ORASCOM CONSTRUCTION

ANNUAL REPORT

2021

Abu Rawash Wastewater Treatment Plant

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INTRODUCTION

Orascom Construction PLC is a leading global engineering and construction contractor with a footprint spanning the Middle East, Africa, and the United States (USA). Its operations cover the infrastructure, industrial, and commercial sectors.

Bahr El Baqar Water Treatment Plant

Contrack FM

AT A GLANCE

Orascom Construction PLC is a leading global engineering and construction contractor with a footprint spanning the Middle East, Africa, and the United States, and operations encompassing the infrastructure, industrial, and commercial sectors.

With roots tracing back to 1950, Orascom Construction PLC (Orascom or “the Group”) has grown from a local contractor based in Upper Egypt into a leading global engineering and construction group with a reputation for excellence across its footprint. Its core operations cover infrastructure, industrial, and high-end commercial projects. The Group operates through Orascom Construction in the MEA region and a consolidated management arm of its two operational subsidiaries, Contrack Watts and The Weitz Company, in the USA.

Additionally, Orascom owns a 50% stake in Belgium-based BESIX Group and has investments in infrastructure and concession projects. The Group also holds a building materials and facilities management portfolio. Dual-listed on Nasdaq Dubai and the EGX, the Group held a total pro forma backlog of USD 8.86 billion as of 31 December 2021.

70+
Years of contracting experience

61K+
Employees

10+
Countries where the Group has executed operations

8.9 USD BN
Pro forma backlog as of FY21

5.6 USD BN
Pro forma new awards FY21

3.5 USD BN
Revenues in FY21

NOTE FROM THE CEO

Dear Shareholders and Partners,

This has been an exciting year with all its challenges and achievements.

Starting with ESG, we are proud to record continuous improvement in several health and safety metrics, such as lost time injury (LTI) rates despite a sizable increase in man-hours performed during the year. Such performance and consistent success are possible through the efforts and commitment of our people, coupled with the strict protocols we have in place. We are also pleased with our work on important sustainable projects, such as the largest wastewater and water treatment plants in the region and the world, that make a tangible contribution to the sustainable development of the countries in which we operate. In addition, we continue to focus on corporate engagement efforts across several pillars, including education, healthcare, and youth empowerment, as we strive to further our positive impact across our communities.

We ended the year with a record backlog, highlighting our successful efforts in pursuing quality projects across sectors in which we are competitive. Our consolidated backlog grew 12.0% y-o-y to USD 6.1 billion, driven by a 22.1% y-o-y increase in new awards to USD 3.6 billion. These new projects were signed across important sectors in both Egypt and the USA. In Egypt, we signed various high-profile contracts, such as a state-of-the-art global heart center, one of the largest water treatment plants in the world, and the power grid interconnection between Saudi Arabia and Egypt. In addition, we cemented our leadership in the railway sector as Orascom Construction was chosen as the local partner to execute the largest high-speed rail network in the world, located in Egypt, under construction. This builds on our other current important rail projects, such as the new monorail system in Egypt—also the longest project of its type in the world—and the Greater Cairo Metro.

In the USA, we continued to sign sizable work in the data center sector, increasing our current presence in this growing space across multiple sites, along with new projects in our core sectors, such as student housing, commercial and light industrial. New awards in USA increased 72% y-o-y, reflecting a strong rebound in 2021.

On the operational front, we are proud of our teams who have excelled amidst the current operating challenges while upholding our high standards of health and safety. Our backlog is comprised of a diverse group of projects, each of which with its own set of challenges and accomplishments. For example, in September, we inaugurated Bahr El Baqar Water Treatment Plant, the largest water treatment plant in the world with a capacity of 5.6 m3/day, while exceeding 22 million man-hours without LTI and employing 6,500 people at peak construction. We also continue to execute our projects that elevate Egypt's infrastructure across important sectors, including transportation, water, healthcare and logistics. Similarly, our USA team is working diligently across our projects, and it achieved over 2 million man-hours without LTI at our data center sites. We also handed over key projects during the year, including the stage 2 extension to the PHX Sky Train guideway and maintenance facility at Phoenix Sky Harbor International Airport, a new student housing complex at Florida Atlantic University, and a new retirement community in Fort Meyers, Florida.

BESIX returned to profitability this year and recorded a healthy 16% y-o-y increase in backlog to EUR 4.9 billion, cementing its path back to normalized performance. The strong new awards intake this year for both Orascom Construction and BESIX drove pro forma backlog, including our 50% share in BESIX, to a 10.3% y-o-y increase and a high of USD 8.9 billion.

Complementing our EPC construction business, our Investments and Building Materials segment has contributed in a sustainable manner to the overall performance of the Group as we focus on growing this part of our business. Contribution from this segment—which is comprised of building materials subsidiaries, infrastructure build-own-operate assets, and operation and maintenance projects—to our total net income in FY 2021 grew 57% y-o-y and stood at 19% of total net income in FY 2021. We are pleased with such progress and continue to evaluate new investment opportunities that present to us both construction and long-term recurring income.

Financials

Revenues, EBITDA, and net income all increased y-o-y in FY 2021, illustrating a positive trajectory and strong contribution from all segments and

We continue to focus on corporate engagement efforts across several pillars, including education, healthcare, and youth empowerment as we strive to further our positive impact across our communities.

BESIX. We are also pleased with our collections and liquidity management, particularly toward the end of the year, which resulted in an increase y-o-y in both operating cash flow and net cash.

Revenues increased 5.1% to USD 3,542.8 million in FY 2021. The Middle East and Africa segment accounted for 70% of total revenues, while the USA business comprised the balance.

Consolidated EBITDA increased 3.3% y-o-y to USD 204.4 million in FY 2021. EBITDA in the Middle East and Africa reflected stable performance, while the USA business saw marked improvement compared to the previous year.

Net income attributable to shareholders increased 24.8% y-o-y to USD 113.4 million in FY 2021, driven by the Group's operational performance, financial management, and BESIX's return to profitability.

Reflecting the Group's focus collection, cash, and debt management, our net cash position increased to USD 441.6 million as of 31 December 2021 and cash flow from operations increased 45.6% y-o-y to USD 201.2 million in FY 2021.

Dividend

During the year, we distributed a total dividends to shareholders of USD 0.46 per share (USD 54.0 million) on FY 2021 earnings, reflecting an increase of 10% y-o-y compared to the dividend distributed a year earlier and representing the fourth consecutive year of dividends since our listing. This is a testament to the positive operational and financial performance of the Group and reiterates our commitment to our shareholders.

Looking Ahead

Our accomplishments in 2021 are a direct outcome of the Group's steady performance and strong positioning. Nevertheless, 2022 has already brought about a new set of challenges. At the time of preparation of this Annual Report, the world saw drastic changes on several fronts, including geopolitics, inflation, and commodity prices, which build on existing inflationary and supply chain challenges that were experienced in 2021. That said, we are as proactive and vigilant as always as we steer through 2022. We also remain focused on our strategy and key elements of our business, such as HSE, project execution and controls, and cash preservation and collection. We also continue to pursue an active bidding pipeline in existing and new markets and remain focused on growing our recurring income business.

Osama Bishai
Chief Executive Officer

Al Hammam Agricultural Wastewater Treatment Plant

HIGHLIGHTS OF 2021

Amid continued, albeit easing challenges brought on by the pandemic, Orascom Construction PLC further solidified its leading market position, growing its infrastructure investments and O&M business while making marked progress on ongoing, large-scale projects.

Backlog and New Awards

In 2021, Orascom Construction PLC continued to grow its already healthy backlog to a record level of USD 6.1 billion, which reflects a 12.0% y-o-y increase from 2020. The Group pursued several new awards during the year, growing by 22.1% y-o-y to record USD 3.6 billion. Among these new awards was Egypt's first ever high-speed rail, further solidifying its position as a leader in Egypt's transportation sector. Other awards spanned the various sectors in which the group operates, including textile complexes in the industrial sector, water projects, and key private sector work, such as the Magdi Yacoub Hospital and ZED Towers. In the USA, large data centers continued to comprise a portion of the backlog, along with student housing, commercial, and light industrial projects.

Project Execution

Building on its consistent operational excellence within the infrastructure projects sphere, Orascom Construction PLC worked on a number of large-scale projects in the water and wastewater, transportation, and energy fields, in addition to continuing construction of new cities around Egypt. In the USA, the Group is also involved in the construction of important projects in the data center, student housing, and airport sectors.

Completed Projects in 2021

In 2021, Orascom Construction PLC finalized the largest projects in their respective fields in Egypt. EPC works on Bahr El Baqar Water Treatment Plant (WWTP) were concluded, and the project received multiple awards in recognition of its excellence, including the largest water treatment plant in the world and Best Global Project by Engineering News Record (ENR), a leading global industry publication. In the transportation sector, Metro Line 3 Phase 4B was also completed in June. The project in August 2020, and earned OC multiple industry awards, including the best rail/transit project by ENR.

Ongoing Projects

Throughout 2021, Orascom Construction PLC continued its works on a number of key projects across various sectors in Egypt. The Company continued to execute the world's longest Monorail project in Egypt, spanning 96 km. The Abu Rawash Wastewater Treatment Plant progressed well during the year, and it is set to meet its scheduled completion timeline of 2Q2022. Orascom Construction's works continued on several high-profile projects in Al Alamein and the New Administrative Capital. It was awarded the road works on the Al Alamein International Airport in 3Q2021, as well as new infrastructure works on 550 feddans at the New Administrative Capital in 2Q2021. Additionally, Orascom Construction and BESIX successfully transported the King Khufu Solar Boat to the Grand Egyptian Museum (GEM) in August.

Projects in the USA have also progressed well during the year, with The Weitz Company continuing construction works on several data center projects. The Company was also awarded a hyper-scale data center project in Leesburg, Virginia in April. The Weitz Company also reached the halfway mark on its Kansas City Airport works in March and completed the terminal roof in September.

New Cultural Center - New Capital

Investments and Building Materials

2021 was a successful year for Orascom Construction PLC's non-EPC business. The investments and building materials division reported sizable growth, with its contribution to net income rising 57% y-o-y. Wind energy production capacity is set to triple in the near future with the signing of a build-own-operate (BOO) agreement to develop a new 500 MW wind farm. On the O&M front, Orascom signed onto new projects, including a 30-year contract for a high-speed rail, adding to its existing scope. Orascom Construction started the process to acquire Orascom Services, a platform that will help the Company grow an asset-light business in a complementary field. The acquisition was finalized in 1Q2022.

HSE

On the HSE front, the Group maintained stellar performance, recording low LTI rates across a number of projects in both Egypt and the USA. As a testament to Orascom Construction PLC's continued commitment to safety, several projects received safety award certificates for millions of hours achieved without LTIs, including the New Cultural Center and Opera House project that reached 52 million working hours, the Bahr El Baqar WWTP with 22 million working hours, and the Abu Rawash WWTP with 20 million working hours, all without any LTIs.

GROUP OVERVIEW

From 1950 to today, Orascom Construction PLC has grown from a family-owned local contractor to an industry leader with a worldwide footprint.

Tawila Island

OUR HISTORY

From 1950 to today, Orascom Construction PLC has grown from a family-owned local contractor to an industry leader with a worldwide footprint.

1950–1985

1950: Onsi Sawiris establishes a construction company in Upper Egypt.

1976: Orascom Onsi Sawiris & Co. (OOSC) is founded as a general contractor and trading company.

1985: OOSC establishes its first overseas company, Contrack International LLC (Contrack), in Virginia, USA.

1998–1999

1998: OOSC is converted from a limited partnership into a joint-stock company and renamed Orascom Construction Industries S.A.E. (OCI S.A.E.).

1999:
- OCI S.A.E. IPOs on the Egyptian Exchange (EGX) at a value of c.USD 600 million and becomes the largest company on the EGX.
- OCI S.A.E.'s first cement subsidiary, the Egyptian Cement Company (ECC), commences operations with a total annual capacity of 1.5 million tons.

2002–2008

2002: OCI S.A.E. announces the 50-05 Action Plan aimed at having 50% of consolidated revenue generated from outside Egypt by 2005.

2004: OCI S.A.E. acquires a 50% shareholding in the BESIX Group, adding significant exposure to the European and Gulf construction markets.

2007: OCI S.A.E. divests its cement group to Lafarge SA at an enterprise value of USD 15 billion.

2008: Proceeds from the cement divestment are allocated to grow OCI's fertilizer investments.

2010–2016

2010: OCI S.A.E. founds Orascom Saudi Limited (OSL), targeting infrastructure and industrial projects in the Kingdom of Saudi Arabia (KSA).

2012: OCI S.A.E. acquires The Weitz Company (Weitz) and establishes a strong presence in the American construction market.

2013: Watts Constructors, a former Weitz wholly-owned subsidiary, is consolidated into Contrack—forming Contrack Watts.

2015: Orascom Construction Limited is demerged from OCI N.V. and dual-listed on NASDAQ Dubai and the EGX.

2016:
- Sets the global benchmark for fast-tracked execution of power projects.
- Records the Group's first post-demerger profit.

2017–2018

2017:
- The Group builds on its strategy of expanding in the concession business and enters into an agreement to develop a 250 MW wind farm in Ras Ghareb, Egypt.
- Strengthens its position in Egypt's water treatment sector and begins delivering works on the country's largest wastewater treatment plant in Abu Rawash, which was executed over one phase and will serve six million people when complete, as well as two new water desalination plants.

2018:
- Orascom Construction PLC consolidates its position in the American market with the merger of its two USA-based subsidiaries, The Weitz Company and Contrack Watts.
- Commissioning of the Natgasoline project in Beaumont, Texas, the world's largest methanol production facility on a nameplate capacity basis.
- Orascom inaugurates two of the largest power plants in the world, each with a generation capacity of 4,800 MW, ahead of schedule.

2019–2021

2019:
- The Group further diversifies its revenue streams by expanding its O&M business, adding three new projects in Egypt, including two water treatment plants and the monorail for the New Administrative Capital.
- Orascom Construction solidifies its status as a renewable energy leader by completing the largest wind farm in Egypt with a 262.5 MW capacity 45 days ahead of schedule.

2020: Orascom Construction PLC achieves health and safety and operational milestones across the Group. Despite a challenging environment impacted by COVID-19, projects remained active with enhanced safety precautions.

2021: Orascom Construction PLC continues to reiterate its leadership across key sectors as it inaugurates the world's largest water treatment plant. The Group continues extending work on landmark transportation projects, such as Egypt's first high-speed rail and monorail.

OUR STRATEGY

The Group has a four-pronged strategy in place that reflects the core pillars of its focus: strengthening its construction market leadership, leveraging strategic partnerships, growing its investments and O&M portfolio, and furthering its commitment to excellence, health, safety, and the environment as it seeks to deliver shareholder value.

Strengthen Construction Market Leadership

The Group continues to pursue projects in key infrastructure, industrial, and commercial sectors in the markets in which it operates. The Group focuses on sectors in which it holds a competitive edge, such as power, water, and transportation, across existing and new geographic markets. It also has a proven track record of securing financing and timely delivery of a broad range of complex projects.

Leverage Strategic Partnerships

Orascom Construction PLC is a key partner to several internationally renowned global players and Original Equipment Manufacturers (OEMs). The Group continues to develop strategic partnerships with repeat clients and industry leaders to complement and expand current capabilities. This has allowed the Group to partake in some of the largest construction projects in the MENA region throughout the decades. The Group's pursuit of continuously strengthening relationships with repeat clients helped it maintain an unmatched pipeline of new projects and awards.

Grow Investments and O&M Portfolio

As part of its continued pursuit to further diversify its income streams and create long-term shareholder value, Orascom Construction PLC continues to pursue investments in infrastructure assets and complementary and new contracts that entail Operation and Maintenance (O&M) scopes. Its solid investment track record in several industries, including cement, ports, fertilizers, and building materials, positions the Group to identify and pursue new opportunities in sectors such as wastewater, wind energy concessions, and equipment distribution services. The Group's O&M portfolio encompasses transportation, water, renewable energy, and facilities management.

Commitment to Excellence, Health, Safety, and the Environment

We are firm believers that integrating our commitment to quality, health, safety, the environment, and ethical business practices into every aspect of our business model is key to our success. This is further driven by our strong commitment to excellence and an entrepreneurial drive to become the leading private sector contractor. The Group is also deeply engaged in corporate social responsibility in the areas in which it operates, in honor of its commitment to leave the communities it is involved in better than when it entered.

Zed Towers

Delivering Shareholder Value

Orascom Construction PLC is committed to delivering shareholder value, anchored by adherence to its strategic pillars. Our founding shareholders and current management embody this commitment as they navigate the Group's sustainable growth journey.

OUR FOOTPRINT

Orascom Construction PLC, through its two main subsidiaries and 50% stake in the BESIX Group, has one of the most expanding footprints in the world.

* This map depicts the main countries of operation. Breakdown of backlog figures is based on Orascom Construction PLC's pro forma backlog, which includes the Group's 50% stake in BESIX. On the Group's statutory financial statements, BESIX is accounted under the equity method.

Egypt	49.2%
Europe	18.2%
USA	15.1%
Australia	5.1%
UAE	4.8%
Africa	3.3%
KSA	2.2%
Other MEA	2.0%
Other	0.1%
Total	**100%**

Orascom Construction	69%
BESIX	31%
Total	**100%**

OUR BRANDS

OC PLC's construction operation covers multiple geographic markets through two distinct brands. Orascom Construction operates in the Middle East and Africa, while Orascom Construction USA, a consolidation of Contrack Watts and The Weitz Company, operates in the US market. Coupled with a 50% stake in the Belgium-based BESIX Group, OC and OC USA possess extensive experience in the EPC construction field worldwide.

Ownership

100%

Core Market
MEA

Expertise
Infrastructure, industrial, and high-end commercial projects.

Ownership

100%

Core Market
USA (including the Pacific Rim) and MENA

Expertise
Infrastructure, commercial, and light industrial projects. Registered in all 50 states and Washington DC.

Ownership

50%

Core Market
Europe and MENA

Expertise
Infrastructure, marine, and high-end commercial projects.

Cairo Ismailia Road

ORASCOM CONSTRUCTION

Orascom Construction is a leading EPC contractor in the Middle East and Africa (MEA), with a strong track record of diversified operations spanning the infrastructure, industrial, and commercial sectors.

With decades of industry experience, Orascom Construction has a proven track record of on-schedule delivery of challenging projects across various sectors, ranging from power to water, petrochemicals, industrial, transportation, and commercial. Our reputation as a leading turnkey contractor has helped us attract a wide range of public and private sector clients to work on large-scale infrastructure, industrial, and commercial projects. In addition to our excellent operations, the Company strictly adheres to international health and safety standards.

New Alamein Towers

100%
Ownership

4,660
FY21 Backlog (USD MN)

0.011
LTIR

55,336
Employees

Al Masa Hotel - New Alamein

- MEA........................ 100%

- Infrastructure........ 68.4%
- Commercial.......... 23.3%
- Industrial................. 8.3%

- Public......................86.1%
- Private 13.9%

ORASCOM CONSTRUCTION USA

With the integrated capabilities of its two operating subsidiaries, The Weitz Company and Contrack Watts, Orascom Construction USA has continued to prove its success for the third year as a consolidated structure.

Orascom Construction USA is a full-service construction company, general contractor, design builder, and construction manager. All our businesses are licensed to operate across the United States. With a combined track record spanning 160 years, OC USA has a strong presence throughout key markets, including the commercial, senior living, student housing, data centers, and transportation segments.

As a leading, competitive player in the market, we continue to contribute to the Group's profound success. To reinforce our reputation, we constantly pursue the latest construction innovations and technologies to provide our clients with predictable, reliable, and collaborative services.

www.weitz.com

www.contrackwatts.com

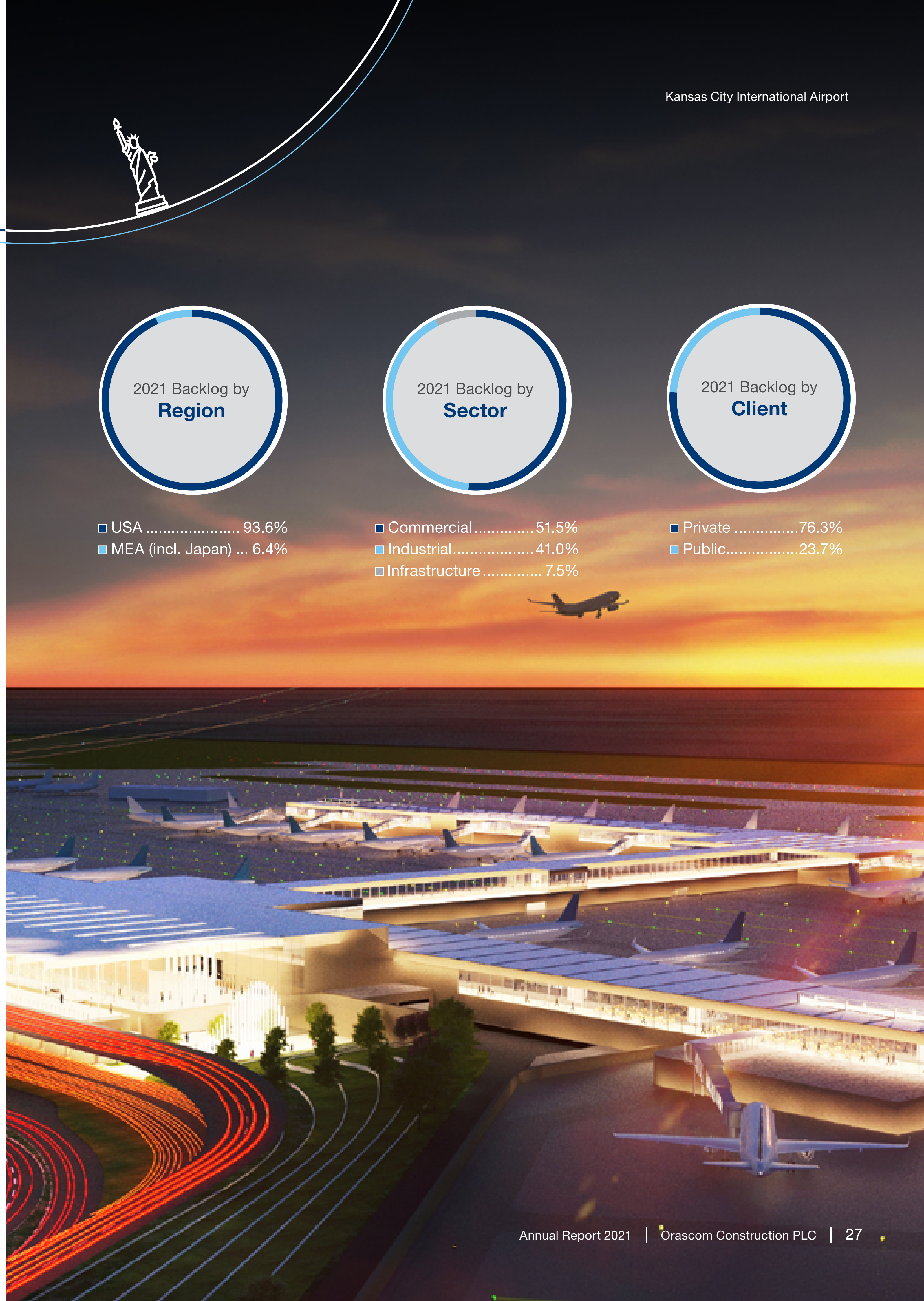

Sagewood Phase 2 IL

100%
Ownership

1,430
FY21 Backlog (USD MN)

0.08
LTIR

1,847
Employees


Kansas City International Airport

2021 Backlog by Region
- USA 93.6%
- MEA (incl. Japan) ... 6.4%

2021 Backlog by Sector
- Commercial 51.5%
- Industrial................... 41.0%
- Infrastructure 7.5%

2021 Backlog by Client
- Private 76.3%
- Public.................. 23.7%

BESIX

As a leading Belgian contractor based in Brussels, BESIX Group operates across a wide range of construction, property development, and concessions markets in Europe, the Middle East, and Australia.

Established in 1909, BESIX has since grown into a leading contractor with a diverse array of projects, ranging from high-end commercial infrastructures to marine structures, environmental works, sports and leisure facilities, and industrial projects. With its footprint spanning over 20 countries, BESIX is an active real estate developer in Western Europe and manages concessions through public-private partnerships in Europe and in the Middle East.

Quatuor

50%	2,775
Ownership	FY21 Backlog (USD MN)
0.36	**13,340**
LTIR	Employees

Kangaroo Point Green Bridge

2021 Backlog by Region

- Europe 58.2%
- Middle East 16.5%
- Australia 16.3%
- Africa 6.5%
- Other MEA 2.3%
- North America 0.3%

2021 Backlog by Sector

- Commercial & Industrial.....60.6%
- Infrastructure.................. 39.4%

2021 Backlog by Client

- Public.................57.2%
- Private 42.8%

BUILDING MATERIALS & INVESTMENTS

Orascom Construction PLC's Construction Materials & Investment Portfolio

Company	Ownership %	Employees	2021 Revenues (USD mn)
National Steel Fabrication	100%	1,299	51.2
Alico Egypt	100%	758	24.9
United Holding Company	56.5%	488	107.4
United Paints & Chemicals	56.6%	180	12.5
National Pipe Company	40%	863	46.8
SCIB Chemical	14.7%	615	67.7
Contrack FM	100%	3,156	26.6
Suez Industrial Development Company	60.5%	147	10.7
Orasqualia for Development	50%	64	16.5
Ras Ghareb Wind Energy Farm	20%	54	52.3

BUILDING MATERIALS PORTFOLIO

National Steel Fabrication (NSF)

Egypt-based National Steel Fabrication (NSF), a wholly-owned subsidiary of Orascom Construction PLC, is a leading steel fabricator and erector. Established in 1995, it caters for infrastructure and commercial buildings sectors in Africa, Asia, Europe, the USA, and Latin America. NSF boasts a highly complex product range, including steel structures, steel collector elements, plate works, pressure vessels, boilers, heat recovery steam generators, heat exchangers, piping, tanks, and packaged skids. NSF has developed a reputation for delivering outstanding quality that meets international standards across all its products and services. It owns and operates two major facilities in Egypt, with a total combined production capacity of 35,000 tons annually.

NSF's continuous improvements and drive for excellence positioned it as one of the preferred suppliers across Europe and worldwide for some of the biggest international EPC companies. Delivering quality on precise and complex projects can only be achieved with the application of the latest equipment and technologies, combined with a highly experienced and skilled workforce. NSF production can be executed in line with ISO, ASME, AISC, BS, EN, and Euronorm quality certificates.

Alico Egypt

Now one of Egypt and the Middle East's leading companies in manufacturing and installing glass and aluminum façades and architectural metal work for construction projects, Alico Egypt was founded in 2000 as an Orascom Construction subsidiary. It has cemented its position as a market leader with pioneering solutions that ensure the timely delivery of high-quality products. Alico has partnered with leading global façade system suppliers like SCHUCO International-Germany and Wicona-Hydro group.

The company's product range includes aluminum doors, windows, stick curtain walls, unitized curtain walls, skylights, handrails, standing seam roofs, laminated stone products, and architectural metal work, such as aluminum, stainless steel, expanded metal mesh, and perforated metal cladding. It also provides complete façade technical solutions and support during the pre-tender and design phases.

Alico's Ain Sokhna plant is outfitted with top-of-the-line production and fabrication facilities that produce all types of façade work. Located in the New Suez Industrial Area, the six-hectare plant has a BUA of 18,000 m², in addition to 32,000 m² of free land for future expansion, and it is equipped to produce some of the finest façade materials as a result of the facility's unmatched quality control standards.

Alico Egypt


Alico Egypt

United Holding Company (UHC)

UHC maintains a 50% stake in a conglomerate of companies manufacturing premium and diversified building materials and construction chemicals and specializing in contracting services, including Master Builders Solutions (MBCC) and A-Build Egypt (A-Build), both established in 2000. Operating through one plant in Egypt and one in Algeria, UHC's subsidiaries cater for Egyptian and North African markets.

MBCC is one of the largest producers of specialty chemicals in Egypt and Algeria, namely admixtures and construction products. The company operates two production facilities, one in Sadat City in Egypt, with a production capacity of 100,000 metric tons per shift, and one in Baba Aly in Algeria, with a production capacity of 20,000 metric tons per shift. The two facilities were established in 2000 and 2006, respectively. Meanwhile, UHC subsidiary A-Build is a market-leading specialized contractor in Egypt operating in the construction protection and repair fields. A-Build's expertise lies in several domains, including waterproofing, lining and geo-membranes, thermal insulation, concrete repair, injection and fire proofing, industrial coatings, and joints sealants.


United Holding Company (UHC)


United Holding Company (UHC)

United Paints & Chemicals (UPC)

UPC owns and operates DryMix factory in the 6th of October City, Egypt. Established in 2000, DryMix is the largest manufacturer of cement-based and ready-mixed mortars in powder form serving the construction industry.

DryMix's products include mortars for plaster and skim coats, putty for smoothing cementitious substrates, decorative façade renders, tile adhesives for internal and external use, colored tile grout, sealing slurries, and a flooring range.

The plant has a production capacity of 130,000 metric tons and c.50,000 colors, and its products are widely used in Egypt and North Africa's construction industries.

DryMix produces a large bunch of cement-based products that are manufactured according to the know-how and technical support of M-Tech/Maxit Germany and developed in the research and development (R&D) lab to comply with requirements of building and construction industries.

United Paints & Chemicals (UPC)

United Paints & Chemicals (UPC)

National Pipe Company (NPC)

Founded in 1993, NPC is an Egyptian manufacturer of precast concrete pipes and pre-stressed concrete primarily for infrastructure projects. It now operates two plants in Egypt with a combined annual production capacity of 86 kilometers of concrete piping that range from 700 to 3,500 millimeters. Its products are distributed to clients in Egypt and North Africa.

National Pipe Company (NPC)

National Pipe Company (NPC)

SCIB Chemical

Established in 1981, SCIB manufactures high-quality decorative paints and industrial coatings for the construction industry. The company's two plants, located in Egypt, have a combined annual production capacity of 130,000 kiloliters of paint. SCIB serves clients in Egypt and North Africa.

SCIB provides best-in-class products in the region that are renowned for variety and quality—from premium emulsion paints, special effects décor paints, and exterior paints to enamel paints and wood paints.

SCIB Chemical

INVESTMENT PORTFOLIO

Contrack Facilities Management (CFM)

Founded in 2004, Contrack Facilities Management S.A.E. (CFM) is a leading integrated services company managing and operating high-value and technologically advanced fixed physical assets.

Created around what is arguably the most exclusive commercial address in Cairo, the two 34-story Nile City Towers buildings on Corniche El Nil, Ramlat Boulak, the company has been delivering first-class services including building maintenance, fit-outs, cleaning, and soft janitorial services to the luxurious twin towers.

As a result of CFM's services, Nile City Towers have been maintained in excellent condition, and they created added value for clients, allowing them to lease the space at prime rents to international organizations like the European Union.

CFM proudly provides hard services, including engineering, civil and architectural repair, and maintenance services, as well as soft services inclusive of housekeeping and deep clean hygiene services, with specialties in façade cleaning, landscaping, pest control, waste management, and recycling services.

The company's market share is currently the largest in Egypt's facilities management industry, with an impressive client portfolio covering most commercial property types, including local and multinational corporation, banks, industrial, healthcare, commercial, retail, and real estate properties, as well as prominent business parks, namely Smart Village in Abu Rawash. It also boasts long-term partners, such as Children's Cancer Hospital, Cairo Festival City Mall, Credit Agricole, the Central Bank of Egypt, Emirates NBD, Alshaya Group, and Dar El Handasa.


Contrack Facilities Management (CFM)

Suez Industrial Development Company (SIDC)

Since 1998, SIDC has been a developer, operator, and utility facilitator of an 8.75 million sqm industrial park in Ain Sokhna on Egypt's Red Sea coast. SIDC develops industrial land and provides utility services for light, medium and heavy industrial users in Ain Sokhna. It is one of the most attractive locations for new investment and start-ups in Egypt, being 40 kilometers south of the Suez Canal and located at the crossing of the Cairo-Sokhna and Suez-Hurghada highways.

Its industrial park boasts a utilities network that provides a wide range of products and services, including power, water, firefighting, sewage treatment, and telecommunications connections. Other services include flood control protection, solid waste disposal, and access to roads and railways.


Suez Industrial Development Company (SIDC)


Suez Industrial Development Company (SIDC)

Orasqualia for Development

Orasqualia for Development of Wastewater Treatment Plant S.A.E was established in 2009 by Orascom and FCC Aqualia to execute the first Public Private Partnership (PPP) project in Egypt. Orasqualia was awarded the concession for the construction and operation of the New Cairo Wastewater Treatment Plant. This new domestic wastewater treatment plant has a capacity of 250,000 m3 per day to treat wastewater within New Cairo city with the purpose of serving one million people.

The project was initiated by NUCA and tendered by the Egyptian Ministry of Housing, Utilities and Urban Development, in coordination with the Ministry of Finance, as a 20-year PPP.

Orasqualia's success established a blueprint for Egypt's PPP legislation, and the project was awarded in 2010 both "Water Deal of the Year" by Global Water Intelligence and "PPP African Deal of the Year" by Euromoney and Project Finance Magazine. This milestone project brings us one step closer to our goal of breaking new ground in Egyptian infrastructure financing.

Construction works were successfully completed in 2013, and the plant is currently under operation and maintenance. The concession will run until 2030.


New Cairo Wastewater Treatment Plant

Ras Ghareb Wind Energy

OC successfully delivered the 262.5 MW wind farm in Ras Ghareb, Egypt, along with French and Japanese partners 45 days ahead of schedule in October 2019. Ras Ghareb Wind Farm is the first renewable energy Independent Power Producer (IPP) project of its kind and size in Egypt. The 262.5 MW project was developed on a Build-Own-Operate (BOO) basis under a 20-year Power Purchase Agreement (PPA) with the Egyptian Electricity Transmission Company.

Currently, the consortium operates and maintains the plant, which produces 1,350 GWh annually, with CO2 savings in excess of 735,000 tCO2. The concession will run until October 2039.

In 4Q2021, the consortium signed an agreement with the Egyptian Electricity Transmission Company (EETC) to develop, construct, and operate an additional 500 MW wind farm in Ras Ghareb, Egypt, for 20 years. This new 500 MW wind farm triples OC's wind energy capacity to over 750 MW and builds on the consortium's success in developing Ras Ghareb Wind Farm.


Ras Ghareb Wind Farm

OPERATIONAL REVIEW

In 2021, Orascom Construction PLC continued to position itself as a leading global construction group with a diverse and far-reaching footprint.

New Alamein Towers

MEA

Orascom Construction – Infrastructure

Understanding the critical need for infrastructure projects, Orascom Construction has been involved in several projects that are vital to the economic development and social progress of communities. These include water treatment, transportation, and power generation projects.

Water treatment Projects in Egypt

Over the past few years, Orascom Construction was awarded a number of contracts in the water sector spanning across desalination, wastewater treatment, irrigation, and water infrastructure. Moreover, the Group has secured several operation and maintenance (O&M) contracts ranging between one and five years.

In 2021, OC was engaged in the construction of wastewater treatment plants with a combined capacity of c.15 million m³ per day and seawater desalination plants with a total capacity of 280,000 m³ per day in Egypt.

Wastewater Treatment Plants

In 4Q2021, the OC/Aqualia joint venture (JV) successfully concluded the timely delivery of EPC works on the **Al Alamein Wastewater Treatment Plant**, with a capacity of 90,000 m3 per day.

In 4Q2021, a 50:50 JV between OC and Arab Contractors also completed the EPC scope of the **Bahr El Baqar Water Treatment Plant**, the world's largest water treatment plant treating water for irrigation purposes, with a capacity of 5.6 million m³ per day. The JV is also responsible for O&M for five years.

Bahr El Baqar was inaugurated by Egyptian President Abdel Fattah El Sisi in September 2021, and it received three records of Guinness World Records: Largest Water Treatment Plant, Largest Sludge Treatment Plant, and Largest Single-Operator Ozone Generating Plant.

In addition, the JV is responsible for the O&M of Bahr El Baqar for five years.

A 50:50 JV between OC and Aqualia continued the engineering, procurement, and construction (EPC) works of the **Abu Rawash Wastewater Treatment Plant**, with a capacity of 1.6 million m³ per day. The project started in 2Q2018 and is scheduled to be completed in 2Q2022, upon which it will serve 6 million people. The JV will also operate and maintain the plant for three years.

Al Alamein Wastewater Treatment Plant

Bahr El Baqar Water Treatment Plant

East Port Said Seawater Desalination Plant

In 3Q2021, OC, as part of a JV with Metito, Arab Contractors, and Hassan Allam, signed an agreement for the construction of the **Al Hammam Agricultural Wastewater Treatment Plant (AAWWTP)**. The plant, located in the North Coast's El Hammam area, will become the largest water treatment plant of its type in the world, with a capacity of 7.5 million m³ per day. The scope includes design, supply, installation, commissioning, startup, operation, and maintenance for five years. The treated water will irrigate up to 500,000 feddans west of the Nile Delta area. The project is scheduled to be completed in 2Q2023.

Seawater Desalination Plants

In 1Q2021, a 50:50 Consortium between Metito and OC successfully completed works on the **East Port Said Seawater Desalination Plant,** with a capacity of 150,000 m³ per day, expandable to 250,000 m³ per day. The scope included design, supply, installation, commissioning, startup, operation, and maintenance for the turnkey project.

