

# **DIPPED PRODUCTS PLC**

INTERIM REPORT FOR THE YEAR ENDED 31ST MARCH 2016

# 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. R.K.Witanachchi - Deputy Managing Director  
(Resigned w.e.f. 30.11.2015)  
Mr.D.K.Welmillage - Deputy Managing Director  
(Appointed w.e.f. 07.12.2015)  
Mr. F. Mohideen  
Mr. K.A.L.S. Fernando  
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  
(Appointed w.e.f.01.06.2015)  
Mr.K.D.G.Gunaratne (Appointed w.e.f. 06.08.2015)  
Mr. S.M.Shaikh - Alternate Director to Mr. S.C.Ganegoda  
(Appointed w.e.f.20.10.2015)

## SUBSIDIARIES

### Hand Protection

Palma Limited  
Grossart (Private) Limited  
Venigros (Private) Limited  
Neoprex (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

### 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 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

## 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 31/03/2016 Rs.'000	Year to 31/03/2015 Rs.'000	Increase/ (Decrease) %	03 months to 31/03/2016 Rs.'000	03 months to 31/03/2015 Rs.'000	Increase/ (Decrease) %
<b>Turnover</b>	<b>21,931,303</b>	27,738,672	(21)	<b>5,945,882</b>	6,470,583	(8)
Cost of sales	<b>(18,452,976)</b>	(22,948,805)	(20)	<b>(4,850,540)</b>	(5,264,705)	(8)
Gross profit	<b>3,478,327</b>	4,789,867	(27)	<b>1,095,342</b>	1,205,878	(9)
Other income and gains	<b>240,004</b>	218,787	10	<b>147,211</b>	72,053	104
Distribution costs	<b>(577,651)</b>	(563,788)	2	<b>(210,263)</b>	(138,620)	52
Administrative expenses	<b>(2,247,927)</b>	(2,233,917)	1	<b>(625,158)</b>	(608,613)	3
Other expenses	<b>(24,796)</b>	(44,134)	(44)	<b>(13,061)</b>	(30,319)	(57)
Finance costs	<b>(346,711)</b>	(414,231)	(16)	<b>(102,532)</b>	(118,518)	(13)
Finance income	<b>126,935</b>	27,738	358	<b>53,822</b>	4,959	985
<b>Profit before tax</b>	<b>648,181</b>	1,780,322	(64)	<b>345,361</b>	386,820	(11)
Tax expense	<b>(173,500)</b>	(385,449)	(55)	<b>12,999</b>	(69,109)	(119)
<b>Profit for the year</b>	<b>474,681</b>	1,394,873	(66)	<b>358,360</b>	317,711	13
<b>Attributable to :</b>						
Equity holders of the parent	<b>345,757</b>	1,112,293	(69)	<b>270,489</b>	260,073	4
Non-controlling interest	<b>128,924</b>	282,580	(54)	<b>87,871</b>	57,638	52
<b>Profit for the year</b>	<b>474,681</b>	1,394,873	(66)	<b>358,360</b>	317,711	13
Basic earnings per ordinary share for the year (Rs.) *	<b>5.78</b>	18.58		<b>4.52</b>	4.34	
Diluted earnings per ordinary share for the year (Rs.) *	<b>5.78</b>	18.58		<b>4.52</b>	4.34	
Dividend per share (Rs)	<b>2.00</b>	7.00		<b>2.00</b>	7.00	

