

# RESULTS ANNOUNCEMENT

## 9M 2021

### ORASCOM CONSTRUCTION REPORTS BACKLOG OF USD 6.0 BILLION AND NET INCOME OF USD 76.1 MILLION IN 9M 2021

#### HIGHLIGHTS

- Steady progression of revenue and EBITDA in 9M 2021 to USD 2,542.7 million and USD 146.2 million, respectively
- Net income attributable to shareholders of USD 28.4 million in Q3 2021 and USD 76.1 million in 9M 2021
- Net cash position maintained at USD 144.7 million as of 30 September 2021 and positive operating cash flow of USD 42.8 million in Q3 2021
- Consolidated backlog increased 14.4% y-o-y to USD 6.0 billion and pro forma backlog including 50% share in BESIX increased 14.7% y-o-y to USD 8.9 billion as of 30 September 2021
- Consolidated new awards increased 38.4% y-o-y to USD 2.8 billion and pro forma new awards including 50% share in BESIX increased 51.9% y-o-y to USD 4.3 billion in 9M 2021
- BESIX reports a standalone backlog of EUR 4.9 billion and new awards of EUR 2.7 billion in 9M 2021

#### STATEMENT FROM THE CEO

This quarter witnessed several achievements across our health and safety, operations and business development activities.

We maintain our existing strict health and safety protocols across our sites and offices, and continue to report low Lost Time Injury (LTI) rates despite a 24% increase in manhours in 9M 2021.

We had indicated that we have a healthy pipeline, which has been demonstrated by our record backlog. New awards increased 42.7% y-o-y to USD 962.4 million in Q3 2021, bringing total new awards to USD 2.9 billion in 9M 2021 and resulting in a 14% y-o-y increase in consolidated backlog to USD 6.0 billion as of 30 September 2021. Among these projects signed in Q3 2021 are Egypt's first high-speed rail system and sizable contracts in the student housing sector in the United States.

Revenue and net income both saw steady improvement 9M 2021, reflecting continued progress across the Group and positive contribution from all segments and BESIX. While operating cash flow is still negative in 9M 2021, we reported positive operating cash flow in Q3 and Q2 and remain focused on completing the year in a satisfactory position.

We achieved several operational milestones this quarter. We witnessed in Egypt the completion and inauguration of Bahr El Baqar Water Treatment Plant, the largest in the world, and are working in full swing at our large projects such as the monorail in Egypt and data centers in the US.

We also continue to focus on growing and actively monitoring our business in sectors complementary to our strong EPC operations. Our building materials and subsidiaries business continues to demonstrate sustained performance, contributing 20% to net income in 9M 2021. As part of our assessment of each of these subsidiaries, we divested our minority stake in a manufacturer and distributor of gypsum products in Egypt.

In addition, we signed a 15-year Operation & Maintenance (O&M) scope for Egypt's first high-speed rail network, which adds to our growing O&M portfolio that already includes O&M scopes for the monorail (30 years) and Bahr El Baqar Water Treatment Plant (5 years) in Egypt among others. We also signed in October an agreement to develop, construct and operate a 500 MW wind farm in Ras Ghareb, Egypt for 20 years, tripling our wind energy BOO capacity in Egypt to over 750 MW.

Lastly, BESIX has returned to profitability in Q3 2021 and reported a strong quarter of new awards, driving a 16.6% y-o-y increase in backlog to EUR 4.9 billion.

**OSAMA BISHAI**

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### CONSOLIDATED BACKLOG

USD million	9M 2021	9M 2020	Change	Q3 2021	Q3 2020	Change
<b>Equity consolidation</b>						
Backlog	6,030.8	5,270.5	14.4%			
New awards	2,765.5	1,998.5	38.4%	962.4	674.4	42.7%
<b>Pro forma inc. 50% of BESIX</b>						
Backlog	8,872.3	7,734.1	14.7%			
New awards	4,323.3	2,845.7	51.9%	1,695.9	912.7	85.8%

Consolidated backlog excluding BESIX increased 14.4% y-o-y to USD 6.0 billion as of 30 September 2021. Consolidated new awards increased 42.7% y-o-y to USD 962.4 million in Q3 2021 and 38.4% y-o-y to USD 2.8 billion in 9M 2021.

