

# **DIPPED PRODUCTS PLC**

INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2018

# CORPORATE INFORMATION

## LEGAL FORM

A Public Limited Company  
Incorporated in Sri Lanka in 1976

## COMPANY NUMBER

PQ60

## DIRECTORS

Mr. A.M. Pandithage - Chairman  
Dr. K.I.M. Ranasoma - Managing Director  
Mr. F. Mohideen  
Mr. S.C.Ganegoda  
Mr. Dhammika Perera  
Mr. M. Bottino  
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  
Ms.R.N.Obeyesekere

## SUBSIDIARIES

### Hand Protection

Palma Limited  
Grossart (Private) Limited - Amalgamated with Dipped Products PLC on 17/01/2018  
Venigros (Private) Limited  
Neoprex (Private) Limited - Amalgamated with Dipped Products PLC on 17/01/2018  
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  
Hayleys Global Beverages (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  
E-mail: info.sec@hayleys.com

## 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

## INCOME STATEMENTS

	Group			Group		
	Year to 31/03/2018 Rs.'000	Year to 31/03/2017 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2018 Rs.'000	03 months to 31/03/2017 Rs.'000	Increase/ (Decrease) %
<b>Turnover</b>	<b>28,484,874</b>	24,334,423	17	<b>7,139,080</b>	6,596,165	8
Cost of sales	<b>(24,024,671)</b>	(20,345,895)	18	<b>(5,738,495)</b>	(5,160,366)	11
Gross profit	<b>4,460,203</b>	3,988,528	12	<b>1,400,585</b>	1,435,799	(2)
Other income and gains	<b>206,006</b>	246,860	(17)	<b>118,103</b>	174,988	(33)
Distribution costs	<b>(614,150)</b>	(517,532)	19	<b>(155,394)</b>	(140,362)	11
Administrative expenses	<b>(2,389,297)</b>	(2,279,432)	5	<b>(646,408)</b>	(596,642)	8
Other expenses	<b>(3,806)</b>	-	-	<b>(3,806)</b>	-	-
Finance costs	<b>(369,096)</b>	(410,965)	(10)	<b>(88,254)</b>	(110,534)	(20)
Finance income	<b>126,866</b>	58,989	115	<b>37,067</b>	17,507	112
Change in fair value of Investment properties	<b>36,760</b>	51,300	(28)	<b>36,760</b>	51,300	(28)
Share of loss of equity accounted investee (net of tax)	<b>(212,992)</b>	(80,488)	165	<b>(58,174)</b>	(15,549)	274
<b>Profit / (loss) before tax</b>	<b>1,240,494</b>	1,057,260	17	<b>640,479</b>	816,507	(22)
Tax expense	<b>(439,644)</b>	(139,526)	215	<b>(189,306)</b>	50,649	(474)
<b>Profit / (loss) for the period</b>	<b>800,850</b>	917,734	(13)	<b>451,173</b>	867,156	(48)
<b>Attributable to :</b>						
Equity holders of the parent	<b>495,468</b>	753,201	(34)	<b>285,969</b>	667,950	(57)
Non-controlling interest	<b>305,382</b>	164,533	86	<b>165,204</b>	199,206	(17)
<b>Profit / (loss) for the period</b>	<b>800,850</b>	917,734	(13)	<b>451,173</b>	867,156	(48)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	<b>8.28</b>	12.58		<b>4.78</b>	11.16	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	<b>8.28</b>	12.58		<b>4.78</b>	11.16	
Dividend per share (Rs)	-	2.50		-	2.50	

