

Depa PLC

Results Announcement

Results for the six months ended 30 June 2023

Depa PLC ("Depa"), the leading global interior solutions group, announces its results for the six months ended 30 June 2023.

Summary highlights include:

- **Revenue of AED 464.2mn (H1 2022: AED 403.1mn)**
- **Backlog of AED 1,497mn (H1 2022: AED 1,105mn)**
- **Cash and cash equivalents of AED 201.2mn (H1 2022: AED 270.3mn)**

During the first half of 2023, Depa has continued to secure key projects across a wide range of sectors with the Group's backlog position remaining healthy and diverse. Vedder, the Group's European key business unit, recently secured exterior packages on new build superyachts totalling more than AED 220mn, while Depa Interiors secured a number of packages in the Kingdom of Saudi Arabia further diversifying its backlog. Deco also secured a number of repeat custom luxury retail projects demonstrating its continuing strong relationships with long-term clients. The Group's Middle East focus is expansion in the Kingdom of Saudi Arabia.

Haitham Tuqan, Group Chief Executive Officer, commented: *"Since my recent arrival, the Group is in strategic review. Efficiency, responsiveness, and agility are the names of the game. We have already secured several new wins in the Kingdom of Saudi Arabia further strengthening our position. Overall, the results of the Group during the six months have been negatively impacted by the provisions against specific receivable balances. The Group is in negotiations with these customers to recover what is owed. I believe the future is positive"*.

Backlog

Depa's backlog of AED 1,497 million at 30 June 2023 remains at more than 1 times annual revenue.

Depa PLC

Results Announcement



Financial Review

Financial performance

During the six months to 30 June 2023, Depa generated revenue of AED 464.2mn, an increase of AED 61.1mn on H1 2022 (AED 403.1mn).

Expenses in H1 2023 increased by AED 64.1mn to AED 465.6mn (H1 2022: AED 401.5mn). The Group's H1 2023 expenses include cost incurred on projects where variation orders are under negotiation with its customers.

Net provisions for doubtful debts of AED 42.9mn (H1 2022 reversal: AED 30.9mn) primarily relates to Depa Interiors.

In the six months to 30 June 2023, associates generated a profit of AED 0.9mn (H1 2022 loss: AED 0.4mn).

Net finance expense decreased by AED 0.5mn to AED 3.1mn (H1 2022: AED 3.6mn).

The Group recognised an income tax expense of AED 3.2mn in H1 2023 (H1 2022: AED 5.4mn).

Consequently, the Group generated a loss for the period of AED 49.7mn (H1 2022 profit: 23.1mn).

Cash flow

Net cash outflow from operating activities amounted to AED 2.0mn (H1 2022 inflow: AED 27.0mn) as a result of working capital requirements of some large projects.

Net cash outflows from investing activities for H1 2023 amounted to AED 9.4mn (H1 2022: inflow AED 2.2mn).

Net cash outflows from financing activities for the period were AED 22.1mn (H1 2022: inflow AED 122.2mn).

Foreign exchange differences resulted in an AED 3.6mn negative movement (H1 2022: AED 6.6mn negative) in the reported cash and cash equivalents.

As a result of the above, the Group ended the first half of 2023 with cash and cash equivalent of AED 201.2mn (H1 2022: 270.3mn).

Financial position

The Group ensures that it maintains adequate liquidity to meet its requirements and to work with its long-standing relationship banks to obtain the requisite working capital facilities necessary to meet its project needs.

Cash and bank balances as at the 30 June 2023 stood at AED 234.3mn (H1 2022: AED 319.0mn).

At period end, equity attributable to equity holders of the parent equated to AED 371.9mn (H1 2022: AED 434.2mn).

The Group's outstanding ordinary shares and Class A ordinary shares at end of H1 2021 amounted to 1,364,145,794 (issued ordinary shares and Class A ordinary shares of 1,368,452,753 less 4,306,959 treasury shares).

30 August 2023, Dubai UAE

Depa PLC

Results Announcement



For further information, please contact:

Depa PLC

Tel: + 971 4 821 6666

Haitham Tuqan, Group Chief Executive Officer

Nader Mardini, Group Chief Financial Officer

For more information, please refer to the corporate website: www.depa.com

Notes to editors:

Depa is a strategic management company specialising in global interior solutions. Depa's three key business units hold leading positions in their respective markets: Vedder, Depa Interiors and Deco Group. Employing thousands of people worldwide, the Group's operations are centred on two regional hubs: Europe and the Middle East.

Depa's mission, shared by each of its key business units, is to deliver sustainability, profitability and performance for its clients, shareholders and employees. The Group's five core values are integral to everything Depa does: transparency, integrity, accountability, professionalism and exceptional service.

Depa PLC is listed on the Nasdaq Dubai (DEPA: DU and DEPACLA: DU) and is headquartered in Dubai, United Arab Emirates.

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, which 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.

---Ends---