

PRIMO WATER CORP /CN/

FORM 8-K/A (Amended Current report filing)

Filed 08/06/14 for the Period Ending 05/30/14

Address	4221 W. BOY SCOUT BLVD. SUITE 400 TAMPA, FL, 33607
Telephone	813-313-1732
CIK	0000884713
Symbol	PRMW
SIC Code	2086 - Bottled and Canned Soft Drinks and Carbonated Waters
Industry	Non-Alcoholic Beverages
Sector	Consumer Non-Cyclicals
Fiscal Year	12/28

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K/A

Amendment No. 1

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): May 30, 2014

COTT CORPORATION

(Exact Name of Registrant as Specified in Charter)

Canada
(State or Other Jurisdiction
of Incorporation)

001-31410
(Commission
File Number)

98-0154711
(IRS Employer
Identification No.)

6525 Viscount Road
Mississauga, Ontario, Canada

L4V1H6

5519 West Idlewild Avenue
Tampa, Florida, United States
(Address of Principal Executive Offices)

33634
(Zip Code)

Registrant's telephone number, including area code: (905) 672-1900
(813) 313-1800

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Explanatory Note

This amendment is being filed to amend and supplement Item 9.01 of the Current Report on Form 8-K filed by Cott Corporation (“Cott”) on June 2, 2014 to include the historical financial statements of Aimia Foods Holdings Limited (“Aimia”), the business acquired by Cott through the Share Purchase Agreement entered into on May 30, 2014, and the unaudited pro forma financial information required pursuant to Item 9.01 (b) of Form 8-K, and exhibits under 9.01(d) of Form 8-K.

The historical financial statements of Aimia have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice, or U.K. GAAP. The unaudited pro forma financial information required pursuant to Item 9.01(b) of Form 8-K included as Exhibit 99.4 to this Current Report on Form 8-K/A contains pro forma adjustments to reflect the acquisition and the purchasing accounting adjustments related thereto, and to reconcile the differences between the historical amounts presented in Aimia’s historical financial statements under U.K. GAAP and those historical amounts as if they had been presented in accordance with United States Generally Accepted Accounting Principles, or U.S. GAAP. Those adjustments include: a) the elimination of the goodwill amortization recorded under U.K. GAAP, b) the recording of adjustments to a joint venture investment under the equity method for U.S. GAAP that had been historically recorded at cost under U.K. GAAP, and c) the recording of certain machinery and equipment at its historical cost, including amounts financed by a customer under U.S. GAAP, which had been historically recorded at the cash amount paid by Aimia under U.K. GAAP. Additionally, the unaudited pro forma financial information contains adjustments related to the repayment of the 8.125% senior notes due 2018 with the 5.375% senior notes due 2022.

Item 9.01. Financial Statements and Exhibits

(a) *Financial Statements of Businesses Acquired*

- The audited consolidated balance sheets of Aimia as of June 30, 2013 and 2012, and the related audited consolidated profit and loss accounts and cash flows for the years then ended, are attached to this Form 8-K/A as Exhibit 99.1 and are incorporated herein by reference.
- The unaudited consolidated balance sheets of Aimia at March 31, 2014 and 2013, and the related unaudited consolidated profit and loss accounts and cash flows for the three months then ended, are attached to this Form 8-K/A as Exhibit 99.2 and are incorporated herein by reference.
- The unaudited consolidated balance sheets of Aimia at December 31, 2013 and 2012, and the related unaudited consolidated profit and loss accounts and cash flows for the six months then ended, are attached to this Form 8-K/A as Exhibit 99.3 and are incorporated herein by reference.

(b) *Pro Forma Financial Information*

Cott’s unaudited pro forma condensed combined consolidated balance sheet as of March 29, 2014, and unaudited pro forma condensed statements of operations for the three months ended March 29, 2014 and the fiscal year ended December 28, 2013 that give effect to the acquisition of Aimia are attached as Exhibit 99.4 to this Form 8-K/A and are incorporated herein by reference.

(d) *Exhibits*

<u>Exhibit Number</u>	<u>Description</u>
23.1	Consent of Grant Thornton UK LLP, registered auditors and chartered accountants for Aimia Foods Holdings Limited.
99.1	Aimia Foods Holdings Limited audited consolidated balance sheets at June 30, 2013 and June 30 2012, and the related consolidated profit and loss accounts and cash flows for the years ended June 30, 2013 and 2012.
99.2	Aimia Foods Holdings Limited unaudited consolidated balance sheet at March 31, 2014 and March 31, 2013 and the related unaudited consolidated profit and loss accounts and cash flows for the three months ended March 31, 2014 and 2013.
99.3	Aimia Foods Holdings Limited unaudited consolidated balance sheet at December 31, 2013 and December 31, 2012, and the related consolidated profit and loss accounts and cash flows for the six month periods ended December 31, 2013 and 2012.
99.4	Cott Corporation unaudited pro forma condensed combined balance sheet as of March 29, 2014, unaudited pro forma condensed combined statements of operations for the three months ended March 29, 2014 and the fiscal year ended December 28, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 6, 2014

Cott Corporation

By: /s/ Gregory Leiter

Gregory Leiter

Senior Vice President, Chief Accounting Officer

(Principal accounting officer)

INDEX TO EXHIBITS

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99.3	Aimia Foods Holdings Limited unaudited consolidated balance sheet at December 31, 2013 and December 31, 2012, and the related consolidated profit and loss accounts and cash flows for the six month periods ended December 31, 2013 and 2012.
99.4	Cott Corporation unaudited pro forma condensed combined balance sheet as of March 29, 2014, unaudited pro forma condensed combined statements of operations for the three months ended March 29, 2014 and the fiscal year ended December 28, 2013.



CONSENT OF INDEPENDENT AUDITOR

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
Manchester
M3 3EB
T +44 (0) 161 953 6901
www.grant-thornton.co.uk

We have issued our report dated 5 August 2014, with respect to the consolidated financial statements of Aimia Foods Holdings Limited as of 30 June 2013 and for the year ended 30 June 2013, included in this Current Report of Cott Corporation on Form 8-K/A. We hereby consent to the incorporation by reference of said report in the Registration Statements of Cott Corporation on Forms S-3 (File No. 33-182100) and on Forms S-8 (File No. 33-188735, 333-151812, 333-122974, 333-108128, 333-56980 and 33-166507).

Grant Thornton UK LLP

GRANT THORNTON UK LLP

Manchester
United Kingdom
5 August 2014

Grant Thornton UK LLP

UK member firm of Grant Thornton International Ltd

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Financial Statements

AIMIA Foods Holdings Limited

For the year ended 30 June 2013

Registered number: 06201887

AIMIA Foods Holdings Limited

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INDEPENDENT AUDITOR'S REPORT

Grant Thornton UK LLP
4 Hardman Square
Spinningfields
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M3 3EB
T +44 (0) 161 953 6901
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Board of Directors
Aimia Foods Holdings Limited

We have audited the accompanying consolidated financial statements of Aimia Foods Holdings Limited and subsidiaries, which comprise the consolidated balance sheets as of 30 June 2013, and the related consolidated profit and loss account, and cash flow statement for the year then ended, and the related notes to the financial statements.

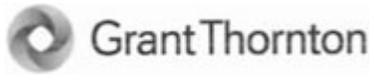
Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law); this includes the design, implementation, and maintenance of internal control relevant to the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects the financial position of Aimia Foods Holdings Limited and subsidiaries as of 30 June 2013, and the results of their operations and their cash flows for the year then ended in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton UK LLP

GRANT THORNTON UK LLP

Manchester
United Kingdom
5 August 2014

AIMIA Foods Holdings Limited

Consolidated profit and loss account
For the year ended 30 June 2013

	Note	2013 £000	Unaudited 2012 £000
Turnover	1,2	58,477	58,635
Cost of sales		(45,404)	(48,075)
Gross profit		13,073	10,560
Distribution costs		(1,104)	(1,083)
Administrative expenses		(5,163)	(4,782)
Exceptional administrative expenses	4	—	(3,109)
Total administrative expenses		(5,163)	(7,891)
Other operating income	3	—	32
Operating profit	4	6,806	1,618
Interest payable and similar charges	8	(124)	(136)
Profit on ordinary activities before taxation		6,682	1,482
Tax on profit on ordinary activities	9	(1,678)	(432)
Profit for the financial year	19	5,004	1,050

All amounts relate to continuing operations.

There were no recognised gains and losses for 2013 or 2012 other than those included in the Profit and loss account.

The accompanying notes 1 to 32 form part of these financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Consolidated balance sheet
As at 30 June 2013

	Note	£000	2013 £000	£000	Unaudited 2012 £000
Fixed assets					
Intangible assets	10		6,346		6,800
Tangible assets	11		2,582		1,507
Investments	12		672		—
			9,600		8,307
Current assets					
Stocks	13	4,080		3,640	
Debtors	14	6,630		5,965	
Cash at bank		2,682		606	
		13,392		10,211	
Creditors : amounts falling due within one year	15	(12,874)		(14,274)	
Net current assets/(liabilities)			518		(4,063)
Total assets less current liabilities			10,118		4,244
Creditors : amounts falling due after more than one year	16		(1,269)		(399)
Net assets			8,849		3,845
Capital and reserves					
Called up share capital	18		500		500
Capital redemption reserve	19		544		544
Profit and loss account	19		7,805		2,801
Shareholders' funds	20		8,849		3,845

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014.



Mr R N Unsworth
 Director

The accompanying notes 1 to 32 form part of these financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Company balance sheet
As at 30 June 2013

				Unaudited
	Note	£000	2013 £000	2012 £000
Fixed assets				
Investments	12		12,403	12,403
Current assets				
Debtors	14	110		110
Creditors : amounts falling due within one year	15	(11,631)		(11,631)
Net current liabilities			(11,521)	(11,521)
Net assets			882	882
Capital and Reserves				
Called up share capital	18		500	500
Capital redemption reserve	19		544	544
Profit and loss account	19		(162)	(162)
Shareholders' funds	20		882	882

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014.



Mr R N Unsworth
Director

The accompanying notes 1 to 32 form part of these financial statements.

AIMIA Foods Holdings Limited

Consolidated cash flow statement For the year ended 30 June 2013

		Unaudited	
	Note	2013 £000	2012 £000
Net cash flow from operating activities	21	3,782	4,752
Returns on investments and servicing of finance	22	(124)	(136)
Taxation		(332)	(401)
Capital expenditure and financial investment	22	(2,210)	(230)
Cash inflow before financing		1,116	3,985
Financing	22	1,137	(394)
Increase in cash in the year		2,253	3,591

Reconciliation of net cash flow to movement in net funds/(debt) For the year ended 30 June 2013

		Unaudited	
		2013 £000	2012 £000
Increase in cash in the year		2,253	3,591
Cash inflow from increase in debt and lease financing		(1,137)	—
Change in net debt resulting from cash flows		1,116	3,591
New finance leases		—	290
Movement in net funds/(debt) in the year		1,116	3,881
Net debt at 1 July		(217)	(4,098)
Net funds/(debt) at 30 June		899	(217)

The accompanying notes 1 to 32 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Principles).

1.2 Going concern

The Group has considerable financial resources together with long standing relationships with a number of customers and suppliers across different geographic areas. As a consequence, the directors believe that the Group is well placed to manage its business risk successfully despite the current uncertain economic outlook.

1.3 Basis of consolidation

The Group financial statements consolidate the accounts of the company and all of its subsidiary undertakings drawn up for the year ended 30 June 2013.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair value reflecting their condition at that date.

1.4 Turnover

Turnover is the total amount receivable by the Group for goods supplied and services provided, excluding VAT and trade discounts. Revenue from the supply of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is at the point of despatch.

1.5 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business or a company and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.6 Investments

Investments are included at cost less provision for impairment.