\*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2018

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

## INCOME STATEMENTS

	Company			Company		
	Year to 31/03/2018 Rs.'000	Year to 31/03/2017 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2018 Rs.'000	03 months to 31/03/2017 Rs.'000	Increase/ (Decrease) %
<b>Turnover</b>	<b>2,266,036</b>	1,792,509	26	<b>889,346</b>	428,391	108
Cost of sales	<b>(1,836,512)</b>	(1,381,449)	33	<b>(690,528)</b>	(343,296)	101
Gross profit	<b>429,524</b>	411,060	4	<b>198,818</b>	85,095	134
Other income and gains	<b>261,294</b>	420,163	(38)	<b>2,196</b>	281,896	(99)
Distribution costs	<b>(27,611)</b>	(19,505)	42	<b>13,275</b>	(2,691)	593
Administrative expenses	<b>(452,036)</b>	(404,625)	12	<b>(139,739)</b>	(84,138)	66
Impairment reversal / (loss) on investment and other amounts due	<b>(208)</b>	(196)	6	-	(4)	(100)
Finance costs	<b>(90,484)</b>	(104,961)	(14)	<b>(10,990)</b>	(32,303)	(66)
Finance income	<b>16,088</b>	8,313	94	<b>4,679</b>	2,030	130
Change in fair value of Investment properties	<b>31,400</b>	25,500	23	<b>31,400</b>	25,500	23
<b>Profit / (loss) before tax</b>	<b>167,967</b>	335,749	(50)	<b>99,639</b>	275,385	(64)
Tax (expense) / release	<b>(4,635)</b>	21,182	(122)	<b>(2,107)</b>	18,514	(111)
<b>Profit / (loss) for the period</b>	<b>163,332</b>	356,931	(54)	<b>97,532</b>	293,899	(67)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	<b>2.73</b>	5.96		<b>1.63</b>	4.91	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	<b>2.73</b>	5.96		<b>1.63</b>	4.91	
Dividend per share (Rs)	-	2.50		-	2.50	

\*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2018

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**  
**OTHER COMPREHENSIVE INCOME**

	<b>Group</b>			<b>Group</b>		
	Year to	Year to	Increase/	03 months to	03 months to	Increase/
	31/03/2018	31/03/2017	(Decrease)	31/03/2018	31/03/2017	(Decrease)
	Rs.'000	Rs.'000	%	Rs.'000	Rs.'000	%
<b>Profit / (loss) for the period</b>	<b>800,850</b>	917,734	(13)	<b>451,173</b>	867,156	(48)
<b>Other comprehensive income</b>						
<b><u>Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax)</u></b>						
Currency translation of foreign operations	<b>382,909</b>	117,574	226	<b>156,422</b>	87,404	79
Net gain/(loss) on available for sale financial assets	<b>(3)</b>	4	(175)	<b>(6)</b>	1	(700)
<b><u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u></b>						
Revaluation of land	-	25,355	(100)	-	25,355	(100)
Actuarial gain/(loss) on defined benefit plans	<b>(82,528)</b>	588,315	(114)	<b>(82,528)</b>	588,315	(114)
Tax effect on actuarial gain/(loss)	<b>11,702</b>	(92,022)	113	<b>11,702</b>	(92,022)	113
Actuarial gain of equity accounted investee on defined benefit plans (Net of tax)	<b>(1,031)</b>	511	(302)	<b>(1,031)</b>	511	(302)
Tax effect on Investment Property revaluation	<b>(45,060)</b>	-		<b>(45,060)</b>	-	
<b>Other comprehensive income / (loss) for the period, net of tax</b>	<b>265,989</b>	639,737	(58)	<b>39,499</b>	609,564	(94)
<b>Total comprehensive income / (loss) for the period, net of tax</b>	<b>1,066,839</b>	1,557,471	(32)	<b>490,672</b>	1,476,720	(67)
<b>Attributable to :</b>						
Equity holders of the parent	<b>766,794</b>	1,199,452	(36)	<b>331,534</b>	1,100,781	(70)
Non-controlling interest	<b>300,045</b>	358,019	(16)	<b>159,138</b>	375,939	(58)
<b>Total comprehensive income / (loss) for the period, net of tax</b>	<b>1,066,839</b>	1,557,471	(32)	<b>490,672</b>	1,476,720	(67)

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**  
**OTHER COMPREHENSIVE INCOME**