Meanwhile, progress continued for the 50:50 JV between Metito and OC on Phase 2 of the **Al Arish Seawater Desalination Plant,** with a capacity of 100,000 m³ per day. Once completed as scheduled in 1Q2022, the plant will serve 750,000 people in North Sinai.

In 4Q2021, OC's JV with Metito signed a contract to execute EPC works on the **Sharm El Sheikh Seawater Desalination Plant**, with a daily capacity of 30,000 m³, expandable to 60,000 m³ per day.

Abu Rawash Wastewater Treatment Plant

Al Arish Seawater Desalination Plant

Water Supply

A 50:50 consortium between Hassan Allam and OC completed its works on the **6th of October City Treated Water Booster & Pipelines** facility in 4Q2021, which included the installation of pipelines with diameters ranging 800–1,500 mm.

In 3Q2020, a 50:50 JV between OC and Metito was awarded the **Al Alamein Pumping Station & Force Mains.** The scope of works, which continued throughout this year, consists of the construction of main gravity lines with diameters varying from 1,200 to 1,800 mm, at a total length of 4.5 km, for a main pumping station, as well as a force main with a diameter of 1,000 mm and a total length of 11.5 km. Works are scheduled to be completed by 4Q2022.

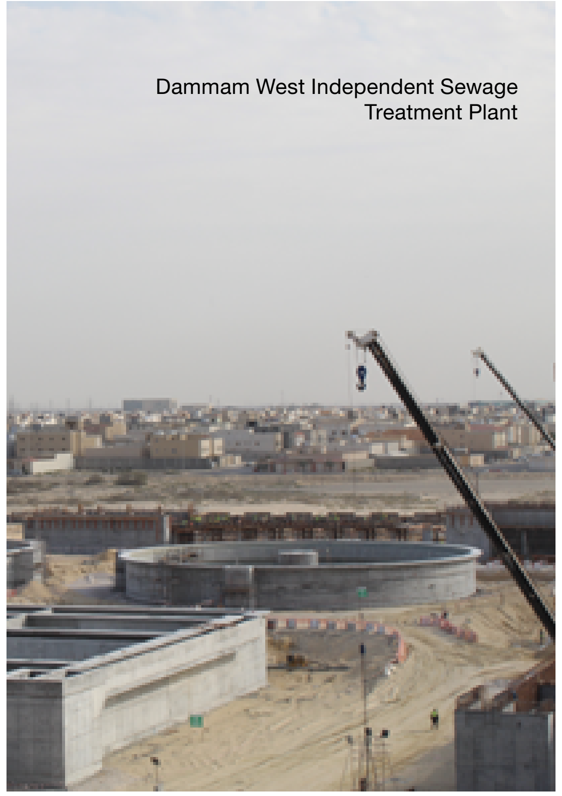
Additionally, in 1Q2021, OC started its works on the **Main Water Networks and Canals in the Toshka Project.** The scope includes the construction of the main water network, road works, and canal lining.

In 2Q2021, OC was awarded works on the **Al Hammam Pumping Stations.** The scope of work encompasses the construction of lifting pump stations with a capacity of 7.5 million m^3 per day and GRP transmittal pipelines with a length of 14.4 km, including the El Dabaa road crossing. These works are scheduled to be completed in 4Q2022.

During the same quarter, OC signed a contract for the **Wastewater Pipelines to El Gabal El Asfar** project. The concrete pipelines extend from New Cairo to El Gabal El Asfar, with a diameter of 3,400 mm. The project is scheduled to be completed within 24 months.

Dammam West Independent Sewage Treatment Plant in Saudi Arabia

In 2021, the consortium between OC and Metito continued EPC works on the Dammam West Independent Sewage Treatment Plant, the first ISTP project in KSA. The project is executed on a Build-Own-Operate-Transfer (BOOT) basis, and the scope includes the commissioning and


Dammam West Independent Sewage Treatment Plant

testing of a new tertiary wastewater plant with a capacity of 200,000 m^3 per day, expandable to 350,000 m^3 per day. The project was received a One Million Working Hours Without Lost Time Injury (LTI) Safety Award.

Sfax Seawater Desalination Plant in Tunisia

In a JV with Metito and Cobra, OC was awarded the EPC works of the **Sfax Seawater Desalination Plant** in 2H2021. The plant has a daily capacity of 100,000 m^3, and can be expanded to 200,000 m^3 per day. The project's duration is 30 months for the EPC works, in addition to 24 months for the O&M contract.

Railway Projects in Egypt

OC continues to expand its portfolio of railway projects, which includes the monorail, light rail, railway, and metro, reinforcing its position as a leading partner on mega projects in Egypt.


Light Rail Transit

In 3Q2020, a 50:50 JV between TSO and OC started works on the **Light Rail Transit (LRT),** an interurban light rail project that will connect Ain Shams and 10th of Ramadan City, passing through the cities of El Obour, El Shorouk, and Badr. The light rail starts at Adly Mansour Metro Station (Line 3) and ends at the New Administrative Capital. OC's scope includes the execution of track works for a 140 km single line, 66 km of double track, and 10 km of single track in the depot at Badr Station. Works are scheduled to be completed in 3Q2022. Once completed, the LRT is estimated to transfer around one million passengers daily.

In a consortium with Bombardier and Arab Contractors, Orascom Construction is executing the world's longest **Monorail Transit** project in Egypt, at a total length of 96 km. The project links Greater Cairo with the New Administrative Capital and 6th of October City,


Monorail Transit

and it will greatly improve mobility for Egyptian citizens. The two lines will be capable of transporting c.45,000 passengers per hour in each direction, with operating speed up to 80 km/hour, once full capacity is reached. The project was awarded in 3Q2019, and it is scheduled to be completed by 4Q2024. On completion, the consortium will be responsible for the O&M of both lines for 30 years. It is of note that, in June, Orascom Construction won The Big 5 Egypt Impact Awards Infrastructure Project of the Year 2021 for the Cairo Monorail Structures Project.

OC continues the modification, renewal, and maintenance of the **Banha-Port Said Line**. The project covers the supply of all components and the construction of 356 turnouts of 45 km tracks. OC's scope also includes the removal of old tracks and turnouts and installation of new ones. The project started in 2Q2020, and it is scheduled to be completed within 24 months.

In 3Q2021, OC signed a contract with the National Authority for Tunnels (NAT) as part of a


High-Speed Rail System

consortium, to design, install, commission, and maintain Egypt's first **High-Speed Rail Project Green Line** for 15 years. The project covers a 660-km, high-speed, electrified main and freight rail line that will connect the port cities of Ain Sokhna on the Red Sea and Alexandria and Marsa Matrouh on the Mediterranean Sea. The line will transport more than 30 million people per year and save up to 50% travel time, providing efficient, safe, and affordable transportation for passengers and goods across the country. The line will also connect both sea and dry ports, improving freight movement efficiency and increasing freight transported on rails by 15%.

Most recently, in 4Q2021, OC signed a subcontract agreement for the implementation of signaling and communications system modernization on the **Naga Hammadi-Luxor Line** on an EPC basis. The project will be implemented with a modern electronic system (EIS) that achieves the highest safety rates and holds a Safety Integrity Level 4 (SIL4) certificate, the highest rate of safety worldwide. The project covers 14 stations and 45 level crossings along 118 km from Naga Hammadi to Luxor. The scope includes civil works for 118 km from Naga Hammadi to Luxor consisting of cable trenches, signaling installation, and complete supply and installation of power supply and communication scope. The project's execution period is 32 months.

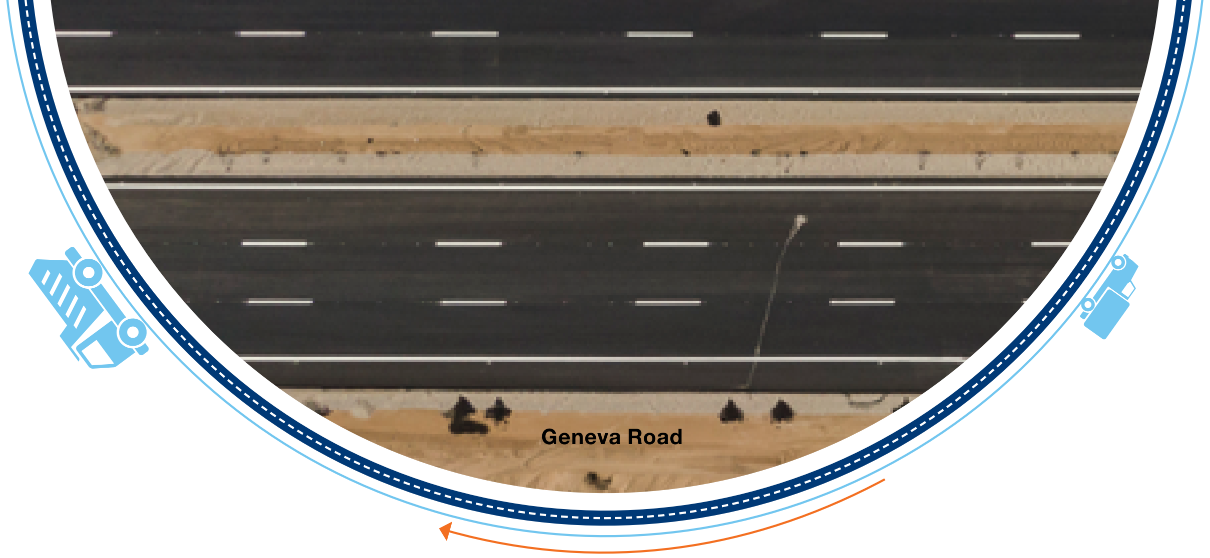
Greater Cairo Metro Lines 3 & 4

The JV between Orascom Construction and Arab Contractors delivered its works on the Greater Cairo Metro **Line 3 Phase 4B** on schedule. The scope included civil, architectural, electromechanical, and power supply works for a length of approximately 8 km. Phase 4B starts from Hesham Barakat station on a viaduct (about 6.4 km long), along Gesr El Suez street, up to the intermodal Adly Mansour station with five elevated stations. The scope of this phase also includes the construction of a 275,000 m² workshop near Adly Mansour station. Line 3 Phase 4B was inaugurated by the Egyptian President on 16 August 2020, and the full project was completed in June 2021. The project landed OC the Transport Project of the Year – NW – Joint Submission award in the 2021 National Winners for the MEED Projects Awards in association with Mashreq. It was also selected by Engineering News Record (ENR), a leading global industry publication, as a winner in the 9th Global Best Projects Competition in the rail/transit category.

Additionally, as part of a French/Egyptian Consortium, Orascom Construction continued to execute two packages of the Greater Cairo Metro **Line 3 Phase 3**. The scope includes civil and electromechanical works for the phase, which consists of 15 stations, eight of which are underground, five elevated, and two at grade, in addition to annex structures, a stabling area, and a light repair workshop. The phase spans a total length of about 18 km. Works started in 2016 and will end in 2023. The Line 3 Adly Mansour Station is considered one of the major central stations connecting the New Administrative Capital with various parts of the country. It will act as a full-service transport complex offering five different modes transportation, including Metro Line 3, an electric train route, a railway station, a Super Jet station, and bus rapid transit (BRT).


Greater Cairo Metro Line 3 Phase 4B


Greater Cairo Metro Lines 3 Phase 4B


Geneva Road

Works by the 50:50 JV between OC and Arab Contractors on **Adly Mansour Hub** are still ongoing. The project is a pedestrian tunnel connecting Adly Mansour Station with Gesr El Suez Station in Greater Cairo Metro Line 3, and the scope includes civil, architectural, and electromechanical works. The project started in 2Q2020 and is scheduled for delivery in 2Q2022.


Adly Mansour Hub

Most recently, as part of a consortium with Mitsubishi Corporation, Colas Rail, and Thales, OC signed a contract with the NAT to execute the railway systems, track, and depot works for Greater Cairo Metro **Line 4 Phase 1**. The first phase of the underground Line 4 will stretch 19 km and will include 16 stations, spanning from central Cairo to the Giza Pyramid Complex, crossing beneath the Nile River. It is split into three packages: civil works and construction, railway system, track and depot works, and the rolling stock. OC's scope includes the railway systems (signaling, power supply, AFC, PSD, and telecom), track, and depot works package.

Roads and Bridges Projects in Egypt

Owning a specialized road construction subsidiary has enabled OC to participate in the development of road networks in Egypt, KSA, and the United Arab Emirates (UAE).

During 2021, OC was involved in the construction of several internal roads in old and new cities, as well as highways linking several governorates throughout Egypt, on a fast-track basis with a total length of approximately 782 km in both directions.

In 1Q2021, OC completed the **Geneva Road** expansion and successfully delivered the **Fayoum Al Remaya Square Road** expansion. In 2Q2021, OC also delivered the expansion of phase 1 of the **Cairo Ismailia Road**, a seven-lane road spanning 26 km in both directions. Additionally, the Group successfully completed the expansion of two sections of the **Greater Cairo Ring Road**, with a combined length of 32 km in both directions, in addition to completing upgrade works on the **Cairo Sokhna Road**.


Cairo Ismailia Road


Cairo Alexandria Desert Road

In 4Q2021, OC successfully completed the construction of **Sharq El Tafria Side Roads** located in the industrial zone of East Port Said city with a combined length of 23 km.

Meanwhile, the Group continued its works on three internal roads in the New Administrative Capital, at a total length of 167 km. The first contract is for the construction of roads at the **Al Kayan Project** consisting of internal roads and roundabouts at 11–16 m wide. The second contract comprises works on **Phases 1 & 2 of the New Administrative Capital**, including the construction of six-lane main roads and three-lane service roads at a combined length of 81 km in both directions. Furthermore, OC is working on the upgrade of asphalt pavement works on **internal Cairo roads** in Heliopolis and Nasr City at a total length of 30 km.

In 1Q2021, OC delivered works on the **Ring Road**. The scope included the repair of 15 km (two layers of asphalt) and the construction of 11 km (base and two layers of asphalt).

In 2Q2022, OC will correspondingly deliver works on two road projects with a total length of 130 km in both directions. The first project is the three-lane **Upper Egypt Sheikh Fadl Freeway** expansion at a length of 30 km in both directions with the scope of upgrading asphalt pavement works, including base and sub-base courses. The second project pertains to the construction and upgrade of the 100 km **Toshka El Owaynat Road**.

Most recently, OC was awarded works on eight highways and railways at a total length of 318 km in both directions, set to be completed by next year. Works on the 40 km **Matrouh Sallum Road** and the 75 km **El Wahat El Dakhla Road** started in 1Q2021. OC also started works on the 10 km **Sharm El Sheikh Road** and 12 km **Cairo Ismailia Agricultural Road** in 1Q2021. In parallel, works on the **El Dabaa Road** spanning 21 km, the upgrade of the 90 km **Cairo Alexandria Desert Road,** and the 40 km **El Farafra Road** started in 2Q2021. Lastly, 3Q2021 saw the Group begin construction works on the **Qattara Depression Road**, spanning 30 km.

Additionally, OC was awarded the **El Monagga Bridge** by the General Authority for Roads, Bridges and Land Transport (GARBLT). The bridge is part of the Ring Road extension and is 1.2 km in length.

Airport Projects in Egypt

OC is currently working on the construction of several airports in Egypt. With its longstanding relationship with the Egyptian Air Force since the 1990s, OC became one of the primary contractors involved in the upgrade of its civil airports.

In a JV with Taisei Corporation, OC continued the modernization and extension of **Borg El Arab International Airport.** The project covers the construction of a new low-cost carrier (LCC) passenger terminal building, a new apron in front of the new LLC terminal building, as well as airport utilities. OC's scope includes civil, electromechanical, and finishing works. Once completed, the O&M systems will be done within 24 months. The project started in 1Q2020, and it will be delivered in 2Q2023.


Borg El Arab International Airport

In 3Q2021, the Egyptian Armed Forces awarded OC the road works on the **Al Alamein International Airport** located on Egypt's Northern Mediterranean Coastline, halfway between Alexandria and Marsa Matrouh. The airport is a privately-operated international airport that serves passenger traffic for and around the rapidly developing Egyptian North Coast and acts as a technical landings and cargo transit hub for Euro-African and Asian-African traffic. The scope consists of the upgrade of the existing asphalt road, including earthworks and base course layers with a total length of 6 km.

Fujairah International Airport in UAE

As part of a JV with Al Sahraa Group, OC continued the construction works of a new runway, an extension of the old runway, taxiways, a new air traffic control tower, as well as other related buildings and infrastructure works at **Fujairah International Airport** in the UAE. The project kicked off in 2Q2018 and will be completed by 2Q2022.


Fujairah International Airport

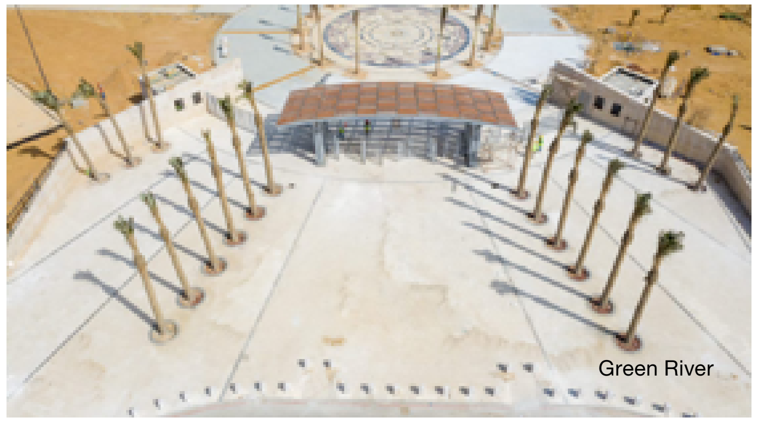
Infrastructure Networks in Egypt

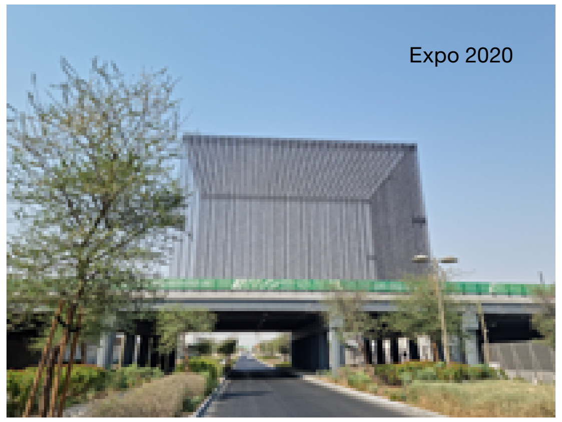
Since 2007, OC has proudly played a leading role in the sustainable development of Egypt's infrastructure.

The Orascom Construction/Hassan Allam 50:50 JV continued infrastructure works on the **Beit El Watan Project in New Cairo**. Works include earthwork, sewage, water, and electrical networks on 2,165 acres. The project was awarded in 2016, and it is scheduled to be completed by 1Q2022.

The JV also continued its works on the **Green River Project** at the New Administrative Capital, with a total area of 205 feddans. The scope of work includes infrastructure, landscape, and hardscape, as well as the construction of several decorative features, service and facilities buildings, cinema and restaurant complexes, multiple bridges, and other light construction. The project started in 3Q2019, and it will be delivered in 1Q2022.

In parallel, the JV is currently working on the infrastructure works of the **Residential Districts (R3), Mostakbal RD & Academic Area in the New Administrative Capital.** OC's scope includes earthworks, sewage, water, irrigation, and electrical networks of 1,469 acres on a total area of c.751,451 m^2. Kicked off in 1Q2016, the project is slated for completion by 2Q2022.


Green River


Expo 2020

Additionally, the OC/Hassan Allam JV continued infrastructure works on the **East Port Said Industrial Area**. The scope consists of the execution of sewage networks, water networks, irrigation networks, and force main networks. The project started in 3Q2019, and it is scheduled to be completed in 4Q2022.

As a main contractor, OC continued its infrastructure works on **New 6 October City**. Works include earthwork of road, sewage, water, and irrigation networks on an area of 3,500 acres. The project, which started in 3Q2019, is set to be completed in 2Q2022.

Most recently, in 2Q2021, the Group was awarded new infrastructure works on 550 feddans at the **New Administrative Capital.** OC's scope includes site levelling, earthwork, road work, and infrastructure for land located between Ben Zaid Axis and South 90 Axis. The project is scheduled to be completed by the end of next year.

Infrastructure Networks in the United Arab Emirates

In 2Q2021, the 50:50 JV between BESIX and OC successfully completed **road and utility infrastructure works on the Expo 2020** in Dubai. The scope of the infrastructure package included irrigation and sewerage, pipes and cabling, roads, electricity, and water, as well as telecommunications ducting.

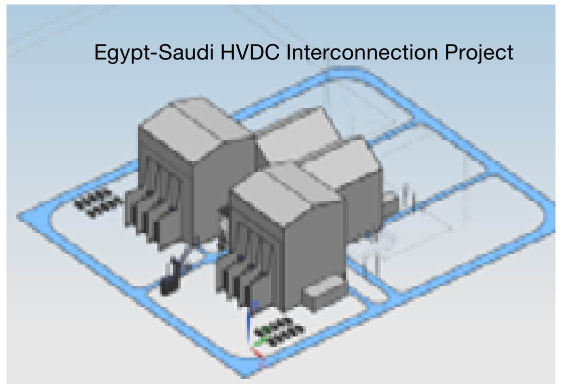
In 3Q2021, OC delivered infrastructure works on the **Public Realm Enhancement (Sea Side and Land Side Plaza) Project at Blue Waters Island** in Dubai. OC's scope included infrastructure utilities (water, storm, sewer, electrical, fire water, and irrigation networks); the design and construction of two water features with two pump rooms; hard and soft landscaping, including the design and installation of an irrigation system, trees and shrubs, pavers, and external furniture; a marine board walk; and MEP, ELV, ICT, and lighting works.

Power Generation in Egypt

OC is a leading power generation contractor executing over 28,500 MW of power generation capacity in partnership with global technology providers, such as Siemens AG, General Electric (GE), Engie, Toyota Tsusho, Ansaldo, and Alstom. The Group has been involved in most power generation models, whether conventional simple cycle, combined cycle, steam, or renewable energy power plants.

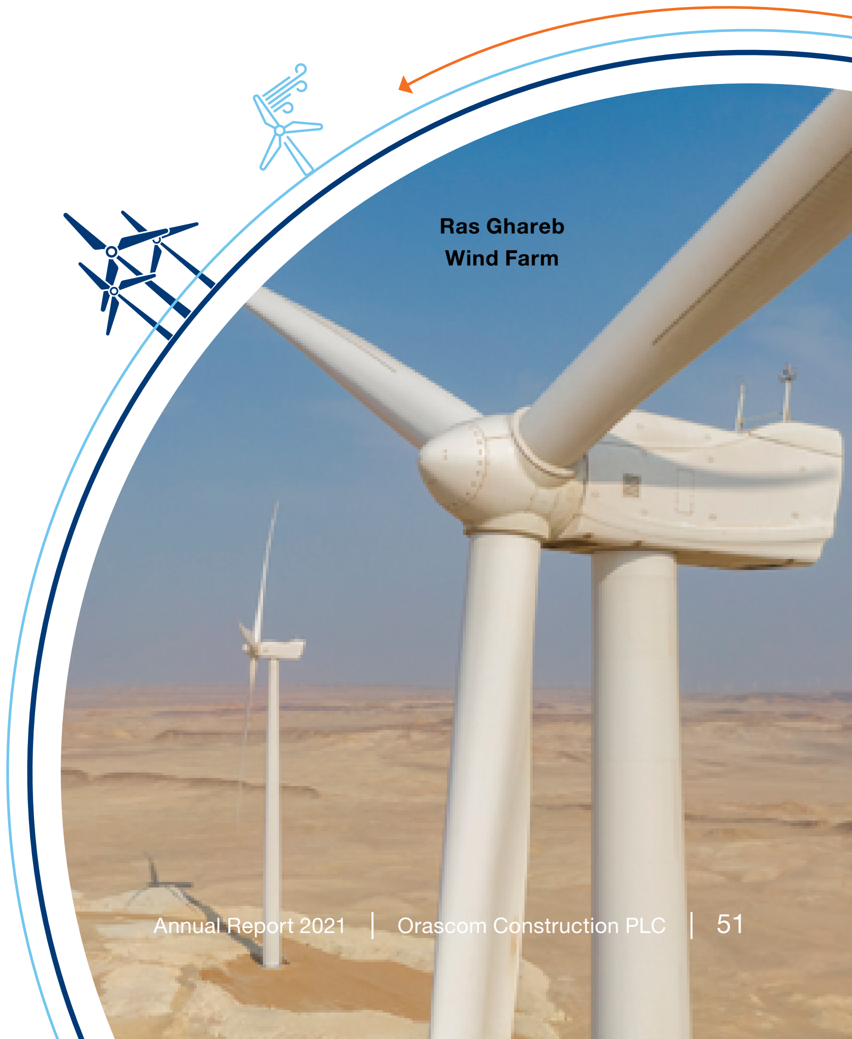
In a consortium with Toyota Tsusho Corporation/Eurus Energy Holdings Corporation and ENGIE, OC signed an agreement with the Egyptian Electricity Transmission Company (EETC) in 4Q2021 to develop, construct, and operate a 500 MW **Ras Ghareb Wind Farm** for 20 years. With this project, OC is tripling its wind energy BOO capacity in Egypt to over 760 MW. The project will be executed within 30 months after financial closing.

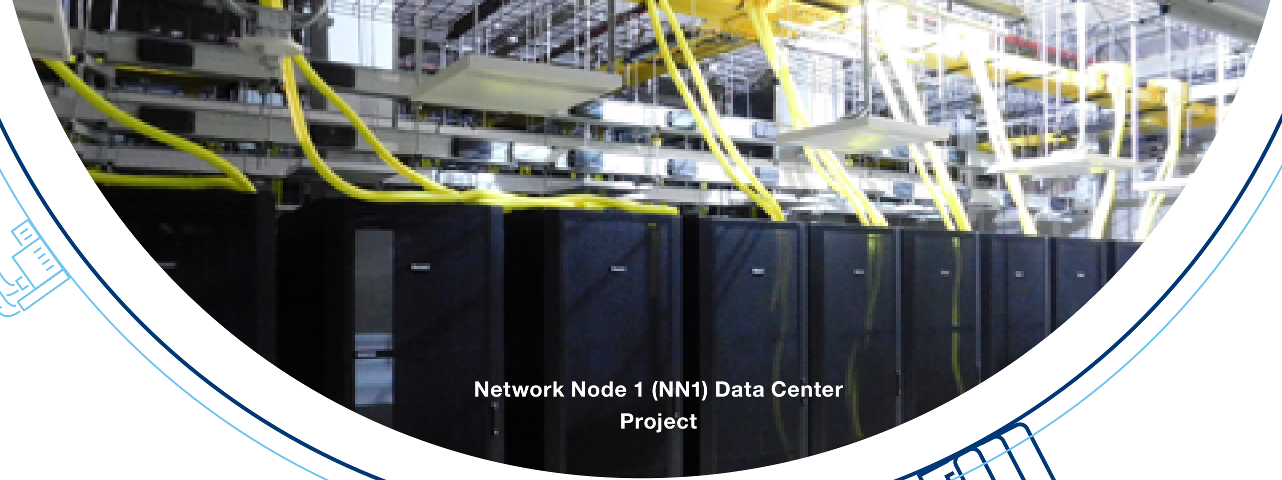
In 4Q2021, an OC consortium with Hitachi ABB Power Grids signed a contract with the EETC to execute all works on the **National Power Grids Connection between Egypt and the Kingdom of Saudi Arabia.** The consortium will build the HVDC converter station in northeast Cairo and the transition station in Taba, Sinai. This unique project is among the most advanced and complex high-voltage direct current (HVDC) projects of its kind worldwide and stands as the first inter-continent HVDC project in the world. The project will allow both countries to exchange up to 3 GW at peak times, providing power supply to more than 20 million people, as well as allowing both Egypt and KSA to improve the efficiency of transmission grids and exchange renewable energy, supporting a carbon-neutral future. OC's scope includes the design, procurement, supply, construction, installation, testing, and commissioning of the Badr HVDC Converter Station and Taba Transition Station. It also includes telecommunication works in both Egypt and KSA. Operation for the first stage of the project is scheduled to start in late 2024 with a capacity of 1.5 GW, and the balance of the capacity by mid-2025.


Egypt-Saudi HVDC Interconnection Project

Jiji & Muluembue Hydropower Plants

Construction of the 51 MW **Jiji & Muluembue Hydropower Plants** in Burundi continued as part of a 50:50 JV between OC and CMC Di Ravenna. The scope includes earthworks; civil works, such as river diversion, a dam, intake, and a sand trap; and purge channel, as well as tunneling, pipelines, six turbines, generators, transformers, switchgears, road works, and the operation city. Works are scheduled to be completed in 4Q2023.


Ras Ghareb Wind Farm


Network Node 1 (NN1) Data Center Project

Orascom Construction – Industrial

For over 20 years, Orascom Construction has played a leading role in industrial, cement, fertilizer, oil and gas, and petrochemicals projects intended to support growth in emerging markets. It has completed an impressive list of plants in the Middle East and Africa.

Industrial Projects in Egypt

Orascom Construction has been a leader in various types of industrial projects. Its experience spans across a wide array of industries in the Middle East, and specifically in Egypt. OC continuously secures large contracts, working in partnership with other leading regional and multinational contractors. Its in-house team completes all civil, mechanical, and electrical works and even supplies steel structures and equipment.

As scheduled, works on the **Network Node 1 (NN1) Data Center Project** were delivered by a JV between OC and Shaker Group. The project has a total land area of 47,476 m^2 and a total built-up area (BUA) of 38,043 m^2. It includes a main building, an administrative building, and two utility buildings. The scope consisted of the civil, architectural, mechanical, and electrical works, as well as the concrete skeleton, finishes activities, and plastering preparation.

In 2020, OC was awarded four contracts to execute the **East Owainat Potatoes Projects**. The first project is a refrigerator storage for 64,000 tons of potato seeds, the second a refrigerator storage for 64,000 tons of raw potatoes, and the third a freezer storage for 6,000 tons of final packed potatoes. For these three projects, OC is responsible for supply, installation, construction, commissioning, and operation. Meanwhile, the fourth project is a half-fried potato plant, with OC's scope covering the design and build, excluding the fried potato process lines. The projects are scheduled to be completed in 2022.

In 2Q2021, OC signed a contract with the Holding Company for Cotton, Spinning, Weaving and Garments to build two **Textile Manufacturing Complexes in Damietta and El Mahalla**. The projects will play a central role in the revival of the textile industry in Egypt, and the manufacturing complexes will utilize state-of-the-art equipment across different facilities covering a combined area of more than 189,000 m^2. In Damietta and El Mahalla, OC will construct four new factories with a scope that includes all civil, architectural, and MEP works. The complexes will be constructed in 16 months.

In 4Q2021, OC's consortium with Fertiglobe, Scatec, and the Sovereign Fund of Egypt began developing Egypt's first **Green Hydrogen Production Facility**. The production facility will stand as the largest independently-owned facility globally when it comes online, and the first electrolyzer in Egypt, placing the project at the forefront of future green hydrogen production.

Orascom Construction – Commercial

Orascom Construction is the preferred choice for large-scale commercial projects, with an impressive portfolio. OC continues to play an integral role in the development of new cities in Egypt, including the New Administrative Capital and Al Alamein. Currently, the Group is involved in the construction of different commercial buildings with a combined BUA of c.5 million m^2 across Egypt.

New Administrative Capital

In the Residential Sector, OC is involved in the construction of three projects, including two phases of the **R5 Apartment Buildings Project**, which consists of 13 clusters with a total BUA of 1,204,285 m^2. Each cluster consists of four or five buildings connected by two basements, and each building contains five to eight floors. The scope includes skeleton works, as well as architectural and MEP works. The R5 Apartment Buildings Project was awarded a Safety Award


R5 Apartment Buildings

of 10 million working hours without LTI. OC has also continued its work on both the **Mansoura 6 Compound and Mansoura 7 Compound** . Mansoura 6 includes the construction of 295 building blocks with a total BUA of 660,870 m^2. Each building consists of a ground floor, four typical floors, and a roof, with three designs: t1, t2, and t3. Meanwhile, Mansoura 7 includes the construction of 360 twin houses and 24 admin buildings with a total BUA of 370,800 m^2. Each twin house is divided into a ground floor, first floor, and penthouse, while each admin building


Mansoura 6 and 7 Compounds

consists of a ground floor, three typical floors, and a roof. Both compounds started in 2017 and are scheduled to be completed in 2022.

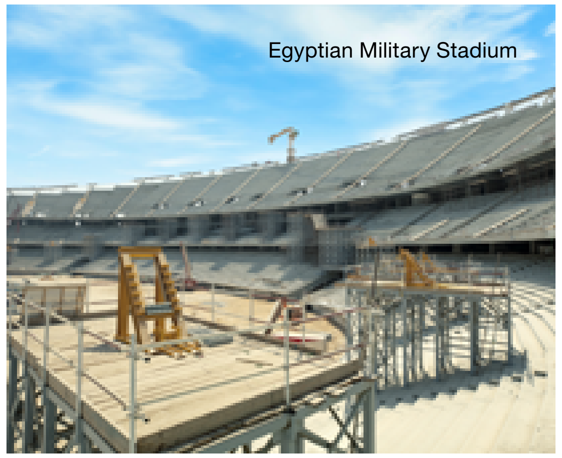
In the Banks Sector, OC continued working on two bank headquarters. The first is the **New Central Bank of Egypt Headquarters**, a turnkey project with a total footprint area of 27,400 m^2, consisting of two basement floors, a mezzanine, a ground floor, and seven floors


New Central Bank of Egypt Headquarters

with a total BUA of 145,000 m². It also consists of a coin museum, meeting rooms, offices, a bank governor office, a VIP restaurant, a medical center, and a gym. OC is responsible for all civil works, in addition to the façades and landscape works. Works began in 2Q2019, and they are scheduled to be completed by 2Q2022. In parallel, the second project is core and shell works on the **New Housing and Development Bank Headquarters**, which includes two basements and seven floors. Works started in 4Q2019, and they are scheduled to be completed in 3Q2022.


International Shooting Club


Housing and Development Bank New Headquarters


Egyptian Military Stadium

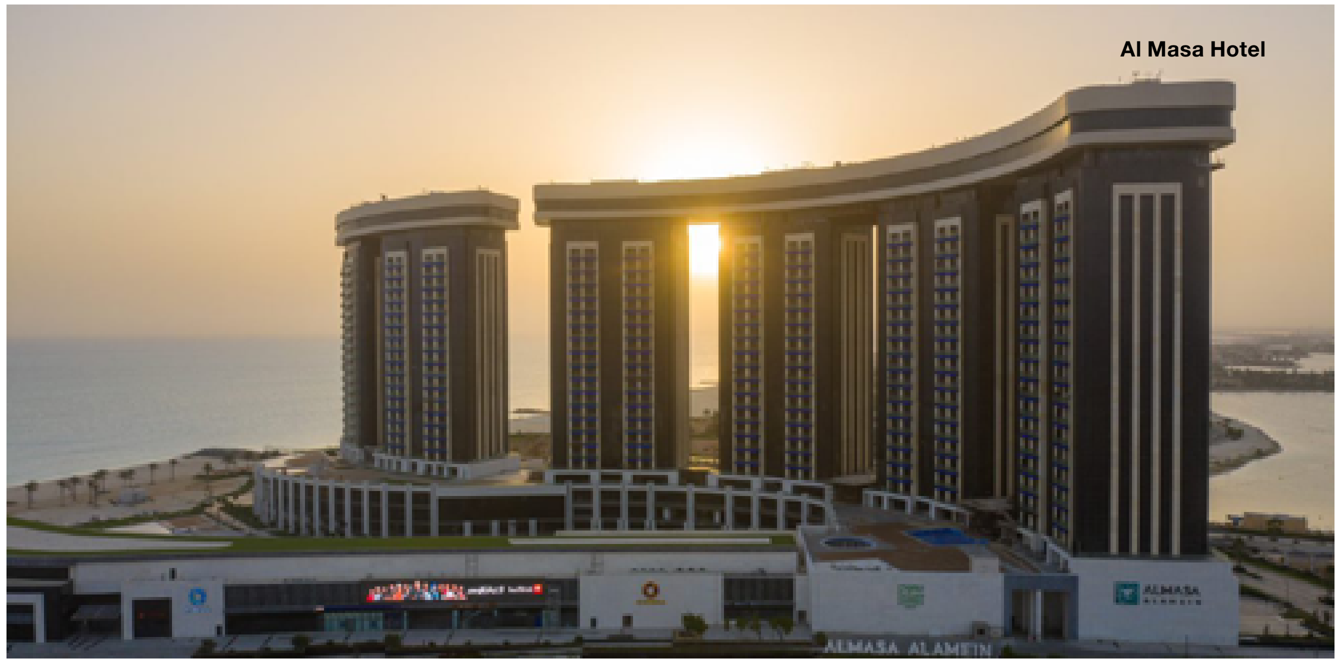
In the Sporting Sector, OC delivered its works on the **International Shooting Club** in 4Q2021, with a total BUA of about 400,000 m² consisting of a hotel and a multipurpose hall, Al Khartoosh Shooting area, Electronic Shooting area, Manual Shooting area, Bow and Arrow Shooting area, a Protocol Building, administrative buildings, shopping areas, a sports area, fencing, and eight gates. OC is also continuing its EPC works on the **Egyptian Military Stadium** in the New Administrative Capital Sports City Complex, with a total BUA of about 118,865 m². The stadium is the largest in Egypt and the Middle East, with a capacity of 92,000+ spectators. It is built to world-class standards with spectacular architecture. Works started in 4Q2019, and they are scheduled to be completed in 3Q2022.

