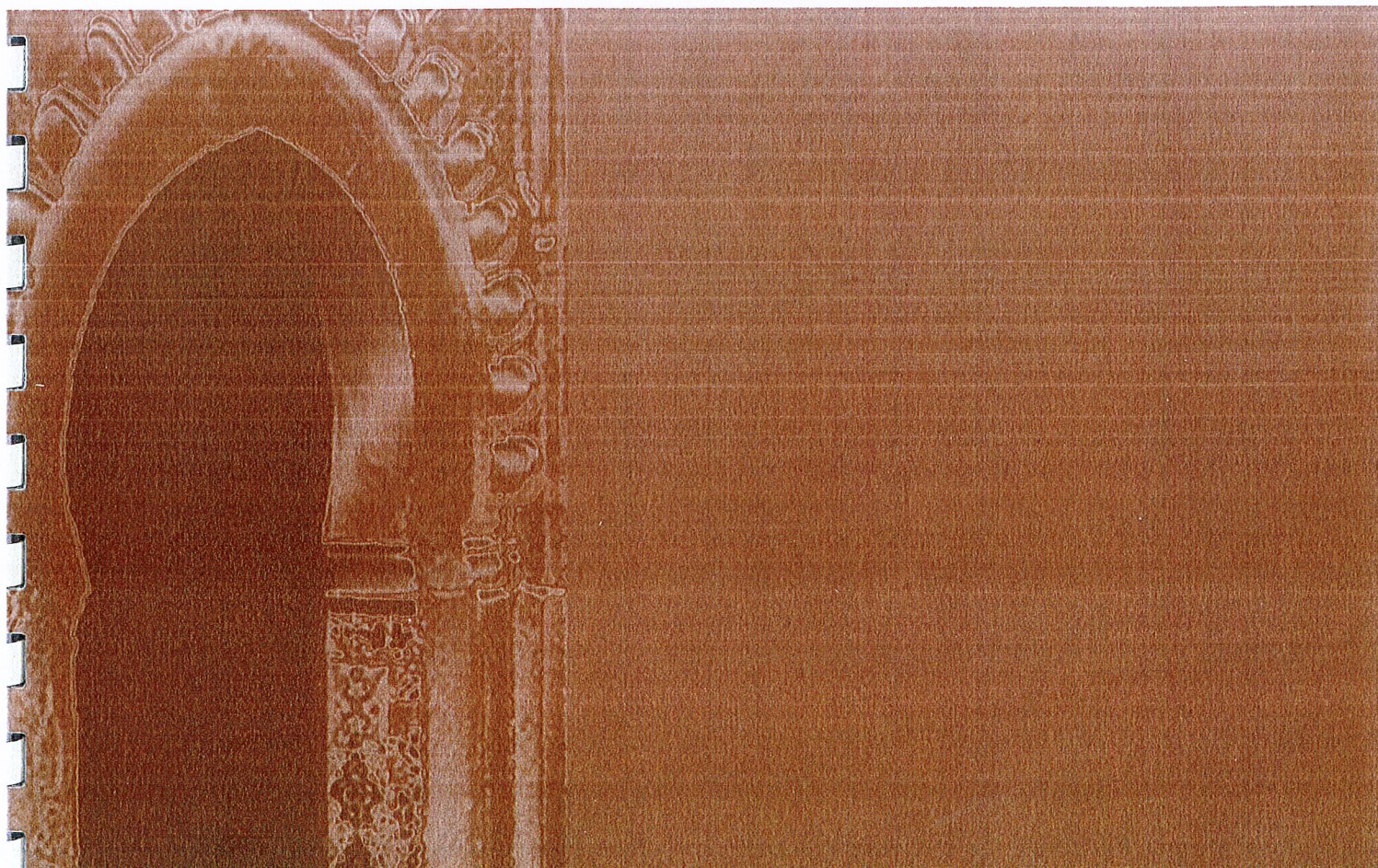




Sajjad Haider & Co.
CHARTERED ACCOUNTANTS

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

FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2013



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

**FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 DECEMBER 2013**

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

DIRECTORS' REPORT

The Directors have pleasure in submitting their report and accounts of the Company for the financial year ended 31 December 2013.

