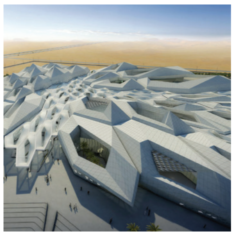

Annual Report
FY2015

Depa Limited

Starting operations in 1996, Depa specialises in the full-scope turnkey fit-out and furnishing of five star hotels and resorts, high-end retail stores and malls, luxurious offices, large-scale social infrastructure projects such as museums, airports and metro stations, apartments, villas and palaces, private jets and yachts around the world.

Depa's superior portfolio of projects, successfully completed in more than 35 countries, illustrates its ability to combine aesthetic and operational requirements to create the harmonious and complete results our clients expect.

Depa proudly sets the highest standard of excellence for quality interior implementation.

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Business Highlights

KAPSARC

The King Abdullah Petroleum Studies and Research Center was born based on a vision by the late ruler of KSA: "I call for objective, independent research into the world's greatest energy challenges." Depa has proudly contributed to KAPSARC, the manifestation of this vision, which was inaugurated by King Salman bin Abdulaziz Al Saud in January 2016.

PRESIDENTIAL PALACE

Depa was tasked to select the finest materials and work with the best craftsmen to fit-out the interiors in parts of the Presidential Palace at Ras Al Akhdar in Abu Dhabi.

SHEIKH KHALIFA BIN ZAYED AL NAHYAN HOSPITAL

In March 2015, His Majesty King Mohammed VI of Morocco and His Highness Sheikh Mohamed bin Zayed Al Nahyan inaugurated the Sheikh Khalifa bin Zayed Al Nahyan Hospital in Casablanca. Depa and its JV partner CCC had been commissioned by the Khalifa bin Zayed Foundation to handle the turnkey scope of the specialised medical centre.

MASTERING CHALLENGES

Despite slightly lower year-on-year earnings in FY2015, the core business divisions of Design Studio Group continue to demonstrate strength in light of the slower business environment in Asia. Signing contracts in the US and Japan demonstrates the company's ability to actively mitigate market risks.

SAILING AHEAD

In FY2015 Vedder signed eight new contracts worth AED 382 million, leading to one of its strongest ever backlogs, worth AED 435 million. The company's outlook remains positive as the mega yacht industry is booming.

Chairman's Statement

Mohamed Ali Al Fahim
Chairman

Welcome to the 2015 Annual Review of Depa Limited ("Depa" or "the Company" or "the Group"). Last year was a period of resilience and change as Depa weathered a testing time for the interior fit-out sector.

Echoing conditions across the wider industry, Depa's Revenue and Profit were lower in FY2015 on a year-on-year basis. The latter was primarily due to non-cash adjustments such as goodwill impairment charges and the need to take provisions on certain projects, as well as expenses relating to the ongoing streamlining of our operations.

In response to challenging market conditions, we took a number of strategic decisions in 2015 to return Depa to the path of long-term profitability and retain our position as one of the world's premier interior fit-out specialists. This included a focus on driving efficiencies without sacrificing the premium quality of our products and services. The core of this approach was to reduce General and Administrative expense (G&A) and leverage synergies by consolidating our operations in the Middle East and North Africa (MENA) region under the single Depa Interiors brand.

While 2015 was a testing time for the Company, Depa's global diversification helped to mitigate challenges in our core Middle East markets. In Singapore, Design Studio Group, the country's premier furniture manufacturer and interior fit-out specialist, announced a net profit and declared a special dividend, while German subsidiary Vedder also performed well, finishing 2015 at full capacity and with a record backlog.

In the Middle East, Depa's involvement in a number of iconic projects continued to enhance our reputation for delivering fit-outs of the highest-quality. Depa's considerable involvement in Abu Dhabi's new Presidential Palace, KAPSARC in Riyadh and Sheikh Khalifa bin Zayed Al Nahyan Hospital in Casablanca, demonstrated our ability to realise complex and prestigious projects to an exceptional standard.

In a year of transition, Depa said farewell to Nadim Akhras who resigned from his position as Group CEO for personal reasons. Following an extensive international search, Hamish Tyrwhitt was appointed his successor in April 2016. Formerly CEO of Australian Securities Exchange-listed Leighton Group, Hamish is a proven CEO with direct experience of successfully managing companies of the size, breadth and diversity of Depa. His international outlook, strategic thinking and decisive leadership style will all be significant assets to Depa over the coming years.

As we reflect on a challenging year for the entire industry, with the macroeconomic outlook far from clear, Depa is realistic about the opportunities for growth in 2016. However, our healthy Backlog and strong business model allows us to enter 2016 with quiet confidence and cautious optimism, and we will continue to take the necessary steps to return Depa to a path of sustainable long-term growth and profitability.

I would like to thank our clients, partners and shareholders for placing their trust in Depa. The team looks forward to strengthening and deepening these relationships over the coming year.

Key Figures

Revenue
(AED)
1,641 million

FY2014: 1,940 million

Net Profit / [Loss] After NCI
(AED)
[266 million]

FY2014: 44 million

Total Assets
(AED)
2,490 million

FY2014: 2,981 million

Working Capital
(AED)
487 million

FY2014: 674 million

Total Equity
(AED)
1,173 million

FY2014: 1,490 million

Backlog
(AED)
2,103 million

FY2014: 2,083 million

Major Completed Projects*
71

FY2014: 67

*Only projects of a contract value above AED 1 million are listed.

Financial Highlights

FY2015 was a tough year for Depa as the market slowdown significantly impacted the Company and resulted in a sharp decline in Revenue and Profitability. Group Revenue decreased to AED 1,641 million as compared to AED 1,940 million in the previous year. Decrease in Revenue was seen in all major geographies especially in Asia, KSA and UAE as the execution of many projects got delayed, which also resulted in extra costs and reduced margins. Furthermore, the impact of goodwill / other impairments and provisions on old debts resulted in a Net Loss after NCI of AED 266 million for the year (FY2014: Net Profit after NCI of AED 44 million).

