

Drake & Scull International PJSC

Invitation to the Shareholders to subscribe for New Shares in a Capital Increase

Drake & Scull International PJSC ("DSI" or the "Company") hereby invites its shareholders to subscribe for new shares, by way of a capital increase, as approved by the general assembly of the Company (the "General Assembly") and the Securities and Commodities Authority (the "Authority" or "SCA").

Restructuring Plan Overview

DSI initiated restructuring plan in November 2018 (the "Restructuring Plan") and appointed a team of financial and legal experts to advise and lead on the task. The trading in DSI shares was also suspended during the same month.

In 2022, the Restructuring Plan for DSI was approved by the majority creditors after extensive discussions and negotiations with various stakeholders over an extended period of 2.5 years. On 1 November 2023, the Restructuring Plan was approved by the Courts of Dubai, who appointed an expert to oversee its implementation and report to the Courts on the progress achieved.

As per the Court decision received on the 1 November 2023, DSI's Restructuring Plan was approved.

The restructuring plan contemplates plan creditors ("Plan Creditors") agreeing to write down 90% of their claims in exchange of: (i) receiving a Mandatory Convertible Sukuk instrument (the "MCS") representing 10% of their claims, or (ii) cash payment amounting to 10% of their claims depending on their exposure.

All Plan Creditors with balances in excess of AED 1 million will receive MCS, while Plan Creditors with balances less than AED 1 million will receive cash.

Upon their conversion, the MCS are expected to receive 35% of the issued share capital of DSI, subject to certain adjustments.

1. Decision of the Increase:

The Company's restructuring plan was approved on 1 November 2023 by the Dubai Court of Appeal. Moreover, the Dubai Financial Market ("DFM") approved on 4 March 2024 to return the Company's shares to trading, subject to the completion of the minimum capital increase subscription of AED 300 million.

In its meeting held on 1 April 2024, the General Assembly resolved to increase the Company's issued share capital from AED 1,070,987,747 (one billion and seventy million and nine hundred and eighty seven thousand and seven hundred and forty seven Dirhams) up to an amount not exceeding AED 3,470,987,747 (three billion and four hundred and seventy million and nine hundred and eighty seven thousand and seven hundred and forty seven Dirhams), by way of a capital increase (the "Capital Increase"). The Capital Increase will be for an amount of up to AED 600,000,000 (six hundred million Dirhams), by creating up to 2,400,000,000 (two billion four hundred million) new shares (the "New Shares" and each a "New Share") at an issue price of AED 0.25 (the "Issue Price") and a discount price of AED 0.75 with a nominal value of AED 1.00 per New Share. The General Assembly authorised the Board of Directors of the Company to determine and fix the dates, size and terms of the Capital Increase, and to take all necessary steps to implement the Capital Increase.

2. Amount of share capital increase (Capital Increase) and issue price:

The capital of the Company will be increased by up to AED 600,000,000 (six hundred million Dirhams) from AED 1,070,987,747 (one billion and seventy million and nine hundred and eighty seven thousand and seven hundred and forty seven Dirhams) up to and not exceeding AED 3,470,987,747 (three billion and four hundred and seventy million and nine hundred and eighty seven thousand and seven hundred and forty seven Dirhams), by creating up to 2,400,000,000 (two billion four hundred million) New Shares.

The New Shares will be issued at an Issue Price of AED 0.25, a discount of AED 0.75 and a nominal value of AED 1.00 for each New Share. The difference between the Issue Price and nominal value will be recorded as a negative reserve that will be covered by the Company's future profits and the Company will not distribute any dividends until this reserve is covered.

3. General Information on the Company and the Capital Increase:

- **Company Name:** Drake & Scull International PJSC
- **Registration Number and Date with the Competent Authority:** 224674 dated 09/11/1977.
- **Head office:** Business Bay, P.O. Box 65794, Dubai, United Arab Emirates.
- **Purpose of the Company:** The purpose(s) of the Company are stated in its Memorandum of Association and Articles of Association and include, but are not limited to, the following:
 1. the objectives for which the Company was established is to carry on the business of mechanical contracting and electrical works, public health engineering and general maintenance works; to manage projects and installations, to render onshore and offshore gas and oil field services related to the above.
 2. The Company shall have the right to take credit and to give securities for the said purpose and it shall have the right to enter into joint ventures.
 3. To do all such other things as are desirable or necessary for, or incidental to, achieving the objects mentioned above or as

may conveniently be carried on in the Emirate of Dubai in conjunction with the above. The activities in which the Company may engage include, but are not limited to the following:

- a. to own, lease, rent, sell, exchange, possess real estates and any other fixed assets such as lands, buildings and others;
 - b. to invest the Company's funds in financial fields and activities as the Company's deems it appropriate and to participate in their capital, to own trademarks, patents, authors rights and any other rights, industrial forms and any intellectual property rights the Company deems it necessary for its business;
 - c. to acquire, possess, companies and establishments relevant to the Company's objectives and to create sister companies and branches in or outside the United Arab Emirates after having obtained the necessary authorizations from the competent authorities; and
 - d. to act as an agent for the companies, establishment and international organizations relevant to the Company's objectives and to represent the same in UAE and abroad.
- **Current Share Capital:** AED 1,070,987,747 (one billion and seventy million and nine hundred and eighty-seven thousand and seven hundred and forty seven Dirhams).
 - **Current Number of shares:** 1,070,987,747 (one billion and seventy million and nine hundred and eighty-seven thousand and seven hundred and forty seven) shares.
 - **Listing Venue:** Dubai Financial Market.
 - **Nominal Value of each Share:** AED 1.00 per share (New Shares will be issued at an Issue Price of AED 0.25 at a discount of AED 0.75).
 - **Purpose of capital increase:**
 - The Company intends to use the net proceeds from the Capital Increase as follows: (i) to pay for mandatory accounts payable (former employees, government fees, etc.) and other restructuring expenses; (ii) cash settlement with junior creditors as well as the purchase of mandatory and optional MCS; and (iii) to enhance working capital, capital expenditures and support operations as well as future growth and any potential acquisitions.
 - **Auditor:** Mazars
 - **Lead Manager and Bookrunner:** Emirates NBD Capital PSC
 - **Lead Receiving Bank:** Emirates NBD Bank PJSC

4. Subscription Conditions:

- **Right to Subscribe:**

The Capital Increase will be conducted through the issue of New Shares pursuant to the Decree of the Authority's Chairman of the Board No. 11RM of 2016 concerning the Regulations of the Offering and Issuance of Shares of Public Joint Stock Companies (as amended) to registered shareholders of the Company (the "Shareholders" and each a "Shareholder") as at the close of business of the DFM on Wednesday 24 April 2024 (the "Eligibility Date").

The Company is exempted from Article 2.4 of the DFM Listing Rules, and there will be no issuance of rights. The Capital Increase will be made exclusively for the benefit of Shareholders registered in the Company's shareholder's register as at 24 April 2024 as shown in DFM's shareholder's register.
- **Subscription period:**

Subscription for the New Shares will take place within the period below (the "Subscription Period"). During the Subscription Period, Shareholders (the "Eligible Persons" and each an "Eligible Person") will be allowed to subscribe for the New Shares at the Issue Price.

 - **Subscription Opening Date:** 25 April 2024
 - **Subscription Closing Date:** 10 May 2024
- **Subscription for Additional New Shares:**
 - Eligible Persons may also apply for additional New Shares (the "Additional New Shares"), which will be allocated in the event that any unsubscribed New Shares remain as a result of the consolidation of the unallocated fractional entitlements to New Shares.
 - Additional New Shares will be allocated, on a *pro rata* basis, to those Eligible Persons who subscribed for such Additional New Shares, based on the number of Additional New Shares requested by such Eligible Persons.
- **Ownership limitations:** there are no ownership limitations in the issued share capital by the Company.
- **Dividends:** The New Shares will rank *pari passu* with the Company's existing shares including the right to receive all future dividends and other distributions declared, made or paid after the Eligibility Date.

