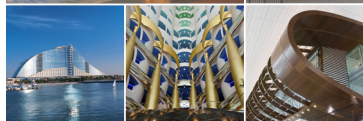




Global Interior Solutions



DISCLAIMER

This material contains certain statements that are “forward-looking” including management’s expectations and analysis.

These statements are based on management’s current expectations and are naturally subject to uncertainty and changes in circumstances. Actual results may vary materially from the expectations contained herein and readers and listeners are cautioned not to place undue reliance on any forward-looking comments.

Depa Ltd undertakes no obligation to update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.



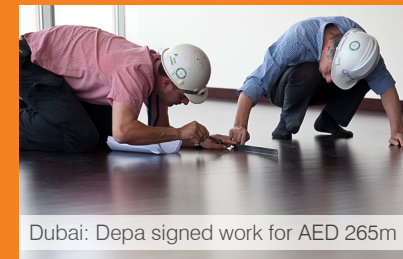
CONTENTS

- CEO's Review
- H1-2015 Overview
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 - New Projects
 - Segmentation
- Financials
 - Overview
 - Balance Sheet
 - Cash Flow
 - Revenue: Geographical Segmentation
 - Revenue: Activity Segmentation
- Miscellaneous
 - Subsequent Events
 - Note to Comparatives

Links:

[Interim Report H1-2015](#)

[Reviewed H1-2015 Financial Statements](#)





CEO'S REVIEW

CEO'S REVIEW

Cautious Optimism

Challenges

- Economic and political volatility in the Middle East
- Construction industry as a whole faces pressure across GCC markets; overall reduced market activity
- Budgets and margins remain at the lower end of the spectrum

Solutions

- Cautious selection of quality projects; strengthening relationships with developers and strategic partners
- Increased focus on frontier markets, harbouring opportunities and higher margins
- Further centralisation / streamlining of operations

Outlook

- Industry forces call for prudence
- In Dubai, project pipeline is encouraging



"In what has been a challenging period for the construction industry as a whole, Depa has continued to implement its strategy of geographical diversification and operational consolidation to secure the base for sustainable long-term growth.

In first six months of 2015, our strategy has resulted in encouraging progress in emerging and frontier markets in Africa and South Asia, Depa also performed well in its mature European and Far Eastern markets."



H1-2015 OVERVIEW

H1-2015 OVERVIEW

Stabilisation of the Backlog

Revenue

- Depa generated Revenue of AED 841m in H1-2015, down from AED 877m in H1-2014*
- Major performers were Design Studio Group, Vedder and Depa Abu Dhabi

Gross / Net Profit

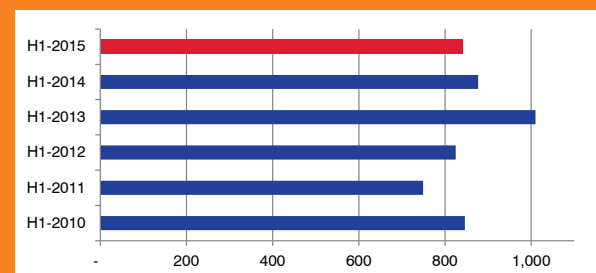
- For the six months period ended 30 June 2015, the Gross Profit stood at AED 82m, down from AED 111m in H1-2014
- The Net Profit after NCI in H1-2015 was AED 15m, down from AED 27m in H1-2014

Backlog

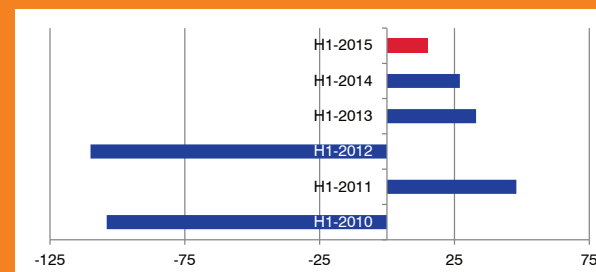
- The Backlog decreased slightly from AED 2,405m in H1-2014 to AED 2,326m in H1-2015. The negative trend had bottomed out in Q1-2015, when the Backlog stood at 1,955m, however, recent progress in the Dubai market ended H1-2015 on a positive note