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	3 - 10 years
Plant and machinery	-	3 - 10 years
Motor vehicles	-	3 years
Fixtures & fittings	-	5 years
Computer equipment	-	3 - 5 years

Those tangible fixed assets held for use under operating leases are depreciated over 4 years.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes materials, direct labour, other direct overheads and royalties payable. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

1.9 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

1.10 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

1.11 Lease income

Payments received under operating leases are credited to the profit and loss account on a straight line basis over the lease term.

1.12 Current tax

The current tax charge is based on the profit for the year and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to gain or loss that is, or has been, recognised directly in the statement of total recognised gains and losses.

1. Accounting policies (continued)

1.13 Deferred taxation

Deferred tax is recognised in respect of all timing differences that had originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

1.16 Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

2. Turnover

An analysis of turnover by class of business is as follows:

	2013 £000	Unaudited 2012 £000
United Kingdom	58,029	55,322
Europe	448	2,864
Rest of world	—	449
	<u>58,477</u>	<u>58,635</u>

The turnover and profit on ordinary activities before taxation is attributable to the manufacture and distribution of food and beverage supplies into the retail, cash and carry, foodservice and vending sectors and the provision of manufacturing and packing services to the food industry.

3. Other operating income

	2013 £000	Unaudited 2012 £000
Other operating income	—	32

Other operating income relates to net rent receivable in respect of operating leases.

4. Operating profit

The operating profit is stated after charging:

	2013 £000	Unaudited 2012 £000
Amortisation - intangible fixed assets	454	454
Depreciation of tangible fixed assets:		
- owned by the group	63	594
- held under finance leases	400	128
Operating lease rentals:		
- other	117	129
- land and buildings	956	956

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

Exceptional administrative expenses

	2013 £000	Unaudited 2012 £000
Provision in respect of GSOP scheme	<u>—</u>	<u>3,109</u>

The Growth Securities Ownership Plan (GSOP) is an incentive arrangement to align employees' interests with those of the company. The GSOP was fully settled in 2012.

5. Auditors' remuneration

	2013 £000	Unaudited 2012 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	16	15
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	5	5
All other non-audit services not included above	<u>—</u>	<u>5</u>

6. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2013 £000	Unaudited 2012 £000
Wages and salaries	7,472	10,793
Social security costs	601	643
Other pension costs	247	241
	<u>8,320</u>	<u>11,677</u>

The average monthly number of employees, including the directors, during the year was as follows:

	2013 No.	Unaudited 2012 No.
Production	159	155
Administration	101	110
	<u>260</u>	<u>265</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

7. Directors' remuneration

	Unaudited	
	2013 £000	2012 £000
Remuneration	<u>805</u>	<u>3,600</u>
Company pension contributions to defined contribution pension schemes	<u>58</u>	<u>59</u>

During the year retirement benefits were accruing to 5 directors (2012 unaudited - 5 in respect of defined contribution pension schemes. The highest paid director received remuneration of £132,000 (2012 unaudited - £1,668,000).

Management and consultancy fees of £110,000 (2012 unaudited - £110,000) were paid which comprised charges for the services of I Unsworth and G Unsworth.

8. Interest payable

	Unaudited	
	2013 £000	2012 £000
On bank loans and overdrafts	<u>62</u>	<u>108</u>
On finance leases and hire purchase contracts	<u>62</u>	<u>28</u>
	<u>124</u>	<u>136</u>

9. Taxation

	Unaudited	
	2013 £000	2012 £000
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	<u>1,588</u>	<u>492</u>
Adjustments in respect of prior periods	<u>(44)</u>	<u>(151)</u>
Total current tax	<u>1,544</u>	<u>341</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

9. Taxation (continued)

Deferred tax		
Origination and reversal of timing differences	118	91
Effect of increased tax rate on opening liability	16	—
Total deferred tax (see note 17)	134	91
Tax on profit on ordinary activities	1,678	432

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2012 unaudited - lower than) the standard rate of corporation tax in the UK of 23.75% (2012 unaudited - 25.5%). The differences are explained below:

	2013 £000	Unaudited 2012 £000
Profit on ordinary activities before tax	6,682	1,482
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.75% (2012 - 25.5%)	1,587	378
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	123	143
Capital allowances for year in excess of depreciation	(116)	(34)
Adjustments to tax charge in respect of prior periods	(44)	(151)
Short term timing difference leading to an increase (decrease) in taxation	(6)	5
Current tax charge for the year (see note above)	1,544	341

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

10. Intangible fixed assets

	Goodwill
	£000
Group	
Cost	
At 1 July 2012 (unaudited) and 30 June 2013	9,069
Amortisation	
At 1 July 2012 (unaudited)	2,269
Charge for the year	454
At 30 June 2013	2,723
Net book value	
At 30 June 2013	6,346
At 30 June 2012 (unaudited)	6,800

The directors have assessed that the goodwill has a useful economic life of 20 years.

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

11. Tangible fixed assets

	L/Term Leasehold	Plant & machinery	Motor vehicles	Fixtures & fittings	Other fixed assets	Total
	Property £000	£000	£000	£000	£000	£000
Group						
Cost						
At 1 July 2012 (unaudited)	188	10,342	46	2,663	180	13,419
Additions	—	1,427	39	72	—	1,538
Disposals	—	(25)	—	—	—	(25)
Transfer between classes	—	180	—	—	(180)	—
At 30 June 2013	<u>188</u>	<u>11,924</u>	<u>85</u>	<u>2,735</u>	<u>—</u>	<u>14,932</u>
Depreciation						
At 1 July 2012 (unaudited)	85	9,203	42	2,582	—	11,912
Charge for the year	—	407	7	49	—	463
On disposals	—	(25)	—	—	—	(25)
At 30 June 2013	<u>85</u>	<u>9,585</u>	<u>49</u>	<u>2,631</u>	<u>—</u>	<u>12,350</u>
Net book value						
At 30 June 2013	<u>103</u>	<u>2,339</u>	<u>36</u>	<u>104</u>	<u>—</u>	<u>2,582</u>
At 30 June 2012 (unaudited)	<u>103</u>	<u>1,139</u>	<u>4</u>	<u>81</u>	<u>180</u>	<u>1,507</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2013	Unaudited
	£000	2012 £000
Group		
Plant and machinery	<u>953</u>	<u>449</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

12. Fixed asset investments

	Unlisted investments £000
Group	
Cost or valuation	
At 1 July 2012 Unaudited	—
Additions	<u>672</u>
At 30 June 2013	<u>672</u>
Net book value	
At 30 June 2013	<u>672</u>
At 30 June 2012 Unaudited	<u>—</u>

The fixed asset investment represents a 49% shareholding in Associated Coffee Merchants (International) Limited, a company incorporated in England and Wales. There are no common directors and the directors believe there is no significant influence held over the company, as such the investment has been held at cost under fixed asset investments.

	Investments in subsidiary companies £000
Company	
Cost or valuation	
At 1 July 2012 Unaudited and 30 June 2013	<u>12,403</u>
Net book value	
At 30 June 2013	<u>12,403</u>
At 30 June 2012 Unaudited	<u>12,403</u>

Details of the principal subsidiaries can be found under note number 28.

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

13. Stocks

	<u>Group</u>		<u>Company</u>	
	2013 £000	Unaudited 2012 £000	2013 £000	Unaudited 2012 £000
Raw materials	2,159	2,088	—	—
Finished goods and goods for resale	1,921	1,552	—	—
	<u>4,080</u>	<u>3,640</u>	<u>—</u>	<u>—</u>

14. Debtors

	<u>Group</u>		<u>Company</u>	
	2013 £000	Unaudited 2012 £000	2013 £000	Unaudited 2012 £000
Trade debtors	5,494	4,725	—	—
Amounts owed by group undertakings	—	—	110	110
Amounts owed by related parties	—	45	—	—
Other debtors	202	106	—	—
Prepayments and accrued income	689	710	—	—
Deferred tax asset (see note 17)	245	379	—	—
	<u>6,630</u>	<u>5,965</u>	<u>110</u>	<u>110</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

15. Creditors:

Amounts falling due within one year

	Group		Company	
	2013 £000	Unaudited 2012 £000	2013 £000	Unaudited 2012 £000
Bank loans and overdrafts	—	177	—	—
Net obligations under finance leases and hire purchase contracts	515	247	—	—
Trade creditors	6,964	7,223	—	—
Amounts owed to group undertakings	—	—	11,631	11,631
Corporation tax	1,584	372	—	—
Other taxation and social security	171	173	—	—
Other creditors	671	115	—	—
Accruals and deferred income	2,969	5,967	—	—
	12,874	14,274	11,631	11,631

The finance leases are secured against the assets to which they relate.

16. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2013 £000	Unaudited 2012 £000	2013 £000	Unaudited 2012 £000
Net obligations under finance leases and hire purchase contracts	1,269	399	—	—

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2013 £000	Unaudited 2012 £000	2013 £000	Unaudited 2012 £000
Between one and five years	1,269	399	—	—

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

17. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	Unaudited		Unaudited	
	2013 £000	2012 £000	2013 £000	2012 £000
At beginning of year	379	470	—	—
Charged during the year (P&L)	(134)	(91)	—	—
At end of year	<u>245</u>	<u>379</u>	<u>—</u>	<u>—</u>

The deferred taxation balance is made up as follows:

	<u>Group</u>		<u>Company</u>	
	Unaudited		Unaudited	
	2013 £000	2012 £000	2013 £000	2012 £000
Accelerated capital allowances	(239)	(368)	—	—
Short term timing differences	(6)	(11)	—	—
	<u>(245)</u>	<u>(379)</u>	<u>—</u>	<u>—</u>

The directors believe that the deferred tax asset of £245,000 (2012 unaudited - £379,000) recognised in the accounts will be recoverable against suitable profits arising in the future.

18. Share capital

	Unaudited	
	2013 £000	2012 £000
Allotted, called up and fully paid		
500,000 - Ordinary Shares shares of £1 each	<u>500</u>	<u>500</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

19. Reserves

	Capital redempt'n reserve £000	Profit and loss account £000
Group		
At 1 July 2012 (Unaudited)	544	2,801
Profit for the financial year	—	5,004
At 30 June 2013	<u>544</u>	<u>7,805</u>
	Capital redempt'n reserve £000	Profit and loss account £000
Company		
At 1 July 2012 (Unaudited) and 30 June 2013	<u>544</u>	<u>(162)</u>

20. Reconciliation of movement in shareholders' funds

	Unaudited	
	2013 £000	2012 £000
Group		
Opening shareholders' funds	3,845	2,795
Profit for the financial year	5,004	1,050
Closing shareholders' funds	<u>8,849</u>	<u>3,845</u>
	Unaudited	
	2013 £000	2012 £000
Company		
Shareholders' funds at 1 July 2012 (unaudited) and 30 June 2013	<u>882</u>	<u>882</u>

The Company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £NIL (2012 unaudited - £nil).

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

21. Net cash flow from operating activities

		Unaudited
	2013	2012
	£000	£000
Operating profit	6,806	1,618
Amortisation of intangible fixed assets	454	454
Depreciation of tangible fixed assets	463	722
Profit on disposal of tangible fixed assets	—	(41)
(Increase)/decrease in stocks	(440)	418
(Increase)/decrease in debtors	(798)	688
(Decrease)/increase in creditors	(2,703)	893
Net cash inflow from operating activities	<u>3,782</u>	<u>4,752</u>

22. Analysis of cash flows for headings netted in cash flow statement

		Unaudited
	2013	2012
	£000	£000
Returns on investments and servicing of finance		
Interest paid	(62)	(108)
Hire purchase interest	(62)	(28)
Net cash outflow from returns on investments and servicing of finance	<u>(124)</u>	<u>(136)</u>

		Unaudited
	2013	2012
	£000	£000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,538)	(271)
Sale of tangible fixed assets	—	41
Purchase of fixed asset investments	(672)	—
Net cash outflow from capital expenditure	<u>(2,210)</u>	<u>(230)</u>

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

	2013 £000	Unaudited 2012 £000
Financing		
Repayment of finance leases	(363)	—
New finance leases	1,500	—
Repayment of finance leases	—	(394)
Net cash inflow/(outflow) from financing	<u>1,137</u>	<u>(394)</u>

23. Analysis of changes in net debt

	Unaudited 1 July 2012 £000	Cash flow £000	Other non-cash changes £000	30 June 2013 £000
Cash at bank and in hand	606	2,076	—	2,682
Bank overdraft	(177)	177	—	—
	<u>429</u>	<u>2,253</u>	<u>—</u>	<u>2,682</u>
Finance lease obligations				
Debts due within one year	(247)	(1,137)	870	(514)
Debts falling due after more than one year	(399)	—	(870)	(1,269)
Net (debt)/funds	<u>(217)</u>	<u>1,116</u>	<u>—</u>	<u>899</u>

24. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounts to £247,000 (2012 unaudited - £241,000). Contributions totalling £43,000 (2012 unaudited - £43,000) were payable to the fund at the balance sheet date.

