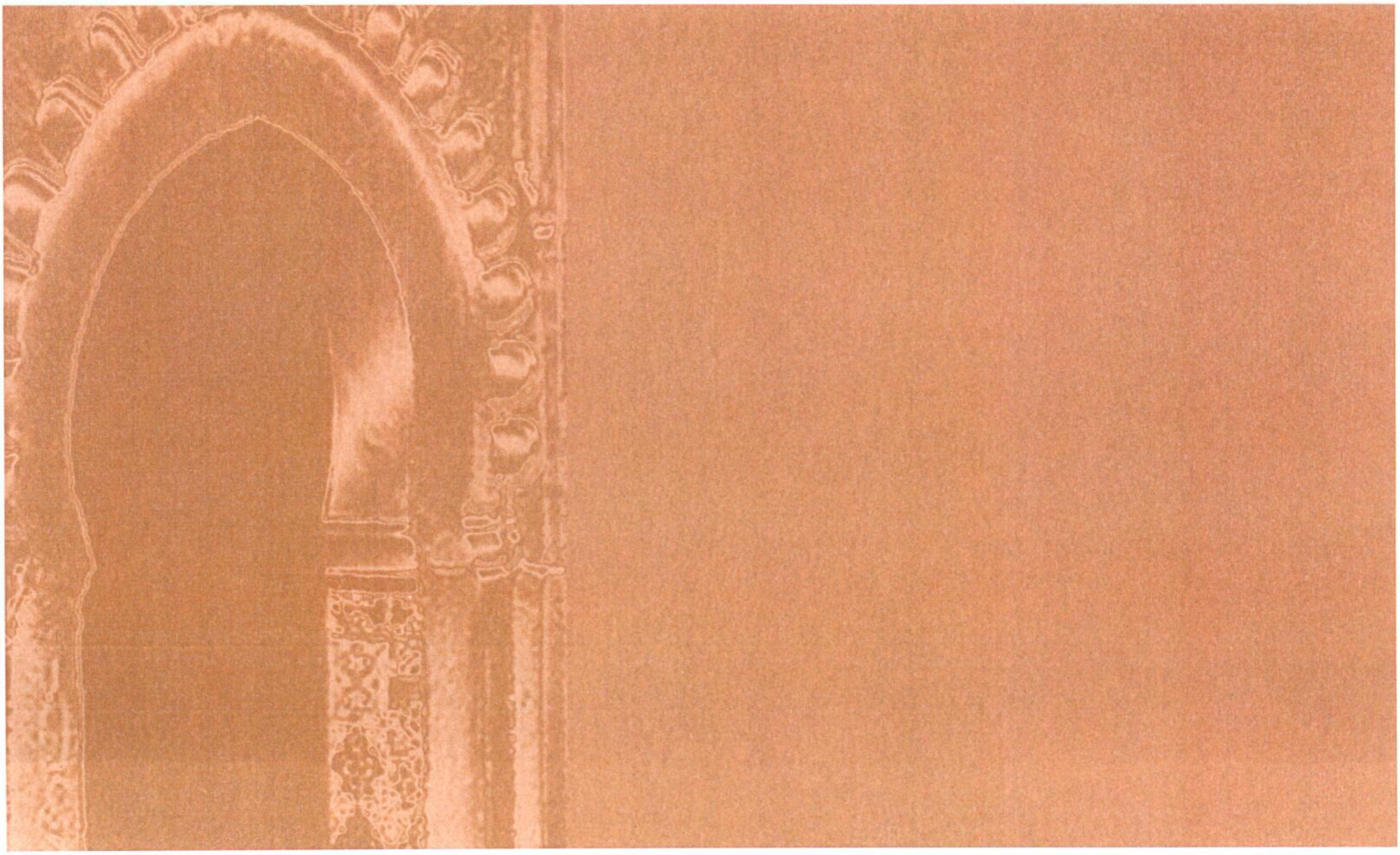
Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

To Be Returned To The
Auditors For Their Record

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with limited liability)
DUBAI, UNITED ARAB EMIRATES

ANNUAL REPORT FOR THE
YEAR ENDED 31 DECEMBER 2014



DUBAI DEVELOPMENT COMPANY (PSC)
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ANNUAL REPORT FOR THE
YEAR ENDED 31 DECEMBER 2014

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DUBAI DEVELOPMENT COMPANY (PSC)
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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and accounts of the Company for the financial year ended 31 December 2014.

ACTIVITIES

The company has not started any commercial activities during the year 2014.

RESULTS

The Company has made a net profit amounting to AED 735,168 which has been included in the retained earnings brought forward from the previous year. The Directors have decided not to pay any dividend for the year 2014.