Figures in AED million

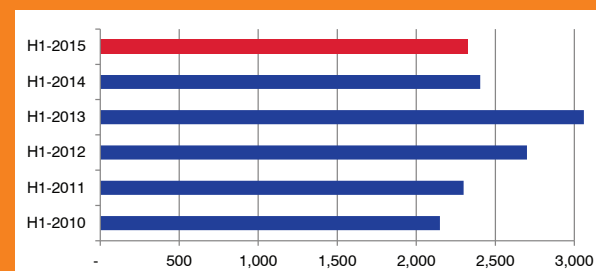
Revenue H1-2010 to H1-2015



Net Profit after NCI H1-2010 to H1-2015



Backlog H1-2010 to H1-2015



*Please refer to 'Note to Comparatives', page 21.

H1-2015 OVERVIEW

Key Drivers: Asia and Europe

Balance Sheet | Net Cash Position

- Total Assets as at 30 June 2015 were AED 2,755m compared to AED 2,981m [31 December 2014]
- Total Liabilities decreased from AED 1,492m at the end of FY2014 to AED 1,266m as at 30 June 2015
- The Net Cash Position improved from AED 138m as at 31 December 2014 to AED 214m [30 June 2015]

Growth Markets

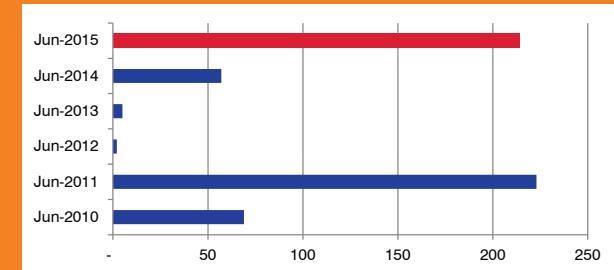
- Design Studio increased its revenue by 44% year-on-year to AED 242m; growing in South East Asia as well as in the US, where it signed for a key project in NYC
- Vedder agreed a strategic contract at the luxury Albany Resort, Bahamas and also signed four deals amounting to AED 257m at the Lürssen shipyard

Completed Projects

- In H1-2015, Depa completed 37 significant projects of a total value of AED 262m
- These include yacht, retail and office projects, as well as the Hyatt Regency Creek Heights, the DWTC Novotel refurbishment and FF&E of the Nile Ritz Carlton, Cairo

Figures in AED million

Net Cash Position Jun-2010 to Jun-2015





BACKLOG

BACKLOG | TOP PROJECTS

Dubai Back on Track

S.N	Project Name*	Country	Total Backlog [AED m]
1	DS projects above AED 10 million [17 projects]	SGP / MYS / USA	504
2	Private Yacht projects above AED 10 million [6 projects]	Germany	359
3	Fairmont Abu Dhabi Hotel & Serviced Apartments	UAE	188
4	W Hotel, Palm Jumeirah	UAE	178
5	King Saud University	KSA	160
6	Emerald Palace Kempinski Hotel Palm Jumeirah	UAE	101
7	InterContinental Hotel	Bangladesh	80
8	Golden Tower	Qatar	77
9	Private Yacht	Netherlands	57
10	Presidential Palace	UAE	46
11	KAPSARC	KSA	34
12	Twin Tower Pullman Hotel	Qatar	34
13	Hospitality Extension Project	UAE	33
14	Dubai Opera House	UAE	27
15	Crystal Tower	UAE	26
16	Luxury Residential Apartment - Albany Bahamas	USA	21
17	Nikki Beach Resort	UAE	20
18	Jabal Omar Development	KSA	19
19	Grand Hyatt Emirates Pearl [formerly Regency]	UAE	18
20	Hyatt Regency and Conrad Hotels in Jabal Omar	KSA	16
21	Falcon Tower	Qatar	16
22	Private Yacht	Netherlands	15
23	Makkah Holy Haram Shamiyah Expansion	KSA	13
24	Hotel 1 [City Walk]	UAE	11
25	Blue-Chip Company Retail Space	UAE	11
26	The Horizon Residence and Office Tower - Maputo	Mozambique	10
			2,074