	<u>Company</u>			<u>Company</u>		
	Year to 31/03/2018 Rs.'000	Year to 31/03/2017 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2018 Rs.'000	03 months to 31/03/2017 Rs.'000	Increase/ (Decrease) %
<b>Profit / (loss) for the period</b>	<b>163,332</b>	356,931	(54)	<b>97,532</b>	293,899	(67)
<b>Other comprehensive income</b>						
<b><u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u></b>						
Revaluation of land	-	25,355	(100)	-	25,355	(100)
Actuarial gain/(loss) on defined benefit plans	<b>(37,386)</b>	8,051	(564)	<b>(37,386)</b>	8,051	(564)
Tax effect on actuarial gain/(loss)	<b>5,234</b>	(966)	642	<b>5,234</b>	(966)	642
Tax effect on Investment Property revaluation	<b>(30,801)</b>	-		<b>(30,801)</b>	-	
<b>Other comprehensive income / (loss) for the period, net of tax</b>	<b>(62,953)</b>	32,440	(294)	<b>(62,953)</b>	32,440	(294)
<b>Total comprehensive income / (loss) for the period, net of tax</b>	<b>100,379</b>	389,371	(74)	<b>34,579</b>	326,339	(89)

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*The figures in brackets indicate deductions*

**DIPPED PRODUCTS PLC**  
**Statements of Financial Position**

	Group		Company	
	as at 31/03/2018	as at 31/03/2017	as at 31/03/2018	as at 31/03/2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Tangible assets				
Property, plant and equipment	12,408,303	12,414,457	676,108	570,746
Lease rental paid in advance	56,977	58,239	-	-
Formers (moulds)	279,344	277,768	57,648	34,438
Investment Properties	348,060	311,300	156,900	125,500
Biological assets	404,659	374,353	-	-
Intangible assets	259,337	260,425	-	-
Investment in subsidiaries	-	-	3,600,546	3,682,546
Investment in equity accounted investee	-	214,023	-	-
Amounts due from related parties	-	-	38,620	36,286
Other non-current financial assets	23	26	-	-
Deferred tax assets	98,157	196,362	33,163	40,960
	<b>13,854,860</b>	<b>14,106,953</b>	<b>4,562,985</b>	<b>4,490,476</b>
<b>Current Assets</b>				
Inventories	4,546,333	3,841,349	605,332	486,544
Trade and other receivables	4,731,960	4,454,468	821,265	1,000,112
Advance and prepayments	169,592	295,444	52,655	39,639
Amounts due from related parties	-	-	876,255	294,186
Cash and short term deposits	1,327,335	471,983	72,417	28,820
	<b>10,775,220</b>	<b>9,063,244</b>	<b>2,427,924</b>	<b>1,849,301</b>
<b>Total assets</b>	<b>24,630,080</b>	<b>23,170,197</b>	<b>6,990,909</b>	<b>6,339,777</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Stated capital (Issued and fully paid 59,861,512 ordinary shares)	598,615	598,615	598,615	598,615
Capital reserves	447,212	478,771	189,682	220,483
Available-for-sale reserve	15	17	-	-
Revenue reserves	8,693,473	8,044,601	3,853,222	2,843,122
<b>Equity attributable to equity holders of the parent</b>	<b>9,739,315</b>	<b>9,122,004</b>	<b>4,641,519</b>	<b>3,662,220</b>
Non-controlling interest	2,566,261	2,312,205	-	-
<b>Total equity</b>	<b>12,305,576</b>	<b>11,434,209</b>	<b>4,641,519</b>	<b>3,662,220</b>
<b>Non-Current Liabilities</b>				
Interest-bearing loans and borrowings	1,397,541	2,114,650	-	-
Deferred income	728,000	691,115	-	-
Defined benefit obligations	2,308,123	2,125,763	433,820	347,237
Agents' indemnity fund	54,041	42,809	-	-
Deferred tax liabilities	713,849	686,093	-	-
	<b>5,201,554</b>	<b>5,660,430</b>	<b>433,820</b>	<b>347,237</b>
<b>Current liabilities</b>				
Trade and other payables	3,434,860	2,911,721	379,472	361,939
Unclaimed dividends / dividends payable	6,800	6,604	6,800	6,604
Short-term loans and bank overdrafts	2,767,380	2,201,582	905,952	608,466
Interest-bearing loans and borrowings	874,758	801,486	-	-
Amounts due to related parties	-	-	614,229	1,353,311
Income tax payable	39,152	154,165	9,117	-
	<b>7,122,950</b>	<b>6,075,558</b>	<b>1,915,570</b>	<b>2,330,320</b>
<b>Total liabilities</b>	<b>12,324,504</b>	<b>11,735,988</b>	<b>2,349,390</b>	<b>2,677,557</b>
<b>Total equity and liabilities</b>	<b>24,630,080</b>	<b>23,170,197</b>	<b>6,990,909</b>	<b>6,339,777</b>