Despite posting significant losses, the cash position of the Company remained strong with Net Cash of AED 125 million at the year end (FY2014: Net Cash of AED 138 million) as a major portion of the loss was from non-cash items like provisions and impairment. Moreover, the Company signed some quality projects in these difficult times and managed to maintain a healthy backlog of AED 2,103 million as at 31 December 2015 compared to AED 2,083 million at the end of the previous reporting period.

The three best performing business units during FY2015 were:

Design Studio Group

- Backlog amounted to AED 506 million as at 31 December 2015
- Revenue generation of AED 435 million
- Gross profit margin of 21% and net profit margin of 10%

Vedder

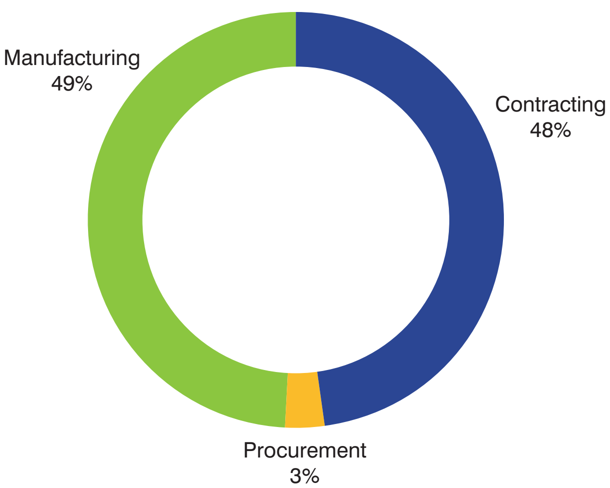
- Backlog amounted to AED 435 million as at 31 December 2015
- Revenue generation of AED 299 million
- Gross profit margin of 9% and net profit margin of 6%

Deco Emirates

- Backlog amounted to AED 41 million as at 31 December 2015
- Revenue generation of AED 124 million
- Gross profit margin of 17% and net profit margin of 10%

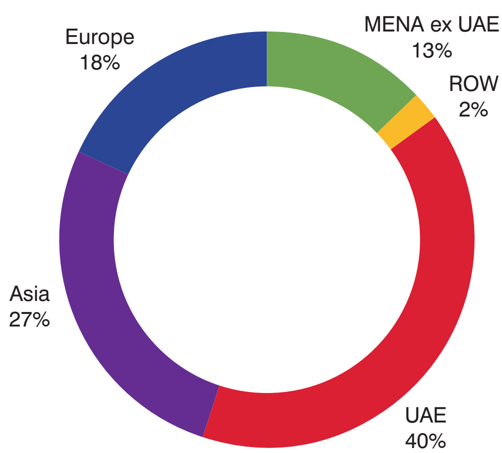
Revenue by Activity

[FY2015]



Revenue by Geography

[FY2015]



Financial Highlights

Revenue

A major decrease was seen in revenue from KSA and UAE as both markets were significantly impacted by the slowdown of the economy in the region due to lower oil prices and other macroeconomic factors that resulted in fewer project completions. Many projects signed during the year did not start on time and as a result had a negative impact on revenue.

Decline in revenue was also seen in Asia where the results of Design Studio Group were lower than last year as the residential property market remained subdued due to the property cooling measures in Singapore and Malaysia. Despite the fact that the overall business environment remained difficult, Design Studio Group maintained a steadfast commitment towards growth, and focused on the execution of its business strategy.

It was a stable year for Vedder, the Company's wholly owned subsidiary in Germany, where the Group was able to witness strong revenue and profitability while the order book is robust for the coming year.

Gross Margins

Due to a general slowdown in the MENA economies, most clients are facing liquidity challenges and, as a consequence, are intentionally delaying approvals of variation orders (VOs) and claims and taking much longer to settle the final accounts. Under the IFRS, revenue on VOs and claims can only be recognised if we can demonstrate that we are at an advanced stage of negotiation with clients, which is quite onerous to prove. As a result, revenue pertaining to these VOs/claims are not booked, however costs are, which has a direct impact on margins. Looking at this trend, Depa has taken a very prudent approach and has reversed a substantial amount of revenue relating to unapproved VOs and claims that has resulted in a decrease in revenue and has significantly impacted margins during the year. Consequently, gross margins in FY2015 decreased to 7% compared to 13% last year.

General and Administration Expenses

G&A expenses, excluding any provisions, in FY2015 amounted to AED 211 million (FY2014: AED 194 million). The expenses were higher than the previous year mainly on account of foreign exchange losses arising on translation of intercompany receivables from Depa Azerbaijan and Depa Egypt due to the devaluation of their currencies. Moreover, significant provisions were recorded in Depa Morocco against recoverability of VAT and other taxes as the Company has decided to cease operations in this market.

Costs of streamlining the Middle East operations under Depa Interiors brand are also part of the current year's G&A expenses, however the benefits of this restructuring are expected to be realised in coming years.

Provision for Doubtful Debts

Given the recent strain on MENA economies as a result of low oil prices and regional conflicts, the Company has taken a very prudent approach on collectability of long outstanding receivables. As a result, a total provision against doubtful debts of AED 79 million was recorded in FY2015 compared to AED 13 million in FY2014.

Amortisation and Impairment of Intangible Assets

Similar to FY2014, amortisation of AED 18 million was recorded on intangible assets in FY2015. However, with many intangible assets getting fully amortised in the current year, this amount is expected to decrease significantly in the coming years. In addition to amortisation, intangible assets of AED 1 million were also impaired during the year as no economic benefits were being derived from them.

Impairment of Goodwill

Given the severe downside risk on the regional macroeconomic outlook resulting in decreased public and private sector spending in the near-term, Depa has aligned its revenue projections accordingly. This resulted in AED 86 million impairment of goodwill in FY2015 [FY2014: AED 5 million].

Impairment of Investments / Other Assets

Impairment loss of AED 29 million was recorded against Investments and Other Assets during the year based on the review of future economic benefits expected from these investments/ assets. This includes impairment loss of AED 15 million on investments in associates [FY2014: AED 3 million]. In addition, impairment of AED 14 million was recorded on other assets during the year.