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

- The 30 June 2015 Backlog consists of 131 projects worth AED 2,326m, slightly down from AED 2,405m at the end of H1-2014
- The recovery of the Dubai market is mirrored in the contribution to the top projects backlog list
- Depa Interiors accounts for 21%, Vedder for 22% and Design Studio for 24% of the top projects
- Depa Abu Dhabi now contributes 12% as the Presidential Palace enters its final phase; Depa KSA accounts for 10% and Depa Qatar for 6% of the key contracts under execution
- The projects of the top list account for 89% of the total Backlog and translates into a value of AED 2,074m
- The remaining 84 projects constitute 11% of the Backlog, with an average value of AED 3m per project

BACKLOG | NEW PROJECTS

Home Market Home Run

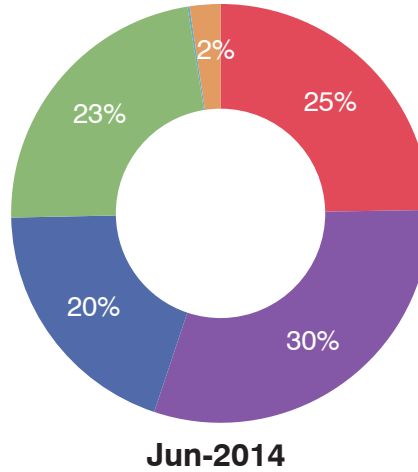
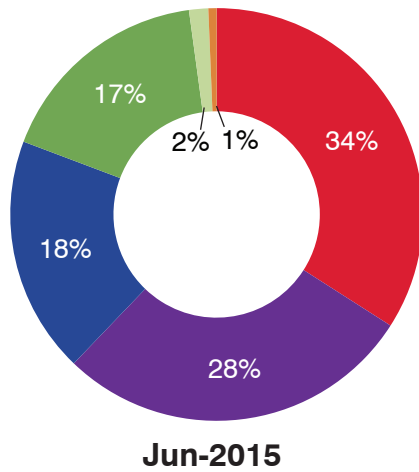
- In H1-2015, Depa's subsidiaries signed 129 contracts worth AED 946m [H1-2014: AED 579m]
- Top performers were Depa Interiors [AED 348m], Vedder [AED 279m], Design Studio Group [AED 175m]
- The contracting cycle has entered the interior leg in the Dubai market, allowing Depa Interiors to win prestigious projects such as Dubai Opera, Nikki Beach Resort and the W Hotel, Palm Jumeirah in addition to the refurbishment of the ICH Dhaka, Bangladesh
- Deco Emirates signed a contract worth AED 16m for a retail project with a global blue chip client
- Depa Albarakah won gypsum works worth AED 16m at the IMG Theme Park



BACKLOG | SEGMENTATION

Rebound of UAE / Hospitality Domination

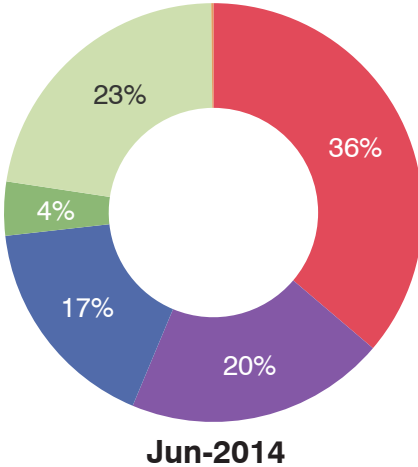
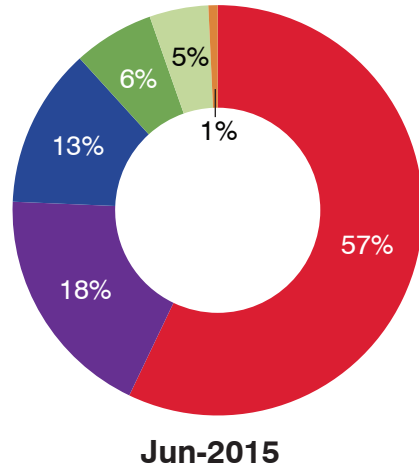
Geographical Backlog Distribution



Figures in AED million

	Jun-2015	Jun-2014
UAE	792	595
Asia	654	731
Europe	432	470
GCC Ex-UAE	398	548
North America	35	4
Africa	15	57
Total	2,326	2,405

Sector Backlog Distribution



Figures in AED million

	Jun-2015	Jun-2014
Hospitality	1,328	871
Yacht	432	483
Residential	293	407
Retail and Offices	148	100
Infrastructure	108	540
Others	17	4
Total	2,326	2,405



