Makkah & Madinah Holdings Limited and its subsidiaries

Consolidated financial statements

31 December 2014

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Consolidated financial statements for the year ended 31 December 2014

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Highlights for 2014

- Carrying value of MMH's investment in MMCI as at 31 December 2014 was USD 486.8 million; an increase of USD 14.0 million (3 %) over the year.

- MMH's profit for the year was USD 8.11 million; basic and fully-diluted earnings per share was USD 0.0064.

- MMCI's net asset value on 31 December 2014 was USD 1.429 billion compared with USD 1.174 billion on the date of MMH's acquisition of its 34.12 % interest in MMCI, an increase of 22% since acquisition in 2012.

Chairman's statement

As the Chairman of Makkah & Madinah Holdings Limited (the "Company" or "Group" or "MMH"), I would like to present the Company's Annual Report for 2014. I am pleased to record that the Company has maintained a profitable performance for the third consecutive year, generating total comprehensive income of USD 14.50 million for the financial year ended 31 December 2014 (2013: USD 32.49 million).

Since its acquisition in 2012, the Company's investment of 34.12 % interest in Makkah & Madinah Commercial Investment Company JSC ("MMCI"), which operates in the Kingdom of Saudi Arabia ("KSA"), has grown by 22% from USD 400 million to USD 487 million owing to strong growth in the real estate market of KSA.

This investment in MMCI has proven to be a prudent one as it continues to produce positive results, with the KSA real estate sector showing a continued growth against a backdrop of strong macroeconomic fundamentals. Despite the sustained downturn in the price of oil, ratings' agency, Fitch, recently forecast economic growth in 2015 & 2016 of around 2% in KSA whilst reaffirming the country's strong credit rating. MMCI's portfolio has seen a generalised appreciation in land values, confirmed by the latest independent valuation as at 31 December 2014. MMCI has capitalised on these growing trends in the market by executing certain acquisition and disposal transactions which are discussed in the Directors' report which follows my statement.

During the financial year ended 31 December 2014, the Company has refined its business strategies and has identified development and investment opportunities in markets outside KSA but within the Gulf Cooperation Council ("GCC") region. This is further explored below. The Company continued providing consultancy services and maintained its revenue stream by extending the term of the consultancy agreement. MMH's consultancy business is discussed in greater detail in the Directors' report.

Financial results

The Group has posted profit for the year of USD 8.11 million (2013: USD 25.41 million), mainly derived from the share of profits from MMCI. In addition, the Company derived revenues of USD 2.00 million (2013: USD 2.29 million) from its advisory and consultancy services as stated above.

The positive result in the consolidated statement of profit or loss and other comprehensive income has resulted in basic and diluted earnings per share ("EPS") of USD 0.0064 (2013: USD 0.020).

At 31 December 2014, net assets of the Company were USD 486.86 million (2013: USD 472.36 million) or USD 0.38 per share (2013: USD 0.37 per share).

Business overview

The Company has evaluated certain markets within the GCC and in particular the UAE, classified by MSCI as an "Emerging Market", offers some highly prospective opportunities. The economic drivers include a high projected rate of population growth, increasing demand for housing and hospitality, high disposable incomes, a diversified economy partially insulated from the effects of low oil prices, a well-regulated and transparent property market and the government's dedication to improving the already well-developed infrastructure and services.

The UAE's growth rates are above the global average, a trend forecast to continue in the current year and through to the end of the decade. There has been a slight slowdown in the real estate market in the final quarter of 2014 due to tighter regulations being introduced and to a natural adjustment to new residential supply entering the market. The Company believes these regulatory changes to be positive for sustainable growth. The UAE's economy – and that of Dubai in particular – is forecast to grow further. Political developments elsewhere in the Middle East region may have a positive impact on the real estate sector within the GCC.

Chairman's statement (continued)

Current Trading and Outlook

The Company has identified a number of real estate development and investment opportunities in the UAE, which would provide attractive returns on investment.

Development opportunities and investment strategy regarding vacant development lands in KSA owned by MMCI are being evaluated by MMCI Board.

The Company's ability to initiate new development projects may be dependent upon fund raising.

Board Appointment

During 2014, there were certain changes to the Board of Directors in the Company, which were discussed in the interim statement. Mr Khaled ("Nicholas") Majdalani, a veteran in the field of real estate development and infrastructure projects, has joined the Company as a senior independent Director. I have replaced Dr Noor Atatreh as the chairman of the Board. Dr Abdulaziz Alongary and Mr Abdulla Saeed Mohammed Al Hamiri have stepped down from the Board owing to their external commitments.

Post- Balance Sheet Events

The Company's consultancy agreement with Al Salam Commercial Investment Co., a related party, was renewed at the beginning of 2015.

In February 2015, advisers were retained to investigate and advice upon non-equity financing options alluded to under "Current Trading and Outlook".

Information on Directors appointed in 2014

Mr Majdalani's and my biographies appear in the Directors' report below and were summarised in the announcement of 23 June 2014 informing the investment community of our appointments.

Advisory Appointments

The Company appointed KPMG Lower Gulf Limited as the auditors, succeeding BDO LLP.

The Company appointed Keith Bayley Rogers & Co Limited ("KBR") as Corporate Adviser and stockbroker with effect from 1st March 2014. KBR is a member of the London Stock Exchange and of ISDX.

Recommendation

The Directors of the Company consider that the proposals to be considered at the AGM are in the best interests of the Company and recommend shareholders to vote in favour of them as they intend, where relevant, to do in respect of their own shareholdings.

Chairman's statement (continued)

Conclusion

The focus for the Company will be to continue to manage any significant risk factors that might affect the Company's performance and future operations, to maintain strong corporate governance and transparency and to create the environment for improved liquidity in the Company's shares. The additional initiatives discussed above should enable MMH to broaden its footprint within its regional theatre and to emerge as a more diversified property investor and developer. The management of the Company will work actively to secure MMH's continued, positive business performance. Finally, I wish to thank all our shareholders and the management team for their support during the past year.

Khaled Al Husseini,
Chairman

28 May 2015

Directors' report

The corporate governance policies that the Company has adopted, aim to ensure that the Directors and the Executive Management team achieve an effective balance between driving the business forward and adequately controlling risks. The Executive Management team consists of the two individual members of the Board (currently comprising of CEO and CFO) and has the responsibility and authority for the general day-to-day operations and management of the Company, executes agreements and contracts on behalf of the Company and ensures there is an appropriate mix of expertise, skills and experience to fulfil the business of the Company.

The relationship between the Board and Executive Management team is important to the Group's long-term success. Day-to-day management of the Group's affairs, the implementation of corporate strategy and adherence to approved policies are formally delegated to the Executive Management team.

Our approach to corporate governance is covered in the following pages. I and the rest of the Board members have developed and adopted the internal control framework in 2013 which is applicable to the Group companies. The Board regularly assesses the effectiveness of this framework. The Board is committed to maintaining the highest standards within the Company.

The Directors present their report together with the consolidated financial statements of the Group, being the Company and its subsidiaries ('MMH Group'), for the financial year ended 31 December 2014 and the Audit Report thereon.

The Board

The Board at the end of the year under review comprised of two Executive Directors and two Non-Executive Directors. The names, qualifications, experience and special responsibilities of each person holding the position of Director of the Company at the date of this report can be found below.

The Board holds the responsibility for the Group's strategic and financial policies and has a formal schedule of matters to report including approving the Company's strategy, major investments, annual budget, capital expenditure and monitoring the performance of the business. The Board and its relevant committees are supplied with regular and timely information concerning the activities of the Group and its finances in order to enable them to exercise their responsibilities and control functions in a proper and effective manner.

Mr Khaled Abdulaziz Zaid Al Husseini, Non-Executive Director and Chairman

Mr Khaled Al Husseini was appointed to the Board on 23 June 2014 following Dr Noor Aldeen Atatreh's retirement from the Board.

Mr Khaled Al Husseini is a marketing and management executive with a combined experience of twenty-one years in the real estate and petrochemical industry. He has extensive knowledge of real estate development, petrochemical marketing, logistics and product handling, and market research activities.

