



# DEPA PLC

RESULTS FOR THE SIX-MONTHS ENDED 30 JUNE 2024

# HIGHLIGHTS

Depa PLC (“Depa”), the premier global interior solutions group, is pleased to announce its financial results for the six-months ended 30 June 2024.

Haitham Tuqan, Group Chief Executive Officer, commented:

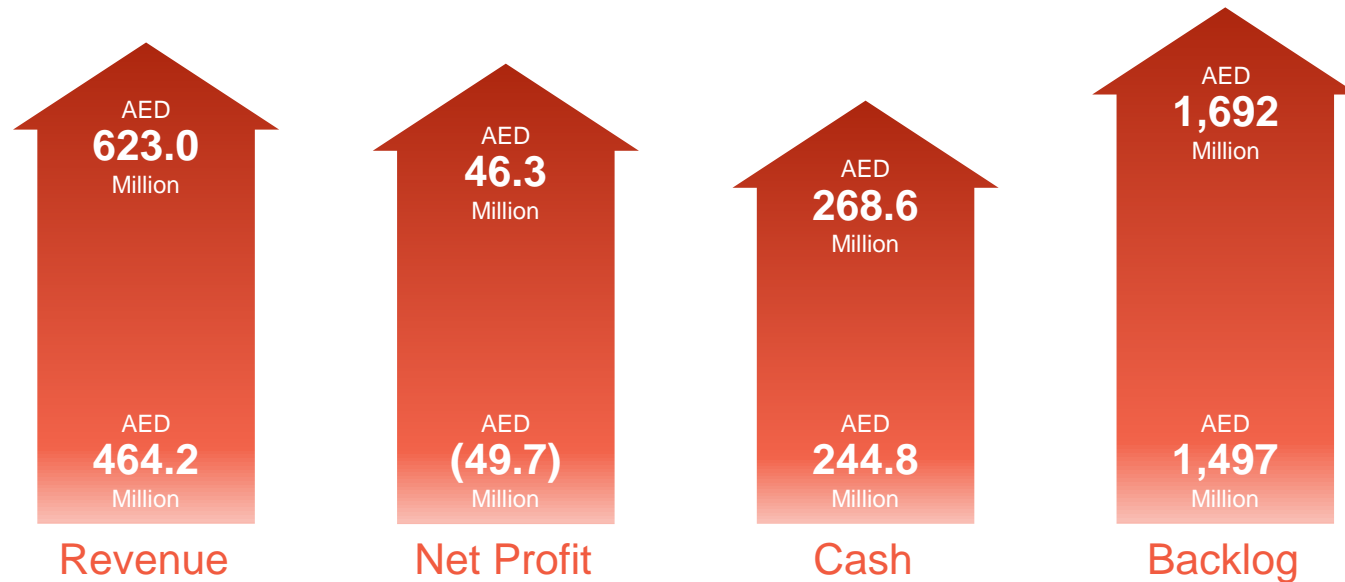


*“I am delighted to share our consolidated 2024 semi-annual results. Our commitment to quality and customer satisfaction has been the cornerstone of our success, and our financial results are a testament to our dedication and hard work.”*

*Our management initiatives for achieving operational excellence have been instrumental to our expansion in Saudi Arabia and delivering profitable results. We have focused on strategic growth while ensuring that we do not compromise on quality, delivery time, and customer satisfaction.*

*We are proud to contribute to Saudi Arabia’s leadership Vision 2030 and be a part of its transformative journey while maintaining our presence and commitment to delivering quality projects in the United Arab Emirates and the region. This commitment ensures that we continue to meet the high standards expected by our customers and stakeholders.*

*As we move forward, we will continue our commitment to delivering quality fit-out solutions and creating lasting value for our stakeholders.”*



Achieved a robust revenue of AED 623.0 million, marking a notable increase from AED 464.2 million in H1 2023.

Net profit of AED 46.3 million compared to net loss of AED 49.7 million in H1 2023.

Maintained healthy cash position with cash and cash equivalents totalling AED 268.6 million compared to AED 244.8 million in FY 2023.

Our backlog stands strong at AED 1,692 million, reflecting steady growth compared to AED 1,497 million in H1 2023.