For the Egyptian government, OC delivered its works on the **Ministry of Defense (MOD)**, consisting of two fully-finished octagonal buildings, with a combined BUA of 440,000 m², a connected fully-finished main building with a BUA of 80,000 m², including blast-proof areas, tunnels for service, escape, and personal use at a total length of 12.7 km to connect the buildings together. It also includes two substations serving the three buildings, as well as an additional five substations and district cooling plants with a total BUA of 30,000 m² serving the buildings and connected via the tunnels. Works started in 2Q2016 and were completed in 4Q2021. The MOD project also consisted of the construction of a new data center 1088 rack to serve the New Administrative


New Cultural Center

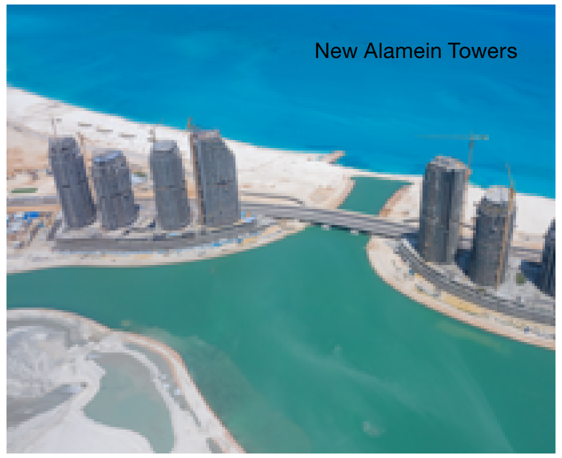
Capital, which will to be completed by end of 1Q2022. OC also successfully completed its works on the **New Cabinet**, a turnkey project with a total BUA of 84,000 m². The project consisted of three buildings: a main building with ground and three floors, and two typical employee buildings with ground and three floors, connected by one basement. The project also consisted of external works, including softscape, hardscape, and the main fountain. Works started in 2Q2017 and were delivered in 4Q2021. Furthermore, OC continues its works on the **New Cultural Center**, a turnkey project with a total footprint of 537,000 m². The project consists of an Opera House holding a main hall, several sculpting and dancing studios, a cinema, a oud house, open theaters, external areas, and utilities. The new 1,200-seat Concert Hall at Egypt's Opera House and Arts & Culture City was inaugurated in November 2021 as part of a larger 504,000 m² project that is set to elevate the arts and cultural experience in Egypt, and it stands as the largest of its kind in the Middle East. The project received a Safety Award of 52 million working hours without LTI.

OC is now working on the construction of the **Crescent Tower**, one of two towers located in the New Administrative Capital's Central Business District (CBD), with a total BUA of 122,000 m². The scope of the project, which kicked off in 4Q2020, covers the concrete skeleton and structural steel works. This project is scheduled for completion by 2Q2022.


Al Masa Hotel

New Alamein City

For the mixed-use towers overlooking the Mediterranean Sea in the New Alamein City, the Group is involved in the construction of three projects. Works continued on **Al Masa Hotel**, a turnkey project with a total BUA of 278,000 m². OC's scope includes civil, finish, elevation, and electromechanical works. The project consists of six towers, three of which are the hotel and three hotel apartments. Each tower consists of two basement floors, a ground floor, first floor, mezzanine, and 18 typical floors. This is in addition to a service floor and a 21st upper cap floor, with two upper linking caps, a three-star hotel, a mosque, a shopping mall with a basement, ground floor, and mezzanine floor, utility and service buildings, an external fence, as well as external works, such as roads, hardscape, softscape, and water features. The project started in 4Q2017, and it will be delivered in 2Q2022. OC is also executing two phases of the **New Alamein High-Rise Towers at LD-01** consisting of four towers and a podium with a total BUA of 285,000 m². The first contract was completed as scheduled in 4Q2021, with OC completing structural works, including excavation, backfilling, and foundation (shallow/deep) works, as well as insulation and concrete structure works for the towers. The second contract encompasses finishing and electromechanical works, and it was awarded in 1Q2019, with delivery scheduled for 4Q2022. The New Alamein High-Rise Towers Project received a Safety Award of 16 million working hours without LTI. In 3Q2021, OC partially started works on two **Marina Towers** in New Alamein City.


New Alamein Towers

For other commercial building complexes, the Group is executing two contracts for the **New Alamein Historical Old City**, with a total BUA of 148,329 m², consisting of a cinema complex, control and monitor (C&M) buildings, library, church, City Hall, museum, luxury apartments, exhibition hall, Roman theater, opera, talent development center, left chiller, and two substations. The first contract was completed as scheduled in 4Q2021. It included excavation, backfilling, insulation, and foundation works, skeleton works for buildings, and external works, as well as excavation and backfilling for landscape and roads. The second contract is scheduled for completion in 2Q2023, and includes full finishes, electromechanical works, and landscaping for the buildings. In parallel, OC continued its works on two other contracts for the **New Alamein Latin Quarter**, an 18-cluster complex of residential blocs composed of 71 multi-stories buildings with a total BUA of 687,671 m². The scope of the first contract includes excavation, backfilling, insulation, foundation, and skeleton works, and it is scheduled to be completed in 4Q2022, while the second contract entails full finishes, electromechanical works, and landscaping, to be completed in 4Q2023.


New Alamein Historical Old City


New Alamein Latin Quarter

Hospital Projects in Egypt

OC continues to grow its experience and involvement in the healthcare sector, consequently elevating the health and wellbeing landscape in Egypt.

OC is working on the **Ahl Masr Trauma and Burn Hospital** in New Cairo. The hospital is the first and largest hospital and research center for the free treatment of trauma and burn victims in Egypt and the MEA region. The 175-bed hospital is constructed on 200 m² of land allocated by the Ministry of Housing, with a BUA of 45,245 m². The scope covers the finishing and MEP works. The project started in 4Q2019 and is scheduled to be completed by 2Q2022.


Ahl Masr Trauma and Burn Hospital

In 1Q2021, OC was honored to be selected by the Magdi Yacoub Heart Foundation to build the **Magdi Yacoub Global Heart Centre** in 6th of October City. The facility is a state-of-the-art, 304-bed hospital and research center, with six operation theaters and four Cath labs. With a BUA of c.90,000 m², the facility's footprint of 23,730 m². The Centre is the largest healthcare facility in the region for cardiac care, treatment, and research. Upon completion, the Magdi Yacoub Global Heart Centre will have a capacity of over 120,000 patients annually. OC's scope includes the construction of the hospital building's superstructure, the superstructure of energy center and site buildings, complete internal and external finishing, MEP Works, FF&E, ID, infrastructure and utility networks, site roads, and landscaping, excluding the medical equipment. The project targets LEED v4 Silver certification.


Magdi Yacoub Global Heart Centre

Hotels in Egypt

For over nearly 30 years, OC has played a leading role in the development of Egypt's hospitality sector, specifically along the banks of the Nile and the Mediterranean and Red Sea coasts.

4Q2021 saw Orascom Construction successfully deliver construction works on **Tawila Island Hotel** in Hurghada. The scope included beach bungalows, 14 on-water bungalows, a spa, royal suite, arrival building and arrival kiosk, gym, kids club, swimming pool and pool bar, toilet, housekeeping, garbage, kitchen, staff accommodation, substation, utility building, fuel pump room, fuel tank shed, elevated rooms, admin and engineering building, hardscape, infrastructure, roads, and buggy parking. OC also executed all civil, architectural, MEP, and external works, such as hardscape and infrastructure, with the exception of softscape.

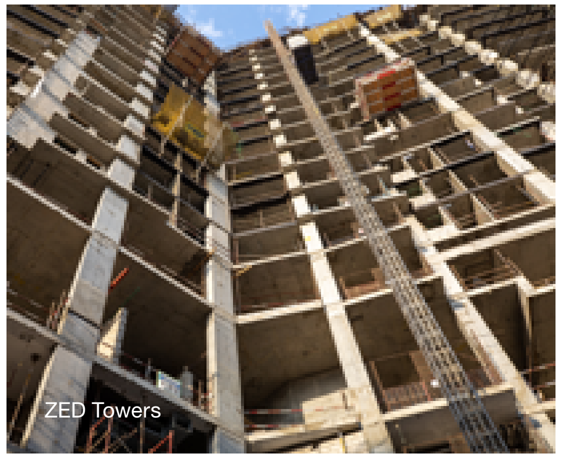

Tawila Island Hotel

In 1Q2021, Emaar, one of the major developers in Egypt, awarded OC the **Vida Marina Hotel and Yacht Club** in the North Coast. The site area is c.24,112 m², with a total BUA of c.37,000 m², including a 5,400 m² parking area. The hotel includes 120 keys for guest rooms and suites and 110 keys for serviced apartments. The project covers the construction and finishing of a new hotel building with the relevant external works—landscaping, roads, and infrastructure—and is scheduled to be completed by 1Q2023.


Vida Marina Hotel and Yacht Club

ZED Towers

OC continued working on Phase 1A of **ZED Towers** in Sheikh Zayed City. The phase entails the construction of four fully-finished residential towers with a total of 600 housing units. Each tower contains a three-floor parking lot linking the four towers, two-floor podium, and 17 floors of apartments. The project's total BUA is 197,000 m². OC's scope includes construction and finishing works, as well as testing and commissioning works. The project was awarded in 2Q2020, and it is scheduled to be completed in 2Q2023. The project has received a Safety Award for 8 million working hours without LTI.


ZED Towers

Maspero Nile Towers

In 1Q2021, OC started works on **Maspero Nile Towers** in the Maspero Triangle overlooking the Nile. The project consists of foundation and structural works on three luxury residential 30-floor towers, including a four-floor podium, three-floor underground parking lot, and an underground floor for the parking entrances. The towers are connected at the top by a triangle steel structure of three cap floors spanning 30–40 m, with an estimated weight of 2,400 tons. The total BUA of the project is 52,000 m².


Maspero Nile Towers

Grand Egyptian Museum in Egypt

The 50:50 JV between BESIX and OC continued its work on the **Grand Egyptian Museum (GEM),** a landmark museum located on the plateau of the Giza Pyramids. Once completed, it will become one of the largest museum development projects in the world, a cornerstone of Egyptian tourism and culture, and the largest archeological museum in the world. The total land area of the project is c.491,400 m², with a total BUA of 167,000 m², divided into three basic categories: exhibition galleries, conference center and landscaping, and commercial retail areas and restaurants. The GEM represents the future of preserving Egypt's glorious past, with the grand opening scheduled for 2022. The museum will cement Egypt's position as a prime tourist destination with more than 50,000 artifacts on display. The project received a Safety Award for 15 million working hours without LTI.

In April 2021, the GEM won the reputable CBNME MEP "Project of the Year" award, one of the region's leading events for construction professionals, highlighting craft excellence, project success, and corporate strengths.


Grand Egyptian Museum (GEM)


Grand Egyptian Museum (GEM)

Giza Plateau

In August 2021, OC and BESIX successfully transported the King Khufu Solar Boat, the oldest intact ship in the world, dating back to 2,500 BC, from the archaeological site of the Giza Pyramids to a dedicated building within the GEM.

Giza Plateau in Egypt

In 4Q2021, OC signed a contract with Orascom Pyramids Entertainment to renovate and upgrade the infrastructure facilities at the **Giza Plateau beside the Giza Pyramids**. The project is expected to raise efficiencies of and modernize the existing facilities and buildings by equipping them with the latest technology and fit-outs. OC's scope includes the implementation of light structures for stations and F&B merchandising retail to serve visitors while preserving the site's archaeological and historical nature. The scope also includes the refurbishment of the existing areas and building; the construction of new three bus stations, Panorama, Khufu, and Sphinx; as well as the renovation and modification of existing roads to create a route for electric buses to provide a tour around the Pyramids and Sphinx.

Heliopolis Palace in Egypt

OC is involved in the renovation of the roof of **Heliopolis Palace** for the Royal Court Services of Bahrain in Heliopolis, Egypt. The project consists of EPC works, including studying the existing building structural capacity and the condition of the existing facilities and system, designing and constructing a new steel structure frame (with music room, gym room, and court area), demolishing the music and gym rooms, and removing the finishing material in the balance areas, including the swimming pool area. It also includes the removal of the roof flooring and construction of the new roof as per the approved ID and project documents. Works started in 4Q2020, and they are scheduled to be completed in 1Q2022.

Cash Center Construction and Preparation at New El Minya in Egypt

OC continued construction and preparation work on the **Cash Center of the Central Bank of Egypt at New El Minya City**, with a total BUA of c.4,100 m^2 for the main building. OC's scope includes the construction of the main building, gate building, fences, tank and pump room, electrical substation, relative utilities, landscape, and a road. The execution phase entails shop drawings and as-built drawings, general site works, concrete skeleton works, architectural finishing works, electrical light current and telecommunication works, mechanical works, as well as testing and commissioning works. The project began in 4Q2020, and it will be delivered by 3Q2022.

MEA

Contrack Watts – Infrastructure

Maintenance Hangar, Saudi Arabia

This design-build project in Tabuk, KSA, is part of the Royal Saudi Land Forces Aviation Command (RSLFAC) foreign military sales purchase of helicopters. The project entails the design and construction of the maintenance hangar, parking sunshade, wash rack, fire pump house with water storage tanks, airfield pavement, and related infrastructure.

To date, 112,376 man-hours have been concluded with zero accidents. The structural design was recently cleared for construction, and works on hangar foundations are proceeding at the site. This project is set to be completed in April 2024.

Maintenance Hangar

Shore-to-Ship Utilities System, Bahrain

This design-bid-build (DBB) project requires the construction of shore-to-ship based utility systems in Bahrain. These dedicated shore-to-ship based utility systems will support forward deployed littoral combat ship (LCS) surface combatants and be able to service compatible homeported and visiting USA ships on extended leave.

This project includes the construction of six hotel stations along the waterfront for shore-to-ship utility connections during construction phases 4, 5, and 6. Each hotel station will be equipped with a medium voltage (MV) termination cabinet, 11kv/480v-60Hz step-down transformer, low voltage power circuit breaker switchgear, and 27 600V/690A/1P connectors. The anticipated completion date of this project is April 2024.

Shore-to-Ship Utilities System

USA

Contrack Watts – Commercial

HNL Consolidated Car Rental Facility (CONRAC), Honolulu, HI

The State of Hawaii's Department of Transportation selected CWI to construct the new 1.8 mn sqft, state-of-the-art Consolidated Rental Car Facility (CONRAC) at Honolulu International Airport. The 22-acre project is sequentially phased in Steps A (865,000 sqft), B (915,000 sqft), and C. The project, constructed to LEED Silver standards, is estimated for completion in March 2022.

To construct the new project, the existing car rental buildings were demolished to make way for the five-level, cast-in-place, post-tensioned concrete structure that will provide vehicular parking areas, 13 rental agency areas with office spaces, car wash equipment for 16 car wash stations, and 68 commercial fueling stations. Fuel is stored in four 10,000-gallon storage tanks. The project includes fire rated construction with leak detection systems. The CONRAC has flame detection cameras; if a flame is detected, the fuel is automatically shut off, dumped, and drained back to the tank to prevent an active source of flammable liquid. The project has an AFFF fire prevention system and a foam fire prevention system. The parking garage includes elevators, escalators, waterfalls, and high-end finishes. The facility utilizes c.85,000 cubic yards of concrete, 9,400 tons of reinforcing steel, and 2.6 million lineal feet of post-tensioned cable weighing over 750 tons.

In total, the CONRAC will include 2,250 parking stalls compared to an existing total of 895. A common busing operation (consolidating all rental car busing operations) will accommodate passengers to/from the various areas of the airport.


HNL Consolidated Car Rental Facility (CONRAC)

USA

The Weitz Company – Infrastructure

PHX Sky Train Stage 2 – Guideway, Phoenix, AZ

PHX Sky Train Stage 2 is the 2.3-mile extension of the existing fully-automated, electric, pinched loop train system from Terminal 3 Station to a new 24th Street Station and connection to the rental car facility.

Weitz's quality control process ensured the proper installation of the switches, guide beam alignment, and power rail. Each of these elements required a high level of detail and perfect alignment. For example, pouring concrete for the guide beam required the riding surface to be less than 1/8" deviation in any direction over a 10' span.

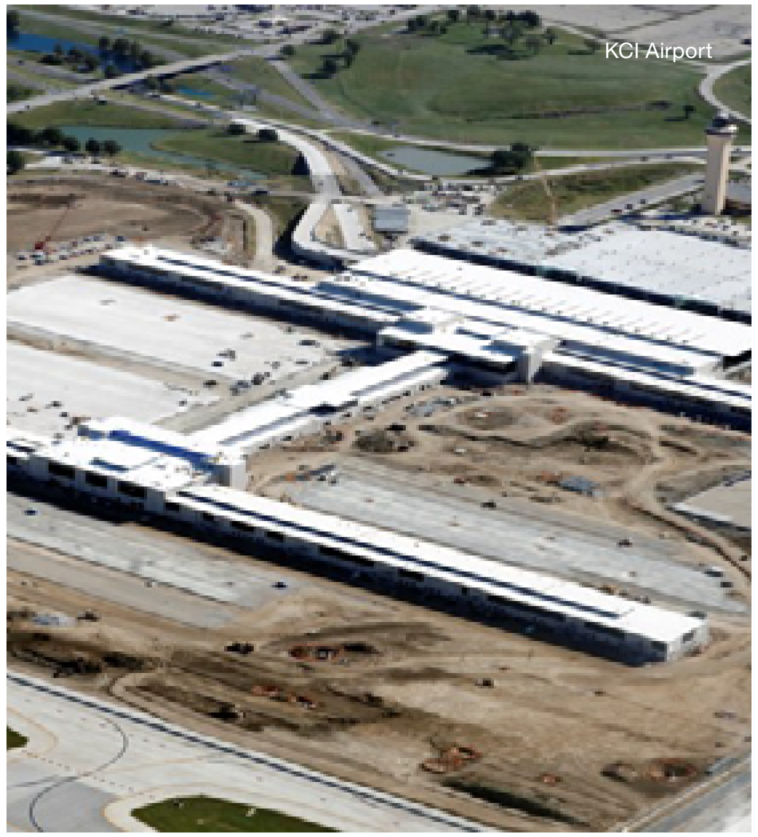
Weitz worked with the fixed facilities services provider to explain how the guideway system worked and why it was critical to receive each piece in the correct sequence, and it helped coordinate sequence turnover of the super structure to allow proper installation of the system.

The project's works started in February 2019 and were successfully completed in May 2021.


PHX Sky Train Stage 2 – Guideway

KCI Airport, Kansas City, Missouri

Construction continued on the new single terminal at the Kansas City International Airport in Kansas City, Missouri. The project celebrated the halfway mark in March 2021. The baggage handling system installation reached the halfway mark in the fall of 2021, while the terminal roof was completed in September. Airside paving began in October and will continue throughout 2022. Additionally, in 2021, cooling towers were installed, limestone panels and escalators were installed in the headhouse, restroom mockups began, and moving walkways were installed. The one million sqft, 39-gate terminal is on schedule for completion in March 2023.


KCI Airport

USA

The Weitz Company – Industrial

Data Centers in USA

Confidential Data Center in West Des Moines

This hyperscale data center project consists of the simultaneous construction of multiple 240,000 sqft building shells, power distribution centers, and the buildout of multiple collocation spaces. Our scope also includes the site work for the greenfield building complex. Upon completion, the project will span 720,000+ sqft across three projects. Project 1 has a capacity of 16 MW, project 2 48 MW, and Project 3 48 MW.

Confidential Data Center in West Des Moines

Confidential Data Center in Leesburg, Virginia:

This hyper-scale data center project was awarded in April 2021. It is a new campus on which The Weitz Company will be constructing two 234,553 sqft building shells and power distribution centers with a total of 96 MW. The scope for this includes all site work for the complex that will total to 469,107 sqft. The project is scheduled to complete in August 2023.

Confidential Data Center in Goodyear, Arizona:

The Weitz Company is constructing multiple hyper-scale data centers in Goodyear, Arizona. These projects include the construction of two metal buildings, at 275,000 sqft and 240,000 sqft, respectively. Both buildings are equipped with power distribution centers, and the buildout of six total colocation spaces. Site work at this greenfield site will enable the client to build three additional buildings in the future.

Confidential Data Center in Goodyear

COMARCH Data Center, Mesa, AZ

Comarch Data Center is a 1.5 MW, single-story, 32,400 sqft tilt panel building that consists of multiple primary data center halls, back of house support space, and administrative areas, including workplace, meeting, and support areas for employees. The project was awarded in June 2021, and it is estimated to be completed in May 2022.

COMARCH Data Center

Tyson Foods, Inc., Center, TX

Tyson contracted Weitz to design-build a state-of-the-art feed processing facility, given Weitz's construction safety record, a Weitz process design concept that is more cost effective to manufacture feed, and the quality of construction.

The project included the design, supply, and installation of the process and material handling equipment for grain storage, grinding, batching, mixing, pelleting, cooling, dust control, and bulk loadout of finished feed to manufacture poultry feed at a rate of 200 tons per hour (14,000 tons per week). Included is the design and self-performing construction of the millwright work, flatwork concrete, slipform concrete, structural steel erection, installation of equipment supports, along with their service platforms and the management of several smaller subcontractors. The facility was successfully completed within 20 months. Weitz is also leading the startup/commissioning team.

Tyson Foods, Inc.

Cargill, Inc., Des Moines, IA

Cargill contracted Weitz to design and build a new natural gas service main to replace the existing natural gas supply. The project included the installation of 550 LF of below grade natural gas piping and 60 LF of above grade natural gas piping. Weitz completed over 5,000 hours with zero injuries.

Creekstone Farms Premium Beef, LLC, Arkansas City, KS

Weitz was contracted by Creekstone Farms Premium Beef, LLC to construct a new 43,000 sqft boxed beef distribution center cooler adjacent to existing operations with 100% selectivity to 55,600 boxes of beef. The material handling system includes 80 carousels with 20 IE's, a 16-lane accumulation deck, two in-line palletizers, print and apply, stretch wrappers, and a Warehouse Execution System (WES) with Box Optimization.


Immersive Van Gogh

The project includes the Creekstone Wastewater Treatment (WWT) expansion and upgrades to support production expansions and future National Pollutant Discharge Elimination System (NPDES) requirements for the beef processing facility.

The scope of services includes a pen waste gravity clarifier, tertiary system addition, pre-anoxic basin, aeration basin addition, additional lagoon, final clarifier addition, pretreatment building expansion, pretreatment equipment, MCC expansion, sludge holding, dewatering expansion, and building addition for operations staff.

The WWT expansion and upgrade project is phased and sequenced to facilitate ongoing operations, avoiding downtime to maintain production during construction.


Creekstone Farms Premium Beef, LLC

The Weitz Company – Commercial

Immersive Van Gogh, Denver, CO

The Immersive Van Gogh Exhibit, one of the most highly sought out immersive exhibits in the world, is a digital art show where Vincent Van Gogh paintings are projected 360 degrees around the audience. Located in the former Regency Hotel, the exhibit consists of 500,000 cubic feet of projections, 60,000 frames of video, and 90,000,000 pixels. The tenant improvement project took three months to put together and was one of the first to open on schedule for opening day in September 2021.


Vectra Bank

Vectra Bank, Denver, CO

The 41,490 sqft mixed-use project is located in the Denver Tech Center, just steps from the light-rail platform at Belleview Station. The Class A office development project entails a new nine-floor, mixed-use office building of c.129,800 gross square feet (gsqft). It includes retail at the ground level, four levels of parking structure above the retail, and office use for the top floors (six to nine floors). The stunning glass panels reflect all sides of the city and mountain views. The proposed conceptual design yields c.120,900 gsqft of office space and 5,200 gsqft of retail space, and it is set to be completed in October 2022.

10th & Acoma, Denver, CO

The 17-story, 39-unit project spanning 605,000 sqft is located in Denver's Golden Triangle Neighborhood, a heavily residential neighborhood. The entire structure is comprised of post-tensioned, cast-in-place concrete. The exterior skin combines a mix of masonry, to blend the building with the neighborhood's historic aesthetic, but adds in a mix of metal panels and stucco to bring a newer and modernized appeal. The first five floors of the project will house parking for the building's tenants, wrapped with townhouses and units on the Acoma and 10th Street sides. A pet lounge that expands to the outdoor dog run with operating overhead doors is located on the building's south side. Bike storage and a repair shop are provided to tenants that prefer an alternative commute to their downtown offices.


10th & Acoma

Also included on the ground floor is 4,000 sqft of retail space, designed to house a restaurant anchor and coffee shop. Above the garage, the podium deck on level six will provide the community's amenities, including game lounges, a two-floor gym equipped with a climbing wall, outdoor activities, and a spa lounge. The pool was held off the lower deck and placed on level 17 to capture 360-degree views of the city and mountains. This deck is also equipped with a sauna and community room with full kitchen and outdoor BBQs. The multifamily project is scheduled for completion in March 2022, approximately two months ahead of schedule.

26th & Alcott, Denver, CO

Encompassing a full city block in Denver's Jefferson Park neighborhood, the project consists of two-multifamily, load-bearing metal stud towers atop a four-floor, partially below grade, post-tensioned parking garage. The first tower houses 93 short-term rental units, while the second tower houses 533 apartment style units, with 626 units in total. This 15-floor high-rise began construction in October 2021, and it is on schedule for completion in April 2024.


26th & Alcott

Florida Atlantic University (FAU) Boca Raton Campus Student Housing Project, Boca Raton, FL

Completed in June 2021, the new 616-bed, 7-floor, 186,000 sqft student housing facility replaces the 94-bed Algonquin Hall that was originally built in 1965. The project features two- and four-bedroom units with common space, study lounges, a community kitchen, and laundry facilities. An academic advising, learning, and career center called the Get Wise Facility, which is accessible to all university students, is located on the ground floor.

Weitz also constructed the new 165-bed, three-floor, 58,000 sqft residence hall on FAU's MacArthur Campus in Jupiter, Florida.


FAU Boca Raton Campus Student Housing

Washington Elementary School Modernization, Riviera Beach, FL

Construction of the new school, which is situated on a nine-acre site in Riviera Beach, Florida, featured the demolition of five classroom buildings, the cafeteria, and portable classrooms to make way for the new, single-story, 50,000 sqft elementary school. The new classroom building features 514 student stations serving Kindergarten through fifth grade level students. The existing 16,300 sqft media center and administrative buildings were renovated. Site development included new utilities, site lighting, parking and driveways, a bus loop, service yard, play fields and courts, covered P.E. shelter, playgrounds, and covered sidewalks. The project was delivered by the summer of 2021.

Shell Point Retirement Community, Fort Myers, FL

Located in Ft. Myers, Florida, the Shell Point Retirement Community offers a range of living styles and amenities to its residents. The newest addition to the community will be the 195,141 sqft, six-floor, 180 skilled nursing bed Larsen Health Center. The health center will include a grand entrance and lobby, rehabilitation center with therapy pool, health clinic with physician offices, pharmacy, dental suite, nurses' stations, dining and living rooms, sunrooms, and a salon and day spa. Additional features include a butterfly garden, chapel and a prayer garden, boardwalk, gazebo, and bistro. The project was completed during the fall of 2021.


Shell Point Retirement Community

Florida Power and Light Corporate Campus, Palm Beach Gardens, FL

Construction is progressing at the Florida Power and Light Phase 1 Corporate Campus project in Palm Beach Gardens, FL. The six-level, 270,000 sqft Class A office building is designed to withstand Category 5 hurricane force winds and will feature a cafeteria with a commercial kitchen, fitness and wellness center, data center, typical office building amenities, and a conference center. The project will also include an attached 700-space, three-level parking structure, including photovoltaic solar array, back-up battery storage, and electric vehicle charging capabilities. A Tier 3 data center and mechanical center to control all Florida Power and Light's power plan substations is also part of the project's scope. The structures will be a combination of concrete, structural steel, curtain wall, and precast.


Retreat at Alameda


Florida Power and Light Corporate Campus

University of Florida Gator Village, Gainesville, FL

Awarded in August 2021, the new Undergraduate Residential Complex with Honors College is the first of several projects scheduled in the University of Florida's master plan. The design approach breaks down the scale of the project into four residential halls, five to six floors each. The buildings will house a combination of single and double suites, including ADA suites, making 1,400 student beds. Facilities will also include music rooms, teaching kitchens, Honors College faculty offices, and other academic support spaces. Construction began in October 2021.

Clive Behavioral Health, Clive, Iowa

This new behavioral health hospital was constructed in response to the growing need for in-patient mental healthcare for the state of Iowa. This 100-bed facility is an 83,000 sqft structure with a one-floor clinical and support services area and a three-floor bed unit. Each patient room includes a bathroom and accommodates two beds. Patients have direct visibility and access to a designated nurse work area. There are three primary therapy spaces in the building, including noisy areas, quiet areas, and group therapy areas. Consult rooms, laundry rooms, a full kitchen, outdoor courtyards, gymnasium, dining room, and office spaces are also included in the building. The facility was designed to complement the existing architectural design of the area, utilizing a steel frame structure, masonry veneer, insulated metal panels, and EIFS construction.

Iowa State University Veterinary Diagnostic Laboratory, Ames, Iowa

This project consists of the design and construction of a new, two-story, stand-alone Veterinary Diagnostic Laboratory (VDL) on the College of Veterinary Medicine's campus at Iowa State University. This new 94,000 sqft design-build facility will serve the diagnostic medicine needs of Iowa's livestock, poultry, pets, and wildlife. When completed, the building will include specialized laboratory spaces and flexible lab space. The state-of-the-art facility will provide essential infrastructure for sample receiving and processing, pathology, bacteriology, necropsy, histopathology, and include an incinerator. The project is set for completion in the spring of 2023.


Iowa State University Veterinary Diagnostic Laboratory

The Standard at Berkeley, California

The Standard at Berkeley is an off-campus student housing community near the University of California-Berkeley campus. The eight-floor, 117,000 sqft structure includes fully-furnished apartments ranging in size from studios to five bedrooms. Luxury amenities include private study rooms, clubroom, game room, state-of-the-art fitness center, and a resort-style patio and outdoor area. The project was completed in July 2021.


The Standard at Berkeley

The Standard at Coral Gables, Florida

The Standard at Coral Gables is a mixed-use housing development near the University of Miami campus, just minutes from downtown Miami. The nine-floor, 447,170 sqft structure includes fully-furnished apartments ranging in size from one to three bedrooms. Luxury amenities include an academic lounge and private group study rooms, four-story above ground parking structure, fitness center, game room, and recreational pool deck. The project was completed in July 2021.


The Standard at Coral Gables

Enso Village, Healdsburg, CA

Construction on the Enso Village project broke ground in June 2021. Enso Village will be a Life Plan Community on 15 acres in Sonoma County California. The project will include 220 independent living units, 30 assisted living units, and 24 memory care


Enso Village

units. Amenities will include commons areas, meditation areas, gardens, and under building parking. Residents will be invited to practice meditation in the centrally located meditation hall with Senior Zen Center practitioners, who will be in residence. Residents will also have access to classes, workshops, retreats, and the opportunity to garden and cook together. The project is scheduled for completion in August 2023.


Santa Rosa Junior College Student Housing

Santa Rosa Junior College Student Housing, CA

Construction officially broke group on the Santa Rosa Junior College Student Housing project in October 2021. The five-floor student housing project is located on the northwest corner of the Santa Rosa Junior College campus. The building will feature 353 beds with onsite parking and outdoor amenity space. Inside the building, there will be study rooms, common kitchens, and a two-floor open living room to house speakers and events. The design focuses on integrating the existing campus physically, socially, visually, and emotionally by creating community at multiple levels. The design also encourages student engagement through features like the micro-communities and the kitchen garden for resident-grown food production. The project is scheduled for completion in August 2023.

Immanuel Fontenelle Skilled Nursing Residence, Omaha

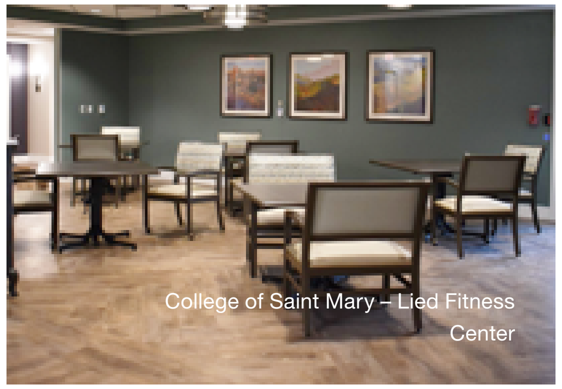
The Weitz Company recently completed a new skilled nursing residence for Immanuel's long-term care community. The building was added to the existing Immanuel Village and Courtyard community. The building includes 70,000 sqft divided into five residence sections, containing 16–20 units each. It serves as a prototype for future Immanuel projects.


Immanuel Fontenelle Skilled Nursing Residence

College of Saint Mary – Lied Fitness Center, Omaha

Weitz recently completed the renovation of the Lied Fitness Center and addition of the state-of-art field house for the College of Saint Mary (CSM). The project duration was about 17 months and added 75,000,000 sqft to the existing athletics facility.

CSM is home to ten varsity sports, and the Lied Fitness Center serves as a facility for their basketball, volleyball, swimming, and tennis teams. The field house also features a dance and fitness studio, locker rooms, an indoor golf simulator, and a dedicated and expanded weight room and strength training center.


College of Saint Mary – Lied Fitness Center

Sagewood Phase 2 IL Building & Commons, Phoenix

Sagewood's 220,000 sqft, 3.5-acre Phase II features both one- and two-bedroom apartments, featuring 13 new apartment floor plans, with individually controlled cooling and heating systems. All residences will include patios or balconies and range from 873 to 2,351 sqft. Phase II includes an 18-hole championship golf putting course and new dining facilities, including The Owl's Nest restaurant and lounge, expansion of the existing Canyon Café, and an expansion of the current Palo Verde Dining Room, which will become a new, separate venue called Sonoran. Other amenities include additional card rooms and new administrative offices. The project started in February 2019 and was successfully completed in January 2021.


Sagewood Phase 2 IL Building & Commons

Retreat at Alameda

Retreat at Alameda, Phoenix, AZ

The Retreat at Alameda is a brand new, vibrant senior living community located in Norterra at 1920 W. Alameda Road. This new community, featuring 72 assisted living apartments and 32 memory care apartments, promises to provide the finest assisted living and memory care for seniors. The design incorporates multiple studio, one-, and two-bedroom floor plans.

Assisted living amenities include a movie theater, private dining, fresh chef-prepared cuisine, inviting outdoor spaces, an on-site beauty/barber shop, a state-of-the-art fitness studio with group classes, a library, and a technology center. There is also a cafe bistro offering an all-day light menu, including complimentary grab-n-go coffee and snacks. Dining integrates local and seasonal culinary meals with home-style favorites.

Every resident will be provided 24-hour personal care, assistance with activities for daily living (ADLs), housekeeping and laundry, and transportation. The Retreat at Alameda staff has specifically designed environments and activities to promote quality of life for seniors experiencing a form of cognitive decline, such as Alzheimer's or dementia.

The project started in August 2019 and was delivered in March 2021.

BESIX

Commercial Highlights

In the second half of 2021, the BESIX-Orascom Construction joint venture started the progressive delivery of the exhibition spaces of the 490,000 m² **Grand Egyptian Museum (GEM)**. Its architecture, in perfect structural alignment with the pyramids of Giza, required construction teams to meet challenges of unprecedented complexity, including gigantic cantilevers and unique ceiling heights.

In August 2021, BESIX and OC took on another challenge, which is transporting the world's oldest intact ship, the 4,500-year-old Khufu Solar Boat, from the Pyramids of Giza to the GEM complex. An extraordinary and extremely delicate operation, brilliantly completed by the BOJV teams.

In Brussels, Belgium, BESIX delivered the **Quatuor Brussels real estate complex**, in the capital's North District, one of the main business districts. The complex consists of four architecturally stunning towers, connected by a large inner garden. Offering 60,000 m² of offices, the buildings were designed to be passive and conform to the highest standards of quality, innovation, and environmental performance. The real estate complex is aiming for BREEAM Outstanding certification.

Also during the year, the BESIX Middle East teams continued the construction of the **Royal Atlantis Hotel & Residences** with Ssangyong, progressing at a rapid pace for a planned delivery in 2022. The Royal Atlantis Hotel & Residences is massive, at 400,000 m², located at the tip of the Palm Jumeirah, with its feet in the Arabian Gulf. It will include 794 rooms and suites, as well as 231 serviced residences with private gardens and pools, a high-end spa centre, and an infinity pool overlooking the Arabian Gulf. The building is 500 meters long, end to end. On one side, the hotel tower reaches 185 meters and has 43 floors, while on the other side, the 37-storey residential tower rises to 175 meters. They comprise three sub-towers connected by a 45-meter-long suspended sky bridge.

BESIX Group's subsidiary in Australia, BESIX Watpac, has made remarkable progress with the construction of **Jubilee Place**, a project that both preserves the heritage-listed Jubilee Hotel and adds a brand new, 14-storey state-of-the-art commercial office tower to the building complex. The year saw the completion of the building's impressive diagrid exoskeleton that rises partially above the historic hotel and the installation of its façade. The project will be delivered in 2022 and will house the BESIX Watpac headquarters in Australia.


