



شركة عمان المرطبات ش.م.ع.ع

OMAN REFRESHMENT COMPANY SAOG

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UNAUDITED FINANCIAL RESULTS

CHAIRMAN'S REPORT

FOR THE NINE MONTH PERIOD ENDED ON 30TH SEPTEMBER 2011

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to present un-audited results on the performance of the Company for the nine month period ended on 30th September 2011.

Your company has achieved a net profit after tax of Rials 4.05 Million during the nine month period ended on 30th September 2011 compared to Rials 1.89 Million for the corresponding period of last year. The increased profit is mainly due to increased revenue on account of intensive marketing efforts, improved sales realization along with the efficiencies resulting out of various cost control & costs optimisation measures.

Revenue has increased by 23% during the nine month period ended on 30th September 2011 compared to the corresponding period in 2010 as the company's efforts to improve the sales realization are bearing fruits as well as the improved sales volume in 3rd Quarter. Sales volume in terms of physical number of cases has also picked up the steam during 3rd quarter 2011, helping the overall sales volume to marginally exceed the sales volume of the corresponding 9 month period in 2010. Lower depreciation charge on account of the ageing asset base has also contributed to the increased bottomline for current year compared to the corresponding period of the last year. The company is aware of the requirement to infuse fresh and suitable investments into its ageing asset base and is working in this direction. The less productive old assets are being gradually replaced with the new ones, whether it is on the distribution/logistics front or the core bottling operations.

The Company is aware of the impact of intense competition in a highly price sensitive local market and will remain focused in its efforts to maintain the market share as well as sales forecast for the year.

Your company attaches enormous importance to its 'Human Resources' as a strategic asset with specific attention to employing and nurturing the Omani workforce. Accordingly, your company had initiated pro-active steps to address the reasonable demands of its workforce and also to comply with the new Government regulations on employment. The Company is marching ahead with the plans of employment & suitable development of local workforce.

Furthermore, the Company has been regularly monitoring the ever increasing international prices of its key input materials and commodities which are also impacting performance of the Company. The overall outlook continues to be positive and the Company remains optimistic about the prospects for rest of the year 2011.

On behalf of the Board of Directors, I take this opportunity to extend our sincere appreciation to His Majesty Sultan Qaboos Bin Said and his Government for their wise leadership, guidance and direction which continue to motivate and inspire us towards greater participation in the development and service of Oman.

Buti Obaid Al Mulla
Chairman

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30th SEPTEMBER 2011

	2011 Rials	2010 Rials
Non-current assets		
Tangible fixed assets	7,155,839	7,246,206
Deferred tax asset	-	39,698
	7,155,839	7,285,904
Current assets		
Inventories	3,762,033	3,958,899
Trade receivables	4,043,250	2,956,368
Term deposits	4,016,939	3,203,938
Bank and cash	4,019,293	857,455
Prepayments & other receivables	1,312,452	1,876,961
Total current assets	17,153,967	12,853,621
Total assets	24,309,806	20,139,525
Current liabilities		
Trade creditors	3,785,195	3,182,536
Accruals and other creditors	4,620,634	2,951,192
Payables to related parties	240,676	192,953
Current maturities of term loan	-	501,070
Total current liabilities	8,646,505	6,827,751
Non-Current liabilities		
Deferred tax liability	36,652	-
Liability against purchase of plant and equipment	246,592	506,747
Staff terminal benefits	752,687	690,165
Total non-current liabilities	1,035,931	1,196,912
Total liabilities	9,682,436	8,024,663
Net assets	14,627,370	12,114,862
Shareholders' funds		
Share capital	5,000,000	3,000,000
Legal reserve	1,000,000	1,000,000
Retained earnings	8,627,370	8,114,862
Total shareholders' equity	14,627,370	12,114,862

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTH PERIOD ENDED 30th SEPTEMBER 2011

	2011 Rials	2010 Rials
Revenue	41,231,122	33,420,778
Cost of sales	(27,111,749)	(24,410,323)
Gross profit	14,119,373	9,010,455
Selling and distribution expenses	(8,036,260)	(5,886,004)
General and administrative expenses	(1,463,958)	(1,052,834)
Operating profit	4,619,155	2,071,617
Net finance income	41,507	47,251
Other income	19,814	31,204
Profit before income tax	4,680,476	2,150,072
Income tax	(630,057)	(254,409)
Net profit	4,050,419	1,895,663

Notes:- 1) The complete accounts will be sent by mail to any shareholder, who requests them either in Arabic or English, within 7 days of receipt of such request.

2) The address to which the shareholder should send his/her request is as follows: Oman Refreshment Company SAOG, P O Box 30, CPO Airport, PC 111, Sultanate of Oman