



Press Release:

"Drake and Scull" achieves a net profit of AED 5.9 million in Q3 2024 *with 13% growth in revenues*

Dubai, UAE, 11 November 2024 – Drake and Scull International PJSC (DSI), specializing in contracting services for mechanical, electrical, and plumbing (MEP), as well as oil and gas, water and wastewater treatment projects, announced its financial results for the third quarter ending September 30, 2024, recording net profits amounting to 5.9 million dirhams, reflecting a significant turnaround and recovery as the company continues to progress following the success of the restructuring process.

Key Financial Highlights for the First Nine Months of 2024:

- **Revenue** reached AED 21.5 million for Q3, representing an increase of 13% from AED 18.9 million in Q3 2023, driven by higher activity in India, Romania, and Tunisia.
- **Year-to-Date Profit** for the nine months ended September 30, 2024, was AED 3.8 billion, a substantial improvement from the AED 197.5 million loss in the same period last year. This is primarily attributed to the AED 3.75 billion in liabilities written back as part of the restructuring.
- **Net Profit** of AED 5.9 million, a sharp improvement compared to a net loss of AED 34.9 million in Q3 2023.
- **Earnings per Share (EPS)** stood at AED 1.88 for the nine months, compared to a loss per share of AED 0.18 for the same period last year.

Financial Position and Restructuring Impact:

The financial restructuring has markedly strengthened DSI's balance sheet:

- **Total Assets** increased to AED 715.6 million as of September 30, 2024, up from AED 350.4 million at the end of 2023.
- **Equity Position** improved to AED 174.1 million, compared to a deficit of AED 4.4 billion as of December 31, 2023.
- **Debt Reduction:** Through the restructuring, DSI has substantially reduced its financial obligations by converting a portion of its debt into Mandatory Convertible Sukuks (MCSs), enhancing liquidity and financial flexibility.



Commenting on these results, His Highness Sheikh Theyab bin Tahnoun bin Mohammad Al Nahyan, Chairman of the Board of Directors of DSI, said: “The Company’s results for the third quarter reflect the positive impact of the restructuring process and the effectiveness of our team and executive management. The progress we have made in reducing the debt burden and enhancing liquidity, coupled with the management’s continued implementation of resolute measures to control administrative and operational costs, has laid a solid foundation for future growth.”

Operational Highlights:

- The Company saw improved performance in several key markets, with notable revenue contributions from contracts in India, Romania, and Tunisia.
- Restructuring settlements initiated with creditors have streamlined operations and reduced legal liabilities.
- DSI is strengthening its workforce capabilities through focused hiring, ensuring that its team is equipped to meet the evolving demands of current and future projects in diverse regions.
- The Company has submitted bids for new projects in strategically important regions, reflecting its commitment to strengthening its presence in high-growth markets. This activity signals a promising pipeline and aligns with DSI’s goal to capture further expansion opportunities.

His Highness Sheikh Theyab added: “Having completed the restructuring process, the Company is looking forward to long-term financial stability, and aims to benefit from its revitalized balance sheet to seize new opportunities in the regional infrastructure and energy sectors. The Company expects sustainable growth in revenues and revenue margins and continuous improvement in operations over the coming years, in line with its strategic growth objectives. We remain committed to strengthening our operational capabilities and creating long-term value for our stakeholders.”

It is worth mentioning that DSI announced last July the write-off of approximately AED 4 billion in losses, including AED 3.79 billion representing financial and commercial debts. Additionally, the Company successfully increased its capital by 150% above the required level for restructuring, which led to enhanced liquidity and the provision of necessary bank guarantees to secure new projects. Lastly, the Company was able to resume trading its shares on the Dubai Financial Market on May 29.

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About Drake and Scull International PJSC

Drake & Scull International PJSC (DSI) is a global industry leader delivering state-of-the-art projects and solutions across its high-performance sectors including electromechanical, integrated design, engineering, and construction, for water, power and oil and gas sectors. Through our operations, we provide integrated design, smooth functionality, and efficiency from start to finish. From Infrastructure Development, Waste to Energy, Data Centers Development, Mechanical Electrical and Plumbing (MEP) to Renewable Energy. DSI continues to be at the helm, driving the market forward through our people, passion, and innovation for more than 135 years.