Royal Atlantis


Grand Egyptian Museum

Maritime Highlights

With NDI, BESIX is building a shipping channel through the **Vistula Spit**, a peninsular stretch of land, separating the Vistula Lagoon from the Gdańsk Bay. New infrastructure will ease the maritime traffic and boost Elblag's port installations by drastically reducing the distance between the port and the Baltic Se, and making it accessible to larger vessels. The scope includes the construction of two breakwaters of 1,014 and 568 m, a 1.5 km navigation channel, two rotating bridges over the lock, buildings, landscaping, and adjacent roads. The companies are also building a 190-hectare artificial island for wildlife. In 2021, significant progress was made by the operational teams, with key milestones such as the opening of the first bridge to motorway traffic, the installation of lock gates, and the progress of marine infrastructure, including the breakwaters and the artificial island. The project is on schedule for delivery in 2022.

Business Highlights

Dubai Waste-to-Energy

In June 2021, BESIX Group and its partners closed the financing of the **Dubai Waste-to-Energy** project, an important milestone that sets a precedent for large PPPs by Dubai Municipality. The project is also a key element of both Dubai's 2050 Clean Energy Strategy and its goal of zero waste to landfill by 2030. With Dubai Waste-to-Energy, BESIX Group has demonstrated its ability to support public authorities in the realization of their strategic ambitions. The Group participated in the conceptualization, design, and financing of the plant. It is now in the process of building, and it will co-manage the plant's O&M for 35 years. When completed, the project will be one of the world's largest and most technologically advanced waste-to-energy facilities.

Project Finance International awarded the project "Deal of the Year 2021" for the Middle East and Africa. In addition to the financing, the construction of the plant, carried out by BESIX Middle East and its partner Hitachi Zosen Inova, has made significant progress throughout the year.

Iconic New Contracts

In the UAE, the Abu Dhabi Department of Culture and Tourism awarded the main construction contract for the **Guggenheim Abu Dhabi** to a joint venture between BESIX Middle East and Trojan General Contracting LLC, a subsidiary of Alpha Dhabi Holding. The museum will be the largest of the four Guggenheim museums and will strengthen Abu Dhabi's position as a global center for culture. Construction is set to be completed in 2025.

BESIX was also awarded the construction of the **Tour Triangle** in Paris by Unibail-Rodamco-Westfield. The 180-metre skyscraper, designed by Pritzker Prize winning architects Herzog & De Meuron, has been designed to comply with the BREEAM Excellent (minimum) and HQE Exceptional environmental certifications. The planning, logistics, and construction methods were developed by BESIX Engineering, which will also carry out the execution studies for the structure and provide support for those dedicated to the façade.


Kangaroo Point Green Bridge


Dubai Waste-to-Energy

In Australia, the Connect Brisbane team, led by BESIX Watpac, was awarded the design and construction of the **Kangaroo Point Green Bridge** in Brisbane. The announcement was made by Brisbane Mayor, Lord Mayor Adrian Schrinner. The contract includes the construction of a 460-meter-long cable-stayed pedestrian bridge, one of the longest of its kind in the world. Described as a game-changer for the city, it will be a key landmark for Brisbane.

At the initiative of the Ivorian Ministry of Construction, Housing, and Urban Planning, and in partnership with PFO Africa, BESIX is participating in the construction of the **F Tower** in Abidjan, Ivory Coast. The tower, which will be Africa's tallest, is designed and developed by PFO Africa. BESIX's scope includes project management and the execution of the structural works.

Expo 2020

In October 2021, the **Dubai World Expo** opened its doors to the public. BESIX Group contributed to the construction of the site infrastructure, in collaboration with OC, and the construction of the French and Belgian pavilions.

The French pavilion was delivered in April and the Belgian pavilion was delivered in September. Among the hundreds of thousands of visitors to both pavilions were the President of France, Emmanuel Macron, in December 2021 and King Philippe of Belgium in February 2022. Both pavilions have the capacity to be completely dismantled and reassembled elsewhere. In 2021, it was announced that the French pavilion will be reassembled in Toulouse, where it will house

aug.e

the National Centre for Space Studies. The Belgian pavilion has already been nominated for architectural awards.

Business Growth

In 2021, BESIX Group continued to grow its business operations and expand its footprint through a number of acquisitions. The Group successfully completed the acquisition of **STRABAG BV**'s road construction activities in the Netherlands through its subsidiary, BESIX Infra. The acquisition includes the transfer of all real estate, the asphalt plant, equipment, employees, and ongoing projects.

BESIX Group also took over **Lucan BV** through its Belgian subsidiary Van den Berg. Lucan BV specializes in the construction of domestic gas and electricity connections. Ven den Berg also acquired **Agidens Infra Automation** in 2021, a market leader in automation, remote control, interconnection, and intelligent energy management for infrastructures.

During the year, the Group acquired stake in **i.Leco**, a tech start-up specializing in energy management for buildings. Following the acquisition, BESIX, Proximus (Belgium's leading ICT company), and i.Leco announced the creation of Aug·e, a platform for smart building applications combining their respective expertise in building, ICT, and energy. With **Aug·e**, BESIX, Proximus, and i.Leco are bringing to the market cutting-edge solutions in the field of smart buildings, which will contribute to making buildings an important player in the energy transition. These solutions include the most innovative technologies to improve the energy performance and environmental impact of buildings, facilitate their long-term maintenance, and increase the comfort of their tenants.

BESIX Group also acquired a 40% stake in **BuildUp** through its subsidiary Vanhout. **BuildUp** develops innovative and sustainable solutions in the field of modular construction, including the digital design of custom buildings, their automated prefabrication in the company's workshop, and their assembly onsite.

top EMPLOYER
BELGIË BELGIQUE BELGIUM 2021
CERTIFIED EXCELLENCE IN EMPLOYEE CONDITIONS

Certifications

In 2021, the Top Employers Institute named BESIX Group Belgian Top Employer for the second consecutive year. Each year, the organization certifies entities worldwide where working conditions are outstanding, workers are supported to develop their talents, and a continuous drive to improve working environments is present.

The award came after an in-depth analysis of the Group's HR and people practices, focusing on a variety of themes, including leadership development, diversity and inclusion, values, business strategy, and learning.


French Pavilion


Guggenheim


Tour Triangle

MANAGEMENT DISCUSSION & ANALYSIS

International Shooting Club - New Capital

MANAGEMENT DISCUSSION & ANALYSIS

Financial Highlights

$ millions	2021	2020
Revenue	**3,542.9**	**3,371.1**
Cost of sales	(3,196.5)	(3,048.3)
Gross profit	346.4	322.8
EBITDA	**204.4**	**197.8**
Operating profit	**156.3**	**150.6**
Income tax	(42.5)	(40.5)
Non-controlling interest	11.9	6.2
Net income attributable to shareholders	**113.4**	**90.9**
Basic earning per share	0.97	0.78
Total assets	4,102.4	3,788.5
Total equity	688.6	641.9
Gross interest – bearing debt	64.1	115.2
Net debt	(441.6)	(358.6)

Revenue

Orascom Construction PLC recorded revenues of USD 3,542.9 million in 2021, representing a 5.1% increase y-o-y, driven by solid progress in the MEA region, especially in Egypt. Revenue attributable to the MEA region accounted for 70.4% of the total, while operations in the USA accounted for the balance.

In the MEA region, revenue was primarily driven by the execution of mega infrastructure projects, including Bahr El-Baqar Water Treatment Plant and the Monorail and Light Rail Transit projects. Revenue in the USA was driven by a mix of commercial, infrastructure, and light industrial projects, including data centers, Florida Power and Light PGA, 10th & Acoma Building, and the Airport Consolidated Rent-A-Car Facility (HNL CONRAC).

EBITDA

The Group reported consolidated EBITDA of USD 204.4 million in FY 2021 compared to USD 197.8 million in FY 2020, reflecting a 3.3% increase y-o-y. EBITDA margin was maintained at 5.8% in FY 2021.

The MEA region continued to deliver solid performance in FY 2021, delivering EBITDA of USD 184.7 million despite a tighter EBITDA margin of 7.4% as a result of a challenging operating environment.

Building on positive sustainable contribution to the Group, EBITDA generated in the USA showed a significant improvement compared to the previous year, amounting to USD 19.7 million in FY 2021 compared to USD 13.2 million in FY 2020.

$ millions	2021		2020	
	MENA	USA	MENA	USA
Revenue	2,492.8	1,050.1	2,107.3	1,263.8
Cost of sales	(2,218.8)	(977.7)	(1,848.5)	(1,199.8)
Gross profit	274.0	72.4	258.8	64.0
EBITDA	**184.7**	**19.7**	**184.6**	**13.2**
Operating profit	**143.6**	**12.7**	**144.9**	**5.7**
Income tax	(42.4)	(0.1)	(40.2)	(0.3)
Non-controlling interest	11.9	-	6.4	(0.2)
Net income attributable to shareholders *	**97.1**	**16.3**	**81.6**	**9.3**

* MENA net income includes contribution from the Group's 50% stake in BESIX, amounting to net profit of USD 15.7 million in FY 2021 versus net loss of USD 6.2 million in FY 2020, marking a return to profitability. BESIX is consolidated under the equity method.

Selling, General and Administrative Expenses

The Group's Selling, General, and Administrative (SG&A) expenses represented 5.4% of revenue in FY 2021, a slightly lower percentage than FY 2020 level of 5.5%.

Net financing cost

Net financing cost consists of interest income, gain or loss on foreign exchange, and interest expense.

Net financing cost stood at USD 16.3 million in FY 2021. This reflects an increase compared to USD 9.8 million in FY 2020 despite lower interest expense in FY 2021, as a result of lower interest income and lower foreign exchange gain in 2021.

Income tax

Income tax expense amounted to USD 42.5 million in FY 2021 compared to USD 40.5 million in FY 2020.

The effective tax rate recorded in FY 2021 reached 25.3% versus 29.4% in FY 2020. The decrease in the effective tax rate is mainly a result of BESIX profit of USD 15.7 million in FY 2021 compared to a loss of USD 6.2 million in FY 2020.

Cash Flow

Condensed Consolidated Statement of Cash Flow for the Year Ended 31 December

$ millions	2021	2020
Net profit for the year	**125.3**	**97.1**
Adjustments:		
Depreciation of PPE and amortization	48.1	47.2
Changes in working capital	50.9	(37.5)
Dividends received from equity accounted investees	1.9	15.0
Other cash flows from operating activities	(25.0)	16.4
Cash Flow from operating activities	**201.2**	**138.2**
Proceeds from sale of an investment in associate	5.1	-
Investments in property, plant, and equipment	(63.9)	(42.7)
Proceeds from sale of property, plant, and equipment	6.3	6.9
Cash Flow from investing activities	**(52.5)**	**(35.8)**
Proceeds from borrowings	103.2	215.7
Repayment of borrowings	(154.3)	(196.2)
Dividends paid to shareholders	(51.2)	(24.5)
Other cash flows from financing activities	(14.1)	(4.0)
Cash Flow from financing activities	**(116.4)**	**(9.0)**
Net increase in cash and cash equivalents	**32.3**	**93.4**
Cash and cash equivalents at 1 January	473.8	374.8
Currency translation adjustments	(0.4)	5.6
Cash and cash equivalents at 31 December	**505.7**	**473.8**

Cash Flow from operating activities

Cash inflows from operating activities stood at a strong positive level of USD 201.2 million despite the challenging operating environment in FY 2021. This strong operating cash flow level reflects management's commitment and focus on collections and cash management.

Cash Flow from investing activities

Cash outflows from investing activities reached USD 52.5 million in FY 2021 compared to USD 35.8 million in FY 2020, mainly driven by gross capital expenditure for the year of USD 63.9 million to support new projects in MEA.

Cash Flow from financing activities

Cash outflows from financing activities recorded USD 116.4 million in FY 2021 compared to outflows of USD 9.0 million in FY 2020. Total debt was reduced by USD 51.1 million during FY 2021, reflecting continued management's efforts to maintain adequate debt levels for the Group. In addition, two dividend payments to shareholders totaling USD 51.2 million were disbursed in January 2021 and August 2021.

$ millions	December 2021	December 2020
Long-term interest-bearing debt	1.2	19.9
Short-term interest-bearing debt	62.9	95.3
Gross interest-bearing debt	**64.1**	**115.2**
Cash and cash equivalents	505.7	473.8
Net debt	**(441.6)**	**(358.6)**

The Group increased its net cash positive position to USD 441.6 million as of 31 December 2021 compared to USD 358.6 million as of 31 December 2020. Cash and cash equivalent increased by USD 31.9 million despite the net decrease in gross debt of USD 51.1 million.

Condensed Consolidated Statement of Financial Position as at 31 December

$ millions	2021	2020
Total non-current assets	727.3	696.4
Total current assets	3,375.1	3,092.1
Total Assets	**4,102.4**	**3,788.5**
Shareholder's Equity	638.5	595.9
Non-controlling interest	50.1	46.0
Total Equity	**688.6**	**641.9**
Total non-current liabilities	54.5	80.3
Total current liabilities	3,359.3	3,066.3
Total Liabilities	**3,413.8**	**3,146.6**

Non-Current Assets

As at 31 December 2021, OC PLC's non-current assets stood at USD 727.3 million (2020: USD 696.4 million), that includes the following:

- Property, plant, and equipment balance of USD 199.2 million (2020: USD 177.2 million).
- Investments in equity accounted investees balance of USD 426.4 million, with the majority representing the Group's investment in the BESIX Group.
- Deferred tax assets balance of USD 41.1 million, primarily relating to carry-forward losses in the USA expected to be realized against future profits.

Current Assets

Current assets increased to USD 3,375.1 million (2020: USD 3,092.1 million) mainly due to higher contracts work-in-progress and suppliers advances due to increased operational activities, which were partially offset by a decrease in the net trade receivables from USD 812.5 million in 2020 to USD 653.1 million driven by strong collections during 2021.

Cash and cash equivalent recorded USD 505.7 million at year-end 2021 (2020: USD 473.8 million) despite a reduced debt level as highlighted above.

Equity

The Group's total equity at year-end 2021 reached USD 688.6 million, up from USD 641.9 as at 31 December 2020. The increase in total equity was driven by FY 2021 results and less dividends declared in FY 2021 of USD 53.7 distributed to shareholders.

Non-Current Liabilities

Non-current liabilities primarily relate to the non-current portion of trade and other payables.

Current Liabilities

Current liabilities increased to USD 3,359.3 million (2020: USD 3,066.3 million) primarily due to an increase in trade and notes payables to reach USD 674 million (2020: USD 626 million), driven by increased operational activities.


The Standard at Berkeley

Number of employees

During the financial year ended 31 December 2021, the number of staff employed in the Group totaled 61,757, divided into 21,483 permanent employees and 40,274 temporary employees (2020: 63,899 employees).

Outlook

The Group successfully reported a record backlog of USD 6.1 billion as of 31 December 2021, reflecting an increase of 12.0% y-o-y compared to a backlog level of USD 5.4 billion as of 31 December 2020. New awards increased 22.1% y-o-y to USD 3.5 billion in FY 2021, mainly led by large infrastructure projects in Egypt, such as the country's first high-speed rail system, and data center and commercial projects in USA. The Group continues to execute its key, sizable projects in Egypt and the USA.

Management expects the revenue growth trend to continue in FY 2022.

In January 2022, the Group acquired the total share capital of Orascom Trading (S.A.E), National Equipment Company (S.A.E) and Orascom Free Zone – Onsi Sawiris and Partners (Limited Partnership Company), together referred as "Orascom Services".

Orascom Services, which operate as one business, is a leading equipment importation, distribution, and services business in Egypt in the field of commercial agencies. The results of Orascom Services are expected to contribute positively to the Group.

EBITDA and net income will be driven by profitability rates in the MEA region in FY 2021 and continued positive contribution from the USA operations. However, management expects another year of challenging operating environment, especially in the MEA region.

BESIX is expected to continue its positive earnings reported in FY 2021.

Management has earmarked approximately USD 30 million of capital expenditure in FY 2022.

OUR PEOPLE


Magdi Yacoub Hospital

OUR PEOPLE

Driven by our belief that our people are our most valuable assets, we adhere to the highest standards of human capital development.

Corporate Management Team (right to left from the back)

Hesham El Halaby, Investor Relations Director; **Reham ElBeltagy,** Group CFO**; Osama Bishai,** Group Chief Executive Officer; **Moataz Eldemerdash,** Group Controller; **Heba Iskander**, Corporate Development Director; **Omar Bebars,** CEO Building Materials; **Nader Ragheb,** Group Treasurer; **Alexandre Lousada,** Group General Counsel

Orascom Construction PLC believes that its employees are the Company's most valuable assets with regard to sustainable growth.

The Group adheres to the highest standards of human capital development, which we consider an invaluable investment, to support our employees with the required tools to grow within the organization through tailored educational and development programs.

Despite the recent changes brought on by the COVID-19 pandemic, we were able to adapt to the new norm by shifting to new approaches, latest processes, and best practices to keep our business operating effectively.

Maged Abadir
Chief Operations Officer, Executive Director Infrastructure, Heavy Civil, and Roads

Mohamed Abdel Razik
Executive Director Finance, Egypt

Philip Megally
Executive Director Industrial Unit

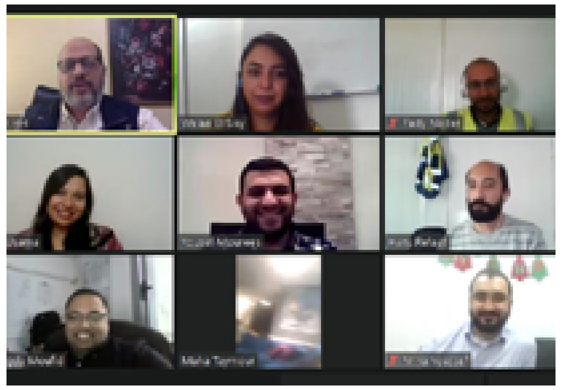
Ihab Mehawed
Managing Director and Commercial Director, Orascom Construction Egypt

Orascom Construction

Succession Planning and Development

OC views succession management as part and parcel of its business sustainability efforts. The Company identifies and develops the experiences of those with the most potential to assume greater responsibilities and critical positions within OC. It also engages top management in the development of potential leaders, while meeting the career development expectations of existing employees.

As part of its succession management framework, OC adopts an integrated and collaborative process for planning, execution, and controlling the various aspects of succession. The process indicates the need for effective and well-coordinated roles to be played by different stakeholders within the organization.



Online Learning

Due to the current pandemic, we continue to use virtual platforms, such as Microsoft Teams and Zoom. To automate the entire learning cycle, we launched a new user-friendly app for easier registration, in addition to acting as our learning management platform. The application relies on OC's pool of competent, in-house trainers, along with partner institutes and universities, to provide our employees with strong technical, business, and soft skills.

Training Programs

This year, we successfully delivered 60 training programs, totaling up to 20,266 training hours, to 1,352 staff members to enhance their technical and soft-skill knowledge and afford them the right tools to complete their day-to-day tasks. Delivered by both highly qualified internal instructors and top external providers, the programs were instrumental in building a culture of learning and development throughout the organization.

Post-Graduate Studies

The Group remains committed to developing its employees' capabilities by sponsoring post-graduate education for eligible staff members. The year saw Orascom Construction PLC extend post-graduate support to employees in the form of sponsorships to study master's degrees, post-graduate diplomas, or certifications that feed directly into their career development goals. The Group's commitment to advanced learning stems from its belief in the value of education as a means to support professional development and build a working community that values ambition and strives to succeed.

Partnerships

We partnered with LinkedIn to provide OC employees with on-demand access to LinkedIn Learning. The Company also established strong partnerships with top international providers, such as INSEAD, IMD, and international business schools.

In light of our efforts to increase partnerships and collaborations with public and private universities through different kinds of protocols, OC signed an HSE protocol with Cairo University to provide 300 engineering students with HSE trainings. More details can be found in the HSE section of this report.

2021 Summer Internship

The Group sponsored 95 interns across different projects and departments through its four-week Summer Internship Program and two-week Shadowing Program. Interns received extensive training and explored a real-world working environment within OC.

LEAD Program

LEAD is a two-year program designed for university fresh graduates planning to pursue a career at Orascom Construction PLC. The program is rotational, giving participants the opportunity to explore different jobs within the organization. It also allows graduates to undergo a live simulation detailing the real-life experiences of working at Orascom Construction PLC, an immersive experience that feeds directly into the Group's highly effective onboarding process. The LEAD Program provides young employees with the tools to enhance their professional, interpersonal, and leadership skills at Orascom Construction PLC and throughout their careers, as well as develop their passion for specific roles and responsibilities to achieve higher performance. This year, the Group witnessed the graduation of LEAD Program batch two, comprising 10 participants who are ready to be future leaders.

Executive Leadership Program

The Executive Leadership Program enables senior executives at OC to build the critical capabilities required to lead and thrive in a world of increasing uncertainty and volatility. Executives are exposed to various aspects of leadership to prepare them to deal with the integrated parts of the business.

During the program, OC's executives build their knowledge of techniques and trends, and how to leverage them within the organization, as well as sharpen and expand their leadership skills and cultivate an exclusive global network of peers.

Orascom Construction USA

Internship Program

This year, Orascom Construction USA was proud to welcome 29 interns across jobsites for both The Weitz Company and Contrack Watts. Our Company's internship program is critical to our recruitment strategy, helping us source great talent and build bench strength at all levels. Some interns returned for the second and even third year, a testament to the program's strength and popularity. The interns show great promise of future careers within our family of brands.

Diversity and Inclusion

The Diversity and Inclusion Steering Committee, led by President and CEO of OC USA, Kevin McClain, emphasizes the importance of diversity and inclusion across our jobsites. The purpose of this committee is to collaborate with and equip employees to make a positive impact within our company, our communities, and our industry.

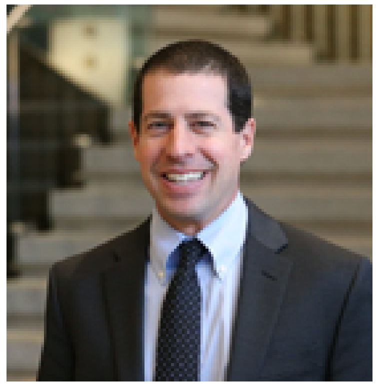
In October, the Committee supported Orascom Construction USA's participation in the inaugural Construction Inclusion Week, an industry-wide collaboration focused on identifying ways to advance diversity, equity, and inclusion in construction. In partnership with other general contractors across the country, OC USA participated in daily toolbox talks, trainings, and discussions on every jobsite and in every office. The trainings and discussions led to a number of important conversations, and the company looks forward to participating again next year.

Three Weitz Company Employees Named Engineering News Record (ENR) Top Young Professionals

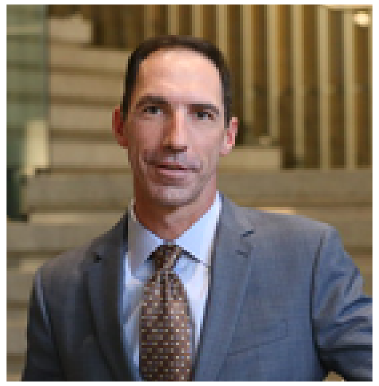
The Weitz Company is proud to recognize three outstanding team members who were named in the 2022 class of the ENR Regionals' Top Young Professionals competition. The honorees were: **Andy Klem,** a Senior Project Manager in the Arizona office who recently completed work on the PHX Sky Train project; **Leslie Policar,** Senior Estimator in the Arizona office who has been instrumental in securing additional aviation and mission critical work; and **Ben Bunge,** Project Executive on the Kansas City International Terminal Project and head of The Weitz Company's aviation strategy.

As described in Engineering News Record, this annual regional program honors outstanding young construction and design professionals. In 2021, each region highlighted a group of individuals under the age of 40 who represent the industry's top rising leaders by giving back to their industry and communities. These three individuals are very deserving of this distinction, each serving as leaders in their offices, projects, and communities. We offer a huge congratulations from the entire OC USA family.





Kevin McClain
President and Chief Executive Officer, USA Operations



Jeremy Marron
Chief Financial Officer, USA Operations

Shane Bauer
Executive Vice President of Operations, USA Operations

Leadership Promotions

Aaron Anderson was promoted to Vice President. Aaron has been with Orascom Construction USA for 15 years, starting his career as a Safety Manager in the Omaha office. Since then, he has worked his way up to Safety Director and has been critical in improving company-wide safety performance and culture. He has spearheaded important initiatives, such as "Lead with Safety"; developed company-wide safety and quality manuals; and launched processes, such as Behavior Based Safety (BBS), Job Safety Analysis (JSAs), and MakuSafe.

Greg Martin was promoted to General Manager of Mission Critical. Greg has been instrumental in the launch, growth, and success of this division since its inception. He has assembled an excellent leadership team, ensured successful execution of our data center projects, in coordination with the respective local office, and worked tirelessly to secure additional clients in this sector to achieve the Company's strategic plan. His efforts and dedication are unmatched and have set this group up for sustainable success.

Krista Robinson was promoted to Vice President. Krista joined Orascom Construction USA in 2015 as a Human Resources Generalist for the commercial group. She was promoted to the Human Resources Director position in 2017 and named as a member of the Construction Leadership Council (CLC) at that time. During her tenure, Krista has elevated the Human Resources function, taken on leadership of the internal communications program, and been instrumental in spearheading important efforts, including the Company's diversity, equity, and inclusion initiative.

Quality, Health, Safety, and Environment (QHSE) Management

Orascom Construction PLC's core activities center on the realization of major construction projects through the mobilization of its full resources and know-how. The Company is fully aware of the impact of its economic and industrial activities on the living and working environments of the communities in which it operates.

To implement its policy, OC PLC has decided to develop and implement an Integrated Management System (IMS) reflecting all its concerns in terms of quality, health, safety, and environment, in addition to economic performance and good governance. The IMS applies to all OC activities, including the realization of civil engineering, buildings, industrial, power, petrochemical, rail, and environmental projects in Egypt and all global multi-site construction areas.

Commitment to Quality

Orascom Construction

At Orascom Construction, we are committed to delivering the highest quality construction projects. We actively work to exceed customer expectations by periodically reviewing and continuously enhancing our quality management system. This is managed through an extensive risk-based audit program to ensure compliance to the OC quality management system and improve systems and processes where necessary.

Management's commitment to quality is reflected in our continued ISO 9001 certification. We have also received certification from the American Society of Mechanical Engineers (ASME) for Power Boilers S Stamp and Pressure Vessels U Stamp, in addition to our certification from the National Board of Boiler and Pressure Vessel Inspectors for NB and R stamp.

Quality Training

Quality-related training programs are an important tool in the development of OC's personnel to ensure we maintain the highest construction standards. The programs develop OC personnel's understanding of the Company's quality management requirements. Training programs specific to quality in construction have been developed in joint efforts with the HR Department, and a Train the Trainer program allows training to be rolled out extensively across all projects.

Areas of Focus

- **Customer satisfaction:** At Orascom Construction, we respect our clients' requirements and stakeholders' continued trust.
- **Projects and product quality:** We pay great attention to the quality, reliability, durability, maintainability, and timely delivery of our products by doing the work right from the first time.
- **Innovation and proactivity:** At Orascom Construction, we strive to continuously improve our product innovation and proactively pursue quality and reliability.

To satisfy our customers' unique requirements and expectations, our Quality Management Team promotes and encourages:

- Constant communication with customers, suppliers, and employees.
- Continuous development of management and technical expertise, in addition to the acquisition and development of new technology.

Welding Training School

Since 2008, Orascom Construction has been operating a welding school to train and test welders and develop trade skills for non-skilled workers. Many of these workers have no prior practical welding experience, but become proficient in several welding processes after completing training by skilled instructors and undergoing practical safety training.

Orascom Construction USA

On the Critical Path to Lead with Safety

"Lead with Safety" means the value placed on safety is illustrated by words and actions, regardless of other job pressures. This new safety program strengthened the company's culture, refreshed employees' commitment, and further positioned us as an industry leader. The charge to "Lead with Safety" also bolstered business practices, operations, and projects that protect people and the environment.

Orascom Construction USA's successful "Lead With Safety" program was enhanced this year with the "On the Critical Path to Lead With Safety" campaign. The program identified six key safety activities that were required on every jobsite, including consistent safety performance expectations, a formal review of all incidents, trade partner executive engagement, daily JSA meetings, designated pedestrian walk paths, and daily stretch and flex with hazard reviews. These six guidelines were created based on a thorough review of the safest jobsites across the company, allowing clear guidance for other teams to replicate their safety successes.

Project sites across the company embraced this program, sharing best practices and images of these six practices in action. Some jobsites also implemented new technologies, such as wearable digital safety devices that provide real time data that can help prevent slips, trips, and falls. By the end of 2021, the success of the program was tangible, and OC USA was proud to report one of the lowest incident rates on record in recent years. Business Units across the company shared in the successes with milestones of their own, including Mission Critical, who reached one million man-hours without a recordable incident.

All Weitz operations staff are required to be OSHA 30-hour safety certified and have a current certification in CPR, first aid, and AED.

Technology Innovations:

BIM/VDC Expansion

As construction practices become increasingly more innovative, the Orascom Construction USA Virtual Design and Construction (VDC) team has also continued to expand both in size and capabilities. In 2021, the VDC team assisted approximately 30 project pursuits and continuously supported 20 active projects with services, such as BIM coordination, 3D and 4D visualizations, virtual mockups, and field solutions, like scanning and drone products.

In-house laser scanning has been one of the most exciting aspects of the VDC teams work, now offering two laser scanning options to our team members and clients. The first is the stationary high powered system that utilizes LIDAR (laser) scanning to capture detailed data and create a "point cloud" of database connecting points in a 3D coordinate system, and the second being a mobile scanning unit, which is extremely quick and easy to use and offers a 270 degrees of scanning and photo documentation as you walk, serving as a great tool for project pursuits with existing facilities, as well as quick progress scanning of ongoing projects. Many of these images are now available on StructionSite, a photo documentation platform that has been utilized at many jobsites with great success.

Commitment to Health, Safety, and the Environment (HSE)

Orascom Construction PLC's compliance to health, safety, and environment requirements continued during 2021 throughout all its projects:

Company	2021 LTIR
Orascom Construction	0.011
Orascom Construction USA	0.08

Orascom Construction PLC has also successfully implemented and remains committed to an integrated HSE Management System. This Management System is certified to the International Standards ISO 14001:2015 for Environmental Management and ISO 45001:2018 for

Occupational Health and Safety.

Moreover, Orascom Construction PLC developed several strategies to ensure the safety of its people.

COVID-19 Summary

During 2021, OC initiated the vaccination protocol in coordination with the Egyptian Ministry of Health against COVID-19 in OC projects and at the head office to ensure most employees and workers at the site were fully vaccinated.

Our branch offices in the UAE and Bahrain were able to achieve a 100% employee vaccination rate.

OC continued the pandemic response program designed to protect our staff while managing and maintaining the flexibility of our operations.

The overwhelming priority was and remains ensuring that employees maintain vigilance and minimizing the spread of the virus within the organization. The implementation of COVID-19 protocols has helped reduce its potential impact on our employees and daily operations.

OC also instituted the COVID-19 committee, which regularly reviews operational guidelines, policies, and protocols to ensure they are aligned with operational requirements and Egyptian Health Authority guidelines.

Committee Members:

- Managing Director
- HSE Director
- Vice President HR and IT
- Deputy Administrative Director

Key Actions:

1. Formation of COVID-19 operational guidelines
2. Establishment of return to work guidelines
3. Mandatory health checks prior to entering the head office and sites
4. Reduction of head office working capacity

COVID-19 Audit Program:

Audit criteria and a plan were established to assist the operations teams in their efforts to adapt to the new normal. The audit focused on the following practical measures, designed to ensure site safety:

- Social distancing measures at access and egress points
- PPE for workers
- Capacity on buses transporting workers reduced to 50%
- Health checks on entry to site
- Vulnerable workers given extended leave
- Daily records of suspected/confirmed cases
- 14-day isolation requirements followed
- Follow-up with positive cases and contact tracing conducted to begin isolation
- Staggered start, finish, and break times
- Full-time medical team assigned to manage health checks
- Signage posted to heighten awareness
- Hand sanitization stations provided in prominent locations

Orascom Construction

HSE Protocol

In 2020, Cairo University's Faculty of Engineering and Orascom Construction collaborated to create a curriculum for construction HSE. Students are given the opportunity to study construction HSE courses, where they will gain world-class industrial knowledge, conveyed by our experienced HSE staff.

The protocol includes the following:

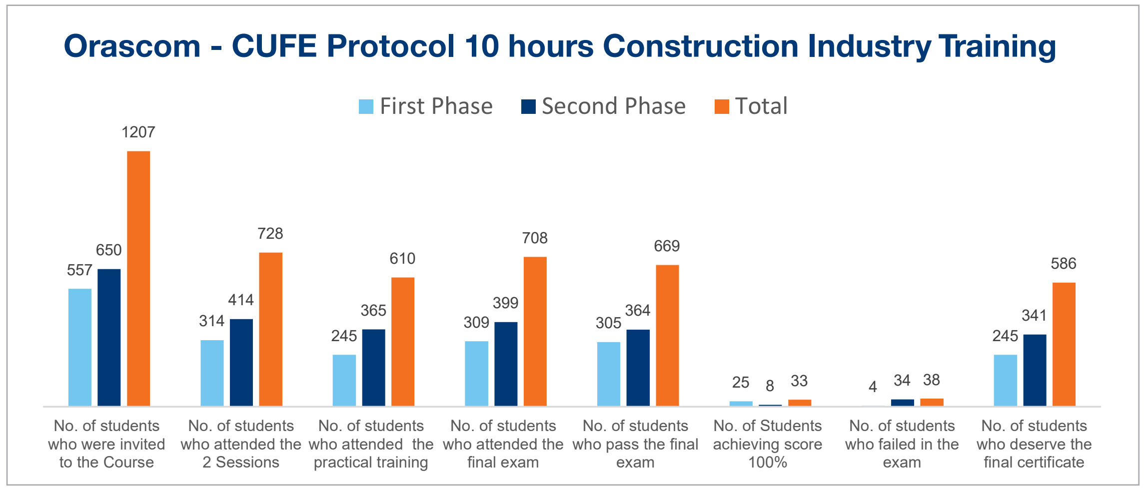
- Transfer of theoretical knowledge in a classroom environment.

- Practical elements, including supervised visits to our sites, where students will do the following:
  - Gain invaluable insight into the operating construction site
  - Learn how our expert teams apply HSE in challenging, complex environments

- The training is aligned with OSHA regulations and consisted of two phases:
  - Phase one February 2021
  - Phase two September 2021

- Two-day training protocol for the following topics:

▸ Workplace risk assessment
▸ Working at height
▸ Scaffolds
▸ Personal protective equipment
▸ Fire safety
▸ Confined space entry
▸ Excavation and trenching
▸ Cranes, lifting, and rigging
▸ Electrical safety
▸ Chemical hazard communication
▸ Construction heavy equipment



Verification of Competencies (VOC)

In 2021, the VOC program continued, and it now includes additional elements. The VOC program, which is a systematic assessment of workers' ability to perform their core responsibilities relating to their specific trade, was expanded to all our active projects. The new trades included are: food handlers, sculptor, and overhead crane operator.

Trades	Pass			Failed	Total No. of VOC
	A	B	C		
Scaffolding erectors	1853	1981	780	216	4830
Crane operators	197	286	194	62	739
MEWP operators (man lift/ scissor lift)	63	105	85	10	263
Rigger	195	501	372	98	1166
Electrician	471	1060	468	29	2028
Grinder	1420	1874	368	111	3773
Forklift operator	56	169	72	20	317
Welder	229	539	156	32	956
Drivers	263	652	236	22	1173
Heavy equipment operator	139	267	164	18	588
Carpenter	1105	1749	751	96	3701
Steel fixers	892	1312	1357	106	3667
Sand blaster	0	1	0	1	2
Elevator (personnel hoist) operators	6	159	0	26	191
Flag man	18	8	0	0	26
Medical	2	4	1	0	7
Commissioning	34	126	146	0	306
Others trades	233	747	121	25	1126
Totals	**7176**	**11540**	**5271**	**872**	**24859**

Due to its great success, the VOC program will continue to expand over the tested trades, with management deciding to expand the program to cover all trades in 2022.

Man-Hours

The HSE Management System was implemented in 64 active projects and three workshops across the Middle East and Africa in 2021, covering several sectors:

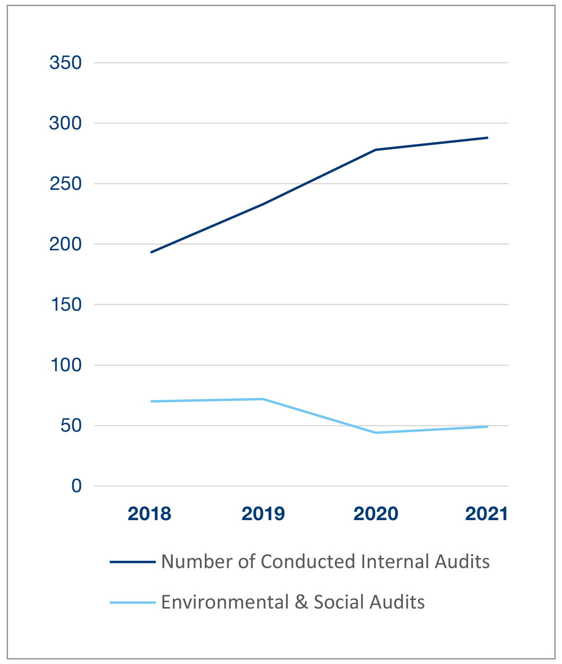
Sector	Hours Worked
Commercial Buildings Projects	143,879,761
Wastewater / Desalination Plants Projects	28,810,542
Transportation Projects	26,249,229
Industrial Projects	8,890,962
Industries	6,096,514
Foundation	5,946,409
Banks Projects	5,785,611
Airport Projects	4,754,178
Power Generation Projects	3,789,268
Infrastructure	2,689,615
Workshops / Warehouses	2,673,629
Total	**239,565,718**

HSE Audits

HSE Audits are required by Orascom Construction to evaluate a project's compliance with OC's HSE standards. Internal reports are generated, and a detailed report is forwarded to the Project Manager and the HSE Corporate Director for review.