Mr Khaled Al Husseini is currently the CEO of Al Salam Commercial Investment Co., an international real estate group in KSA. The company has a total investment of approximately USD 3 billion. He has been in this position since July 2006 and he is responsible for the implementation of projects and strategies. As CEO, he has overseen projects in the Middle East and Africa. Prior to that appointment, he served as CEO of Al-Haram Center Company from June 2005 to June 2006, where he successfully executed the sale of prime lands owned by that company for double the price at which they were acquired. Mr Khaled Al Husseini has also worked with Manazel Al-Harameen, a real estate marketing company located in Saudi Arabia, as CEO.

Mr Khaled Al Husseini was also the marketing manager of Saudi Basic Industries Corp., one of the world's largest chemical companies. He was responsible for the formulation and implementation of marketing strategies, developing marketing plans for the domestic and international markets, and monitoring market trends.

Mr Khaled Al Husseini holds a Bachelor degree in statistics from King Saud University.

Mr Muin El Saleh, Executive Director and Chief Executive Officer

Mr Muin El Saleh was appointed as Chief Executive Officer of the Company on 8 July 2011 and was appointed to the Board at the same time. In his most recent role before joining the Company, Mr El Saleh worked as the general manager for a major real estate and development company based in Jeddah, KSA, responsible for various hotel developments in Makkah, in close proximity to the Masjid Al Haram.

In addition to his experience in the KSA and the wider GCC region Mr El Saleh has gained considerable international exposure through his previous employments with Tang Sun Lee in Brunei and with Birse Construction and Balfour Beatty in the United Kingdom. This helped him develop and manage corporate relations with major international consultants and clients.

Mr El Saleh completed his higher education studies in the United Kingdom. He holds a Bachelor Degree in Civil Engineering from Liverpool University and a Masters in Business Administration. His extensive experience in Makkah real estate development has enabled him to identify and successfully acquire new opportunities for the Company. Mr El Saleh has been closely working with the management of MMCI on planning developments on a number of its projects located in the Holy cities of Makkah and Madinah.

Mr Ahmed Iqbal Bangee, Executive Director and Chief Finance Officer (CFO)

Mr Bangee has extensive experience in business development and has experience as a financial officer in a number of real estate and commercial groups across the Middle East and in the UK. His previous executive roles include many years in a senior finance position with a major group in KSA and, more recently, as director of international companies in the UAE and the UK. Mr Bangee has a B. Sc. degree and a postgraduate diploma, from the Universities of Leeds and Strathclyde respectively. In 1978, he qualified as a Chartered Accountant with the Institute of Chartered Accountants of Scotland and practised as an auditor with Deloitte & Touche for five years.

Mr Bangee was appointed to the Board as a non-executive director on 28 September 2011 serving on the Audit committee until March 2013. On 2 April 2013, Mr Bangee was appointed as the CFO and Executive Director of the Company. He has played a key role alongside the CEO on matters concerned with corporate development, including successfully completing the acquisition of the 34.12 % stake in MMCI and identifying options for an alternate exchange for the listing of MMH shares. He has also been the motivating force behind implementing an improved financial reporting and IT support system at MMH.

Mr Khaled Majdalani, Non-Executive Director

Mr Khaled Majdalani was appointed to the Board on 23 June 2014.

Mr Majdalani is a British national; he was educated in the United Kingdom and the USA, earning his degree in Civil Engineering from Syracuse University in New York State. Mr Majdalani began his career as a site engineer in Istanbul; subsequently moving to Campbell Reith Hill International ("CRH"), with which firm he has been (saving as disclosed below) since 1987. He is currently the Middle East Regional Director of CRH.

In his current position, Mr Majdalani has worked on many development and infrastructure projects in the Levant, the Gulf region including the UAE and Central Asia, notable amongst these being the Yas Island tunnel project in Abu Dhabi, various Road and Transportation Authority projects in Dubai, the Al Warsan Lake preservation project in Dubai and the Presidential Palace project in Azerbaijan. Taking a career break between 2003 and 2005 from CRH, Mr Majdalani became a Director of Hill International, Inc. (NYSE: HIL), during which time he headed its Abu Dhabi operation, which was involved with the Grand Mosque project there. He was also involved in the transition of Hill International from a private to a public company. Mr Majdalani is presently a non-executive Director of a recently-launched, US-based, fast food business.

Directors' report (continued)

Committees of the Board

During the financial year ended 31 December 2014, seven Board meetings were held. The Board recognizes the essential role of the committees in guiding the Company on specific issues. The committees address important corporate issues, calling on the executive management team and external advisers prior to making recommendations to the Board of Directors.

The Company has established the following committees to provide recommendations and necessary assistance to the Board of Directors:

Audit Committee

The Audit Committee comprised Mr Khaled Al Husseini and Mr Khaled Majdalani.

The Audit Committee has responsibility for ensuring that the Group's financial systems provide accurate and up-to-date information on its financial position and that the published financial statements represent a true and fair reflection of this position. It also assists the Board in ensuring that appropriate accounting policies, internal financial controls and compliance procedures are in place. It is responsible for the review of the financial performance and the financial position of the Group and liaises with external auditors to discuss matters related to the financial audit of the Group.

During the year 2014, two Audit Committee meetings were held to discuss and review the annual report of the Company for the year ended 31 December 2013 and to recommend the appointment of the new auditors. The members also discussed the matters related to the financial audit of the Group with the external auditors.

Remuneration Committee

The Remuneration Committee comprised Mr Khaled Al Husseini and Mr Khaled Majdalani. The Remuneration Committee is responsible for establishing a formal and transparent procedure for developing policy on executive remuneration and to set the remuneration packages of individual Directors. This includes agreeing with the Board the framework for remuneration of the Chairman, the Chief Executive Officer, the other executive Directors and such other members of the executive management team of the Company as it is designated to consider. It is furthermore responsible for determining the total individual remuneration packages of each Director including, where appropriate, bonuses, incentive payments and share options.

Owing to the absence of any proposed changes to the Directors' remuneration, no meetings of the Remuneration Committee were held during 2014.

Internal Controls

The Board has overall responsibility for the Group's system of internal controls and procedures and for reviewing its adequacy and effectiveness. The responsibility for the implementation of day-to-day operation of the systems of internal controls is delegated to the Chief Executive Officer and his management team.

Investor Relations

The Board believes in maintaining an open dialogue with its shareholders and providing up to date information about the Company and the market in which it operates, subject to regulatory disclosure protocols, through its interim and annual financial statements and press releases which are simultaneously posted on the Company's website and through the Company's profile on www.isdx.com.

The Company has taken measures to update its website (www.mm-holdings.com) to give shareholders a single point of reference for all relevant corporate news, through the 'Investor Relations' pages of the website. The Directors believe that the Company's website complies with the ISDX Rules for Issuers. The Company continues to encourage and promote greater use by shareholders of its online facilities.

All Directors are available to answer questions both formally at the Annual General Meeting and any other General Meetings; and informally after the official business of any shareholders’ meeting has been concluded.

The 2015 AGM this year will be held in Dubai; the date and venue of the meeting will shortly be notified to the shareholders by means of formal AGM notice, to be issued in accordance with the Articles of Association of the Company.

Activities and Review of Business

The principal activities of the Company are investing and developing real estate and providing advisory services. Management’s focus since the acquisition of the 34.12 % interest in MMCI has been the real estate market in the KSA.

MMH is working closely with the management of MMCI in identifying the potential real estate development opportunities in KSA.

The Company is Shari’ah-compliant; its business and financing activities are conducted according to the principles of Islamic law.

Risks and Uncertainties

The Company’s ability to manage existing risks, identify potential future risks and to mitigate their effects on business, shall form a key aspect of the Company’s strategy to safeguard their investments and avoid factors that may adversely affect performance.

A review of the Company’s business activities, performance, asset portfolio, strategy and geographic focus led the Board to a decision to diversify revenue streams and enhance the investment footprint in the emerging markets. The KSA and the United Arab Emirates are perceived to be secure and stable compared with other countries in the region.

MMH’s revenue has been derived from providing consulting services to Al Salam during the course of the year. This has been enhanced by its investment in MMCI. MMCI’s income is mainly comprised of lease rental income on a long-term lease agreement in the retail market and gain/loss on disposal of investments and investment properties. It has, however a significant real estate portfolio suitable for development and its income stream is expected to include income from sale/lease of other property assets in its portfolio.

The asset portfolio of MMCI has income generating assets at present but is largely made up of undeveloped land assets.