Mr. Yousuf Mohd Saeed Almulla
CHAIRMAN

Mr. Khalil Issa Ahmed Awad
DIRECTOR

26 January 2015

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF
DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

We have audited the accompanying financial statements of Dubai Development Company (PSC) ("the "Company") which comprise the statement of financial position as at 31 December 2014 and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of 31 December 2014, the financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

Report on other legal and regulatory requirements

As required by Federal Law No. 8 for (1984) including amendments, we have obtained all the information and explanations considered necessary for the purposes of our audit. The Company has maintained proper books of account and the financial information included in the Directors' report is consistent with the books of account of the Company. Nothing has come to our attention which causes us to believe that the Company has breached any of the provisions of the Federal Law No. 8 of 1984 (as amended), or its Articles of Association which could materially affect its activities or financial position at 31 December 2014.

Sajjad Haider & Co

26 January 2015

SAJJAD HAIDER & CO
CHARTERED ACCOUNTANTS
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DUBAI DEVELOPMENT COMPANY (PSC)
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DUBAI, UNITED ARAB EMIRATES

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2014

	Notes	Year ended 31 December 2014 AED	Year ended 31 December 2013 AED
Interest on fixed deposits		165,396	226,636
Lawsuit provision written back	3	-	499,095
Other income	4	943,326	-
Operating expenses	5	(373,554)	(280,804)
Net profit for the year		**735,168**	**444,927**
Basic and diluted earnings per share		**0.074**	**0.045**

These financial statements were approved on **26 January 2015** by:

Mr. Yousuf Mohd Saeed Almulla
CHAIRMAN

Mr. Khalil Issa Ahmed Awad
DIRECTOR

The accompanying notes on pages 7-11 form an integral part of these financial statements.

DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Notes	31 December 2014 AED	31 December 2013 AED
Assets Employed			
Non-current assets			
Property, plant and equipment	6	-	-
Current Assets			
Prepayments and other receivables	7	73,565	576,516
Cash and bank	8	19,815,444	19,572,857
		19,889,009	20,149,373
Current Liabilities			
Accrued expenses	9	25,000	865,048
Due to related parties	10	3,200	158,684
Unclaimed dividend		341,500	341,500
Provision for gratuity		240,000	-
		609,700	1,365,232
Net current assets		**19,279,309**	**18,784,141**
Non-current liabilities			
Provision for gratuity		-	240,000
		19,279,309	**18,544,141**
Capital and reserves			
Share capital	11	10,000,000	10,000,000
Legal reserve	12	5,000,000	5,000,000
General reserve		1,000,000	1,000,000
Retained earnings		3,279,309	2,544,141
		19,279,309	**18,544,141**

These financial statements were approved on **26 January 2015** by:

Mr. Yousuf Mohd Saeed Almulla
CHAIRMAN

Mr. Khalil Issa Ahmed Awad
DIRECTOR

The accompanying notes on pages 7-11 form an integral part of these financial statements.

DUBAI DEVELOPMENT COMPANY (PSC)
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DUBAI, UNITED ARAB EMIRATES

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Share capital AED	Legal reserve AED	General reserve AED	Retained earnings AED	Total AED
As at 1 January 2013	10,000,000	5,000,000	1,000,000	2,099,214	18,099,214
Profit for the year	-	-	-	444,927	444,927
As at 31 December 2013	**10,000,000**	**5,000,000**	**1,000,000**	**2,544,141**	**18,544,141**
Profit for the year	-	-	-	735,168	735,168
As at 31 December 2014	**10,000,000**	**5,000,000**	**1,000,000**	**3,279,309**	**19,279,309**

These financial statements were approved on 26 **January 2015** by:

Mr. Yousuf Mohd Saeed Almulla
CHAIRMAN

Mr. Khalil Issa Ahmed Awad
DIRECTOR

The accompanying notes on pages 7-11 form an integral part of these financial statements.

DUBAI DEVELOPMENT COMPANY (PSC)
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DUBAI, UNITED ARAB EMIRATES

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014

	Year ended 31 December 2014 AED	Year ended 31 December 2013 AED
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit for the year	735,168	444,927
Adjustment to reconcile profit for the year:		
Lawsuit provision written back	-	(499,095)
	735,168	(54,168)
Changes in working capital		
Prepayments and other receivables	502,951	(468,032)
Accrued expenses	(840,048)	140,000
Due to related parties	(155,484)	55,245
	(492,581)	(272,787)
Increase / (decrease) in cash and bank during the year	**242,587**	**(326,955)**
Cash and bank at the beginning of the year	19,572,857	19,899,812
Cash and bank at the end of the year (note 8)	**19,815,444**	**19,572,857**

The accompanying notes on pages 7-11 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1 LEGAL STATUS AND BUSINESS ACTIVITY

Dubai Development Company (PSC) is a limited liability company which was originally incorporated in Dubai on 21 June 1975 by an Emiri Decree and it became a public shareholding company in 1997, in accordance with the UAE Federal Law No. (8) Of 1984 (as amended).