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

The Financial Position as at 31/03/2018, 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.

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**N.A.R.S. Nanayakkara**

Director Finance

**Signed on behalf of the Board**

sgd

**A.M.Pandithage**

Chairman

17/05/2018

sgd

**Dr. K.I.M. Ranasoma**

Managing Director

**DIPPED PRODUCTS PLC**  
**STATEMENTS OF CHANGES IN EQUITY**

Group  
For the year ended 31/03/2018

	-----Attributable to equity holders of the Company-----										Non-controlling Interest	Total Equity	
	Stated Capital	Capital Reserves		Other Component		Revenue Reserves			Total				
		Reserve on scrip Issue	Revaluation Reserve	Other capital reserves	Available-for-sale Reserve	General Reserve	Timber Reserve	Bearer Biological Produce	Retained Earnings	Exchange Fluctuation Reserve			
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000			Rs'000
<b>Balance as at 01/04/2016</b>	<b>598,615</b>	<b>167,409</b>	<b>239,927</b>	<b>42,828</b>	<b>14</b>	<b>1,190,950</b>	<b>130,955</b>	<b>4,216</b>	<b>5,583,908</b>	<b>205,454</b>	<b>8,164,276</b>	<b>2,406,025</b>	<b>10,570,301</b>
Profit for the year	-	-	-	-	-	-	15,376	11,857	725,968	-	753,201	164,533	917,734
<b>Other comprehensive income</b>													
Revaluation of land	-	-	25,355	-	-	-	-	-	-	-	25,355	-	25,355
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	100,243	100,243	17,331	117,574
Net gain/(loss) on available for sale financial assets	-	-	-	-	3	-	-	-	-	-	3	1	4
Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	379,438	-	379,438	208,877	588,315
Share of actuarial gain from equity accounted investee	-	-	-	-	-	-	-	-	370	-	370	141	511
Tax effect on Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	(59,158)	-	(59,158)	(32,864)	(92,022)
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>25,355</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320,650</b>	<b>100,243</b>	<b>446,251</b>	<b>193,486</b>	<b>639,737</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>25,355</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>15,376</b>	<b>11,857</b>	<b>1,046,618</b>	<b>100,243</b>	<b>1,199,452</b>	<b>358,019</b>	<b>1,557,471</b>
<b>Transactions with owners, recorded directly in equity</b>													
Dividends to equity holders	-	-	-	-	-	-	-	-	(119,723)	-	(119,723)	(39,586)	(159,309)
Unclaimed dividend-write back	-	-	-	-	-	-	-	-	608	-	608	-	608
Transfers	-	-	-	3,252	-	-	-	-	(3,252)	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,252</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(122,367)</b>	<b>-</b>	<b>(119,115)</b>	<b>(39,586)</b>	<b>(158,701)</b>
<b>Changes in ownership interests in subsidiaries</b>													
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	(122,609)	-	(122,609)	(412,253)	(534,862)
<b>Total changes in ownership interests in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(122,609)</b>	<b>-</b>	<b>(122,609)</b>	<b>(412,253)</b>	<b>(534,862)</b>
<b>Balance as at 01/04/2017</b>	<b>598,615</b>	<b>167,409</b>	<b>265,282</b>	<b>46,080</b>	<b>17</b>	<b>1,190,950</b>	<b>146,331</b>	<b>16,073</b>	<b>6,385,550</b>	<b>305,697</b>	<b>9,122,004</b>	<b>2,312,205</b>	<b>11,434,209</b>
<b>Profit for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,985</b>	<b>(3,249)</b>	<b>482,732</b>	<b>-</b>	<b>495,468</b>	<b>305,382</b>	<b>800,850</b>
<b>Other comprehensive income</b>													
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	381,377	381,377	1,532	382,909
Net gain on available for sale financial assets	-	-	-	-	(2)	-	-	-	-	-	(2)	(1)	(3)