Other Income

In FY2015 the Group recorded other income amounting to AED 51 million (FY2014: AED 43 million). This primarily relates to reversal of provisions, profit on sale of assets, income from Sukuks and a refund linked to Saudisation subsidies.

Financial Highlights

Finance Income / Cost

Finance income in FY2015 was AED 2 million compared to AED 3 million in FY 2014.

Finance cost amounted to AED 5 million in FY2015 compared to AED 9 million in FY2014. Finance cost continued to remain on a reducing trend, due to timely repayment of high interest bearing loans drawn in previous years, which led to a reduction in overall borrowing levels and better price negotiations with banks on new facilities.

It should be noted that in addition to the above, finance cost amounting to AED 11 million was allocated to direct cost in FY2015 compared to AED 13 million in 2014.

Taxation

Tax charge in FY2015 was AED 13 million (FY2014: AED 14 million).

Net Profit / Loss after Non-Controlling Interest

The Group ended the year with Net Loss after NCI of AED 266 million compared to Net Profit after NCI of AED 44 million last year. As explained above, this is the result of lower margins on projects, provisions recorded against old and doubtful debts and impairment loss booked against goodwill, investments and other assets.

Balance Sheet

Total Assets as at 31 December 2015 amounted to AED 2,490 million (FY2014: AED 2,981 million).

Total Liabilities decreased to AED 1,317 million from AED 1,492 million as at 31 December 2014.

Total Equity as at 31 December 2015 was AED 1,173 million (FY2014: AED 1,490 million).

Cash Position

Cash at bank as at 31 December 2015 stood at AED 383 million compared to AED 441 million at the end of FY2014. During the year, the Company was able to generate cash from operations of AED 43 million while reducing its bank borrowings significantly by AED 45 million, which resulted in net cash position of AED 125 million compared to AED 138 million in FY2014. The Company continued its focus on improved liquidity management, agreeing favourable payment terms with clients and aggressive collection of receivables.

Working Capital

Depa's working capital decreased from AED 674 million as at 31 December 2014 to AED 487 million as at 31 December 2015. The current ratio is 1.41 compared to 1.51 last year while the Company's debt to equity ratio increased slightly to 22% compared to 20% last year due to reduction in equity based on current year loss.

Accounts receivable days increased slightly to 197 days in FY2015 (99 days excluding unbilled revenue) compared to 189 days (98 days excluding unbilled revenue) in FY2014.

Cash Flow and Bank Facilities

Cash generated from operating activities was AED 43 million in FY2015 (FY2014: AED 147 million). Cash used in investing activities amounted to AED 28 million in FY2015 (FY2014: AED 17 million). Cash used towards financing activities was AED 32 million in FY2015 compared to AED 94 million used in FY2014. This includes proceeds from a long-term loan of AED 50 million obtained during the year to maintain cash buffers at Group level. Total borrowings as at 31 December 2015 were AED 258 million (31 December 2014: AED 303 million).

The total combined bank facility lines remain above AED 2 billion in FY2015, which reflects the confidence banks have in the Company. However, due to the breach of few covenants in previous years, the Group's banking limits remained under watch especially by international banks, but overall no significant change has been made.

Capital Expenditure

The Company's capital expenditure in FY2015 amounted to AED 9 million (FY2014: AED 21 million).

Year in Review

Business Development

Reinstating Depa's claim "Global Interior Solutions", the Company is preparing itself to offer Depa quality on a global scale. However, South Asia, Africa and the CIS remain focal areas of the Company's business development efforts, while Dubai, Qatar and Oman still harbour interesting opportunities despite the economic slowdown in the GCC region.

Operations

Towards the end of FY2015, the consolidation of Dubai as a regional hub was accelerated further. Going forward, most Middle East-based contracting units will operate under the roof or report into Depa Interiors. This streamlining of the operations allows Depa to become more agile while orchestrating its work across the different trades better. At the same time, synergies and shared costs will allow the Company to reduce the G&A in the mid-term without compromising on quality and integrity.

Backlog and Regional Presence

As previously mentioned, Depa has managed to keep its year-on-year Backlog stable just above the AED 2 billion mark, despite the economic headwinds and a subdued sentiment in the construction sector across different regions.

Geographical Distribution

Due to the many projects recently signed in Dubai, the UAE has further increased its presence in the Backlog, up from 27% in FY2014 to 38% in FY2015. Given the current market situation in Asia, Design Studio's contribution has decreased from 32% down to 27% in the recent reporting period, while Vedder was able to give the European business a boost: up to 20% in FY2015 from 17% in the previous year.

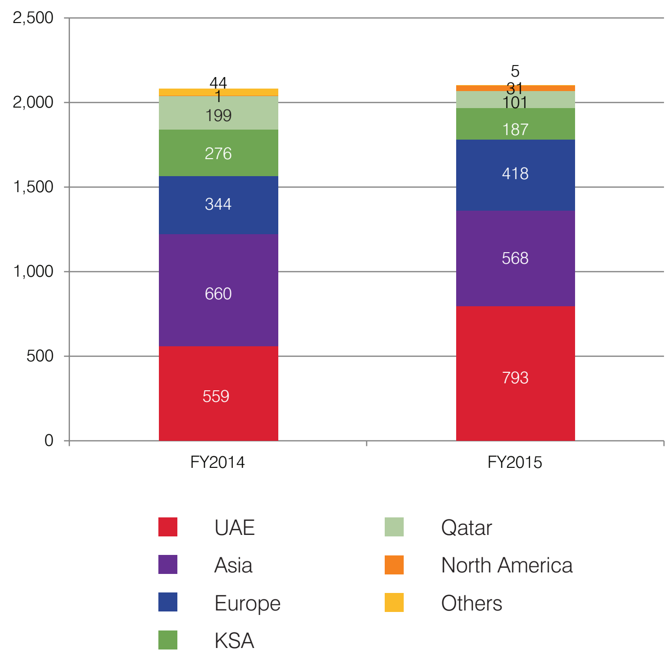
Saudi Arabia and Qatar are both down, though the Company expects new contracts to be awarded in Doha in the near future. Following the award of two new projects in NYC and the Bahamas, North America re-appears in the geographic backlog split.

