**Press Release**

# Drake & Scull International announces 2020 audited financial results

**The Company recorded Net Profit of AED 95 million compared to a net loss of AED 87 million recorded for the same period last year, in addition to a gross profit of AED 17 million compared to gross profit of AED 8 million for the same period last year**

**Organisational & Financial Restructuring Progressing Positively**

**Dubai, UAE, 31 March 2021:** Drake & Scull International PJSC (DSI), a market leader in integrated design, engineering and development in the MEP Water and Power, and Oil and Gas sectors reported today its audited financial results for the year ended December 2020, reporting a gross profit of AED 17 million & a net profit of AED 95 million.

- **2020 Revenues stood at AED 182 million compared to AED 681 million in 2019.**
- **Gross Profit of AED 17 million in 2020 compared to a Gross profit of AED 8 million in 2019.**
- **There was a Gain on the Disposal of a subsidiary amounting to AED 291 million.**
- **Profit from continued operations reached AED 114 million in 2020 compared to a profit of AED 234 million in 2019.**
- **Reduction of General & administrative expenses to AED 69 million in 2020 compared to AED 252 million in 2019 was one of the main reasons contributing to the net profit for the year 2020.**
- **Total Negative Equity has reduced from AED 3,979 million in 2019 to AED 3,902 million in 2020.**

DSI recorded revenues of AED 182 million and the order backlog remained stable at AED 398 million, driven by on-going operations in the UAE, Algeria, Tunisia, Palestine, India, Kuwait, Iraq, and Germany.

Munir Mansour, CEO of DSI, said: “During the last few months, DSI has managed to deal with the many legacy projects and ensuring the delivery of the current contracts. There has been a renewed focus on the enhancement of our operational efficiencies, operating cost management, and at the same time reorganising the operations so as to be ready to deliver the post-restructuring 5-year business plan.

“As per the Shareholders’ approval in 2019, the organizational restructuring is progressing well especially after the sale of a number of the loss-making civil related entities with the continued focus on the MEP sector. We are making a continuous effort to win more projects were possible, whether in UAE or overseas, in addition to the on-going operations in Algeria, Tunisia, Palestine, India, Kuwait, Iraq, and Germany.

In terms of the financial restructuring, an agreement in principle was reached with a group of the largest lenders in early January 2021. This was subsequently presented to all creditors earlier this month and will be the basis upon which they hopefully approve the overall restructuring. The detailed documents are being finalised for the formal approval of the majority of the creditors. When approved, with the support of the FRC, we then look to the Courts to approve the implementation of the Restructuring plan. Once approved by the Court It will then be for the Shareholders to approve the deal and the launch of the associated rights issue.

About Drake & Scull International PJSC

Drake & Scull International PJSC (DSI) is a market leader in world-class integrated project design and engineering, projects. DSI‘s main business streams include engineering (MEP), construction, oil & gas, and water & wastewater. The company operates across the GCC and the rest of the Middle East Europe & Asia. DSI has completed more than 700 projects around the world in the aviation, residential and mixed-use real estate, power plant, cooling plant, hospitality, healthcare, renewable energy, data center, petrochemical, rail, commercial, government, leisure, and infrastructure sectors.

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