دبـــي لـلـــمرطـبـــات (ش.م.ع)
DUBAI REFRESHMENT (P.J.S.C)®

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Date: 21 February 2019
Reference: LM_LTR_012_2019

Mr. Hassan Abdulrahman Al Serkal,
Executive Vice President,
Chief Operation Officer, Head of Operations Division
Dubai Financial Market,

Subject: Results of the BOD Meeting of Dubai Refreshment PJSC held on 21 February 2019:

Further to the above subject, please note that the Board of Directors of Dubai Refreshment PJSC have held a BOD meeting on Thursday 21 February 2019 at 10:00 AM in the Company premises at Dubai Investment Park 2, Dubai where they approved the annual audited financial statements of full-year 2018, in addition to approving the invitation of the annual general assembly (AGM) of 2019 on 27 March 2019 at 12:00 PM at The Company premises and the AGM's agenda subject to SCA approval, and they discussed in further internal matters of the Company and took the convenient decisions.

With regards,

Dubai Refreshment PJSC

Karem Mahmoud
Director of Legal – Company Secretary

*Copy to SCA

التاريخ: 21 فبراير 2019
المرجع: LM_LTR_012_2019

السيد/ حسن عبد الرحمن السركال المحترم
نائب رئيس التنفيذي- رئيس تنفيذي العمليات
رئيس قطاع العمليات
سوق دبي المالي المحترمين

الموضوع: نتائج إجتماع مجلس إدارة شركة دبي للمرطبات (ش.م.ع.) المنعقد بتاريخ 21 فبراير 2019:

بالإشارة إلى الموضوع أعلاه، الرجاء العلم بأنه قد تم إنعقاد إجتماع مجلس إدارة شركة دبي للمرطبات (ش.م.ع.) اليوم الخميس الموافق في 21 فبراير 2019 في تمام الساعة العاشرة صباحاً وذلك في مقر الشركة الرئيسي في مجمع دبي للإستثمار الثاني في دبي، حيث تمّ اعتماد البيانات المالية السنوية المدققة للعام 2018، كما تمّ إقرار تاريخ دعوة الجمعية العمومية السنوية للعام 2019 وذلك في 27 مارس 2019 الساعة الثانية عشر ظهراً، بالإضافة الى إقرار جدول اجتماعها بعد نيل موافقة هيئة الأوراق المالية والسلع، كما تمّت مناقشة بعض الأمور الداخلية للشركة واتخاذ القرارات المناسبة بشأنها.

وتفضلوا بقبول فائق الإحترام والتقدير،

دبي للمرطبات (ش.م.ع)

كارم محمود
مدير الشؤون القانونية – مقرر الشركة

*نسخة لهيئة الأوراق المالية و السلع

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FINANCIAL STATEMENTS

31 DECEMBER 2018

INCOME STATEMENT

For the year ended 31 December 2018

	Notes	*2018* *AED '000*	*2017* *AED '000*
Revenue from contract with customers	4	**596,009**	870,965
Cost of sales		**(404,127)**	(554,672)
GROSS PROFIT		**191,882**	316,293
Other operating income		**8,576**	10,781
Selling and distribution expenses		**(100,071)**	(169,066)
General and administrative expenses		**(55,111)**	(57,825)
Amortisation of intangible assets	7	**(7,005)**	(8,163)
Relocation expense of production lines		**-**	(7,841)
OPERATING INCOME		**38,271**	84,179
Finance income		**632**	1,326
Finance expense		**(3,357)**	(3,731)
Dividend income		**5,085**	6,780
Other income, net		**1,660**	3,135
PROFIT FOR THE YEAR	5	**42,291**	91,689
Earnings per share in AED	19	**0.43**	0.97

STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2018

	Notes	***2018*** ***AED '000***	*2017* *AED '000*
Profit for the year		**42,291**	91,689
Other comprehensive loss			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Change in fair value of investment securities measured at FVOCI, equity instruments	8	**(23,837)**	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods:			
Change in fair value of available-for-sale investments	8	-	(6,782)
Change in fair value of cash flow hedges	26	**(2,511)**	(579)
Other comprehensive loss for the year		**(26,348)**	(7,361)
Total comprehensive income for the year		**15,943**	84,328

STATEMENT OF FINANCIAL POSITION

As at 31 December 2018

	Notes	*2018* *AED '000*	*2017* *AED '000*
ASSETS			
Non-current assets			
Property, plant and equipment	6	**668,958**	702,005
Intangible assets	7	**19,899**	25,707
Investment securities	8	**115,001**	138,838
		803,858	866,550
Current assets			
Inventories	9	**52,866**	70,630
Trade and other receivables	10	**188,071**	136,221
Contract assets	2	**5,612**	-
Bank balances and cash	11	**94,810**	165,525
		341,359	372,376
TOTAL ASSETS		**1,145,217**	1,238,926
EQUITY AND LIABILITIES			
Equity			
Share capital	13	**90,000**	90,000
Statutory reserve	14	**45,000**	45,000
General reserve	15	**618,401**	618,401
Fair value reserve	16	**83,918**	107,755
Cash flow hedge reserve	26	**(1,281)**	1,230
Retained earnings		**61,590**	87,489
Total equity		**897,628**	949,875
Non-current liabilities			
Employees' end of service benefits	18	**23,252**	22,252
Non-current portion of term loans	21	**20,064**	59,959
		43,316	82,211
Current liabilities			
Trade and other payables	12	**138,866**	163,721
Contract liabilities	2	**20,837**	-
Current portion of term loans	21	**44,570**	43,119
		204,273	206,840
Total liabilities		**247,589**	289,051
TOTAL EQUITY AND LIABILITIES		**1,145,217**	1,238,926