The audit results sheet is sent monthly to all OC users by the HSE Corporate Director.

OC's HSE audits have been conducted unannounced since 2016, ensuring projects are always prepared. As a result, audit results have been very strong, indicating an improved understanding of HSE standards and a better and more effective management of risks on OC projects.



International Shooting Club - New Capital

HSE Training

Training courses are organized by the Corporate HSE Training Department in collaboration with the Human Resources Department. These regular trainings aim to raise HSE awareness and improve individual involvement in HSE program implementation.

A training program for on-site supervisors for 2021 was launched early in 2021, the program consisted of monthly sessions, which included workshops and practical tasks to be carried out during the month in coordination with the on-site HSE manager. Groups consist of one or two site supervisors from each project and are entitled to choose the training venue.

Trainings conducted by Corporate HSE Training Department:

Year	2018	2019	2020	2021
Number of trainees	1,380	1,262	341	1,553
Total hours	12,654	13,784	2,480	26,652

In 2021, the COVID-19 pandemic did not hinder the implementation of the planned HSE training plan or the increase of the number of trainees.

OC reached this year's recorded numbers through online delivery courses via the Corporate HSE Training Department:

- OSHA: 10 hours
- COVID 19 Awareness Training
- ISO 45001:2018
- Loss Causation and Accident Investigation
- HSE Management System
- Supervisors Training Program P-1, 2,3, and 4
- Lifting and Rigging
- Waste Management
- Scaffolding
- Leadership Course

Building on a concept initiated in 2018, the Practical Training Center has evolved to become the Project Onboarding and Training Center. This new concept incorporates administrative, HR, medical, safety induction, practical training, and verification of competence onboarding functions under one roof. The initiative has played a significant role in enhancing OC's safety culture, as workers and subcontractors are routinely exposed to high potential hazards, in a controlled and safe environment. In 2021, new training centers were opened for Zed Towers and NCC Monorail projects.

All new site-based employees are required to undergo onboarding and training at the center. Skill-based workers must also successfully complete their respective VOC assessments before being permitted to start work onsite. This ensures our workforce is healthy and qualified.

Subcontractor Performance

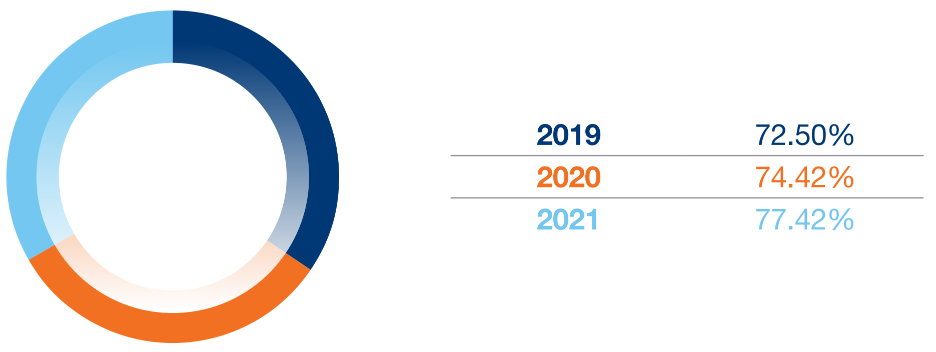
There has been an enhanced focus on the performance of our subcontractors in recent years, whose HSE performance is assessed by their performance audited and reviewed on a monthly basis. This is done via an assessment carried out by the site HSE managers based on key elements of HSE compliance.

To ensure our subcontractors are performing up to standard, OC excludes poor-performing subcontractors from taking part in the procurement process, while high-performing subcontractors are placed at the top of the selection list when a project commences.

The analysis identified that the performance of subcontractors improved from 72.5% in 2019 to 74.4% in 2020 and 77.4 in 2021. The percentage of Category A subcontractors rose from 10.7% in 2019 to 12.3% in 2020 and reached 21.8% in 2021.

The percentage of Category C subcontractors decreased from 2.6% in 2019 to 0.9% in 2020 and 0.4% in 2021.

Yearly average of subcontractor performance evaluation



Lender Audit Feedback

The lender audit for the Cairo Monorail project took place from 27 to 29 November. The audit began with a drive through of both alignments on the 27th, a visit to the 6th of October mobilization, depot, and two-line sections on the 28th and the same for NCC on the 29th.

Feedback from the audit team was positive, and many improvements had been observed from the previous audit that took place in August.

Positive aspects included:

- Training Centre
- Site clinic
- Hazardous materials storage
- Housekeeping
- Equipment inspection
- Pre-start meetings
- PPE compliance (NCC)
- Color coding
- Material management

Orascom Construction USA

Orascom Construction USA, comprised of The Weitz Company and Contrack Watts, reported strong performance in 2021, marked by the company's best safety record in recent history, the completion of monumental mega projects, and key business development project wins that supported a healthy backlog throughout the year and into 2022.

At the start of 2021, OC USA's leadership team expanded the Lead with Safety program by launching a campaign titled **On the Critical Path to Lead with Safety**. The program identified six key safety activities that were required on every jobsite. These activities were chosen via a review of the safest jobsites across the company, allowing clear guidance for other teams to replicate their safety successes. The program showed great success, and OC USA ended the year with an LTIR of 0.08.

In the Aviation sector, OC USA was proud to be working on three major airports during 2021, and it hopes to continue to work in this sector for many years to come. This year, Weitz Company was proud to complete the maintenance and storage facility at **Phoenix (PHX) Sky Train**, receiving glowing reviews from the client. Work continued at the **Kansas City International (KCI) Airport** on the single-terminal project, on track for a 2022 completion. Contrack Watts completed work at the **Honolulu International Airport (HNL) Consolidated Car Rental Facility**, a 22-acre phased project that will serve over five million visitors annually.

Mission Critical demand continues, and The Weitz Company remains poised for success in this sector, with over 150 megawatts (MW) under construction in 2021 across four campuses in three states. In partnership with a confidential client, **data centers ranging from 41 to 48 megawatts are being constructed in West Des Moines, Iowa, Phoenix, Arizona, and Leesburg, VA**. The Virginia campus is especially exciting, as it marks a strategic expansion of the Mission Critical team to an area of the USA known as data center alley. As the company pursues significant growth in this sector, the team remains concentrated on streamlining operations, solidifying best practices, and training staff in preparation for additional data center projects across the USA.

Established product lines of senior living, student housing, and multifamily housing remain key to the success of the USA entity, with K-12 and Higher Education experiencing continued growth. 2021 saw record additions to backlog, including the award of the University of Florida Honors College Student Housing project in Gainesville, FL and 26th and Alcott in Denver, CO.

In **student housing**, The Weitz Company completed two projects in partnership with Landmark Properties: **the Standard at Berkeley and the Standard at Coral Gables**. The simultaneous jobs led to a great deal of collaboration across both jobsites and earned the moniker of Coast to Coast projects. The company was also awarded, and broke ground, on the **University of Florida Gator Village project in Gainesville, FL**. This project is the first of several projects in the University of Florida's Master plan, and it will feature 1,400 beds once completed.

In California, our National Group began working on both a new senior living project and a new student housing project – **Enso Village, and Santa Rosa Junior College**. The National Group works all over the USA, which makes this an exciting time for these project teams to be working in closer proximity with more opportunity to collaborate and connect across jobsites.

Industrial teams shifted focus to larger capital projects while continuing to expand plant services, leading to the largest project win in American history (confidential client).

Offices around the country are collaborating, sharing resources and staff to serve our clients in multiple sectors across the USA, and building a strong company culture that fosters diversity and inclusion.

HNL Consolidated Car Rental Facility (CONRAC)

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

Orascom Construction PLC believes good governance is essential to ensuring success and driving value for shareholders. Accordingly, it has implemented a solid corporate governance framework that ensures transparency and efficiency and safeguards the interest of the Company's shareholders and the communities in which it operates.

BOARD OF DIRECTORS

Orascom Construction PLC's Board of Directors is responsible for driving the Company's long-term success by adopting and developing efficient corporate governance policies and practices. It is tasked with upholding the highest standards of business conduct, as well as mitigating the impact of the Company's operations on its employees, surrounding communities, and the environment.

Jérôme Guiraud

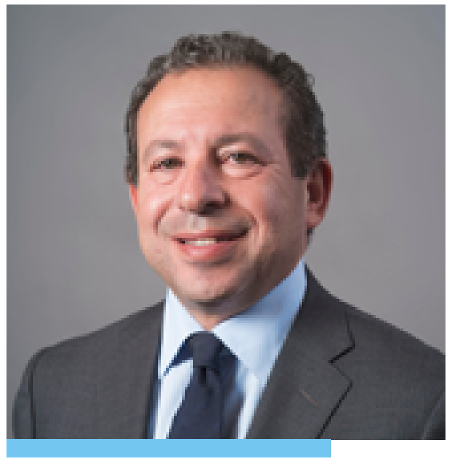
CHAIRMAN – NON-EXECUTIVE DIRECTOR

Mr. Jérôme Guiraud graduated from École des Hautes Etudes Commerciales in 1984 (HEC Paris).

He started his career at the French Embassy in Zagreb (Croatia) in 1985 as Deputy to the Commercial Attaché. He joined the Société Générale group in 1986 and held multiple senior managing positions in Europe and in emerging countries, mainly on capital markets, before becoming Country Manager and Director of various Société Générale Group's listed and non-listed subsidiaries.

Mr. Guiraud joined NNS Group in 2008. He is currently Executive Chairman and CEO of NNS Luxembourg and Co-CEO of NNS Advisers (two non-listed entities).

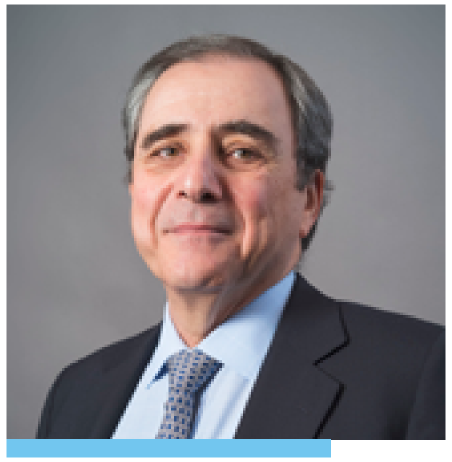
He is also Director and Member of the Audit and the Nomination Committees of OCI.NV, a leading fertilizer company listed on the Euronext Amsterdam stock exchange, and a Board member of BESIX Group.



Osama Bishai

CHIEF EXECUTIVE OFFICER — EXECUTIVE DIRECTOR

Mr. Osama Bishai joined Orascom in 1985, and he currently serves as Chief Executive Officer of Orascom Construction PLC. He has been the Managing Director of the construction business since 1998. Mr. Bishai played a key role in developing the construction business, particularly in the cement, infrastructure, and industrial sectors, and led the development of OCI N.V.'s investments in the fertilizer industry in Egypt, Algeria, and the USA. Mr. Bishai currently spearheads the Group's efforts to create a long-term concession portfolio and is leading the growth of the USA business. Mr. Bishai is a Board Member of BESIX Group. He holds a BSc in Structural Engineering from Cairo University and a Construction Management Diploma from the American University in Cairo (AUC).



Sami Haddad

NON-EXECUTIVE INDEPENDENT DIRECTOR

Mr. Sami Haddad has decades of experience in both the private and public sectors, specifically in finance, politics, and academia.

Mr. Haddad worked for the International Finance Corporation, part of the World Bank Group, for more than 20 years in a variety of positions, including Cairo-based Director of the MENA region. In 2005, he became Minister of Economy and Trade in Lebanon, a position he held for three years. Mr. Haddad was also General Manager of Byblos Bank from 2008 to 2014. He was Chairman of Inventis, a management consulting company, until 2020.

Mr. Haddad holds an MA in economics from the American University in Beirut, and he pursued his postgraduate studies at the University of Wisconsin-Madison.

Johan Beerlandt
NON-EXECUTIVE DIRECTOR

Mr. Johan Beerlandt is the Chairman of BESIX Group and former Chief Executive Officer from 2004 to 2017. He oversaw the transformation of the business into a major regional player in Europe and the Middle East.

In 2004, Mr. Beerlandt was instrumental in the 50-50 leveraged management buyout of the BESIX holding company executed by BESIX management and Orascom.

Mr. Beerlandt brings a wealth of knowledge and experience in regional and international construction and concessions markets to the Board.

Wiktor Sliwinski
NON-EXECUTIVE DIRECTOR

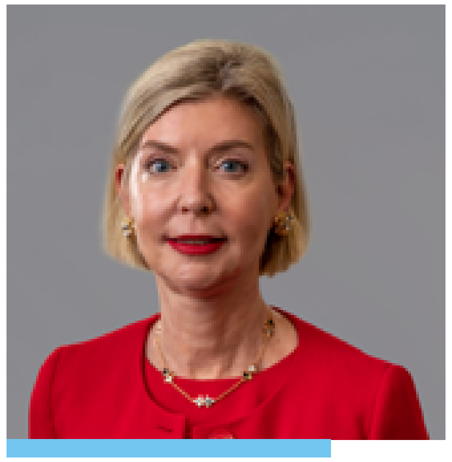
Mr. Sliwinski serves as Chief Investment Officer at NNS Advisers, the London-based advisory office of the Nassef Sawiris family.

Prior to joining the NNS Group in 2018, Mr. Sliwinski spent twelve years at Elliott Advisors (UK) Limited. He was responsible for managing a multi-strategy portfolio consisting of positions across the capital structure, including listed and non-listed equities and in various types of credit instruments. His investment experience covers numerous sectors ranging from real estate, TMT, energy, aerospace and defense, and heavy industrials and chemicals.

He has also served on the boards of numerous companies, including on three publicly listed entities in the real estate, steel, and finance sectors.

Between 2001 and 2004, Mr. Sliwinski was an investment banking analyst at Merrill Lynch within the Corporate Finance division with a focus on the technology, media, and telecom sectors.

Mr. Sliwinski obtained his BSc in Economics from University College London, UK, in 2001 and his MBA from Wharton, USA, in 2006.



Nada Shousha
NON-EXECUTIVE INDEPENDENT DIRECTOR

Ms. Nada Shousha is a seasoned executive in the financial services, investment, and economic development sectors.

She currently holds positions on various boards, including Vice Chair and Investment Committee member of the Egyptian American Enterprise Fund; Board Member and Remuneration Committee Member of MSPharma, Jordan; Board and Audit Committee Member of AXA, Egypt; and member of the Investment Committee of Sawari Ventures.

Ms. Shousha was most recently the Regional Manager for Egypt, Libya, and Yemen at the IFC, which she joined in 2002. During her tenure, Egypt's IFC program increased from USD 50–75 million annual program to an annual average of USD 250+ million. In particular, she led IFC's counter-cyclical strategy post-Arab Spring, which focused on restoring confidence in the country's private sector and resulted in over USD 1 billion of new investments in the country over 2012 to 2014.

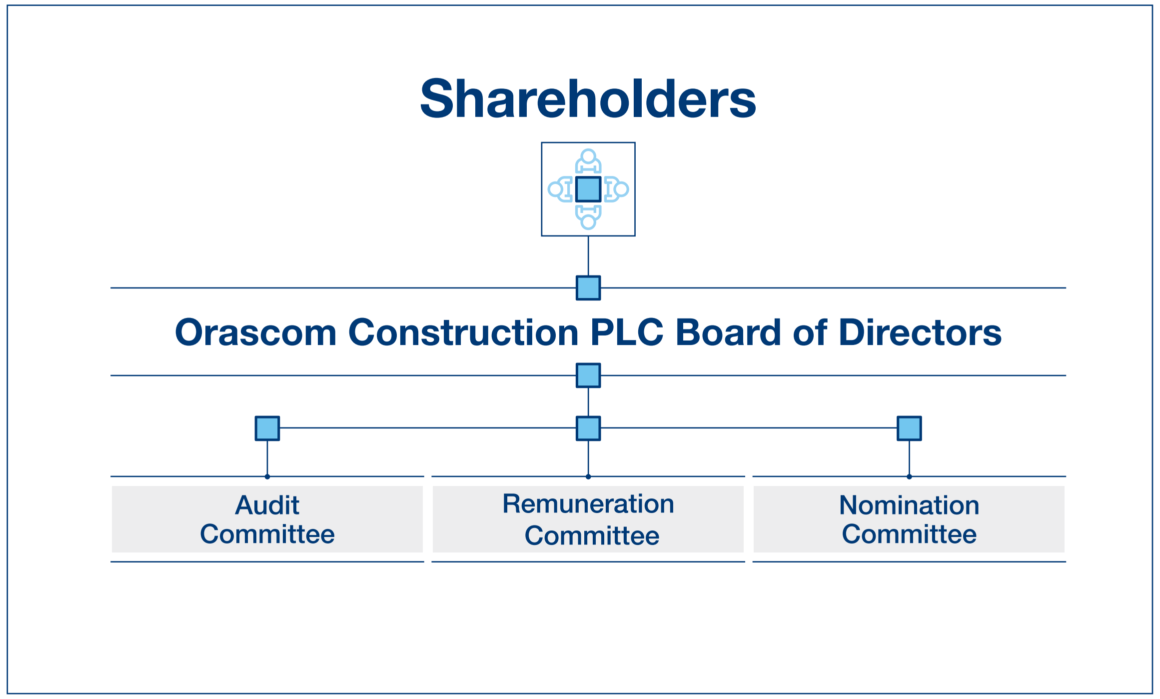
Prior to joining IFC, Ms. Shousha was a manager in the corporate finance practice at Arthur Andersen.

Creekstone Farms Premium Beef

CORPORATE GOVERNANCE STRUCTURE

Orascom Construction PLC's Board of Directors is responsible for driving the Company's long-term success by adopting and developing efficient corporate governance policies and practices. It is tasked with upholding the highest standards of business conduct, as well as mitigating the impact of the Company's operations on its employees, surrounding communities, and the environment. The Chief Executive Officer and the Corporate Management team are in charge of the day-to-day management of the business, except for specific matters reserved for the board's decision.

The board's responsibilities include reviewing and monitoring the Company's corporate governance framework and ensuring its compliance with all relevant laws and stock exchange regulations for NASDAQ Dubai and EGX Cairo. Additionally, the board actively works to continuously improve the Company's transparency and disclosure standards. To fulfill its responsibilities, the Board of Directors has established three committees, the Audit Committee, Remuneration Committee, and Nomination Committee. The board is tasked with constituting, assigning, co-opting, and fixing the terms of service for the committee members. It delegates certain duties to these committees as defined by their respective terms of reference, and each committee is required to regularly report to the board. The Board of Directors may opt, on occasion, to set up additional separate committees, when the need arises.



Audit Committee

The Audit Committee consists of four non-executive directors. It is mandated to assist the Board in overseeing:

1. The integrity of the Company's financial statements
2. The Company's compliance with legal and regulatory requirements
3. The independent auditor's qualifications and independence
4. The performance of the Company's internal audit function and independent auditors

Additionally, the committee is tasked with preparing and publishing an annual committee report and other reports required under all applicable securities laws and stock exchange regulations.

The role and responsibilities of the Audit Committee are stated in written terms of reference, and include the appointment, compensation, and retention of the independent auditor, review of the Company's interim and annual financial statements with management and the independent auditor, and review of the Company's internal control and risk management systems.

The Audit Committee meets at least twice annually and as otherwise requested by its chairman.

Members:

Sami Haddad – Chair
Jérôme Guiraud
Wiktor Sliwinski
Nada Shousha

Remuneration Committee

The Remuneration Committee is composed of three non-executive directors. It is responsible for assisting the board in overseeing all matters relating to director and executive officer compensation, as well as preparing and publishing an annual committee report on the subject matter and all other reports required under all applicable securities laws and stock exchange regulations.

The role and responsibilities of the Remuneration Committee are stated in written terms of reference and include the review, evaluation, and approval of director and executive officer compensation, incentive compensation plans, and equity-based plans. To determine the compensation of the Company's directors and executive officers, the Remuneration Committee takes into account the Company's performance and relative shareholder return, the compensation level of directors and executive officers at comparable companies, and the compensation of the directors and executive officers in past years. No director is solely involved in deciding their own compensation. Executive officers do not receive additional compensation for their service as an executive director. Non-executive directors receive an annual stipend and may participate in the Company's share-based incentive program.

The Remuneration Committee meets at least once a year and as otherwise requested by its chairman.

Members:

Sami Haddad - Chair
Jérôme Guiraud
Nada Shousha

Nomination Committee

The Nomination Committee consists of three non-executive directors. It primarily assists the board in identifying potential board members, nominating directors for the next annual meeting of shareholders and for each board committee, as well as overseeing the evaluation of the board and management.

The role and responsibilities of the Nomination Committee are stated in written terms of reference and include determining annually the independence of each director as may be required under any applicable securities laws and stock exchange regulations, the compliance of each director and executive officer with the Company's code of business conduct and ethics, and such other activities as the board may occasionally assign to the committee.

The Nomination Committee meets formally at least once a year

Members:

Nada Shousha - Chair
Sami Haddad
Jérôme Guiraud

Shareholder Rights

The Company's Annual General Meeting of Shareholders enables shareholders to exercise their rights. The meeting is held no later than six months after the end of the Company's financial year, usually in May of each year. Additional Extraordinary General Shareholders Meetings may be convened at any time by the Board of Directors or by one or more shareholder representing more than 10% of issued share capital. Important matters that require approval at the Annual General Meeting of Shareholders include:

- Adoption of financial statements
- Declaration of dividends
- Significant changes to the Company's corporate governance
- Remuneration policies
- Remuneration of Non-Executive Directors
- Discharge from liability of the Board of Directors
- Appointment of an external auditor
- Appointment, suspension, or dismissal of members of the Board of Directors
- Issuance of shares or rights to shares, restriction or exclusion of preemptive rights of shareholders, and repurchase or cancellation of shares
- Amendments to the Articles of Association

External Auditor

The General Meeting of Shareholders appoints an external auditor. The Audit Committee recommends to the Board of Director a candidate to be proposed for (re)appointment by the General Meeting of Shareholders. Additionally, the Audit Committee evaluates the functioning of the external auditor on a regular basis. On 19 May 2021, the General Meeting reappointed KPMG as independent external auditor for the company for the 2021 financial year.

	Shares	% of total
Sawiris Family and entities held for their benefit	**60,491,442**	**51.81%**
Mr. Nassef Sawiris and entities held for his benefit	33,825,323	28.97%
OS Private Trust Company Limited	15,026,024	12.87%
Estate of the late Mr. Onsi Sawiris	10,051	0.01%
Mr. Samih Sawiris, his family members, and entities held for his benefit	11,630,044	9.96%
Sustainable Capital Africa Alpha Fund	**14,198,388**	**12.16%**
Melinda French Gates	**6,524,444**	**5.59%**
Bill & Melinda Gates Foundation Trust	**263,408**	**0.23%**
Remaining Shareholders	**35,283,697**	**30.22%**
Total Shares Outstanding	**116,761,379**	**100.00%**

East Port Said Seawater Desalination Plant

DIRECTORS' REPORT

Composition and Independence
Orascom Construction PLC's board is deliberately composed to equip the company with leaders who possess diverse skills, experience, and backgrounds, thereby maximizing the board's ability to act independently and critically without emphasizing particular interests.

Assessment and Evaluation of the Board
The board concluded that the composition, processes, and scope of its activities and the personal contribution of each member has been satisfactory in 2021. Board policy states that a formal evaluation will be performed every three years, with the aid of an external consultant.

Board Meetings
The board met four times during 2021. Discussions encompassed the following issues:

- Strategy, focus markets, and plans, including potential business
- Business performance
- Approval of the 2020 annual report and external quarterly reporting through 2021
- Approval of key financing, operational, and investment activities, as well as other business developments

Audit Committee Report
The Audit Committee is mandated with monitoring and supervising activities related to the Company's financial, internal audit, compliance, and tax performance. In 2021, the Audit Committee held four meetings.

In accordance with its Charter, the Audit Committee reviewed and advised on the following issues:

- Financial reporting and non-financial information
- Financing strategy, including mitigation of forex exposures
- Working capital development and financial exposures to individual clients
- The company's internal control processes, internal audit function, and audit approach
- Effective tax rate and tax compliance
- Litigation and major legal and arbitration cases, such as the Sidra case
- Risk analysis and audit-related matters

Financial Reporting and External Auditor
The Company's external auditor is KPMG. The external auditor attended all Audit Committee meetings in 2021 before signing off on the full and quarterly financial statements for the year.

The directors confirm that they are unaware of any relevant audit information of which the Company's auditor is unaware, and that they have taken all sufficient steps to become aware of such relevant audit information.

Other Legal Requirements
This Annual Report satisfies the requirements of article 126 (2) of the DIFC Companies Law, Law No. 5 of 2018, pertaining to the content of the directors' report. The information contained in the remaining sections of this report is incorporated by reference into this directors' report and is considered part of this directors' report.

The Board considers that the best practice standards specified in App4 of the DFSA Market Rules have been adopted by the Company and that the corporate governance framework of the Company is effective in promoting compliance with the applicable corporate governance principles.

RISK MANAGEMENT AND CONTROLS

Introduction
The nature of the construction business involves substantial risks. Our management is mindful of these risks and takes a calculated mitigation approach to maximize our ability to successfully pursue sustained growth. Our board and management adopt a transparent company-wide approach to risk management and internal controls, allowing our businesses to operate effectively. We are working diligently to further enhance our risk management within the Company. To do so, the Company relies on a Group General Counsel with solid experience in risk management in the context of engineering and construction multinationals, to support and improve the risk management processes and internal controls. During 2021, two risk committees were established to monitor the risk management processes of the Company's activities in the MEA region and the USA.

Our risk appetite is flexible to account for our diversified market presence and is tailored to four main categories:

Strategic: We are able to take certain calculated strategic risks that create opportunities to maximize our ability to deliver outstanding value to our shareholders. Our ability to adapt our risk management to meet the requirements of our diversified exposure to emerging and developed markets is key to maintaining our success.

Operational: We aim to minimize operational risks while maximizing our ability to capitalize on our leadership positions in our markets. We strive to maximize operational efficiency while fostering a safe and entrepreneurial environment for our employees.

Financial: We implement a prudent financial and reporting strategy to maintain a strong financial position. Our key financial policies are described in the notes of the financial statements.

Compliance: All employees are bound by our Code of Business Principles and Conduct and Code of Ethics. Both the Company and its employees uphold the values of honesty, integrity, and fairness in all their actions to foster a business climate that maintains such standards. We strive to comply with applicable laws and regulations wherever we do business.

Key Risk Factors
Our key risks, as identified by management, are outlined below, along with an overview of how these risks are mitigated, as well as the opportunities that can arise from these actions. The sequence in which these risks are presented does not reflect any order of importance, chance, or materiality. If any of the following risks materialize, the Company's business, prospects, financial condition, or results of operations may be materially affected. Although the identified risks and uncertainties are the most significant risks, they are not the only risks to which Orascom Construction PLC is exposed. All these risks are possibilities that may or may not occur. Additional risks and uncertainties may also have a considerably adverse effect on the Company or its operational results.

Risk Type	Risk	Mitigant
Strategic	**Economic and Political Conditions:** The Group is exposed to certain countries, especially in the MEA region, where there is a risk of adverse economic and political conditions or instability in both developed and emerging markets, which may adversely impact the business.	• Diversifying our operations in both emerging and developed markets. • For emerging markets, management assesses any investment opportunity through a thorough due diligence, aimed at understanding and addressing the risks. • For major projects, the Group coordinates with reputable financial institutions to secure proper funding availability to their customers.
	Risk of Adverse Sovereign Action: The Group operates in locations where it is exposed to a risk of adverse sovereign action, including expropriation of property, renegotiation of contract terms, placement of foreign investment restrictions, limitations on extracting cash and dividends, or changes in tax structures that may adversely impact the business.	• The legal team diligently monitors and reviews practices and any changes in laws or regulations in the countries in which the Group operates to provide sufficient assurances that it remains in compliance with all relevant laws. • Projects in emerging markets (excluding Egypt) are mainly infrastructure projects with sovereign clients, which are less likely to be affected by funding restrictions in a country. • The Group retains binding contractual arrangements to minimize the risk. • Management cooperates closely with the governments of the countries in which the Group operates to maintain positive working relationships.
	Concentration Risk: The Group is, to a degree, exposed to concentration risk, as it is dependent on several key sovereign clients, such as the Egyptian government and American federal government. Egypt's high concentration risk with sovereign clients is mainly related to the government's strategic plan to improve infrastructure.	• The Group has diversified clients in the USA through its subsidiaries, with a focus on commercial projects. • For infrastructure projects, when relevant, the Group enters into partnerships to secure contractual obligations according to the market practice and standards. • Management strives to have a diversified client base in countries other than Egypt, mainly in the Middle East, Africa, and the USA.

Risk Type	Risk	Mitigant
Operational	**Project Costs:** There is a risk of changes in planned project costs due to: - fluctuations in the cost of procurement and raw materials; - fluctuations in foreign exchange rates; - cost overruns due to delays in projects' progress; - uncontrolled scope changes; and/or - cost increases for any unforeseen issues.	• Contracts are reviewed by the Legal and Finance Departments and contracts with larger monetary values require approval from the CEO. • Contractual terms and conditions are revisited periodically to reflect lessons learned. • A centralized procurement department is in place to ensure competitive purchase prices and avoid cost fluctuations. • During the execution of projects, cost control reports are prepared on a monthly basis to analyze budget variances. • A monthly report is prepared by the Claims Department to highlight areas of concern at an early stage before becoming a significant risk to the Company's performance. • Management closely monitors operational issues that may lead to potential disputes or have a negative impact on project performance.
	Risks Associated with Investments in Joint Ventures: The Group has investments in joint ventures and other partnerships. There is a default risk of business continuity due to different management styles and techniques.	• Management identifies appropriate clauses in the joint ventures' agreements that protect the Group's economic and operating interests and clear definition of the responsibility of each partner to avoid conflicts. • Management maintains close working relationships with joint venture partners. • Management monitors and periodically reviews the operating and financial results of the investments in joint ventures through executive and steering committees.
	COVID-19 Pandemic Challenges: The Group is exposed to COVID-19 pandemic challenges, which may negatively impact different aspects of its operations, including: - Governmental restrictions that require additional expenditures beyond what was allocated in the original project study and budget; - Disruption in productivity due to higher-than-normal absenteeism due to the spread of COVID-19; and - dynamic changes of the construction work environment.	• The Group's management developed strict operational guidelines, which include various measures to mitigate the effects of COVID-19 pandemic, on the Group's operations and workforce, including, but not limited to: - The establishment of a COVID-19 committee to follow up on day-to-day operations and implement a contingency action plan to identify and mitigate any unusual risks; - COVID-19 operational guidelines drafted and implemented; - COVID-19 reporting through daily status issued to senior management; - COVID-19 awareness alerts regularly sent to employees; and - Vaccination drives for employees.

Risk Type	Risk	Mitigant
Financial	**Ability to Raise Debt or Meet Financial Requirements:** Unfavorable market conditions in any of the countries in which the Group operates may hinder its ability to meet its financial obligations or hinder securing long-term corporate financing solutions, which may have significant effects on project progress and, accordingly, business prospects, earnings, and/or its financial position.	• The Treasury Department closely monitors the Group's cash position and credit lines to ensure its financial flexibility. • The Group has diversified funding sources to avoid dependence on a single market. • The Treasury Department established long-term partnerships with financial institutions, including local, regional, and international commercial banks; developmental agencies; and export credit agencies to ensure access to liquidity and aligning available limits that allow adequate liquidity headroom.
	Collection Risk: Delay in Payments by Customers: A significant segment of the Group's customers are government bodies that have long payment processes, leading to payment delays for due invoices that may lead to: - Operating cash flow disruptions - Project delays - Extra finance costs that may affect profitability	• Finance cost is considered a part of the projects' pricing. • Operating controls are in place to ensure timely collections from customers through: - Proper controls over the invoicing process to ensure timely issuance by operations and approval by the customer; and - Close follow-up with customers to ensure a timely payment approvals process. • The Treasury Department closely monitors the cash position and credit lines to ensure financial flexibility and avoid any business disruption.
	Currency Fluctuations The Group is exposed to foreign exchange risks on its operational currencies, including the EGP, EUR, JPY, and DZD, which may have a material effect on the Group's profitability	• Management reviews the business operating cycle on a project-by-project basis to identify where the foreign currency fluctuation risk exists and determine the profit margin's sensitivity to currency fluctuations. • The Treasury Department manages significant exposures in foreign currencies from a consolidated Group perspective through hedging, whenever appropriate.

Risk Type	Risk	Mitigant
Compliance	**Regulatory Conditions in the Markets where the Group Operates:** This includes changes in environmental, data protection, competition, and product-related laws, as well as changes in accounting standards and taxation requirements.	• The Group is committed to complying with the Code of Business Principles and Conduct, Code of Ethics, and the laws and regulations of the countries where it operates. • Management closely monitors the legal developments in each market in which the Group operates. • The Group's internal audit provides independent assurance on the risk management, governance, and internal control processes operational effectiveness.
	Ability to Maintain Health, Safety, and Environment (HSE) Standards: HSE is an inherent risk due to the nature of the Group's business, which may have an impact on people, the environment, and the group's well-being.	• Management implements a strict HSE training and operating discipline at every construction project to minimize HSE risks and closely monitors the projects through regular internal audits. • The HSE policy is implemented in the event of an incident or emergency during operations. • HSE policies are periodically updated to include any changes required to cover new health requirements in the countries where the group operates.
	Cyberattacks: The Group is exposed to cybersecurity risk resulting from a cyber-attack or data breach, which may result in financial loss, disruption, or damage to reputational risk. These attacks are usually represented in the form of phishing mails, ransomware, impersonation, denial of service attacks to suspend running systems, data exfiltration, unauthorized access to corporate data, hacking, insider attacks, and data leakage.	• The Group, through its corporate information security team, has implemented several controls to mitigate cybersecurity risk, including and not limited to: - Raising end users' security awareness; - Applying multi-factor authentication/complex passwords; - Implementing appropriate policies for data classification and access levels; - Acquiring the latest top-of-the-line security technologies to detect and analyze corporate traffic; and - Conducting periodic security assessments/penetration tests, risk assessments, and audits.

RISK MANAGEMENT APPROACH

Our risk management framework provides sufficient guarantees that the risks we face are properly evaluated and mitigated and that management is provided with the necessary information to make informed decisions in a timely manner. The key elements of our internal risk management, compliance, and control systems in 2021 were:

Code of Conduct:

Orascom Construction PLC remains committed to conducting all business activities ethically, responsibly, efficiently, transparently, and with integrity and respect toward all stakeholders. Our values form the essence of the Company's Code of Business Principles and Conduct, which must be read in conjunction with our Code of Ethics, together forming the Code of Conduct. The Code of Conduct encompasses the policies and principles that govern how each director, executive officer, and employee of Orascom Construction PLC is expected to conduct themselves while carrying out their duties and responsibilities on behalf of Orascom Construction PLC.

Whistleblower Policy:

The Whistleblower Policy applies to all employees, officers, and directors of Orascom Construction PLC. Internal reporting of suspected criminal or unethical conduct by or within the company is crucial to maintaining our success. All received reports are treated with the utmost confidentiality and are promptly investigated without the risk of recourse for the reporting employee, as long as their report is made in good faith.

Insider Trading Policy:

The Insider Trading Policy applies to all employees, officers, and directors of Orascom Construction PLC. It prohibits all employees from using insider information on a transaction in Orascom Construction PLC securities. It also forbids all employees from executing a transaction in Orascom Construction PLC securities if that transaction may appear to have been executed while the employee was in possession of or had access to inside information.

Internal Financial Reporting and Audits:

All management teams of our subsidiaries are required to provide corporate management with a monthly report regarding their financial performance, new awards, and operating issues. These monthly reports are reviewed centrally by Group Controlling and discussed by the CEO and CFO in monthly review meetings with the responsible management.

The CEO provides the Board of Directors with comprehensive financial, operational, and strategic updates at each board meeting.

For each subsidiary, a detailed budget and a one-year forecast are prepared and presented to management in the last quarter of each preceding year. Budgets are updated monthly to account for actuals, while forecasts are updated at mid-year review. These budgets and forecasts are consolidated into Orascom Construction PLC's budget and forecast, which are used by management as a tool to evaluate the Company's investment strategy, performance indicators, and operations. The Orascom Construction PLC budget is approved by the Board of Directors.

Periodic internal audits are conducted to review any specific issues at the subsidiary and/or project level. Internal audit findings that require follow-up are reported to local and corporate management. The Head of Internal Audit reports a summary of findings to the Audit Committee, which also approves the yearly internal audit plan.

Group Controlling provides guidance on internal and financial controls that must exist for each process and monitors their implementation in collaboration with the Internal Audit Department.

Non-Financial Letters of Representation

On a yearly basis, the managements of our more significant subsidiaries are asked to present a non-financial letter of representation to the corporate management. In the letter, they confirm, among several other assurances, their compliance with our codes and policies and that proper internal controls have been maintained through the financial year.

STATEMENT OF DIRECTORS' RESPONSIBILITY

The following statement is to be read along with the auditors' responsibility section of the independent auditors' report. It has been prepared with the aim of distinguishing the respective responsibilities of the directors and auditors in relation to the Company's Consolidated Financial Statements.

