

Emirates Refreshments (P.S.C.)
(formerly Jeema Mineral Water (P.S.C.))

**Condensed interim financial
information**

30 September 2014

Emirates Refreshments (P.S.C.)

(formerly Jeema Mineral Water (P.S.C.))

Condensed interim financial information

30 September 2014

<i>Contents</i>	<i>Page</i>
Independent auditors' report on review of condensed interim financial information	1
Condensed statement of profit or loss	2
Condensed statement of comprehensive income	3
Condensed statement of financial position	4
Condensed statement of cash flows	5
Condensed statement of changes in equity	6
Notes to the condensed interim financial information	7 - 16



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Independent auditors' report on review of condensed interim financial information

The Shareholders
Emirates Refreshments (P.S.C.)

Introduction

We have reviewed the accompanying 30 September 2014 condensed interim financial information of Emirates Refreshments (P.S.C.) (formerly Jeema Mineral Water (P.S.C.)) ("the Company") which comprises:

- the condensed statement of financial position as at 30 September 2014;
- the condensed statement of profit or loss for the three month and nine month period ended 30 September 2014;
- the condensed statement of comprehensive income for the three month and nine month period ended 30 September 2014;
- the condensed statement of changes in equity for the nine month period ended 30 September 2014;
- the condensed statement of cash flows for the nine month period ended 30 September 2014, and
- notes to the condensed interim financial information.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with IAS 34, '*Interim Financial Reporting*'. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, '*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*'. A review of the interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the nine month period ended 30 September 2014 is not prepared, in all material respects, in accordance with IAS 34, '*Interim Financial Reporting*'.

KPMG Lower Gulf Limited
Muhammad Tariq
Registration No. 793
Dubai

10 NOV 2014

Emirates Refreshments (P.S.C.)

(formerly Jeema Mineral Water (P.S.C.))

Condensed statement of profit or loss for the nine month period ended 30 September 2014

		Unaudited Three month period ended 30 September		Unaudited Nine month period ended 30 September	
	Note	2014 AED	2013 AED	2014 AED	2013 AED
Revenue		19,011,300	18,991,903	55,695,956	50,315,183
Cost of sales	6	(12,788,999)	(12,625,335)	(36,918,231)	(33,895,718)
Gross profit		6,222,301	6,366,568	18,777,725	16,419,465
Distribution expenses	7	(4,171,110)	(3,904,768)	(12,439,214)	(10,962,836)
Administrative and general expenses	8	(1,810,255)	(1,881,726)	(5,728,170)	(5,148,764)
Operating profit		240,936	580,074	610,341	307,865
Profit on sale of available for sale investments	10	-	-	-	193,436
Finance expense		(87,753)	(77,554)	(264,464)	(559,147)
Finance income		11,196	16,466	139,618	189,813
Other income		130,127	37,064	270,739	122,230
Profit for the period		294,506	556,050	756,234	254,197
Earnings per share – basic	17	0.010	0.019	0.025	0.008

The notes set out on pages 7 to 16 are an integral part of the condensed interim financial information.

The independent auditors' report on review of condensed interim financial information is set out on page 1.

Emirates Refreshments (P.S.C.)

(formerly Jeema Mineral Water (P.S.C.))

Condensed statement of comprehensive income for the nine month period ended 30 September 2014

	Note	Unaudited Three month period ended 30 September		Unaudited nine month period ended 30 September	
		2014	2013	2014	2013
		AED	AED	AED	AED
Profit for the period		294,506	556,050	756,234	254,197
Other comprehensive income:					
<i>Items that will be or may be reclassified subsequently to profit or loss</i>					
Net change in fair value of available for sale investments	10	400,622	338,023	429,615	643,067
Transfer of reserve on available for sale investments sold during the period to profit or loss	10	-	-	-	(193,436)
Total other comprehensive income for the period		400,622	338,023	429,615	449,631
Total comprehensive income for the period		695,128	894,073	1,185,849	703,828

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Emirates Refreshments (P.S.C.)
 (formerly Jeema Mineral Water (P.S.C.))
 Condensed statement of financial position
 at 30 September 2014

		30 September 2014 AED (Unaudited)	31 December 2013 AED (Audited)	30 September 2013 AED (Unaudited)
ASSETS	<i>Note</i>			
Non-current assets				
Property, plant and equipment	9	25,837,886	29,429,701	29,385,591
Investment property	9	2,089,948	-	-
Available for sale investments	10	3,414,053	2,984,438	2,573,563
Long-term prepayment		1,052,250	1,098,000	1,113,250
Total non-current assets		32,394,137	33,512,139	33,072,404
Current assets				
Inventories	11	7,545,602	9,978,370	9,856,915
Trade and other receivables	12	15,649,645	10,797,946	11,691,319
Cash in hand and at bank	14	10,287,732	10,636,959	10,197,078
Total current assets		33,482,979	31,413,275	31,745,312
Total assets		65,877,116	64,925,414	64,817,716
EQUITY AND LIABILITIES				
EQUITY				
Share capital		30,000,000	30,000,000	30,000,000
Statutory reserve		9,129,782	9,129,782	9,075,242
Obligatory reserve		1,500,000	1,500,000	1,500,000
Fair value reserve		2,787,219	2,357,604	1,946,729
Retained earnings		1,026,151	269,917	33,253
Total equity		44,443,152	43,257,303	42,555,224
LIABILITIES				
Non-current liabilities				
Provision for employee terminal benefits		1,999,168	1,679,392	1,613,067
Total non-current liabilities		1,999,168	1,679,392	1,613,067
Current liabilities				
Trade and other payables	15	13,175,927	14,378,399	11,055,859
Bank borrowings – bank overdraft	16	6,258,869	5,610,320	9,593,566
Total current liabilities		19,434,796	19,988,719	20,649,425
Total liabilities		21,433,964	21,668,111	22,262,492
Total equity and liabilities		65,877,116	64,925,414	64,817,716

