DEPA PLC AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND REVIEW REPORT
FOR SIX-MONTH PERIOD ENDED 30 JUNE 2024

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CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS

	Notes	AED million 30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Revenue		623.0	464.2
Expenses	3	(604.9)	(465.6)
Net reversal of / (provision for) impairment on financial and contract assets	5, 8	36.1	(42.9)
Share of (loss) / profit from associates		(0.5)	0.9
Finance income		2.1	0.5
Finance costs		(2.5)	(3.6)
Finance costs - net		(0.4)	(3.1)
Profit / (loss) before tax and zakat expense		53.3	(46.5)
Income tax and zakat expense		(7.0)	(3.2)
Profit / (loss) for the period		46.3	(49.7)
Attributable to:			
Owners of Depa PLC		46.3	(49.7)
Earnings per share			
Basic and diluted earnings per share (UAE fils)		3	(4)

DEPA PLC AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	AED million	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Profit / (loss) for the period	46.3	(49.7)
Other comprehensive income / (loss)		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations	(2.1)	(1.1)
Total comprehensive income / (loss) for the period	44.2	(50.8)
Attributable to:		
Owners of Depa PLC	44.2	(50.8)

DEPA PLC AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

	Note	30 June 2024 (Unaudited) AED million	31 December 2023 (Audited) AED million
ASSETS			
Cash and cash equivalents	4	268.6	244.8
Restricted cash	4	46.7	29.5
Fixed deposits		-	0.7
Trade and other receivables	5	345.1	286.4
Due from construction contract customers	8	136.5	150.7
Inventories		41.2	37.1
Total current assets		838.1	749.2
Contract retentions	5	113.0	105.1
Property, plant and equipment		81.9	84.1
Right-of-use assets		42.5	39.7
Intangible assets		7.3	7.7
Investment properties		9.9	12.7
Investment in associates	7	11.0	12.2
Goodwill	6	32.3	32.3
Total non-current assets		297.9	293.8
Total assets		1,136.0	1,043.0
LIABILITIES			
Trade and other payables		585.7	550.2
Current tax liabilities		5.7	2.0
Borrowings	9	0.5	2.2
Total current liabilities		591.9	554.4
Employees' end of service benefits		52.0	50.3
Retentions		14.2	9.1
Lease liabilities		39.2	33.7
Deferred tax liabilities		1.0	1.8
Borrowings	9	-	0.2
Total non-current liabilities		106.4	95.1
Total liabilities		698.3	649.5
Net assets		437.7	393.5
EQUITY			
Share capital		908.9	908.9
Share premium		322.1	322.1
Treasury shares		(12.6)	(12.6)
Statutory reserve		60.0	60.0
Translation reserve		(22.9)	(20.8)
Other reserve		0.2	0.2
Accumulated losses		(814.3)	(860.6)
Equity attributable to equity holders of Depa PLC		441.4	397.2
Non-controlling interests		(3.7)	(3.7)
Total equity		437.7	393.5

The condensed consolidated interim financial statements were approved for issue by the Board of Directors on 28 August 2024 and signed on its behalf by

Haitham Tuqan
Group Chief Executive Officer

Nader Mardini
Group Chief Financial Officer

DEPA PLC AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	AED million									
	Share capital	Share premium	Treasury shares	Statutory reserve	Translation reserve	Other reserve	Accumulated losses	Attributable to owners of Depa PLC	Non-controlling interests	Total
At 1 January 2023	908.9	322.1	(12.6)	60.0	(29.3)	(1.0)	(773.4)	474.7	(52.0)	422.7
Loss for the period	-	-	-	-	-	-	(49.7)	(49.7)	-	(49.7)
Other comprehensive loss	-	-	-	-	(1.1)	-	-	(1.1)	-	(1.1)
Total comprehensive loss	-	-	-	-	(1.1)	-	(49.7)	(50.8)	-	(50.8)
At 30 June 2023 (Unaudited)	**908.9**	**322.1**	**(12.6)**	**60.0**	**(30.4)**	**(1.0)**	**(823.1)**	**423.9**	**(52.0)**	**371.9**
At 31 December 2023	908.9	322.1	(12.6)	60.0	(20.8)	0.2	(860.6)	397.2	(3.7)	393.5
Profit for the period	-	-	-	-	-	-	46.3	46.3	-	46.3
Other comprehensive loss	-	-	-	-	(2.1)	-	-	(2.1)	-	(2.1)
Total comprehensive income	-	-	-	-	(2.1)	-	46.3	44.2	-	44.2
At 30 June 2024 (Unaudited)	**908.9**	**322.1**	**(12.6)**	**60.0**	**(22.9)**	**0.2**	**(814.3)**	**441.4**	**(3.7)**	**437.7**