- **Subscription applications:** Subscription applications are available at any of the branches of the Receiving Banks listed in paragraph 11 below.
- **Issue Price:** The New Shares will be issued at an Issue Price of AED 0.25 and at a discount of AED 0.75 with a nominal value of AED 1.00.
- **Timing of payment:** The total subscription amount of the New Shares subscribed for shall be paid upon submitting the subscription application.
- **Methods of payment:** Either through (i) a certified bank cheque ("Manager's Cheque") drawn on a bank licensed and operating in the United Arab Emirates, in favour of **Drake & Scull International PJSC ("Capital Increase Shares")**; (ii) debiting the account of the Eligible Person with the Receiving Banks; (iii) UAE Central Bank Fund Transfer ("FTS") mode; or (iv) electronic subscriptions through Automated Teller Machines ("ATM") and internet banking for customers of the Receiving Banks.
- **Receiving Banks:** Subscriptions shall be received by the Lead Receiving Bank or by the Receiving Bank through any of their branches listed in paragraph 11 below.
- **Refunds:** Refunds will be given to Eligible Persons who did not receive the number of New Shares for which they subscribed. Refunds shall be completed by no later than five (5) business days from the date of allocation of the New Shares. The amount to be refunded shall be returned to the relevant Eligible Person's bank account with the Lead Receiving Bank, and if payment of the subscription amount was made by Manager's Cheque, by sending a cheque to the relevant Eligible Person at the address stated in the subscription application. If payment was made via FTS mode, it shall be returned to the relevant Eligible Person via FTS mode.

5. Allotment Policy

The allotment of the New Shares will be as stated, and in the same order of priority, below:

- **First,** to Eligible Persons who subscribe for New Shares in an amount equal to the number of New Shares for which they have applied.
- **Second,** to the extent that any New Shares remain unsubscribed thereafter, to Eligible Persons who subscribe for Additional New Shares in an amount equal to the number of Additional New Shares for which they have applied in excess of the number of shares they respectively hold.

The allocation of Additional New Shares to Eligible Persons who have subscribed for Additional New Shares will be allocated after allocations to Eligible Persons who have subscribed for a number of New Shares equal to or less than the number of shares they hold will be on a *pro rata* basis, scaled back (if necessary) in accordance with the proportion that the number of Additional New Shares requested by the Eligible Person represents to the total number of Additional New Shares requested by all Eligible Persons who subscribed for Additional New Shares. There is, therefore, no guarantee that Eligible Persons applying for Additional New Shares will receive the number of Additional New Shares for which they applied. No Eligible Person will receive more New Shares than the number for which they subscribed during the Subscription Period.

6. Required documents for subscribers:

Eligible Persons shall submit the following documents, along with their subscription applications:

- A. **For individuals who are UAE nationals, GCC nationals UAE residents, or nationals of any other country:**
 - Eligible Persons should have:
 - a valid and a unified national investor number at DFM ("NIN"); and
 - the original and a copy of a valid passport or Emirates identity card.
 - In case the signatory is different from the subscriber:
 - the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
 - the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
 - a copy of the passport/Emirates ID of the subscriber for verification of signature; and
 - In case the signatory is a guardian of a minor, the following will be submitted:
 - Original and copy of the guardian's passport/Emirates ID for verification of signature;
 - Original and copy of the minor's passport; and
 - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).
- B. **For applications where the method of payment is:**

- **Direct debit:** the account holder or authorised signatory should be physically present at any of the branches of the Receiving Banks listed in paragraph 11 below to authorise the transaction.
- **Manager's Cheque:** the Eligible Person or the representative of the Eligible Person can provide the Manager's Cheque at any of the branches of the Receiving Banks listed in paragraph 11 below.

C. Corporate bodies including banks, financial institutions, investment funds and other companies and establishments (i.e. juridical persons):

- UAE registered corporate bodies:
 - Eligible Persons should have an NIN;
 - the original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;
 - the original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
 - the original and a copy of the passport/Emirates ID of the signatory.
- Foreign corporate bodies: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Lead Manager to obtain the list of required documents.

For applications where the method of payment is:

- **Direct Debit:** the authorised signatory on the account should be physically present at any of the branches of the Receiving Banks listed in paragraph 11 below to authorise the transaction.
- **Manager's Cheque:** the representative of the corporate body can provide the Manager's Cheque at any of the branches of the Receiving Banks listed in paragraph 11 below.

For more information about the required documents for Eligible Persons, please see the FAQs published on the Company's website.

7. Procedures of subscription:

The subscription application must be submitted by Eligible Persons to any of the branches of the Receiving Banks listed in paragraph 11 below and the Eligible Person's bank account number must be provided, together with the payment for the amount to be used to purchase or subscribe for the New Shares, which is to be paid in one of the following ways:

- Manager's Cheque, in favour of the "**Drake & Scull International PJSC (Capital Increase)**";
- Debiting the Eligible Person's account with the Receiving Banks;
- FTS mode; or
- Electronic subscriptions through ATM and internet banking for customers of the Receiving Banks.

Eligible Persons choosing the FTS mode will be required to provide their NIN along with the value of New Shares subscribed for, broker name and mobile number in the special instructions field.