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

25. Capital commitments

The Group had capital commitments at 30 June 2013 of £600,000 (2012 unaudited: £Nil).

26. Contingent liabilities

There were no contingent liabilities at 30 June 2013 (2012 unaudited: £nil).

27. Operating lease commitments

At 30 June 2013, the group had annual commitments under non-cancellable operating leases as follows:

	2013 £000	Land and buildings Unaudited 2012 £000	2013 £000	Other Unaudited 2012 £000
Group				
Expiry date:				
Within 1 year	—	—	21	17
Between 2 and 5 years	488	189	51	68
After more than 5 years	493	792	—	—

28. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Aimia Foods Limited	England and Wales	100	Food and beverage manufacturing and distribution
Aimia Foods Group Limited	England and Wales	100	Intermediate Holding Company
Stockpack Limited	England and Wales	100	Dormant
Aimia Foods EBT Company Limited	England and Wales	100	Employee benefits trust

29. Financial instruments

The Group incurs foreign exchange risk on sales and purchases that are denominated in currencies other than sterling. The Group uses forward exchange contracts to hedge this risk. The fair value of the Group's forward contracts to buy Euros at 30 June 2013 was £nil (2012 unaudited - £nil).

AIMIA Foods Holdings Limited

Notes to the financial statements
For the year ended 30 June 2013

30. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 “Related party disclosures” and has not disclosed transactions with group undertakings, all of which have been eliminated on consolidation.

During the period, the company paid rent of £8,500 (2012 unaudited: £8,500) in relation to a property owned by Mr I M Unsworth and Mr R N Unsworth. As at 30 June 2013, the rent prepaid amounted to £6,375 (2012 unaudited: £6,375).

31. Post balance sheet events

Cott Ventures Ltd, a subsidiary of Cott Corporation, acquired 100 percent of the share capital of Aimia Foods Holdings Limited pursuant to a Share Purchase Agreement dated 30 May 2014. The aggregate purchase price for the Aimia Acquisition was £52.1 million payable in cash, which included a payment for estimated closing balance sheet working capital, £19.9 million in deferred consideration to be paid by 30 September 2014, and aggregate contingent consideration of up to £15.9 million, which is payable upon the achievement of certain performance measures during 52 weeks ending 1 July 2016.

Prior to the transaction the Group settled all balances owed between group companies and secured finance lease creditors.

32. Ultimate controlling party

Subsequent to 30 May 2014, the ultimate controlling party is Cott Corporation by virtue of its 100% shareholding. Prior to that date the ultimate controlling party was the Unsworth family.

**Unaudited Financial Statements
AIMIA Foods Holdings Limited**

For the three months ended 31 March 2014

Registered number: 06201887

AIMIA Foods Holdings Limited

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INDEPENDENT AUDITOR'S REVIEW REPORT

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Board of Directors
Aimia Foods Holdings limited

We have reviewed the accompanying consolidated interim financial statements of Aimia Foods Holdings Limited and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of 31 March 2014 and 2013, and the related consolidated profit and loss accounts and cash flow statements for the three-month periods ended 31 March 2014 and 2013, and the related notes to the interim financial statements.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the consolidated interim financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law); this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with United Kingdom Generally Accepted Accounting Practice.

Auditor's responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements. Accordingly, we do not express such an opinion.

Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial statements referred to above for them to in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton UK LLP

GRANT THORNTON UK LLP

Manchester
United Kingdom
5 August 2014

AIMIA Foods Holdings Limited

Unaudited consolidated profit and loss account For the three months ended 31 March 2014

	Note	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Turnover	1,2	17,995	15,192
Cost of sales		(13,302)	(11,637)
Gross profit		4,693	3,555
Distribution costs		(338)	(274)
Administrative expenses		(1,663)	(1,327)
Operating profit	3	2,692	1,954
Interest payable and similar charges	7	(37)	(32)
Profit on ordinary activities before taxation		2,655	1,922
Tax on profit on ordinary activities	8	(589)	(444)
Profit for the financial period	18	2,066	1,478

All amounts relate to continuing operations.

There were no recognised gains and losses for the current or prior period other than those included in the Profit and loss account.

The accompanying notes 1 to 31 form part of these financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Unaudited consolidated balance sheet
As at 31 March 2014

		31 March 2014	31 March 2013
	Note	£000	£000
Fixed assets			
Intangible assets	9	6,006	6,460
Tangible assets	10	3,479	1,691
Investments	11	672	672
		<u>10,157</u>	<u>8,823</u>
Current assets			
Stocks	12	5,022	4,499
Debtors	13	7,770	7,415
Cash at bank		9,186	2,472
		<u>21,978</u>	<u>14,386</u>
Creditors : amounts falling due within one year	14	<u>(14,594)</u>	<u>(14,087)</u>
Net current assets		<u>7,384</u>	<u>299</u>
Total assets less current liabilities		<u>17,541</u>	<u>9,122</u>
Creditors: amounts falling due after more than one year	15	<u>(3,053)</u>	<u>(1,344)</u>
Net assets		<u>14,488</u>	<u>7,778</u>
Capital and reserves			
Called up share capital	17	500	500
Capital redemption reserve	18	544	544
Profit and loss account	18	13,444	6,734
Shareholders' funds	19	<u>14,488</u>	<u>7,778</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014.



Mr R N Unsworth, Director

The accompanying notes 1 to 31 form part of these financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Unaudited company balance sheet
As at 31 March 2014

		31 March 2014	31 March 2013
	Note	£000	£000
Fixed assets			
Investments	11	12,403	12,403
Current assets			
Debtors	13	110	110
Creditors: amounts falling due within one year	14	(11,631)	(11,631)
Net current liabilities		(11,521)	(11,521)
Net assets		882	882
Capital and Reserves			
Called up share capital	17	500	500
Capital redemption reserve	18	544	544
Profit and loss account	18	(162)	(162)
Shareholders' funds	19	882	882

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014



Mr R N Unsworth, Director

The accompanying notes 1 to 31 form part of these financial statements.

AIMIA Foods Holdings Limited

Unaudited consolidated cash flow statement For the three months ended 31 March 2014

	Note	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Net cash flow from operating activities	21	1,707	1,745
Returns on investments and servicing of finance	21	(37)	(32)
Taxation		(397)	(4)
Capital expenditure and financial investment	21	(199)	(941)
Cash inflow before financing		1,074	768
Financing	22	(346)	(150)
Increase in cash in the period		728	618

Reconciliation of net cash flow to movement in net funds/debt For the three months ended 31 March 2014

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Increase in cash in the period	728	618
Amounts repaid on finance leases	346	—
Change in net debt resulting from cash flows and movement in net debt in the period	1,074	618
Net funds / (debt) at 1 January	3,629	(212)
Net funds at 31 March	4,703	406

The accompanying notes 1 to 31 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Principles).

1.2 Going concern

The Group has considerable financial resources together with long standing relationships with a number of customers and suppliers across different geographic areas. As a consequence, the directors believe that the Group is well placed to manage its business risk successfully despite the current uncertain economic outlook.

1.3 Basis of consolidation

The Group financial statements consolidate the accounts of the company and all of its subsidiary undertakings drawn up for the three months ended 31 March 2014.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair value reflecting their condition at that date.

1.4 Turnover

Turnover is the total amount receivable by the Group for goods supplied and services provided, excluding VAT and trade discounts. Revenue from the supply of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is at the point of despatch.

1.5 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business or a company and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.6 Investments

Investments are included at cost less provision for impairment.

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and less any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	3 - 10 years
Plant and machinery	-	3 - 10 years
Motor vehicles	-	3 years
Fixtures & fittings	-	5 years
Computer equipment	-	3 - 5 years

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes materials, direct labour, other direct overheads and royalties payable. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal.

1.9 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

1.10 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

1.11 Lease income

Payments received under operating leases are credited to the profit and loss account on a straight line basis over the lease term.

1.12 Current tax

The current tax charge is based on the profit for the period and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to gain or loss that is, or has been, recognised directly in the statement of total recognised gains and losses.

1. Accounting policies (continued)

1.13 Deferred taxation

Deferred tax is recognised in respect of all timing differences that had originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the period.

1.16 Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

2. Turnover

An analysis of turnover by class of business is as follows:

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
United Kingdom	17,859	15,077
Europe	136	115
	<u>17,995</u>	<u>15,192</u>

The turnover and profit on ordinary activities before taxation is attributable to the manufacture and distribution of food and beverage supplies into the retail, cash and carry, foodservice and vending sectors and the provision of manufacturing and packing services to the food industry.

3. Operating profit

The operating profit is stated after charging:

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Amortisation - intangible fixed assets	113	113
Depreciation of tangible fixed assets:		
- owned by the group	23	23
- held under finance leases	139	139
Operating lease rentals:		
- land and buildings	<u>237</u>	<u>237</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

4. Auditors' remuneration

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Fees payable to the company's auditor and its associates for the UK statutory audit of the company's annual accounts	4	4
Fees payable to the company's auditor and its associates in respect of:		
Taxation compliance services	<u>1</u>	<u>1</u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Wages and salaries	2,597	1,566
Social security costs	177	167
Other pension costs	70	66
	<u>2,844</u>	<u>1,799</u>

The average monthly number of employees, including the directors, during the period was as follows:

	3 months ended 31 March 2014 No.	3 months ended 31 March 2013 No.
Production	106	100
Administration	189	159
	<u>295</u>	<u>259</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

6. Directors' remuneration

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Remuneration	<u>177</u>	<u>173</u>
Company pension contributions to defined contribution pension schemes	<u>14</u>	<u>14</u>

During the period retirement benefits were accruing to 5 directors (2013 - 5 in respect of defined contribution pension schemes. The highest paid director received remuneration of £33k (2013 - £33k). Management and consultancy fees of £23,000 (2013 - £23,000) were paid which comprised charges for the services of I Unsworth and G Unsworth.

