



ACL PLASTICS PLC
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Company Reg. No: PQ87

21st October 2021

Mr. Renuke Wijayawardhane
Chief Regulatory Officer
Colombo Stock Exchange
#04-01, West Block
World Trade Centre
Echelon Square
Colombo 01

Dear Sir,

Correction of Quarter Results of 31.03.2021 and 30.06.2021 of ACL Plastics PLC

ACL Plastics PLC has encountered an error in ERP system and corrected the system error accordingly. However, there are repercussions of the correction adjustment to quarterly statement of Q4 2020/21 and Q1 2021/22. Detailed description of the error is stated below.

At the time of correcting an error in the ERP system when finalizing consolidated financial statements for the financial year 2020/21, we identified that cost of sales for quarter 4 2020/21 was understated by Rs. 28 Mn in the group and company financial statements. In addition to that, the cost of sales in Q1 2021/22 was overstated by the same figure as a result of the issue mentioned above. Further, we identified that financial accounts for the said quarters (Q4 2020/21 & Q1 2021/22) were published with the precise error stated above and therefore, net profit for the quarter & YTD results were overstated by Rs.23.8 Mn (Net of Tax) and understated by Rs. 23.6 Mn in the company and the Group financial accounts for the Q4 2020/21 & Q1 2021/22 respectively.

However, immediately after rectifying the issue in the ERP system, the particular error was corrected in the audited financial statements published on 07th October 2021.

Nevertheless, there is no change in the retained earnings as of 30th June 2021 in the changes in equity statement of the Group.

Due to the error reported in above, Q4 2020/21 and Q1 2021/22 results already published by the company shall be revised as mention below.

Quarter 4 and period ended 31.03.2021

	Q4 FY2021 Rs.000					Q4 FY2021 Cumulative Results Rs.000			
	Published Results	Corrected Results	Published Results	Corrected Results		Published Results	Corrected Results	Published Results	Corrected Results
	Group		Company			Group		Company	
Revenue	586,653	586,653	586,653	586,653	Revenue	1,902,356	1,902,356	1,902,356	1,902,356
Cost of sales	(565,636)	(594,532)	(565,636)	(594,532)	Cost of sales	(1,661,576)	(1,690,472)	(1,661,576)	(1,690,472)
Gross profit	21,017	(7,879)	21,017	(7,879)	Gross profit	240,780	211,884	240,780	211,884
Other income	8,244	8,244	8,244	8,244	Other income	8,888	8,888	8,888	8,888
Administrative expenses	(442)	(442)	(114)	(114)	Administrative expenses	(5,006)	(5,006)	(4,567)	(4,567)
Distribution Cost	(50)	(50)	(50)	(50)	Distribution Cost	(347)	(347)	(347)	(347)
Operating profit	28,769	(127)	29,097	201	Operating profit	244,315	215,419	244,754	215,858
Net finance Income/(expenses)	20,801	20,801	19,318	19,318	Net finance Income/(expenses)	13,022	13,022	7,727	7,727
Profit before tax	49,570	20,674	48,415	19,519	Profit before tax	257,337	228,441	252,481	223,585
Income tax	(5,037)	-	(5,037)	-	Income tax	(46,321)	(41,120)	(46,321)	(41,120)
Net profit for the period	44,533	20,674	43,378	19,519	Net profit for the period	211,016	187,321	206,160	182,465
Earnings per share (Rs)	10.57	4.91	10.30	4.63	Earnings per share (Rs)	50.09	44.47	48.94	43.32

Quarter 1 of FY 2022

	Q1 FY2022 Rs.000			
	Published Results Group	Corected Results Group	Published Results Company	Corected Results Company
Revenue	675,682	675,682	675,682	675,682
Cost of sales	(589,758)	(560,862)	(589,758)	(560,862)
Gross profit	85,924	114,820	85,924	114,820
Other income	54	54	54	54
Administrative expenses	(1,296)	(1,296)	(1,296)	(1,296)
Distribution Cost	-	-	-	-
Operating profit	84,682	113,578	84,682	113,578
Net finance Income/(expenses)	(9,910)	(9,910)	(10,297)	(10,297)
Profit before tax	74,772	103,668	74,385	103,281
Income tax	(13,390)	(18,591)	(13,390)	(18,591)
Net profit for the period	61,382	85,077	60,995	84,690
Earnings per share (Rs)	14.57	20.20	14.48	20.10

Yours faithfully,



Nishantha Weerakoon
Group Chief Financial Officer