



Depa PLC FY2021 Financial Results



24 March 2022

Global Interior Solutions

Summary income statement

AED mn	FY2021	FY2020	Change
Revenue	801.6	912.5	(110.9)
Expenses	(836.9)	(968.2)	131.3
Net provision for doubtful debts and due from construction contract customers	29.0	(197.3)	226.3
Impairment of goodwill and intangibles	0.0	(86.7)	86.7
Share of profit /(loss) from associates	0.8	1.1	(0.3)
Profit/(loss) before interest and tax	(5.5)	(338.6)	333.1
Net - finance cost	(9.5)	(12.5)	3.0
Profit/(loss) before tax	(15.0)	(351.1)	336.1
Income tax expense	(12.2)	(9.9)	(2.3)
Profit/(loss) for the period from continuing operations	(27.2)	(361.0)	333.8
Profit/(loss) for the period from discontinued operations	84.3	(138.5)	222.8
Profit/(loss) for the period	57.1	(499.5)	556.6
Non-controlling interests	(17.3)	14.7	(32.0)
Profit/(loss) for the period after NCI	39.8	(484.8)	524.6

- Revenue decrease year on year mainly due to reduced revenue generated by Depa Interiors
- Net reversal of provisions for doubtful debts mainly due to collection of major balance relating to the Meydan project
- The net benefit on the Group's FY2021 results relating to DSG operations and its deconsolidation amounted to AED 84.3mn (AED 67.3mn after NCI) after adjusting for inter-group receivable write offs

Summary balance sheet

AED mn	FY2021	FY2020	Change
Cash and bank balances	160.3	137.4	22.9
Trade and other receivables	320.0	256.9	63.1
Assets classified as held for sale	0.0	379.3	(379.3)
Due from construction contract customers	190.8	190.8	0.0
Inventories	35.6	9.0	26.6
Total current assets	706.7	973.4	(266.7)
Contract retentions	166.1	172.6	(6.5)
Property, plant and equipment	119.8	82.6	37.2
Goodwill	32.3	0.0	32.3
Other non-current assets	28.6	37.8	(9.2)
Total non current assets	346.8	293.0	53.8
Total assets	1,053.5	1,266.4	(212.9)
Trade and other payables	651.7	617.3	34.4
Liabilities directly associated with assets classified as held for sale	0.0	228.2	(228.2)
Borrowings	54.3	155.0	(100.7)
Income tax payable	3.5	2.5	1.0
Current liabilities	709.5	1,003.1	(293.6)
Employees' end of service benefits	59.8	70.1	(10.3)
Borrowings	19.7	0.0	19.7
Other non-current liabilities	47.1	37.1	10.0
Non current liabilities	126.6	107.1	19.5
Total liabilities	836.1	1,110.2	(274.1)
Total equity including minorities	217.4	156.2	61.2

- Cash balance of AED 160.3mn and net cash excluding restricted cash of AED 68.6mn
- At FY2020 assets and liabilities of Vedder & DSG China were classified as held or sale, with Vedder being reclassified to continuing operations and DSG being deconsolidated from FY2021 balance sheet
- Goodwill increased on the reclassification of Vedder to continuing operations
- Net asset value per share of AED 0.44 and tangible net asset value per share of AED 0.37

Summary cash flow

AED mn	FY2021	FY2020	Change
Operating activities	(54.5)	(73.9)	19.4
Working capital changes	109.8	94.1	15.7
Other movements	(19.2)	(41.2)	22.0
Net cash flows from/(used in) operating activities	36.1	(21.0)	57.1
Investing activities			
Net capex	(3.2)	(0.2)	(3.0)
Long term deposits	0.0	8.5	(8.5)
Reclassification of subsidiary to continued operations	57.6	0.0	57.6
Net cash for loss on control of a subsidiary	33.2	0.0	92.3
Net cash for entities held for sale	0.0	(59.1)	(1.0)
Dividends received from associates	0.0	1.0	(1.0)
Proceeds from disposal of financial assets	8.1	0.0	8.1
Proceeds from disposal of investment property	0.0	13.0	(13.0)
Other movements	2.2	1.4	0.8
Net cash flows from/(used in) investing activities	97.9	(35.4)	133.3
Financing activities			
Movement in borrowings	(2.9)	3.4	(6.3)
Interest paid	(14.6)	(17.4)	2.8
Finance lease payments	(3.7)	(5.3)	1.6
Net cash flows from/(used in) financing activities	(21.2)	(19.3)	(1.9)
Net movement in cash and cash equivalents	112.8	(75.7)	188.5
Cash and cash equivalents at the period end	125.5	8.8	116.7

