

DIPPED PRODUCTS PLC

INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2019

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. S.C. Ganegoda
Mr. Dhammika Perera
Mr. F. Mohideen
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
Mr. K.M.D.I. Prasad

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
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 31/03/2019 Rs.'000	Year to 31/03/2018 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2019 Rs.'000	03 months to 31/03/2018 Rs.'000	Increase/ (Decrease) %
Revenue from contract with customers	30,089,318	28,484,874	6	7,631,610	7,139,080	7
Cost of sales	(25,143,301)	(24,024,671)	5	(6,320,744)	(5,738,495)	10
Gross profit	4,946,017	4,460,203	11	1,310,866	1,400,585	(6)
Other income and gains	229,663	206,006	11	116,091	118,103	(2)
Distribution costs	(597,762)	(614,150)	(3)	(154,896)	(155,394)	(0)
Administrative expenses	(2,805,922)	(2,389,297)	17	(728,311)	(646,408)	13
Other expenses	-	(3,806)	(100)	-	(3,806)	(100)
Finance costs	(493,597)	(369,096)	34	(148,035)	(88,254)	68
Finance income	149,599	126,866	18	(22,876)	37,067	(162)
Change in fair value of Investment properties	9,895	36,760	(73)	9,895	36,760	(73)
Share of loss of equity accounted investee (net of tax)	-	(212,992)	(100)	-	(58,174)	(100)
Gain on disposal of equity accounted investee	204,653	-	-	-	-	-
Profit / (loss) before tax	1,642,546	1,240,494	32	382,734	640,479	(40)
Tax expense	(418,720)	(439,644)	(5)	(180,996)	(189,306)	(4)
Profit / (loss) for the period	1,223,826	800,850	53	201,738	451,173	(55)
Attributable to :						
Equity holders of the parent	868,424	495,468	75	102,704	285,969	(64)
Non-controlling interest	355,402	305,382	16	99,034	165,204	(40)
Profit / (loss) for the period	1,223,826	800,850	53	201,738	451,173	(55)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	14.51	8.28		1.72	4.78	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	14.51	8.28		1.72	4.78	
Dividend per share (Rs)	4.50	3.00		2.00	3.00	

*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2019

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 31/03/2019 Rs.'000	Year to 31/03/2018 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2019 Rs.'000	03 months to 31/03/2018 Rs.'000	Increase/ (Decrease) %
Revenue from contract with customers	3,898,365	2,266,036	72	984,259	889,346	11
Cost of sales	(3,025,141)	(1,836,512)	65	(729,889)	(690,528)	6
Gross profit	873,224	429,524	103	254,370	198,818	28
Other income and gains	240,238	261,294	(8)	58,616	2,196	2,569
Distribution costs	(33,671)	(27,611)	22	4,541	13,275	(66)
Administrative expenses	(621,200)	(452,036)	37	(112,057)	(139,739)	(20)
Impairment reversal / (loss) on investment and other amounts due	(100,406)	(208)		(100,100)	-	
Finance costs	(127,298)	(90,484)	41	(57,473)	(10,990)	423
Finance income	55,832	16,088	247	2,256	4,679	(52)
Change in fair value of Investment properties	6,276	31,400	(80)	6,276	31,400	(80)
Profit / (loss) before tax	292,995	167,967	74	56,429	99,639	(43)
Tax (expense) / release	34,772	(4,635)	850	19,922	(2,107)	1,046
Profit / (loss) for the period	327,767	163,332	101	76,351	97,532	(22)
Basic earnings / (loss) per ordinary share for the period (Rs.) *	5.48	2.73		1.28	1.63	
Diluted earnings / (loss) per ordinary share for the period (Rs.) *	5.48	2.73		1.28	1.63	
Dividend per share (Rs)	4.50	3.00		2.00	3.00	