FINANCIALS

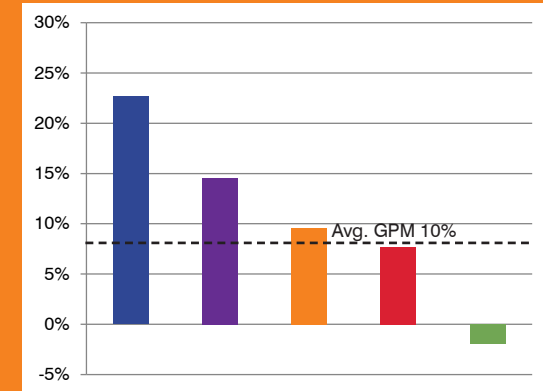
FINANCIALS | OVERVIEW

Selected Income Statement Figures

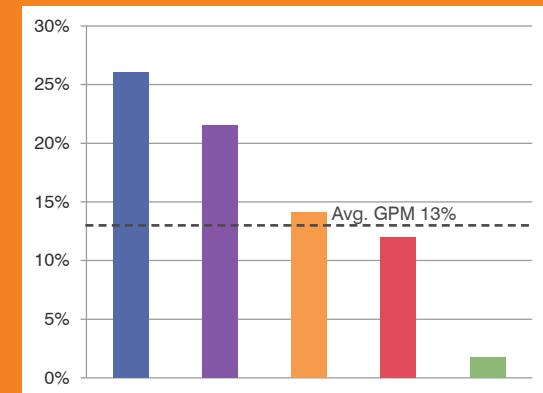
AED million	H1-2015	H1-2014	H1-2013
Revenue	841	877	1,010
Gross Profit	82	111	131
<i>Gross Profit Margin</i>	<i>10%</i>	<i>13%</i>	<i>13%</i>
General & Admin Expenses	[87]	[97]	[75]
<i>% of Revenue</i>	<i>10%</i>	<i>11%</i>	<i>7%</i>
Provision for Doubtful Debts	[2]	[3]	[3]
Amortization of Intangibles	[9]	[9]	[10]
Profit / [Loss] from Associates	[1]		6
Impairment Charges			[5]
Other Income / [Expense] – Net	42	33	7
Finance Income / [Cost] – Net	[2]	[3]	[3]
Income Tax	[5]	[6]	[9]
Net Profit before NCI	18	26	39
<i>Net Profit Margin before NCI</i>	<i>2%</i>	<i>3%</i>	<i>4%</i>
Net Profit after NCI	15	27	33
<i>Net Profit Margin after NCI</i>	<i>2%</i>	<i>3%</i>	<i>3%</i>

Gross Profit Margin by Sector

H1-2015



H1-2014



FINANCIALS | BALANCE SHEET

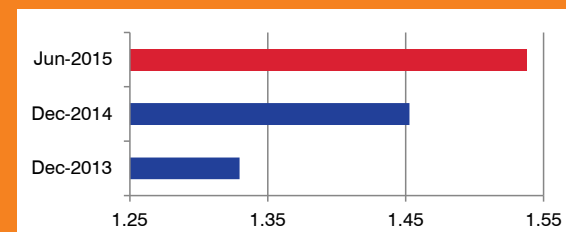
Selected Figures

AED million	Jun-15	Dec-14	Dec-13
Cash and Bank Balance	426	441	399
Trade Receivables	458	527	574
Unbilled Revenue	438	489	662
Total Current Assets	1,803	1,997	2,155
Total Assets	2,755	2,981	3,209
Total Bank Debt [short & long term]	212	303	392
Total Current Liabilities	1,125	1,323	1,551
Total Liabilities	1,266	1,492	1,752
Total Equity	1,489	1,489	1,457