MMCI’s strategy contemplates significant capital expenditure for the development of its properties and reliance on further capital to fund these developments. MMCI may be subject to unforeseen increases in operating costs on the sites selected for development. Increased demand for, and rising costs of equipment, materials or labour could impact MMCI’s financing requirements and the return on its investments.

Corporate Information

Makkah & Madinah Holdings Limited was incorporated on 29 May 2007 in the Commonwealth of the Bahamas with the Registered No. 148728(B) as an International Business Company. The registered office of MMH is located at Ocean Centre, East Bay Street, P. O. Box SS 19084, Nassau, Bahamas.

Company Registrar

Computershare Investor Services (Channel Islands) Limited is appointed as Company registrar to maintain the Company's register of members. Computershare is a pioneer in integrated investor services and technology.

External Auditor

KPMG Lower Gulf Limited is appointed as auditor to the Company.

ISDX Corporate Adviser and Stockbroker

The Company appointed Keith Bayley Rogers & Co Limited ("KBR") in 2014 as its Corporate Adviser and stockbroker to MMH. KBR is a member of the London Stock Exchange, ISDX and GXG Markets; it offers bespoke services for companies, including Corporate Advisory, Corporate Broking, Capital Raising and Research.

Share Capital

The issued share capital of the Company comprised 1,268,049,125 class A voting shares ("Ordinary Shares") of £0.005 each as at 31 December 2014. Each share carries the right to one vote per share on a poll. All issued shares of the Company are fully-paid.

Interest in Capital

Shareholders' interests

As at 31 December 2014 and subsequent to the year-end, the Company was aware of the following interests of 3 % or more in the Ordinary Share capital of the Company:

	Number of shares	% interest
Makkah and Madinah Investment Co Limited	628,625,000	49.57 %
Abdulla Saeed Abdulla Mohamed Brook Al Hamiri	178,885,217	14.11 %
Noor Aldeen S. A. Atatreh	178,885,217	14.11 %
Bonyan International Investment Group (Holding) LLC	54,605,718	4.31 %
	========	=====

Directors' interests

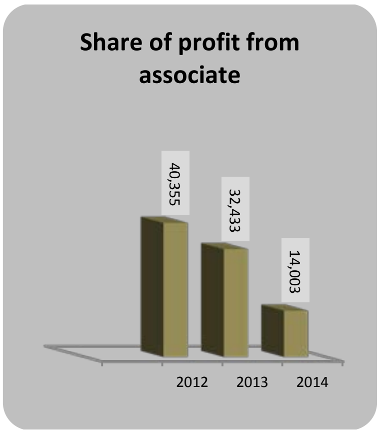
The interests of the Directors during the period in the Ordinary Share capital, are shown below:

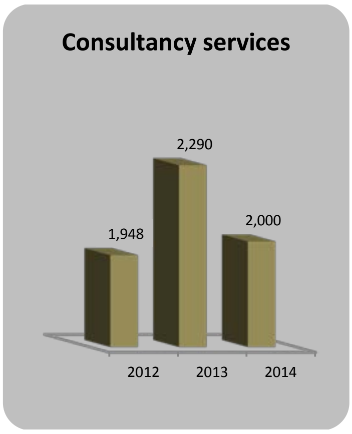
Director	Ordinary shares 2014	Share warrants 2014
Muin El Saleh	500,000	-
	======	======

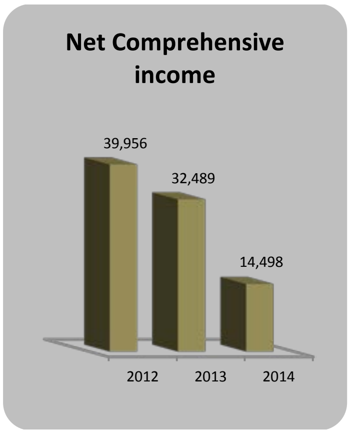
There have been no changes in any of the Directors' interests between the year-end and the date of this report.

FINANCIAL HIGHLIGHTS - MMH

The historical financial performance of MMH during the three financial years ended 31 December 2012, 2013 and 2014 is represented in the graph below:







All in USD '000'

In the financial year 2014, the Company was able to sustain the revenue from business advisory services and earned the revenue USD 2 million during the financial year 2014. Further, the Company's investment value in MMCI increased by USD 14 million during the year ended 31 December 2014. The increase is derived from the share of profit which includes fair value changes in investment properties interests of MMCI, lease rental income and trading profit.

Following the completion of an advisory contract in Q4 2013, Al Salam renewed the advisory contract with MMH for a period of 12 months from January 2014 to December 2014. This resulted in revenue in 2014 from this source of USD 2 million.

In 2014, the Company has reported a comprehensive income of USD 14.49 million (2013: USD 32.49 million) derived from the consultancy fees of USD 2.00 million (2013: USD 2.29 million) and share of profit from associate USD 14.00 million - being profit share of USD 7.61 million plus share of associate fair value change of available for sale investment of USD 6.39 million (2013: USD 32.43 million - being profit share of USD 25.35 million plus share of associate fair value change of available for sale investment of USD 7.08 million).

Earnings per share

Earnings per share is as follows:

	31 December 2014	31 December 2013
	USD	**USD**
Basic Earnings per share	0.0064	0.0200
Diluted Earnings per share	0.0064	0.0200

Directors' report (continued)

Revenue

During 2014, the Company continued to deliver real estate and business advisory services to Al Salam and generated the revenue of USD 2 million.

	31 December 2014	31 December 2013
	USD	**USD**
Business and consultancy services	2,000,000	2,289,918
	2,000,000	**2,289,918**

The revenue for the financial year 2014 decreased by USD 289,918. The reason for decrease is because in the financial year 2013, MMH had consultancy services contracts with two customers, MMCI and Al Salam whereas in the financial year 2014, MMH has consultancy services contract with one customer, Al Salam, as the contract with MMCI was concluded in 2013.

MMH operational costs

Operational costs of MMH mainly comprised of employee costs, professional fees related to raising the Company profile and other operating expenses such as rental, professional fees etc.

Employee costs comprised of the following:

	31 December 2014	31 December 2013
	USD	**USD**
Employee costs	1,002,038	1,006,533
Reversal of bonus share provision	**-**	**(683,675)**
	1,002,038	**322,858**

The employee costs for the year 2014 was in line with prior year. The total employee costs were reduced in 2013 by 679,180 mainly due to reversal of share based payment expense.

Other operating expenses – other operating expenses incurred during 2014 were USD 138,474 (2013: USD 289,884), a decrease of USD 151,410. The decrease was mainly attributable to reduction in office expenses, travelling costs etc.

INVESTMENT IN AN ASSOCIATE - MMCI

The Company holds 34.12 % equity interest in MMCI, which was the sole investment of the Company at 31 December 2014. The fair value of the 34.12 % interest in MMCI increased by USD 14 million during the financial year ended 31 December 2014, derived from share of profits from MMCI.

For details, see the table below:

Share of profit from associate is comprised from the following sources:

	2014 USD in million	2013 USD in million
Share of profit from associate		
- Lease rental income	6.30	6.30
- Other revenue	6.71	-
- Negative goodwill arising on Jebal Al Noor acquisition	-	7.07
- Loss on disposal of investments and properties	(20.20)	(0.04)
- Fair value change in investment properties	16.29	14.15
- Share of profit from associates	0.13	0.15
- Other operating expenses	(0.88)	(0.45)
- Zakat	(0.74)	(1.83)
	7.61	**25.35**
Share of other comprehensive income from associate		
- Fair value change in available for sale investment	6.39	7.08
	14.00	**32.43**

MMCI's net assets at 31 December 2014 were USD 1.429 billion (2013: USD 1.388 billion). The net assets of MMCI increased by USD 41 million which is mainly derived from the rise in value of its property interests and other revenue from the sale of equipments.

MMCI's investment portfolio consists principally of undeveloped lands. MMCI and MMH management work closely with each other to identify the business development options, including real estate development of portfolio assets for hotel, residential usage or leasing serviced land which will bring timely returns to both MMCI and MMH shareholders.

To further the development opportunities discussed elsewhere in this Annual Report, the Company is exploring various Islamic funding options to financing new initiatives in KSA and elsewhere in the GCC region.