*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2019

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

	Group			Group		
	Year to 31/03/2019 Rs.'000	Year to 31/03/2018 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2019 Rs.'000	03 months to 31/03/2018 Rs.'000	Increase/ (Decrease) %
Profit / (loss) for the period	1,223,826	800,850	53	201,738	451,173	(55)
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	289,466	382,909	(24)	(24,791)	156,422	(116)
Net gain/(loss) on equity instruments designated at Fair Value through OCI	89,336	(3)		89,342	(6)	
<u>Other comprehensive income not to be reclassified to profit or loss in subsequent periods (net of tax)</u>						
Revaluation of land	57,560	-		57,560	-	
Actuarial gain/(loss) on defined benefit plans	(252,536)	(82,528)	206	(252,536)	(82,528)	206
Tax effect on actuarial gain/(loss)	34,948	11,702	199	34,948	11,702	199
Actuarial gain of equity accounted investee on defined benefit plans (Net of tax)	-	(1,031)	(100)	-	(1,031)	(100)
Tax effect on Investment Property revaluation	-	(45,060)	(100)	-	(45,060)	(100)
Tax effect on Land revaluation	(8,058)	-		(8,058)	-	
Other comprehensive income / (loss) for the period, net of tax	210,716	265,989	(21)	(103,535)	39,499	(362)
Total comprehensive income / (loss) for the period, net of tax	1,434,542	1,066,839	34	98,203	490,672	(80)
Attributable to :						
Equity holders of the parent	1,131,223	766,794	48	52,815	331,534	(84)
Non-controlling interest	303,319	300,045	1	45,388	159,138	(71)
Total comprehensive income / (loss) for the period, net of tax	1,434,542	1,066,839	34	98,203	490,672	(80)

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

	Company			Company		
	Year to 31/03/2019 Rs.'000	Year to 31/03/2018 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2019 Rs.'000	03 months to 31/03/2018 Rs.'000	Increase/ (Decrease) %
Profit / (loss) for the period	327,767	163,332	101	76,351	97,532	(22)
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	-		57,560	-	
Actuarial gain/(loss) on defined benefit plans	509	(37,386)	101	509	(37,386)	101
Tax effect on actuarial gain/(loss)	(71)	5,234	(101)	(71)	5,234	(101)
Tax effect on Investment Property revaluation	-	(30,801)	(100)	-	(30,801)	(100)
Tax effect on Land revaluation	(8,058)	-		(8,058)	-	
Other comprehensive income / (loss) for the period, net of tax	49,940	(62,953)	179	49,940	(62,953)	179
Total comprehensive income / (loss) for the period, net of tax	377,707	100,379	276	126,291	34,579	265

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
Statements of Financial Position

	Group		Company	
	as at 31/03/2019 Rs.'000	as at 31/03/2018 Rs.'000	as at 31/03/2019 Rs.'000	as at 31/03/2018 Rs.'000
	ASSETS			
Non-Current Assets				
Tangible assets				
Property, plant and equipment	12,217,758	12,408,303	637,484	676,108
Lease rental paid in advance	57,115	56,977	-	-
Formers (moulds)	293,916	279,344	67,363	57,648
Investment Properties	357,955	348,060	163,176	156,900
Biological assets	449,926	404,659	-	-
Intangible assets	319,844	259,337	59,185	-
Investment in subsidiaries	-	-	3,500,546	3,600,546
Amounts due from related parties	-	-	23,748	38,620
Other non-current financial assets	390,933	23	-	-
Deferred tax assets	137,408	98,157	87,230	33,163
	14,224,855	13,854,860	4,538,732	4,562,985
Current Assets				
Inventories	4,690,253	4,546,333	711,417	605,332
Trade and other receivables	5,340,315	4,731,960	1,080,365	821,265
Advance and prepayments	204,029	169,592	59,535	52,655
Amounts due from related parties	-	-	1,266,170	876,255
Cash and short term deposits	1,742,202	1,327,335	181,113	72,417
	11,976,799	10,775,220	3,298,600	2,427,924
Total assets	26,201,654	24,630,080	7,837,332	6,990,909
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	508,965	447,212	239,184	189,682
Fair value reserve of financial assets at FVTOCI	64,721	15	-	-
Revenue reserves	9,249,276	8,693,473	3,732,466	3,853,222
Equity attributable to equity holders of the parent	10,421,577	9,739,315	4,570,265	4,641,519
Non-controlling interest	2,791,075	2,566,261	-	-
Total equity	13,212,652	12,305,576	4,570,265	4,641,519
Non-Current Liabilities				
Interest-bearing loans and borrowings	883,102	1,397,541	-	-
Deferred income	741,178	728,000	-	-
Defined benefit obligations	2,736,670	2,308,123	472,031	433,820
Agents' indemnity fund	62,905	54,041	-	-
Deferred tax liabilities	761,058	713,849	-	-
	5,184,913	5,201,554	472,031	433,820
Current liabilities				
Trade and other payables	3,212,873	3,434,860	439,612	379,472
Unclaimed dividends / dividends payable	118,439	6,800	118,439	6,800
Short-term loans and bank overdrafts	3,951,213	2,767,380	1,506,303	905,952
Interest-bearing loans and borrowings	435,988	874,758	-	-
Amounts due to related parties	-	-	730,682	614,229
Income tax payable	85,576	39,152	-	9,117
	7,804,089	7,122,950	2,795,036	1,915,570
Total liabilities	12,989,002	12,324,504	3,267,067	2,349,390
Total equity and liabilities	26,201,654	24,630,080	7,837,332	6,990,909