A modern interior space with a large window overlooking a pool and desert landscape. The scene is bathed in a warm, orange-red light. In the foreground, a white sofa with patterned cushions is visible. To the left, a wooden slatted wall is partially seen. In the center, a doorway leads to another room with a television and a chair. To the right, a wooden deck with a lounge chair and a pool is visible, with a desert landscape and palm trees in the background.

# DEPA PLC

GROUP FINANCIAL REVIEW

# FINANCIAL PERFORMANCE SUMMARY



<b>Revenue</b>	Generated AED 623.0 million, up by AED 158.8 million (H1 2023: AED 464.2) driven by strong growth in Saudi Arabia, particularly Depa Interiors Group's staggering 2.18x revenue growth.
<b>Expenses</b>	Incurred AED 604.9 million, up by AED 139.3 million (H1 2023: AED 465.6 million). Increased at a lower rate compared to revenue growth.
<b>Net reversal of impairment on financial and contract assets</b>	Recorded net reversals of provisions for doubtful debts of AED 36.1 million (H1 2023: provision of AED 42.9 million) primarily related to successful settlement of impaired legacy contract receivables for Depa Interiors and Deco.
<b>Associates</b>	Loss of AED 0.5 million (H1 2023: profit 0.9 million).
<b>Net Finance expense</b>	Incurred AED 0.4 million (H1 2023: AED 3.1 million).
<b>Income tax expense</b>	Recognized AED 7.0 million, up by AED 3.8 million (H1 2023: 3.2 million) in line with the introduction of UAE corporate income tax effective 01 January 2024.
<b>Net results</b>	Generated net profit for the period AED 46.3 million, up by AED 96.0 million (H1 2023: net loss AED 49.7 million).

**34.2%**

Revenue growth compared to H1 2023

**AED 96 million**

Net profit increase compared to H1 2023

# FINANCIAL POSITION SUMMARY



<b>Cash and bank balances</b>	The Group reported period-end cash and bank balances of AED 315.3 million (FY 2023: AED 275.0 million) including fixed deposits and restricted cash.
<b>Net cash balance</b>	The Group reported period-end net cash of AED 228.0 million (FY 2023: AED 201.9 million) net of bank borrowings and lease liabilities and excluding restricted cash and long-term fixed deposits.
<b>Assets</b>	Total assets amounted to AED 1,136.0 million (FY 2023: AED 1,043.0 million) of which AED 838.1 million are current (FY 2023: AED 749.2 million).
<b>Liabilities</b>	Total liabilities amounted to AED 698.3 million (FY 2023: AED 649.5 million) of which AED 591.9 million are current (FY 2023: AED 554.4 million).
<b>Equity</b>	Equity attributable to equity holders of the parent stood at AED 441.4 million (FY 2023: AED 397.2 million).
<b>Share capital</b>	As at 30 June 2024, the Group's outstanding ordinary shares and ordinary Class-A shares amounted to 1,364,145,794, net of 4,306,959 treasury shares.

**1.42**  
Current ratio

**1.60**  
Liabilities/equity ratio

# CASH FLOW SUMMARY



<b>Operating activities</b>	Net cash inflow from operating activities amounted to AED 37.6 million (H1 2023: out flow AED 2 million) supported by profitable operating activities and effective working capital management.
<b>Investing activities</b>	Net cash outflows used in investing activities amounted to AED 3.9 million (H1 2023: AED 9.4 million) stemming from prudent capital expenditure decisions.
<b>Financing activities</b>	Net cash outflows used in financing activities were AED 6.9 million (H1 2023: out flow AED 22.1 million).
<b>Exchange differences on translation of foreign operations</b>	Unfavorable foreign exchange differences resulted in AED 3 million negative movement (H1 2023: AED 3.6 million negative movement) in the reported cash and cash equivalents.
<b>Cash and cash equivalents balance</b>	The Group ended the period with cash and cash equivalents of AED 268.6 million (H1 2023: 201.2 million).

**AED 244.8 million**  
Opening cash & cash equivalents 1 Jan 2024

**AED 26.8 million**  
Net increase in cash and cash equivalents during H1 2024

**AED (3.0) million**  
Currency translation difference

**AED 268.6 million**  
Ending cash & cash equivalents 30 June 2024

The background image shows a contemporary living area with a large window. The window looks out onto a pool deck with lounge chairs and a view of a desert landscape with palm trees. The entire image has a warm, orange-red color cast.