The directors are required to prepare the Consolidated Financial Statements for 2021. These statements provide an accurate and fair view of the state of affairs of both Orascom Construction PLC (the "Company") and its subsidiaries (collectively the "Group") at the end of the financial year and disclose the profit and loss for the financial year 2021.

The Consolidated Financial Statements are prepared in accordance with international financial reporting standards. To prepare these statements, the directors must select appropriate accounting policies and apply them consistently, make reasonable and prudent judgments and estimates, and state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the statements. Unless stated otherwise, the directors use a going-concern basis in preparing the Consolidated Financial Statements.

The directors are tasked with ensuring that the company maintains accurate accounting records that disclose the financial position of the Company at any given time. These records enable the directors to ensure that the Consolidated Financial Statements comply with the applicable laws in the relevant jurisdiction.

Generally, the directors are responsible for taking necessary and reasonable actions to defend the Group's assets and to prevent and detect fraud and other wrongdoings. They are also responsible for preparing a Directors' Report and Corporate Governance Statement in accordance with applicable laws and regulations. The directors consider both the Annual Report and the Consolidated Financial Statements to be fair, balanced, and understandable. These documents provide necessary information for shareholders to assess the Company's performance, business model, and strategy.


R5 Apartment Buildings - New Capital

SUSTAINABLE DEVELOPMENT

CORPORATE SOCIAL RESPONSIBILITY

Over the last 71 years, Orascom Construction PLC has transformed from a small, ambitious family business to become Egypt's largest engineering and construction contractor, as well as a global force with presence across dozens of countries in the Middle East, Africa, and North America. As our operations continue to grow, so do our responsibilities. Consequently, we make sure our social and economic contributions to surrounding communities and our countries of operation remain active and engaged. We prioritize the development of sustainable solutions and models with tangible impact in human development that focus on education and health.

2021 HIGHLIGHTS

Supporting Education in Egypt

We believe that a high-quality, well-rounded education that promotes critical thinking and entrepreneurship is the key to poverty eradication and long-term human growth. To that end, Orascom Construction has committed significant resources to the development of the entire education value chain, from building schools to funding training and scholarship programs for teachers and students, financing and coordinating exchange programs between Egyptian and American institutions, and sponsoring extracurricular educational programs and competitions.

Through various initiatives, we have positively impacted the lives and education of Egyptians in a multitude of ways over the last 21 years. The initiatives include:

Onsi Sawiris scholarship recipients for the year 2021

Onsi Sawiris Scholarship Program

The Onsi Sawiris Scholarship Program was created with a vision to cultivate a group of highly-educated and skilled leaders who would have a lasting positive impact on the Egyptian economy. To achieve this, the program now provides full scholarships to talented students pursuing a Master of Business Administration (MBA) or a Master's in Engineering at top-tier American universities, as well as undergraduate degrees at the University of Chicago, Stanford University, Harvard University, and University of Pennsylvania.

We are proud to announce that some of our sponsored students have received recognition for making the Dean's Lists at their respective schools, and they continue to make Orascom Construction proud by excelling at their academic pursuits, while engaging in diverse extracurricular activities.

In its 21st year, the program continues to provide stellar Egyptian students full scholarships, including tuition fees, living expenses, health insurance, and travel fees. In exchange for this support, students must return to Egypt upon completion of their programs to contribute to the country's economic development for a minimum of two years. In 2021, we provided scholarships to three students to attend the University of Chicago and Harvard University.

Testimonials

I would like to thank **the Onsi Sawiris Scholarship Program** for offering me this life-changing opportunity and for facilitating access to the world's top education based on nothing more than merit and potential. It has planted a seed that will strive every single day to not only excel, but also to give back, so that one day, it may also pass on the torch that has once generously lighted my way.

Taher Farghaly
Graduate
Harvard University

I would like to express my sincere gratitude to Orascom Construction for providing me with this once-in-a-lifetime opportunity. I would have never been able to pursue my dreams of studying at the University of Chicago had it not been for Orascom Construction's generous **Onsi Sawiris Scholarship Program**. I will indeed utilize this opportunity to gain from the world's best education and maximize my skillset and capabilities, with the aim of returning to support Egypt's economic development efforts.

Karim Sharaf
Undergraduate
University of Chicago

I want to express my absolute appreciation to Orascom Construction for this generous scholarship. I am looking forward to this life-changing opportunity that will allow me to benefit from a world-class education at a renowned institution such as the University of Chicago. I will remain grateful to Orascom Construction for achieving one of my lifelong dreams of studying at a top university in the USA, and I hope I can live up to your expectations upon my return to Egypt. Thank you again for your support and trust.

Seif Ayad
Undergraduate
University of Chicago

Success Stories from Within Orascom Construction

With the great moral, informational, and financial support from Orascom Construction, I have been able to fulfill my lifelong dream to study at Minerva University in the USA. The journey started with my first step in STEM high school, where I had my most challenging and best days. This school incredibly honed my skills and taught me more than I could ever learn anywhere else. Now, being accepted at Minerva University was a one-of-a-kind opportunity to grow both academically and personally. Having a global rotation to seven different countries during the four years of the bachelor's degree will allow me to explore new perspectives and help me develop into an individual who is able to tackle life's complicated challenges. Thanks to Orascom Construction, I am finally here in San Francisco, the first rotational city, taking my first step in achieving my dream.

Sponsoring Fady Hanna at Minerva University

Fady Hanna
Son of an OC employee
Minerva University

I would like to thank Orascom Construction for their continuous support throughout my final and most important years in my junior squash career, which, in turn, reflected on my academic career. Since the beginning, they modeled a detailed plan and provided me with exceptional resources to help me reach my goals and excel in my squash career. They gave me the chance to train as a professional with a complete on-court/off-court team that closely monitored my progress. Not only did Orascom Construction's support positively influence my athletic career, it also allowed me to excel academically and gave me the chance to study in one of the top universities in the world, the University of Pennsylvania.

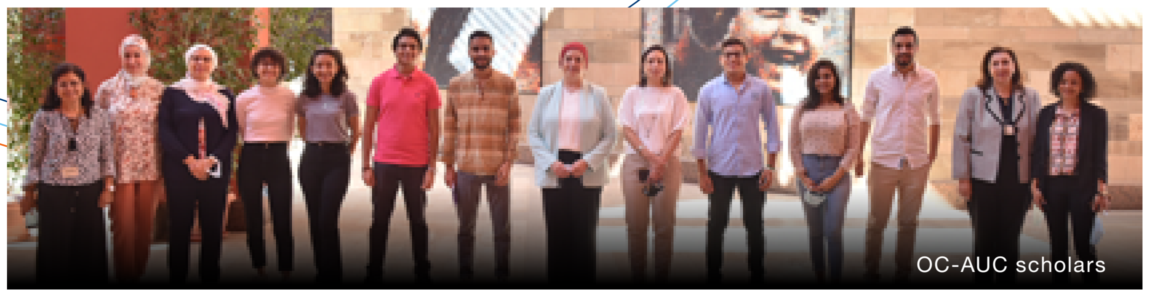
Roger Alber

Roger Alber
Son of an OC employee
University of Pennsylvania

Orascom Construction – AUC Upper Egypt Youth Scholarship

For the eighth consecutive year, and as part of its drive to support youth in Upper Egypt, Orascom Construction awarded full scholarships to students from Upper Egypt to pursue their undergraduate degrees in Economics at the American University in Cairo (AUC). The program identifies students with the potential to become future leaders and sponsors their studies at AUC, where they gain the value of a liberal arts education and excellent student services. **The Orascom Construction-AUC Scholarship Program** has consistently proven successful, with students achieving high academic and leadership excellence in their journey to join the cadres of private corporations, civil society, and governmental entities.


OC-AUC scholar


OC-AUC scholars

Testimonials

I was lucky to be chosen for **the Orascom Construction-AUC Scholarship** to study Economics five years ago. The generous financial support that Orascom Construction presents for its scholars is not the only reason that makes it an exceptional scholarship, but also the belief that scholars need guidance and appreciation aside from financial support. Throughout my five-year program at AUC, Orascom Construction kept strong communication and guidance with me and my fellow scholars to ensure that we are growing on the academic, personal, and professional levels. Today, and even after graduation, Orascom Construction remains of incredible support as it helps me with my graduate studies at Université Paris Panthéon-Sorbonne. I will always be grateful for Orascom Construction and proud of its societal role that indeed contributes to Egypt's development.


Mina Boules, OC-AUC scholar

Mina Boules
Graduate of **OC-AUC Scholarship** receives funding for his graduate studies at Université Paris Panthéon-Sorbonne

INJAZ Egypt

Orascom Construction is a longstanding supporter of INJAZ Egypt, an organization whose mission is to encourage private sector involvement in the development and delivery of specialized curricula that encourage student empowerment and entrepreneurship. Through various INJAZ programs, Orascom Construction has positively affected the lives of more than 790,000 young people from 2009 to today. INJAZ promotes employability skills among youth, and it partners with businesses and educational institutions across the country to include thousands of students, schools, startups, and volunteers in an experiential learning journey that realizes youth potential across the country.

San3ety Graduates Initiative

INJAZ Egypt launched its fourth cycle of the San3ety Graduates Initiative under the dual sponsorship and support of Orascom Construction and ExxonMobil. San3ety Graduates equips participants with the skills they need to excel in the job market. Its partnership with certified training institute, Don Bosco Institute, gives participants a competitive edge.


San3ety Graduates Initiative - 4th cycle

This round, San3ety received 1,200 applications and was able to filter and select the top 50, including two participants with hearing impediments, to join the initiative.

The participants gained critical transferable and specific skills in five phases:

1. Work Readiness Training
Delivered through the Building Blocks for Employment program, created to bridge the gap between vocational education and the labor market's requirements through specialized trainings.


San3ety job shadowing

2. Entrepreneurship Workshop
The workshop helped participants enhance their interpersonal skills, learn to work under time pressure, and open up their minds to come up with innovative business solutions to a problem statement that is introduced on the day through a case study.

3. Technical Training
The training was implemented at Don Bosco Institute, based on specialization. This program aimed to bridge the gap between educational programs and the demands of the job market, enabling Egyptian youth with vital employability skills and simultaneously enlarging the pool of qualified applicants for employers.

4. Basic Digital Skills Training
The program provided a flexible and customized training course for students by offering them the marketing skills they need to develop their careers or businesses at their own pace. These activities are designed to contribute significantly to supporting the participants' initiatives and their market entry skills.

5. Internships and Job Placement Assistance
Support is shown to graduating participants in their search for proper employment by connecting them with suitable internships and employment opportunities.

The graduation ceremony for this round took place on 14 December at the Don Bosco theater. We celebrated the achievement of 52 graduates, among which were two with hearing aids, 10 girls, and 40 boys. It was a proud moment to hear the success stories of the graduates who were so grateful and thankful for the existence of this initiative that has changed their lives, as quoted by one of them.

INJAZ Egypt ORASCOM ExxonMobil


San3ety Graduation Ceremony

ENACTUS Egypt

2021 saw Orascom Construction extend its partnership with ENACTUS Egypt, in support of the organization's aim to invest in students who will fuel positive change and sustainability across their communities and countries. Orascom Construction sponsored **ENACTUS' General Orientation Training** in 2021, where 8,000 student leaders from over 66 universities came together for a training module created to provide knowledge and guidance that equally raises the bar for national competitions for future representation at the Enactus World Championship. The Group also sponsored **ENACTUS' Thematic Competition on Innovation**, where students from 35 universities took notable strides in implementing 81 innovative outreach projects that improved the community's standard of living where most needed.

Orascom Construction's executives were part of the national competition's judging panel, where the **CelluRose** project, presented by the 6th of October University ENACTUS team, won. The three-stage project utilizes every single part of the Nile Rose to create economic development. The ENACTUS Egypt Team started by analyzing and studying the components of each part of this plant. Project **CelluRose** worked with 80 local fishermen on manufacturing seven extraction tanks that utilize this rose to produce **Cellulose**. The tanks produce 1.5 tons of Cellulose monthly, and each ton is sold for USD 1,250, generating a net profit of USD 350 per ton for the beneficiaries. By selling 28 tons in four months to local factories that use Cellulose in their industries, the project beneficiaries were able to generate USD 35,000 in revenue, yielding a profit margin of 28%. **CelluRose** focused its efforts on targeting countries that import huge amounts of alpha cellulose for their industries, such as China and India. The Enactus Egypt team is currently in conversation with two of the largest chemical companies there to start exporting to them, selling each ton for USD 50,000, which is 22% less than the international market price. Thus, Alpha Cellulose is of higher quality, yet cheaper in prices. This will help put Egypt on the map of the top alpha cellulose exporters in the world. This year, Enactus Egypt team worked on achieving 11 SDGs, and directly impacted 1400 people and indirectly impacted 30,125 people, changing a total of 31,525 lives.

OC continued to sponsor the Egyptian National team at the **ENACTUS World Cup**, which, due to the pandemic, was held online. More than 72,000 students from around the world participated in the event. To our pride, Egypt broke records for the first time in history, winning the World Cup three consecutive times. Orascom Construction congratulates ENACTUS Egypt, represented by ENACTUS 6th of October University, on winning the 2021 World Cup Championship with Project **CelluRose**.

6 October University team wins ENACTUS World cup


CelluRose Project


CelluRose Project


CelluRose Project

Community Schools – Assiut

In 2018, Orascom Construction and Sawiris Foundation for Social Development (SFSD) launched the third phase of the Schools for Egypt project in Assiut, which was reported as one of the most lagging governorates in Upper Egypt in human development indicators, especially in education and health. Therefore, the project was initiated with the aim of providing students in the poorest and most marginalized communities with quality educational opportunities through the establishment of 15 community schools. Community Schools in Egypt were first introduced in 1992 as an alternative form of education to reduce dropout rates, especially among girls in Upper Egypt. They have since been a major contributor to increasing girls' access to schools and decreasing the gender disparity of student enrolment, as well as achieving universal primary education.


Community Schools - Assiut

The project currently serves **519 students** – of which 52% are girls. Throughout 2021, the project activities fell under four main pillars:

- Student learning and development
- Teachers' professional development
- Community participation
- School environment maintenance and enhancement


Community Schools – Sports Day

With regard to student learning and development, several activities took place, including delivering sessions to raise awareness on hygiene, conducting sports days for each school, delivering summer booster classes, and training a group of students to become technology ambassadors within the classroom. As for teachers' professional development, the teachers received subject-matter, technical support from the Ministry of Education and Technical Education, conducted exchange visits to schools that demonstrate good case practices, and received trainings on integrating technology within their class plans.

Community participation was reflected in the parents' meetings that were conducted, in which parents received updates regarding their children's education and were informed on the role they need to play in their children's learning journey. This was achieved with the support of the education committees of each school. The education committees were also trained on community resource mobilization and developed initial plans for how they aim to support the school that is serving their community. Also, under the scope of the "Digital Schools" project, in partnership between Orange and SFSD, community members around the 15 schools were selected and trained on how to repair the tablets supplied for the students. Finally, to ensure that students are in a safe learning environment, minor renovations were conducted within the schools either by community members or professionals dedicated to that task. Orascom Construction has been, and will always remain, an avid supporter of quality educational opportunities for all Egyptians. Our firm commitment to provide schooling to marginalized children, who would otherwise not have had access to school, stems from our true belief in the transformative power of quality education.


Community Schools - Assiut


Community Schools - Assiut

Educate me – The Blended Learning Journey Program

Orascom Construction partnered with Educate Me Foundation to deliver **The Blended Learning Journey Program** to 50 public school teachers from eight governorates: Aswan, Luxor, Qena, Sohag, Minya, Beni Suef, and Fayoum. The program aims to raise the capacities of educators on the use of technology and other available resources within their context to serve the current gap caused by the COVID-19 crisis and ensure learning continuity.

Blended Learning Journey Program

In addition, it changes the educator's mindset toward using technology in education, with the rapid growth and spread of technology making it a necessity to the learning experience. This is aligned with the Ministry of Education's long-term direction and plan to move toward digitization and integrating technology in education that had already started before the COVID-19 pandemic and accelerated with the crisis in the past year.

The learning journey consists of five phases:

1. Beneficiaries received a six-day training, with a total number of 19 training hours. The first day was dedicated to meeting the participants personally and motivating them to continue the training with ice-breaking activities. The remaining training days were online. The training has led knowledge enhancement to reach 24%.
2. Teachers were trained on 17 different applications that they can use and integrate into the blended learning journey. The knowledge enhancement for this phase was 34%.
3. The technical support and coaching through learning circles and online support, in which 72% of the teachers applied a blended learning class. These embedded sessions allowed the participants to share their experiences and receive coaching on every challenge they faced with a customized solution.
4. Training 15 selected educators from the digital sustainability team who will be responsible for the digital transformation within their schools.
5. We ended the journey with a competition to reward and acknowledge the teachers.

The aim of such initiative is to create an opportunity for each child to become a lifelong learner, live a purposeful life, and prosper in their community.


Training the educators


Training the educators

Littlest Lamb – Basketball Court

Orascom Construction continues to support the mission of the Littlest Lamb in growing confident men and women who will shatter the stigma of being an orphan in Egypt. As such, in order to endorse this vision, and because of our conviction that sports can be a source of personality development and an avenue whereby children can vent their energies whilst learning how to collaborate and work in teams in fun ways, Orascom Construction has graciously sponsored the foundation, seating, and lighting of the children's basketball court. The court is located on premise at the Littlest Lamb's Birdrock Community Home, which currently houses 77 children. This multipurpose court will be an incredible addition to the amenities at Birdrock Home, wherein Littlest Lamb's children will be able to play basketball, volleyball, tennis, badminton, and more. Orascom Construction remains committed to supporting initiatives that empower youth by providing them with all the love, support, resources, education, and guidance they need to thrive.

"I would have never imagined having such a beautiful place to play. Thank you Orascom Construction for making this for us."

"I love basketball because I forget my worries when I play. Thank you Orascom Construction for giving us this opportunity to have a court in our backyard."

A Focus on Healthcare:

The active development of social healthcare across Egypt is at the forefront of Orascom Construction's priorities. This year, the Company particularly invested in campaigns that spread awareness and donated funds to several non-profit organizations (NGOs) dedicated to this cause. It additionally maintained its efforts across initiatives, to which it has been committed since their inception.

Abu El-Rish El Yabani Hospital - Kitchen Renovation

Orascom Construction swiftly responded to the request of Abu El-Rish Children's Hospital for the refurbishment of their kitchen in order to raise it at a level matching the required international standards.

A kitchen is an integral aspect of any hospital's operations, and Abu El-Rish Hospital's kitchen was in dire need of restoration, refurbishment, and new equipment and utensils. Proper nutrition and hygiene go hand-in-hand with medical attention. Not only did Abu El-Rish Hospital's kitchen lack basic utensils and equipment, but it also lacked a Fire Extinguishing System and proper ventilation, which can result in foodborne illnesses and fatalities.

Health and hygiene are at the forefront of Orascom Construction's values, and we believe that hospitals' meals and nutrition are a vital component of the health and wellbeing of patients, their families, and the medical staff. Abu El-Rish Hospital can now comfortably continue to save lives.

Abu El Rish El Yabani Hospital – Kitchen Renovation

Before

After

After

Ahl Masr Hospital

Orascom Construction has made a significant donation while being the main contractor for building Ahl Masr Hospital, a specialized burn hospital that serves the unnoticed massive numbers of burn injuries. Accidents result in hundreds of thousands of burn victims with mortality rates that are heart-wrenching, reaching to 60% as a result of the insufficient number of intensive care beds — with 75% more beds needed. As part of its effort to aid burn victims, Orascom Construction stepped in to collaborate with Ahl Masr Hospital to improve the availability of intensive care beds.

The hospital encompasses 60 ICUs with an agile infrastructure capable of converting the inpatient rooms to ICU's when necessary, especially in light of the critical patient infection control requirements.

Karim Camel-Toueg Fellowship

Established in 2011 in memory of OCI's late Board Member Karim Camel-Toueg, the program provides Egyptian hepatologists with the opportunity to become fellows at the Cleveland Clinic's Hepatology Center for six months. The program aims to increase the number of top-tier specialists in Egypt who possess best-in- class, real-time experiences in patient-handling, cultivated in an environment supported with top quality medical and research facilities. The ultimate goal is to increase excellence in the treatment of prevalent liver diseases in Egypt.

Fostering Community Development

Orascom Construction continues to support a variety of initiatives that tackle a spectrum of societal issues, in active pursuit of improved conditions that would alleviate levels of poverty, illness, and hunger. It also implements several projects that improve movement, living conditions, and human development across the country.

The Group's subsidiaries provide time, resources, and financial support to a variety of charitable and community organizations to improve the wellbeing of local community members, making a meaningful difference in the lives of others and having an enduring impact on their communities.

Supporting Victims Killed in Sohag Train Collision

In response to a tragic train accident that took place in March 2021, Orascom Construction has responded immediately to this catastrophe offering its support through the Ministry of Transportation to all the victims killed and injured in the train accident. This stems from Orascom Construction's responsibility and commitment toward Egypt and its citizens.

Naga' El Fawal and El Deir Village Integrated Sustainable Development Project – Fully transforming a community

In 2018, Orascom Construction partnered with EFG Hermes Foundation, the Sawiris Foundation for Social Development, and the Kuwaiti Initiative for the Support of the Egyptian People, in order to launch an integrated development program that would improve the lives of the inhabitants of Naga' El Fawal and El Deir Village in Esna, Luxor. The program aims to significantly improve education, healthcare, and infrastructure in the community, in addition to socially and economically empowering the inhabitants. The program is set to serve more than 60,000 residents of Naga' El Fawal and El Deir Village. After the conclusion of our planned interventions, we are proud to announce the additional activities that have taken place, which help ensure sustainability and impact.

Healthcare

After concluding our planned activities, following up with the implementation team has remained critical for us to continue gathering feedback from the beneficiaries, especially those that underwent surgeries, such as eye surgery. It was clear that the beneficiaries were quite pleased with the services that were provided to them during the project. Additionally, it is important to note that the healthcare center in El Deir has begun implementing the national integrated health insurance scheme. It is also obvious that after we have held awareness sessions on healthcare as part of the project, the beneficiaries have become more engaged with national initiatives, such as 100 Million Healthy Lives, Eradicating Hepatitis C, Early Screening for Breast Cancer, as well as the importance of getting vaccinated for protection against COVID-19.

Education

After the conclusion of our planned activities, Al-Fawal Comprehensive Development Association, an association created under our project with sustainability in mind, signed a memorandum of understanding (MoU) with Funtasia Foundation for a duration of three months. The objective of the MoU was for Funtasia to implement capacity building activities for the children of El Deir Village. In addition to that, 15 facilitators were trained by the foundation to cascade knowledge and information toward the beneficiaries. Additionally, three classes focusing on creativity and capacity building were opened in El Deir Village, and 11 workshops were conducted for children, under the theme Hear and Tell, reaching 110 children in 33 days.

We are honored to announce that 17 young scholars graduated from the classes in 2021 and eight in 2020, including four scholars from the Special Needs section in 2021 and one in 2020.

Montessori Nursery Graduation

Economic Empowerment:

After the conclusion of the project, follow-up visits were conducted to beneficiaries that received services in order to empower them economically. Results show that there has been close to a 50% increase in income of families that have received these services. It has also been reported that, on average, those with micro-businesses focusing on services increased their income by EGP 800–1,200 per month, those focusing on industry showed an EGP 500–750 increase per month, and beneficiaries focusing on agriculture saw an EGP 750–1,750 monthly increase. Additionally, three success stories have continued to grow and expand even after our planned activities.

These three different beneficiaries were able to:

1. Grow the number of livestock heads owned from the three provided by the project to 15;
2. Inaugurate a new kiosk, as well as increase the variety of products sold, after having received an initial kiosk by the project; and
3. Hire a family member to assist in managing the increasing sales of the tailoring business that was provided to by the project.


Economic Empowerment


Economic Empowerment

Capacity Building

Al Fawal Comprehensive Development Association (ACDA) was created as part of the project's interventions, specifically to ensure the sustainability of the interventions and to continue to serve the people of Naga' El Fawal. Technical and administrative support has continued to be provided to ACDA, with the purpose of moving expertise, skills, and experiences. After the project was concluded, the number of the association's members continued to increase and is now at 140 active members. The association also amended its scope of work to tackle the realities and needs that are on the ground. Moreover, ACDA connected six houses with potable drinking water through a donation that it successfully secured. It also continued to raise awareness about the COVID-19 pandemic and constantly sanitized the public areas where the people of Naga' El Fawal periodically meet. ACDA has also been selected to be part of the committee that manages the national initiative Haya Kareema, bearing in mind that El Deir village is included in the initiative, but Naga' El Fawal is not since it has already been upgraded by our project.


Capacity building for Al Fawal Comprehensive Development Association

Infrastructure

The sanitation services in Naga' El Fawal and its surrounding neighborhood serving 15,000 citizens are concluded. The foundation successfully completed and delivered the construction work of the pumping station and the installation of the sewerage networks.

Collaboration with local entities was successfully completed to deliver the station to local authorities. The initiative had to go through several processes in order to upgrade the housing conditions. Architectural drawings have been delivered and demolishing and construction licenses have been issued. 94 units and houses have been successfully delivered.


Sanitation Services


Delivered Houses

Helm – Toward an Inclusive Society – Access Dahab Project


Dahab Accessibility

Under the sole sponsorship of Orascom Construction, a cooperation protocol was signed between Helm and South Sinai Governorate in April 2021 to develop the Access Dahab project, aimed at making the city of Dahab more accessible to persons with disabilities. This cooperation seeks to create a model for a pioneering city in accessible tourism and promote it in Egypt, which will, in turn, have an impact on attracting a potential market of persons with disabilities from around the world. The purpose of the project is to provide a model that will influence policy makers toward reinforcing the Code of Construction, ensuring that no new construction is made in a way that is inaccessible and raising awareness about the necessity of inclusion.

The project aimed to:

- Deliver disability awareness programs and disability equality training to 30 participants of the potential different stakeholders in the project.
- Install 20 ramps for all the potential community partners and businesses located on the main walkway along a distance of 500 meters.
- Apply the accessibility guidelines on the infrastructure changes for the main access points of the beach included in this area.
- Provide the accessibility standards manual to encourage different stakeholders within the society to design and build their public venues accessible for all.
- Reinforce the legislation of the accessibility standards in the governorate building construction code.
- Conduct an environmental impact assessment.

As part of the project, an event was held from 26 to 28 November, titled Dahab Accessibility Week. The activities started off on the first day with a training session at the Technology Center for Citizens Service that involved government officials, Orascom Construction representatives, Helm ambassadors, and business owners, discussing the inclusion of persons with disabilities and making Dahab a more accessible city, while distributing copies of Helm's Small Businesses Accessibility Guide. The second day was full of challenging activities at the Dahab walkway, such as the wheelchair challenge, one-hand challenge, white cane challenge, and ramp coloring. All of these activities aim to involve Dahab's community in understanding the importance of making the city more accessible by experiencing the challenges that face persons with disabilities in their daily lives, and to encourage them to take part in the change by participating in making the ramps ready to deliver to shops and businesses the next day, in which ramp installation took place at several shops in Dahab.


Access Dahab Project

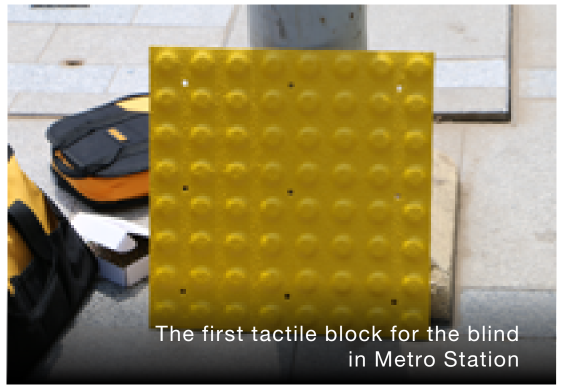
Through this project, Orascom Construction and Helm seek to ensure persons with disabilities have better mobility and access to public spaces, making them more empowered and independent. They also aim to make the community more aware of the importance of inclusion for social development, and to promote Dahab as a model of accessible touristic cities in Egypt and the MENA region.

Cairo University Area and Metro Stations Project

In 2019, Orascom Construction has had a leading role with Helm, the Ministry of Transportation, and Metro Authorities, among other partners and sponsors, to create public accessible models for persons with disabilities through the Cairo University Area and Metro Stations project. The project aimed to influence policy makers toward ensuring that no new construction is made in a way that is inaccessible and mainstreaming accessibility with a focus on the construction and transportation sectors. As part of the project, two metro stations were selected: Faisal and Cairo University. Orascom Construction funded the design, manufacturing, and installation of the first metal tactile blocks from scratch to become an affordable, replicable, and locally-made product that can be mainstreamed across all metro and train stations.


PWD have access to public spaces


Access Dahab Project


The first tactile block for the blind in Metro Station

Orascom Construction is proud to see that this partnership has continued to have sustainable impact as currently:

- The Ministry of Transportation, the Railway Authority, and the Ministry of Social Solidarity are currently collaborating to make 10 metro stations accessible for persons with disabilities—funded by Ataa Fund—following the model implemented by Orascom Construction and Helm.

- The Railway Authority has announced that it will introduce multiple measures to make railway stations more accessible to people with disabilities, following the prototype executed by Helm and funded by Orascom Construction.

As part of these new measures, railway stations will house dedicated counters that will make it easier for people with disabilities to buy their tickets. Additionally, seats will be allocated inside the trains to people with disabilities, and a golf cart service will transport them in and out of the station. Wheelchairs will also be made available at Cairo Station and several high-density central stations, with ramps to be established at the stations' entrances and exits.

Collaboration for Community Engagement

Orascom Construction invested resources and provided meals for impoverished people in four governorates across Egypt, with the aim of reducing poverty, hunger, and illness.

The Group continues to support the Suez Governorate through SIDC, aiming to enrich the lives of those in the community, with a focus on children with special needs and orphans.

Sawiris Foundation for Social Development (SFSD)

The foundation was established in 2001 as one of the first national donor foundations with an endowment from the Sawiris family aimed at supporting development programs and initiatives implemented by NGOs, in partnership with the private and governmental sectors. The Foundation hopes to establish a pioneering model for the role of Civil Society Organizations (CSO) as a development partner in Egypt, by supporting innovative development solutions aimed at achieving sustainable human development.

SFSD focuses on promoting the participation and empowerment of Egypt's most underprivileged communities and improving their conditions by focusing on job creation, the provision of high-quality education, addressing priority health topics, and community development.

With the launch of flagship initiatives and more than EGP 1.4 billion invested, SFSD has impacted the lives of over 313,000 Egyptians in 24 governorates.


Cairo University & Metro Station Project


Magdi Yacoub Hospital

CONSOLIDATED FINANCIAL STATEMENTS


Grand Egyptian Museum

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Independent auditors' report

To the Shareholders of Orascom Construction PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Orascom Construction PLC ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2021, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2021, and its consolidated financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Dubai International Financial Centre ("DIFC"), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

1 Accounting for construction contracts

Refer to notes 13 and 25 of the consolidated financial statements

Key audit matter

The Group recognises revenue and profit based on the progress of the construction contracts which is assessed with reference to the proportion of contract costs incurred for the work performed as at the reporting date, relative to the estimated total costs of the contract at completion. Therefore, the recognition of revenue and profit relies on estimates made by management in relation to the final out-turn of revenue and costs on each contract. Any changes to these estimates could give rise to material variances in the amount of revenue and profit/loss recognised in a given financial period.

The final out-turn of a construction contract may be affected by subsequent variations from the initially agreed scope of work and claims arising under the contract. The amounts to be included in the estimated revenue depends on the Group's estimate of the amount which is highly probable and that significant subsequent reversal will not occur when the uncertainty associated with these variations are resolved. In addition, the estimated total costs of a contract may also include various cost contingencies or disputed claims against the Group, which are specific to respective contracts. These contingencies are reviewed by the Group's management on a regular basis throughout the contract life and adjusted where appropriate.

There is a high degree of risk and significant management judgment associated with estimating the amount of revenue to be recognised by the Group based on the final out-turn on contracts; assessing the level of the contingencies; and recognising variations and claims. Accordingly, revenue recognition from construction contracts is considered a key audit matter.

How our audit addressed the key audit matter

Using a variety of quantitative and qualitative criteria, we have selected a sample of construction contracts to assess the reasonableness of the significant and complex estimates used by management in accounting for these contracts.

We also obtained the detailed project status reports ("the reports") and assessed, where necessary, the judgments underlying those reports with the audit evidence obtained including discussion with the Group's senior operational, commercial and financial management. In this area, our audit procedures included:

- identifying and testing key controls over the revenue recognition process over construction contracts;
- reviewing the accounting policies adopted by the Group and its compliance with IFRS and ensured these policies had been applied to individual contracts with customers appropriately;

Key Audit Matters (continued)

1 Accounting for construction contracts (continued)

How our audit addressed the key audit matter (continued)

- evaluating the financial performance of contracts against budget, available third-party evidence and historical trends;
- conducting site visits to certain higher risk or larger value contracts, physically observing the progress of individual projects and identifying areas of complexity through observation and discussion with site personnel;
- assessing the reasonableness of the Group's judgment in respect of forecast contract out-turn, contingencies, settlements and the recoverability of contract balances via reference to our own assessments based on certain quantitative and qualitative factors, historical outcomes and industry norms;
- analyzing correspondence and other relevant documents obtained by management from customers around variations and claims and considering whether this information is consistent with the estimates made by the management;
- inspecting selected contracts for key clauses, identifying relevant contractual mechanisms such as liquidated damages, defects liability and warranties and, assessing whether these key clauses have been appropriately reflected in the amounts recognised in the consolidated financial statements;
- assessing whether the amounts recognised in the consolidated financial statements resulting from the estimates and assumptions made represent a balanced view of the risks and opportunities pertaining to each contract position;
- considering whether provisions against contracts sufficiently reflect the level of risk, and challenging management's judgment in this area with reference to our own assessments; and
- considering the adequacy of the Group's disclosures in the consolidated financial statements in respect of contract accounting and the key risks relating to these amounts.

2 Expected credit loss allowances on receivables

Refer to note 9 of the consolidated financial statements

Key audit matter

The Group is exposed to credit risk on its receivable balances including contract receivables, contract assets, and retention receivables. The determination of expected credit loss ("ECL") involves significant estimates and judgement. Key areas involving judgements include current and future looking external factors, probability of default and loss given default.

Key Audit Matters (continued)

2 Expected credit loss allowances on receivables (continued)

Key Audit Matters (continued)

Due to significant judgements and complexities involved in the computation of ECL for determining impairment provision at the year end, this is considered as a key audit matter.

How our audit addressed the key audit matter

- obtaining an understanding of the Group's process for estimating ECL and assessing the appropriateness of the ECL preparation methodology against the requirement of IFRS 9;
- identifying and testing key controls over the process for estimating ECL;
- testing key inputs of the model, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to the historical data; and
- assessing the reasonableness of key assumptions and judgments made by the management in determining the ECL allowances including segmentation of receivables, selection of appropriate ECL model, macroeconomic factors and expert credit judgments.

3 Litigation and claims

Refer to note 26 of the consolidated financial statements

Key audit matter

Considering the nature of the Group's operations, it can be exposed to a number of litigations and claims. The recognition and measurement of provisions, contingent liabilities and contingent assets as well as making the necessary disclosures in respect of litigation and claims requires significant judgment by the management in assessing the outcome of each legal case which is based on management's discussion with internal and external legal advisors. Due to the significance of the litigations and claims and the judgment applied in assessing and measuring the resulting outcome, this is considered as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures included the following:

- evaluating the Group's policies, procedures and controls in relation to litigation, claims and provision assessments;
- obtaining inputs from the Group's in-house legal counsel with regards to the Group's litigations and claims, making independent enquiries and obtaining confirmations from external lawyers to understand the background of each case, legal position and the material risks that may impact the Group's consolidated financial statements; and

Key Audit Matters (continued)

3 Litigation and claims (continued)

How our audit addressed the key audit matter (continued)

- assessing reasonableness of judgment made by management in assessing and measuring the current and final outcome of the claim, determining the adequacy of the level of provisioning or disclosure in the Group's consolidated financial statements in accordance with IAS 37.

4 Accounting for tax

Refer to note 11 of the consolidated financial statements

Key audit matter

The Group operates in a number of tax jurisdictions. The complexities of local and international tax legislations require an understanding of the applicable tax laws and regulations in these jurisdictions. Furthermore, the recognition of deferred tax assets involves significant judgment and estimates with regards to the Group's future operations and the applicable tax laws in the respective jurisdictions and, as a result, this is considered as a key audit matter.

How our audit addressed the key audit matter

Our approach included:

- identifying and testing key controls over calculation for income tax and deferred tax;
- involving our tax specialists to assess the Group's tax positions including deferred tax assets, its compliance with the relevant tax legislations, to analyse and challenge the assumptions used by management in determining the tax provisions;
- for the purpose of assessing the valuation of deferred tax assets recognised in the Group's statement of financial position, we have reviewed and assessed the reasonableness of the assumptions used in projecting the Group's future taxable profits, the availability of tax losses in the respective jurisdictions and the expected tax planning strategies; and
- considering the adequacy of the Group's tax disclosures in the consolidated financial statements and its compliance with IFRS.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Other Information (continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and their preparation in compliance with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018 and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

— Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

— Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

— Obtain sufficient appropriate audit evidence regarding the financial information of the components within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the (consolidated) financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication

KPMG

Orascom Construction PLC
Independent Auditors' Report
31 December 2021

Report on Other Legal and Regulatory Requirements

We further report that the consolidated financial statements comply, in all material respects, with the applicable provisions of the Companies Law pursuant to DIFC Law No. 5 of 2018.