Including the Group's 50% share in BESIX, pro forma backlog increased 14.7% y-o-y to USD 8.9 billion as of 30 September 2021. Pro forma new awards increased 85.8% y-o-y to USD 1.7 billion in Q3 2021 and 51.9% y-o-y to USD 4.3 billion in 9M 2021.

#### Middle East and Africa

The Group signed USD 1.6 billion of new awards in Egypt during 9M 2021, of which USD 635.6 million were added in Q3 2021.

These new projects were primarily in the railway and roads sectors. Notably, the Group signed, in a consortium with Siemens Mobility and Arab Contractors, a contract to design, install, commission and maintain Egypt's first high-speed rail system for 15 years. This new project emphasizes the Group's leading position in the transportation sector and adds to other important projects such as the monorail and Greater Cairo Metro. In addition, the project's 15-year Operation & Maintenance (O&M) scope highlights the Group's growing O&M activities, which also include a 30-year O&M scope for the monorail.

#### USA

The U.S. subsidiaries signed USD 1.2 billion of new awards in 9M 2021, of which USD 326.8 million were added in Q3 2021. New awards in 9M 2021 represent an increase of 2.1x the level achieved in 9M 2020.

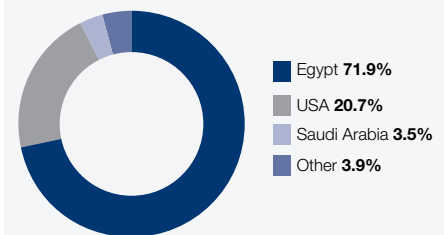
Building on the significant data center projects signed in Q2 2021, new awards in Q3 2021 were primarily led by sizable projects in the student housing sector.

#### BESIX Group

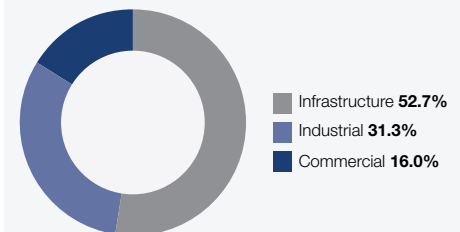
BESIX's standalone backlog increased 16.6% y-o-y to EUR 4.9 billion as of 30 September 2021. New awards tripled y-o-y to EUR 1.3 billion in Q3 2021, resulting in a 76.9% y-o-y increase in total new awards in 9M 2021 to EUR 2.7 billion.

### Backlog by Segment – Equity Consolidation

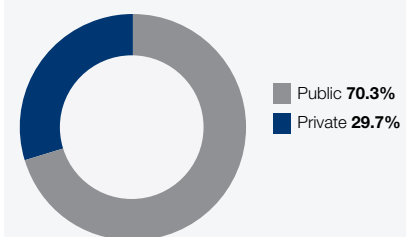
#### Backlog by geography



#### Backlog by sector



#### Backlog by client



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### SUMMARY FINANCIAL RESULTS

#### Summary Income Statement

USD million	9M 2021	9M 2020	Change	Q3 2021	Q3 2020	Change
<b>Revenue</b>	<b>2,542.7</b>	<b>2,443.3</b>	<b>4.1%</b>	<b>857.7</b>	<b>824.5</b>	<b>4.0%</b>
MEA	1,775.9	1,512.4	17.4%	587.2	487.7	20.4%
USA	766.8	930.9	(17.6)%	270.5	336.8	(19.7)%
<b>EBITDA</b>	<b>146.2</b>	<b>150.5</b>	<b>(2.9)%</b>	<b>45.9</b>	<b>51.0</b>	<b>(10.0)%</b>
MEA	135.2	139.1	(2.8)%	39.9	46.5	(14.2)%
USA	11.0	11.4	(3.5)%	6.0	4.5	33.3%
<b>EBITDA margin</b>	<b>5.7%</b>	<b>6.2%</b>		<b>5.4%</b>	<b>6.2%</b>	
MEA margin	7.6%	9.2%		6.8%	9.5%	
USA margin	1.4%	1.2%		2.2%	1.3%	
<b>Net income attributable to shareholders</b>	<b>76.1</b>	<b>65.0</b>	<b>17.1%</b>	<b>28.4</b>	<b>30.2</b>	<b>(6.0)%</b>
MEA	63.1	68.0	(7.2)%	16.1	18.9	(14.8)%
USA	8.1	5.5	47.3%	5.8	1.3	346.2%
BESIX	4.9	(8.5)	157.6%	6.5	10.0	(35.0)%
<b>Net income margin</b>	<b>3.0%</b>	<b>2.7%</b>		<b>3.3%</b>	<b>3.7%</b>	
MEA margin	3.6%	4.5%		2.7%	3.9%	
USA margin	1.1%	0.6%		2.1%	0.4%	