The condensed interim financial information was authorised for issue on behalf of the Board of Directors on



 Director



 Director

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Emirates Refreshments (P.S.C.)

(formerly Jeema Mineral Water (P.S.C.))

Condensed statement of cash flows

for the nine month period ended 30 September 2014

	Unaudited	
	Nine month period ended	
	30 September	
	2014	2013
	AED	AED
Operating activities		
Profit for the period	756,234	254,197
<i>Adjustments for:</i>		
Depreciation	4,475,532	4,435,064
Amortisation of long-term prepayment	45,750	45,750
Provision for staff terminal benefits	435,764	468,649
Gain on disposal of property, plant and equipment	(5,840)	(29,461)
Dividend income	(99,550)	(99,550)
Profit on sale of available for sale investments	-	(193,436)
Finance expense	264,464	252,341
Finance income	(40,068)	(90,263)
<i>Working capital before working capital changes</i>	<u>5,832,286</u>	<u>5,043,291</u>
Change in inventories	2,432,768	(416,401)
Change in trade and other receivables	(4,851,699)	(3,095,131)
Change in due from a related party	-	697,163
Change in trade and other payables	(1,202,472)	(949,290)
Staff terminal benefits paid	(115,988)	(174,803)
<i>Net cash from operating activities</i>	<u>2,094,895</u>	<u>1,104,829</u>
Investing activities		
Purchase of property, plant and equipment	(2,973,665)	(2,715,213)
Proceeds from sale of available for sale investments	-	1,304,953
Proceeds from disposal of property, plant and equipment	5,840	45,161
Movement in fixed deposits with a bank	21,100	12,783,485
Dividend received	99,550	99,550
Interest received	40,068	90,263
<i>Net cash (used in)/ from investing activities</i>	<u>(2,849,307)</u>	<u>11,608,199</u>
Financing activities		
Repayment of bank loans	-	(10,200,000)
Finance expense paid	(264,464)	(252,341)
<i>Net cash used in financing activities</i>	<u>(264,464)</u>	<u>(10,452,341)</u>
Net (decrease)/increase in cash and cash equivalents	(1,018,876)	2,260,687
Cash and cash equivalents at the beginning of the period	<u>1,074,023</u>	<u>(3,714,752)</u>
Cash and cash equivalents at the end of the period	<u>55,147</u>	<u>(1,454,065)</u>
<i>Cash and cash equivalents comprise:</i>		
Cash in hand and at bank	201,746	178,786
Fixed deposit (original maturity of less than three months)	6,112,270	7,960,715
Bank overdraft	(6,258,869)	(9,593,566)
	<u>55,147</u>	<u>(1,454,065)</u>

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Emirates Refreshments (P.S.C.)
(formerly Jeema Mineral Water (P.S.C.))

Condensed statement of changes in equity
for the nine month period ended 30 September 2014

	Share capital AED	Statutory reserve AED	Obligatory reserve AED	Fair value reserve AED	Retained earnings / (accumulated losses) AED	Total AED
At 1 January 2013 (audited)	30,000,000	9,075,242	1,500,000	1,497,098	(220,944)	41,851,396
Total comprehensive income for the period	-	-	-	-	254,197	254,197
<i>Profit for the period</i>	-	-	-	-	-	-
Other comprehensive income	-	-	-	643,067	-	643,067
Net change in fair value of available for sale investments	-	-	-	(193,436)	-	(193,436)
Transfer to profit or loss of reserve on available for sale investments sold during the period	-	-	-	449,631	-	449,631
Total other comprehensive income	-	-	-	449,631	254,197	703,828
Total comprehensive income for the period	-	-	-	-	254,197	254,197
At 30 September 2013 (unaudited)	30,000,000	9,075,242	1,500,000	1,946,729	33,253	42,555,224
At 1 January 2014 (audited)	30,000,000	9,129,782	1,500,000	2,357,604	269,917	43,257,303
Total comprehensive income for the period	-	-	-	-	756,234	756,234
<i>Profit for the period</i>	-	-	-	-	-	-
Other comprehensive income	-	-	-	429,615	-	429,615
Net change in fair value of available for sale investments	-	-	-	429,615	-	429,615
Total other comprehensive income	-	-	-	429,615	756,234	1,185,849
Total comprehensive income for the period	-	-	-	-	756,234	756,234
At 30 September 2014 (unaudited)	30,000,000	9,129,782	1,500,000	2,787,219	1,026,151	44,443,152

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