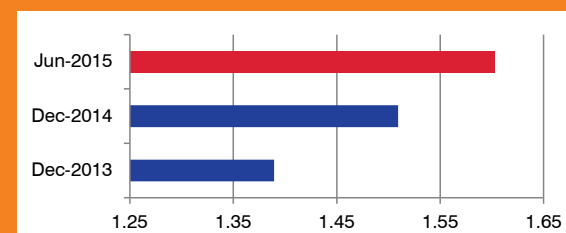
KPIs

Working Capital	678	674	604
CAPEX	4	21	26
Inventory	73	75	93
Net Cash	214	138	7

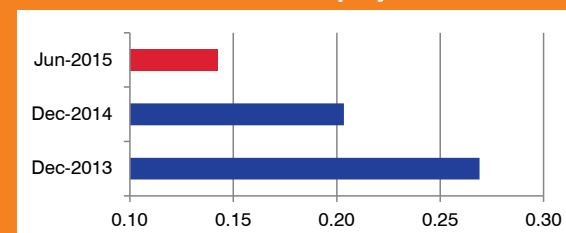
Quick Ratio



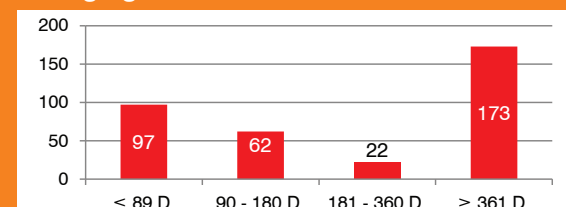
Current Ratio



Bank Debt to Equity Ratio



Aging of Overdue Trade Receivables*



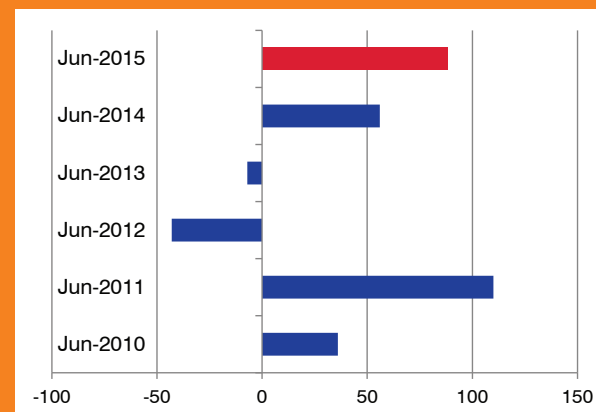
*in AED million

FINANCIALS | CASH FLOW

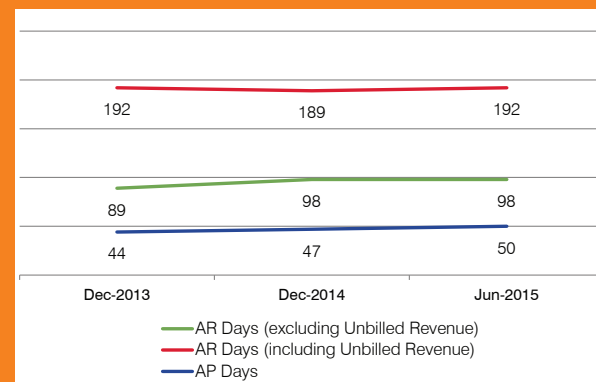
Selected Figures

AED million	H1-2015	H1-2014	H1-2013
Net Cash [used in] / generated from Operating Activities	88	56	[7]
Net Cash [used in] / generated from Investing Activities	[47]	[25]	43
Net Cash [used in] / generated from Financing Activities	[77]	[100]	[71]
Net [decrease] / increase in cash and cash equivalents	[36]	[69]	[35]
Total Cash Balance	426	358	240
Total Bank Debt	[212]	[301]	[235]
Total Net Cash	214	57	5

Net Cash [used in] / generated from Operating Activities*



Days Receivable and Payable



*in AED million

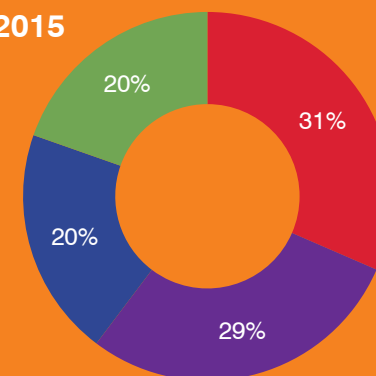
FINANCIALS | REVENUE

Geographical Segmentation

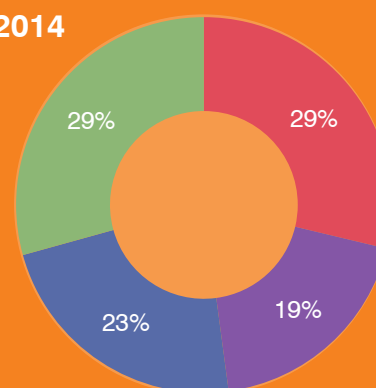
Figures in AED million

Region	H1-2015	H1-2014	Variance	
			Amount	Percentage
UAE	265	252	13 ↑	5%
Asia	242	168	74 ↑	44%
Europe	169	200	[31] ↓	[16%]
Rest of the World	165	257	[92] ↓	[36%]
Total	841	877	[36] ↓	[4%]