The financial statements have been approved by the Board of Directors on 21 February 2019, and signed on their behalf by:

Mr. Ali Bin Humaid Al Awais
Vice Chairman
21 February 2019

Mr. Ahmad Bin Eisa Alserkal
Chairman
21 February 2019

The attached notes 1 to 29 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the year ended 31 December 2018

	Share capital AED'000	*Statutory reserve AED'000*	*General reserve AED'000*	*Fair value reserve AED'000*	*Cash flow hedge reserve AED'000*	*Retained earnings AED'000*	*Total AED'000*
Balance at 1 January 2018	90,000	45,000	618,401	107,755	1,230	87,489	949,875
Adjustment for IFRS	-	-	-	-	-	4,503	4,503
Adjusted balance as of 1 January 2018	**90,000**	**45,000**	**618,401**	**107,755**	**1,230**	**91,992**	**954,378**
Profit for the year	-	-	-	-	-	42,291	42,291
Other comprehensive income for the year	-	-	-	(23,837)	(2,511)	-	(26,348)
Total comprehensive income for the year	-	-	-	(23,837)	(2,511)	42,291	15,943
Dividends paid (Note 17)	-	-	-	-	-	(63,000)	(63,000)
Directors' fees* (Note 12)	-	-	-	-	-	(3,780)	(3,780)
Transfer from capital work in progress (Note 6)	-	-	-	-	-	(5,913)	(5,913)
Balance as of 31 December 2018	**90,000**	**45,000**	**618,401**	**83,918**	**(1,281)**	**61,590**	**897,628**

*In accordance with the Ministry of Economy interpretation, Directors' fees have been treated as an appropriation from equity.

The attached notes 1 to 29 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY (continued)
For the year ended 31 December 2018

	Share capital AED'000	*Statutory reserve AED'000*	*General reserve AED'000*	*Fair value reserve AED'000*	*Cash flow hedge reserve AED'000*	*Retained earnings AED'000*	*Total AED'000*
Balance at 1 January 2017	90,000	45,000	567,543	114,537	1,809	113,858	932,747
Profit for the year	-	-	-	-	-	91,689	91,689
Other comprehensive income for the year	-	-	-	(6,782)	(579)	-	(7,361)
Total comprehensive income for the year	-	-	-	(6,782)	(579)	91,689	84,328
Dividends paid (Note 17)	-	-	-	-	-	(63,000)	(63,000)
Directors' fees (Note 12)	-	-	-	-	-	(4,200)	(4,200)
Transfer to general reserve (Note 15)	-	-	50,858	-	-	(50,858)	-
Balance as of 31 December 2017	90,000	45,000	618,401	107,755	1,230	87,489	949,875

The attached notes 1 to 29 form part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended 31 December 2018

	Notes	2018 AED '000	2017 AED '000
OPERATING ACTIVITIES			
Profit for the year		**42,291**	91,689
Adjustments for:			
Depreciation	6	**47,608**	47,293
Amortisation of intangible assets	7	**7,005**	8,163
Loss/(gain) on disposal of property, plant and equipment		**53**	(2,460)
Finance income		**(632)**	(1,326)
Finance expense		**3,357**	3,731
Dividend income		**(5,085)**	(6,780)
Provision for employees' end of service benefits	18	**2,991**	3,047
		97,588	143,357
Working capital changes:			
Inventories		**17,764**	4,668
Trade and other receivables		**(53,080)**	(29,201)
Contract assets * (Note 1)		**(1,109)**	-
Trade and other payables		**(23,695)**	22,304
Contract liabilities * (Note 1)		**18,396**	-
		55,864	141,128
Employees' end of service benefits paid	18	**(1,991)**	(2,354)
Net cash generated from operating activities		**53,873**	138,774
INVESTING ACTIVITIES			
Additions to property, plant and equipment	6	**(20,943)**	(31,270)
Addition to intangible assets	7	**(1,197)**	-
Proceeds from disposal of property, plant and equipment		**416**	2,563
Dividend income received		**5,085**	6,780
Finance income received		**632**	1,326
Net cash used in investing activities		**(16,007)**	(20,601)
FINANCING ACTIVITIES			
Proceeds from term loans		**5,944**	1,014
Repayment of term loans		**(44,388)**	(43,653)
Dividends paid	17	**(63,000)**	(63,000)
Directors' fees		**(3,780)**	(4,200)
Finance expense paid		**(3,357)**	(3,731)
Net cash used in financing activities		**(108,581)**	(113,570)
DECREASE / INCREASE IN CASH AND CASH EQUIVALENTS		**(70,715)**	4,603
Cash and cash equivalents at 1 January		**165,525**	160,922
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	10	**94,810**	165,525

1) Net movements in contract assets and contract liabilities from those arose on initial application of IFRS 15 (as disclosed in Note 2) and to contract assets and liabilities carried in the statement of financial position as of 31 December 2018.
2) In 2017, additions to property, plant and equipment includes release of accrual of AED 805 thousand accruals for project costs AED 350 thousand adjusted against advances. These being non-cash transactions were excluded in the statement of cash flows.

The attached notes 1 to 29 form part of these financial statements.