- Net cash inflows from operating activities AED 36.1mn (FY2020 net cash outflows: AED 21.0mn)
- Investing activities cashflow was positively impacted by the reclassification of Vedder (AED 57.6 million) and the deconsolidation of DSG (AED 33.2mn), with FY2020 similarly negatively impacted by AED 59.1 million due to Vedder's reclassification.
- AED 8.1mn proceeds from sale of an equity investment
- Cash and cash equivalents AED 125.5mn (FY2020: AED 8.8mn)



Based in Germany, Vedder is the world's leading provider of fit-out solutions for the global superyacht, private jet and residence markets



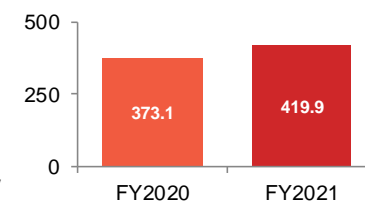
Financial highlights

- Revenue: AED 419.9mn, up 13% year on year
- EBIT: AED 37.3mn, up 16% year on year

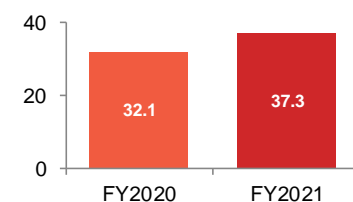
Operational highlights

- Increase in revenue partially generated from exterior projects following increased focus on this sector
- Successfully delivered a number of projects including an exterior and interior package for a new build superyacht worth in excess of AED 130mn
- Secured new awards of four new-build superyacht interior packages, bringing new wins for 2021 to over AED 400mn

Revenue



EBIT





The Middle East's leading provider of interior solutions for the hospitality, residential, commercial, transport and civil infrastructure markets



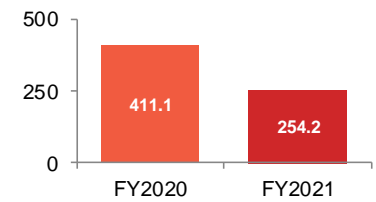
Financial highlights

- Revenue: AED 254.2mn
- EBIT: AED (22.1mn)

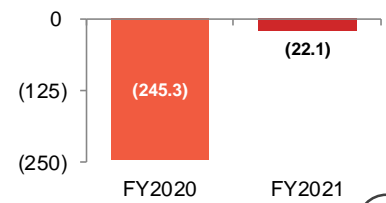
Operational highlights

- Overall financial performance greatly improved on 2020
- Strong project delivery during the year including a prominent Expo 2020 project, a commercial package for a UAE based airline and a hospitality project on Dubai shoreline
- Awarded two hospitality projects in Saudi Arabia, one in Jeddah and one worth approximately AED 100mn, within a giga project

Revenue



EBIT





The Middle East's leading provider of interior solutions for the luxury retail market, premium marble supply and installation, and high-quality furniture and joinery works



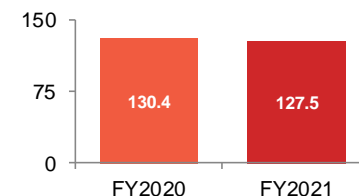
Financial highlights

- Revenue: AED 127.5mn
- EBIT: AED 1.4mn

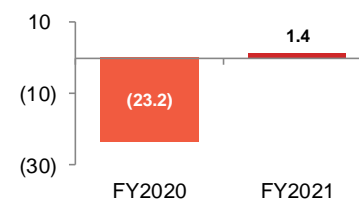
Operational highlights

- Strong relationships with long-term clients securing projects for Versace, Dior, Cartier and Dolce & Gabbana during the period
- Deco successfully delivered a number of projects for repeat clients, including multiple projects for both Dior and Versace
- Carrara successfully handed over a number of hospitality packages in Dubai