Sector Distribution

In the sector distribution, hospitality (61% in FY2015) increases its leap over yacht (21%), residential (11%) and corporate spaces (5%). Mirroring the decrease in government expenditure, social infrastructure now ranks a distant fifth with a minimal contribution of only 2% versus 8% in FY2014 as projects such as KAPSARC and the new Presidential Palace have been handed over and are in their final stages of project conclusion.

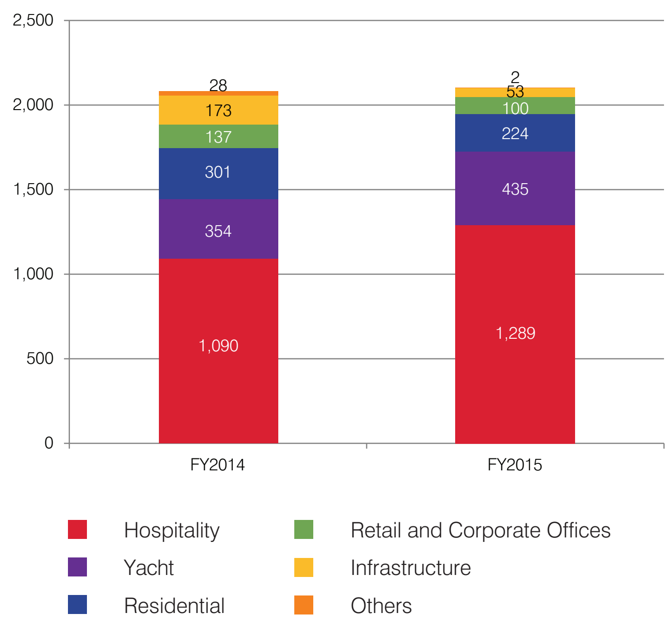
Backlog: Geographical Segmentation

(AED million)



Backlog: Sector Segmentation

(AED million)



Regional Hubs

Depa's strategy of risk mitigation via its geographically diversified portfolio supported the Group's performance. While the economic conditions in the Middle East remain volatile, Asia and Europe help bolster the consolidated operational results.

Middle East

In FY2015, the Middle Eastern contracting units completed contracts of approximately AED 1.2 billion, including KAPSARC in Riyadh; the new Presidential Palace in Abu Dhabi; as well as the InterContinental Hotel in Luanda, Angola; the Hyatt Regency Dubai Creek Heights and renovation projects such as the NBAD branch domestic conversion and the Novotel DWTC.

At the same time, Depa Interiors successfully signed contracts worth almost AED 610 million for projects such as the W Hotel and Alef Residences on the Palm Jumeirah in Dubai; the renovation of the historic InterContinental Hotel in Dhaka, Bangladesh; the new InterContinental in Fujeirah, UAE; Jumeirah Al Naseem, which is an upcoming property in the Madinat Jumeirah, and the public areas of the opera house in Downtown Dubai.

Major projects by Depa Industrial Group completed in FY2015 include the provision of FF&E for the Fairmont Ajman, UAE as well as the full joinery works for the Sheraton Grand Hotel in Dubai. Depa Albarakah's key contracts in the reporting period were signed with IMG for the new theme park.

Joinery company Eldiar expanded its client base further in Abu Dhabi, signing different contract for the Marina City and for the Dhafir Development. Carrara supplied marble – amongst others – for the Al Hilal bank tower in Abu Dhabi and was commissioned for new residential, commercial and hospitality projects, worth a total of AED 40 million.

Deco Emirates had a great year in both the office and the retail space, finalising projects for principals such as MetLife, Allen & Overy, Shell and Richemont as well as long-term clients like Dior, Louis Vuitton and Chanel. The company's management is particularly proud of completing a D&G store in Johannesburg, South Africa. One of the most important projects signed in FY2015 is City Walk Kids District in Dubai, which has been recently opened.

Asia

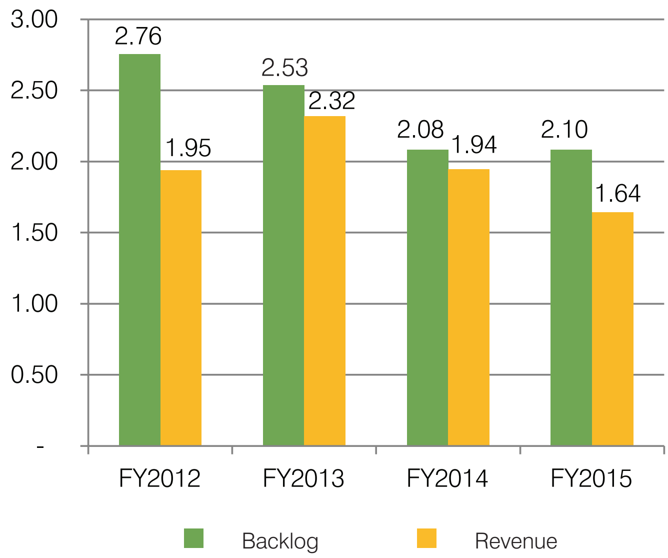
In Asia, Design Studio Group completed different projects across its key residential and hospitality sectors, as well as social infrastructure and cruise liner projects. The business development efforts by the group were hampered by the economic slowdown in Asia, still, it was able to sign 16 new projects worth a total of AED 328 million, including the supply of joinery works for 626 First Avenue in New York City and an AIDA cruise ship.

Europe

A booming mega-yacht industry and long-standing relationship with Lürssen, one of the most important European shipyards, has helped Vedder to become a household name in the specialised interior sector. In FY2015, the company was able to leverage its capacity and capabilities in both German factories to reach its highest backlog of all times while still outsourcing enough work to withstand any future demand fluctuations. Still, Vedder's management is confident that the industry's outlook is rosy as shipyards keep on increasing their capex. At the same time, the company is banking on synergies in the cruise ship business with sister company Design Studio. Finally, it's worth mentioning that the private jet market is expected to harbour new opportunities in FY2016 / FY2017, which would allow the company to diversify horizontally and support further growth.