7. Interest payable

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
On bank loans and overdrafts	<u>8</u>	<u>12</u>
On finance leases and hire purchase contracts	<u>29</u>	<u>20</u>
	<u>37</u>	<u>32</u>

8. Taxation

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Analysis of tax charge in the period		
Current tax (see note below)		
UK corporation tax charge on profit for the period	<u>632</u>	<u>457</u>
Adjustments in respect of prior periods	<u>(43)</u>	<u>(13)</u>
Total current tax	<u>589</u>	<u>444</u>
Deferred tax		

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements For the three months ended 31 March 2014

Origination and reversal of timing differences	—	—
Effect of increased tax rate on opening liability	—	—
Total deferred tax (see note 16)	—	—
Tax on profit on ordinary activities	589	444

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2013 - lower than) the standard rate of corporation tax in the UK of 23.00% (2013 – 24.00%). The differences are explained below:

	3 months ended 31 March 2014 £000	3 months ended 31 March 2013 £000
Profit on ordinary activities before tax	2,655	1,922
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.00% (2013 – 24.00%)	631	456
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	119	37
Capital allowances for period in excess of depreciation	(112)	(34)
Adjustments to tax charge in respect of prior periods	(43)	(13)
Short term timing difference leading to an increase (decrease) in taxation	(6)	(2)
Current tax charge for the period (see note above)	589	444

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

9. Intangible fixed assets

	Goodwill
Group	£000
Cost	
At 1 January 2014 and 31 March 2014	9,069
Amortisation	
At 1 January 2014	2,950
Charge for the period	113
At 31 March 2014	3,063
Net book value	
At 31 March 2014	6,006
At 31 December 2013	6,119
At 31 March 2013	6,460

The directors have assessed that the goodwill has a useful economic life of 20 years.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

10. Tangible fixed assets

Group	L/Term Leasehold	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
	Property £000				
Cost					
At 1 January 2014	188	13,013	85	2,769	16,055
Additions	—	199	—	—	199
At 31 March 2014	188	13,212	85	2,769	16,254
Depreciation					
At 1 January 2014	85	9,824	55	2,649	12,613
Charge for the period	—	147	4	11	162
At 31 March 2014	85	9,971	59	2,660	12,775
Net book value					
At 31 March 2014	103	3,241	26	109	3,479
At 31 December 2013	103	3,189	30	120	3,442
At 31 March 2013	103	1,451	19	118	1,691

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2014	2013
	£000	£000
Plant and machinery	1,935	990

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

11. Fixed asset Investments

Group	Unlisted investments £000
Cost	
At 1 January 2014 and 31 March 2014	<u>672</u>
Net book value	
At 31 March 2014	<u>672</u>
At 31 December 2013	<u>672</u>
At 31 March 2013	<u>672</u>

The fixed asset investment represents a 49% shareholding in Associated Coffee Merchants (International) Limited, a company incorporated in England and Wales. There are no common directors and the directors believe there is no significant influence held over the company, as such the investment has been held at cost under fixed asset investments.

Company	Investments in subsidiary companies £000
Cost	
At 1 January 2014 and 31 March 2014	<u>12,403</u>
Net book value	
At 31 March 2014	<u>12,403</u>
At 31 December 2013	<u>12,403</u>
At 31 March 2013	<u>12,403</u>

Details of the principal subsidiaries can be found under note number 27.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

12. Stocks

	<u>Group</u>		<u>Company</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Raw materials	2,718	2,749	—	—
Finished goods and goods for resale	2,304	1,750	—	—
	<u>5,022</u>	<u>4,499</u>	<u>—</u>	<u>—</u>

13. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Trade debtors	6,888	6,184	—	—
Amounts owed by group undertakings	—	—	110	110
Other debtors	136	177	—	—
Prepayments and accrued income	501	584	—	—
Deferred tax asset (see note 16)	245	470	—	—
	<u>7,770</u>	<u>7,415</u>	<u>110</u>	<u>110</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

14. Creditors:

Amounts falling due within one year

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Net obligations under finance leases and hire purchase contracts	1,430	572	—	—
Trade creditors	8,243	8,022	—	—
Amounts owed to group undertakings	—	—	11,631	11,631
Corporation tax	1,218	1,770	—	—
Other taxation and social security	207	168	—	—
Other creditors	143	106	—	—
Accruals and deferred income	3,353	3,449	—	—
	<u>14,594</u>	<u>14,087</u>	<u>11,631</u>	<u>11,631</u>

The finance leases are secured against the assets to which they relate.

15. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Net obligations under finance leases and hire purchase contracts	<u>3,053</u>	<u>1,344</u>	<u>—</u>	<u>—</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Between one and five years	<u>3,053</u>	<u>1,344</u>	<u>—</u>	<u>—</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

16. Deferred taxation

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
At beginning of period	245	470	—	—
Charged during the period (P&L)	—	—	—	—
At end of period	<u>245</u>	<u>470</u>	<u>—</u>	<u>—</u>

The deferred taxation balance is made up as follows:

	Group		Company	
	2014 £000	2013 £000	2014 £000	2013 £000
Accelerated capital allowances	245	470	—	—
Short term timing differences	—	—	—	—
	<u>245</u>	<u>470</u>	<u>—</u>	<u>—</u>

The directors believe that the deferred tax asset of £245,000 (2013 - £470,000) recognised in the accounts will be recoverable against suitable profits arising in the future.

17. Share capital

	2014 £000	2013 £000
Allotted, called up and fully paid		
500,000 - Ordinary Shares shares of £1 each	<u>500</u>	<u>500</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

18. Reserves

	Capital redempt'n reserve £000	Profit and loss account £000
Group		
At 1 January 2014	544	11,378
Profit for the financial period	—	2,066
At 31 March 2014	<u>544</u>	<u>13</u>

	Capital redempt'n reserve £000	Profit and loss account £000
Company		
At 1 January 2014 and 31 March 2014	<u>544</u>	<u>(162)</u>

19. Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Group		
Opening shareholders' funds	12,422	6,300
Profit for the financial period	2,066	1,478
Closing shareholders' funds	<u>14,488</u>	<u>7,778</u>

	2014 £000	2013 £000
Company		
Shareholders' funds at 1 January 2014 and 31 March 2014	<u>882</u>	<u>882</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the period dealt with in the accounts of the company was £NIL (2013 - £nil).

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

20. Net cash flow from operating activities

	3 month period to 31 March 2014	3 month period to 31 March 2013
	£000	£000
Operating profit	2,692	1,954
Amortisation of intangible fixed assets	113	113
Depreciation of tangible fixed assets	162	103
Profit on disposal of tangible fixed assets	—	(25)
(Increase) in stocks	(66)	(622)
Decrease/(increase) in debtors	795	(146)
(Decrease)/increase in creditors	(1,989)	368
Net cash inflow from operating activities	1,707	1,745

21. Analysis of cash flows for headings netted in cash flow statement

	3 month period to 31 March 2014	3 month period to 31 March 2013
	£000	£000
Returns on investments and servicing of finance		
Interest paid	(7)	(12)
Hire purchase interest	(30)	(20)
Net cash outflow from returns on investments and servicing of finance	(37)	(32)
	2014 £000	2013 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(199)	(294)
Sale of tangible fixed assets	—	25
Purchase of fixed asset investments	—	(672)
Net cash outflow from capital expenditure	(199)	(941)
	2014 £000	2013 £000
Financing		
Repayment of finance leases	(346)	(150)
Net cash outflow from financing	(346)	(150)

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

22. Analysis of changes in net debt

	1 January		31 March 2014 £000
	2014 £000	Cash flow £000	
Cash at bank and in hand	<u>8,458</u>	<u>728</u>	<u>9,186</u>
	8,458	728	9,186
Finance lease obligations			
Debts due within one year	(4,829)	346	(4,483)
Net debt	<u>3,629</u>	<u>1,074</u>	<u>4,703</u>

23. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounts to £194k (2013 - £185k). Contributions totalling £80k (2013 - £43k) were payable to the fund at the balance sheet date.

24. Capital commitments

The Group had capital commitments at 31 March 2014 of £NIL (31 March 2013: £NIL).

25. Contingent liabilities

There were no contingent liabilities at 31 March 2014 (31 March 2013: £NIL).

26. Operating lease commitments

At 31 March 2014, the Group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings		2014 £000	Other 2013 £000
	2014 £000	2013 £000		
Expiry date:				
Within 1 year	—	126	16	16
Between 2 and 5 years	488	299	65	47
After more than 5 years	<u>445</u>	<u>445</u>	<u>—</u>	<u>—</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the three months ended 31 March 2014

27. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Aimia Foods Limited	England and Wales	100	Food and beverage manufacturing and distribution
Aimia Foods Group Limited	England and Wales	100	Intermediate Holding Company
Stockpack Limited	England and Wales	100	Dormant
Aimia Foods EBT Company Limited	England and Wales	100	Employee benefits trust

28. Financial Instruments

The Group incurs foreign exchange risk on sales and purchases that are denominated in currencies other than sterling. The Group uses forward exchange contracts to hedge this risk. The fair value of the Group's forward contracts to buy Euros at 31 March 2014 was £1,674k (31 March 2013 - £800k). The fair value of the Group's forward contracts to buy Dollars at 31 March 2014 was £184k (31 March 2013 - £nil).

29. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related party disclosures" and has not disclosed transactions with group undertakings, all of which are eliminated on consolidation.

During the period, the company paid rent of £2,125 (2013: £2,125) in relation to a property owned by Mr I M Unsworth and Mr R N Unsworth, As at 31 March 2014, the rent prepaid amounted to £NIL (2013: £NIL).

30. Post balance sheet events

Cott Ventures Ltd., a subsidiary of Cott Corporation, acquired 100 percent of the share capital of the Aimia Foods Holdings Limited, pursuant to a Share Purchase Agreement dated May 30, 2014. The aggregate purchase price for the Aimia Acquisition was £52.1 million payable in cash, which included a payment for estimated closing balance sheet working capital, £19.9 million in deferred consideration to be paid by September 30, 2014, and aggregate contingent consideration of up to £15.9 million, which is payable upon the achievement of certain performance measures during 52 weeks ending July 1, 2016.

Prior to the transaction, the Group settled all balances owed between group companies and secured finance lease creditors.

31. Ultimate controlling party

Subsequent to 30 May 2014, the ultimate controlling party is Cott Corporation by virtue of its 100% shareholding. Prior to that date the ultimate controlling party was the Unsworth family.

**Unaudited Financial Statements
AIMIA Foods Holdings Limited**

For the six months ended 31 December 2013

Registered number: 06201887

AIMIA Foods Holdings Limited

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INDEPENDENT AUDITOR'S REVIEW REPORT

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Board of Directors
Aimia Foods Holdings Limited

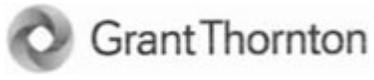
We have reviewed the accompanying consolidated interim financial statements of Aimia Foods Holdings Limited and subsidiaries (the "Company"), which comprise the consolidated balance sheets as of 31 December 2013 and 2012, and the related consolidated profit and loss accounts and cash flow statements for the six-month periods ended 31 December 2013 and 2012, and the related notes to the interim financial statements.

Management's responsibility

The Company's management is responsible for the preparation and fair presentation of the consolidated interim financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law); this responsibility includes the design, implementation, and maintenance of internal control sufficient to provide a reasonable basis for the preparation and fair presentation of interim financial information in accordance with United Kingdom Generally Accepted Accounting Practice.

Auditor's responsibility

Our responsibility is to conduct our reviews in accordance with auditing standards generally accepted in the United States of America applicable to reviews of interim financial information. A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in the United States of America, the objective of which is the expression of an opinion regarding the financial statements. Accordingly, we do not express such an opinion.



Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the consolidated interim financial statements referred to above for them to in accordance with United Kingdom Generally Accepted Accounting Practice.

Grant Thornton UK LLP

GRANT THORNTON UK LLP

Manchester
United Kingdom
5 August 2014

AIMIA Foods Holdings Limited

Unaudited consolidated profit and loss account For the six months ended 31 December 2013

		6 months ended	6 months ended
		31 December	31 December
	Note	2013	2012
		£000	£000
Turnover	1,2	33,870	29,512
Cost of sales		<u>(25,725)</u>	<u>(23,061)</u>
Gross profit		8,145	6,451
Distribution costs		(681)	(540)
Administrative expenses		<u>(2,813)</u>	<u>(2,655)</u>
Operating profit	3	4,651	3,256
Interest payable and similar charges	7	<u>(52)</u>	<u>(55)</u>
Profit on ordinary activities before taxation		4,599	3,201
Tax on profit on ordinary activities	8	<u>(1,026)</u>	<u>(747)</u>
Profit for the financial period	18	<u>3,573</u>	<u>2,454</u>

All amounts relate to continuing operations.

There were no recognised gains and losses for the current or prior period other than those included in the Profit and loss account.