DEPA PLC AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

	AED million	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Operating activities		
Profit / (loss) before tax and zakat expense	53.3	(46.5)
Adjustments for:		
Depreciation of property, plant and equipment	8.2	8.4
Depreciation of right-of-use assets	1.5	1.7
Amortisation of intangible assets	0.4	0.4
Share of loss / (profit) from associates	0.5	(0.9)
Net (reversal) / impairment of financial and contract assets	(36.1)	42.9
Fair value loss on investment properties	2.8	-
Finance income	(2.1)	(0.5)
Finance cost	2.5	3.6
Provision for employees' end of service benefits	2.0	2.5
Operating cash flows before payment of employees end of service benefits, taxes and changes in working capital	33.0	11.6
Employees' end of service benefits paid	(0.3)	(5.2)
Income tax paid	(4.1)	(2.7)
Working capital changes:		
Trade and other receivables	(18.7)	35.6
Inventories	(4.1)	(4.4)
Due from construction contract customers	17.1	6.4
Contract retentions	(14.7)	(31.5)
Retentions	5.1	(0.1)
Trade and other payables	41.7	(40.1)
Restricted cash	(17.2)	28.4
Net cash generated from / (used in) operating activities	37.8	(2.0)
Investing activities		
Purchase of property, plant and equipment	(6.7)	(10.5)
Dividend received from associates	0.7	0.6
Finance income received	2.1	0.5
Net cash used in investing activities	(3.9)	(9.4)
Financing activities		
Net movement in bank borrowings	(1.9)	(15.2)
Principal element of lease payments	(2.5)	(3.3)
Finance cost paid	(2.5)	(3.6)
Net cash used in financing activities	(6.9)	(22.1)
Net increase / (decrease) in cash and cash equivalents	27.0	(33.5)
Exchange differences arising on translation of foreign operations	(3.2)	(3.6)
Cash and cash equivalents at the beginning of the period	244.8	238.3
Cash and cash equivalents at the end of the period	268.6	201.2

1 Corporate information

Depa PLC (the "Company"), formerly Depa Limited, is a company limited by shares and registered in accordance with Companies Law – DIFC Law No. 5 of 2018 ("Companies Law"). The Company was incorporated in United Arab Emirates on 25 February 2008. Depa PLC is the management company of Depa United Group P.J.S.C.

The Company and its subsidiaries (together referred to as the "Group") specialises in the luxury fit-out sector, focusing primarily on hospitality, commercial and residential property developments, and also includes the airport, retail, yacht, theming and specialist fit-out sectors. Additionally, the Group is a provider of manufactured products and procurement services, with a primary focus on customised furniture, fixtures and equipment, much of which is produced in its in-house facilities. These financial statements are condensed consolidated interim financial statements for the Group consisting of the Company and its subsidiaries. The ultimate parent and controlling party of the Group is Public Investment Fund, Kingdom of Saudi Arabia.

On 9 December 2022 UAE Federal Decree Law No. 47 of 2022 was published setting in place a general corporate income tax for the first time which was substantially enacted on 16 January 2023. The profit threshold of AED 375,000 at which the 9% tax will apply was set in place by Cabinet Decision No. 116 of 2022 on profits generated by the Group for the year ending 31 December 2024. Therefore, the Group recorded a provision for income tax amounting to AED 3.2 million with respect to the UAE Corporate tax during the six-month period ended 30 June 2024.

Income tax expense is recognised during the six-month period ended 30 June 2024 on a best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense may have to be adjusted if the estimate of the annual income tax rate changes.

The Company's shares are listed on Nasdaq Dubai. The address of the Company's registered office is P.O. Box 56338, Dubai, United Arab Emirates.