Backlog vs Revenue

(AED billion)



Top Projects Backlog List

S.N	Project Name*	Country	Backlog [AED million]
1	DS projects above AED 10 million (17 projects)	Various	441
2	Private Yacht projects above AED 10 million (7 projects)	Germany	374
3	W Hotel & Alef Residences	UAE	312
4	King Saud University	Saudi Arabia	138
5	Fairmont Marina Hotel & Serviced Apartments	UAE	130
6	Emerald Palace Kempinski Hotel Palm Jumeirah	UAE	90
7	InterContinental Hotel Bangladesh	Bangladesh	74
8	InterContinental Hotel Fujairah	UAE	70
9	Golden Tower	Qatar	37
10	Private Yacht	Netherlands	35
11	Holiday Inn	Qatar	27
12	Jumeirah Al Naseem, Madinat Jumeirah	UAE	24
13	KAPSARC	Saudi Arabia	23
14	Twin Towers Pullman Hotel	Qatar	22
15	Dubai Opera	UAE	18
16	City Walk Kids District	UAE	17
17	Presidential Palace	UAE	17
18	Luxury Residential Apartment - Albany Resort	Bahamas	17
19	Jabal Omar Development	Saudi Arabia	14
20	Falcon Tower	Qatar	12
			1,892

*Only projects where over AED 10 million of work is remaining are listed.

Management and Employees

Depa's long-term success depends on retaining the Company's valuable staff through relevant career development actions, succession processes, collaboration, commitment and competitive reward structures. This will put Depa on the path of being an employer of choice in the market.

Around the world, about 6,000 employees contribute to the Company's success each day. Continuous improvement in the way Depa works and how it is structured will be an ongoing theme going forward. This will ensure that the Company stays a dynamic and flexible enterprise that can cater to the global market demands and requirements.

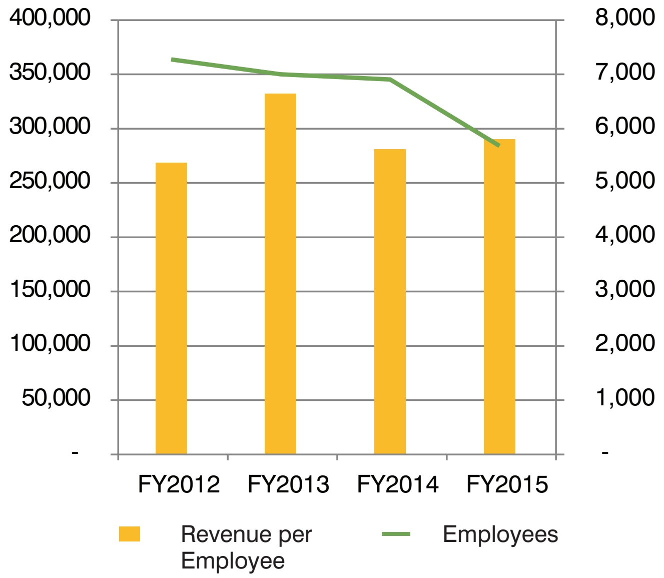
FY2015 was significant for Depa with the implementation of the talent management function. The main focus was on implementing a performance management system that measures the achievement of actual goals, competencies and KPI's each year. Furthermore, the HR department trained and developed 80% of the Company's staff in function specific skills as well as in management and leadership skills.

Depa has started with this process and will continue as part of the continuous development and improvement processes of the Company. Furthermore, Depa has also started to implement succession plans in relation to investing and developing key talents as part of the retention plan.

The HR function is an important support function in the company. Its contributions will stretch over the borders of administration to the management of the talent in the company and its members are the advisors to management and the advocates of the rest of the employees.

Management and Employees

(*Revenue / Employee in AED)



The Board

The basic responsibility of the Board is to exercise its reasonable business judgment on behalf of the shareholders by taking decisions, which include but are not limited to, approving the corporate strategy, performance objectives, budgets, major capital expenditure, capital management and acquisitions and divestments.

The Board meets at least every quarter and resolves matters on a simple majority basis. To effectively discharge its obligation, the Board has delegated a number of responsibilities to the Management which include, but are not limited to, translating the strategic plan into tangible results, managing the Company's resources effectively and efficiently to increase shareholder value. The Board may also delegate oversight of key areas of responsibility to various Board Committees who report to the Board with their analyses and recommendations.

On 15 June 2015, the Board of Directors accepted the resignations of El Sayed Zakaria and Mohamed Idriss. They were replaced by Ahmed Ramdan (Independent Non-Executive Director) and Mohannad Sweid (non-Executive Director) on 6 July 2015. Both Wassel Al Fakhoury and Iyad AbdulRahim departed from the Board on 25 August 2015 and were replaced by Saeed Al Mehairbi and Khalifa Al Romaithi, both Non-Executive Directors.

No performance evaluation of the Board was conducted during FY2015.

Composition of the Board of Directors

(as at 31 December 2015)

- Mohamed Ali Al Fahim
  Chairman and Non-Executive Director
- Roderick Maciver
  Vice Chairman and Independent Non-Executive Director
- Abdullah Al Mazrui
  Non-Executive Director
- Khalifa Al Romaithi
  Non-Executive Director
- Saeed Al Mehairbi
  Non-Executive Director
- Khaldoun Tabari
  Non-Executive Director
- Marwan Shehadeh
  Non-Executive Director
- Mohannad Sweid*
  Non-Executive Director
- Ahmed Ramdan
  Independent Non-Executive Director

*Has since resigned from office on 20 April 2016. Replaced by Hamish Tyrwhitt, Group CEO & Executive Director.

Board Members (as at 31 December 2015)

Mohamed Al Fahim
Chairman and
Non-Executive Director

Mohamed Ali Al Fahim joined the Board of Depa in 2013, and was appointed as Depa's Chairman in September 2014. Since 2008, Mr Al Fahim has been head of finance at the finance and accounts department of International Petroleum Investment Company ("IPIC"). Mr Al Fahim represents IPIC as a board member on a number of boards of investee companies, including: EDP General and Supervisory Board, Aabar, Arabtec Holding PJSC ("Arabtec"), Al Izz Islamic Bank and RHB Group. Mr Al Fahim commenced his professional career at Abu Dhabi National Oil Company (ADNOC), where he worked until 2008. During that time, Mr Al Fahim also served as a corporate finance consultant for KPMG Dubai and for HSBC at the project and export finance division - London.