# DEPA PLC

GROUP OPERATIONAL REVIEW

# Depa Interiors Group

depa

depa

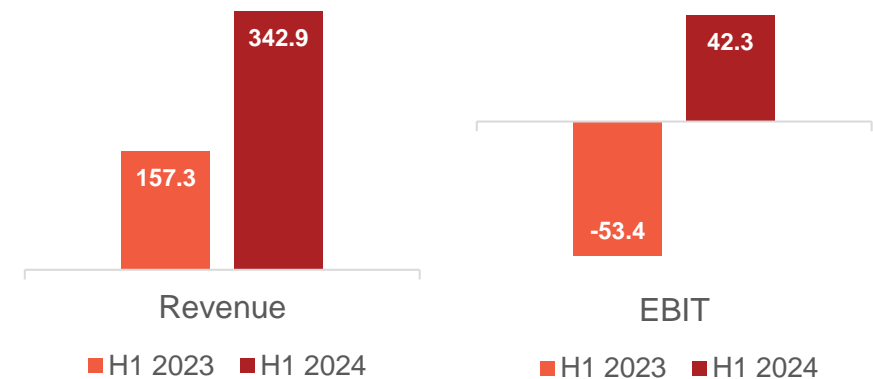


## Financial highlights:

- Revenue: AED 342.9 million, up AED 185.6 million or 118% compared to H1 2023
- EBIT: AED 42.3 million, up by AED 95.7 million from AED 53.4 million loss in H1 2023 due to healthy backlog wins and settlement of impaired receivables on legacy contracts

## Operational highlights:

- Increase in revenue with a strong backlog predominantly in KSA





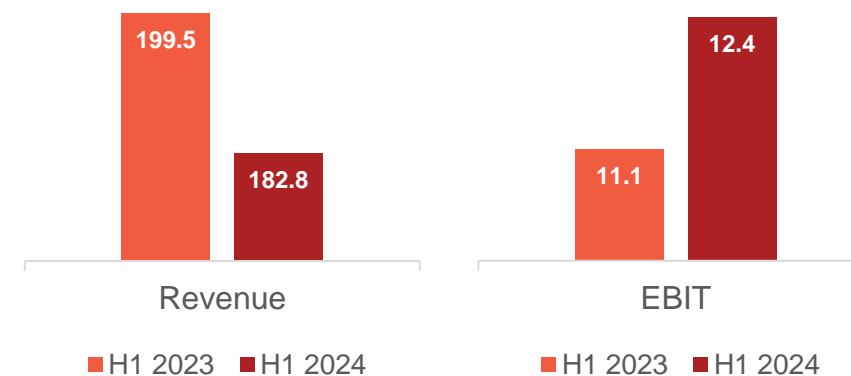


## Financial highlights:

- Revenue: AED 182.8 million, down AED 16.7 million or 8.4% compared to H1 2023
- EBIT: AED 12.4 million, up by AED 1.3 million or 11.7% compared to H1 2023

## Operational highlights:

- Revenue has decreased due to slower project completion during the current period as compared to same period in the prior year
- Increase in EBIT mainly due to increase in gross margins of new projects won and savings achieved across general & administrative expenses.



# Deco Group



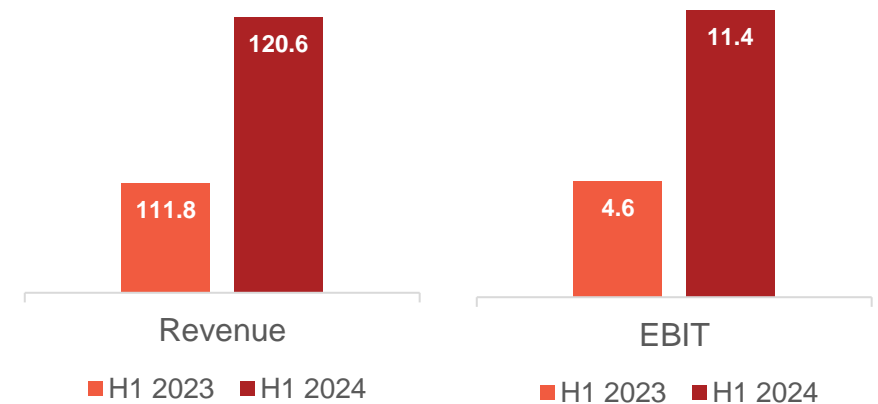
*The Middle East's leading provider of interior solutions for the luxury retail market, premium marble supply and installation, and high-quality furniture and joinery works*

