UNITED KAIPARA DAIRIES COMPANY (P.S.C.) AND ITS SUBSIDIARY

Condensed consolidated interim financial information and review report

For the six-month period ended 30 June 2014

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Condensed consolidated interim financial information and review report
For the six-month period ended 30 June 2014

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

THE SHAREHOLDERS
UNITED KAIPARA DAIRIES COMPANY (P.S.C.)

Introduction

We have reviewed the accompanying condensed consolidated interim financial information of **UNITED KAIPARA DAIRIES COMPANY (P.S.C.)** ("the Company") and its subsidiary **UNIKAI AND COMPANY LLC** ("the Subsidiary") (collectively referred to as "the Group"), which comprise the condensed consolidated interim statement of financial position as at 30 June 2014 and the related condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income for three-month and six-month period then ended, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended ("the condensed consolidated interim financial information"), and notes to the condensed consolidated interim financial information. Management is responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34"). Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information is not prepared, in all material respects, in accordance with IAS 34.

continued...

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INDEPENDENT AUDITOR'S REPORT ON REVIEW OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION
(continued)

Other matter

We draw attention to the fact that as at 30 June 2014, the Group has a general reserve of AED 83,300 ('000) created out of retained earnings in earlier years and has accumulated losses AED 82,715 ('000). These accumulated losses exceed 50% of the share capital. The provisions of Article 285 of the UAE Commercial Companies Law No. 8 of 1984 therefore apply and accordingly the shareholders called the extraordinary general meeting on 22 July 2014 and resolved to continue the company without any objection.

SDPereira

S.D. Pereira
Partner
Registration No. 552
Dubai, United Arab Emirates
14 August 2014

UNITED KAIPARA DAIRIES COMPANY (P.S.C.) AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2014

	Note	Three-month period ended 30 June		Six-month period ended 30 June	
		2014 AED'000 (Unaudited)	2013 (note 24) AED'000 (Unaudited)	2014 AED'000 (Unaudited)	2013 (note 24) AED'000 (Unaudited)
Revenue		94,815	82,746	170,056	147,961
Cost of sales	4	(73,414)	(62,230)	(135,446)	(107,904)
Gross profit		21,401	20,516	34,610	40,057
Administrative and distribution expenses	5	(29,447)	(25,835)	(56,854)	(52,061)
Finance costs		(283)	(103)	(539)	(212)
Other income		1,474	343	2,223	835
Loss before tax		(6,855)	(5,079)	(20,560)	(11,381)
Provision for tax		(57)	(57)	(114)	(114)
Loss after tax		(6,912)	(5,136)	(20,674)	(11,495)
Earnings per share					
Basic earnings per share in AED	19	(22.85)	(16.98)	(68.34)	(38.00)

The accompanying notes form an integral part of this condensed consolidated interim financial information.
The review report of the independent auditor is set forth on page 1.

UNITED KAIPARA DAIRIES COMPANY (P.S.C.) AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIOD ENDED 30 JUNE 2014

	Three-month period ended 30 June		Six-month period ended 30 June	
	2014	2013 (note 24)	2014	2013 (note 24)
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Loss for the period	(6,912)	(5,136)	(20,674)	(11,495)
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss in the subsequent period:				
Net change in fair value of available-for-sale investments	(201)	163	36	175
Other comprehensive income for the period	(201)	163	36	175
Total comprehensive income for the period	(7,113)	(4,973)	(20,638)	(11,320)

The accompanying notes form an integral part of this condensed consolidated interim financial information.
The review report of the independent auditor is set forth on page 1.