Mr Al Fahim has a degree in finance from the University of Suffolk, Boston, USA.

Abdullah Al Mazrui
Non-Executive Director

Abdullah Al Mazrui, previously Chairman of the Board of Directors for Depa, stepped down in May 2013, becoming a Non-Executive Director. He is the chairman of a number of companies and institutions including Emirates Insurance Company, Mazrui Holdings LLC, International School of Choueifat, Aramex, Jashanmal National Company, National Catering Co., Modecor and The National Investor. Mr Al Mazrui also sits on the board of directors for the following organizations and institutions: Endeavor, Investcorp, Abu Dhabi Economic Council, Dun & Bradstreet and Emirates Specialties Company. He is a member of the advisory board of EDHEC Business School, France.

Mr Al Mazrui holds a degree from Chapman University of California, USA.

Roderick Maciver
Vice Chairman
and Independent
Non-Executive Director

Roderick Maciver was appointed to the Board of Depa in late 2013; on 8 September 2014 he was nominated Vice Chairman. Mr Maciver has over 36 years of experience in the construction industry in the Middle East, including periods as a managing director for Wimpey International and managing director operations for both Tarmac International and more recently Carillion International. Since retiring from full time employment in 2006, Mr Maciver has worked as an advisor to various companies, for the past six years, majorly to Consolidated Contractors Company (CCC). In addition, he represents Depa's interests at the board of Design Studio Group.

Mr Maciver is a member of the Chartered Institute of Building (MCIOB) and holds an HNC in building (structural engineering).

Khalifa Abdulla
Al Romaithi
Non-Executive Director

Khalifa Abdulla Al Romaithi joined Depa's Board of Directors as a Non-Executive Member on 23 August 2015. Mr Al Romaithi brings a breadth of experience in both the energy sector and diversified investments. A long-serving employee of the International Petroleum Investment Company (IPIC), he is currently director, downstream & diversified directorate at the Abu Dhabi-headquartered company.

Mr Al Romaithi represents IPIC's interests for a number of its holdings. He is a board and investment committee member of Qatar and Abu Dhabi Investment Company PQSC; director and investment committee member of Falah Growth Fund (GP) Limited; chairman of Gulf Energy Maritime PJSC; and an investment committee member of Aabar investments PJS. Outside of IPIC, Mr Al Romaithi is a board member and chairman of the audit committee of Abu Dhabi National Takaful Co. PSC and board member and chairman of the audit committee, board member of NRC & strategic committee of Arabtec Holding.

Mr Al Romaithi holds a Bachelor of Business Administration (Finance concentration) from the University of Portland.

Board Members

Saeed Mohamed Al Mehairbi
Non-Executive Director

On 23 August 2015, Saeed Mohamed Saeed Faraj Al Mehairbi was appointed Non-Executive Director of Depa. Mr Al Mehairbi's extensive career has been focused on the successful delivery of major projects, primarily in the oil and gas industry. A trained engineer and certified project management professional, he began his career with Abu Dhabi National Oil Company (ADNOC), where he was seconded to the projects department of the Abu Dhabi Company for Onshore Oil Operations (ADCO), before working in ADNOC's exploration & production directorate.

In 2007, Mr Al Mehairbi joined International Petroleum Investment Company (IPIC), where he currently serves in the key role of director, projects directorate. He is also board member of Emirates LNG, Duqm Refinery, Arabtec Holding, SUMED Egypt, IPIC Refinery Holding and Abu Dhabi Pakistan Holding.

Khaldoun Rashid Tabari
Non-Executive Director

Khaldoun Rashid Tabari joined the Board of Depa in 2013. He is the vice chairman and CEO of Drake & Scull International PJSC ("DSI") and has led the development of the company from a local MEP contractor to a regional leader offering integrated engineering disciplines across MENA, Europe and South Asia. Mr Tabari also serves as chairman of EFS Facilities Services, executive chairman of Vision Investments, as well as director of The Grooming Company, Oriental Petrochemicals Company SAE and Carbon Holdings Limited.

Mr Tabari graduated in business management from the University of Colorado, USA in 1972.

Marwan Shehadeh
Non-Executive Director

Marwan Shehadeh was reappointed as a Board Member during the Depa AGM held in May 2013. For more than a decade, Mr Shehadeh has been working with Al-Futtaim, covering various positions: He is the group director for corporate development of Al-Futtaim Group, the senior executive officer of Al-Futtaim Investment Management Ltd and since 2007 the managing director of Al-Futtaim Capital. He joined Al-Futtaim in 2003 as director of finance of Dubai Festival City LLC. Mr Shehadeh started his career at The Chase Manhattan Bank, New York.

Mr Shehadeh holds a master's degree in international business from the Institut D'Etudes des Relations Internationales, Paris and has completed general management and advancement management executive programmes at Harvard Business School.

Mohannad Sweid*
Non-Executive Director

Mohannad Sweid was appointed Non-Independent, Non-Executive Director of Depa on 7 July 2015. He has more than 25 years' experience in managing top interior consulting and interior contracting companies. In 1996, Mr Sweid co-founded Depa Interiors, which became part of Depa United Group, and served as CEO until October 2013.

In 2006, Mr Sweid was involved in Depa's strategy of overseas expansion and managed the acquisition of complementary companies in the interior contracting and furniture manufacturing sectors. Prior to Depa Interiors, he served as the managing partner of Rochan Fine Arts in Saudi Arabia.

Currently, he is the chairman of Sweid and Sweid, a Dubai-based real estate firm.

*Has since resigned from office on 20 April 2016. Replaced by Hamish Tyrwhitt, Group CEO & Executive Director.