\*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2016

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

*The figures in brackets indicate deductions*

**DIPPED PRODUCTS PLC**  
**INCOME STATEMENTS**

	<b>Company</b>			<b>Company</b>		
	Year to <b>31/03/2016</b> Rs.'000	Year to 31/03/2015 Rs.'000	Increase/ (Decrease) %	<b>03 months to 31/03/2016</b> Rs.'000	03 months to 31/03/2015 Rs.'000	Increase/ (Decrease) %
<b>Turnover</b>	<b>1,685,401</b>	2,564,913	(34)	<b>400,558</b>	528,360	(24)
Cost of sales	<b>(1,242,316)</b>	(1,939,746)	(36)	<b>(290,088)</b>	(357,510)	(19)
Gross profit	<b>443,085</b>	625,167	(29)	<b>110,470</b>	170,850	(35)
Other income and gains	<b>191,942</b>	575,550	(67)	<b>9,437</b>	517,935	(98)
Distribution costs	<b>(25,598)</b>	(24,541)	4	<b>17,737</b>	(1,372)	(1,393)
Administrative expenses	<b>(410,935)</b>	(369,523)	11	<b>(96,814)</b>	(80,468)	20
Other expenses	<b>(19,041)</b>	(8,675)	119	<b>(9,713)</b>	3,835	(353)
Impairment reversal / (loss) on investment and other amounts due	<b>15,290</b>	(105,000)	(115)	<b>15,290</b>	(100,000)	(115)
Finance costs	<b>(66,880)</b>	(73,840)	(9)	<b>(698)</b>	(18,434)	(96)
Finance income	<b>5,001</b>	7,134	(30)	<b>1,622</b>	1,566	4
<b>Profit before tax</b>	<b>132,864</b>	626,272	(79)	<b>47,331</b>	493,912	(90)
Tax expense	<b>5,760</b>	(11,217)	(151)	<b>2,916</b>	2,455	19
<b>Profit for the year</b>	<b>138,624</b>	615,055	(77)	<b>50,247</b>	496,367	(90)
Basic earnings per ordinary share for the year (Rs.) *	<b>2.32</b>	10.27		<b>0.84</b>	8.29	
Diluted earnings per ordinary share for the year (Rs.) *	<b>2.32</b>	10.27		<b>0.84</b>	8.29	
Dividend per share (Rs)	<b>2.00</b>	7.00		<b>2.00</b>	7.00	

\*Computed based on 59,861,512 ordinary shares on issue as at 31/03/2016

The notes to the financial statements on pages from 9 to 10 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>		
	<b>Year to 31/03/2016 Rs.'000</b>	<b>Year to 31/03/2015 Rs.'000</b>	<b>Increase/ (Decrease) %</b>	<b>03 months to 31/03/2016 Rs.'000</b>	<b>03 months to 31/03/2015 Rs.'000</b>	<b>Increase/ (Decrease) %</b>
<b>Profit for the year</b>	<b>474,681</b>	1,394,873	(66)	<b>358,360</b>	317,711	13
Net exchange differences on translation of foreign operations	<b>11,940</b>	(90,010)	(113)	<b>34,922</b>	(10,066)	(447)
Net gain/(loss) on available for sale financial assets	<b>(2)</b>	7	(129)	<b>(3)</b>	14	(121)
Revaluation of land	-	16,043	(100)	-	16,043	(100)
Actuarial gain/(loss) on defined benefit plans	<b>(60,800)</b>	(9,820)	519	<b>(60,800)</b>	(7,189)	746
Tax effect on Actuarial gain/(loss) on defined benefit plans	<b>7,505</b>	1,356	453	<b>7,505</b>	782	860
<b>Other comprehensive income for the year, net of tax</b>	<b>(41,357)</b>	(82,424)	(50)	<b>(18,376)</b>	(416)	4,317
<b>Attributable to :</b>						
Equity holders of the parent	<b>310,691</b>	1,074,167	(71)	<b>258,561</b>	267,562	(3)
Non-controlling interest	<b>122,633</b>	238,282	(49)	<b>81,423</b>	49,733	64
<b>Total comprehensive income for the year, net of tax</b>	<b>433,324</b>	1,312,449	(67)	<b>339,984</b>	317,295	7