H1-2015



H1-2014

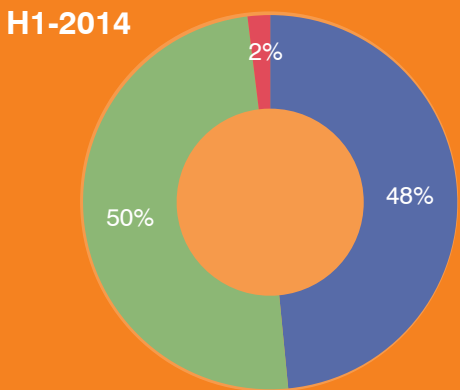
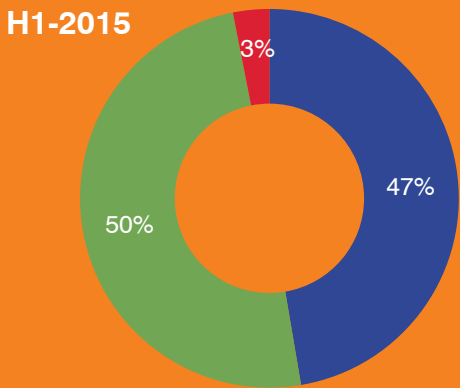


FINANCIALS | REVENUE

Activity Segmentation

Figures in AED million

Activity Segment	H1-2015	H1-2014	Variance	
			Amount	Percentage
Contracting	398	425	[27] ↓	[6%]
Manufacturing	417	435	[18] ↓	[4%]
Procurement	26	17	9 ↑	53%
Total	841	877	[36] ↓	[4%]



- Contracting
- Manufacturing
- Procurement

MISCELLANEOUS

SUBSEQUENT EVENTS

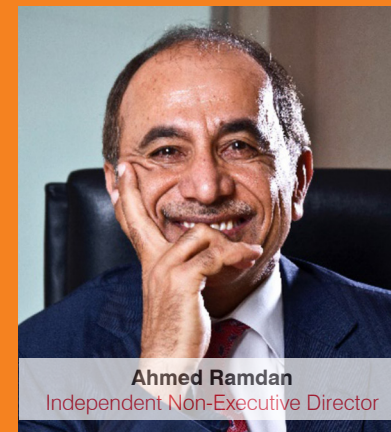
Changes to the Board / Management

Resignation of Board Directors

- Notices of resignation received on 16 June 2015 from Mr El Sayed Zakaria [Non-Executive, Independent] and Mr Mohamed Idriss [Non-Executive, Independent]; replaced by Mr Mohannad Sweid [Non-Executive] and Mr Ahmad Ramdan [Non-Executive, Independent] on 6 July 2015
- Notices of resignation also received on 13 July 2015 from Mr Wassel Al Fakhoury [Non-Executive] and Mr Iyad AbdulRahim [Non-Executive]; replaced by Mr Khalifa Abdulla Al Romaithi [Non-Executive] and Mr Saeed Mohamed Saeed Faraj Al Mehairbi [Non-Executive]

Farewell for Bernard Lim, Regional CEO Asia

- Mr Lim resigned from office, effective 30 June 2015
- Mr Ku Wei Siong, his replacement, is due to join on 1 September 2015



NOTE TO COMPARATIVES

Proportionate Consolidation Method

Effective 1 January 2014, Depa signed a MoU with its Joint Venture partner Lindner AG, based on which both parties now share all interests in the JV companies [Lindner Depa Interiors and Lindner Middle East] in proportion to their respective ownership. This triggered loss of control on part of Depa as previously these entities were consolidated in the Company's books. Consequently, the Company adopted a proportionate consolidation method in accordance with IFRS 11 – 'Joint Arrangements'. Accordingly the comparative amounts have been restated to incorporate this impact.