UNITED KAIPARA DAIRIES COMPANY (P.S.C.) AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	30 June 2014 AED'000 (Unaudited)	31 December 2013 AED'000 (Audited)	30 June 2013 AED'000 (Unaudited)
ASSETS				
Non-current assets				
Property, plant and equipment	6	52,393	55,659	59,473
Intangible assets		1,288	1,562	1,837
Available-for-sale investments	7	6,244	6,208	6,016
		59,925	63,429	67,326
Current assets				
Inventories	8	51,225	56,479	69,111
Trade and other receivables	9	57,915	47,778	60,791
Cash and cash equivalents	10	3,446	1,682	2,616
Other current financial assets	11	--	--	48
		112,586	105,939	132,566
Total assets		172,511	169,368	199,892
EQUITY AND LIABILITITES				
Equity funds				
Share capital		30,250	30,250	30,250
Legal reserve		13,965	13,965	13,965
Restricted reserve		576	576	576
General reserve		83,300	83,300	83,300
Fixed assets replacement reserve		15,000	15,000	15,000
Accumulated losses		(82,715)	(62,041)	(39,065)
Fair value reserve		398	362	170
		60,774	81,412	104,196
Non-current liability				
Employee end-of-service benefits		8,706	8,340	8,991
Current liabilities				
Short term borrowings	13	51,948	38,079	30,861
Trade and other payables	14	50,462	41,030	55,451
Provision for taxation	15	621	507	393
		103,031	79,616	86,705
Total liabilities		111,737	87,956	95,696
Total equity and liabilities		172,511	169,368	199,892

The accompanying notes form an integral part of this condensed consolidated interim financial information.
The review report of the independent auditor is set forth on page 1.

This condensed consolidated interim financial information was authorised for issue on behalf of the

Board of Directors 14 August 2014.

Director

Chief Executive Officer

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

		Share capital AED'000	Legal reserve AED'000	Restricted reserve AED'000	General reserve AED'000	Fixed assets replacement reserve AED'000	Accumulated losses AED'000	Fair value reserve AED'000	Total AED'000
Balance at 1 January 2013 (Audited)		30,250	13,965	576	83,300	15,000	(27,570)	(5)	115,516
Comprehensive income - Loss for the period	(a)	--	--	--	--	--	(11,495)	--	(11,495)
Other comprehensive income - Net change in fair value of available-for-sale investments	(b)	--	--	--	--	--	--	175	175
Total comprehensive income for the period	(a+b)	--	--	--	--	--	(11,495)	175	(11,320)
Balance at 30 June 2013 (Unaudited)		30,250	13,965	576	83,300	15,000	(39,065)	170	104,196
Balance at 1 January 2014 (Audited)		30,250	13,965	576	83,300	15,000	(62,041)	362	81,412
Comprehensive income - Loss for the period	(c)	--	--	--	--	--	(20,674)	--	(20,674)
Other comprehensive income - Net change in fair value of available-for-sale investments	(d)	--	--	--	--	--	--	36	36
Total comprehensive income for the period	(c+d)	--	--	--	--	--	(20,674)	36	(20,638)
Balance at 30 June 2014 (Unaudited)		**30,250**	**13,965**	**576**	**83,300**	**15,000**	**(82,715)**	**398**	**60,774**

No allocation of profit has been made to the legal reserve, general reserve and fixed assets replacement reserve for the six-month period ended 30 June 2014.

The accompanying notes form an integral part of this condensed consolidated interim financial information.
The review report of the independent auditor is set forth on page 1.