2 SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted in the preparation of the financial statements are as follows:

a. Accounting convention

The financial statements are prepared under the historical cost convention.

b. Fixed assets

These assets are stated at cost. The cost of fixed assets is depreciated by equal annual instalments over the estimated useful lives of the assets as follows:

Furniture and equipment	5 years
Office renovation	5 years

c. Land for sale and development

All land available for sale has been sold and no land is now available for sale.

d. Staff gratuity

Provision for staff gratuity is made on the basis of UAE Federal Labour Law.

3 LAWSUIT PROVISION WRITTEN BACK

	Year ended 31 December 2014 AED	Year ended 31 December 2013 AED
Lawsuit provision written back	-	**499,095**

Two plot holders had filed legal cases against the company against demarcation of their plots of land. One case was dismissed by the Dubai Court of First Instance. In the second case the Court of appeal has decided in favour of the plot holder and has ordered the company to make a payment of AED 499,095 to the plot holder. Accordingly, a provision of AED 499,095 was made in the year 2012 and payment was made during the year 2013. The Company has filed an appeal with the Court of Cessation which has been decided in favour of the company and Court has ordered the plot holder to refund the amount to the company. Therefore, the provision made in the year 2012 has been reversed and the amount has been shown as receivable in 2013. The amount was received in 2014 with legal charges.

4 OTHER INCOME

	Year ended 31 December 2014 AED	Year ended 31 December 2013 AED
Salaries waived off	930,000	-
Legal charges recovered	10,926	-
Miscellaneous income	2,400	-
	943,326	

5 OPERATING EXPENSES

Staff salaries	90,000	120,000
Office rent	22,148	19,260
Trade license expenses	9,258	8,457
Audit fee	20,000	20,000
Other operational expenses	59,423	55,245
Entertainment expenses	7,300	3,580
Advertising expenses	20,163	7,440
Stock market and company registration expenses	45,112	35,151
Legal and professional charges	-	10,984
Fine and penalties	100,000	-
Miscellaneous expenses	150	687
	373,554	**280,804**

6 PROPERTY, PLANT AND EQUIPMENT

	Furniture and equipment AED	Office renovation AED	Total AED
COST			
At 1 January 2014	217,150	200,000	417,150
At 31 December 2014	217,150	200,000	417,150
DEPRECIATION			
At 1 January 2014	217,150	200,000	417,150
At 31 December 2014	217,150	200,000	417,150
NET BOOK VALUE			
At 31 December 2014	-	-	-
At 31 December 2013	-	-	-

All assets have been fully depreciated.

7 PREPAYMENTS AND OTHER RECEIVABLES

	31 December 2014 AED	31 December 2013 AED
Accrued interest on fixed deposits	29,362	38,439
Prepaid expenses	44,203	38,982
Other receivable	-	499,095
	73,565	**576,516**

8 CASH AND BANK

Cash at bank		
- On fixed deposit accounts	19,592,270	19,417,797
- On current account	223,174	155,060
	19,815,444	**19,572,857**

9 ACCRUED EXPENSES

	31 December 2014 AED	31 December 2013 AED
Accrued expenses	**25,000**	**865,048**

10 DUE TO RELATED PARTIES

Almulla Construction (LLC), Dubai	-	10,883
Mohammed & Obaid Almulla (LLC), Dubai	3,200	147,801
	3,200	**158,684**

11 SHARE CAPITAL

Authorised, issued and fully paid		
10,000,000 shares of AED 1 each	**10,000,000**	**10,000,000**

12 LEGAL RESERVE

In accordance with the Memorandum of Association of the Company, 10 percent of the profit for the year has to be transferred to a legal reserve up to a maximum of 50 percent of the capital. The legal reserve is not distributable.

13 FINANCIAL INSTRUMENTS

Credit risk:
Financial assets, which potentially subject the company to concentrations of credit risk, consist of cash, short-term deposits. The cash and short-term deposits are placed with high credit quality financial institutions. The company does not have significant exposure to any individual customer or counter-party that has not otherwise been mitigated.

Interest rate risk:
The company's short-term deposits are at a fixed interest rate and mature within three months.

Fair values:
At 31 December 2014, the carrying amounts of cash, short-term deposits, receivables and other liabilities approximated their fair values due to the short-term maturities of these assets and liabilities.

13 FINANCIAL INSTRUMENTS (CONTINUED)

Foreign exchange:
The company does not have any transactions or balances denominated in other currencies. Foreign exchange risk is therefore limited.

14 STAFFING LEVELS

	31 December 2014	31 December 2013
No. of employees	2	2