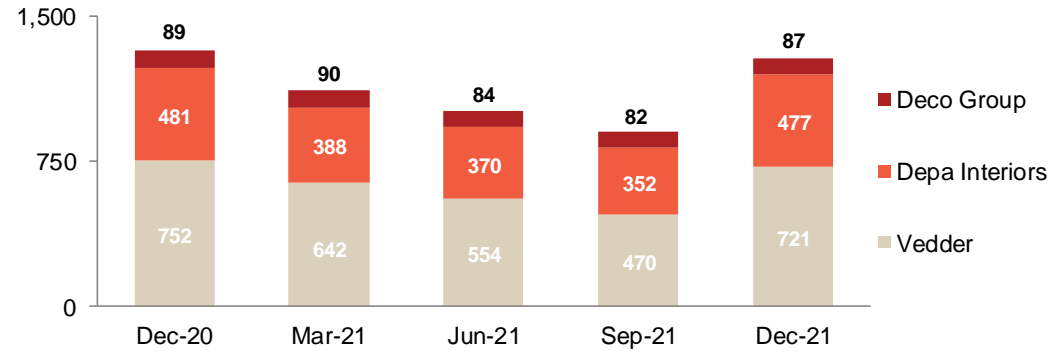
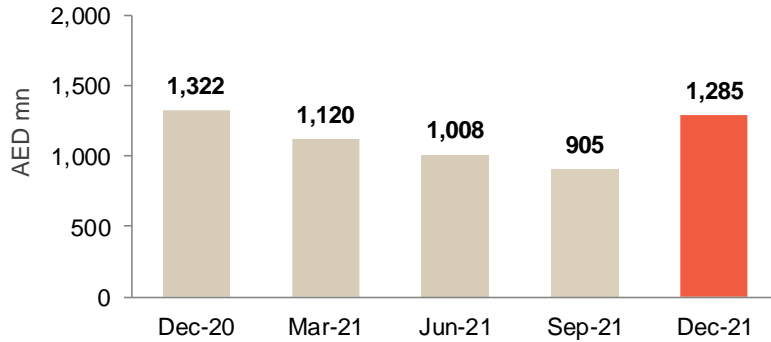
Revenue



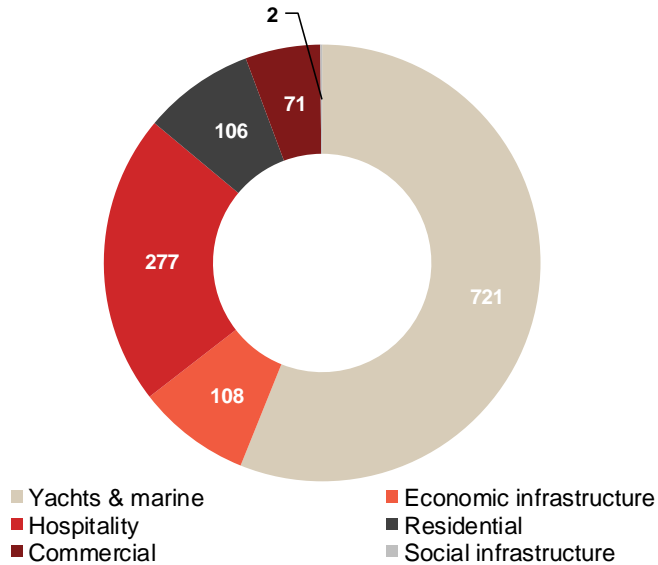
EBIT



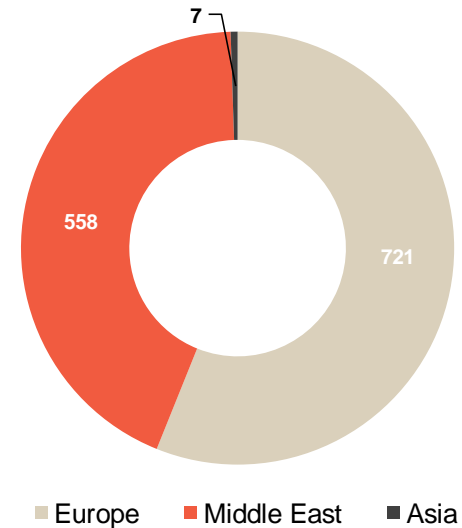
Backlog



By project type



By geography



Outlook



The transaction with the Public Investment Fund enhances Depa's long-term strategic prospects in the Middle East and its expansion plans for the Kingdom of Saudi Arabia. The overall market conditions in the Middle Eastern construction sector remain challenging, with the banking of the construction sector remaining a strong headwind.

The Group's European business continues to benefit from its leading market position in its historically strong market; however, at this stage the consequences of the Ukraine war and related Russian sanctions on the Group's European business and the global economy, more generally, are uncertain.



Cautionary statement

This document may contain certain 'forward looking statements' with respect to Depa's financial condition, results of operations and business, and certain of Depa's plans and objectives with respect to these items. By their very nature, forward looking statements are inherently unpredictable, speculative and involve risk and uncertainty because they relate to events, and depend on circumstances, that may occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward looking statements. All written or verbal forward looking statements, whether made in this document or made subsequently, which are attributable to Depa or any other member of the Group or persons acting on their behalf are expressly qualified on this basis. Depa does not intend to update any such forward looking statements.