2 Basis of preparation

The material accounting policies applied in the preparation of these condensed consolidated interim financial statements are consistent with those of the previous financial year. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Statement of compliance and accounting convention

These condensed consolidated interim financial statements for the six-month period ended 30 June 2024 have been prepared in accordance with International Accounting Standard 'IAS 34 Interim Financial Reporting'.

The condensed consolidated interim financial statements have been prepared under the historical cost basis, except for investment properties which have been measured at fair value.

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2023 and any public announcements made by the Group during the interim reporting period.

These condensed consolidated interim financial statements have been reviewed, not audited. The comparative information for the interim condensed consolidated statement of financial position is based on the audited financial statements as at 31 December 2023.

In addition, results for the period from 1 January 2024 to 30 June 2024 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

2.2. Critical accounting estimates and judgements

The significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that were applied in preparation of the consolidated financial statements of the Group as at and for the year ended 31 December 2023.

As disclosed in note 6, management performed an in-house impairment assessment using the expected future cash flows based on an approved long-term strategic plan of the Group which takes into account macroeconomic factors.

The discount rate was also assessed based on the current market risks and key business unit's specific risks.

In addition, management has internally performed an assessment of the fair value of the investment properties and an impairment was recorded for the current reporting period.

2.3. Financial risk management

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements; therefore, it should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023. The Group's financial risk management objectives and policies are consistent with those disclosed in the annual consolidated financial statements at and for the year ended 31 December 2023.

There have been no significant changes in the risk management function or in any risk management policies since the year end.

2.4. Liquidity risk factors

Ultimate responsibility for liquidity risk management rests with the board of directors, which has an appropriate liquidity risk management framework for the management of the Group's short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and financial liabilities.

2.5. Fair values of financial instruments

Financial instruments comprise financial assets and financial liabilities. Financial assets consist of cash and cash equivalents, trade receivable and other assets (excluding prepayments and advances to subcontractors and suppliers), amounts due from customers on construction contracts and due from related parties. Financial liabilities consist of bank borrowings, trade payables and accruals, (excluding advances received) subcontractors' retention, lease liabilities and due to related parties.

At the period end, the fair values of financial instruments are not materially different from their carrying values. The fair value of the financial assets and liabilities are considered at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following assumptions were used to estimate the fair values:

- Cash and cash equivalents, trade receivable and other assets (excluding prepayments and advances to subcontractors and suppliers), amount due from customers on construction contracts, due from related parties, bank borrowings, trade payables and accruals (excluding advances received) subcontractors' retention and due to related parties approximate their carrying amounts, largely due to the short-term maturities of these instruments.

- Long term receivables are evaluated by the Group based on parameters such as interest rates, specific country risk factors and individual credit worthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, provisions are taken to account for the expected losses of these receivables. As at 30 June 2024, the carrying amounts of such receivables, net of provisions, are not materially different from their fair values.

2.6. Fair values estimation

The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Investment properties valued at AED 9.9 million (31 December 2023: AED 12.7 million), are classified under Level 3.

Investment properties are valued based on the market value of the relevant region in which the property is located (a) annually by qualified independent property valuation firms or (b) at each reporting period based on latest information available. The most significant input into this valuation approach is price per square meter. The property valuation firms are specialized in valuing these types of investment properties.

Specific valuation techniques used to fair value the investment properties include Comparable method: market approach provides an indication of value by comparing the asset with identical or comparable assets for which price information is available. Factors such as location, accessibility, plot size and shape, view, land use and communities nearby are assessed.

2.7. Accounting policies

Changes in accounting policies

The accounting policies applied are consistent with those of the previous financial year and corresponding interim reporting period.

(a) New and amended standards adopted by the Group

A number of amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

(b) New standards and amendments not early adopted by the Group

The new standards and amendments that are issued, but not yet effective, up to the date of issuance of the Group's condensed consolidated interim financial statements are disclosed below.

	Effective date
Amendments to IAS 21 - Lack of Exchangeability	1 January 2025
Annual improvements to IFRS Accounting Standards	1 January 2026
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 and IAS 28	Effective date deferred indefinitely

Management is currently assessing the impact of aforementioned new accounting standards, amendments and interpretations.