ACTIVITIES

The company has not started any commercial activities during the year 2013.

RESULTS

The Company has made a net profit amounting to AED 444,927 which has been included in the accumulated profit brought forward from the previous year. The Directors have decided not to pay any dividend for the year 2013.



CHAIRMAN
Yousef M Almula



DIRECTOR
Khalil Essa Awad

Dubai, 11 February 2014



**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 2013 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 control 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 2013, the financial performance and its cash flows for the year then ended in accordance with the accounting policies as mentioned in note 2 to the financial statements.

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 2013.

11 February 2014


SAJJAD HAIDER & CO
CHARTERED ACCOUNTANTS
Engagement Partner
(Mohammad Nafees Reg. 165)

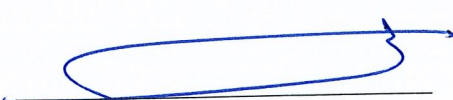


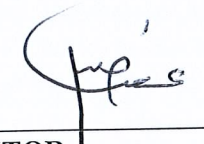
DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2013

		31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
Assets Employed			
Fixed assets	3	-	-
Current Assets			
Prepayments and other receivables	4	576,516	108,484
Cash and bank balances	5	<u>19,572,857</u>	<u>19,899,812</u>
		<u>20,149,373</u>	<u>20,008,296</u>
Total assets		<u>20,149,373</u>	<u>20,008,296</u>
Capital and reserves			
Share capital	6	10,000,000	10,000,000
Legal reserve	7	5,000,000	5,000,000
General reserve	8	1,000,000	1,000,000
Accumulated profit		<u>2,544,141</u>	<u>2,099,214</u>
		<u>18,544,141</u>	<u>18,099,214</u>
Non-current liabilities			
Provision for staff gratuity		<u>240,000</u>	<u>240,000</u>
Current Liabilities			
Accrued expenses	9	865,048	725,048
Due to affiliated companies	10	158,684	103,439
Unclaimed dividend		341,500	341,500
Provision for lawsuit	11	<u>-</u>	<u>499,095</u>
		<u>1,365,232</u>	<u>1,669,082</u>
Total equity and liabilities		<u>20,149,373</u>	<u>20,008,296</u>

The accompanying notes form an integral part of these financial statements.


CHAIRMAN
 Yousef M Almula

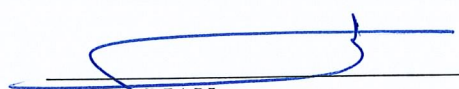

DIRECTOR
 Khalil Essa Awad

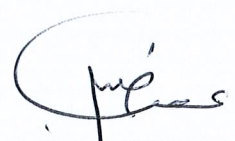
DUBAI DEVELOPMENT COMPANY (PSC)
(A Public Shareholding Company with Limited Liability)
DUBAI, UNITED ARAB EMIRATES

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2013**

	<u>Note</u>	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
REVENUE			
Interest earned on fixed deposits		226,636	432,127
Operating expenses	12	(280,804)	(280,164)
Provision for law suit	11	<u>499,095</u>	<u>(499,095)</u>
Net profit/(loss) for the year		<u>444,927</u>	<u>(347,132)</u>
Basic and diluted earnings/(loss) per share		<u>0.045</u>	<u>(0.035)</u>

The accompanying notes form an integral part of these financial statements.


CHAIRMAN
Yousef M. Almulla


DIRECTOR
Khalil Essa Awad

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

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2013

	Share capital <u>AED</u>	Legal reserve <u>AED</u>	General reserve <u>AED</u>	Accumulated profit <u>AED</u>	Total <u>AED</u>
Balance as at 1 January 2012	10,000,000	5,000,000	1,000,000	2,446,346	18, 446,346
(Loss) for the year ended 31 December 2012	<u>-</u>	<u>-</u>	<u>-</u>	<u>(347,132)</u>	<u>(347,132)</u>
Balance as at 31 December 2012	10,000,000	5,000,000	1,000,000	2,099,214	18,099,214
Profit for the year ended 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>	<u>444,927</u>	<u>444,927</u>
Balance as at 31 December 2013	<u>10,000,000</u>	<u>5,000,000</u>	<u>1,000,000</u>	<u>2,544,141</u>	<u>18,544,141</u>