UNITED KAIPARA DAIRIES COMPANY (P.S.C.) AND ITS SUBSIDIARY

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2014

	Six-month period ended 30 June 2014 AED '000 (Unaudited)	Six-month period ended 30 June 2013 AED '000 (Unaudited)
Cash flows from operating activities		
Loss for the period before tax	(20,560)	(11,381)
Adjustments for:		
Depreciation of property, plant and equipment	5,593	6,035
Amortisation of intangible assets	274	276
Dividend income	(341)	--
Finance costs	539	212
Provision for slow moving inventories	138	--
Provision for impairment of trade receivables	416	--
Profit on disposal of property, plant and equipment (net)	(903)	(542)
Provision for staff end-of-service gratuity	872	725
Operating loss before changes in operating assets and liabilities	(13,972)	(4,675)
Decrease/ (increase) in inventories	5,116	(3,775)
Increase in trade and other receivables	(10,224)	(16,046)
Increase in trade and other payables	9,442	16,755
Staff end-of service gratuity paid	(506)	(485)
Cash used in operations	(10,144)	(8,226)
Interest paid	(539)	(212)
Net cash used in operating activities	(10,683)	(8,438)
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	1,004	763
Purchase of property, plant and equipment	(2,428)	(2,804)
Dividend received	12	--
Increase in other current financial assets	--	(48)
Net cash used in investing activities	(1,412)	(2,089)
Cash flows from financing activities		
Proceeds from trust receipts (net)	15,556	11,004
Payments of bills acceptance (net)	--	(1,684)
Dividend paid	(10)	--
Net cash generated from financing activities	15,546	9,320
Net increase/(decrease) in cash and cash equivalents	3,451	(1,207)
Cash and cash equivalents at the beginning of the period	(21,881)	(13,005)
Cash and cash equivalents at end of period	(18,430)	(14,212)
Cash and cash equivalents comprise		
Cash and cash equivalents (note 10)	3,446	2,616
Bank overdrafts (note 13)	(21,876)	(16,828)
	(18,430)	(14,212)

The accompanying notes form an integral part of this condensed consolidated interim financial information.
The review report of the independent auditor is set forth on page 1.

1. LEGAL STATUS AND BUSINESS ACTIVITY

United Kaipara Dairies Company (P.S.C.) ("the Company") is a Public Shareholding Company, incorporated on 11 April 1977 by a Decree from His Highness, The Ruler of Dubai. On 8 June 1994, the Company amended its status to a public shareholding company to comply with the provisions of the UAE Federal Law No. 8 of 1984 (as amended). The Company holds 100% equity in Unikai and Company LLC ("the Subsidiary"), registered as a limited liability Company in the Sultanate of Oman under the Oman Commercial Register No. 3/74. The Company and its Subsidiary are collectively referred to as "the Group". The legal status of the Subsidiary is set out in note 18.

The Group is engaged in the manufacture of dairy, juice and ice cream products and import of various kinds of food products for distribution throughout the Gulf and other countries. The trading activities of the Group are carried on in the name of "Unikai International". The registered address of the Company is P.O. Box 6424, Dubai, UAE.

2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

The condensed consolidated interim financial information has been prepared in accordance with the International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34").

The condensed consolidated interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 31 December 2013, except for the adoption of the following amended standards which are effective for accounting periods beginning on or after 1 January 2014 and applicable to the Group.

- Amendments to IAS 32 Financial instruments: Presentation – Amendments relating to the offsetting of assets and liabilities.

  These amendments clarify the meaning of 'currently has a legally enforceable right to set-off' and the criteria for non-simultaneous settlement mechanisms of clearing houses to qualify for offsetting.

- Amendments to IAS 36 Impairment of Assets - Amendments arising from Recoverable Amount Disclosure for Non-Financial Asset.

  These amendments remove the unintended consequences of IFRS 13 Fair Value Measurement on the disclosures required under IAS 36 Impairment of Assets. In addition, these amendments require disclosure of recoverable amounts for the assets or cash generating units (CGUs) for which as impairment loss has been recognised or reversed during the period.

The above amended standards, however, did not have any significant impact on the condensed consolidated interim financial information during the period.

The Group has not early adopted any other standards, interpretations or amendments that has been issued but is not yet effective.

The accounting policies applied in the preparation of the condensed consolidated interim financial information are consistent with those applied in the annual consolidated financial statements of the Group for the year ended 31 December 2013.

Further, results for the three-month and six-month period ended 30 June 2014 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2014.