MMCI asset portfolio analysis

MMCI's assets mainly comprise of investments in land assets portfolio. MMCI's net income for the financial years ended 31 December 2013 and 2014 includes the fair value change in investment properties resulting from the independent valuation of the land asset portfolio on a bi-annual basis, i.e. at 30 June and 31 December every year. The periodical movement in the value of the asset portfolio in which MMCI has interests is summarised below:

Land	MMCI Interest 2014 %	Market value December 2013 USD in million	Market value June 2014 USD in million	Half yearly increment June 2014 USD in million	Market value December 2014 USD in million	Annual increment December 2014 USD in million
Khaleej Salman	99.00	310.99	315.98	4.99	326.78	15.79
Al Resala*	-	96.07	96.07	-	-	-
Jebal Al Noor	99.50	128.63	131.34	2.71	136.79	8.16
Al Emtiyaz	45.00	10.95	10.95	-	11.81	0.86
Al Barak 1	99.00	22.90	23.43	0.53	24.14	1.24
Al Barak 2	99.00	24.57	25.14	0.57	25.91	1.34
Rabwat Al Hijaz	42.50	468.61	475.51	6.90	481.01	12.40
Mulak – Obhur	25.00	309.74	317.84	8.10	326.40	16.66
Mulak – South Jeddah	25.00	806.27	838.36	32.09	864.49	58.22
MM Power	50.00	4.99	5.08	0.09	5.15	0.16
Laith 1	40.00	631.14	649.08	17.94	674.90	43.76
Laith 2	40.00	112.57	113.92	1.35	118.44	5.87

* In 2014, MMCI sold its entire 99 % interest in Al Resala, see details below.

KEY FINANCIAL HIGHLIGHTS OF MMCI

Sale of 99 % in Al Resala Company (leasehold investment property)

Al Resala Company (a subsidiary of MMCI) entered into a 25 year operating lease (the term commenced from 1 January 2011) in relation to the land plot of 770,000 sqm situated in the Jebal Al-Khandaq area in Madinah. The preliminary plan included the development of mix use facility including 5-star hotel, retail mall and cultural village. In 2014, due to some unexpected delay at planning phase and high project costs and following extensive review and in the best interest of MMCI, MMCI has sold its entire 99 % interest in Al Resala Company at USD 25.33 million to allow the management of MMCI to intensify its focus on the development of freehold investment properties within its portfolio. MMCI made a loss of USD 64.88 million as compared to its market value.

Sale of 25 % associate interest in Foryou Glass Company and Foryou Cardboard Company (Egypt)

MMCI subsidiary owned 25% interests in each of Foryou Glass and Foryou Cardboard Company which were developing factories in Sadat City, Egypt. These factories were expected to commence its operations in prior period but owing to unstable political situation in the country, the operations were not started. As Foryou was the only offshore investment of MMCI and MMCI wishes to focus on local real estate market in KSA, in 2014 MMCI therefore sold its interests in the two Foryou companies for USD 13.72 million, resulting in a gain of USD 5.6 million.

Purchase of additional 49% interest in Makkah & Madinah Marine & Port Services (MMCI subsidiary)

MMCI acquired an additional interest of 49 % in its subsidiary company, Makkah & Madinah Marine & Port Services. At the reporting date, MMCI holds an effective interest of 99 % in Makkah & Madinah Marine & Port Services.

The managements of MMH and MMCI are working together to evaluate various real estate development options in KSA and other GCC region.

Corporate goals

MMH's ambition is to become a leading investment and development specialist bringing real estate projects in KSA and GCC region and beyond; and to create sustainable returns through investment in and development of property in KSA and other countries of the GCC. MMH has highly experienced and professional team which has a proven record in identifying opportunities where it can create significant value through the application of these skills.

To the Board's knowledge, MMH offers one of a limited number of platforms to investors to access one of the world's fastest-growing property markets. In the view of MMH's management, the solid and sound relations with MMCI should facilitate achievement of the following objectives:

i. to enhance MMH's share value by exploring new business ventures in KSA in partnership with MMCI, including real estate development and partnering with overseas investors seeking business access to the KSA market. The management believes that this should contribute to the continuing growth of the Company; and

ii. to diversify MMH's investment portfolio within the Arabian Gulf region beyond KSA.

Cash flows

In 2014, the Company efficiently managed its cash flows and generated sufficient cash to meet its operational requirements. The management of MMH is looking for business opportunities which should further increase liquidity and the cash flow of the Company.

	Year ended 31 December 2014	**Year ended 31 December 2013**
	USD	**USD**
Net cash used in operating activities	(71,189)	(119,110)
Net cash used in investing activities	-	(1,690)
Net decrease in cash and cash equivalents	(71,189)	(120,800)
Cash and cash equivalents at start of the year	340,134	460,934
Cash and cash equivalents at the end of the year	268,945	340,134

Cash flows

The net operating cash outflow during the year was USD 71,189 with working capital mainly used for operational expenses of the Company.

Statement of Directors' responsibility in respect of the consolidated financial statements

The Directors are required by the ISDX regulations to prepare consolidated financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the results of the Group for that period. In preparing those consolidated financial statements, the Directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on a going concern basis unless it is appropriate to presume that the Group will not continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and to enable them to ensure that the financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRS) and the historical cost convention as modified by the revaluation of investments. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud, errors and non-compliance with the law or regulations.

So far as the Directors are aware, there is no relevant audit information of which the Group's auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director, in order to make himself or herself aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

The Directors' confirm that they have complied with all of the above requirements in preparing the consolidated financial statements.

The consolidated financial statements are published on the Group's website. The maintenance and integrity of the Company's website is the responsibility of the Directors. The Directors' responsibility also extends to the ongoing integrity of the consolidated financial statements contained therein.

This report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Director

Name: Mr Muin El Saleh

Date: 28 May 2015

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Independent auditors' report

The Shareholders
Makkah & Madinah Holdings Limited

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of Makkah & Madinah Holdings Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") which comprise the consolidated statement of financial position as at 31 December 2014, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

Management's responsibility for the consolidated financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these consolidated 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 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 our 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, we consider 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. 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 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 present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2014, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matters

The consolidated financial statements of the Group as at 31 December 2013 were audited by another auditor whose report dated 27 May 2014 expressed an unqualified opinion.

KPMG Lower Gulf Limited

Date: 28 MAY 2015

Makkah & Madinah Holdings Limited and its subsidiaries

Consolidated statement of profit or loss and other comprehensive income

for the year ended 31 December 2014

	Note	**2014 USD**	2013 USD
Revenue	*5*	**2,000,000**	2,289,918
Employee costs	*6*	**(1,002,038)**	(322,858)
Other operating expenses	*7*	**(138,474)**	(289,884)
Legal and professional expenses	*8*	**(356,180)**	(1,565,811)
Depreciation	*11*	**(7,829)**	(7,646)
Operating profit		**495,479**	103,719
Share of profit from an associate	*12*	**7,616,312**	25,353,976
Finance expense	*9*	**(1,342)**	(47,140)
Profit for the year		**8,110,449**	25,410,555
Other comprehensive income			
Items that are or may be reclassified subsequently to the consolidated profit or loss			
Share of fair value change in available for sale investment held by an associate	*12*	**6,387,181**	7,078,900
Total comprehensive income for the year		**14,497,630**	32,489,455
Earnings per share attributable to the equity holders of the parent during the year			
Basic earnings per share for the year	*10*	**0.0064**	0.0200
Diluted earnings per share for the year	*10*	**0.0064**	0.0200

The notes on pages 21 to 44 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on page 16.

Makkah & Madinah Holdings Limited and its subsidiaries

Consolidated statement of financial position

as at 31 December 2014

	Note	2014 USD	2013 USD
ASSETS			
Non-current assets			
Property and equipment	*11*	**16,812**	24,641
Investment in an associate	*12*	**486,791,838**	472,788,345
		486,808,650	472,812,986
Current assets			
Trade receivables	*13*	**521,284**	224,523
Prepayments, advances and other receivables	*14*	**767,841**	770,574
Cash and cash equivalents	*15*	**268,945**	340,134
		1,558,070	1,335,231
Total assets		**488,366,720**	474,148,217
EQUITY			
Share capital	*16*	**10,226,655**	10,226,655
Share premium	*16*	**395,146,685**	395,146,685
Reverse acquisition reserve		**-**	1,636,894
Available for sale fair valuation reserve	*17*	**23,953,921**	17,566,740
Retained earnings		**57,532,169**	47,784,826
		486,859,430	472,361,800
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits	*18*	**118,573**	100,448
		118,573	100,448
Current liabilities			
Trade and other payables	*19*	**1,388,717**	1,685,969
		1,388,717	1,685,969
Total liabilities		**1,507,290**	1,786,417
Total equity and liabilities		**488,366,720**	474,148,217

The consolidated financial statements were approved by the Board of Directors on 28 May 2015.