KPMG LLP

KPMG LLP

KPMG LLP

Emilio Pera
DFSA Reference No.: I008702
Dubai, United Arab Emirates

Date: 21 March 2022

8

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at

$ millions	Note	31 December 2021	31 December 2020
Assets			
Non-current assets			
Property, plant and equipment	(7)	199.2	177.2
Goodwill	(8)	13.8	13.8
Trade and other receivables	(9)	46.8	47.0
Equity accounted investees	(10)	426.4	419.4
Deferred tax assets	(11)	41.1	39.0
Total non-current assets		**727.3**	**696.4**
Current assets			
Inventories	(12)	307.3	288.1
Trade and other receivables	(9)	1,462.4	1,473.2
Contracts work in progress	(13)	1,099.5	854.5
Current income tax receivables		0.2	2.5
Cash and cash equivalents	(14)	505.7	473.8
Total current assets		**3,375.1**	**3,092.1**
Total assets		**4,102.4**	**3,788.5**
Equity			
Share capital	(15)	116.8	116.8
Share premium		480.2	480.2
Reserves	(16)	(305.4)	(289.7)
Retained earnings		346.9	288.6
Equity attributable to owners of the company		**638.5**	595.9
Non-controlling interest	(17)	50.1	46.0
Total equity		**688.6**	**641.9**
Liabilities			
Non-current liabilities			
Loans and borrowings	(18)	1.2	19.9
Trade and other payables	(19)	49.9	57.1
Deferred tax liabilities	(11)	3.4	3.3
Total non-current liabilities		**54.5**	**80.3**
Current liabilities			
Loans and borrowings	(18)	62.9	95.3
Trade and other payables	(19)	1,531.1	1,402.8
Advanced payments from construction contracts		1,361.4	1,086.3
Billing in excess of construction contracts	(13)	299.6	383.8
Provisions	(20)	59.1	54.7
Income tax payables		45.2	43.4
Total current liabilities		**3,359.3**	**3,066.3**
Total liabilities		**3,413.8**	**3,146.6**
Total equity and liabilities		**4,102.4**	**3,788.5**

The notes on pages 167 to 209 are an integral part of these consolidated financial statements.

This consolidated financial statements were approved by the Board of Directors and authorized for issue on 21 March 2022 and signed on their behalf by:

Director

Director

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended

$ millions	Note	31 December 2021	31 December 2020
Revenue	(25)	3,542.9	3,371.1
Cost of sales	(21)	(3,196.5)	(3,048.3)
Gross profit		**346.4**	**322.8**
Other income	(22)	2.3	14.2
Selling, general and administrative expenses	(21)	(192.4)	(186.4)
Operating profit		**156.3**	**150.6**
Finance income	(23)	11.6	21.3
Finance cost	(23)	(27.9)	(31.1)
Net finance cost		**(16.3)**	**(9.8)**
Income (loss) from equity accounted investees	(10)	27.8	(3.2)
Profit before income tax		**167.8**	**137.6**
Income tax	(11)	(42.5)	(40.5)
Net profit for the year		**125.3**	**97.1**
Other comprehensive income:			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		(16.6)	15.3
Other comprehensive (loss) income, net of tax		**(16.6)**	**15.3**
Total comprehensive income		**108.7**	**112.4**
Net profit attributable to:			
Owners of the Company		113.4	90.9
Non-controlling interest	(17)	11.9	6.2
Net profit for the year		**125.3**	**97.1**
Total comprehensive income attributable to:			
Owners of the Company		97.7	105.8
Non-controlling interest	(17)	11.0	6.6
Total comprehensive income		**108.7**	**112.4**
Earnings per share (in USD)			
Basic earnings per share	(24)	0.97	0.78

The notes on pages 167 to 209 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended

$ millions	Note	Share capital (15)	Share premium	Reserves (16)	Retained earnings	Equity attributable to owners of the Company	Non-controlling interest (17)	Total equity
Balance at 1 January 2020		116.8	480.2	(304.6)	249.5	541.9	43.8	585.7
Net profit		-	-	-	90.9	90.9	6.2	97.1
Other comprehensive income		-	-	14.9	-	14.9	0.4	15.3
Total comprehensive income		**-**	**-**	**14.9**	**90.9**	**105.8**	**6.6**	**112.4**
Dividends	(29)	-	-	-	(49.0)	(49.0)	(4.4)	(53.4)
Other		-	-	-	(2.8)	(2.8)	-	(2.8)
Balance at 31 December 2020		**116.8**	**480.2**	**(289.7)**	**288.6**	**595.9**	**46.0**	**641.9**
Net profit		-	-	-	113.4	113.4	11.9	125.3
Other comprehensive loss		-	-	(15.7)	-	(15.7)	(0.9)	(16.6)
Total comprehensive income		**-**	**-**	**(15.7)**	**113.4**	**97.7**	**11.0**	**108.7**
Dividends	(29)	-	-	-	(53.7)	(53.7)	(6.9)	(60.6)
Other		-	-	-	(1.4)	(1.4)	-	(1.4)
Balance at 31 December 2021		**116.8**	**480.2**	**(305.4)**	**346.9**	**638.5**	**50.1**	**688.6**

The notes on pages 167 to 209 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended

$ millions	Note	31 December 2021	31 December 2020
Net profit for the year		**125.3**	**97.1**
Adjustments for:			
Depreciation	(7)	48.1	47.2
Interest income	(23)	(8.4)	(13.5)
Interest expense	(23)	20.6	24.4
Foreign exchange gain (loss) and others	(23)	4.1	(1.1)
Share in income of equity accounted investees	(10)	(27.8)	3.2
Gain on sale of property, plant and equipment	(22)	(3.4)	(1.7)
Income tax expense	(11)	42.5	40.5
Changes in:			
Inventories	(12)	(19.2)	4.9
Trade and other receivables	(9)	24.5	(232.4)
Contract work in progress	(13)	(245.0)	15.3
Trade and other payables	(19)	95.2	174.6
Advanced payments construction contracts		275.1	(9.8)
Billing in excess of construction contracts	(13)	(84.2)	8.5
Provisions	(20)	4.5	1.4
Cash flows:			
Interest paid	(23)	(20.6)	(22.7)
Interest received	(23)	8.4	13.2
Dividends from equity accounted investees	(10)	1.9	15.0
Income taxes paid		(40.4)	(25.9)
Cash flow from operating activities		**201.2**	**138.2**
Proceeds on sale of an investment in associate		5.1	-
Investments in property, plant and equipment	(7)	(63.9)	(42.7)
Proceeds from sale of property, plant and equipment		6.3	6.9
Cash flow used in investing activities		**(52.5)**	**(35.8)**
Proceeds from borrowings	(18)	103.2	215.7
Repayment of borrowings	(18)	(154.3)	(196.2)
Dividends paid to non-controlling interest		(6.9)	-
Dividends paid to shareholders		(51.2)	(24.5)
Other		(7.2)	(4.0)
Cash flow used in financing activities		**(116.4)**	**(9.0)**
Net change in cash and cash equivalents		**32.3**	**93.4**
Cash and cash equivalents at 1 January	(14)	473.8	374.8
Currency translation adjustments		(0.4)	5.6
Cash and cash equivalents at 31 December	(14)	**505.7**	**473.8**

The notes on pages 167 to 209 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General

Orascom Construction PLC ('OC PLC') is a Public Company, incorporated with registered number 1752 in the Dubai International Financial Center (DIFC) with its head office located at Gate Village-Building 1, DIFC, Dubai, UAE. OC PLC is dual listed on the NASDAQ Dubai and the Egyptian Stock Exchange. The consolidated financial statements for the year ended 31 December 2021 comprise the financial statements of OC PLC, its subsidiaries and joint operations (together referred to as the 'Group') and the Group's interests in associates and joint ventures.

OC PLC was incorporated on 18 January 2015 as Orascom Construction Limited, a company limited by shares and converted to a Public Company under the Law, DIFC Law No. 5 of 2018 on 12 November 2018.

OC PLC is primarily engaged as an international engineering and construction contractor focused on large-scale infrastructure, complex industrial and high-end commercial projects in the United States,Middle East, Africa and Central Asia for public and private clients.

2. Basis of preparation

2.1. General

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards("IFRS"), and applicable requirements of the Companies Law pursuant to DIFC Law No. 5 of 2018 and the Capital Market Authorities in Dubai and Egypt.

The consolidated financial statements have been prepared on the historical cost basis, except when otherwise indicated.

The financial year of OC PLC commences on 1 January and ends on 31 December.

These consolidated financial statements are presented in US dollars ('USD'), which is OC PLC's presentation currency. All values are rounded to the nearest tenth million (in millions of USD), except when stated otherwise.

The consolidated financial statements have been authorised for issue by the Company's Board of Directors on 21 March 2022.

3. Summary of significant accounting policies

3.1. Consolidation

The consolidated financial statements include the financial statements of OC PLC, its subsidiaries and the proportion of OC PLC's ownership of joint operations.

Subsidiaries

Subsidiaries are all companies to which OC PLC is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee, generally accompanying a shareholding of more than half of the shares issued and related voting power. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. When OC PLC ceases to have control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss including related cumulative translation adjustments accumulated in other comprehensive income. If it becomes an associate, the interest retained is subsequently valued in accordance with the equity method. The principal subsidiaries are listed in Note 29.

Transactions eliminated in the consolidated financial statements

Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of OC PLC's interest in the investees. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2. Discontinued operations / assets held for sale

A discontinued operation is a component of OC PLC's business which:

- has operations and cash flows that can be clearly distinguished from the rest of OC PLC;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; and
- is a subsidary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative information in the statement of comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.

3.3. Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument, is measured at fair value with changes in fair value recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Non-controlling interests

Non-controlling interests are presented as a separate component in equity. Changes in the Group's interest in a subsidiary or joint operation that do not result in a loss of control are accounted for as an equity transaction.

3.4. Associates

Associates are those companies in which the Group exercises significant influence, but does not have control over the financial and operating policies, which is presumed to exist when the Group holds 20 percent to 50 percent of the shareholding and related voting rights of the other entity. Associates are accounted for by applying the 'equity method'. The Group's share of profit or loss of an investee is recognized in profit or loss from the date when significant influence begins up to the date when that influence ceases. Investments in associates with negative shareholder's equity are impaired and a provision for its losses is recognized only if the Group has a legal or constructive obligation to cover the losses. Equity changes in investees accounted for using the equity method that do not result from profit or loss are recognized directly in other comprehensive income. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Unrealized gains on transactions between two associates are not eliminated.

3.5. Joint arrangements

Under IFRS 11 investments in joint arrangements are classified as either joint ventures or joint operations depending on the contractual rights and obligations of each investor. Those joint arrangements that are assessed as joint ventures are accounted for using the equity method. Joint operations are accounted for using the line-by-line accounting.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted subsequently for the group's share in the post-acquisition profit or losses and movements in comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

A joint operation is proportionately consolidated until the date on which the Group ceases to have joint control over the joint operation. Upon loss of joint control, the Group reassesses the joint operation.

3.6. Foreign currency translation

Foreign currency transactions

The financial statements of subsidiaries and joint operations are prepared in the currencies which are determined based on the primary economic environment in which they operate ('the functional currency'). Transactions in currencies other than the functional currency are recorded at the rates of exchange prevailing on the transaction dates. At each balance sheet date, monetary items denominated in foreign currencies are translated into the entity's functional currency at the then prevailing closing-rates. Exchange differences arising on the settlement and translation of monetary items are included in profit or loss for the period except when deferred to other comprehensive income for investment in equity securities designated as at fair value through OCI (FVOCI) and the effective part of qualifying cash flow hedges.

Foreign operations

Upon consolidation, the assets and liabilities of subsidiaries with a functional currency other than the US dollar are translated into US dollars using the exchange rates prevailing at the balance sheet date. Income and expense items are translated using exchange rates prevailing at the date of the transactions. Investments in joint ventures and associates with a functional currency other than the US dollar are translated into US dollar using exchange rates prevailing on the balance sheet date. Exchange rate differences arising during consolidation and on the translation of investments in subsidiaries, joint arrangements and associates are included in other comprehensive income, as 'currency translation adjustments'. When a foreign operation is (partly) disposed of or sold, (the proportionate share of) the related currency translation differences that were recorded in other comprehensive income are recycled to profit or loss as part of the gain and loss on disposal or sale. Goodwill and fair value adjustments arising on the acquisition of a foreign subsidiary are considered as assets and liabilities denominated in the functional currency of the foreign subsidiary.

3.7. Financial instruments

I. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

II. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement – financial assets

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see accounting policy on impairment). Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

III. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

IV. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.8. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date (original maturity) that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. Restricted cash comprises cash balances where specific restrictions exist on the Group's ability to use this cash. Restricted cash includes cash deposited as collateral for letters of credit issued by the Group.

3.9. Share capital

Ordinary shares are classified as equity. Share premium is the excess amount received over the par value of the shares. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction, net of tax, from the proceeds. When ordinary shares are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a deduction from 'Reserves'. Repurchased shares are classified as treasury shares and are presented in 'Reserves'. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in 'Reserves', and the resulting surplus or deficit on the transaction is presented in share premium.

3.10. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes cost of material, direct labour, other directly attributable cost incurred to bring the asset ready to its intended use, cost of asset retirement obligations and any capitalized borrowing cost.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. Subsequent expenditures are capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed as incurred. Spare parts of property, plant and equipment are recognized under property, plant and equipment if the average turn-over exceeds 12 months or more, otherwise they are recognized within inventories.

Property, plant and equipment under construction

Expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and becomes ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to its final category of property, plant and equipment. Assets under construction are not depreciated and measured at cost less any impairment losses.

Depreciation
Items of property, plant and equipment are depreciated on a straight line basis through profit or loss over the estimated useful lives of each component, taking into account any residual values. Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for items of property, plant and equipment are as follows:	Years
Buildings	10 - 50
Equipment	5 - 25
Fixtures, fittings and scaffolding	3 - 10

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Borrowing costs
Borrowing costs attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are recognized as part of the cost of those assets. All other borrowing costs are recognized as 'Finance cost' in the period in which they are incurred.

3.11. Goodwill
Goodwill represents the excess of the cost, being the excess of the aggregate of the consideration transferred including the amount recognized for non-controlling interest, of an acquisition over the fair value of the Group's share in the net identifiable assets and liabilities assumed of the acquired subsidiary at the date of acquisition.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

Goodwill on acquisition of entities that qualify as subsidiaries is presented under 'Intangible assets'. Goodwill on acquisitions of entities that qualify as associates or joint ventures is included under Equity accounted investees. Goodwill on acquisition of subsidiaries is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of units that are expected to benefit from the business combination through which the goodwill arose, based on past experience.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is tested annually for impairment; an impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of the cash-generating unit is determined by the higher of its fair value less cost to sell and its value in use. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold. All other expenditures on internally generated goodwill and other intangible assets are recognized in profit or loss as incurred.

3.12. Inventories
Inventories are measured at the lower of cost and net realisable value. The cost of inventories of raw materials, spare parts and supplies cost are based on weighted average principle or the first-in-first-out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.13. Impairment of assets
Non-derivative financial assets
The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the trade receivable is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs:
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Derivative financial assets
Derivative financial assets are measured at fair value.

Non-financial assets
Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortization but are tested annually for impairment or more frequently when indicators arise. Assets with a finite useful life are subject to depreciation or amortization and are reviewed (at least at the balance sheet date) for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped based on the lowest level for which there are separately identifiable cash flows (cash-generating units). Impairment is recognized as an expense in profit or loss. Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment has to be (partially) reversed. Impairment losses on goodwill are not reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

3.14. Provisions
Provisions are recognized when a present legal or constructive obligation as a result of a past event exists, and it is probable that an outflow of economic benefits is required to settle the obligation. The non-current part of provisions is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Warranties
A provision for warranties is recognized with respect to services performed and goods sold.

Restructuring
A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced, the Group has committed itself by public announcement or is expected to commit itself to a restructuring plan.

Onerous contract
A provision for contracts onerous loss is recognized if the Group expects that the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it. A provision for contracts onerous loss is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Legal
The Group is subject to legal and regulatory proceedings in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties or disgorgements against the Group. If it is probable that an obligation to the Group exists, which will result in an outflow of resources and the amount of the outflow can be reliably estimated, a provision is recognized.

3.15. Revenue from Contracts with Customers
The Group recognises revenue from contracts with customers based on the five steps model set out in IFRS 15:

Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2 Identify the performance obligations in the contract: A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.
Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.
Step 5 Recognise revenue when the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:
i. The customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs; or
ii. The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
iii. The Group's performance does not create an asset with an alternative use to the Group and its an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Variable consideration
Variable consideration amounts are estimated at either their expected value or most likely amount and included in revenue to the extent that it is highly probable that the revenue will not reverse.

Significant financing component
The Group evaluates significant financing component, if the period between customer payment and the transfer of goods/services (both for advance payments or payments in arrears) is more than one year. The Group adjusts the promised amount of consideration for the time value of money using an appropriate interest rate reflecting the credit risk.

Contract modification
A contract modification occurs when the Group and the customer approve a change in the contract that either creates new enforceable rights and obligations or changes the existing enforceable rights and obligations. Revenue related to a modification is not recognised until it is approved. Approval can be in writing, oral, or implied by customary business practices.

The Group treats the contract modification as a separate contract if it results in the addition of a separate performance obligation and the price reflects the standalone selling price of that performance obligation. Otherwise, a modification (including those that only affect the transaction price) is accounted for as an adjustment to the original contract, either prospectively or through a cumulative catch-up adjustment.

The Group accounts for a modification prospectively if the goods or services in the modification are distinct from those transferred before the modification. Conversely, the Group accounts for a modification through a cumulative catch-up adjustment if the goods or services in the modification are not distinct and are part of a single performance obligation that is only partially satisfied when the contract is modified.

Cost of obtainment and fulfillment

The Group capitalises incremental costs to obtain a contract with a customer except if the amortisation period for such costs is less than one year.

If the costs incurred in fulfilling a contract with a customer are not in the scope of other guidance - e.g. inventory, intangibles, or property, plant and equipment - then the Group recognises an asset only if the fulfillment costs meet the following criteria:

- Relate directly to an existing contract or specific anticipated contract;
- Generate or enhance resources that will be used to satisfy performance obligations in the future; and
- Are expected to be recovered.

If the costs incurred to fulfill a contract are in the scope of other guidance, then the Group accounts for such costs using the other guidance.

The Group amortises the asset recognised for the costs to obtain and/or fulfill a contract on a systematic basis, consistent with the pattern of transfer of the good or service to which the asset relates. In the case of an impairment, the Group recognises these losses to the extent that the carrying amount of the asset exceeds the recoverable amount.

Revenue from sale of goods

Sales are recognised when control of the products is transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale is recognised in the statement of profit or loss on when the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from construction contracts

As regards the Contracting business lines, the Group has carried out in-depth analysis of a set of contracts that represent material transactions and contract types. The analysis confirms the following conclusions:

- Revenue generated from most construction and service contracts is recognised as a single performance obligation involving the gradual transfer of control. This approach remains consistent with IFRS 15.
- To measure a contract's percentage of completion, the Group uses either a cost-based method or a method based on the physical percentage of completion. For contracts in which the measurement method corresponds to the physical percentage of completion, the introduction of IFRS 15 is unlikely to lead to the recognition of any material adjustments to opening equity.
- Contracting business lines may receive advances, which are mainly intended to secure and limit non-recovery risks in relation to work done for the customer. As a result, analysis has shown that the primary objective of these advances is not to meet the funding requirements of Group subsidiaries. Lastly, advances received are consumed over relatively short timeframes. In conclusion, the Group has taken the view that the IFRS 15 provisions relating to the identification of a financial activity are not met.

In the Concessions business, the Group has not identified any impact on the method for recognising revenue from concession contracts based on the current IFRIC 12 model. Analysis confirms that there is only one performance obligation during the construction phase of the Group's concession contracts. The provisions of concession contracts have not led to the identification of any distinct performance obligation relating to infrastructure maintenance and renewal works. Those works will continue to be subject to specific provisions measured and recognised in accordance with IAS 37.

3.16. Government grants

An unconditional government grant related to an asset is recognized in profit or loss as 'Other income' when the grant becomes receivable. When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset. Grants that compensate the Group for expenses incurred are recognized in profit or loss as 'Other income' on a systematic basis in the periods in which the expenses are recognized. Other government grants are recognized initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant, and are then recognized in profit or loss as 'Other income' on a systematic basis over the useful life of the asset.

3.17. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset. The Group has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Component's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'trade and other payables' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.18. Finance income and cost

Finance income comprises:

- interest income on funds invested;
- gains on the disposal of financial assets;
- fair value gains on financial assets at fair value through profit or loss;
- gains on the re-measurement to fair value of any pre-existing interest in an acquired business combination;
- gains on hedging instruments that are recognized in profit or loss and reclassifications of amounts previously recognized in other comprehensive income; and
- interest income is recognized as it accrues in profit or loss, using the effective interest method.

Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance cost comprise:

- interest expense on borrowings;
- unwinding of the discount on provisions and contingent consideration;
- losses on disposal of financial assets;
- fair value losses on financial assets at fair value through profit or loss; and
- impairment losses recognized on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss are expensed as incurred.

Foreign currency gains and losses are recognized on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.19. Employee benefits

Defined contribution plan

Certain Group subsidiaries provide 'pension plans', 'end of service remuneration plans' and 'long-term service benefits'. These pension plans qualify as defined contribution plans. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

The Group long-term employee benefits are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably to determine its present value. The discount rate is the yield at the balance sheet date on triple-A ('AAA') credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. Re-measurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Employee termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. OC PLC recognizes termination benefits when OC PLC is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when OC PLC is providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Share based payments

The fair value of the amount payable to employees under Long-Term Incentive Plan (LTIP), which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the target awards. Any changes in the liability are recognised in profit or loss.

3.20. Income tax

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the current income tax relates to the same fiscal authority.

Deferred tax

Deferred income tax liabilities are recognized for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements ('liability' method). Deferred income tax assets are recognized for all deductible temporary differences, unused carry forward losses and unused carry forward tax credits, to the extent that it is probable that future taxable profit will be available against which the deferred income tax assets can be utilized.

Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Also, no deferred income tax is recognized regarding the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

3.21. Segment reporting

An operating segment is a component of an entity that engages in business activities for which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resource allocation to the segment and to assess its performance and for which discrete financial information is available. The Group determines and presents operating segments on the basis of information that internally is provided to the CODM during the period.

3.22. Consolidated statement of cash flows

The consolidated statement of cash flows has been prepared using the 'indirect' method. Cash flows in foreign currencies have been translated applying average exchange rates. Currency translation differences are shown separately in the consolidated statement of cash flows. Cash flows from investing activities consist mostly of investments and divestments in property, plant and equipment, intangible assets, and acquisitions insofar as these are paid for in cash. Acquisitions or disposals of subsidiaries are presented as acquisition of subsidiary, net of cash, acquired. Cash flows relating to capitalized borrowing cost are presented as cash flows from investment activities similar as other cash flows to acquire the qualifying asset.

3.23. Earnings per share

Earnings per ordinary share are calculated by dividing the profit or loss (net) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year. In making this calculation the (ordinary) treasury shares are deducted from the number of ordinary shares outstanding. The calculation of the diluted earnings per share is based on the weighted average number of ordinary shares outstanding plus the potential increase as a result of the conversion of convertible bonds and the settlement of share-based compensation plans (share option plans). Anti-dilutive effects are not included in the calculation. With regard to the convertible notes it is assumed that these are converted in full. An adjustment is made to profit or loss (net) to eliminate interest charges, whilst allowing for effect of taxation. Regarding equity-settled share option plans it is assumed that all outstanding plans will vest. The potential increase arising from share option plans is based on a calculation of the value of the options outstanding. This is the number of options multiplied by the exercise price, divided by the average share price during the financial year. This potential increase is only applied if the option has intrinsic value.

3.24. Subsequent events

The Group assesses whether events occurring between the balance sheet date and the date of issues of the Consolidated Financial Statements have given rise to either adjusting events or non-adjusting events. Adjusting events are events that provide evidence of conditions that existed at the end of the reporting period and have to be recognized in the financial statements. Non-adjusting events are those events that are indicative of conditions that arose after the reporting period, these events are disclosed. Changes in estimates are only adjusted if the estimates contain errors.

4. New accounting standards and policies

On a regular basis, the IASB issues new accounting standards, amendments and revisions to existing standards and interpretations.

4.1. Standards, amendments, revisions and interpretations effective to the OC PLC in 2021

There are no significant effects with respect the adoption of any standards, amendments and revisions to existing standards and interpretations.

4.2. Standards, amendments, revisions and interpretations not yet effective to OC PLC

There are no significant new standards, amendments, revisions and interpretations that may have significant effects on the Group.

5. Critical accounting judgement, estimates and assumptions

The preparation of the financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect amounts reported in the consolidated financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods. The most critical accounting policies involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in the financial statements are the following:

Intangible assets

Intangible assets with finite useful lives are carried at cost less cumulative amortization and any impairment. Amortization is calculated using the 'straight-line' method based on the estimated useful lives. Management makes estimates regarding the useful lives and residual values and assumes that amortization takes place on a 'straight-line' basis. The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. For intangible assets with finite useful lives, OC PLC assesses annually or more frequently whether indicators exist that suggest the intangible asset might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of intangible assets, OC PLC makes estimates and assumptions about future cash flows based on the value in use. In doing so, OC PLC also makes assumptions and estimates regarding the discount rates in order to calculate the net present value of the future cash flows.

OC PLC tests at least annually whether goodwill is impaired by comparing the recoverable amounts of cash-generating units with their carrying amounts. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In determining the recoverable amount, OC PLC makes estimates and assumptions concerning future revenues, future costs, future working capital, future investments, Weighted Average Cost of Capital (WACC) and future inflation rates.

Property, plant and equipment

Depreciation is calculated using the 'straight-line' method based on the estimated useful lives, taking into account any residual values. Management makes estimates regarding the useful lives and residual values and assumes that depreciation takes place on a 'straight-line' basis. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. OC PLC assesses annually, or more frequently, whether indicators exist that suggest that an item of property, plant and equipment might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of property, plant and equipment, OC PLC makes estimates and assumptions about future cash flows based on the value in use. In doing so OC PLC also makes assumptions and estimates regarding the discount rates to be used in order to calculate the net present value of the future cash flows.

Financial instruments (including trade receivables and contract assets)

The implementation of business model approach under IFRS 9 require judgement to ensure that financial assets of the Group are classified in to the appropriate category. Deciding whether the classified categories will require assessment of contractual provisions that do or may change the timing or amount of the contractual cash flows.

Impairment financial instruments (including trade receivables)

Objective evidence may exist in circumstances in which a counterparty has been placed in bankruptcy, or has failed on the repayments of principal and interest. In other circumstances OC PLC uses judgment in order to determine whether a financial asset may be impaired using ECL model. OC PLC uses judgement in order to determine whether an impairment can be reversed, an assumption in doing so might be an improvement in the debtor's credit rating or receipt of payments due. In addition, Group also make judgments in deciding whether the measurement of expected credit loss reflect reasonable and supportable information that is available without undue cost or effort that include historical, current and forecast information.

Inventories

In determining the net realisable value of inventories, OC PLC estimates the selling prices in the ordinary course of business, cost of completion and cost to sell. In doing so, OC PLC makes estimates and assumptions based on current market prices, historical usage of various product categories versus current inventory levels and specific identified obsolescence risks (e.g. end of life of specific goods and spare parts and the impact of new environmental legislation).

Provisions

Recognition of provisions include significant estimates, assumptions and judgements. IFRS requires only those provisions to be recognized if there is an expected outflow of resources in the near future and if the cost of these outflows can be estimated reliably. Accordingly, management exercises considerable judgment in determining whether there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. These judgements are subject to change as new information becomes available. The required amount of a provision may change in the future due to new developments in the particular matter. Revisions to estimates may significantly impact future profit or loss. Upon resolution, the Group may incur charges in excess of the recorded provisions for such matters.

The group uses past experiences to estimate the likelihood and cost of future warranties with respect to services provided and goods sold.

OC PLC recognizes a provision for restructuring regarding cost-saving restructuring measures. Provisions for restructuring include, amongst other, estimates and assumptions about severance payments and termination fees.

Provisions for asset retirement obligations, represent estimated costs of decommissioning. Due to the long time frame over which future cash outflows are expected to occur including the respective interest accretion require assumptions. Amongst others, the estimated cash outflows could alter significantly if, and when, political developments affect future laws and regulation with respect to asset retirements.

In case of contracts future loss the Group estimates the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. In doing so, the Group has to estimate the future cash flows and the discount rates used. In addition to this the Group has to estimate any possible impairments.

With respect to legal cases, the Group has to estimate the outcome of the legal cases. Regulatory and legal proceedings as well as government investigations often involve complex legal issues and are subject to substantial uncertainties. The Group periodically reviews the status of these proceedings with both the internal and external legal counsels.

Revenue recognition on revenue contracts with client

The Group conducts a significant portion of its business under construction contracts with customers. The Group recognizes revenue from construction contracts over time using the input method as Group believes this method faithfully represent the transfer of goods or services to the customer over the period of construction contract. This method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. In addition, in determining the transaction price, the Group make significant judgment as to whether any variable consideration to be included in the contract price. The significant estimates include total contract costs, remaining costs to completion, contract price, contract risks, including technical, political and regulatory risks, and other judgments. Management of the operating divisions continually review all estimates involved in such construction contracts, including commercial feasibility, and adjusts them as necessary.

Income taxes

OC PLC is subject to income taxes in numerous jurisdictions. Estimates are required in determining the worldwide provision for income taxes. There are some transactions and calculations for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognizes provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made. OC PLC recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available for the deferred tax asset to be recovered. This is based on estimates of taxable future income by jurisdiction in which OC PLC operates and the period over which deferred tax assets are expected to be recoverable. In the event that actual results or new estimates differ from previous estimates and depending on the possible tax strategies that may be implemented, changes to the recognition of deferred tax assets could be required, which could impact the financial position and profit or loss.

Asset held for sale and discontinued operations

OC PLC used judgment in determining what a disposal group or a discontinued operation is and when it qualifies for reclassification according to IFRS 5 (management commitment, ready for sale / demerger, highly probable, completion within one year). In determining what is a disposal group or a discontinued operation, OC PLC judges whether the cash flows of the disposal group or a discontinued operation can be distinguished from the rest of the group, what determines a major line of operation and whether a single coordinated plan to dispose exists and at what date it was formally approved.

6. Financial risk and capital management

Overview

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

These risks arise from exposures that occur in the normal course of business and are managed on a consolidated company basis. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Senior management has an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

6.1. Exposure to credit risk

The Group establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures. The carrying amount of financial assets represents the maximum credit exposure. With respect to transactions with financial institutions, the group sets limits to the credit worthiness rating of the counterparty. The maximum credit risk is the carrying amount of financial instruments, for an overview reference is made to the tables financial instruments by category.

The major exposure to credit risk at the reporting date was as follows:

$ millions	Note	31 December 2021	31 December 2020
Trade and other receivables (excluding prepayments)	(9)	1,494.5	1,507.5
Contract work in progress	(13)	1,099.5	854.5
Cash and cash equivalents (excluding cash on hand)	(14)	504.3	471.5
Total		**3,098.2**	**2,833.5**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	31 December 2021	31 December 2020
Middle East and Africa	1,110.3	1,163.0
Asia and Oceania	136.3	147.6
Europe and United States	247.8	196.9
Total	**1,494.4**	**1,507.5**

6.2. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is also safeguarded by using multiple financial institutions in order the mitigate any concentration of liquidity risk.

The availability of cash is monitored internally at Group level, on an ongoing basis by the corporate treasury department. In addition management prepared at closing date a cash flow projection to assess the ability of the Group to meet its obligations.

The following are the contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting arrangements.

At 31 December 2020 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(18)	115.2	123.8	50.2	52.8	20.8
Trade and other payables (excluding lease obligation)	(19)	1,444.0	1,444.0	1,397.8	-	46.2
Lease obligation	(19)	15.9	20.1	2.9	2.9	14.3
Total		**1,575.1**	**1,587.9**	**1,450.9**	**55.7**	**81.3**

At 31 December 2021 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(18)	64.1	68.3	32.8	34.2	1.3
Trade and other payables (excluding lease obligation)	(19)	1,568.4	1,568.4	1,527.3	-	41.1
Lease obligation	(19)	12.6	19.5	2.7	2.5	14.3
Total		**1,645.1**	**1,656.2**	**1,562.8**	**36.7**	**56.7**

The interest on floating rate loans and borrowings is based on forward interest rates at year-end. This interest rate may change as the market interest rate changes.

6.3. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to foreign currency risk arising in separate ways:

Foreign exchange translation exposure

Due to the Group's international presence, OC PLC's Financial Statements are exposed to foreign exchange fluctuations as these affect the translation of the subsidiaries' assets and liabilities presented in foreign currencies to the US dollar (the Group's presentation currency). The currencies concerned are mainly Egyptian Pound, Algerian Dinar and Euro. Foreign exchange translation exposure is considered a part of doing business on an international level; this risk is not actively managed, nor is it hedged.

OC PLC is not exposed to Saudi Riyal, UAE Dirham and Qatar Riyal. These currencies are pegged to the US dollar.

Foreign exchange transaction exposure

The Group entities predominantly execute their activities in their respective functional currencies. Some Group subsidiaries are, however, exposed to foreign currency risks in connection with the scheduled payments in currencies that are not their functional currencies. In general this relates to foreign currency denominated supplier payables due to project procurement, capital expenditures and receivables. The Group monitors the exposure to foreign currency risk arising from operating activities.

The Group is exposed to foreign exchange transaction exposure to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily Euro, US Dollar, Egyptian Pound, Saudi Riyal, Algerian Dinar and UAE Dirham.

The Group uses foreign exchange contracts to manage its foreign exchange transaction exposure. No hedge accounting is applied; therefore all fair value changes are recognised in profit and loss.

The summary of quantitative data about the Group's exposure to foreign exchange transaction exposure provided to management of the Group based on its risk management policy for the main currencies was as follows:

At 31 December 2020 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	29.5	58.6
Trade and other receivables	150.1	52.8
Trade and other payables	(44.3)	(15.9)

At 31 December 2021 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	74.4	192.8
Trade and other receivables	317.6	442.5
Trade and other payables	(123.4)	(814.4)

Significant rates

The following significant exchange rates applied during the year ended 31 December 2021:

	Average 2021	Closing 31 December 2021	Opening 1 January 2021
Egyptian pound	0.0637	0.0636	0.0635
Saudi riyal	0.2666	0.2663	0.2665
Arabic Emirates Dirham	0.2723	0.2723	0.2723
Euro	1.1836	1.1370	1.2299

The following tables demonstrate the sensitivity to a reasonably possible change in EUR and EGP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities, including inter company positions. The Group's exposure to foreign currency changes for all other currencies is not material.

As of 31 December 2021, if the functional currencies had strengthened/weakened by 10 percent against the Euro and 10 percent against the Egyptian Pound with all other variables held constant, the translation of foreign currency receivables, cash and cash equivalents, payables and loans and borrowings that would have resulted in an increase/decrease of USD 9.0 million of the profit of the year ended 31 December 2021.

31 December 2020 $ millions	Change in FX rate*	Effect on profit before tax**	Effect on equity**
EUR - USD	10%	13.5	38.3
EGP - USD	10%	9.6	-

31 December 2021 $ millions	Change in FX rate*	Effect on profit before tax**	Effect on equity**
EUR - USD	10%	26.9	38.9
EGP - USD	10%	(17.9)	-

* Determined based on the volatility of last year for the respective currencies.

** Effects are displayed in absolute amounts.

Interest rate risk

The Group's cash flow interest rate risks arise from the exposure to variability in future cash flows of floating rate financial instruments. The Group reviews its exposure in light of global interest rate environment after consulting with a consortium of global banks.

The Group calculates the impact on profit or loss of a defined interest rate shift. The same interest rate shift is used for all currencies. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

As of 31 December 2021, if the interest rate had strengthened/weakened by 10 percent with all other variables held constant, the interest cost that would have resulted in an increase/decrease of USD 2.0 million of the profit of the year ended 31 December 2021.

$ millions	Change in interest rate	31 December 2021	31 December 2020
Effect on profit before tax	10%	(2.0)	(2.1)
	10%	2.0	2.1

Categories of financial instruments

$ millions	Note	31 December 2021 Financial assets / liabilities at amortized cost	31 December 2021 Derivatives at fair value	31 December 2020 Financial assets / liabilities at amortized cost	31 December 2020 Derivatives at fair value
Assets					
Trade and other receivables	(9)	1,509.2	-	1,520.2	-
Contracts work in progress	(13)	1,099.5	-	854.5	-
Cash and cash equivalents	(14)	505.7	-	473.8	-
Total		**3,114.4**	**-**	**2,848.5**	**-**
Liabilities					
Loans and borrowings	(18)	64.1	-	115.2	-
Trade and other payables (excluding lease obligation)	(19)	1,568.4	-	1,444.0	-
Advanced payments construction contracts		1,361.4	-	1,086.3	-
Total		**2,993.9**	**-**	**2,645.5**	**-**

All financial instruments are in the fair value hierarchy category level 2, there were no transfers between the fair value hierarchy categories.