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

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**DIPPED PRODUCTS PLC**  
**OTHER COMPREHENSIVE INCOME**

	<b>Company</b>			<b>Company</b>		
	Year to <b>31/03/2016</b>	Year to 31/03/2015	Increase/ (Decrease)	<b>03 months to 31/03/2016</b>	03 months to 31/03/2015	Increase/ (Decrease)
	<b>Rs.'000</b>	Rs.'000	%	<b>Rs.'000</b>	Rs.'000	%
<b>Profit for the year</b>	<b>138,624</b>	615,055	(77)	<b>50,247</b>	496,367	(90)
Revaluation of land	-	16,043	(100)	-	16,043	(100)
Actuarial gain/(loss) on defined benefit plans	<b>(45,999)</b>	1,054	(4,464)	<b>(45,999)</b>	1,054	(4,464)
Tax effect on Actuarial gain/(loss) on defined benefit plans	<b>5,520</b>	(126)	(4,481)	<b>5,520</b>	(126)	(4,481)
<b>Other comprehensive income for the year, net of tax</b>	<b>(40,479)</b>	16,971	(339)	<b>(40,479)</b>	16,971	(339)
<b>Total comprehensive income for the year, net of tax</b>	<b>98,145</b>	632,026	(84)	<b>9,768</b>	513,338	(98)

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

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## DIPPED PRODUCTS PLC

### Statements of Financial Position

	Group		Company	
	as at	as at	as at	as at
	31/03/2016	31/03/2015	31/03/2016	31/03/2015
	Rs.'000	Rs.'000	Rs.'000	Rs.'000
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Tangible assets				
Property, plant and equipment	12,188,554	12,058,013	475,894	463,161
Lease rental paid in advance	59,501	60,762	-	-
Formers (moulds)	249,059	214,111	38,328	37,164
Investment Property	369,268	389,735	281,201	299,929
Biological assets	342,798	307,477	-	-
Intangible assets	175,201	176,658	-	-
Investment in subsidiaries	-	-	3,147,684	3,147,684
Investment in equity accounted investee	260,000	-	-	-
Amounts due from related parties	-	-	19,789	-
Other non-current financial assets	22	24	-	-
Deferred tax assets	39,387	29,592	20,744	14,457
	<b>13,683,790</b>	<b>13,236,372</b>	<b>3,983,640</b>	<b>3,962,395</b>
<b>Current Assets</b>				
Inventories	3,169,682	3,637,490	361,065	370,192
Trade and other receivables	3,566,017	4,198,740	767,916	720,604
Advance and prepayments	301,423	307,893	89,433	43,605
Amounts due from related parties	-	-	501,123	932,561
Cash and short term deposits	337,958	393,646	46,458	124,163
	<b>7,375,080</b>	<b>8,537,769</b>	<b>1,765,995</b>	<b>2,191,125</b>
<b>Total assets</b>	<b>21,058,870</b>	<b>21,774,141</b>	<b>5,749,635</b>	<b>6,153,520</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	450,164	444,331	195,128	195,128
Available-for-sale reserve	14	16	-	-
Revenue reserves	6,888,098	7,000,544	2,467,722	2,606,900
<b>Equity attributable to equity holders of the parent</b>	<b>7,936,891</b>	<b>8,043,506</b>	<b>3,261,465</b>	<b>3,400,643</b>
Non-controlling interest	2,379,327	2,485,501	-	-
<b>Total equity</b>	<b>10,316,218</b>	<b>10,529,007</b>	<b>3,261,465</b>	<b>3,400,643</b>
<b>Non-Current Liabilities</b>				
Interest-bearing loans and borrowings	2,085,929	1,372,989	-	-
Deferred income	673,864	644,975	-	-
Defined benefit obligations	2,632,694	2,461,136	380,492	320,790
Agents' indemnity fund	52,563	51,350	-	-
Deferred tax liabilities	520,585	494,555	-	-
	<b>5,965,635</b>	<b>5,025,005</b>	<b>380,492</b>	<b>320,790</b>
<b>Current liabilities</b>				
Trade and other payables	2,486,355	2,875,149	305,472	310,488
Unclaimed dividends / dividends payable	7,594	186,522	7,594	186,522
Short-term loans and bank overdrafts	1,891,334	2,813,367	295,234	540,509
Interest-bearing loans and borrowings	372,523	306,521	-	-
Amounts due to related parties	-	-	1,499,378	1,394,568
Income tax payable	19,211	38,570	-	-
	<b>4,777,017</b>	<b>6,220,129</b>	<b>2,107,678</b>	<b>2,432,087</b>
<b>Total liabilities</b>		11,245,134		2,752,877
<b>Total equity and liabilities</b>	<b>21,058,870</b>	<b>21,774,141</b>	<b>5,749,635</b>	<b>6,153,520</b>

The notes to the financial statements on pages from 9 to 10 form an integral part of the financial statements.