Board Members

Ahmed Ramdan
Independent
Non-Executive Director

Ahmed Ramdan, the founder and group CEO of Roya International LLC, a prominent GCC-based hospitality advisory firm, joined the Depa Board on 7 July 2015. Before establishing Roya International, Mr Ramdan had a highly successful, 30-year career in hotel management, including running multiple properties on behalf of global hotel brands such as InterContinental Hotels and Le Meridien hotels.

Mr Ramdan has also served as a key advisor to government institutions on some of the Middle East's most iconic projects, including the Dubai International Financial Centre, Dubai Media City, Jumeirah Beach Residence, as well as Reem Island and Saadiyat Island in Abu Dhabi.

Connected Persons / ESOP

The following individuals are defined as Connected Persons as established by DFSA Markets Rule 4.3.2(1)a. The table below shows each individual's identity and their holdings of the Company's shares in his personal portfolio and / or in the Company's Employee Stock Ownership Plan ("ESOP") as at 31 December 2015:

Name	Position	Number of Shares		% of Total Shares Outstanding
		ESOP	Personal Portfolio	
Board Directors				
Khaldoun Tabari	Director	0	47,432,445	7.72%
Marwan Shehadeh	Director	0	1,621,098	0.26%
Mohamed Ali Al Fahim	Director	0	0	0.00%
Roderick Maciver	Director	0	0	0.00%
Abdullah Al Mazrui	Director	0	0	0.00%
Khalifa Al Romaithi	Director	0	0	0.00%
Saeed Al Mehairbi	Director	0	0	0.00%
Mohannad Sweid	Director	0	0	0.00%
Ahmed Ramdan	Director	0	0	0.00%
Senior Managers				
Walid Zakaria	Regional CEO – Middle East	460,800	800,000	0.21%
Ayman Khaireddin	Managing Director, Commercial	307,200	436,649	0.12%
Umar Saleem	Chief Financial Officer	288,000	0	0.05%
Ahmad Khayyat	Chief Manufacturing Officer	80,000	0	0.01%
Ku Wei Siong	Regional CEO – Asia	0	0	0.00%
Ludger Dohm	Regional CEO – Europe	0	0	0.00%

Controlling Voting Securities

The following shareholders are connected persons as established under Rule 4.3.2(1)b of the DFSA Markets Rules for owning or controlling voting securities representing 5% or more of Depa Limited's share capital as at 31 December 2015:

Name of Shareholder	Number of Shares	% of Total Shares Outstanding
Arabtec Holding PJSC*	149,555,275	24.33%
Al-Futtaim Capital LLC **	85,559,085	13.92%
Union Insurance PJSC	70,156,337	11.41%
Mazrui Investments LLC***	54,766,513	8.91%
Clarity Fund SPC Ltd****	47,432,445	7.72%

* Messrs Al Fahim, Al Mehairbi and Al Romaithi are board members of Arabtec. Mr Al Mehairbi is also acting group CEO.

** Mr Shehadeh is managing director of Al-Futtaim Capital LLC.

*** Mr Al Mazrui is a partner and chairman of Mazrui Investments LLC.

**** Mr Tabari is currently the sole beneficiary of Clarity Fund SPC Ltd, a family trust.

Corporate Governance and Risk Management

The Board of Directors is accountable to all stakeholders for the implementation of corporate governance best practice, and is also committed to maintaining high standards of ethics, integrity and professionalism. The Board believes that prudent corporate governance is the pillar for safeguarding the interests of stakeholders and delivering sustainable value to the Company's shareholders.

The Board of Directors is also responsible to ensure that the shareholders' rights are properly safeguarded – the Board uses the AGM to communicate with shareholders on important aspects of the Company's affairs. Shareholders are encouraged to ask questions of the Board and are able to propose resolutions in advance by providing the Board with a prior notice of the same (this ensures fairness and equality by having all shareholders duly informed of any new resolution well before the shareholders' meeting).

The Company implements a robust internal control assurance system which is implemented by Management and monitored through the Head of Internal Audit and the Compliance Manager. Risk management systems comprise different areas such as quality; occupational health, safety and environment; HR and administration; accounting; commercial; marketing and business development; IT; governance and compliance; internal audit; and the delegation of authority, which details the procedures as well as the associated responsibility and accountability structure. Oracle has been implemented throughout the Group to allow for seamless integration of the various operation processes and to ensure that the enterprise resource planning is effective and efficient, combining defined KPIs with dashboard applications.

The Corporate Governance & Compliance framework is regularly and rigorously tested by the A&C Committee.

Committees

The composition and a description of each Committee are detailed below:

1. The Audit and Compliance Committee

The A&C Committee monitors and ensures the integrity of financial statements, compliance with applicable laws and regulatory requirements, effectiveness of internal controls, adequacy of risk management processes, independence and qualifications of the Company's external auditors, performance of internal auditors and adequacy of the compliance function.

The composition of the A&C Committee as at 31 December 2015 is as follows:

- Edward Quinlan (Chairman)
- Khalifa Al Romaithi
- Saba Sindaha

2. The Nomination and Remuneration Committee

The N&R Committee's role is to assess the skills, knowledge and experience of the governing body and accordingly prepare a description of the role and capabilities required for a particular appointment where this is considered relevant. The Committee is established to assist Depa's Board of Directors in discharging its responsibilities relating to the composition of the Board of Directors, induction and performance of Directors and Senior Management, appointment of Committee Members and succession planning.

The Committee also advises the Board of Directors in determining remuneration, benefits, incentives and salaries of Board Members and Senior Executives in line with Company performance.

The composition of the N&R Committee as at 31 December 2015 is as follows:

- Roderick Maciver (Chairman)
- Ahmed Ramdan
- Khaldoun Tabari

Corporate Governance and Risk Management

3. The Steering Committee*

The Steering Committee's role included:

• Mentoring the Group Chief Executive Officer in developing:

- Competitive strategies and solutions (including business development and marketing);
- Improvements to the Group corporate design and implementation of new initiatives;
- Enhancements to operations management, structure and team dynamics;
- Linking proposed changes to the financial performance of the Group and future plans; and
- New capabilities within the Group (if appropriate).