Functional and presentation currency
Although the functional currency of Subsidiary is based on the primary economic environment in which it operates, the condensed consolidated interim financial information of the Group is presented in UAE Dirhams ("AED"), which is the Company's functional currency, rounded to the nearest thousand, have been prepared under the historical cost convention, except for financial instruments classified as available-for-sale and stated at fair value. Historical cost is based on the fair value of the consideration given to acquire the asset or cash or cash equivalents expected to be paid to satisfy the liability.

3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of condensed consolidated interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements as at and for the year ended 31 December 2013.

	Three-month period ended 30 June		Six-month period ended 30 June	
	2014	2013 (note 24)	**2014**	2013 (note 24)
	AED'000 (Unaudited)	AED'000 (Unaudited)	**AED'000 (Unaudited)**	AED'000 (Unaudited)
4. COST OF SALES				
Manufacturing:				
Raw material, packing materials and stores & spares consumed	**51,786**	36,885	**91,837**	69,478
Depreciation	**1,630**	1,620	**3,343**	3,313
Utilities	**3,462**	2,929	**4,980**	5,303
Staff salaries and benefits	**3,431**	2,721	**5,832**	5,126
Other direct costs	**1,657**	2,729	**4,925**	5,200
	61,966	46,884	**110,917**	88,420
Changes in inventories of semi-finished and finished goods	**(298)**	1,760	**(2,023)**	(1,015)
(A)	**61,668**	48,644	**108,894**	87,405

	Three-month period ended 30 June		Six-month period ended 30 June	
	2014	2013 (note 24)	2014	2013 (note 24)
	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Trading:				
Inventories, beginning of the period	5,936	10,549	5,880	7,482
Purchases (including direct expenses)	13,558	11,058	28,420	21,038
Inventories, end of the period	(7,748)	(8,021)	(7,748)	(8,021)
(B)	11,746	13,586	26,552	20,499
(A)+(B)	73,414	62,230	135,446	107,904

5. ADMINISTRATIVE AND DISTRIBUTION EXPENSES

Staff salaries and benefits	12,483	11,653	24,681	24,097
Depreciation	1,117	1,443	2,250	2,722
Amortisation of intangible assets	138	138	274	276
Provision for slow moving inventories	--	–	138	–
Provision for impairment of trade receivables	416	–	416	–
Commercial vehicle expenses	6,008	4,088	10,826	7,727
Advertisement and other selling expenses	3,669	3,901	7,116	6,659
Other expenses	5,616	4,612	11,153	10,580
	29,447	25,835	56,854	52,061

6. PROPERTY, PLANT AND EQUIPMENT

Additions and disposals (Unaudited)

During the six-month period ended 30 June 2014, the Group acquired assets amounting AED 2.43 million and disposed off assets with a net book value of AED 0.10 million (six-month period ended 30 June 2013: AED 2.80 million and 0.22 million respectively).

	30 June 2014 AED'000 (Unaudited)	31 December 2013 AED'000 (Audited)	30 June 2013 AED'000 (Unaudited)
7. AVAILABLE-FOR-SALE INVESTMENTS			
Opening balance	6,208	5,841	5,841
Change in fair value	36	367	175
Closing balance	6,244	6,208	6,016

These include investments amounting to AED 5.6 million made in unquoted equity shares of Rawabi Emirates PJSC (year ended 31 December 2013: AED 5.6 million). Since the investments in Rawabi Emirates PJSC do not have a quoted market price in any active market, the fair value cannot be reliably measured and are stated at cost less impairment losses, if any. The balance of the investments represent investments in quoted shares of Dubai Financial Market PJSC and DP World amounting to AED 0.6 million, and are disclosed at their fair values.