Account holders with the Receiving Banks can subscribe via ATM and internet banking. Eligible Persons accessing the ATM with their debit card and the internet banking with password as is customary with electronic banking transaction will be deemed sufficient for the purpose of identification and the documentation requirement will not be applicable to such Eligible Persons.

The limit of subscription via ATMs and internet banking is AED 2 million for each application. Applicants who want to subscribe for an exceeding amount will have to visit any branch of the Receiving Banks listed in paragraph 11 below.

The DFM website (www.dfm.ae) will be available for online applicants, who have an NIN and registered DFM eServices on the DFM website (www.dfm.ae) and holding a valid NIN, or by debiting the Eligible Person's bank account via Central Bank Payment Gateway, to submit electronic subscriptions to the Receiving Banks. The Receiving Bank shall have its own electronic channels (such as online internet banking applications, ATMs, etc.) which shall be interfaced with the DFM system. Submitting the electronic subscription form will be deemed an acceptance by the applicant (and, if not the Eligible Person, on behalf of the Eligible Person) of the terms and conditions of this invitation to Shareholders and authorisation for the issuing bank and the Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the Eligible Person and transferring the same to the bank account in favour of "**Drake & Scull International PJSC (Capital Increase Shares)**" held at the Receiving Bank as detailed in the subscription application. The submission of an electronic subscription application will be deemed sufficient for the purposes of fulfilling the identification requirements and, accordingly, the supporting documentation in relation to applications set out above will not apply to electronic applications.

The subscription amount may not be paid or accepted by the Receiving Banks using any of the following methods:

- in cash;
- cheques that are not Manager's Cheque; or
- any other mode of payment other than mentioned above.

Emirates NBD Bank PJSC Electronic Subscription

Account holders with Emirates NBD Bank can subscribe via the bank's online internet banking and mobile application channel as

well as through ATMs. Eligible persons can access Emirates NBD Bank's ATMs with their debit card, and online banking or mobile application using their relevant username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification and accordingly the supporting documentation in relation to application set out elsewhere in this Prospectus will not apply to electronic applications.

Subscribers without an Emirates NBD Bank account, who are either in the UAE or outside the UAE, can subscribe through the dedicated IPO website <https://IPO.EmiratesNBD.com> and pay through Online Banking via the UAE Central Bank Payment Gateway ("PGS") or through UAE Central Bank Fund Transfer ("FTS") or SWIFT. In case of any issues or support, please contact the dedicated Emirates NBD Bank IPO team through our call center 800 ENBD IPO (800 3623 476)

E-subscription through the Emirates NBD Bank PJSC - General Terms

Submitting the electronic subscription application, the customer is accepting the offering terms and conditions on behalf of the subscriber and authorize Emirates NBD Bank PJSC to retrieve Investor details from DFM Market to submit the subscription application and pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the offer account in favor of "**Drake & Scull International PJSC – Capital Increase**" held at the Emirates NBD Bank PJSC.

The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this prospectus will not apply to electronic applications under this section.

Notification of the final allocation of offer shares and the refund of proceeds for unallocated offer shares (if any) and any returns thereon following the closing of the offer period shall be performed solely by, and processed through, the receiving banks in which the electronic subscription application was submitted.

In the event any of the Subscribers do not comply with this Prospectus, especially in relation to the electronic subscription, neither the DFM, the Founder, the Company, the Board, Emirates NBD Bank PJSC shall in anyway be liable for the use of the electronic subscription facility by the customer of the bank or the Subscriber, the debiting of the customer account of the Receiving Banks, in respect of all and any losses or damages suffered, directly or indirectly as a result of the electronic subscription facility.

Commercial Bank of Dubai ("CBD") E-Subscription

The IPO will be open to all participants not only CBD bank account holders

Participants can login to CBD website www.cbd.ae or visit any of the selected 6 CBD branches to submit their interest. A dedicated team will then contact/ assist the applicants and complete the requirements.

CBD has a centralized IPO Centre that will manage, approve and oversee all applications on DFM system.