Actuarial gain/(loss) on defined benefit plans	-	-	-	-	-	-	-	-	(74,790)	-	(74,790)	(7,738)	(82,528)
Share of actuarial gain from equity accounted investee	-	-	-	-	-	-	-	-	(747)	-	(747)	(284)	(1,031)
Tax effect on Actuarial loss on defined benefit plans	-	-	-	-	-	-	-	-	10,548	-	10,548	1,154	11,702
Tax effect on Investment Property revaluation	-	-	(45,060)	-	-	-	-	-	-	-	(45,060)	-	(45,060)
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>(45,060)</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(64,989)</b>	<b>381,377</b>	<b>271,326</b>	<b>(5,337)</b>	<b>265,989</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(45,060)</b>	<b>-</b>	<b>(2)</b>	<b>-</b>	<b>15,985</b>	<b>(3,249)</b>	<b>417,743</b>	<b>381,377</b>	<b>766,794</b>	<b>300,045</b>	<b>1,066,839</b>
<b>Transactions with owners, recorded directly in equity</b>													
Dividends to equity holders	-	-	-	-	-	-	-	-	(149,654)	-	(149,654)	(45,989)	(195,643)
Unclaimed dividend written-back	-	-	-	-	-	-	-	-	171	-	171	-	171
Transfers	-	-	-	13,501	-	-	-	-	(13,501)	-	-	-	-
<b>Total contributions by and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>13,501</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(162,984)</b>	<b>-</b>	<b>(149,483)</b>	<b>(45,989)</b>	<b>(195,472)</b>
<b>Balance as at 31/03/2018</b>	<b>598,615</b>	<b>167,409</b>	<b>220,222</b>	<b>59,581</b>	<b>15</b>	<b>1,190,950</b>	<b>162,316</b>	<b>12,824</b>	<b>6,640,309</b>	<b>687,074</b>	<b>9,739,315</b>	<b>2,566,261</b>	<b>12,305,576</b>

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 31/03/2018

	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>
<b>Balance as at 01/04/2016</b>	<b>598,615</b>	<b>194,948</b>	<b>180</b>	<b>2,598,221</b>	<b>3,391,964</b>
Profit for the year	-	-	-	356,931	356,931
<b>Other comprehensive income</b>					
Revaluation of land	-	25,355	-	-	25,355
Actuarial gain/(loss) on defined benefit plans	-	-	-	8,051	8,051
Tax effect on Actuarial gain/(loss) on defined benefit plans	-	-	-	(966)	(966)
<b>Total other comprehensive income</b>	<b>-</b>	<b>25,355</b>	<b>-</b>	<b>7,085</b>	<b>32,440</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>25,355</b>	<b>-</b>	<b>364,016</b>	<b>389,371</b>
<b>Transactions with owners, recorded directly in equity</b>					
Dividends to equity holders	-	-	-	(119,723)	(119,723)
Unclaimed dividend write-back	-	-	-	608	608
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(119,115)</b>	<b>(119,115)</b>
<b>Balance as at 01/04/2017</b>	<b>598,615</b>	<b>220,303</b>	<b>180</b>	<b>2,843,122</b>	<b>3,662,220</b>
<b>Profit for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>163,332</b>	<b>163,332</b>
<b>Other comprehensive income</b>					
Revaluation of land	-	-	-	-	-
Actuarial gain on defined benefit plans	-	-	-	(37,386)	(37,386)
Tax effect on Actuarial loss on defined benefit plans	-	-	-	5,234	5,234
Tax effect on Investment Property revaluation	-	(30,801)	-	-	(30,801)
<b>Total other comprehensive income</b>	<b>-</b>	<b>(30,801)</b>	<b>-</b>	<b>(32,152)</b>	<b>(62,953)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>(30,801)</b>	<b>-</b>	<b>131,180</b>	<b>100,379</b>
<b>Transactions with owners, recorded directly in equity</b>					
Dividends to equity holders	-	-	-	(149,654)	(149,654)
Unclaimed dividend written-back	-	-	-	171	171
Transfer on Amalgamation	-	-	-	1,028,403	1,028,403
<b>Total transactions with owners, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>878,920</b>	<b>878,920</b>
<b>Balance as at 31/03/2018</b>	<b>598,615</b>	<b>189,502</b>	<b>180</b>	<b>3,853,222</b>	<b>4,641,519</b>