The accompanying notes 1 to 31 form part of these financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Unaudited consolidated balance sheet
As at 31 December 2013

	Note	31 December 2013 £000	31 December 2012 £000
Fixed assets			
Intangible assets	9	6,119	6,573
Tangible assets	10	3,442	1,500
Investments	11	672	—
		<u>10,233</u>	<u>8,073</u>
Current assets			
Stocks	12	4,956	3,877
Debtors	13	8,565	7,269
Cash at bank		8,458	1,854
		<u>21,979</u>	<u>13,000</u>
Creditors: amounts falling due within one year	14	<u>(16,416)</u>	<u>(13,281)</u>
Net current assets/(liabilities)		<u>5,563</u>	<u>(281)</u>
Total assets less current liabilities		<u>15,796</u>	<u>7,792</u>
Creditors: amounts falling due after more than one year	15	<u>(3,375)</u>	<u>(1,494)</u>
Net assets		<u><u>12,421</u></u>	<u><u>6,298</u></u>
Capital and reserves			
Called up share capital	17	500	500
Capital redemption reserve	18	544	544
Profit and loss account	18	11,377	5,254
Shareholders' funds	19	<u><u>12,421</u></u>	<u><u>6,298</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014.



Mr R N Unsworth
Director

The accompanying notes 1 to 31 form part of these unaudited financial statements.

AIMIA Foods Holdings Limited
Registered number: 06201887

Unaudited company balance sheet
As at 31 December 2013

	Note	31 December 2013 £000	31 December 2012 £000
Fixed assets			
Investments	11	12,403	12,403
Current assets			
Debtors	13	110	110
Creditors: amounts falling due within one year	14	(11,631)	(11,631)
Net current Liabilities		<u>(11,521)</u>	<u>(11,521)</u>
Net assets		<u>882</u>	<u>882</u>
Capital and Reserves			
Called up share capital	17	500	500
Capital redemption reserve	18	544	544
Profit and loss account	18	(162)	(162)
Shareholders' funds	19	<u>882</u>	<u>882</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 5 August 2014.



Mr R N Unsworth
Director

The accompanying notes 1 to 31 form part of these unaudited financial statements.

AIMIA Foods Holdings Limited

Unaudited consolidated cash flow statement For the six months ended 31 December 2013

		6 months ended 31 December 2013	6 months ended 31 December 2012
	Note	£000	£000
Net cash flow from operating activities	20	5,490	(76)
Returns on investments and servicing of finance	21	(52)	(55)
Taxation		(1,588)	211
Capital expenditure and financial investment	21	(1,119)	(252)
Cash inflow/(outflow) before financing		2,731	(172)
Financing	21	3,045	1,420
Increase in cash in the period		5,776	1,248

Reconciliation of net cash flow to movement in net funds/(debt) For the six months ended 31 December 2013

	6 months ended 31 December 2013	6 months ended 31 December 2012
	£000	£000
Increase in cash in the period	5,776	1,248
Increase in debt	(3,045)	(1,420)
Change in net debt resulting from cash flows	2,731	(172)
New finance lease	—	177
Movement in net debt in the period	2,731	5
Net funds/(debt) at 1 July	898	(212)
Net funds/(debt) at 31 December	3,629	(207)

The accompanying notes 1 to 31 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Principles).

1.2 Going concern

The Group has considerable financial resources together with long standing relationships with a number of customers and suppliers across different geographic areas. As a consequence, the directors believe that the Group is well placed to manage its business risk successfully despite the current uncertain economic outlook.

1.3 Basis of consolidation

The Group financial statements consolidate the accounts of the company and all of its subsidiary undertakings drawn up for the six months ended 31 December 2013.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities which exist at the date of acquisition are recorded at their fair value reflecting their condition at that date.

1.4 Turnover

Turnover is the total amount receivable by the Group for goods supplied and services provided, excluding VAT and trade discounts. Revenue from the supply of goods is recognised when the significant risks and rewards of ownership have been transferred to the buyer, which is at the point of despatch.

1.5 Goodwill

Goodwill is the difference between amounts paid on the acquisition of a business or a company and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

1.6 Investments

Investments are included at cost less provision for impairment.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

1. Accounting policies (continued)

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation and less any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	- 3 - 10 years
Plant and machinery	- 3 - 10 years
Motor vehicles	- 3 years
Fixtures & fittings	- 5 years
Computer equipment	- 3 - 5 years

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes materials, direct labour, other direct overheads and royalties payable. Net realisable value is based on estimated selling price, less further costs expected to be incurred to completion and disposal

1.9 Hire purchase agreements

Assets held under hire purchase agreements are capitalised and disclosed under tangible fixed assets at their fair value. The capital element of the future payments is treated as a liability and the interest is charged to the profit and loss account at a constant rate of charge on the balance of capital repayments outstanding.

1.10 Operating leases

Rentals applicable to operating leases, where substantially all of the benefits and risks of ownership remain with the lessor, are charged against profits on a straight line basis over the period of the lease.

1.11 Lease income

Payments received under operating leases are credited to the profit and loss account on a straight line basis over the lease term.

1.12 Current tax

The current tax charge is based on the profit for the period and is measured at the amounts expected to be paid based on the tax rates and laws substantively enacted by the balance sheet date. Current and deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to gain or loss that is, or has been, recognised directly in the statement of total recognised gains and losses.

1. Accounting policies (continued)

1.13 Deferred taxation

Deferred tax is recognised in respect of all timing differences that had originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exception, deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

1.14 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Profit and loss account.

1.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the period.

1.16 Financial Instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

2. Turnover

An analysis of turnover by class of business is as follows:

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
United Kingdom	33,609	29,284
Europe	261	228
	<u>33,870</u>	<u>29,512</u>

The turnover and profit on ordinary activities before taxation is attributable to the manufacture and distribution of food and beverage supplies into the retail, cash and carry, foodservice and vending sectors and the provision of manufacturing and packing services to the food industry.

3. Operating profit

The operating profit is stated after charging:

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Amortisation—intangible fixed assets	227	227
Depreciation of tangible fixed assets:		
- owned by the group	37	36
- held under finance leases	226	223
Operating lease rentals:		
- other	59	59
- land and buildings	<u>478</u>	<u>478</u>

4. Auditors' remuneration

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Fees payable to the company's auditor and its associates for the UK statutory audit of the company's annual accounts	17	19
Fees payable to the company's auditor and its associates in respect of:		
- Taxation compliance services	<u>2</u>	<u>2</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Wages and salaries	3,351	3,606
Social security costs	371	283
Other pension costs	124	120
	<u>3,846</u>	<u>4,009</u>

The average monthly number of employees, including the directors, during the period was as follows:

	6 months ended 31 December 2013 No.	6 months ended 31 December 2012 No.
Production	106	99
Administration	188	160
	<u>294</u>	<u>259</u>

6. Directors' remuneration

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Remuneration	430	348
Company pension contributions to defined contribution pension schemes	32	29

During the period retirement benefits were accruing to 5 directors (2013 - 5 in respect of defined contribution pension schemes. The highest paid director received remuneration of £66,000 (2012 - £66,000). Management and consultancy fees of £55,000 (2012 - £55,000) were paid which comprised charges for the services of I Unsworth and G Unsworth.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

7. Interest payable

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
On bank loans and overdrafts	10	36
On finance leases and hire purchase contracts	42	19
	<u>52</u>	<u>55</u>

8. Taxation

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Analysis of tax charge in the period		
Current tax (see note below)		
UK corporation tax charge on profit for the period	1,095	761
Adjustments in respect of prior periods	(69)	(14)
Total current tax	<u>1,026</u>	<u>747</u>
Deferred tax		
Origination and reversal of timing differences	—	—
Effect of increased tax rate on opening liability	—	—
Total deferred tax (see note 16)	<u>—</u>	<u>—</u>
Tax on profit on ordinary activities	<u>1,026</u>	<u>747</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2012 - lower than) the standard rate of corporation tax in the UK of 23.00% (2012 – 24.00%). The differences are explained below:

	6 months ended 31 December 2013 £000	6 months ended 31 December 2012 £000
Profit on ordinary activities before tax	<u>4,599</u>	<u>3,201</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.00% (2012 – 24.00%)	1,092	760
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	190	39
Capital allowances for period in excess of depreciation	(179)	(36)
Adjustments to tax charge in respect of prior periods	(68)	(14)
Short term timing difference leading to an decrease in taxation	(9)	(2)
Current tax charge for the period (see note above)	<u>1,026</u>	<u>747</u>

9. Intangible fixed assets

	Goodwill £000
Group	
Cost	
At 1 July 2013 and 31 December 2013	<u>9,069</u>
Amortisation	
At 1 July 2013	2,723
Charge for the period	227
At 31 December 2013	<u>2,950</u>
Net book value	
At 31 December 2013	<u>6,119</u>
At 30 June 2013	<u>6,346</u>
At 31 December 2012	<u>6,573</u>

The directors have assessed that the goodwill has a useful economic life of 20 years.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

10. Tangible fixed assets

Group	L/Term	Plant &	Motor	Fixtures &	Total
	Leasehold				
Cost	Property	£000	£000	£000	£000
At 1 July 2013	188	11,924	85	2,735	14,932
Additions	—	1,089	—	34	1,123
At 31 December 2013	188	13,013	85	2,769	16,055
Depreciation					
At 1 July 2013	85	9,585	49	2,631	12,350
Charge for the period	—	239	6	18	263
At 31 December 2013	85	9,824	55	2,649	12,613
Net book value					
At 31 December 2013	103	3,189	30	120	3,442
At 30 June 2013	103	2,339	36	104	2,582
At 31 December 2012	103	1,274	2	121	1,500

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

Group	2013	2012
	£000	£000
Plant and machinery	<u>2,069</u>	<u>1,175</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

11. Fixed asset investments

Group	Unlisted investments £000
Cost	
At 1 July 2013 and 31 December 2013	<u>672</u>
Net book value	
At 30 June 2013 and 31 December 2013	<u>672</u>
At 31 December 2012	<u>—</u>

The fixed asset investment represents a 49% shareholding in Associated Coffee Merchants (International) Limited, incorporated in England and Wales. There are no common directors and the directors believe there is no significant influence held over the company, as such the investment has been held at cost under fixed asset investments.

Company	Investments in subsidiary companies £000
Cost	
At 1 July 2013 and 31 December 2013	<u>12,403</u>
Net book value	
At 31 December 2013	<u>12,403</u>
At 30 June 2013	<u>12,403</u>
At 31 December 2012	<u>12,403</u>

Details of the principal subsidiaries can be found under note number 27.

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

12. Stocks

	<u>Group</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Raw materials	2,737	1,897	—	—
Finished goods and goods for resale	2,219	1,980	—	—
	<u>4,956</u>	<u>3,877</u>	<u>—</u>	<u>—</u>

13. Debtors

	<u>Group</u>		<u>Company</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
	<u>£000</u>	<u>£000</u>	<u>£000</u>	<u>£000</u>
Trade debtors	7,626	6,127	—	—
Amounts owed by group undertakings	—	—	110	110
Other debtors	47	113	—	—
Prepayments and accrued income	647	559	—	—
Deferred tax asset (see note 16)	245	470	—	—
	<u>8,565</u>	<u>7,269</u>	<u>110</u>	<u>110</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

14. Creditors:

Amounts falling due within one year

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Net obligations under finance leases and hire purchase contracts	1,454	572	—	—
Trade creditors	10,332	8,116	—	—
Amounts owed to group undertakings	—	—	11,631	11,631
Corporation tax	1,027	1,330	—	—
Other taxation and social security	179	179	—	—
Other creditors	102	109	—	—
Accruals and deferred income	3,322	2,975	—	—
	<u>16,416</u>	<u>13,281</u>	<u>11,631</u>	<u>11,631</u>

The finance leases are secured against the assets to which they relate.