The Financial Position as at March 31, 2016, 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

16/05/2016

sgd.

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

Managing Director

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

Group  
For the year ended 31/03/2016

	-----Attributable to equity holders of the Company-----									Non-controlling Interest	Total Equity	
	Stated Capital	Capital Reserves			Other Component s	Revenue Reserves			Total			
		Reserve on scrip Issue	Revaluation Reserve	Other capital reserves		Available-for-sale Reserve	General Reserve	Timber Reserve				Retained Earnings
	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 01/04/2015	598,615	167,409	239,927	36,995	16	1,190,950	113,919	5,499,943	195,732	8,043,506	2,485,501	10,529,007
Change relating to Super Gain Tax	-	-	-	-	-	-	-	(179,983)	-	(179,983)	(24,781)	(204,764)
Adjusted balance as at 01/04/2015	598,615	167,409	239,927	36,995	16	1,190,950	113,919	5,319,960	195,732	7,863,523	2,460,720	10,324,243
Profit for the year	-	-	-	-	-	-	17,036	328,721	-	345,757	128,924	474,681
Other comprehensive income	-	-	-	-	(2)	-	-	(44,786)	9,722	(35,066)	(6,291)	(41,357)
Dividends	-	-	-	-	-	-	-	(239,446)	-	(239,446)	(103,782)	(343,228)
Adjustment due to change of non-controlling interest	-	-	-	-	-	-	-	-	-	-	(100,244)	(100,244)
Unclaimed dividend-write back	-	-	-	-	-	-	-	2,123	-	2,123	-	2,123
Transfers	-	-	-	5,833	-	-	-	(5,833)	-	-	-	-
<b>Balance as at 31/03/2016</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>5,360,739</b>	<b>205,454</b>	<b>7,936,891</b>	<b>2,379,327</b>	<b>10,316,218</b>

For the year ended 31/03/2015

Balance as at 01/04/2014	598,615	167,409	259,108	30,734	11	1,169,700	64,404	4,797,049	240,133	7,327,163	2,322,191	9,649,354
Profit for the year	-	-	-	-	-	-	21,402	1,090,891	-	1,112,293	282,580	1,394,873
Other comprehensive income	-	-	16,043	-	5	-	-	(9,773)	(44,401)	(38,126)	(44,298)	(82,424)
Dividends	-	-	-	-	-	-	-	(359,169)	-	(359,169)	(185,374)	(544,543)
Acquisition of non-controlling interest	-	-	-	-	-	21,250	283	(20,193)	-	1,340	(33,716)	(32,376)
Share issue in subsidiaries	-	-	-	-	-	-	-	-	-	-	144,118	144,118
Transfers/adjustments	-	-	(35,224)	6,261	-	-	27,830	1,138	-	5	-	5
<b>Balance as at 31/03/2015</b>	<b>598,615</b>	<b>167,409</b>	<b>239,927</b>	<b>36,995</b>	<b>16</b>	<b>1,190,950</b>	<b>113,919</b>	<b>5,499,943</b>	<b>195,732</b>	<b>8,043,506</b>	<b>2,485,501</b>	<b>10,529,007</b>