• Reviewing and providing advice on the implementation of the above and ensuring key milestones are met in a timely fashion.

• Working with Senior Management to assist and guide them in achieving the Group's business plan, vision and strategy.

Pending appointment of a permanent Group CEO (Nadim Akhras' resignation was announced 26 October 2015) the Steering Committee was afforded Group CEO responsibilities (with Mohannad Sweid having particular oversight over the Group's Middle East, Africa and USA markets and Roderick Maciver having particular oversight over the Group's Asia and Europe markets).

The composition of the Steering Committee as at 31 December 2015 is as follows:

- Roderick Maciver (Chairman)
- Mohannad Sweid
- Marwan Shehadeh
- Ahmed Ramdan

Remuneration

Granting remuneration, benefits, incentives or salaries to the Board Members and Senior Managers is based on a culture of reward versus delivery and financial performance. Decisions in this regard ultimately lie with the N&R Committee (as delegated by the Board).

The Board and Committee remuneration, based on attendance of meetings (either physically or by electric communication), for FY2015 has been determined as follows:

- Board Member – AED 30,000
- A&C Committee Member – AED 23,000
- N&R Committee Member – AED 10,000
- Steering Committee Member – AED 23,000

Total remuneration per Member is capped at four meetings in the year.

The Company may pay additional amounts for expenses as well as fees to the extent determined by the N&R Committee for any Member**.

*This committee was dissolved on 17 April 2016.

**Roderick Maciver is engaged as a consultant to the Company. A monthly fee of USD 10,000 is payable to him as at 31 December 2015.

Corporate Governance Best Practice Standards

Appendix 4 of the DFSA Markets Rules includes a set of Corporate Governance Best Practice Standards (the "Standards") which may be adopted by a reporting entity. Throughout the year ended 31 December 2015, the Company adopted the provisions set out in the DFSA Markets Rules; however the following standard was only partially adopted:

Standard 30

This requires the Board to include a balance of executive and non-executive directors and at least one third of the Board should comprise non-executive directors, of which two should be independent. The nine members of the Board of Directors are all Non-Executive Directors, two of whom are Independent. Depa believes the composition of the Board served the Group's interests best during that financial year by providing a healthy mix of local and international expertise.

The overall corporate governance framework has been effective in promoting prudent and sound management of the Company through FY2015 and should continue to do so going forward.

Corporate Governance and Risk Management

Board and Committees Meetings

Attendance by Board and Committees per Members in FY2015 was recorded as follows:

Board Meetings

Board Members	Meetings attended
Mohamed Ali Al Fahim	4/4
Roderick Maciver	2/4
Abdullah Al Mazrui	4/4
Khalifa Al Romaithi	2/4
Saeed Al Mehairbi	1/4
Khaldoun Tabari	2/4
Marwan Shehadeh	3/4
Mohannad Sweid*	3/4
Ahmed Ramdan	3/4
Wassel Fakhoury*	1/4
Iyad AbdulRahim*	1/4
El Sayed Zakaria*	1/4
Mohamed Idriss*	1/4

A&C Committee Meetings

Committee Members	Meetings attended
Edward Quinlan	5/5
Khalifa Al Romaithi	1/5
Iyad AbdulRahim*	3/5
Mohamed Idriss*	1/5

N&R Committee Meetings

Committee Members	Meetings attended
Roderick Maciver	5/5
Khaldoun Tabari	1/5
El Sayed Zakaria*	3/5

Steering Committee Meetings

Committee Members	Meetings attended
Roderick Maciver	3/3
Marwan Shehadeh	3/3
Mohannad Sweid	3/3
Ahmed Ramdan	3/3

External Auditors

At the FY2014 AGM held on 16 June 2015, Ernst & Young were appointed as independent external auditors of the Company.

*Departed from the Board over the course of FY2015.

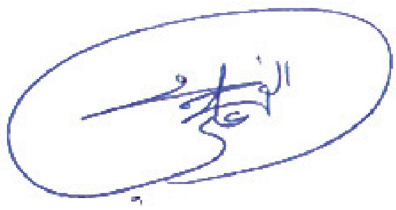
Audited Financials

Selected Income Statement Data [AED million]	**FY2015**	**% of Revenue**	**FY2014**	**% of Revenue**
Revenue	1,641		1,940	
Direct cost	(1,524)	(93%)	(1,681)	(87%)
Gross profit	**117**	**7%**	**259**	**13%**
General and administration expenses	(211)	(13%)	(194)	(10%)
Provision for doubtful debts	(79)	(5%)	(13)	(1%)
Amortisation and impairment of intangible assets	(19)	(1%)	(18)	(1%)
Impairment loss on investment in associates	(15)	(1%)	(3)	0%
Impairment loss on property, plant and equipment	(13)	(1%)	0	0%
Impairment loss on available for sale investment	(1)	(0%)	(1)	(0%)
Impairment loss on goodwill	(86)	(5%)	(5)	(0%)
Other income/(expense)	51	3%	43	2%
Finance income/(cost) – net	(3)	(0%)	(6)	(0%)
Share of profit/(loss) from associates	(1)	(0%)	1	0%
Net profit/(loss) for the period before tax	**(260)**	**(16%)**	**63**	**3%**
Income tax	(13)	(1%)	(14)	(1%)
Net profit/(loss) for the period after tax	**(273)**	**(17%)**	**49**	**3%**
Attributable to:				
Equity holders of parent	**(266)**	-16%	**44**	2%
Non-controlling Interests	**(7)**	(0%)	**5**	0%
EBITDA	**(187)**	**(11%)**	**141**	**7%**

Sign-Off by Directors

We, Mohamed Ali Al Fahim and Roderick Maciver, being two of the Directors of Depa Limited, do hereby state, in the opinion of the Directors, the accompanying Balance Sheet, Consolidated Income Statement, and Consolidated Cash Flow Statement together with the Notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Group as at 31 December 2015.

Taking into account the financial information and the Backlog of the Company as at the end of FY2015, the Directors believe that the Company has adequate resources to continue as a going concern.



Mohamed Al Fahim

Chairman

Roderick Maciver

Vice Chairman

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