Mr Muin El Saleh
Director

Mr Ahmed Iqbal Bangee
Director

The notes on pages 21 to 44 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on page 16.

Makkah & Madinah Holdings Limited and its subsidiaries

Consolidated statement of changes in equity
for the year ended 31 December 2014

	Share capital USD	Share premium USD	Reverse acquisition reserve USD	Available for sale fair valuation reserve USD	Retained earnings USD	Total USD
At 1 January 2013	10,220,614	395,001,706	1,636,894	10,487,840	23,057,946	440,405,000
Total comprehensive income for the year						
Profit for the year	-	-	-	-	25,410,555	25,410,555
Other comprehensive income for the year	-	-	-	7,078,900	-	7,078,900
Transactions with owners recorded directly in equity						
Shares issued	6,041	144,979	-	-	-	151,020
Other movement						
Share based payment	-	-	-	-	(683,675)	(683,675)
At 31 December 2013	10,226,655	395,146,685	1,636,894	17,566,740	47,784,826	472,361,800
At 1 January 2014	10,226,655	395,146,685	1,636,894	17,566,740	47,784,826	472,361,800
Total comprehensive income for the year						
Profit for the year	-	-	-	-	8,110,449	8,110,449
Other comprehensive income for the year	-	-	-	6,387,181	-	6,387,181
Other movement						
Transferred to retained earnings	-	-	(1,636,894)	-	1,636,894	-
At 31 December 2014	**10,226,655**	**395,146,685**	**-**	**23,953,921**	**57,532,169**	**486,859,430**

The notes on pages 21 to 44 are an integral part of these consolidated financial statements.

Makkah & Madinah Holdings Limited and its subsidiaries

Consolidated statement of cash flows
for the year ended 31 December 2014

	Note	**2014 USD**	2013 USD
Operating activities			
Profit for the year		**8,110,449**	25,410,555
Adjustments for:			
Professional fees settled by issue of ordinary shares		**-**	151,020
Reversal of share based payment expense		**-**	(683,675)
Share of profit from an associate		**(7,616,312)**	(25,353,976)
Depreciation		**7,829**	7,646
Provision for employees' end of service benefits		**20,749**	53,145
Working capital changes:			
Trade and other receivables		**(294,028)**	433,710
Trade and other payables		**(297,252)**	(135,835)
Employees' end of service benefits paid		**(2,624)**	(1,700)
Net cash used in operating activities		**(71,189)**	(119,110)
Investing activity			
Purchase of property and equipment		**-**	(1,690)
Net cash used in investing activity		**-**	(1,690)
Net decrease in cash and cash equivalents		**(71,189)**	(120,800)
Cash and cash equivalents at beginning of the year		**340,134**	460,934
Cash and cash equivalents at end of the year	*15*	**268,945**	340,134

The notes on pages 21 to 44 are an integral part of these consolidated financial statements.

The independent auditors' report is set out on page 16.

Notes
(forming part of the consolidated financial statements)

1. Legal status and principal activities

Makkah & Madinah Holdings Limited ("the Company") was incorporated on 29 May 2007 under the International Business Companies Act, 2000, in the Commonwealth of the Bahamas under registration number 148728 (B) on 29 May 2007. The registered office address of the Company is Ocean Centre, East Bay Street, P.O. Box SS19084, Nassau, Bahamas.

These consolidated financial statements as at 31 December 2014 comprise the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in equity accounted investees.

The principal activities of the Group are property and real estate investments, development and advisory services for projects related to the real estate and infrastructure sectors.

Details of the subsidiaries of the Company are as follows:

Name	**Country of incorporation**	**Holding (%)**	
		2014	2013
Prime Investments Group Limited	Cayman Islands	**100**	100
Makkah and Madinah International Limited (refer note 12)	United Arab Emirates	**100**	100
Prime Asia Limited*	United Kingdom	**100**	100
Prime Americas Limited*	United Kingdom	**100**	100
Prime Europe Investments Limited*	United Kingdom	**100**	100
Prime Middle East Limited**	United Kingdom	**100**	100
Prime Investments International Group Limited LLC***	United Arab Emirates	**49**	49

* liquidated in 2015
** currently dormant
*** under liquidation

2. Significant accounting policies

The following accounting policies, which comply with International Financial Reporting Standards ("IFRS"), have been applied consistently in dealing with items that are considered material in relation to the Group's consolidated financial statements:

2 Significant accounting policies (continued)

2.1 Basis of preparation

These consolidated financial statements present the financial position and result of the operations and cash flows of the Company and its subsidiaries (collectively referred to as "the Group") and the Group's interest in equity accounted investees.

The consolidated financial statements of the Group have been prepared in accordance with and comply with IFRS.

The consolidated financial statements have been prepared under the historical cost convention, except for investment properties and available for sale investment which are stated at fair values.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

2.2 New standards and interpretations not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2014; however, the Group has not applied the following new or amended standards in preparing these consolidated financial statements:

- IFRS 9 Financial Instruments

  IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39. IFRS 9 is effective for annual reporting periods beginning on or after 1 January 2018, with early adoption permitted.

- IFRS 15 Revenue from Contracts with Customers

  IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognized. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 is effective for annual reporting periods beginning on or after 1 January 2017, with early adoption permitted.

2 Significant accounting policies (continued)

2.3 Basis of consolidation

(a) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements of the Group from the date on which control commences until the date on which control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

The Group recognizes any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

Goodwill is initially measured as the excess of the aggregate of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of net identifiable assets acquired and liabilities assumed. If this consideration is lower than the fair value of the net assets of the subsidiary acquired, the difference is recognized in the consolidated profit or loss.

Material inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognized in assets and liabilities are also eliminated. The consolidated financial statements are prepared using uniform accounting policies for like transactions.

2 Significant accounting policies (continued)

2.3 Basis of consolidation (continued)

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognized at cost, and the carrying amount is increased or decreased to recognie the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of post-acquisition profit or loss is recognized in the consolidated profit or loss, and its share of post-acquisition movements in other comprehensive income is recognized in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognize further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in associates is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the amount in the consolidated profit or loss.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognized in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the associates have been changed where necessary to ensure consistency with the accounting policies adopted by the Group.

2.4 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors including the Chief Executive Officer that makes strategic decisions.

2 Significant accounting policies (continued)

2.5 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Company's functional currency is United State Dollars (USD). The consolidated financial statements are presented in USD, which is the Group's presentation currency adopted as the majority of the Group's transactions are denominated in this currency or currencies pegged to USD.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated profit or loss.

(c) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
(ii) Income and expenses for each statement of profit or loss are translated at average exchange rates; and
(iii) All resulting exchange differences are recognized as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings are taken to equity.

On the disposal of a foreign operation all of the exchange differences accumulated in equity in respect of that operation attributable to the equity holders of the Company are reclassified to the consolidated profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognized in equity.

2 Significant accounting policies (continued)

2.6 Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation (refer below) and accumulated impairment losses (refer accounting policy on impairment), if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases the future economic benefit of the related item of property and equipment. All other expenditure is recognized in the consolidated profit or loss as the expense is incurred.

Depreciation is recognized in the consolidated profit or loss on a straight-line basis over the estimated useful life of each part of an item of property and equipment. The estimated useful lives for the current and comparative periods are as follows:

Assets	**Life (years)**
Office equipment	4
Furniture & fixtures	5
	==

The depreciation methods, useful lives and residual values, are reassessed annually and adjusted if circumstances change significantly.

2.7 Investment properties held in an associate

(a) Recognition

Land and buildings owned by the Group for the purposes of generating rental income or capital appreciation or both are classified as investment properties. Properties that are being constructed or developed for future use as investment properties are also classified as investment properties.

(b) Measurement

Investment properties are initially measured at cost, including related transaction costs. Subsequent to initial recognition, investment properties are accounted for using the fair value model under International Accounting Standard No. 40 "Investment Property". Any gain or loss arising from a change in fair value is recognized in the consolidated profit or loss.