Important dates relevant to the methods of payment of the subscription amounts:

- Subscription amounts paid by Manager's Cheque must be submitted on or before 1:00 PM on 8 May 2024, that is two days before the end of the Subscription Period.
- Subscription applications received through FTS must be made on or before 1:00 PM on 9 May 2024, being one day before the end of the Subscription Period.
- Subscription amounts made via ATM and internet banking must be made on or before 1:00 PM on 10 May 2024, being the last day of the Subscription Period.
- Subscription by debiting the Eligible Person's account with the Receiving Banks must be done on or before 1:00 PM on 8 May 2024, being the last day of the Subscription Period, at any of the branches of the Receiving Banks listed in paragraph 11 below.

8. Contact Centre:

For any queries, please contact: (i) Drake & Scull International PJSC's customer call centre at 0501051886 or (ii) Lead Manager and Bookrunner's call centre at 800 ENBD IPO (800 3623 476).

9. Important dates:

- **Date of publication of the invitation to subscribe for New Shares by way of Capital Increase:** 4 April 2024
- **Subscription Opening Date:** 25 April 2024
- **Subscription Closing Date:** 10 May 2024
- **Date of allocation:** on or around 16 May 2024
- **Refund date:** on or around 16 May 2024
- **Commencement of Dealings in the New Shares:** 21 May 2024

Important Note: The dates for the Capital Increase set out in this Invitation are expected dates and are subject to change, including if any date falls on an official holiday in the UAE. In such circumstances, details of the new dates will be notified to investors in two UAE daily Arabic language newspapers and on the website of Drake & Scull International PJSC (<https://www.drakescull.com/>).

10. Lead Receiving Bank:

Emirates NBD Bank PJSC

Head Office
Baniyas Road, Deira
PO Box: 777
Dubai, UAE
Phone number: +971 4 316 0018

11. Participating Branches:

Emirates NBD Bank PJSC

EMIRATES	BRANCH	Location	Working Hours	IPO Working Hours	Contact
Dubai	Group Head Office Branch	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai	Monday to Thursday (8:00 AM - 3:00 PM)	Monday to Thursday (8:00 AM - 2:00 PM)	800 ENBD IPO (800 3623 476)
			Friday (7:30 AM - 12:15 PM)	Friday (8 AM - 11 AM)	
Abu Dhabi	Abu Dhabi Main Branch	Ground Floor, Al Neem Building, Shaikh Khalifa street, Abu Dhabi	Monday to Thursday (8:00 AM - 3:00 PM)	Monday to Thursday (8:00 AM - 2:00 PM)	800 ENBD IPO (800 3623 476)
			Friday (7:30 AM - 12:15 PM)	Friday (8 AM - 11 AM)	

Commercial Bank of Dubai PSC

#	Branch name	Area	Branch Timing	Subscription Timing	Branch Location
1	Main Branch	Deira, Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 AM (Friday)	Al Ittihad Road, Port Saeed Area, Dubai
2	Jumeirah Branch	Jumeirah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 AM (Friday)	Jumeirah Road, Dubai
4	Sheikh Zayed Road Branch	Sh. Zayed Rd., Dubai	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 AM (Friday)	Sheikh Zayed Road, Dubai
5	Zayed the First branch	Abu Dhabi	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 AM (Friday)	Zayed The First Road, Abu Dhabi
6	Sharjah Branch	Sharjah	08:00 AM - 03:30 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 07:30 AM - 12:30 PM (Friday)	08:00 AM - 02:00 PM (Monday, Tuesday, Wednesday, Thursday, Saturday) 08:00 AM - 11:00 AM (Friday)	King Abdulaziz Road, Sharjah

Participants

Lead Manager and Bookrunner	Lead Receiving Bank	Receiving Bank
Emirates NBD Capital PSC	Emirates NBD Bank PJSC	Commercial Bank of Dubai PSC
First Floor, Emirates NBD PJSC Headquarters Baniyas Road, Deira PO Box: 2336 Dubai, United Arab Emirates Phone no: +971 4 201 2940	Head Office Baniyas Road, Deira PO Box: 777 Dubai, United Arab Emirates Phone no: +971 4 316 0018	Ittihad street Port Saeed, Deira, PO Box: 2668, Dubai, UAE Phone: +971 4212 1156

Financial Advisor to the Company

Trussbridge Advisory (DIFC) Limited

Dubai International Financial Centre
PO Box 506978
Dubai, United Arab Emirates
Phone no: +971 4 274 1900

Legal Advisor to the Company

IBRAHIM & PARTNERS

Al Sila Tower, Floor 24

ADGM Square
Email: info@inp.legal
P.O. Box 5100746
Abu Dhabi, United Arab Emirates
Phone: +971 2 694 8668