15. Creditors:

Amounts falling due after more than one year

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Net obligations under finance leases and hire purchase contracts	<u>3,375</u>	<u>1,494</u>	<u>—</u>	<u>—</u>

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	Group		Company	
	2013 £000	2012 £000	2013 £000	2012 £000
Between one and five years	<u>3,375</u>	<u>1,494</u>	<u>—</u>	<u>—</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

16. Deferred taxation

	<u>Group</u>		<u>Company</u>	
	2013 £000	2012 £000	2013 £000	2012 £000
At beginning of period	245	470	—	—
Charge during the period (P&L)	—	—	—	—
At end of period	<u>245</u>	<u>470</u>	<u>—</u>	<u>—</u>

The deferred taxation balance is made up as follows:

	<u>Group</u>		<u>Company</u>	
	2013 £000	2012 £000	2013 £000	2012 £000
Accelerated capital allowances	245	470	—	—
	<u>245</u>	<u>470</u>	<u>—</u>	<u>—</u>

The directors believe that the deferred tax asset of £245,000 (2012 - £470,000) recognised in the accounts will be recoverable against suitable profits arising in the future.

17. Share capital

	2013 £000	2012 £000
Allotted, called up and fully paid		
500,000 - Ordinary Shares of £1 each	<u>500</u>	<u>500</u>

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

18. Reserves

	Capital redempt'n reserve £000	Profit and loss account £000
Group		
At 1 July 2013	544	7,804
Profit for the financial period	—	3,573
At 31 December 2013	<u>544</u>	<u>11,377</u>
	Capital redempt'n reserve £000	Profit and loss account £000
Company		
At 1 July 2013 and 31 December 2013	<u>544</u>	<u>(162)</u>

19. Reconciliation of movement in shareholders' funds

	2013 £000	2012 £000
Group		
Opening shareholders' funds	8,848	3,844
Profit for the financial period	3,573	2,454
Closing shareholders' funds	<u>12,421</u>	<u>6,298</u>
	2013 £000	2012 £000
Company		
Shareholders' funds at 1 July 2013 and 31 December 2013	<u>882</u>	<u>882</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the period dealt with in the accounts of the company was £NIL (2013 - £nil).

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

20. Net cash flow from operating activities

	6 month period to 31 December 2013 £000	6 month period to 31 December 2012 £000
Operating profit	4,651	3,257
Amortisation of intangible fixed assets	227	227
Depreciation of tangible fixed assets	263	259
Increase in stocks	(876)	(237)
Increase in debtors	(1,935)	(1,304)
Increase/(decrease) in creditors	3,160	(2,278)
Net cash inflow/(outflow) from operating activities	5,490	(76)

21. Analysis of cash flows for headings netted in cash flow statement

	6 month period to 31 December 2013 £000	6 month period to 31 December 2012 £000
Returns on investments and servicing of finance		
Interest paid	(10)	(36)
Hire purchase interest	(42)	(19)
Net cash outflow from returns on investments and servicing of finance	(52)	(55)
	2013 £000	2012 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(1,123)	(252)
Sale of tangible fixed assets	4	—
Net cash outflow from capital expenditure	(1,119)	(252)

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

	2013 £000	2012 £000
Financing		
Repayment of finance leases	(253)	(124)
New finance leases	<u>3,298</u>	<u>1,544</u>
Net cash inflow from financing	<u><u>3,045</u></u>	<u><u>1,420</u></u>

22. Analysis of changes in net debt

	1 July 2013 £000	Cash flow £000	Inception of new finance leases £000	31 December 2013 £000
Cash at bank and in hand	<u>2,682</u>	<u>5,776</u>	<u>—</u>	<u>8,458</u>
	<u>2,682</u>	<u>5,776</u>	<u>—</u>	<u>8,458</u>
Finance lease obligations				
Debts due within one year	(1,784)	—	(3,045)	(4,829)
Debts falling due after more than one year	—	—	—	—
Net debt	<u><u>898</u></u>	<u><u>5,776</u></u>	<u><u>(3,045)</u></u>	<u><u>3,629</u></u>

23. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Group in an independently administered fund. The pension cost charge represents contributions payable by the Group to the fund and amounts to £124,000 (six months ended December 2012 - £120,000). Contributions totalling £44,000 (six months ended December 2012 - £44,000) were payable to the fund at the balance sheet date.

24. Capital commitments

The Group had capital commitments at 31 December 2013 of £NIL (2012: £NIL).

25. Contingent liabilities

There were no contingent liabilities at 31 December 2013 (2012: £Nil).

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

26. Operating lease commitments

At 31 December 2013, the group had annual commitments under non-cancellable operating leases as follows:

Group	Land and buildings		2013	Other
	2013	2012		
Expiry date:	£000	£000	£000	£000
Within 1 year	173	—	22	1
Between 2 and 5 years	299	488	53	82
After more than 5 years	<u>445</u>	<u>445</u>	<u>—</u>	<u>—</u>

27. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Aimia Foods Limited	England and Wales	100	Food and beverage manufacturing and distribution
Aimia Foods Group Limited	England and Wales	100	Intermediate Holding Company
Stockpack Limited	England and Wales	100	Dormant
Aimia Foods EBT Company Limited	England and Wales	100	Employee benefits trust

28. Financial Instruments

The Group incurs foreign exchange risk on sales and purchases that are denominated in currencies other than sterling. The Group uses forward exchange contracts to hedge this risk. The fair value of the Group's forward contracts to buy Euros at 31 December 2013 was £1,446,000 (2012 - £1,835,000). The fair value of the Group's forward contracts to buy Dollars at 31 December 2013 was £340,000 (2012 - £nil).

29. Related party transactions

The company has taken advantage of the exemption in Financial Reporting Standard No. 8 "Related party disclosures" and has not disclosed transactions with group undertakings, all of which are eliminated on consolidation.

During the period, the company paid rent of £4,250 (2012: £4,250) in relation to a property owned by Mr I M Unsworth and Mr R N Unsworth. As at 31 December 2013, the rent prepaid amounted to £4,250 (2012: £2,125).

AIMIA Foods Holdings Limited

Notes to the unaudited financial statements
For the six months ended 31 December 2013

30. Post balance sheet events

Cott Ventures Ltd., a subsidiary of Cott Corporation, acquired 100 percent of the share capital of the Aimia Foods Holdings Limited, pursuant to a Share Purchase Agreement dated May 30, 2014. The aggregate purchase price for the Aimia Acquisition was £52.1 million payable in cash, which included a payment for estimated closing balance sheet working capital, £19.9 million in deferred consideration to be paid by September 30, 2014, and aggregate contingent consideration of up to £15.9 million, which is payable upon the achievement of certain performance measures during 52 weeks ending July 1, 2016.

Prior to the transaction, the Group settled all balances owed between group companies and secured finance lease creditors.

31. Ultimate controlling party

Subsequent to 30 May 2014, the ultimate controlling party is Cott Corporation by virtue of its 100% shareholding. Prior to that date the ultimate controlling party was the Unsworth family.

Cott and Aimia Unaudited Pro Forma Condensed Combined Financial Statements

On May 30, 2014, the United Kingdom / Europe (“U.K.”) Business Unit of Cott Corporation (“Cott” or the “Company”) entered into a Share Purchase Agreement (the “SPA”) pursuant to which it acquired on that date all of the issued share capital of Aimia Foods Holdings Limited (“Aimia”). Aimia, a privately-held company headquartered in Merseyside, United Kingdom, manufactures, sells and distributes food and beverages, including hot chocolate, coffee, malt drinks, creamers/whiteners and cereals. The purchase price under the SPA, based on exchange rates in effect on the acquisition date of May 30, 2014, includes the payment of approximately \$80.4 million at closing plus a \$7.2 million adjustment for working capital, \$33.5 million in deferred consideration payable in September 2014, and on-target earnout consideration of \$20.1 million, with a minimum earnout consideration of \$13.4 million and a maximum earnout consideration of \$26.9 million, based upon the achievement of certain performance measures during the twelve months ending July 1, 2016. The SPA contains representations, warranties, covenants and conditions that the Company believes are customary for a transaction of this size and type, as well as indemnification provisions subject to specified limitations.

The unaudited pro forma condensed combined financial statements have been prepared to illustrate the effect of the acquisition of Aimia, including related financing. The unaudited pro forma condensed combined balance sheet combines the historical consolidated balance sheet of Cott, derived from the Company’s Form 10-Q filed with the U.S. Securities and Exchange Commission (“SEC”) on May 8, 2014, and the historical consolidated balance sheet of Aimia, giving effect to the acquisition of Aimia as if it had occurred on March 29, 2014. The unaudited pro forma condensed combined statement of operations for the twelve months ended December 28, 2013, and for the three months ended March 29, 2014 combines the historical consolidated statements of operations of Cott, derived from the Company’s Form 10-K filed with the SEC on February 24, 2014 and Form 10-Q filed on May 8, 2014, and the historical consolidated profit and loss accounts of Aimia, giving effect to the acquisition of Aimia as if it had occurred on December 30, 2012. The historical financial information of Aimia in the condensed combined statements of operations for the twelve months ended December 31, 2013 is calculated by adding the unaudited historical financial information of Aimia in the consolidated profit and loss account for the six months ended December 31, 2013 and the audited historical financial information of Aimia in the consolidated profit and loss account for the year ended June 30, 2013, and subtracting the unaudited historical financial information of Aimia in the consolidated profit and loss account for the six months ended December 31, 2012. The historical financial information has been adjusted to give effect to matters that are (i) directly attributable to the acquisition of Aimia, (ii) factually supportable, and (iii) with respect to the statements of operations, expected to have a continuing impact on the operating results of the combined company. The unaudited pro forma condensed combined financial statements should be read in conjunction with the accompanying Notes to the Unaudited Pro Forma Condensed Combined Financial Statements and:

- the audited historical financial statements of Cott Corporation, as of and for the year ended December 28, 2013, included in Cott’s Annual Report on Form 10-K filed with the SEC on February 24, 2014;
- the unaudited historical financial statements of Cott Corporation, as of and for the three months ended March 29, 2014 and the three months ended March 30, 2013, included in Cott’s Quarterly Report on Form 10-Q filed with the SEC on May 8, 2014;
- the audited historical financial statements of Aimia as of and for the year ended June 30, 2013, included in this Current Report on Form 8-K; and
- the unaudited historical financial statements of Aimia as of and for the six months ended December 31, 2013 and the six months ended December 31, 2012, and as of and for the three months ended March 31, 2014 included in this Current Report on Form 8-K.

The unaudited pro forma condensed combined financial statements have been prepared using the acquisition method of accounting, with Cott treated as the acquirer. The unaudited pro forma condensed combined financial statements will differ from our final acquisition accounting for a number of reasons, including the fact that our estimates of fair values of assets and liabilities acquired are preliminary and subject to change when our formal valuation and other studies are finalized. The differences that will occur between the preliminary estimates and the final acquisition accounting could have a material impact on the accompanying unaudited pro forma condensed combined financial statements.

The unaudited pro forma condensed combined financial statements are presented for informational purposes only. They have been prepared in accordance with Article 11 of Regulation S-X of the SEC and are not necessarily indicative of what our financial position or results of operations actually would have been had we completed the acquisition of Aimia at the dates indicated, nor do they purport to project the future financial position or operating results of the combined company. The unaudited pro forma condensed combined statements of operations do not reflect any revenue or cost savings from synergies that may be achieved with respect to the combined companies, or the impact of non-recurring items, including synergies, directly related to the acquisition of Aimia.