When the Group begins to redevelop an existing investment property for continued future use as an investment property, the property remains as an investment property, which is measured based on fair value model and is not reclassified as development property during the redevelopment period.

2 Significant accounting policies (continued)

2.7 Investment properties held in an associate (continued)

(c) Transfer from investment properties to owner-occupied property

If an investment property becomes owner-occupied property, it is reclassified as property and equipment. Its fair value at the date of reclassification becomes its cost for subsequent accounting purposes.

(d) Sale of investment properties

Certain investment properties may be sold by the Group in the ordinary course of business. No revenue and direct costs are recognized for sale of investment properties. Any gain or loss on disposal of sale of investment properties (calculated as the difference between the net proceeds from disposal and carrying amount) is recognized in the consolidated profit or loss.

2.8 Trade receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business, if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognized in the consolidated profit or loss. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables. Subsequent recoveries of amounts previously written off are credited to the consolidated profit or loss.

2 Significant accounting policies (continued)

2.9 Cash and cash equivalents

Cash and cash equivalents includes cash in hand and balances with banks.

2.10 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business, if longer). If not, they are presented as non-current liabilities. These are recognized initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Share based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

Where shares are issued in return for services, an expense is measured equal to the fair value of the services received. If the fair value of services received cannot be measured reliably (which is typically the case with employees and those providing similar services) the expense is measured by reference to the fair value of equity instruments granted.

2.12 Share warrants

The share warrants are initially recognized based on their intrinsic value, which is the difference between the fair value of the shares and the exercise price of the warrants. Share warrants for which the exercise price currency is quoted in a currency different from the functional currency of the Group are recognized as a liability in the consolidated financial statements. The fair value of the share warrants is re-measured at each reporting date, with changes recognized in the consolidated profit or loss.

2 Significant accounting policies (continued)

2.13 Revenue

Revenue comprises the fair value of the consideration received or receivable from rendering of services in the ordinary course of the Group's activities.

The Group recognizes revenue when the services are rendered, the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the Group.

2.14 Provisions

A provision is recognized in the consolidated statement of financial position when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

2.15 Operating lease payments

Leases of assets under which the lessor effectively retains all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are recognized in the consolidated profit or loss on a straight-line basis over the term of the lease. Lease incentives granted by the lessor are recognized in the consolidated profit or loss as an integral part of the total lease payments made.

2.16 Finance expense

Finance expense mainly comprises of exchange loss. All borrowing costs, except to the extent they are capitalized in accordance with paragraph below, are recognized in the consolidated profit or loss using the effective interest method.

Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of that asset. The capitalization of borrowing costs commences from the date of incurring of expenditure related to that asset and ceases when substantially all the activities necessary to prepare the asset for its intended use is complete. Borrowing costs relating to the period after acquisition or construction are recognized in the consolidated profit or loss.

2 Significant accounting policies (continued)

2.17 Financial instruments

Non-derivative financial instruments

Non-derivative financial instruments comprise trade and other receivables, cash in hand and at banks, available for sale financial assets and trade and other payables.

Non-derivative financial instruments are recognized initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured at amortised cost using the effective interest method less impairment losses, if any.

A financial instrument is recognized if the Group becomes a party to the contractual provisions of the instrument. Financial assets are derecognized if the Group's contractual rights to the cash flows from the financial assets expire or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. Cash and cash equivalents comprise of cash in hand and at banks.

Available for sale financial assets

Available for sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories of financial assets. They are included in non-current assets unless the investment matures or management intends to dispose it within twelve months of the end of the reporting period.

Changes in the fair value of the available for sale financial assets are recognized in other comprehensive income. Dividends on available for sale financial assets are recognized in the consolidated profit or loss when the Group's right to receive payments is established.

2.18 Impairment

(a) Financial asset

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset. An impairment loss in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses, if any, are recognized in the consolidated profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an asset occurring after the impairment loss was recognized. For financial assets measured at amortized cost, the reversal is recognized in the consolidated profit or loss.

2 Significant accounting policies (continued)

2.18 Impairment (continued)

(b) Non-financial asset

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses, if any, are recognized in the consolidated profit or loss.

A cash generating unit is the smallest identifiable asset group that generates cash flows that are largely independent from other assets and groups.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks including the market risk due to the effects of changes in foreign currency exchange rates and interest rates; credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Risk management is carried out by the management under policies approved by the Board of Directors.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange currency risk arises from future commercial transactions, recognized financial assets or liabilities of the Group being denominated in a currency that is not the Group's presentation currency and net investments in foreign operations. The Group operates internationally, and is exposed to foreign exchange risk arising from various currencies. The management regularly monitors the Group's exposure to foreign exchange risk, ensuring assets/income and liabilities/expenses are matched in certain currencies.

A significant proportion of the Group's assets and liabilities, revenue and expenses are denominated in USD, Saudi Riyals and UAE Dirhams. UAE Dirham and Saudi Riyal are pegged with USD and therefore, the Group is not significantly exposed to foreign exchange risk.

(ii) Interest rate risk

The Group has no interest bearing assets and liabilities and therefore is not exposed to interest rate risk.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk

The Group is exposed to credit risk in relation to its monetary assets, mainly trade receivables, other receivables and cash at banks. Trade and other receivables are made to customers with an appropriate credit history. The Group has no other significant concentrations of credit risk. Cash at banks are limited to high-credit-quality financial institutions. The carrying amount of financial assets represents the maximum credit exposure at the reporting date.

(c) Liquidity risk

Cash flow forecasts are performed for each of the operating entities of the Group and are aggregated by the Group management in order to determine the overall cash position of the Group.

The Group management also monitors rolling forecasts of the Group's liquidity requirements, to ensure the Group and its entities have sufficient cash to meet its' operational needs. Such forecasting takes into consideration the Group's expected cash inflows from secured projects and cash outflows from operational activities, which mainly includes staff costs, office rentals and other office administrative costs.

In accordance with prudent liquidity risk management, the Board of Directors aim to maintain sufficient cash and an adequate amount of committed non-interest bearing credit facilities. Additional funding may also be arranged through float of new ordinary shares in the ISDX Growth Market as and when required.

The table below analyses the Group's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 December 2014	**Total USD**	**Less than 1 year USD**	**Between 1 and 2 years USD**	**Between 2 and 5 years USD**	**Over 5 years USD**
Trade and other payables	**1,388,717**	**1,388,717**	**-**	**-**	**-**
	=======	=======	===	===	===
At 31 December 2013					
Trade and other payables	1,685,969	1,685,969	-	-	-
	=======	=======	===	===	====

3 Financial risk management (continued)

3.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to maximise returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce its debt.

As at 31 December 2014, the Group is un-geared as it has no short-term or long-term debt.

4. Critical accounting estimates and judgements

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(a) Valuation of investment properties

The Group follows the fair value model under IAS 40 where investment property owned for the purpose of generating rental income or capital appreciation, or both, is fair valued based on valuation carried out by an independent registered valuer, who carried out the valuation in accordance with the International Valuation Standards issued by the International Valuation Standards Committee.

These valuations are based upon assumptions including future rental income, anticipated maintenance costs, future development costs and an appropriate discount rate. The valuers also make reference to the market evidence of transaction prices for similar properties.

The Group's management has reviewed the assumption and methodology used by the associate's independent registered valuer, In the Group management's opinion, these assumptions and methodologies seem reasonable as at the reporting date considering the current economic and real estate outlook in the Kingdom of Saudi Arabia (KSA).

(b) Estimated useful life of property and equipment

The Group's management determines the estimated useful lives and related depreciation charge for its property and equipment on an annual basis. The Group's management has carried out a review of the useful lives of property and equipment as at 31 December 2014 and the management has not highlighted any requirement for an adjustment to the remaining useful lives of the assets for the current or future periods. However, this will be reviewed again next year.

(c) Impairment losses on trade and other receivables

The Group's management reviews its trade and other receivables to assess impairment at least on an annual basis. The Group's credit risk is primarily attributable to its trade and other receivables. In determining whether impairment losses should be recognized in the consolidated profit or loss, the Group's management makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows. Accordingly, an allowance for impairment is made where there is a potential loss event or condition which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

5. Revenue

The Group provides business advisory and consultancy services to the related parties. The areas of operation are principally property and business advisory and related consultancy services (refer note 20).

The Group's revenue is derived in KSA.