3 Expenses

	AED million	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Sub-contractor costs	200.9	144.7
Personnel costs	190.9	165.4
Material costs	177.4	125.7
Depreciation of property, plant and equipment	8.2	8.4
Registration and legal expenses	4.0	4.2
Fair value loss on investment properties	2.8	-
Depreciation of right-of-use assets	1.5	1.7
Premise rent	0.8	2.0
Amortisation of intangible assets	0.4	0.4
Other expenses	18.0	13.1
	604.9	465.6

4 Cash and cash equivalents

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Cash on hand	1.0	0.7
Current accounts	182.3	165.9
Short term fixed deposits – maturity of less than 3 months	85.3	78.2
Balances as per condensed consolidated interim statement of financial position	268.6	244.8

The above figures reconcile to the amount of cash disclosed in the condensed consolidated interim statement of cash flows at the end of the reporting period. Cash in current accounts amounting to AED 60.0 million (31 December 2023: AED 51.1 million) are held with a related party, a bank.

Restricted cash amounting to AED 46.7 million (31 December 2023: AED 29.5 million) is cash held with the banks as margin for various guarantees issued by these banks to the Group's customers. During the six-month period ended 30 June 2024, additional margin money of AED 21.8 million was placed for new project guarantees and AED 4.6 million was released for completed projects.

5 Trade and other receivables

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Trade receivables	238.6	223.6
Contract retentions	266.7	252.0
Less: non-current portion of contract retentions	(113.0)	(105.1)
Less: Impairment of trade receivables and contract retentions	(215.2)	(258.9)
Trade receivable and contract retentions - net	177.1	111.6
Amounts due from related parties	9.0	9.0
Other receivables	61.4	67.9
Other current assets:		
Prepayments	26.5	21.3
Advances to subcontractors and suppliers	71.1	76.6
	345.1	286.4

Trade receivables represent amounts due from customers for contract work rendered by the Group and duly certified by the customers.

Contract retentions represent amounts withheld by the customers in accordance with contract terms and conditions. These amounts are to be repaid upon fulfilment of the contractual obligations.

The movement in the provision for impairment for trade receivables during the period/year is as follows:

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
At 1 January	99.0	96.7
Charge for the period / year	-	11.6
Reversal during the period / year	(7.3)	(5.4)
Amounts transferred / (written off) – net	0.8	(3.9)
Closing balance	92.5	99.0

The movement in the provision for impairment for contract retentions during the year is as follows:

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
At 1 January	159.9	125.8
Charge for the period / year	-	42.3
Reversal during the year / period	(25.9)	(3.1)
Amounts written off / transferred – net	(11.3)	(5.1)
Closing balance	122.7	159.9

The Group has a number of long overdue contract balances for completed projects for which the Group is currently in discussion with the customers for the settlement of the outstanding balances and believes no further provision is required. Associated with the recoverability of contract balances, the Group commenced legal cases against certain customers in order to recover outstanding balances.

During the six-month period ended 30 June 2024, the Group engaged with customers (including a related party) to recover outstanding contract balances amounting to AED 33.7 million and signed a settlement agreement for AED 31.2 million. The balances were recovered and accordingly the provision for loss allowance carried against the contract balances were reversed.

6 Goodwill

The goodwill arose on the acquisition by the Group of Vedder which is related primarily to the value of the synergies of the combined business operations, new customers relationships, growth opportunities and skilled labour. Goodwill is not tax deductible for tax purpose.

Goodwill has been allocated to the groups of cash-generating units which are the lowest level at which goodwill is monitored for internal management purposes.

Goodwill allocation to group of cash-generating units is as follows:

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Vedder	32.3	32.3

(a) Annual test for impairment

Goodwill is tested for impairment annually or when circumstances indicate the carrying value may be impaired. For impairment test purposes, the recoverable amount of the group of cash generating units has been estimated and is based on the higher of fair value less cost to sell or value in use calculated using current forecast and approved cash flow projections covering a five-year period. Based on the assessment, the management concluded that no impairment was required.

(b) Key assumptions used

The calculation of value in use is sensitive to the following assumptions:

- Growth rate; and
- Discount rate.
- Earnings before interest and tax (EBIT) rate.