## Financial highlights:

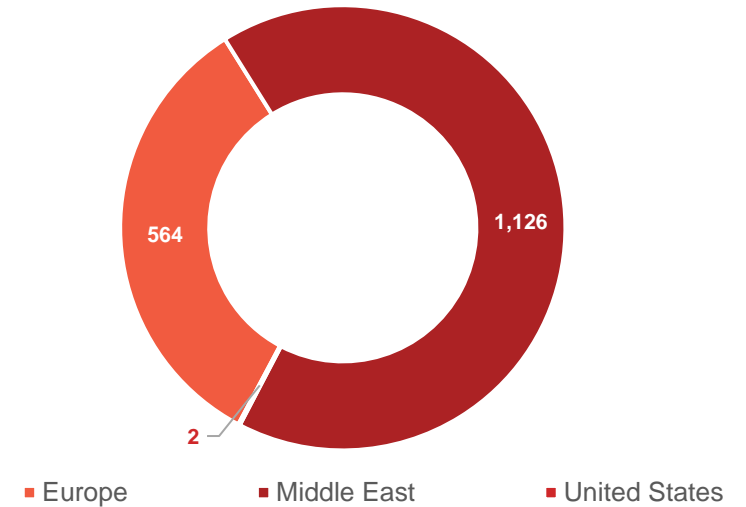
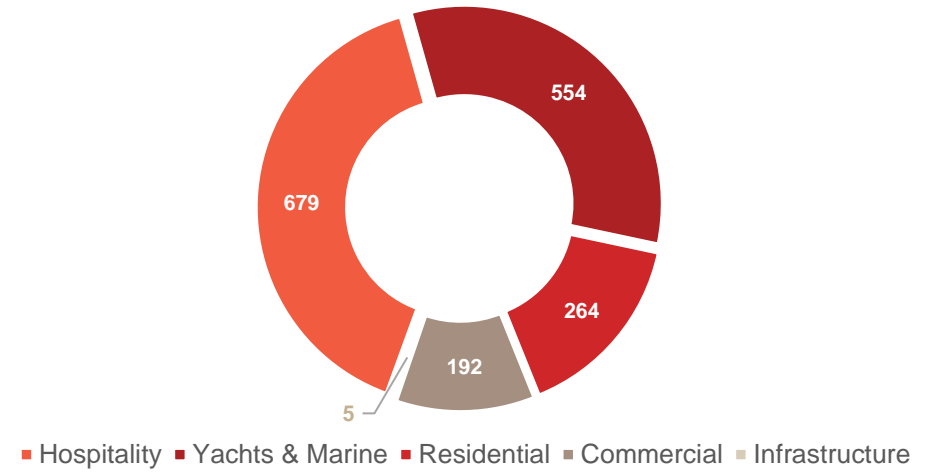
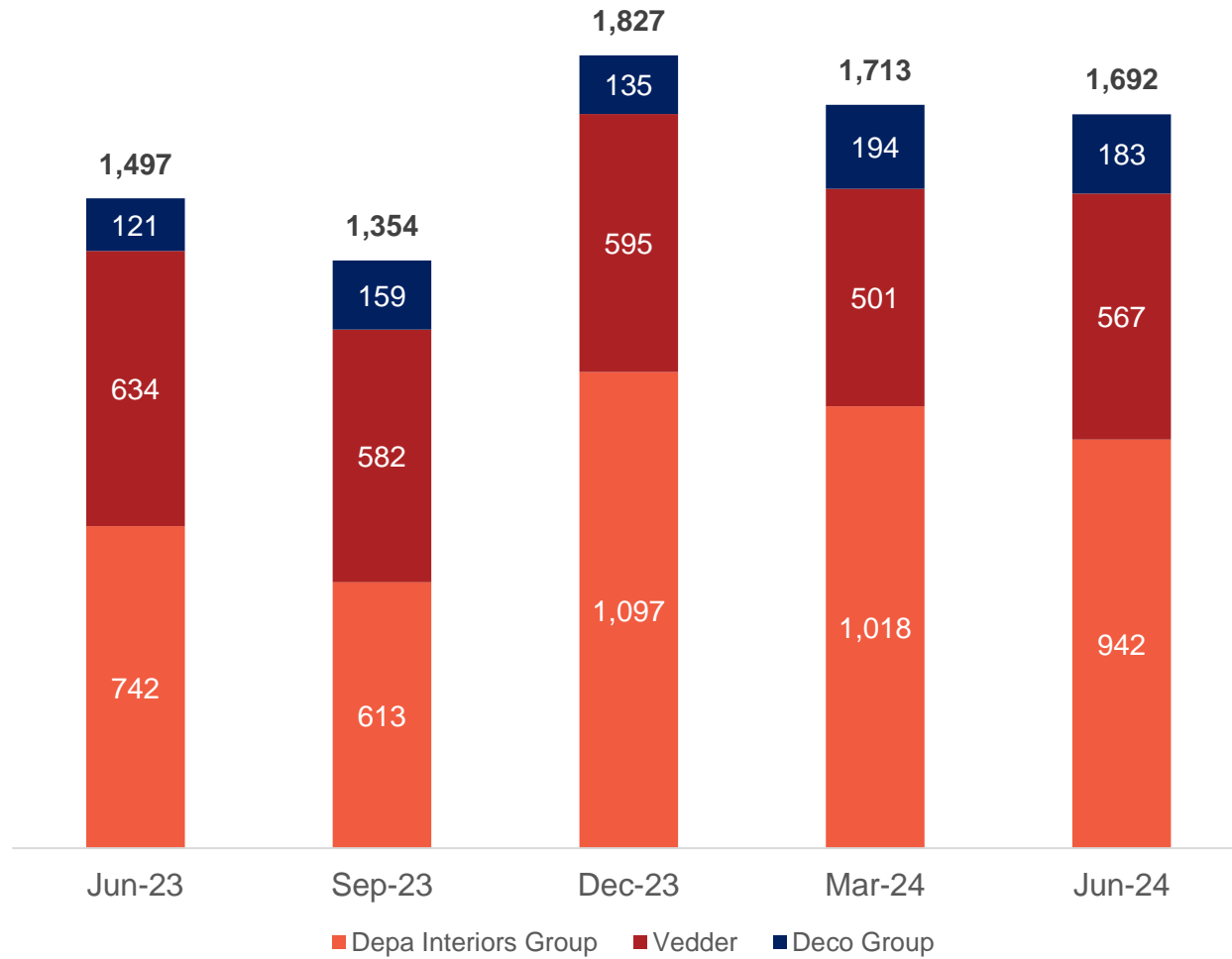
- Revenue: AED 120.6 million, up AED 8.8 million or 7.9% compared to H1 2023
- EBIT: AED 11.4 million, up AED 6.8 million or 147.8% compared to H1 2023

## Operational highlights:

- Strong relationships with long-term clients securing projects for Louis Vuitton, Versace, Dior, Chanel and Dolce & Gabbana during the year
- Increase in revenue and EBIT mainly from new projects wins in second half of 2023 and early 2024 with sustained profitability



# Backlog



# Outlook

Looking forward, as we move into the second half of 2024, our planned expansion into the Kingdom of Saudi Arabia underscores our confidence in the region's growth potential. We anticipate sustained growth and prosperity, solidifying our position as a leader in the construction fit-out industry.



## FOR FURTHER INFORMATION

The logo for Depa, consisting of the lowercase letters 'depa' in a bold, sans-serif font, colored in a dark blue-grey, set against a white square background.

Please contact:

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Haitham Tuqan, Group Chief Executive Officer

Nader Mardini, Group Chief Financial Officer

## NOTES TO EDITORS

Depa is a strategic management company specializing in premium 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 centered 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 the Kingdom of Saudi Arabia.

## 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.