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 CASH FLOW STATEMENTS

	<u>Group</u>		<u>Company</u>	
	year to 31/03/2018	year to 31/03/2017	year to 31/03/2018	year to 31/03/2017
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>Cash flows from operating activities</b>				
Cash generated from operations (Note A)	2,983,309	1,829,144	(103,998)	306,537
Interest paid	(357,163)	(354,545)	(90,484)	(104,961)
Taxes paid	(445,533)	(210,756)	(15,404)	(8,731)
Retiring gratuity paid	(292,703)	(314,262)	(33,020)	(72,664)
Agents' indemnity paid	(2,653)	(6,592)	-	-
Net cash flow from operating activities	<u>1,885,257</u>	<u>942,989</u>	<u>(242,906)</u>	<u>120,181</u>
<b>Cash flows from investing activities</b>				
Purchase & construction of property, plant and equipment	(483,422)	(718,348)	(59,059)	(147,187)
Field development expenditure	(314,304)	(318,308)	-	-
Purchase of formers (moulds)-net	(60,399)	(93,480)	-	-
Grants received	60,045	42,291	-	-
Proceeds from disposal of property, plant and equipment	43,355	50,521	3,330	29,197
Proceeds from disposal of investment property	-	250,000	-	250,000
Development cost (net) incurred on biological assets	(6,078)	(7,099)	-	-
Investment in equity accounted investee	-	(34,000)	-	-
Investment in group companies	-	-	-	(534,862)
Interest received	59,342	14,252	3,101	2,551
Dividend received from subsidiary companies	-	-	222,614	89,897
Net payments to non-controlling interest	-	(534,862)	-	-
Net Cash & Bank balance acquired on Amalgamation	-	-	(24,455)	-
Net cash flows from investing activities	<u>(701,461)</u>	<u>(1,349,033)</u>	<u>145,531</u>	<u>(310,404)</u>
<b>Cash flows from financing activities</b>				
Long term loans obtained	148,927	801,027	-	-
Repayment of long term loans	(845,452)	(409,538)	-	-
Loan given to subsidiary company	-	-	(20,000)	(25,000)
Loan repayment by subsidiary company	-	-	12,773	4,458
Capital payment on finance lease	(2,441)	(1,977)	-	-
Dividend paid to equity holders of the parent	(149,287)	(120,105)	(149,287)	(120,105)
Dividend paid to shareholders with non-controlling interest	(45,989)	(39,586)	-	-
Net cash flows from financing activities	<u>(894,242)</u>	<u>229,821</u>	<u>(156,514)</u>	<u>(140,647)</u>
Net increase / (decrease) in cash & cash equivalents	289,554	(176,223)	(253,889)	(330,870)
<b>Cash &amp; cash equivalents at beginning of the period</b>	<u>(1,729,599)</u>	<u>(1,553,376)</u>	<u>(579,646)</u>	<u>(248,776)</u>
<b>Cash &amp; cash equivalents at end of the period (Note B)</b>	<u>(1,440,045)</u>	<u>(1,729,599)</u>	<u>(833,535)</u>	<u>(579,646)</u>
<b>Cash generated from operations</b>				
<b>Profit before tax</b>	1,240,494	1,057,260	167,967	335,749
<b>Adjustments for:</b>				
Interest cost	357,163	354,545	90,484	104,961
Share of loss of equity accounted investees	212,992	80,488	-	-
Gain on fair value change in consumable biological assets	(24,228)	(24,456)	-	-
Loss on change in fair value of produce on bearer biological assets	3,806	(18,804)	-	-
Gain on fair value change in investment properties	(36,760)	(51,300)	(31,400)	(25,500)
