Press Release

Drake & Scull International Announces Q1 2024 Financial Results

Dubai, UAE, 8 May 2024: Drake & Scull International PJSC (DSI), a regional market leader in integrated design, engineering, and development in the (MEP), Water and Power and Oil and Gas sectors released today its reviewed financial results for the Q1 ended 31 March 2024 reporting a Gross Profit of AED 1.3 million compared to AED 1.1 million for the same period in 2023.

- Revenue achieved was AED 31 million compared to AED 20 million during the same period in 2023.

- Net Loss was AED 46 million compared to a net loss of AED 119 million during the same period in 2023. The main reason behind Q1 2024 loss was the net financing cost of AED 39 million that will be reversed back in the accounting books back upon successful completion of the restructuring process.

- The Group backlog was AED 589 million compared to AED 435 million as at 31 December 2023 driven by ongoing operations in overseas countries.

Commenting on the announcement, **DSI PJSC Chief Financial Officer**, said

"We are glad to announce that the restructuring process is expected to be completed soon and the new IPO subscription which is limited to our existing shareholders only already started on 25 April 2024 and would be closed on 10 May 2024. We have full trust in all our existing shareholders to subscribe in the new capital raise and the new funds will be utilized in improving the efficiency and effectiveness of the working capital necessary to win new profitable projects in UAE and overseas countries in the future.

Furthermore, we assume that DSI PJSC Q1 2024 reviewed financial statements might be the last financial statements before closing the restructuring process. Once the restructuring process is completed, the liabilities related to the restructuring plan creditors will be reversed back in the accounting books based on 90% write off and 10% non-bearing interest Mandatory Convertible Sukuk as per the settlement plan approved by Dubai Court of Appeal on 1 November 2023.