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 31/03/2019, 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

15/05/2019

sgd.

Ng Soon Huat

Managing Director

DIPPED PRODUCTS PLC
STATEMENTS OF CHANGES IN EQUITY

Group
For the year ended 31/03/2019

	-----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	Fair Value Reserve of Financial Assets at FVTOCI	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
Balance as at 01/04/2017	598,615	167,409	265,282	46,080	17	1,190,950	146,331	16,073	6,385,550	305,697	9,122,004	2,312,205	11,434,209
Profit for the year	-	-	-	-	-	-	15,985	(3,249)	482,732	-	495,468	305,382	800,850
Other comprehensive income													
Currency translation of foreign operations	-	-	-	-	-	-	-	-	-	381,377	381,377	1,532	382,909
Net gain/(loss) 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 gain/(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)
Total other comprehensive income	-	-	(45,060)	-	(2)	-	-	-	(64,989)	381,377	271,326	(5,337)	265,989
Total comprehensive income for the year	-	-	(45,060)	-	(2)	-	15,985	(3,249)	417,743	381,377	766,794	300,045	1,066,839
Transactions with owners, recorded directly in equity													
Dividends to equity holders	-	-	-	-	-	-	-	-	(149,654)	-	(149,654)	(45,989)	(195,643)
Unclaimed dividend-write back	-	-	-	-	-	-	-	-	171	-	171	-	171
Transfers	-	-	-	13,501	-	-	-	-	(13,501)	-	-	-	-
Total contributions by and distributions to owners	-	-	-	13,501	-	-	-	-	(162,984)	-	(149,483)	(45,989)	(195,472)
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 on available for sale financial assets	-	-	-	-	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 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 31/03/2019	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

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 31/03/2019

	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 01/04/2017	598,615	220,303	180	2,843,122	3,662,220
Profit for the year	-	-	-	163,332	163,332
Other comprehensive income					
Actuarial gain/(loss) on defined benefit plans	-	-	-	(37,386)	(37,386)
Tax effect on Actuarial gain/(loss) on defined benefit plans	-	-	-	5,234	5,234
Tax effect on Investment Property revaluation	-	(30,801)	-	-	(30,801)
Total other comprehensive income	-	(30,801)	-	(32,152)	(62,953)
Total comprehensive income for the year	-	(30,801)	-	131,180	100,379
Transactions with owners, recorded directly in equity					
Dividends to equity holders	-	-	-	(149,654)	(149,654)
Unclaimed dividend write-back	-	-	-	171	171
Transfer on Amalgamation	-	-	-	1,028,403	1,028,403
Total transactions with owners, recorded directly in equity	-	-	-	878,920	878,920
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					
Revaluation of land	-	57,560	-	-	57,560
Actuarial gain on defined benefit plans	-	-	-	509	509
Tax effect on Actuarial loss on defined benefit plans	-	-	-	(71)	(71)
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 31/03/2019	598,615	239,004	180	3,732,466	4,570,265