6.4. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, share premium ,retained earnings and non-controlling interest of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's net debt to equity ratio at the reporting date was as follows:

$ millions	Note	31 December 2021	31 December 2020
Loans and borrowings	(18)	64.1	115.2
Less: cash and cash equivalents	(14)	505.7	473.8
Net debt		**(441.6)**	**(358.6)**
Total equity		688.6	641.9
Net debt to equity ratio		**(0.64)**	**(0.56)**

7. Property plant and equipment

$ millions	Land	Buildings	Equipment	Fixtures, and fittings	Under construction	Total
Cost	13.8	102.4	280.3	143.7	4.7	544.9
Accumulated depreciation	-	(40.7)	(211.5)	(115.5)	-	(367.7)
At 1 January 2021	**13.8**	**61.7**	**68.8**	**28.2**	**4.7**	**177.2**
Movements in the carrying amount:						
Additions during the year	-	3.5	38.1	13.8	17.8	73.2
Disposals	-	(0.7)	(1.3)	(0.9)	-	(2.9)
Depreciation	-	(6.7)	(26.7)	(14.7)	-	(48.1)
Transfers	-	0.2	3.8	0.1	(4.1)	-
Effect of movement in exchange rates	-	0.1	0.1	(0.4)	-	(0.2)
At 31 December 2021	**-**	**(3.6)**	**14.0**	**(2.1)**	**13.7**	**22.0**
Cost	13.8	104.2	313.9	147.2	18.4	597.5
Accumulated depreciation	-	(46.1)	(231.1)	(121.1)	-	(398.3)
At 31 December 2021	**13.8**	**58.1**	**82.8**	**26.1**	**18.4**	**199.2**

'Property, plant and equipment' comprise owned and leased assets:

$ millions	2021	2020
Owned assets	187.7	162.2
Right of use	11.5	15.0
At 31 December	**199.2**	**177.2**

The information about 'Right of use' assets of the Group is presented below:

$ millions	Buildings	Equipment	Total
Cost	20.4	6.3	26.7
Accumulated depreciation	(7.6)	(4.1)	(11.7)
At 1 January 2021	**12.8**	**2.2**	**15.0**
Movements in the carrying amount:			
Additions during the year	1.2	1.2	2.4
Derecognition	(0.7)	-	(0.7)
Depreciation	(3.2)	(2.1)	(5.3)
Effect of movement in exchange rates	0.1	-	0.1
At 31 December 2021	**(2.6)**	**(0.9)**	**(3.5)**
Cost	20.3	7.5	27.8
Accumulated depreciation	(10.1)	(6.2)	(16.3)
At 31 December 2021	**10.2**	**1.3**	**11.5**

8. Goodwill

$ millions	Goodwill
Cost	13.8
At 1 January 2021	**13.8**
Movements in the carrying amount:	
Additions	-
Impairment	-
At 31 December 2021	-
Cost	**13.8**
Impairment	-
At 31 December 2021	**13.8**

On 31 July 2012, the Group acquired the Weitz Company LLC, a United States general contractor based in Des Moines, Iowa, resulting in USD 12.4 million of goodwill. The transaction was completed on 12 December 2012. On 2 April 2015, the Group acquired Alico resulting in USD 1.4 million of goodwill.

Goodwill was tested for impairment in the 4th Quarter of 2021. No impairment was recorded in the year 2021. The impairment test is based on cash-flow projections of the five year plan. Key assumptions used in the projections are:

i. Revenue growth: based on expected growth in 2020 as a result of development in backlog and expected general market growth in the USA.
ii. Margin development: based on actual experience and management's longer-term projections.

The terminal value was calculated using a long-term average market growth rate of 2.5%. The estimated cash flows are discounted to their present value using a weighted average cost of capital of 6.0%. An increase or decrease of 100 basis points in the assumed WACC or the terminal growth rate would not have resulted in an impairment.

9. Trade and other receivables

$ millions	31 December 2021	31 December 2020
Trade receivables (gross)	663.7	824.6
Allowance for trade receivables	(10.6)	(12.1)
Trade receivables (net)	**653.1**	**812.5**
Trade receivables due from related parties (Note 27)	24.1	22.9
Prepayments	14.8	12.7
Other tax receivable	89.7	75.5
Supplier advanced payments	281.0	194.2
Other investments	3.5	2.3
Retentions	305.9	284.9
Other receivables	137.1	115.2
Total	**1,509.2**	**1,520.2**
Non-current	46.8	47.0
Current	1,462.4	1,473.2
Total	**1,509.2**	**1,520.2**

The carrying amount of 'Trade and other receivables' as at 31 December 2021 approximates its fair value.

Prepayments relate for the largest part to the amounts prepaid to sub-contractors, retentions related for the largest part to amounts withheld by customers resulting from contractual clauses.

The aging of gross trade receivables at the reporting date were as follows:

$ millions	31 December 2021	31 December 2020
Neither past due nor impaired	366.9	458.1
Past due 1 - 30 days	46.3	43.6
Past due 31 - 90 days	52.3	87.2
Past due 91 - 360 days	93.6	114.9
More than 360 days	104.6	120.8
Total	**663.7**	**824.6**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade receivables during the year ended 31 December 2021 was as follows:

$ millions	2021	2020
At 1 January	(12.1)	(12.3)
Provisions no longer required	1.6	1.7
Provisions formed	(0.3)	(2.0)
Provisions used	-	0.3
Other	0.2	0.2
At 31 December	**(10.6)**	**(12.1)**

10. Equity accounted investees

The following table shows the movement in the carrying amount of the Group's associates and joint ventures:

$ millions	2021	2020
At 1 January	419.4	430.0
Share in results	27.8	(3.2)
Dividends	(1.9)	(15.0)
Disposal of investment	(5.1)	-
Effect of movement in exchange rates	(13.8)	7.6
At 31 December	**426.4**	**419.4**

The entity disclosed under 'Equity accounted investees' that is significant to the Group is BESIX.

BESIX Group (BESIX)
Established in 1909 in Belgium, BESIX is a global multi-service group offering engineering, procurement and construction (EPC) services. BESIX operates in the construction, real estate and concession sectors in 15 countries focusing on Europe, Africa, the Middle East and Australia. Their core construction competencies include buildings, infrastructure and environmental projects, industrial civil engineering, maritime and port works and real estate development. In addition to EPC services, BESIX is active in real estate development and holds concessions in several Public Private Partnerships (PPP) and design, build, finance, and maintain/operate (DBFM) contracts, through which it develops, operates and maintains projects.

The below table summarizes the financial information of BESIX based on the percentage of interest the Group has in it:

BESIX Group 50% $ millions	2021	2020
Non-current asset	419.4	404.7
Current asset	1,449.1	1,336.7
Non-current liabilities	(307.0)	(353.3)
Current liabilities	(1,172.6)	(1,005.2)
Net assets at 31 December	**388.9**	**382.9**
Construction revenue	1,787.8	1,586.7
Construction cost	(1,772.1)	(1,592.9)
Net profit (loss) for the year ended 31 December	**15.7**	**(6.2)**

The Group has interests in a number of equity accounted investees including the following:

Name	Parent	Country	Participation %
BESIX Group	OC IHC3 B.V.	Belgium	50.0
Medrail Ltd.	Orascom Construction Holding Cyprus	UAE	50.0
Sidra Medical Center (see note 26)	Contrack Cyprus	Qatar	45.0
Ras Ghareb Wind Energy	Orascom Egypt Wind BV	Egypt	20.0
Clark,Weitz, and Clarkson	The Weitz Group	USA	30.0
Watts - Webcor Obayashi	Contrack Watts Inc	USA	34.0
National Pipe Company	OCI Construction Egypt Orascom Construction SAE	Egypt	40.0
El Yamama	OCI Egypt	KSA	50.0
Orasqualia, Orasqualia for Construction S.A.E. and Orasqualia for Maintenance	Orascom Construction SAE	Egypt	50.0

The following table summarizes the financial information of the Orascom Construction Group's share on equity accounted investees including BESIX, El Yamama, National Pipe Company, all of Weitz's associates, Egyptian Gypsum Company and Sidra Medical Centre:

$ millions	2021	2020
Non-current asset	508.4	497.6
Current asset	1,496.2	1,379.8
Non-current liabilities	(383.9)	(436.3)
Current liabilities	(1,194.3)	(1,021.7)
Net assets at 31 December	**426.4**	**419.4**
Income	1,828.6	1,618.7
Expense	(1,800.8)	(1,621.9)
Net profit (loss) for the year ended 31 December	**27.8**	**(3.2)**

Transaction between Group entities and associates / joint ventures
There are no significant transactions between entities of the group and the associates / joint ventures, except for the investments in and the dividends received from these associates and joint ventures.

11. Income taxes

11.1. Income tax in the statement of profit or loss
The income tax on profit before income tax amounts to USD 42.5 million (31 December 2020: USD 40.5 million) and can be summarized as follows:

$ millions	31 December 2021	31 December 2020
Current tax	44.5	42.5
Deferred tax	(2.0)	0.9
Tax Credit	-	(2.9)
Total income tax in profit or loss	**42.5**	**40.5**

Reconciliation of effective tax rate

OC PLC's operations are subject to income taxes in various foreign jurisdictions, the statutory income tax rates vary from 0.0% to 28.0%.

Reconciliation of the effective tax rate can be summarized as follows:

$ millions	31 December 2021	%	31 December 2020	%
Profit before income tax	167.8		137.6	
Tax calculated at weighted average group tax rate	(45.9)	27.3	(34.9)	25.4
Reduction (Recognised) in deferred tax asset	2.0	(1.2)	(0.9)	0.7
Tax credit	-	-	2.9	(2.1)
Other	1.4	(0.8)	(7.6)	5.5
Total income tax in profit or loss	**42.5**	**25.3**	**40.5**	**29.4**

11.2. Deferred income tax assets and liabilities

The majority of the deferred tax assets of USD 41.1 million (31 December 2020: USD 39.0 million) relate to carried forward tax losses. The carried forward losses recognized in the statement of financial position is expected to be realized in the period 2022-2026.

12. Inventories

$ millions	31 December 2021	31 December 2020
Finished goods	3.3	3.1
Raw materials and consumables	271.3	252.2
Fuels and others	6.2	5.3
Real estate	26.5	27.5
Total	**307.3**	**288.1**

During the year ended 31 December 2021, the total write-downs amount to USD 10.2 million (31 December 2020: USD 10.3 million), which all related to raw materials.

The real estate relates to the land owned by Suez industrial Development Company in Egypt, which owns and develops an industrial park.

13. Contracts work in progress / billing in excess of construction contracts

$ millions	31 December 2021	31 December 2020
Costs incurred on contracts (including estimated earnings)	27,342.3	24,346.1
Less: billings to date (Net)	(26,542.4)	(23,875.4)
Total	**799.9**	**470.7**
Presented in the consolidated statements of financial position as follows:		
Construction work in progress - current assets	1,099.5	854.5
Billing in excess of construction contracts - current liabilities	(299.6)	(383.8)
Total	**799.9**	**470.7**

14. Cash and cash equivalents

$ millions	31 December 2021	31 December 2020
Cash on hand	1.4	2.3
Bank balances	498.9	467.1
Restricted funds	1.6	0.6
Restricted cash	3.8	3.8
Total	**505.7**	**473.8**

Restricted funds

The restricted amounts mostly relate to letters of credits for OCI Saudi Arabia (USD 0.7 million) and letter of guarantee for OC Algeria (USD 0.1 million) , United Holding Company (USD 0.8 million).

Restricted cash

Restricted cash relates to amounts withheld in relation to amounts restricted for use for an amount of USD 3.8 million as collateral against certain loans and trade finance.

15. Share capital

The movements in the number of shares (nominal value USD 1 per share) can be summarized as follows:

	2021	2020
At 1 January - fully paid	116,761,379	116,761,379
At 31 December - fully paid	**116,761,379**	**116,761,379**
At 31 December (in millions of USD)	**116.8**	**116.8**

16. Reserves

$ millions	2021	2020
At 1 January	(289.7)	(304.6)
Currency translation differences	(15.7)	14.9
At 31 December	**(305.4)**	**(289.7)**

17. Non-controlling interest

31 December 2020 $ million	United Holding Company	Orascom Saudi	Suez Industrial Development	Other individual insignificant entities	Total
Non-controlling interest percentage	43.5%	40.0%	39.5%		
Non-current assets	8.8	0.3	7.0	1.5	17.6
Current assets	40.3	100.4	21.6	3.8	166.1
Non-current liabilities	-	(0.8)	(11.3)	(0.1)	(12.2)
Current liabilities	(22.2)	(95.5)	(4.7)	(3.1)	(125.5)
Net assets	**26.9**	**4.4**	**12.6**	**2.1**	**46.0**
Revenue	49.5	3.3	6.9	5.9	65.6
Profit	4.2	(1.0)	2.6	0.4	6.2
Other comprehensive income	0.1	-	0.2	0.1	0.4
Total comprehensive income	**4.3**	**(1.0)**	**2.8**	**0.5**	**6.6**

31 December 2021 $ million	United Holding Company	Orascom Saudi	Suez Industrial Development	Other individual insignificant entities	Total
Non-controlling interest percentage	43.5%	40.0%	39.5%		
Non-current assets	5.7	-	6.9	1.7	14.3
Current assets	42.7	99.4	21.5	4.7	168.3
Non-current liabilities	-	(0.4)	(11.1)	(0.1)	(11.6)
Current liabilities	(16.5)	(96.2)	(4.5)	(3.7)	(120.9)
Net assets	**31.9**	**2.8**	**12.8**	**2.6**	**50.1**
Revenue	46.7	3.4	4.2	7.4	61.7
Profit	11.4	(1.6)	0.9	1.2	11.9
Other comprehensive loss	(0.9)	-	-	-	(0.9)
Total comprehensive income	**10.5**	**(1.6)**	**0.9**	**1.2**	**11.0**

18. Loans and borrowings

Borrowing Company	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities	Total
Orascom Construction SAE	Multiple rates	Annual	18.5	6.5	42.6	67.6
OCI Saudi Limited	Saibor + 1.80%	5/2021	-	3.6	-	3.6
Orascom Construction Industries-Algeria	1 Month TB + 6.0%	5/2021	-	1.7	-	1.7
The Weitz Group, LLC	Multiple rates	Multiple	1.4	15.4	-	16.8
Other	Multiple rates	-	-	16.4	9.1	25.5
Total as of 31 December 2020			**19.9**	**43.6**	**51.7**	**115.2**

Borrowing Company	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities	Total
Orascom Construction SAE	Multiple rates	Annual	-	18.6	13.6	32.2
Orascom Construction Industries-Algeria	1 Month TB + 6.0%	5/2022	-	1.6	-	1.6
The Weitz Group, LLC	Multiple rates	Multiple	1.2	12.7	-	13.9
Other	Multiple rates	-	-	5.8	10.6	16.4
Total as of 31 December 2021			**1.2**	**38.7**	**24.2**	**64.1**

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in the financial risk and capital management paragraph in Note 6. The fair value of loans and borrowings approximates the carrying amount as at the reporting date.

Certain covenants apply to the aforementioned borrowings.

19. Trade and other payables

$ millions	31 December 2021	31 December 2020
Trade payables	521.0	555.2
Trade payables due to related party (Note 27)	7.1	4.7
Other payables	313.6	209.3
Accrued expenses	545.5	487.4
Deferred revenues	6.7	3.6
Other tax payables	11.3	14.2
Lease obligation	12.6	15.9
Retentions payables	159.5	165.7
Employee benefit payables	3.7	3.9
Total	**1,581.0**	**1,459.9**
Non-current	49.9	57.1
Current	1,531.1	1,402.8
Total	**1,581.0**	**1,459.9**

Information about the Group's exposure to currency and liquidity risk is included in Note 6. The carrying amount of 'Trade and other payables' approximated the fair value as at reporting date.

Retentions payable relate to amounts withheld from sub-contractors.

20. Provisions

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2020	**10.1**	**9.2**	**34.0**	**53.3**
Provision formed	-	3.2	10.8	14.0
Provision used	-	-	(0.4)	(0.4)
Provision no longer required	-	(5.0)	(6.4)	(11.4)
Others	(2.8)	(0.1)	1.3	(1.6)
Effect of movement in exchange rates	0.2	0.1	0.5	0.8
At 31 December 2020	**7.5**	**7.4**	**39.8**	**54.7**

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2021	**7.5**	**7.4**	**39.8**	**54.7**
Provision formed	-	0.2	10.5	10.7
Provision used	-	(0.1)	(2.3)	(2.4)
Provision no longer required	(0.7)	(1.6)	(1.6)	(3.9)
Others	0.9	-	(0.6)	0.3
Effect of movement in exchange rates	-	-	(0.3)	(0.3)
At 31 December 2021	**7.7**	**5.9**	**45.5**	**59.1**

Warranties

The warranties are based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Other (including claims)

The Group is involved in various litigations and project related disputes. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized. Reference is made to Note 26 for detailed information with respect to major ongoing litigations and claims.

21. Cost of sales and selling, general and administrative expenses

i) Expenses by nature

$ millions	31 December 2021	31 December 2020
Changes in raw materials and consumables, finished goods and work in progress	2,642.4	2,549.8
Employee benefit expenses (ii)	578.1	514.6
Depreciation and amortization	48.1	47.2
Maintenance and repairs	53.6	49.3
Consultancy expenses	17.3	12.8
Other	49.4	61.0
Total	**3,388.9**	**3,234.7**

The expenses by nature comprise 'cost of sales' and 'selling, general and administrative expenses'.

ii) Employee benefit expenses

$ millions	31 December 2021	31 December 2020
Wages and salaries	466.0	428.9
Social securities	4.4	4.2
Employee profit sharing	1.8	1.5
Pension cost	6.9	6.3
Other employee expenses	99.0	73.7
Total	**578.1**	**514.6**

During the year ended 31 December 2021, the average number of staff employed in the Group converted into full-time equivalents amounted to 21,483 permanent and 40,274 temporary employees.

A Long-Term Incentive Plan ("LTIP") to attract, motivate and retain key employees in the organization by providing market competitive compensation packages has been put in place in June 2016. Under the plan target awards will be granted annually to executives and senior management and employees in critical positions or high performers. These awards will carry a 3-year vesting period. They will be focused on EBITDA, cash flow from operations and share performance. The plan is cash-settled; no transfer of equity instruments will take place under this plan.

Some of the Group's subsidiaries in the United States of America contribute to multi-employer defined benefit plans administered by unions that provide pension and post-retirement health and welfare benefits to employees, based on a defined dollar amount per hour. The Group has availed the exemption of IAS 19, para 34, to account for the contributions to these multiemployer defined benefit plans as defined contribution plans, as sufficient financial information is not publicly available with regards to these plans. The contribution to these plans for the financial year 2021 is USD 6.8 million and the expected contribution to these plans for the financial year 2022 is USD 7.0 million. The average contribution by Group's subsidiaries to multiemployer benefit plans is assessed to be less than 5% of the total contributions of the respective plans.

22. Other income

$ millions	31 December 2021	31 December 2020
Net gain on sale of property, plant and equipment	3.4	1.7
Other income	0.7	16.2
Other expenses	(1.8)	(3.7)
Total	**2.3**	**14.2**

23. Net finance cost

$ millions	31 December 2021	31 December 2020
Interest income on financial assets measured at amortized cost	8.4	13.5
Foreign exchange gain	3.2	7.8
Finance income	**11.6**	**21.3**
Interest expense on financial liabilities measured at amortized cost	(20.6)	(22.8)
Fair value loss on derivatives	-	(1.6)
Foreign exchange loss	(7.3)	(6.7)
Finance cost	**(27.9)**	**(31.1)**
Net finance cost recognized in profit or loss	**(16.3)**	**(9.8)**

The above finance income and finance cost include the following interest income and expense in respect of assets (liabilities) not measured at fair value through profit or loss:

$ millions	31 December 2021	31 December 2020
Total interest income on financial assets	8.4	13.5
Total interest expense on financial liabilities	(20.6)	(22.8)

24. Earnings per share

i) Basic

	31 December 2021	31 December 2020
Net profit attributable to shareholders (1 million USD)	113.4	90.9
Number of ordinary share (million)	116.8	116.8
Basic earnings per ordinary share (USD)	**0.97**	**0.78**

25. Segment reporting

The Group determines and presents operating segments on the information that internally is provided to the Chief Executive Officer during the period. The Group has three reportable segments, as described below. Each of the segments is managed separately because they require different operating strategies and use their own assets and employees. Factors used to identify the Group's reportable segments, are a combination of factors and whether operating segments have been aggregated and types of products and services from which each reportable segment derives its revenues.

Business information for 31 December 2020

$ millions	MENA	USA	Besix	Total
Total revenue	**2,107.3**	**1,263.8**	**-**	**3,371.1**
Share in loss of equity accounted investees	(2.3)	5.3	(6.2)	(3.2)
Depreciation and amortization	(39.8)	(7.4)	-	(47.2)
Interest income	13.1	0.4	-	13.5
Interest expense	(22.5)	(1.9)	-	(24.4)
Profit before tax	**134.4**	**9.4**	**(6.2)**	**137.6**
Investment in PP&E	40.5	5.2	-	45.7
Non-current assets	**240.4**	**73.1**	**382.9**	**696.4**
Total assets	**2,930.8**	**474.8**	**382.9**	**3,788.5**
Total liabilities	**2,742.0**	**404.6**	**-**	**3,146.6**

Business information for 31 December 2021

$ millions	MENA	USA	Besix	Total
Total revenue	**2,492.8**	**1,050.1**	**-**	**3,542.9**
Share in income of equity accounted investees	6.8	5.3	15.7	27.8
Depreciation and amortization	(41.1)	(7.0)	-	(48.1)
Interest income	8.4	-	-	8.4
Interest expense	(18.8)	(1.8)	-	(20.6)
Profit before tax	**135.7**	**16.4**	**15.7**	**167.8**
Investment in PP&E	66.8	6.4	-	73.2
Non-current assets	**262.5**	**75.9**	**388.9**	**727.3**
Total assets	**3,270.6**	**442.9**	**388.9**	**4,102.4**
Total liabilities	**3,044.5**	**368.8**	**-**	**3,413.8**

Segment revenues have been presented based on the location of the entity which is managing the contracts.

BESIX is presented as part of 'equity accounted investees', therefore in the above schedule only the income from equity accounted investees and the asset value are reflected. For further information with respect to liabilities, revenues and cost, reference is made to note 10.

The geographic information above analysis the Group's revenue and non-current assets by the Company where the activities are being operated. The Orascom Construction Group has customers that represent 10 percent or more of revenues:

Percentage	31 December 2021	31 December 2020
Egyptian Government	**56.8%**	**52.2%**

26. Contingencies

26.1. Contingent liabilities

26.1.1. Letters of guarantee / letters of credit

Letters of guarantee issued by banks in favor of others as at 31 December 2021 amount to USD 2,126.0 million (31 December 2020: USD 1,773.1 million). Outstanding letters of credit as at 31 December 2021 (uncovered portion) amount to USD 91.9 million (31 December 2020: USD 75.3 million).

Certain of our sub-holdings have put general performance guarantees for the execution of more significant projects by our subsidiaries.

As of 31 December 2021, mechanic liens have been received in respect of one of our US project for a total of USD 7.3 million (31 December 2020: USD 5.0 million).

26.1.2. Litigations and claims

In the ordinary course of business, the Group entities and joint ventures are involved in some arbitration or court cases as defendants or claimants. These litigations are carefully monitored by the entities' management and legal counsels, and are regularly assessed with due consideration for possible insurance coverage and recourse rights on third parties. In cases where it is probable that the outcome of the proceedings will be unfavourable, and the financial outcome can be measured reliably, a provision has been recognized in the financial statements which is disclosed in note 20 'Provisions'. It should be understood that, in light of possible future developments, such as: (a) potential additional lawsuits, (b) possible future settlements, and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs. At this point in time, OC PLC cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful. While the outcome of said the cases, claims and disputes cannot be predicted reliably, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position of as at 31 December 2021 but could be material to our results of operations or cash flows in any one accounting period.

The Group is also a party to certain potential claims from customer and, where necessary, makes adequate provisions against any potential claims. Such provisions are reassessed regularly to include significant claims and instances of potential litigations. Based on the review of opinion provided by the legal advisors / internal legal team, management is of the opinion that no material cash outflow in respect of these claims is expected to be paid by the Group in these legal cases over and above the existing provision recognized as of the reporting date. The Group has elected not to present the complete disclosures as required by IAS 37 "Provision and Contingent Liabilities and Contingent Assets" as management is of the view that since legal claims are sub-judice and are disputed; therefore this information may be prejudicial to their position on these matters.

Certain other contingent liabilities may arise during the normal course of business, which based on the information presently available, either cannot be quantified at this stage of in the opinion of the management is without any merit. However, in the opinion of management, these contingent liabilities are not likely to result in any cash outflows for the Group.

26.1.3. Sidra Medical Center

The contract for the design and build of the Sidra Medical and Research Centre in Doha, Qatar, was awarded by the Qatar Foundation for Education, Science & Community Development (the "Foundation") in February 2008 to the associate owned by Obrascón Huarte Lain (55%) and Contrack Cyprus Limited (45%), for a total contract value of approximately USD 2.4 billion. The project was more than 95% complete and is not part of the Construction Group's backlog as the project is accounted for under the equity method.

In July 2014, the consortium received a Notice of Termination from the Foundation. On 23 July 2014, the Foundation commenced arbitration proceedings against the associate by serving a Request for Arbitration with the ICC (seat in London) dated 23 July 2014. Since 2014, several hearings and expert meetings took place and partial awards have been issued by the tribunal. The most recent hearings were held in May 2021 and June 2021. The main evidentiary hearing is ongoing and expected to be completed by April 2022. The final award is not expected before Q3 2022.

In August 2017, the Foundation again served a Request for Arbitration, this time in parallel proceedings against OCI SAE with the ICC (seat in London). The claims made by the Foundation in this new arbitration arise in connection with a Parent Company Guarantee (the "PCG") issued by OCI SAE on 7 February 2008. The Foundation alleged that the terms of the PCG protect it in respect of liabilities and obligations of Contrack (Cyprus) Limited on the Project. This arbitration is on hold since March 2020 pending decision in the main arbitration in the paragraph above. If claims are awarded against Contrack (Cyprus) Limited in that arbitration, the Tribunal will have to consider its implications on OCI SAE in this arbitration.

26.1.4. ERC Refinery Project

In November 2014, Orascom Construction SAE (OC) and GS Engineering and Construction Corp. "Egypt" ("GS"), the main contractor appointed by the owner Egyptian Refining Company (Takrir) SAE, entered into a subcontract agreement and three subsequent amendments for the Civil Works and Structural, Mechanical and Piping works in relation to Areas 1 and 3 of ERC Refinery Plant in Mostorod Egypt.The works were fundamentally delayed and disrupted by GS resulting in OC submitting several Extension of Time and costs claims. In February 2019, GS instructed OC to demobilize and "step-back" from all remaining Works.

In March 2019, OC filed the Request for Arbitration against GS before the ICC (London). In May 2019, GS filed an Answer and Counterclaim. On 11 July 2019, the Tribunal was constituted. In January 2020, OC submitted its Statement of Case ("SoC"), and GS submitted its Statement of Counterclaim ("SoCC"). In June 2020, OC and GS filed their Statements of Defense to Counterclaims, and in August 2020, OC and GS filed their Replies to Statement of Defense to Counterclaim. Expert Reports on Quantum and Delay were submitted in March 2021.

The hearing took place in May 2021. Subsequent to year end, the Tribunal issued a partial award in which OC was the net winner. Further, OC was awarded prolongation/disruption costs which are yet to be quantified, and which will be decided by the Tribunal in a separate and final award. The Tribunal is yet to finalise the procedural calendar for the next steps.

27. Related party transactions

The following is a list of significant related party transactions and outstanding amounts

Related party	Relation	Revenue transactions during the year	AR and loan outstanding at year end	Purchases transactions during the year	AP and advances outstanding at year end
Medrail	Equity accounted investee	-	6.9	-	-
Ras Ghareb Wind Energy	Equity accounted investee	-	5.7	-	-
Iowa fertilizer Company	Related via Key Management personnel	-	0.8	-	-
Natgasoline	Related via Key Management personnel	0.9	-	-	-
OCI SAE "fertilizer"	Related via Key Management personnel	-	2.7	-	-
Other		-	6.8	-	4.7
Total as at 31 December 2020		**0.9**	**22.9**	**-**	**4.7**

Related party	Relation	Revenue transactions during the year	AR and loan outstanding at year end	Purchases transactions during the year	AP and advances outstanding at year end
Medrail	Equity accounted investee	-	5.4	-	-
Ras Ghareb Wind Energy	Equity accounted investee	-	4.3	-	-
Iowa fertilizer Company	Related via Key Management personnel	-	0.8	-	-
Natgasoline	Related via Key Management personnel	1.0	0.1	-	-
OCI SAE "fertilizer"	Related via Key Management personnel	-	6.4	-	1.3
Other		-	7.1	-	5.8
Total as at 31 December 2021		**1.0**	**24.1**	**-**	**7.1**

In addition to the related party transactions in the table above, the company incurs certain operating expenses for immaterial amounts in relation to services provided by related parties.

27.1. Demerger of Construction and Engineering business

27.1.1General

The demerger from OCI N.V. was completed successfully in March 2015, with the listing of shares on Nasdaq Dubai as of 9 March 2015 and a secondary listing on the Egyptian Exchange as of 11 March 2015.

After the demerger, OCI N.V. and OC PLC each operate as separately listed companies. There are no cross-directorships, other than Jérôme Guiraud who is a non-executive director in both. The senior management teams of OCI N.V. and OC PLC are different and all agreements between the two companies are executed based on agreed terms.

Services between OCI N.V. and OC PLC Group entities in the areas of accounting, treasury, information technology, etc, are payable on a cost-plus basis.

OC PLC and OCI N.V. are party to continuing commercial arrangements. The existing commercial arrangements were entered into on agreed terms and are not materially different from the terms on which OC PLC has contracted with other customers. The most relevent are listed below:

27.1.2. Conditional sale agreement

On 5 February 2015, OC IHC 4 B.V. (a subsidiary of OC PLC) and OCI MENA B.V. (a subsidiary of OCI N.V.) entered into an Agreement for the Conditional Sale and Purchase of the Share Capital of Construction Egypt. Under the Conditional Sale Agreement, OCI MENA B.V. has agreed to sell to OC IHC 4 B.V. all of the shares it will receive as a result of the Egypt Demerger. These shares (the Construction Egypt Shares) will be shares in an Egyptian joint stock company (Construction Egypt) which, as a result of the Egypt Demerger, will hold the construction projects and construction business of Orascom Construction Industries S.A.E in the Middle East and North Africa which, in order to comply with local law and regulation, cannot be transferred to OC PLC prior to completion of the Demerger. The transfer of the Construction Egypt Shares will be conditional on the completion of the Egypt Demerger, the approval of Egyptian Financial Supervisory Authority ("EFSA") regarding the issue of the Construction Egypt shares to OCI MENA B.V. and incorporation of Construction Egypt. In addition, OCI MENA B.V. commits to appoint management personnel in the construction operations, such personnel to be nominated by OC IHC 4 B.V.; to appoint accounting personnel responsible for the preparation of the carve out financials of the construction operations, such personnel to be nominated by OC IHC 4 B.V., and to vote on the board of directors of Orascom Construction Industries S.A.E. in matters related to the construction operations based on the recommendation of OC IHC 4 B.V. The Conditional Sale Agreement also provides for the economic benefits/liabilities of the Construction Egypt Shares including the underlying Relevant Construction Projects (together with the right to any dividends) to pass from OCI MENA B.V. to OC IHC 4 B.V. with effect from the date of the Conditional Sale Agreement as if such shares had been in existence since 30 September 2014. This transfer of economic benefit will remain in force until the earlier of completion of the Egypt Demerger and transfer of the Construction Egypt Shares to the Company and completion of all of the Relevant Construction Projects, while any new awards are sought through wholly-owned subsidiaries of OC PLC.

27.1.3. Tax indemnity agreement

On 6 February 2015, OC PLC and Orascom Construction Industries S.A.E. (a subsidiary of OCI N.V.) entered into a tax indemnity agreement which sets out the obligations of the parties in respect of the tax claim lodged by the tax authorities in Egypt relating to the sale of the Orascom Construction Industries S.A.E.'s cement business to Lafarge SA in 2007. The parties have agreed that, to the extent that any liability is incurred by Orascom Construction Industries S.A.E. in relation to the Tax Claim (including the costs of dealing with the Tax Claim), this will be shared between the parties on a 50%/50% basis. In addition, to the extent that any recoveries, including interests, are made in relation to the Tax Claim, these will be shared between the parties on a 50%/50% basis (excluding the amount of EGP 2.5 billion for which it was announced that the rights will be transferred to Tahya Misr social fund in Egypt).

27.2. OCI Foundation and Sawiris Foundation

The OCI Foundation invests company resources in educational programs that improve the communities in which the company operates. OCI has cultivated strong ties with several leading universities, including the University of Chicago (Onsi Sawiris Scholars Exchange Program), Stanford (The American Middle Eastern Network Dialogue) and Yale (Master of Advanced Management program and Global Network for Advanced Management program).

Furthermore, the Sawiris Foundation for Social Development also provides grants to fund projects implemented by charitable organizations, educational institutions, local government and private business.

28. Remuneration of the Board of Directors (Key management personnel)

During the year ended 31 December 2021, we considered the members of the Board of Directors (Executive and Non-executive) and the senior management to be the key management personnel as defined in IAS 24 'Related parties'. The total remuneration of the key-management personnel for the year ended 31 December 2021 amount to approximately USD 13.0 million.

29. List of principal subsidiaries, associates and joint ventures

Companies	Country	Percentage of interest	Consolidation method
Cementech Limited	BVI	100.00	Full
Orascom Construction Industries Algeria Spa	Algeria	99.90	Full
IMAGRO Construction SRL	Italy	49.90	Full
BESIX Group SA	Belgium	50.00	Equity
Aluminium & Light Industries Co Ltd	Egypt	100.00	Full
OCI Construction Limited	Cyprus	100.00	Full
Orascom Construction	Egypt	100.00	Full
Orascom Road Construction	Egypt	99.98	Full
Orasqualia for the Development of the Wastewater Treatment Plant	Egypt	50.00	Equity
National Steel Fabrication	Egypt	99.90	Full
Suez Industrial Development Company	Egypt	60.50	Full
Orascom Saudi Company	Kingdom of Saudi Arabia	60.00	Full
Contrack Watts Inc	USA	100.00	Full
Orascom E&C USA	USA	100.00	Full
Orascom Construction USA Inc	USA	100.00	Full
Orascom Investments	Netherlands	100.00	Full
The Weitz Group LLC	USA	100.00	Full
Orascom for Wind Energy	Egypt	100.00	Full

Furthermore, OC PLC has various holding companies in the Netherlands and the countries it operates in.

On 26 January 2021, the interim dividend of USD 0.21 per share which has been approved by board of directors' on 30 December 2020 amounting to USD 24.5 million had been paid. On 19 May 2021,the shareholders' at the Annual General Meeting had approved a dividend of USD 0.2313 per share amounting to USD 26.7 which had been paid in 10 August 2021. On 6 December 2021, the board of directors' has approved an interim dividend of USD 0.2313 per share amounting to USD 27.0 which has been paid in 31 January 2022, bringing total dividends announced in FY 2021 to USD 0.4626 per share.

30. Subsequent Event

The Shareholders of Orascom Construction PLC , in the Extraordinary General Meeting held on 27 December 2021, approved the acquisition of 100% of the total share capital of Orascom Trading (S.A.E), National Equipment Company (S.A.E) and Orascom Free Zone - Onsi Sawiris and Partners (Limited Partnership Company), together referred to the "Services" Group, for a total cash consideration of USD 35,000,000 (United States Dollars thirty-five million). The execution of the sale and purchase agreement(s) and other required legal documents were completed subsequent to year-end.

The "Services" entities are leading companies in the Egyptian market working in the field of commercial agencies of equipment.

31. Impact of COVID-19

The coronavirus outbreak since early 2020 has brought additional uncertainties in the Group's operating environment and continue to impact the Group's operations in the areas we operate in, with our main activities in Egypt and USA. The Group has formed a Crisis Management Committee to ensure the safe and stable continuation of its business operations which include measures to address and mitigate any identified key operational and financial issues. These contingency measures include amongst others communication plans with our clients, mitigation plans at project level to minimize the impact of possible slowdowns, if any, and measures to safeguard the welfare of our employees and subcontractor staff at our project sites and offices.

Our major projects in Egypt and USA have remained operational throughout the period with minimum disruption based on the initiatives implemented by the Group and supported by the mandates issued by the respective governments. We have also put in place effective business continuity and remote working plans enabled by the right technologies and systems to ensure uninterrupted operations across the Group.

Based on our assessment of the COVID-19 impact, there are no significant impact in its financial position and performance as at and for the year ended 31 December 2021. Further, we concluded that significant changes are not required as of 31 December 2021 in its key accounting judgements and estimates from those applied in the last annual consolidated financial statements as of 31 December 2020.

Furthermore, we continue to assess the level of future credit-lines and whether additional lines need to be made available to manage our liquidity. The Group will keep these contingency measures under review as the situation is fast evolving, the effect of the outbreak is by nature subject to certain degree of uncertainty.

Dubai, UAE, 21 March 2022
The Orascom Construction PLC Board of Directors,

Jérôme Guiraud	Chairman
Osama Bishai	Chief Executive Officer
Sami Haddad	Member
Johan Beerlandt	Member
Wiktor Sliwinski	Member
Nada Shousha	Member

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