		30 June 2014 AED'000 (Unaudited)	31 December 2013 AED'000 (Audited)	30 June 2013 AED'000 (Unaudited)
8.	**INVENTORIES**			
	Raw materials and packing materials	26,583	30,975	44,310
	Semi-finished goods	2,855	2,412	472
	Finished goods	7,850	6,270	8,796
	Trading goods	7,748	5,880	8,021
	Consumable stores and spare parts	8,854	9,036	8,349
		53,890	54,573	69,948
	Less: Provision for slow-moving inventories	(5,224)	(5,407)	(5,696)
		48,666	49,166	64,252
	Goods-in-transit	2,559	7,313	4,859
		51,225	56,479	69,111
9.	**TRADE AND OTHER RECEIVABLES**			
	Trade receivables	53,588	48,244	57,675
	Less: Provision for impairment of trade receivables	(5,005)	(4,589)	(4,691)
		48,583	43,655	52,984
	Advances, deposits and prepayments	9,332	4,123	7,807
		57,915	47,778	60,791
10.	**CASH AND CASH EQUIVALENTS**			
	Cash on hand	698	490	545
	Bank balance in current accounts	2,748	1,192	2,071
		3,446	1,682	2,616
11.	**OTHER CURRENT FINANCIAL ASSETS**			
	Margin deposits	--	--	48

12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise directors, key management personnel and other related parties.

At the reporting date significant transactions and balances with related parties were as follows:

	Three-month period ended 30 June		Six-month period ended 30 June	
	2014 AED'000 (Unaudited)	2013 AED'000 (Unaudited)	2014 AED'000 (Unaudited)	2013 AED'000 (Unaudited)
Purchases from a related party				
- United Cans Company LLC	127	78	199	106
Compensation to key management personnel				
- Staff salaries and benefits (including end-of service benefits)	450	203	900	461

	30 June 2014 AED'000 (Unaudited)	31 December 2013 AED'000 (Audited)	30 June 2013 AED'000 (Unaudited)
Employee end-of-service benefits	70	46	23
Trade and other payables			
- Key management personnel	131	93	25
- United Foods Company (P.S.C.)	--	--	1,465
- Do Freeze	--	--	97
- United Cans Company LLC	158	37	79
	289	130	1,666

13. SHORT TERM BORROWINGS

Bank overdrafts	21,876	23,563	16,828
Trust receipts	30,072	14,516	14,033
	51,948	38,079	30,861

14. TRADE AND OTHER PAYABLES

Trade payables	38,448	31,900	44,370
Advance received from customers	377	165	--
Accruals and other payables	11,637	8,965	11,081
	50,462	41,030	55,451

15. PROVISION FOR TAXATION

The provision for taxation is in respect of Oman operations. The Subsidiary is liable to income tax in accordance with the income tax laws of the Sultanate of Oman depending on the level of its taxable profit. In the opinion of the management the provision for taxation of AED 621 ('000) as at reporting date is adequate to meet the Group's tax liabilities.

	30 June 2014 AED'000 (Unaudited)	31 December 2013 AED'000 (Audited)	30 June 2013 AED'000 (Unaudited)
16. CAPITAL COMMITMENTS			
For acquisition, construction or enhancement of property, plant and equipment	2,846	660	84
17. CONTINGENT LIABILITIES			
Letters of credit	4,800	4,821	221
Unutilized balances of commercial letters of credit	3,665	8,344	4,848

Contingencies – legal cases

There are a few legal cases against the Group by ex-employees, as well as counter cases by the Group against ex-employees. All these cases are now pending before the Court for its hearings and decisions. On account of the uncertainty involved over the outcome of the Court's decisions on the amounts involved, the management has concluded that it is not appropriate at this stage to record any contingent liabilities and/or contingent assets.

18. SUBSIDIARY

The Company holds 100% of the shares (2% held by Directors for beneficial interest of the Company) of the Subsidiary, registered as a limited liability Company in the Sultanate of Oman under the Oman Commercial Register Law No. 3/74. Principal activity of the Subsidiary is trading in dairy, juice, ice creams and other food products.