Cott Corporation
Unaudited Pro Forma Condensed Combined Balance Sheet
As of March 29, 2014

	Historical at March 29, 2014		Proforma Adjustments				Pro Forma Combined at March 29, 2014	
	Cott	Aimia	UK to US GAAP	Bond Offering	Purchase Accounting			
	(In millions of U.S. Dollars)							
ASSETS								
<i>Current Assets</i>								
Cash & cash equivalents	\$ 40.6	\$ 15.3	\$ —	\$ 111.8	C	\$ (86.7)	D	\$ 81.0
Accounts receivable, net of allowance	237.9	11.5	—	—		—		249.4
Income taxes recoverable	1.1	—	—	—		—		1.1
Inventories	249.0	8.3	—	—		1.2	E	258.5
Prepaid expenses and other current assets	19.1	1.1	—	—		—		20.2
Total current assets	547.7	36.2	—	111.8		(85.5)		610.2
Property, plant and equipment, net	472.6	5.8	3.0	—	B	1.6	F	483.0
Goodwill	136.5	10.0	5.1	—	B	31.7	G	183.3
Intangibles and other assets, net	292.1	1.1	0.2	5.6	B	83.8	H	382.8
Deferred income taxes	4.9	0.4	—	—		—		5.3
Other tax receivable	0.4	—	—	—		—		0.4
Total assets	\$ 1,454.2	\$ 53.5	\$ 8.3	\$ 117.4		\$ 31.6		\$ 1,665.0
LIABILITIES AND EQUITY								
<i>Current Liabilities</i>								
Short-term borrowings	\$ 130.9	\$ —	\$ —	\$ —		\$ —		\$ 130.9
Current maturities of long-term debt	3.9	2.2	—	—		(2.2)	I	3.9
Accounts payable and accrued liabilities	273.8	22.0	0.3	(8.3)	B	34.6	D	322.4
Total current liabilities	408.6	24.2	0.3	(8.3)		32.4		457.2
Long-term debt	387.8	5.2	—	150.0	C	(5.2)	I	537.8
Deferred income taxes	41.8	—	—	—		17.3	J	59.1
Other long-term liabilities	20.8	—	2.7	—	B	18.3	D	41.8
Total liabilities	859.0	29.4	3.0	141.7		62.8		1,095.9
<i>Equity</i>								
Capital stock	393.6	0.8	—	—		(0.8)	K	393.6
Additional paid-in capital	44.2	—	—	—		—		44.2
Retained earnings	167.3	23.3	5.3	(24.3)	B	(30.4)	K	141.2
Accumulated other comprehensive loss	(18.5)	—	—	—		—		(18.5)
Non-controlling interests	8.6	—	—	—		—		8.6
Total equity	595.2	24.1	5.3	(24.3)		(31.2)		569.1
Total liabilities and equity	\$ 1,454.2	\$ 53.5	\$ 8.3	\$ 117.4		\$ 31.6		\$ 1,665.0

Cott Corporation
Unaudited Pro Forma Condensed Combined Statement of Operations
For the three months ended March 29, 2014

	Historical for the three months ended March 29, 2014		Proforma Adjustments				Pro Forma Combined for the three months ended March 29, 2014
	Cott	Aimia	UK to US		Bond Offering (In millions of U.S. Dollars)	Purchase Accounting	
			GAAP	A			
Revenue, net	\$ 475.1	\$ 29.8	\$ 0.1	B	\$ —	\$ —	\$ 505.0
Cost of sales	424.8	22.0	0.1	B	—	0.4	447.3
Gross profit	50.3	7.8	—		—	(0.4)	57.7
Selling, general and administrative expenses	42.3	3.3	(0.2)	C	—	1.0	46.4
Loss on disposal of property, plant and equipment	0.1	—	—		—	—	0.1
Restructuring and asset impairments							—
Restructuring	2.2	—	—		—	—	2.2
Asset impairments	1.6	—	—		—	—	1.6
Operating income	4.1	4.5	0.2		—	(1.4)	7.4
Other (income) expense, net	(2.3)	—	(0.0)	D	—	—	(2.3)
Interest expense, net	9.8	0.1	—		(0.5)	(0.1)	9.3
Income (loss) before income taxes	(3.4)	4.4	0.2		0.5	(1.3)	0.4
Income tax (benefit) expense	(0.9)	1.0	0.1	E	0.1	(0.3)	(0.0)
Net income (loss)	\$ (2.5)	\$ 3.4	\$ 0.2		\$ 0.4	\$ (1.0)	\$ 0.4
Less: Net income attributable to non-controlling interest	1.4	—	—		—	—	1.4
Net loss attributed to Cott Corporation	<u>\$ (3.9)</u>	<u>\$ 3.4</u>	<u>\$ 0.2</u>		<u>\$ 0.4</u>	<u>\$ (1.0)</u>	<u>\$ (1.0)</u>
Net income per common share							
Basic	\$ (0.04)						\$ (0.01)
Diluted	\$ (0.04)						\$ (0.01)
Weighted average outstanding shares (in thousands)							
Basic	94,319						94,319
Diluted	94,319						94,319

Cott Corporation
Unaudited Pro Forma Condensed Combined Statement of Operations
For the year ended December 28, 2013

	Historical for the year ended December 28, 2013		Proforma Adjustments				Pro Forma Combined for the year ended December 28, 2013
	Cott	Aimia	UK to US			Purchase Accounting	
			GAAP	Bond Offering (In millions of U.S. Dollars)			
		A	A	B	B	A	
Revenue, net	\$ 2,094.0	\$ 98.3	\$ 0.1		\$ —	\$ —	\$ 2,192.4
Cost of sales	1,842.0	75.2	0.1		—	2.8	1,920.1
Gross profit	252.0	23.1	—		—	(2.8)	272.3
Selling, general and administrative expenses	160.4	10.3	(0.7)	C	—	4.5	174.5
Loss on disposal of property, plant and equipment	1.0	—	—		—	—	1.0
Restructuring and asset impairments							
Restructuring	2.0	—	—		—	—	2.0
Asset impairments	—	—	—		—	—	—
Operating income	88.6	12.8	0.7		—	(7.3)	94.8
Other (income) expense, net	12.8	—	(0.1)	D			12.7
Interest expense, net	51.6	0.2	—		(2.1)	(0.2)	49.5
Income before income taxes	24.2	12.6	0.8		2.1	(7.1)	32.6
Income tax (benefit) expense	2.2	2.9	0.2	E	0.2	(1.6)	3.9
Net income	\$ 22.0	\$ 9.7	\$ 0.6		\$ 1.9	\$ (5.5)	\$ 28.7
Less: Net income attributable to non- controlling interest	5.0	—	—		—	—	5.0
Net income attributed to Cott Corporation	\$ 17.0	\$ 9.7	\$ 0.6		\$ 1.9	\$ (5.5)	\$ 23.7
Net income per common share							
Basic	\$ 0.18						\$ 0.25
Diluted	\$ 0.18						\$ 0.25
Weighted average outstanding shares (in thousands)							
Basic	94,750						94,750
Diluted	95,633						95,633

Notes to the Unaudited Pro Forma Condensed Combined Financial Statements

Note 1—Basis of Presentation

The historical financial information of Cott is presented in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. The historical financial information of Aimia is presented in accordance with accounting principles generally accepted in the United Kingdom, or U.K. GAAP. The unaudited pro forma condensed combined balance sheet at March 29, 2014 was prepared using the historical unaudited consolidated balance sheets of Cott and Aimia as of March 29, 2014 and March 31, 2014, respectively. The unaudited pro forma condensed combined statement of operations for the year ended December 28, 2013 was prepared using the historical audited consolidated statements of operations of Cott for the fiscal year ended December 28, 2013 and the historical audited consolidated profit and loss account of Aimia for the fiscal year ended June 30, 2013 and the historical unaudited consolidated profit and loss accounts of Aimia for the six month periods ended December 31, 2013 and December 31, 2012. The unaudited pro forma condensed combined statement of operations for the three months ended March 29, 2014 was prepared using the historical unaudited consolidated statements of operations of Cott for the three months ended March 29, 2014 and the unaudited consolidated profit and loss account of Aimia for the three months ended March 31, 2014. The historical financial information of Aimia in the condensed combined statements of operations for the twelve months ended December 28, 2013 is calculated by adding the unaudited historical financial information of Aimia in the consolidated profit and loss account for the six months ended December 31, 2013 and the audited historical financial information of Aimia in the consolidated profit and loss account for the year ended June 30, 2013, and subtracting the unaudited historical financial information of Aimia in the consolidated profit and loss account for the six months ended December 31, 2012. Certain historical financial information of Aimia has been reclassified to conform to the presentation of historical financial information of Cott.

The unaudited pro forma condensed combined financial statements were prepared using the acquisition method of accounting. Pursuant to the terms of the SPA, Cott is treated as the acquirer of Aimia. Accordingly, we have adjusted the historical consolidated balance sheets to give effect to the impact of the consideration issued in connection with the acquisition of Aimia as if the acquisition occurred on March 29, 2014. The historical consolidated statements of operations and profit and loss accounts have been adjusted to give effect to the impact of the acquisition and related financing as if the acquisition occurred on December 30, 2012. The purchase price has been allocated in the unaudited pro forma condensed combined balance sheet, based on management's preliminary estimate of their respective values. Definitive allocations of the purchase price will be performed based on the exchange rates in effect on the acquisition date. Accordingly, the purchase price allocation adjustments and related amortization reflected in the following unaudited pro forma condensed combined financial statements are preliminary based on exchange rates in effect on March 29, 2014, and have been made solely for the purpose of preparing these statements and are subject to revision based on a final determination of fair value after the finalization of our valuation studies. For example, if the value of the finite-lived intangible assets increased by 10%, annual pro forma operating income would decrease by approximately \$0.5 million. The unaudited pro forma condensed combined statements of operations also include certain acquisition accounting adjustments that are expected to have a continuing impact on the combined results, such as changes in interest expense related to debt refinancing and amortization of acquired assets.

Note 2—Preliminary Purchase Price Allocation

The purchase price for the acquisition of Aimia is \$137.5 million based on a pound sterling to U.S. dollar conversion rate of 1.6625 as if the acquisition was completed on March 29, 2014. The purchase price included \$86.7 million payable in cash at closing, which includes a payment for working capital, \$33.1 million in deferred consideration to be paid in September 2014 and contingent consideration of up to \$26.5 million if certain performance measures during the twelve months ending July 1, 2016 are achieved. This contingent consideration is payable in August 2016. For purposes of the unaudited pro forma condensed combined financial statements the contingent consideration is treated as fully earned at a target amount of \$17.7 million, which is the estimated fair value of the contingent consideration.

The purchase price of \$137.5 million has been allocated to the assets acquired and the liabilities assumed as follows (in millions):

Cash and cash equivalents	\$ 15.3
Accounts receivable	11.5
Inventories	9.5
Prepaid expenses and other current assets	1.1
Property, plant and equipment	10.4
Identifiable intangibles and other assets	85.1
Goodwill	46.8
Deferred income taxes	(16.9)
Accounts payable and accrued liabilities	(22.0)
Other long term liabilities	(3.3)
Total purchase price	<u>\$137.5</u>

For the purpose of preparing the unaudited pro forma condensed combined financial statements, certain of the assets acquired and liabilities assumed have been measured at their estimated fair values as of March 29, 2014. A final determination of fair values will be based on the actual assets and liabilities that existed on the date of the closing of the acquisition of Aimia and on our formal valuation and other studies when they are finalized. Accordingly, the fair values of the assets and liabilities included in the table above are preliminary and subject to change pending additional information that may become known as well as for changes in the exchange rate between the pound sterling and the U.S. dollar subsequent to March 29, 2014 to the acquisition date. An increase in the fair value of inventory, property, plant and equipment, or any identifiable intangible assets will reduce the amount of goodwill in the unaudited pro forma condensed combined financial statements, and may result in increased cost of sales, depreciation, and/or amortization expense.

The following outlines the adjustments made to Aimia's assets and liabilities in connection with the preparation of these unaudited pro forma condensed combined financial statements:

Intangible Assets: Based on our initial assessments as well as discussions with Aimia management and our external valuation advisors, Cott identified customer relationships and licensing agreements as the most significant intangible assets. The determination of fair value for these assets was determined using the excess earnings method and is primarily based upon expected discounted cash flows according to currently available information, such as Aimia's historical and projected revenues, customer attrition rates, licensing agreement terms and certain other high level assumptions. Cott assigned a value of \$75.7 million to customer relationships and licensing agreements, the values of which were estimated with the assistance of our external third party valuation advisors. The estimated economic life is 15 years. Based on these assumptions our annual amortization for customer relationships and licensing agreements is approximately \$5.0 million.