**Company**

For the year ended 31/03/2016

	Stated Capital	Capital Reserves		Revenue Reserves	Total
		Revaluation Reserve	Capital Redemption Reserve		
			Fund		
	Rs'000	Rs'000	Rs'000	Rs'000	Rs'000
Balance as at 01/04/2015	598,615	194,948	180	2,606,900	3,400,643
Profit for the year	-	-	-	138,624	138,624
Other comprehensive income	-	-	-	(40,479)	(40,479)
Dividends	-	-	-	(239,446)	(239,446)
Unclaimed dividend-write back	-	-	-	2,123	2,123
<b>Balance as at 31/03/2016</b>	<b>598,615</b>	<b>194,948</b>	<b>180</b>	<b>2,467,722</b>	<b>3,261,465</b>

For the year ended 31/03/2015

Balance as at 01/04/2014	598,615	178,905	180	2,350,086	3,127,786
Profit for the year	-	-	-	615,055	615,055
Other comprehensive income	-	-	-	16,971	16,971
Dividends	-	-	-	(359,169)	(359,169)
<b>Balance as at 31/03/2015</b>	<b>598,615</b>	<b>178,905</b>	<b>180</b>	<b>2,622,943</b>	<b>3,400,643</b>

The notes to the financial statements on pages from 9 to 10 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 31/03/2016 Rs.'000	Year to 31/03/2015 Rs.'000	Year to 31/03/2016 Rs.'000	Year to 31/03/2015 Rs.'000
<b>Cash flows from operating activities</b>				
Cash generated from operations (Note A)	3,079,529	3,208,337	669,021	292,218
Interest paid	(234,315)	(305,336)	(29,068)	(32,844)
Taxes paid	(188,961)	(383,798)	(500)	(1,853)
Super gain tax paid	(179,983)	-	-	-
Retiring gratuity paid	(220,900)	(287,401)	(25,240)	(22,108)
Agents' indemnity paid	(2,307)	(6,513)	-	-
Net cash flow from operating activities	<u>2,253,063</u>	<u>2,225,289</u>	<u>614,213</u>	<u>235,413</u>
<b>Cash flows from investing activities</b>				
Purchase & construction of property, plant and equipment	(2,402,753)	(2,106,603)	(62,964)	(81,412)
Field development expenditure	(348,833)	(615,867)	-	-
Payment of lease rental in advance	-	(63,089)	-	-
Purchase of formers (moulds)	(68,206)	(31,568)	(5,422)	-
Acquisition of intangible assets	-	(240)	-	-
Grants received	64,287	22,231	-	-
Proceeds from disposal of property, plant and equipment	31,903	256,685	7,347	159
Proceeds from disposal of investment property	12,923	-	12,923	-
Development cost incurred / decrease due to harvest on biological assets (r	(7,511)	(12,560)	-	-
Investment in group companies	-	-	-	(500,000)
Investment in equity accounted investee	(110,000)	-	-	-
Interest received	7,174	17,537	814	7,134
Dividend received from subsidiary companies	-	-	41,910	564,105
Net payments to non-controlling interest	(128,563)	(73,632)	-	-
Net cash flows from investing activities	<u>(2,949,579)</u>	<u>(2,607,106)</u>	<u>(5,392)</u>	<u>(10,014)</u>
<b>Cash flows from financing activities</b>				
Long term loans obtained	2,571,093	475,841	-	-
Repayment of long term loans	(578,913)	(592,628)	-	-