	2014 USD	2013 USD
Revenue – geographical segment		
KSA	**2,000,000**	2,289,918
	------------	------------
	2,000,000	2,289,918
	=======	=======

6. Employee costs

	2014 USD	2013 USD
Executive Directors' salary (refer note 20)	**705,000**	633,750
Employee salaries	**265,334**	263,501
Reversal of share based payment expense (i)	**-**	(683,675)
Others	**31,704**	109,282
	------------	----------
	1,002,038	322,858
	=======	======

(i) In 2012, the Group made a provision of USD 683,675 in respect of a bonus share arrangement whereby 3,950,000 bonus shares would have been issued to two Directors as part of their remuneration in connection with the successful admission of the Company to another market. The Company had reversed the provision in 2013 as the conditions for bonus share arrangement were not met (also refer note 20).

7. Other operating expenses

	2014 USD	2013 USD
Office rent and other costs	**46,176**	85,075
Travelling expenses	**20,187**	77,717
Insurance	**17,783**	15,604
Telephone, fax and courier charges	**17,158**	20,161
Business development expenses	**11,435**	78,067
Bank charges	**4,027**	5,638
Others	**21,708**	7,622
	----------	----------
	138,474	289,884
	======	======

8. Legal and professional expenses

	2014	2013
	USD	USD
Legal and professional expenses	**356,180**	1,565,811
	----------	------------
	356,180	1,565,811
	======	=======

Legal and professional expenses mainly relates to costs incurred in relation to the proposed listing of the Company on an alternate market platform, and auditor's fees relating to audit and other assurance services.

9. Finance expense

	2014	2013
	USD	USD
Foreign exchange loss	**1,342**	47,140
	-------	--------
	1,342	47,140
	====	=====

10. Earnings per share

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the year.

	2014	2013
Profit attributable to equity holders of the parent (USD)	**8,110,449**	25,410,555
	=======	========
Weighted average number of ordinary shares in issue (No.)	**1,268,049,125**	1,267,623,920
	==========	==========

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding by the estimated conversion of all potentially dilutive instruments. The Company has two categories of potentially dilutive instruments: share warrants and share options. For the share warrants and share options, a calculation is performed to determine the estimated number of shares that could have been acquired at a pre-determined price.

10 Earnings per share (continued)

(b) Diluted (continued)

The number of shares calculated as above, is compared with the number of shares that would have been issued assuming the exercise of the share warrants and share options.

	2014	2013
Profit attributable to equity holders of the parent (USD)	**8,110,449**	25,410,555
Weighted average number of ordinary shares in issue (No.)	**1,268,049,125**	1,267,623,920
Adjustments for:		
Assumed conversion of share warrants (refer note (i) below)	**-**	-
Weighted average number of ordinary shares for diluted earnings per share	**1,268,049,125**	1,267,623,920

(i) All share warrants outstanding at the reporting date are excluded from the diluted weighted average number of ordinary shares calculation because their effect would have been anti-dilutive.

11. Property and equipment

	Office equipment USD	**Furniture & fixtures USD**	**Total USD**
At 1 January 2013			
Opening net book value	16,808	13,789	30,597
Additions	1,690	-	1,690
Depreciation charge	(4,725)	(2,921)	(7,646)
Closing net book value	13,773	10,868	24,641
At 31 December 2013			
Cost	19,632	14,606	34,238
Accumulated depreciation	(5,859)	(3,738)	(9,597)
Net book value	13,773	10,868	24,641
At 1 January 2014			
Opening net book value	13,773	10,868	24,641
Depreciation charge	(4,908)	(2,921)	(7,829)
Closing net book value	**8,865**	**7,947**	**16,812**
At 31 December 2014			
Cost	19,632	14,606	34,238
Accumulated depreciation	(10,767)	(6,659)	(17,426)
Net book value	**8,865**	**7,947**	**16,812**

12. Investment in an associate

The Group's investment in an associate accounted on the equity basis is summarised as follows:

	2014	2013
	USD	USD
Balance at 1 January	**472,788,345**	440,355,469
Share of profit from an associate	**7,616,312**	25,353,976
Share of fair value change of associate's available for sale investment (refer note 17)	**6,387,181**	7,078,900
	---------------	---------------
Balance at 31 December	**486,791,838**	472,788,345
	=========	=========

Name	**Country of incorporation**	**Proportion of voting rights held at 31 December**	
		2014	2013
Makkah & Madinah Commercial Investment Company (MMCI)	Saudi Arabia	34.121 %	34.121 %

On 2 May 2012, the Group entered into a contract to dispose off the investment property "Eye of Ajman" land bank to Redman Real Estate LLC and Danat Investment Development LLC in exchange for the entire shareholding in Makkah & Madinah International Limited, a company incorporated in Ras Al Khaimah, UAE which holds 34.12 % of the ordinary shares in MMCI, valued at USD 400 million on the transaction date. This transaction resulted in an equity investment in the associate, MMCI.

Aggregated amounts relating to the consolidated financial statements of the associate at the reporting date are as follows:

	2014	2013
	USD	USD
Total assets	**2,228,279,519**	2,157,652,324
Total liabilities	**12,011,700**	19,678,471
Non-controlling interest	**787,555,922**	750,302,650
Revenue	**86,638,486**	47,500,797
Total comprehensive income for the year	**99,469,474**	158,370,113
	========	========

MMCI's assets mainly comprise of real estate asset portfolio in KSA.

Revenue - MMCI

MMCI's consolidated revenue mainly includes the rental income from the lease of the building at Laith 1 located in the city of Makkah, KSA and revenue from the sale of machinery and spare parts amounting to USD 46,205,341 and USD 31,959,571 respectively.

12. Investment in an associate (continued)

Consolidated profit and consolidated comprehensive income for the year - MMCI

MMCI's consolidated profit and consolidated comprehensive income for the year comprise of the following:

	2014	2013
	USD '000	USD '000
Revenue net off direct costs	**66,099**	46,662
Share of profit from associates	**430**	474
Loss on disposal of investments and properties (refer note (i) below)	**(64,878)**	(129)
Gain on disposal of investment (refer note (ii) below)	**5,593**	-
Fair value change in investment properties	**79,272**	77,799
Negative goodwill on acquisition of subsidiary	**-**	20,799
Operating expenses	**(2,901)**	(1,956)
Zakat	**(2,865)**	(6,025)
Profit for the year	**80,750**	137,624
Share of fair value change in available for sale investment	**18,719**	20,746
Comprehensive income for the year	**99,469**	158,370

(i) Represents loss on disposal of MMCI's subsidiary during the current year.
(ii) Represents gain on disposal of MMCI's associate during the current year.

13. Trade receivables

	2014	2013
	USD	USD
Past due but not impaired	**521,284**	224,523
Gross	**521,284**	224,523
Less: allowance for impairment	**-**	-
Net (refer note 20)	**521,284**	224,523

At 31 December 2014, trade receivables represents receivable from 1 customer *(2013: 1 customer)* based in the Middle East.

The ageing analysis of these trade receivables is as follows:

	2014	2013
	USD	USD
0 - 6 months	**521,284**	224,523
	521,284	224,523

13. Trade receivables (continued)

The carrying amounts of the Group's trade receivables are denominated in the following currency:

Currency	**2014 USD**	2013 USD
UAE Dirham	**521,284**	224,523
	----------	----------
	521,284	224,523
	======	======

The maximum exposure to credit risk at the reporting date is the fair value of receivables mentioned above plus the related party receivable (refer note 14) and cash and cash equivalents (refer note 15). The fair value approximates to carrying value due to the short term nature of the receivables. The Group does not hold any collateral as security.