Depreciation on property, plant and equipment	968,867	898,757	61,024	53,857
Amortization of lease rentals paid in advance	1,262	1,262	-	-
Impairment / (reversal) of formers	45,907	14,429	4,359	3,827
Write-off of formers	12,916	50,342	6,097	1,478
Amortisation of intangible assets	1,088	1,088	-	-
Gain / (loss) on disposal of property, plant & equipment	(20,809)	(17,799)	(2,765)	(5,364)
Gain on disposal of investments property	-	(38,300)	-	(38,300)
Amortisation of grants	(23,160)	(25,040)	-	-
Impairment provision for / (reversal of) bad & doubtful debts	27,056	7,585	5,434	3,555
Provision for retiring gratuity	377,440	389,494	51,982	47,369
Provision for agents' indemnity fund	5,943	(4,101)	-	-
Impairment loss/(reversal) on investment and other amounts due	-	-	208	195
Provision for/(reversal of) slow-moving / obsolete inventories	23,513	38,061	2,894	991
Interest and dividend income	(59,342)	(14,252)	(261,815)	(369,856)
Differences of exchange on translation of foreign entities	264,862	86,364	-	-
	<u>3,379,010</u>	<u>2,785,623</u>	<u>94,469</u>	<u>112,962</u>
(Increase) / decrease in trade and other receivables	(308,096)	(703,385)	137,381	90,520
(Increase) / decrease in advances and prepayments	125,852	5,979	(5,970)	49,794
(Increase) / decrease in inventories	(732,303)	(684,433)	(115,695)	(126,470)
Increase / (decrease) in trade and other payables	518,846	425,360	(214,183)	179,731
	<u>(395,701)</u>	<u>(956,479)</u>	<u>(198,467)</u>	<u>193,575</u>
	<u>2,983,309</u>	<u>1,829,144</u>	<u>(103,998)</u>	<u>306,537</u>
<b>Analysis of cash &amp; cash equivalents at end of the period</b>				
Cash at bank and in hand	526,180	245,036	72,417	28,820
Short term deposits	801,155	226,947	-	-
Short term loans and overdraft	(2,767,380)	(2,201,582)	(905,952)	(608,466)
	<u>(1,440,045)</u>	<u>(1,729,599)</u>	<u>(833,535)</u>	<u>(579,646)</u>

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

## 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. These Interim Financial Statements have been prepared in accordance with the accounting policies set out in the Annual Report for the year ended 31/03/2017. Amounts as at 31/03/2017 and for the period ended 31/03/2017 have not been restated for the effects of accounting policy changes and other adjustments more fully described in note 33 of the Annual report as at 31/03/2017.
3. 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.
4. 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 31/03/2017.
5. Grossart (Private) Limited & Neoprex (Private) Limited were Amalgamated with Dipped Products PLC on 17th January 2018. Accordingly, separate financial statements of Grossart (Private) Limited & Neoprex (Private) Limited have been prepared for the period 1st April 2017 to 16th January 2018. The Financial result for the pre amalgamation period, assets, liabilities and equity as at amalgamation date have been transferred to Dipped Products PLC.
6. Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