Loan given to subsidiary company	-	-	(25,000)	-
Capital payment on finance lease	(1,953)	(3,094)	-	-
Dividend paid	(416,251)	(189,302)	(416,251)	(189,302)
Net cash flows from financing activities	<u>1,573,976</u>	<u>(309,183)</u>	<u>(441,251)</u>	<u>(189,302)</u>
Net increase / (decrease ) in cash & cash equivalents	877,460	(691,000)	167,570	36,097
Change in cash reserve due to deemed disposal	(11,115)	-	-	-
<b>Cash &amp; cash equivalents at beginning of the period</b>	<u>(2,419,721)</u>	<u>(1,728,721)</u>	<u>(416,346)</u>	<u>(452,443)</u>
<b>Cash &amp; cash equivalents at end of the period (Note B)</b>	<u>(1,553,376)</u>	<u>(2,419,721)</u>	<u>(248,776)</u>	<u>(416,346)</u>
<b>A Cash generated from operations</b>				
<b>Profit before tax</b>	648,181	1,780,322	132,864	626,272
<b>Adjustments for:</b>				
Interest cost	234,315	305,336	29,068	32,844
Gain on fair value change in biological assets	(27,810)	(31,681)	-	-
Deemed disposal gain	(45,664)	-	-	-
Depreciation on property, plant and equipment	819,947	866,057	50,231	48,889
Amortization of lease rentals paid in advance	1,261	1,065	-	-
Depreciation on investment property	7,544	7,780	5,805	6,040
Impairment of formers	33,258	36,861	4,258	4,130
Amortisation of intangible assets	1,457	1,573	-	-
Gain on disposal of property, plant & equipment	(27,754)	(11,292)	(7,347)	-
Amortisation of grants	(35,398)	(44,419)	-	-
Impairment provision for / (reversal of) bad & doubtful debts	(23,363)	14,503	1,227	(790)
Provision for retiring gratuity	344,001	401,364	38,943	46,876
Provision for agents' indemnity fund	4,273	4,742	-	-
Impairment loss / (reversal) on investment and other amounts due	-	-	(15,290)	105,000
Provision for/(reversal of) slow-moving / obsolete inventories	52,569	(72,000)	16,490	(5,132)
Interest and dividend income	(7,174)	(17,537)	(173,324)	(571,239)
Differences of exchange on translation of foreign entities	30,232	(125,015)	-	-
	<u>2,009,875</u>	<u>3,117,659</u>	<u>82,925</u>	<u>292,890</u>
(Increase) / decrease in trade and other receivables	659,317	29,000	413,080	(627,759)
(Increase) / decrease in advances and prepayments	6,470	27,463	(45,828)	32,169
(Increase) / decrease in inventories	395,685	52,877	(7,363)	177,271
Increase / (decrease) in trade and other payables	8,182	(18,662)	226,207	417,647
	<u>1,069,654</u>	<u>90,678</u>	<u>586,096</u>	<u>(672)</u>
	<u>3,079,529</u>	<u>3,208,337</u>	<u>669,021</u>	<u>292,218</u>
<b>B Analysis of cash &amp; cash equivalents at end of the period</b>				
Cash at bank and in hand	284,590	335,450	46,458	124,163
Short term deposits	53,368	58,196	-	-
Short term loans and overdraft	(1,891,334)	(2,813,367)	(295,234)	(540,509)
	<u>(1,553,376)</u>	<u>(2,419,721)</u>	<u>(248,776)</u>	<u>(416,346)</u>