14. Prepayments, advances and other receivables

	2014 USD	2013 USD
Receivable from a related party (refer note 20)	**687,624**	698,452
Prepayments and other receivables	**80,217**	72,122
	----------	----------
	767,841	770,574
	======	======

15. Cash and cash equivalents

	2014 USD	2013 USD
Cash in hand	**35**	775
Cash at banks	**268,910**	339,359
	----------	----------
	268,945	340,134
	======	======

16. Share capital and share premium

(i) The authorised share capital of the Company comprises of:

	No of shares	**2014 GBP**	**2014 USD**
Class A shares of £0.005 each	**1,700,000,000**	**8,500,000**	**13,711,172**
Class B shares of £0.005 each	**300,000,000**	**1,500,000**	**2,419,618**
	-----------------	-------------	--------------
Total	**2,000,000,000**	**10,000,000**	**16,130,790**
	==========	========	========

	No of shares	2013 GBP	2013 USD
Class A shares of £0.005 each	1,700,000,000	8,500,000	13,711,172
Class B shares of £0.005 each	300,000,000	1,500,000	2,419,618
	-----------------	-------------	------------
Total	2,000,000,000	10,000,000	16,130,790
	==========	========	========

16. Share capital and share premium (continued)

The authorised share capital of the Company is as specified in the Memorandum and Articles of Association of the Company and the shares of the Company can be issued either as class A Shares or class B Shares and have the rights and privileges and are subject to the conditions contained in the Memorandum and Articles of Association.

In particular, the class A Shares and class B Shares constitute different classes of shares and carry separate voting rights and rights to appoint and remove Directors as provided below but, except as provided, confer upon the holders the same rights and rank pari passu in all other respects.

As regards voting, each class A Shareholder shall have, by virtue of their holding of class A Shares, the right to receive notice of, and to attend and speak (either in person, or by attorney or proxy or, in the case of a corporation by representative) at all general meetings of the Company and shall have, upon a show of hands one vote and, upon a poll one vote for every class A Share held.

The class B Shares have not been allotted as of the reporting date. No voting rights attach to the class B Shares, such that the Class A Shareholder voting rights, powers, management and control of the Company are not diluted. The holders of class B Shares are not entitled to designate or appoint Directors, receive notice, agendas or minutes of any Board Meeting of the Directors, nor attend nor vote at any such meeting.

Movement in share capital during the year

The share capital of the Company has been allotted and issued for the following classes of shares:

	Number of shares	**Ordinary shares USD**	**Share premium USD**	**Total USD**
At 1 January 2013	1,267,249,125	10,220,614	395,001,706	405,222,320
Shares issued in lieu of professional fees (refer note (i) below)	800,000	6,041	144,979	151,020
At 31 December 2013	1,268,049,125	10,226,655	395,146,685	405,373,340
At 1 January 2014	1,268,049,125	10,226,655	395,146, 685	405,373,340
At 31 December 2014	**1,268,049,125**	**10,226,655**	**395,146,685**	**405,373,340**

(i) In 2013, pursuant to a settlement agreement between the Company and McClure Naismith, the Company had issued Class A 800,000 ordinary shares to McClure Naismith at the price of GBP 0.125 pence per share. The shares were issued to settle the outstanding professional fee of GBP 100,000 (approx. USD 151,020).

16. Share capital and share premium (continued)

(ii) Share options

The Company has granted share options to the following:

	2014 Weighted average exercise price	2014 Number	2013 Weighted average exercise price	2013 Number
Outstanding at the beginning of the year	-	-	£0.060	2,549,467
Lapsed during the year	-	-	(£0.060)	(2,549,467)
Outstanding at the end of the year	-	-	-	-

On 22 September 2008, two Directors were each granted 32,577 options to purchase Class A ordinary shares over five years with an exercise price of £0.06 per share. None of the options granted were exercised during the period of 5 years and were lapsed in 2013.

The Company granted 2,419,159 options to Newhaven Holdings International by way of an agreement dated 22 September 2008 to purchase Class A ordinary shares over 5 years with an exercise price of £0.06 per share. None of the options granted were exercised during the period of 5 years and were lapsed in 2013.

(iii) Share warrants

The Company has issued warrant instruments to the following:

	2014 Number of share warrants	2013 Number of share warrants	Exercise price GBP
McClure Naismith LLP*	**18,022,798**	21,445,990	Not less than £0.090
City & Westminster Corporate Finance LLP*	**16,595,960**	17,115,960	Not less than £0.090
Douglas Wright*	**3,423,192**	-	Not less than £0.090
Nicola Baldwin*	**520,000**	-	Not less than £0.090
Abdulla Saeed Abdulla Mohamed Brook Al Hamiri	**112,223,761**	112,223,761	£0.200
Noor Aldeen S. A Atatreh	**112,223,761**	112,223,761	£0.200
Anas S. A Atatreh	**49,169,453**	49,169,453	£0.200
Mohammed S. A Atatreh	**49,169,453**	49,169,453	£0.200
	361,348,378	361,348,378	

*During the current year, McClure Naismith LLP and City & Westminster Corporate Finance LLP transferred 3,423,192 and 520,000 share warrants to Douglas Wright and Nicola Baldwin respectively.

No share warrants were exercised by the share warrant holders and no new share warrants were issued by the Company during the year ended 31 December 2014.

16. Share capital and share premium (continued)

(iii) Share warrants (continued)

As the exercise price of the share warrants is quoted in a currency different from the functional currency of the Group, the fair value of the warrants should be recognized as a liability which should be revalued at each reporting date. The fair value of the share warrants is considered to be not significant to the consolidated financial statements at the end of the current and previous reporting dates and accordingly, the consolidated financial statements do not include any liability in respect of these share warrants.

17. Available for sale fair valuation reserve

This represents MMCI's investment in the equity of an entity, which has been classified as available for sale. Change in fair value of this investment is booked in other comprehensive income (also refer note 12).

18. Provision for employees' end of service benefits

	2014	2013
	USD	USD
At 1 January	**100,448**	49,003
Charge during the year	**20,749**	53,145
Payments during the year	**(2,624)**	(1,700)
	-----------	----------
At 31 December	**118,573**	100,448
	======	======

The provision for employees' end of services benefits is based on the liability that would arise if the employment of all staff were terminated at the reporting date and is calculated in accordance with the provisions of UAE Federal Labour Law and the relevant local laws applicable to overseas subsidiaries. Management considers these as long-term obligations and accordingly they are classified as long-term liabilities.

19. Trade and other payables

	2014	2013
	USD	USD
Due to related parties (refer note 20)	**304,701**	272,480
Other payables	**1,084,016**	1,413,489
	------------	------------
	1,388,717	1,685,969
	=======	=======

20. Related party transactions and balances

The Group, in the normal course of business, carries out transactions with other enterprises, which fall within the definition of a related party contained in International Accounting Standard No. 24 "*Related Party Disclosures*". Pricing policies and terms of these transactions are approved by the Group's management and are at mutually agreed rates.

20. Related party transactions and balances (continued)

The balances as at 31 December 2014 and transactions with other related parties during the year were as follows:

(a) Key management personnel compensation

	2014 USD	2013 USD
Salaries and other short-term benefits (refer note 6)	**705,000**	633,750
Share based payment (refer note 6(i))	**-**	(683,675)
	=====	======

(b) Included in the consolidated statement of financial position are the following balances with related parties:

	2014 USD	2013 USD
Prepayments, advances and other receivables		
Bonyan International Investment Group (Holding) LLC (common shareholders of the Company) (refer note 14)	**687,624**	698,452
	======	======

	2014 USD	2013 USD
Trade and other payables (refer note 19)		
Tabarak Commercial Investment LLC (common shareholders of the Company)	**272,480**	272,480
Mr Khaled Majdalani (Non-executive Director)	**2,000**	-
Mr Khaled Al Husseini (Non-executive Director)	**30,221**	-
	---------	---------
	304,701	272,480
	======	=====

(c) Transaction with MMCI

	2014 USD	2013 USD
Revenue		
Real estate advisory and consultancy fee (refer note 5)	**-**	1,089,918
	====	=======

(d) Transaction with Al Salam Commercial Investments Limited (related party with common shareholders of MMCI)

	2014 USD	2013 USD
Revenue		
Consultancy and advisory services (refer note 5)	**2,000,000**	1,200,000
	=======	=======
Trade receivables (refer note 13)	**521,284**	224,523
	======	======

21. Contingent liabilities and commitments

(a) Contingent liabilities

There are no contingent liabilities as at the reporting date *(2013: USD nil)*.

(b) Capital commitments

There are no capital commitments as at the reporting date *(2013: USD nil)*.

(c) Operating lease commitments

Future minimum lease payments under non-cancellable operating leases are as follows:

As lessee:

	2014 **USD**	2013 USD
Not later than one year	**39,509**	39,509
	=====	=====

22. Comparative figures

The comparative information for the previous year has been reclassified, where necessary, in order to conform to the current year's presentation. Such reclassifications do not affect the previously reported profit, net assets or equity of the Group.

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