The fair value and estimated economic life assigned to the intangible assets are preliminary estimates and the final fair values and/or lives may be different. We also may identify additional intangible assets as we integrate Aimia's operations. The difference could have a material impact on the accompanying unaudited pro forma condensed combined financial statements.

Inventories: Inventories reflect an adjustment of \$1.2 million to reflect the fair value of the inventories on hand. This step-up in inventory effectively represents the net realizable value of Aimia's finished goods inventories less expected selling costs and thus will temporarily impact our gross margins after closing until such inventory has been sold. Therefore, this step-up amount is considered non-recurring and is not included in the unaudited pro forma condensed combined statement of operations for the three month period ended March 29, 2014 as it would have only impacted gross margins in the year ended December 28, 2013.

Contingent Consideration: Pursuant to the SPA, Cott is required to make a contingent consideration payment based on certain adjusted earnings targets for Aimia for the twelve months ending July 1, 2016. We have adjusted these unaudited condensed combined pro forma financials for the estimated fair value of the expected payment amounts of \$17.7 million. The fair value of the contingent consideration was determined by estimating the probability of achieving the various earnings targets and taking a weighted average. This value was then discounted to present value utilizing a discount factor. The estimated payment is preliminary and is subject to a number of factors that may cause the actual results to differ materially.

Debt: Approximately \$7.4 million of Aimia's debt associated with capital leases was repaid prior to the acquisition date by the former owners of Aimia.

Goodwill: Goodwill is calculated as the difference between the acquisition date fair value of the consideration expected to be transferred and the values assigned to the assets acquired and liabilities assumed. Goodwill is not amortized and is subject to an annual fair value impairment test. None of the goodwill is expected to be deductible for tax purposes.

Property, Plant and Equipment: The acquired property, plant and equipment includes an adjustment to the historical net book value of \$4.6 million to reflect the fair value of the acquired assets.

Note 3—Adjustments to U.K. GAAP

For the purpose of presenting the unaudited condensed combined financial statements, certain adjustments were made to the historical financial information of Aimia to present it in accordance with U.S. GAAP.

Note 4—Adjustments to unaudited Pro Forma Condensed Combined Balance Sheets

A—These amounts in millions of U.S. Dollars have been converted from pounds sterling at a conversion rate of 1.6625, which approximates the exchange rate at March 29, 2014.

B—These adjustments are to reflect the historical balances of Aimia in accordance with U.S. GAAP. The \$5.1 million reverses the cumulative amortization of goodwill. The \$0.2 million increases the value of an Aimia investment in a joint venture that was historically held at cost that would be accounted for under the equity method of accounting in U.S. GAAP. These adjustments are offset by an increase to retained earnings of \$5.3 million. The increase to property, plant and equipment is to account for the portion of machinery and equipment financed by a customer net of accumulated depreciation of \$3.0 million and the unamortized portion of the machinery and equipment cost financed by the customer, of which \$0.3 million would be recognized in the next 12 months, with the remaining \$2.7 million to be recognized in revenue over the remaining term of the agreement with that customer, or the equipment useful life, whichever is less.

C—These adjustments display the impact of the repayment of Cott's 8.125% senior notes due 2018 (the "2018 Notes") with the 5.375% senior notes due 2022 (the "2022 Notes"), and all related transaction costs. A portion of the remaining proceeds from the 2022 Notes after repayment of the 2018 Notes were used to fund the initial cash payment and working capital amounts due to the sellers of Aimia of \$86.7 million. These amounts represent additional borrowings of \$525.0 million under the 2022 Notes, net of a repayment of \$375.0 million of the 2018 Notes, which included an accrued interest repayment of \$10.1 million which is reflected as a decrease to accounts payable and accrued liabilities, and a repayment premium on the 2018 Notes of \$20.0 million, tender related expenses of \$0.2 million and amortization of deferred financing costs associated with the repaid 2018 Notes of \$4.1 million. Underwriter and third party expenses associated with the 2022 Notes of \$9.7 million were capitalized, of which \$1.8 million is reflected as an increase to accounts payable and accrued liabilities.

D—Represents the initial cash payment and working capital adjustment payment of \$86.7 million, the deferred consideration payable in September 2014 of \$33.1 million, and the contingent earn-out consideration of \$17.7 million payable in August of 2016, as well as an estimated \$3.3 million related to an Aimia tax liability. The \$3.3 million liability has been offset by an indemnification asset. See comment H. Accounts payable and accrued liabilities also contains an adjustment of \$1.8 million related to Aimia related acquisition costs, which are offset in retained earnings. See comment K. Those acquisition costs, including financial and legal advisory fees, are excluded from the unaudited pro forma condensed combined statement of operations for the fiscal year ended December 28, 2013 and for the three months ended March 29, 2014, as they are considered non-recurring. This adjustment also includes the elimination of the deferred income amounts associated with the portion of historical cost of machinery and equipment financed by a customer, as there is no continuing obligation to the Company associated with this deferred income and as such, has no fair value.

E—This adjustment reflects an increase in the value of inventory to record at fair value. The fair value of raw materials inventory is assumed to be equivalent to the most recent purchase price. The fair value of finished goods inventory is based upon expected selling price, less associated costs of disposal, including a reasonable margin associated with the disposition.

F—This amount represents the adjustment necessary to record the property, plant and equipment acquired in the acquisition of Aimia at fair value.

G—This adjustment reflects the preliminary estimate of goodwill from the acquisition of Aimia after allocating the purchase price to the fair value of net assets acquired and liabilities assumed, net of elimination of Aimia goodwill of \$15.1 million.

H—This adjustment reflects the preliminary valuation of approximately \$75.7 million of identifiable customer relationships and licensing agreements, \$1.5 million of trademark assets, and \$2.8 million attributed to non-competition agreements, as well as \$0.5 million related to adjusting the Aimia joint venture investment to fair value, and an indemnification asset of \$3.3 million related to expected indemnification for an Aimia tax liability. See comment D.

I—This adjustment reflects the elimination of current and long-term portions of unamortized capital lease balances which were paid off by the former owners of Aimia prior to the acquisition of Aimia by the Company.

J—This adjustment reflects the deferred tax liabilities recognized on new book to tax basis difference in acquired property, plant and equipment, inventories and intangible assets, as well as the increase in fair value recorded associated with the joint venture investment accounted for under the equity method.

K—These adjustments reflect the elimination of historical share capital and retained earnings of Aimia, as well as an adjustment to recognize \$1.8 million of Aimia related acquisition costs.

Note 5—Adjustments to unaudited Pro Forma Condensed Combined Statements of Operations for the three months ended March 29, 2014

A—These amounts in millions of U.S. Dollars have been converted from pounds sterling at a conversion rate of 1.65407, which approximates the average exchange rate over the period from December 29, 2013 through March 29, 2014.

B—This adjustment is to reflect the amortization of the deferred income associated with the portion of the historical cost of machinery and equipment financed by a customer, and an increase in depreciation expense associated with the increase in historical cost of the equipment in accordance with U.S. GAAP. The machinery and equipment was historically recorded under U.K. GAAP at the portion of the historical cost of the equipment paid by Aimia.

C—This adjustment is to reflect the historical balances of Aimia in accordance with U.S. GAAP. The decrease in selling, general and administrative expenses of \$0.2 million reverses the amortization of goodwill recognized by Aimia in accordance with U.K. GAAP during the three months ended March 29, 2014.

D—The \$0.0 million increase in other income reflects Aimia's equity in earnings of its joint venture investment in accordance with U.S. GAAP equity method of accounting for investments, which was previously accounted for at cost under U.K. GAAP. The amount recognized was less than \$100,000 and as such is not reflected in the rounding.

E—The adjustment in the bond offering column assumes income taxes assessed at the same effective rate applicable to Cott Corporation, as those transactions are specific to the Company. The adjustments in the other pro forma adjustment columns assume income taxes based on Aimia's historical statutory income tax rate. However, the effective tax rate of the combined company could be significantly different, depending on post-acquisition activities.

F—This adjustment represents an interest rate savings associated with the refinance of the 2018 Notes with the 2022 Notes and reducing the interest rate from 8.125% to 5.375%, including the impact of the change in amortization of deferred financing costs.

G—This adjustment represents an increase in amortization expense for the fair value of intangible assets acquired in the acquisition of Aimia, as well as an increase in depreciation for the step up of acquired property, plant and equipment to their fair values as of the acquisition date totaling \$1.7 million, of which \$1.3 million is related to the amortization of the customer relationships and licensing agreements intangible assets recorded as an adjustment to selling, general and administrative expenses. The adjustment to selling, general and administrative expenses was reduced by \$0.3 million to eliminate certain acquisition related costs reflected in the historical profit and loss accounts of Aimia for the three months ended March 29, 2014. Those acquisition costs, which included financial and other advisory fees, are excluded from the unaudited pro forma condensed combined statement of operations for the three months ended March 29, 2014, as they are considered non-recurring.

H—This adjustment reverses the historical interest expense of Aimia as all interest bearing liabilities were repaid by the former owners of Aimia prior to the acquisition.

Note 6—Adjustment to unaudited Pro Forma Condensed Combined Statements of Operations for the year ended December 28, 2013

A—These amounts in millions of U.S. Dollars have been converted from pounds sterling at a conversion rate of 1.56433, which approximates the average exchange rate over the period from December 30, 2012 through December 28, 2013.

B—This adjustment is to reflect the amortization of the deferred income associated with the portion of the historical cost of machinery and equipment financed by a customer, and an increase in depreciation expense associated with the increase in historical cost of the equipment in accordance with U.S. GAAP. The machinery and equipment was historically recorded under U.K. GAAP at the portion of the historical cost of the equipment paid directly by Aimia.

C—This adjustment is to reflect the historical balances of Aimia in accordance with U.S. GAAP. The decrease in selling, general and administrative expenses of \$0.7 million reverses the amortization of goodwill recognized by Aimia in accordance with U.K. GAAP during the year ended December 28, 2013.

D—The \$0.1 million increase in other income reflects Aimia's equity in earnings of its joint venture investment in accordance with U.S. GAAP equity method of accounting for investments, which was previously accounted for at cost under U.K. GAAP.

E—The adjustment in the bond offering column assumes income taxes assessed at the same effective rate applicable to Cott Corporation, as those transactions are specific to the Company. The adjustments in the other pro forma adjustment columns assume income taxes based on Aimia's historical statutory income tax rate. However, the effective tax rate of the combined company could be significantly different, depending on post-acquisition activities.

F—This adjustment represents an interest rate savings associated with the refinance of the 2018 Notes with the 2022 Notes and reducing the interest rate from 8.125% to 5.375%, including the impact of the change in amortization of deferred financing costs.

G—This adjustment represents an increase in amortization expense for the fair value of intangible assets acquired in the acquisition of Aimia, as well as an increase in depreciation for the step up of acquired property, plant and equipment to their fair values as of the acquisition date totaling \$6.4 million, of which \$4.7 million is related to the amortization of the customer relationships and licensing agreements intangible assets recorded as an adjustment to selling, general and administrative expenses. The adjustment to selling, general and administrative expenses was reduced by \$0.2 million to eliminate certain acquisition related costs reflected in the historical profit and loss accounts of Aimia for the year ended December 28, 2013. Those acquisition costs, which included financial and other advisory fees, are excluded from the unaudited pro forma condensed combined statement of operations for the year ended December 28, 2013, as they are considered non-recurring. The remaining \$1.1 million is attributable to an increase in cost of goods sold associated with the increase in fair value of acquired finished goods inventories sold during the year ended December 28, 2013.

H—This adjustment reverses the historical interest expense of Aimia as all interest bearing liabilities were repaid by the former owners of Aimia prior to the acquisition.