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 31/03/2019 Rs.'000	year to 31/03/2018 Rs.'000	year to 31/03/2019 Rs.'000	year to 31/03/2018 Rs.'000
Cash flows from operating activities				
Cash generated from operations (Note A)	2,405,768	2,983,309	(83,547)	(103,998)
Interest paid	(425,789)	(357,163)	(113,931)	(90,484)
Taxes paid	(238,999)	(445,533)	(20,589)	(15,404)
Retiring gratuity paid	(254,399)	(292,703)	(34,305)	(33,020)
Release in Defined Benefit Obligation due to employee transfers	2,664	-	2,664	-
Agents' indemnity paid	(1,588)	(2,653)	-	-
Net cash flow from operating activities	<u>1,487,657</u>	<u>1,885,257</u>	<u>(249,708)</u>	<u>(242,906)</u>
Cash flows from investing activities				
Purchase & construction of property, plant and equipment	(425,072)	(483,422)	(40,475)	(59,059)
Payment of lease rental in advance	(1,446)	-	-	-
Field development expenditure	(304,968)	(314,304)	-	-
Purchase of formers (moulds)-net	(77,067)	(60,399)	(20,074)	-
Acquisition of intangible assets	(20,529)	-	(17,864)	-
Grants received	36,627	60,045	-	-
Proceeds from disposal of property, plant and equipment	26,302	43,355	926	3,330
Development cost (net) incurred on biological assets	(3,409)	(6,078)	-	-
Investment in other non current financial assets	(96,920)	-	-	-
Interest received	101,432	59,342	51,977	3,101
Dividend received from subsidiary companies	-	-	106,736	222,614
Net Cash & Bank balance acquired on Amalgamation	-	-	-	(24,455)
Net cash flows from investing activities	<u>(765,050)</u>	<u>(701,461)</u>	<u>81,226</u>	<u>145,531</u>
Cash flows from financing activities				
Long term loans obtained	-	148,927	-	-
Repayment of long term loans	(1,072,986)	(845,452)	-	-
Loan given to subsidiary company	-	-	-	(20,000)
Loan repayment by subsidiary company	-	-	14,149	12,773
Capital payment on finance lease	(2,760)	(2,441)	-	-
Dividend paid to equity holders of the parent	(337,322)	(149,287)	(337,322)	(149,287)
Dividend paid to shareholders with non-controlling interest	(78,505)	(45,989)	-	-
Net cash flows from financing activities	<u>(1,491,573)</u>	<u>(894,242)</u>	<u>(323,173)</u>	<u>(156,514)</u>
Net increase / (decrease) in cash & cash equivalents	<u>(768,966)</u>	<u>289,554</u>	<u>(491,655)</u>	<u>(253,889)</u>
Cash & cash equivalents at beginning of the period	<u>(1,440,045)</u>	<u>(1,729,599)</u>	<u>(833,535)</u>	<u>(579,646)</u>
Cash & cash equivalents at end of the period (Note B)	<u>(2,209,011)</u>	<u>(1,440,045)</u>	<u>(1,325,190)</u>	<u>(833,535)</u>
Cash generated from operations				
Profit before tax	1,642,546	1,240,494	292,995	167,967
Adjustments for:				
Interest cost	425,789	357,163	113,931	90,484
Share of loss of equity accounted investees	-	212,992	-	-
Gain on disposal of equity accounted investees	(204,653)	-	-	-
Gain on fair value change in consumable biological assets	(35,972)	(24,228)	-	-
Loss on change in fair value of produce on bearer biological assets	13,034	3,806	-	-
Gain on fair value change in investment properties	(9,895)	(36,760)	(6,276)	(31,400)
Depreciation on property, plant and equipment	1,051,777	968,867	82,951	61,024
Amortization of lease rentals paid in advance	1,279	1,262	-	-
Impairment / (reversal) of formers	35,107	45,907	7,485	4,359
Write-off of formers	27,388	12,916	2,874	6,097
Amortisation of intangible assets	13,183	1,088	11,840	-
Gain / (loss) on disposal of property, plant & equipment	(20,023)	(20,809)	(381)	(2,765)
Amortisation of grants	(23,449)	(23,160)	-	-
Impairment provision for / (reversal of) bad & doubtful debts	13,067	27,056	6,169	5,434
Provision for retiring gratuity	418,826	377,440	70,361	51,982
Provision for agents' indemnity fund	5,927	5,943	-	-
Impairment loss/(reversal) on investment and other amounts due	-	-	100,406	208
Provision for/(reversal of) slow-moving / obsolete inventories	21,916	23,513	2,607	2,894
Interest and dividend income	(101,432)	(59,342)	(291,089)	(261,815)
Differences of exchange on translation of foreign entities	282,177	264,862	-	-
	<u>3,556,592</u>	<u>3,379,010</u>	<u>393,873</u>	<u>94,469</u>
(Increase) / decrease in trade and other receivables	(715,409)	(308,096)	(663,107)	137,381
(Increase) / decrease in advances and prepayments	(34,408)	125,852	(6,880)	(5,970)
(Increase) / decrease in inventories	(178,870)	(732,303)	(108,692)	(115,695)
Increase / (decrease) in trade and other payables	(222,137)	518,846	301,259	(214,183)
	<u>(1,150,824)</u>	<u>(395,701)</u>	<u>(477,420)</u>	<u>(198,467)</u>
	<u>2,405,768</u>	<u>2,983,309</u>	<u>(83,547)</u>	<u>(103,998)</u>
Analysis of cash & cash equivalents at end of the period				
Cash at bank and in hand	710,717	526,180	181,113	72,417
Short term deposits	1,031,485	801,155	-	-
Short term loans and overdraft	(3,951,213)	(2,767,380)	(1,506,303)	(905,952)
	<u>(2,209,011)</u>	<u>(1,440,045)</u>	<u>(1,325,190)</u>	<u>(833,535)</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. Grossart (Pvt) Ltd and Neoprex (Pvt) Ltd both of which being fully owned subsidiaries of Dipped Products PLC were amalgamated with Dipped Products PLC on 17/01/2018. The Company's financial statements reflect the result of all entities from the date of amalgamation.
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 31/03/2018.
5. Directors have authorized the payment of third interim dividend of Rs. 2.00 per share for the financial year 2018/19 on 29/03/2019 and it was paid on 18/04/2019.