Growth rate: Estimates are based on historic performance, approved business plan, backlog and prospective projects. An average growth rate of approximately 7.8% (31 December 2023: 7.8%) per annum was used for the revenue estimate.

Discount rate: Discount rate used throughout the assessment period was 8.5% (31 December 2023: 9.75%) per annum, reflecting the cash generating unit's estimated weighted average cost of capital and specific market risk profile and cost of debt. Segment-specific risk is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

EBIT rate: EBIT rate used throughout the assessment period was 5.9% (31 December 2023: 5.9%) reflecting historic average EBIT of Vedder.

At 30 June 2024, if the growth rate or EBIT rate had decreased by 2% or discount rate increased by 2%, the recoverable amount of the cash generating unit exceeded the carrying value of the goodwill.

Management believes that for the carrying value of Vedder to materially exceed the recoverable amount, there would have to be unreasonable changes to key assumptions. Management considers the chances of these changes occurring to be unlikely.

7 Investment in associates

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
At 1 January	12.2	11.1
Share of (loss) / profit for the period / year	(0.5)	2.0
Dividend received	(0.7)	(0.9)
Closing balance	11.0	12.2

8 Due from construction contract customers

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Contracts in progress at end of the reporting period		
Amount due from construction contract customers	198.9	219.1
Less: Impairment of amount due from construction contract customers	(62.4)	(68.4)
Amount due from construction contract customers included in current assets	136.5	150.7
Amount due to construction contract customers included in trade and other payables	(205.4)	(117.2)

Amount due from construction contract customers includes amounts which have been recognised as revenue and have not been certified or invoiced at the end of the reporting period.

The movement in the impairment allowance for amount due from construction contract customers during the year is as follows:

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
At 1 January	68.4	75.7
Charge for the period / year	-	8.7
Reversal during the period / year	(2.9)	(2.8)
Amounts written off	(3.1)	(13.2)
Closing balance	62.4	68.4

9 Borrowings

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Bank loans	0.5	0.9
Trust receipts and acceptances	-	1.5
	0.5	2.4
The borrowings are repayable as follows:		
Within 1 year	0.5	2.2
1- 2 years	-	0.2
	0.5	2.4
Presented in the condensed consolidated interim statement of financial position as:		
Non-current liabilities	-	0.2
Current liabilities	0.5	2.2
	0.5	2.4

Bank loans

There were no significant changes in the payment terms and interest rates on the outstanding bank loans since the year ended 31 December 2023.

Trust receipts and acceptances

Trust receipts and acceptances are facilities used by the Group for imports. There were no significant changes in the payment terms and interest rates on the trust receipts and acceptances since the year ended 31 December 2023.

Covenants

The Group has various debt covenants related to its facilities which require maintaining certain financial ratios within stipulated limits and the Group was in compliance. These financial ratios address the liquidity and capital structure of the Group.

10 Related parties

Transactions between the Company and its subsidiaries have been eliminated upon consolidation and are not disclosed in this note. Related parties include directors, parent company shareholders and key management personnel and entities in which they have the ability to control and exercise a significant influence in financial and operating decisions. The Group considers its joint operations as related parties on the basis of substance of the relationship. The Group maintains significant balances with related parties which arise from commercial transactions. The types of related party transactions are described below:

(a) Commercial transactions

The Group receives and provides services to related parties in the normal course of business at mutually agreed prices and market terms. Pricing policies and terms of related party transactions are approved in accordance with the Group's Corporate Governance policies, addressing related party transactions and conflicts of interest and which are aligned with the relevant provisions of the Dubai Financial Services Authority Market Rules relating to related party transactions.

Trade and other payables include amounts due to related parties (entities with common ownership and/or management) amounting to AED 9.6 million as at 30 June 2024 (31 December 2023: AED 9.6 million).

Trade and other receivables include amount due from related parties (joint operations) amounting to AED 9.0 million as at 30 June 2024 (31 December 2023: AED 9.0 million).