The notes to the financial statements on pages from 9 to 10 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 31/03/2015.
3. As per provisions of Part III of the Finance Act, No. 10 of 2015 which was certified on 30/10/2015, the Group was liable for Super Gain tax of Rs.205Mn and full payment has been made as at 31/12/2015. According to the Act, Super Gain Tax shall be deemed to be an expenditure in the financial statements relating to the year of assessment which commenced on 01/04/2013. The Act supersedes the requirements of the Sri Lanka Accounting Standard; hence the expense of Super Gain Tax is accounted in accordance with the requirements of the said Act as recommended by the Statement of Alternative Treatment (SoAT) on Accounting for Super Gain Tax issued by the Institute of Chartered Accountants of Sri Lanka, dated 24/11/2015.
4. Financial year end of ICOGUANTI SpA ends on 31 December. However, in order to minimise the gap with parent company's year end which is 31 March, financial statements for the 14 months period from 01.01.2015 to 29.02.2016 have been consolidated.
5. 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.
6. 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 31/03/2015.
7. Where necessary, comparative figures have been re-stated to conform with SLFRS/LKAS.

### 8. Industry Segment Turnover

	<u>Group</u>	
	<u>Year to 31/03/2016</u>	<u>Year to 31/03/2015</u>
	<u>Rs'000</u>	<u>Rs'000</u>
Hand Protection	12,728,466	14,970,312
Plantations	9,503,326	13,408,450
	<u>22,231,792</u>	<u>28,378,762</u>
Inter - segment sales / services	<u>(300,489)</u>	<u>(640,090)</u>
	<u>21,931,303</u>	<u>27,738,672</u>

\* Previous year Plantations and Dipped Products (Thailand) Ltd figures are for 15 months

\* Current year ICOGUANTI SpA figures are for 14 months

### 9. Industry Segment Results

	<u>Group</u>	
	<u>Year to 31/03/2016</u>	<u>Year to 31/03/2015</u>
	<u>Rs. '000</u>	<u>Rs. '000</u>
Hand Protection	597,032	1,663,944
Plantations	325,925	612,871
	<u>922,957</u>	<u>2,276,815</u>
Inter - segment results	<u>(55,000)</u>	<u>(110,000)</u>
Segment results	867,957	2,166,815
Finance cost	(346,711)	(414,231)
Finance income	126,935	27,738
Profit before tax	<u>648,181</u>	<u>1,780,322</u>

\* Previous year Plantations and Dipped Products (Thailand) Ltd figures are for 15 months

\* Current year ICOGUANTI SpA figures are for 14 months

## DIPPED PRODUCTS PLC

### INVESTOR INFORMATION

	31/03/2016 Rs.	31/03/2015 Rs.
<b>Market Value of Shares</b>		
The market value of an ordinary share of Dipped Products PLC was as follows.		
Closing price on	73.00	138.00
Highest price recorded for the year ending	165.00	151.00
Lowest price recorded for the year ending	63.50	87.00
Highest price recorded for the three months ending	114.90	151.00
Lowest price recorded for the three months ending	63.50	135.00
Market Capitalisation (Rs. M)	4,370	8,261
<b>Ratios</b>		
Net assets per share at the year end*	132.59	134.37
Price earnings ratio annualised (times)	12.6	7.4
<b>Share Trading information from 01/04/2015 to 31/03/2016</b>		
Number of transactions	3,989	3,009
Number of shares traded	6,464,260	4,651,897
Value of shares traded (Rs.)	847,240,929.90	604,868,828.50

#### Dividend Payments

Final dividend 2014/15 Rs.4.00 per share paid on 07/07/2015

\*Computed based on 59,861,512 shares on issue as at 31/03/2016

#### First twenty shareholders as at 31/03/2016

	Shareholder	No. of Shares as at 31/03/2016	%
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	4,080,516	6.82
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	312,797	0.52
12	Mr.A.M.Weerasinghe	250,000	0.42
13	Mr. N. G. 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	HSBC International Nominees Ltd-SSBT Deutsche Bank AG Singapore A/C No.01	200,044	0.33
17	Commercial Bank of Ceylon PLC A/C No. 04	200,000	0.33
18	Mr.S.Krishnananthan	163,044	0.27
19	Deutsche Bank AG as Trustee to Candor Sharia Fund	150,000	0.25
20	Ms.O.D.Gunewardene	139,316	0.23
	<b>TOTAL</b>	<b>51,109,302</b>	<b>85.38</b>

The percentage of shares held by public as per Colombo Stock Exchange Rules as at 31/03/2016 was 41.86%.

Total number of shareholders representing the public holding as at 31/03/2016 was 2,482.

#### Directors' shareholding as at 31/03/2016

Name of Director	No. of Shares as at 31/03/2016
Mr.A.M.Pandithage	-
Dr.K.I.M.Ranasoma - Managing Director	300
Mr.F.Mohideen	-
Mr.K.A.L.S.Fernando	56,264
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.Yogadinusha Bhaskaran (Alternate Director to Mr.Dhammika Perera)	-
Mr.K.D.G.Gunaratne	-
Mr. S.M.Shaikh (Alternate Director to Mr.S.C.Ganegoda)	-
Mr.D.K.Welmillage	7,000
	<b>85,190</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 31/03/2016.