19. BASIC EARNINGS PER SHARE IN AED

		Three-month period ended 30 June		Six-month period ended 30 June	
		2014 AED'000 (Unaudited)	2013 AED'000 (Unaudited)	2014 AED'000 (Unaudited)	2013 AED'000 (Unaudited)
Net loss attributable to owners (AED'000)	(A)	(6,912)	(5,136)	(20,674)	(11,495)
Weighted average number of shares outstanding	(B)	302,500	302,500	302,500	302,500
Basic earnings per share in AED	(A)/(B)	(22.85)	(16.98)	(68.34)	(38.00)

The Group has not issued any instruments which would have a dilutive impact on earnings per share when excercised.

20. PROPOSED DIVIDEND

The Board of Directors do not propose any interim dividend for the six-month period ended 30 June 2014 (six-month period ended 30 June 2013: Nil).

21. SEGMENTAL REPORTING

The Group operates in the single reporting segment of dairy, juice, ice cream, and other food products. All the relevant information relating to this reporting/operating segment is disclosed in the condensed consolidated interim statement of financial position, condensed consolidated interim statement of profit or loss, condensed consolidated interim statement of comprehensive income and notes to the condensed consolidated interim financial information.

IFRS also requires an entity to report its segment assets and revenue along geographical regions. All significant activities of the Group are performed on an integrated basis in the Gulf region and the Directors do not consider an analysis by individual country would be meaningful.

Additional information required by IFRS 8, "Segment reporting", is disclosed below:

Major customers

During the six-month period ended 30 June 2014 , there were no customers of the Group with revenues greater than 10% of the total revenue of the Group (six-month period ended 30 June 2013: Nil).

22. FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial instruments comprise financial assets and financial liabilities.

Financial assets consist of cash and cash equivalents, trade and other receivables and available-for-sale investments. Financial liabilities consist of short term borrowings and trade and other payables.

The fair values of financial instruments are not materially different from their carrying values.

Fair value hierarchy

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at 30 June 2014 , the Group held the following financial instruments measured at fair value:

	30 June 2014 AED'000 (Unaudited)	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
Available-for-sale investments	6,244	667	--	5,577

As at 31 December 2013, the Group held the following financial instruments measured at fair value:

	31 December 2013 AED'000 (Audited)	Level 1 AED'000	Level 2 AED'000	Level 3 AED'000
Available-for-sale investments	6,208	631	--	5,577

During the period ended 30 June 2014 and year ended 31 December 2013, there were no transfers between the various levels of fair value measurements.

23. SEASONALITY OF THE BUSINESS IMPACTING THE RESULTS FOR THE THREE-MONTH AND SIX-MONTH PERIOD

Due to seasonal nature of the business of the Group, the results of operations of certain quarters, which fall in off peak periods may be substantially different from other quarters, which fall in the peak season (i.e. during summer season). Therefore, revenue from operations may not be evenly distributed over the four quarters of the same year and thus the results of operations of each quarter may not be comparable to the other quarters of the same year.

24. COMPARATIVE FIGURES

i) Previous period's amounts with respect to utilities and staff salaries and other benefits of AED 5,303 ('000) and AED 5,126 ('000) respectively for the six-month period ended 30 June 2013 and AED 2,929 ('000) and AED 2,721 ('000) respectively for the three-month period ended 30 June 2013 have been regrouped/reclassified to cost of sales as it is considered that the revised grouping/classification, which has been adopted in the current accounting period, more fairly presents the state of affairs/results of operations.

ii) Previous period's amounts with respect to advertisement and other selling expenses (gondola expenses) of AED 2,560 ('000) for the six-month period ended 30 June 2013 and AED 1,848 ('000) for the three-month period ended 30 June 2013, which were earlier netted off against revenue have been regrouped/reclassified to other expenses as it is considered that the revised grouping/classification, which has been adopted in the current accounting period, more fairly presents the state of affairs/results of operations.