	AED million	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Related party transactions		
Entities with common ownership		
Revenue	257.6	48.7

(b) Compensation of key management personnel

The remuneration of directors and other key members of management of the Group during the period were as follows:

	AED million	
	30 June 2024 (Unaudited)	30 June 2023 (Unaudited)
Short-term compensations	3.2	2.6
End of service benefits	0.1	0.1
Directors' fees	0.4	0.4
	3.7	3.1

11 Commitments and contingencies

	AED million	
	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Letters of credit	2.1	2.1
Letters of guarantee	261.2	268.8
Security cheques issued	14.7	16.5

The above letters of credit and guarantee were issued in the normal course of business. The Group has no committed capital expenditures as at 30 June 2024 (31 December 2023: nil). The security cheques were issued in lieu of performance bonds.

Legal cases

The Group companies are defendants in a number of legal proceedings which arose in the normal course of business. The Group does not expect that the outcome of such proceedings either individually or in the aggregate will have a material effect on the Group's operations, cash flows or financial position.

12 Segment information

The Group is organised in four key business units: Vedder, Depa Interiors, Deco Group and Investments and others. These businesses are the basis on which the Group reports its primary segment information to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance. The principal products and services of each of these businesses are as follows:

(a) Vedder

- Interior fit-out solutions, including contracting, manufacturing and supply, specialising in luxury super yachts, private jets and residences.
- Primarily operates in Europe.

(b) Depa Interiors

- Interior fit-out solutions, including contracting, manufacturing and supply, specialising in luxury hotels, villas, residential, hospitality and public buildings.
- Primarily operates in the Middle East.

(c) Deco Group

- Interior fit-out solutions, including contracting, manufacturing and supply, specialising in the high-end luxury retail sector.
- Manufacture and supply of stone works to the interior fit-out sector, specialising in high quality marble.
- Manufacture and supply of joinery and carpentry work to the interior fit-out sector.
- Primarily operates in the Middle East.

(d) Investments and others

- Strategic management activities at a corporate level.
- Corporate services and head office function
- Activities are geographically spread.
- Primarily operated in the Middle East.

The following is the analysis of the Group's segments as at:

	AED million					
	Vedder	Depa Interiors	Deco Group	Investments and others	Eliminations / adjustments	Total
30 June 2024						
Reportable segment assets	297.3	803.6	220.5	3,056.8	(3,242.2)	1,136.0
Reportable segment liabilities	145.8	709.7	121.0	107.5	(385.7)	698.3
31 December 2023						
Reportable segment assets	327.4	617.1	209.2	3,109.3	(3,220.0)	1,043.0
Reportable segment liabilities	182.7	592.5	109.1	102.1	(336.9)	649.5
30 June 2024						
Revenue – Internal	-	-	23.3	-	(23.3)	-
Revenue – external	182.8	342.9	97.3	-	-	623.0
Expenses	(170.4)	(300.6)	(109.2)	(12.4)	23.3	(569.3)
Net finance cost	0.3	(0.6)	(0.5)	0.4	-	(0.4)
Income tax expense	(3.8)	(3.3)	(1.3)	1.4	-	(7.0)
Profit for the period	8.9	38.4	9.6	(10.6)	-	46.3
Depreciation	4.1	3.1	1.8	0.9	-	9.7
Amortisation	0.1	-	0.3	-	-	0.4
30 June 2023						
Revenue – Internal	-	-	1.4	-	(1.4)	-
Revenue – external	199.5	157.2	107.5	-	-	464.2
Expenses	(188.3)	(209.0)	(103.5)	(8.2)	1.4	(507.6)
Net finance cost	(0.9)	(1.6)	(0.6)	-	-	(3.1)
Income tax expense	(3.1)	(0.1)	-	-	-	(3.2)
Loss for the period	7.2	(53.5)	4.8	(8.2)	-	(49.7)
Depreciation	3.9	1.7	3.8	0.7		10.1
Amortisation	0.2	-	0.2	-	-	0.4

The Group recorded revenue amounting to AED 622.3 million over time from construction contracts (30 June 2023: AED 463.3 million). Point in time revenue amounted to AED 0.7 million from supply of materials (30 June 2023: AED 0.9 million).

Report on review of condensed consolidated interim financial statements to the board of directors of Depa PLC

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Depa PLC and its subsidiaries (the 'Group') as at 30 June 2024 and the related condensed consolidated interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard IAS 34 Interim Financial Reporting ("IAS 34"). Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers Limited
28 August 2024

Wassim El Afchal
Audit Principal, Reference Number I018372

Place: Dubai, United Arab Emirates