#### Net Debt (cash)

USD million	30 Sep 21	31 Dec 20	Change
Cash and cash equivalents	348.3	473.8	(26.5)%
Total debt	203.6	115.2	76.7%
Total equity	680.0	641.9	5.9%
Net debt (cash)	(144.7)	(358.6)	

Consolidated revenue increased 4.0% y-o-y to USD 857.7 million in Q3 2021 and 4.1% y-o-y to USD 2,542.7 million in 9M 2021. The MEA operations comprised 68% and 70% of total revenue in Q3 2021 and 9M 2021, respectively, while the USA operations accounted for the balance.

Consolidated EBITDA decreased 10.0% y-o-y to USD 45.9 million in Q3 2021 and 2.9% y-o-y to USD 146.2 million in 9M 2021. Consolidated EBITDA margins decreased to 5.4% in Q3 2021 and to 5.7% in 9M 2021. EBITDA margins in the U.S. operations improved to 2.2% in Q3 2021 compared to 1.3% in Q3 2020.

Including the Group's 50% share in BESIX, pro forma EBITDA increased 10.7% y-o-y to USD 184.8 million in 9M 2021. BESIX returned to profitability in Q3 2021, compensating for losses in H1 2021. Net income contribution from BESIX stood at USD 6.5 million in Q3 2021, bringing total net income contribution in 9M 2021 to USD 4.9 million compared to negative USD 8.5 million in 9M 2020.

Net income attributable to shareholders decreased 6.0% y-o-y to USD 28.4 million in Q3 2021 but increased 17.1% y-o-y to USD 76.1 million in 9M 2021.

The Group's net cash position was maintained at USD 144.7 million as of 30 September 2021. This compares to net cash positions of USD 151.3 million as of 30 June 2021 and USD 358.6 million as of 31 December 2020. Total equity increased 6.7% y-o-y to USD 680.0 million as of 30 September 2021.

#### Subsidiaries & Investments

The Group's subsidiaries in building materials, facilities management and infrastructure assets continue to contribute in an integral way to the Group's consolidated performance. These subsidiaries collectively contributed 20% of the Group's total net income in 9M 2021 while maintaining the double-digit EBITDA and net income margins reported in H1 2021.

In addition, the Group divested its minority stake in a manufacturer and distributor of gypsum products in Egypt.

The Group's current subsidiaries include steel fabrication, curtain walling, construction chemicals, facilities management, wastewater treatment, and wind energy. In addition, the Group continues to pursue new investment and O&M opportunities that provide recurring income.

#### Health and Safety

Orascom Construction extended its safety record while manhours increased 24% y-o-y in 9M 2021. The lost time injury (LTI) rate in the Middle East and Africa stood at 0.01 with manhours of 179 million, and in USA stood at 0.09 with manhours of 2.1 million.

Multiple projects in Egypt and USA reached noteworthy safety milestones during the quarter. Particularly, the Group recorded with LTI 45 million manhours at one of the large projects in the New Administrative Capital and 22 million manhours are Bahr El Baqar Water Treatment Plant, the largest in the world, while the U.S. team completed 1 million manhours on data center projects.

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## 9M 2021

### ABOUT ORASCOM CONSTRUCTION PLC

Orascom Construction PLC is a leading global engineering and construction contractor primarily focused on infrastructure, industrial and high-end commercial projects in the Middle East, Africa and the United States. The Group has consistently ranked among the world's top contractors and is ranked number 32 on ENR's 2021 Top 250 International Contractors list. Orascom Construction PLC also develops and invests in infrastructure opportunities, owns 50% of BESIX Group, and holds a construction materials and facilities management portfolio. For more information, please visit [www.orascom.com](http://www.orascom.com)

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Backlog and new awards are non-IFRS metrics based on management's estimates of awarded, signed and ongoing contracts which have not yet been completed, and serves as an indication of total size of contracts to be executed. These figures and classifications are unaudited, have not been verified by a third party, and are based solely on management's estimates.

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