### 7 Industry Segment Turnover

	<u>Group</u>	
	Year to 31/03/2018	Year to 31/03/2017
	Rs'000	Rs'000
Hand Protection Plantations	15,865,114	14,285,240
	<u>12,703,531</u>	<u>10,186,756</u>
	28,568,644	24,471,996
Inter - segment sales / services	<u>(83,770)</u>	<u>(137,573)</u>
	<u>28,484,874</u>	<u>24,334,423</u>

### 8 Industry Segment Results

	<u>Group</u>	
	Year to 31/03/2018	Year to 31/03/2017
	Rs. '000	Rs. '000
Hand Protection Plantations	507,481	925,600
	<u>1,188,235</u>	<u>564,124</u>
	1,695,716	1,489,724
Finance cost	<u>(369,096)</u>	<u>(410,965)</u>
Finance income	126,866	58,989
Share of loss of equity accounted investee (net of tax)	<u>(212,992)</u>	<u>(80,488)</u>
Profit before tax	<u>1,240,494</u>	<u>1,057,260</u>

## DIPPED PRODUCTS PLC

### INVESTOR INFORMATION

	31/03/2018 Rs.	31/03/2017 Rs.
<b>Market Value of Shares</b>		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	85.50	76.00
Highest price recorded for the year ending	125.00	103.00
Lowest price recorded for the year ending	75.10	73.50
Highest price recorded for the three months ending	100.00	87.00
Lowest price recorded for the three months ending	83.00	74.00
Market Capitalisation (Rs. M)	5,118	4,549
<b>Ratios</b>		
Net assets per share at the period end*	162.70	152.39
Price earnings ratio annualised (times)	10.33	6.04
<b>Share Trading information from 01/04/2017 to 31/03/2018</b>		
Number of transactions	2,008	2,121
Number of shares traded	1,377,616	2,032,231
Value of shares traded (Rs.)	130,578,647.30	181,347,934.20

#### Dividend Payments

Interim dividend 2016/17 Rs.2.50 per share paid on 05/06/2017

\*Computed based on 59,861,512 shares on issue as at 31/03/2018

#### First twenty shareholders as at 31/03/2018

	Shareholder	No.of Shares as at 31/03/2018	%
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.Jayantha	415,000	0.69
10	Renuka Properties Limited	324,934	0.54
11	Mr.H.A.Pieris & Miss.L.A. Pieris	312,797	0.52
12	Seylan Bank PLC / L.C.R.Pathirana	303,385	0.51
13	Mr.A.M.Weerasinghe	250,000	0.42
14	Mr. N. G. Wickremeratne	246,224	0.41
15	Akbar Brothers (Pvt) Ltd A/C No.1	233,771	0.39
16	Hallsville Trading Group Inc.	204,024	0.34
17	HSBC International Nominees Ltd-SSBT Deutsche Bank AG Singapore A/C No.01	200,044	0.33
18	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
19	Seylan Bank PLC / Symphony Capital Limited	192,214	0.32
20	Mr.S.Krishnananthan	163,044	0.27
	<b>TOTAL</b>	<b>51,520,654</b>	<b>86.07</b>

#### Public Holding as at 31/03/2018

Percentage of Public Holding	41.82%
Total number of shareholders representing the public holding	2,521
Float - Adjusted Market Capitalization (Rs.)	2,140,414,209.22

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 31/03/2018

Name of Director	No.of Shares as at 31/03/2018
Mr.A.M.Pandithage	-
Dr.K.I.M.Ranasoma - Managing Director	300
Mr.F.Mohideen	-
Mr.S.C.Ganegoda	-
Mr.Dhammika Perera*	1,000
Mr.M.Bottino	-
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
Mr.H.S.R.Kariyawasan & H.B.Kariyawasan	- 79,986
Mr.R.H.P.Janadheera	-
Ms.R.N.Obeyesekere	-
<b>Total</b>	<b>104,412</b>

\*Mr.Dhammika Perera holds 50.44% 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 31/03/2018.