The accompanying notes 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 CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2013

	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit/(loss) for the year	444,927	(347,132)
Changes in working capital		
(Increase) in prepayments and other receivables	(468,032)	(60,400)
Increase in accrued expenses	140,000	120,000
Increase in amount due to affiliated companies	55,245	63,701
(Decrease)/increase in provision for lawsuit	<u>(499,095)</u>	<u>499,095</u>
(Decrease)/increase in cash and cash equivalents during the year	(326,955)	275,264
Cash and cash equivalents at the beginning of the year	<u>19,899,812</u>	<u>19,624,548</u>
Cash and cash equivalents at the end of the year (note 13)	<u><u>19,572,857</u></u>	<u><u>19,899,812</u></u>

The accompanying notes form an integral part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013**

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:

Motor vehicles	3 years
Furniture and equipment	5 years
Office renovation	5 years

All fixed assets have been fully depreciated.

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.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

3	FIXED ASSETS	Furniture and equipment <u>AED</u>	Office renovation <u>AED</u>	Total <u>AED</u>
	COST			
	At 1 January 2013	<u>217,150</u>	<u>200,000</u>	<u>417,150</u>
	At 31 December 2013	<u>217,150</u>	<u>200,000</u>	<u>417,150</u>
	DEPRECIATION			
	At 1 January 2013	<u>217,150</u>	<u>200,000</u>	<u>417,150</u>
	At 31 December 2013	<u>217,150</u>	<u>200,000</u>	<u>417,150</u>
	NET BOOK VALUE			
	At 31 December 2013	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
	At 31 December 2012	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

All assets have been fully depreciated.

4	PREPAYMENTS AND OTHER RECEIVABLES	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
	Accrued interest on fixed deposits	38,439	69,915
	Prepaid expenses	38,982	38,569
	Other receivable	<u>499,095</u>	<u>-</u>
		<u><u>576,516</u></u>	<u><u>108,484</u></u>
5	CASH AND BANK BALANCES	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
	Cash at bank		
	- On fixed deposit accounts	19,417,797	19,859,685
	- On current account	<u>155,060</u>	<u>40,127</u>
		<u><u>19,572,857</u></u>	<u><u>19,899,812</u></u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

6	SHARE CAPITAL	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
	Authorised, issued and fully paid 10,000,000 shares of AED 1 each	<u>10,000,000</u>	<u>10,000,000</u>
7	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.		
8	GENERAL RESERVE	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
	Balance carried forward	<u>1,000,000</u>	<u>1,000,000</u>
9	ACCRUED EXPENSES		
	Accrued expenses	<u>865,048</u>	<u>725,048</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

10 DUE TO AFFILIATED COMPANIES	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
Almulla Construction (LLC), Dubai	10,883	10,883
Mohammed & Obaid Almulla, Dubai	<u>147,801</u>	<u>92,556</u>
	<u>158,684</u>	<u>103,439</u>

11 PROVISION FOR LAWSUIT

Provision for lawsuit	<u>(499,095)</u>	<u>499,095</u>
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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 recoverable.

12 OPERATING EXPENSES	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
Staff salaries	120,000	120,000
Office rent	19,260	19,260
Trade license expenses	8,457	9,153
Audit fee	20,000	20,000
Other operational expenses	55,245	54,689
Entertainment expenses	3,580	3,000
Advertising expenses	7,440	7,442
Stock market and company registration expenses	35,151	35,100
Legal and professional charges	10,984	11,520
Miscellaneous expenses	<u>687</u>	<u>-</u>
	<u>280,804</u>	<u>280,164</u>

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

13 CASH AND CASH EQUIVALENTS	31 December 2013 <u>AED</u>	31 December 2012 <u>AED</u>
Cash at bank		
- In current account	155,060	40,127
- In fixed deposit accounts	<u>19,417,797</u>	<u>19,859,685</u>
	<u>19,572,857</u>	<u>19,899,812</u>

14 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 2013, 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.

Foreign exchange:

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

15 STAFFING LEVELS	<u>2013</u>	<u>2012</u>
No. of employees	<u>2</u>	<u>2</u>

16 COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted for the current year.