAYCARB PLC	40,687,460	6.80
4	EMPLOYEES PROVIDENT FUND	27,551,107	4.60
5	RAVI INDUSTRIES LIMITED	5,670,000	0.95
6	EMPLOYEES TRUST FUND BOARD	5,236,729	0.87
7	SEYLAN BANK PLC / JANASHAKTHI CAPITAL LIMITED	4,877,053	0.81
8	DR.D.JAYANNTHA	4,157,500	0.69
9	MR.H.S.R.KARIYAWASAN & MRS. K.H.S. KARIYAWASAN	4,150,850	0.69
10	MR.N.SAMARASURIYA	3,175,860	0.53
11	MR.H.A.R.PIERIS	3,030,000	0.51
12	AMANA BANK PLC / MR.M.N.DEEN	2,961,994	0.49
13	CAPITAL TRUST HOLDINGS LTD	2,226,654	0.37
14	MRS.S.H.SARDAKHAN	2,100,000	0.35
15	RENUKA PROPERTIES LIMITED	1,660,000	0.28
16	MRS.L.SIVAGURUNATHAN (DECEASED)	1,630,440	0.27
17	MERCHAN BANK OF SRI LANKA & FINANCE PLC / U.D.PREMAKUMARA	1,576,579	0.26
18	MR. M. I. M. SHAFIE & MRS. F.R. SHAFIE	1,572,743	0.26
19	MISS. L.A. PIERIS	1,493,063	0.25
20	FIRST CAPITAL LIMITED	1,393,313	0.23
	TOTAL	415,997,125	69.49

Public Holding as at 30/09/2022

Percentage of Public Holding	41.00%
Total number of shareholders representing the public holding	15,202
Float - Adjusted Market Capitalization (Rs.)	10,556,158,610.62

The Company complies with option 1 of the Listing Rules 7.13.1 (a) which is not requires minimum Public Holding.

Directors' shareholding as at 30/09/2022

Name of Director	No.of Shares as at 30/09/2022
Mr.A.M.Pandithage	-
Mr.H.S.R.Kariyawasan & K.H.S.Kariyawasan	4,150,850
Mr.H.S.R.Kariyawasan & H.B.Kariyawasan	799,860
Mr.Ng Soon Huat	-
Mr.R.H.P.Janadheera	350,000
Mr.S.C.Ganegoda	260,000
Mr.F.Mohideen	-
Mr.S. Rajapakse	-
Mr.N.A.R.R.S.Nanayakkara	350,000
Mr.S.P.Peiris	61,000
Mr.K.D.G.Gunaratne	-
Mr.K.M.D.I. Prasad	-
Mr. B.K.C.R.Ratnasiri	-
Mr.G.Molinari	-
Ms. K.A.D.B. Perera (Appointed with effect from 19th October 2022)	-
Total	5,971,710

There were no non-voting shares as at 30/09/2022.