6. Industry Segment Turnover

	Group	
	Year to 31/03/2019	Year to 31/03/2018
	Rs'000	Rs'000
Hand Protection	17,130,046	15,865,114
Plantations	13,192,031	12,703,531
	30,322,077	28,568,644
Inter - segment sales / services	(232,759)	(83,770)
	30,089,318	28,484,874

7. Industry Segment Results

	Group	
	Year to 31/03/2019	Year to 31/03/2018
	Rs. '000	Rs. '000
Hand Protection	964,870	507,481
Plantations	888,521	1,188,235
	1,853,391	1,695,716
Inter - segment results	(71,500)	-
Segment results	1,781,891	1,695,716
Finance cost	(493,597)	(369,096)
Finance income	149,599	126,866
Share of loss of equity accounted investee (net of tax)	-	(212,992)
Gain on disposal of equity accounted investee	204,653	-
Profit before tax	1,642,546	1,240,494

DIPPED PRODUCTS PLC

Notes to the Financial Statements

8. Changes in Accounting policies and Disclosures

The accounting policies adopted in the preparation of the Interim Condensed Consolidated Financial Statements are consistent with those followed in the preparation of the Annual Consolidated Financial Statements for the year ended 31 March 2018, Amendments to existing accounting standards effective from April 01, 2018 are stated below.

(a) SLFRS 15 Revenue from Contracts with Customers

SLFRS 15 supersedes LKAS 11 Construction Contracts, LKAS 18 Revenue and related Interpretations and it applies, with limited exceptions, to all revenue arising from contracts with its customers. SLFRS 15 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

SLFRS 15 requires entities to exercise judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. In addition, the standard requires extensive disclosures.

The Group adopted SLFRS 15 using the modified retrospective method of adoption. Based on the assessment performed, the Group concluded that SLFRS 15 does not have a material impact on the Group's Consolidated Financial Statements.

(b) SLFRS 9 Financial Instruments

SLFRS 9 Financial Instruments replaces LKAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The Group applied prospectively, the Group has applied SLFRS 9 retrospectively, with the initial application date of 1 April 2018 and adjusting the comparative information for the period beginning 1 April 2017.

The nature of these adjustments are described below:

Classification and measurement

Under SLFRS 9, debt instruments are subsequently measured at fair value through profit or loss, amortised cost, or fair value through OCI. The classification is based on two criteria: the Group's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the Group's business model was made as of the date of initial application, 1 April 2018, and then applied retrospectively to those financial assets that were not derecognised before 1 April 2018. The assessment of whether contractual cash flows on debt instruments are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of SLFRS 9 did not have a significant impact on the Group. The Group continued measuring at fair value all financial assets previously held at fair value under LKAS 39.

The changes in the classification of the Group's financial assets related to Equity investments in Listed companies and non-listed companies previously classified as AFS financial assets which are now classified and measured as Equity instruments designated at fair value through OCI. The Group elected to classify irrevocably these listed and non-listed equity investments under this category as it intends to hold these investments for the foreseeable future.

Impairment

The adoption of SLFRS 9 has fundamentally changed the Group's accounting for impairment losses for financial assets by replacing LKAS 39's incurred loss approach with a forward-looking expected credit loss (ECL) approach. SLFRS 9 requires the Group to recognise an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

DIPPED PRODUCTS PLC

INVESTOR INFORMATION

	31/03/2019 Rs.	31/03/2018 Rs.
Market Value of Shares		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	78.00	85.50
Highest price recorded for the year ending	99.10	125.00
Lowest price recorded for the year ending	66.20	75.10
Highest price recorded for the three months ending	99.00	100.00
Lowest price recorded for the three months ending	77.00	83.00
Market Capitalisation (Rs. M)	4,669	5,118
Ratios		
Net assets per share at the period end*	174.09	162.70
Price earnings ratio annualised (times)	5.38	10.33
Share Trading information from 01/04/2018 to 31/03/2019		
Number of transactions	1,265	2,008
Number of shares traded	1,263,724	1,377,616
Value of shares traded (Rs.)	105,461,554.40	130,578,647.30

Dividend Payments

Third interim dividend of Rs. 2.00 per share for the year 2018/19 paid on 18/04/2019
 Second interim dividend of Rs. 1.00 per share for the year 2018/2019 paid on 23/01/2019
 First interim dividend of Rs 1.50 per share for the year 2018/2019 paid on 22/10/2018
 First and final dividend of Rs.3.00 per share for the year 2017/2018 paid on 09/07/2018

*Computed based on 59,861,512 shares on issue as at 31/03/2019

First twenty shareholders as at 31/03/2019

	Shareholder	No.of Shares as at 31/03/2019	%
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	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	Hallsville Trading Group Inc.	204,024	0.34
16	SSBT Deutsche Bank AG Singapore A/C 01	200,044	0.33
17	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
18	Seylan Bank PLC / Symphony Capital Limited	199,214	0.33
19	Mr.S.Krishnananthan	163,044	0.27
20	MR. A.N.Esufally	160,000	0.27
	TOTAL	51,384,269	85.84

Public Holding as at 31/03/2019

Percentage of Public Holding 41.82%
 Total number of shareholders representing the public holding 2,505
 Float - Adjusted Market Capitalization (Rs.) 1,952,658,576.84
 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 31/03/2019

Name of Director	No.of Shares as at 31/03/2019
Mr.A.M.Pandithage	-
Mr.Ng Soon Huat	-
Mr.S.C.Ganegoda	-
Mr.Dhammika Perera*	1,000
Mr.F.Mohideen	-
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.Obevesekere	-
Mr.K.M.D.I. Prasad	-
Total	104,112

*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 31/03/2019.