



Bahr El Baqar Water Treatment Plant, Egypt

9M 2022 Results Presentation
24 November 2022



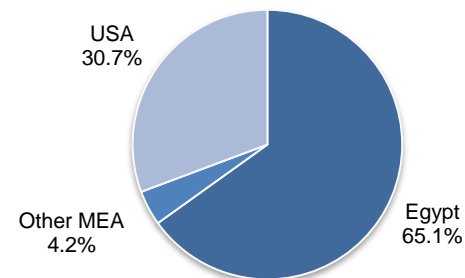
Table of Contents

Section	Page
Summary Financials	2-3
Consolidated Backlog	4-6
Pro Forma Snapshot Including BESIX	7
Construction Materials and Investments	8
Financial Statements	9-14

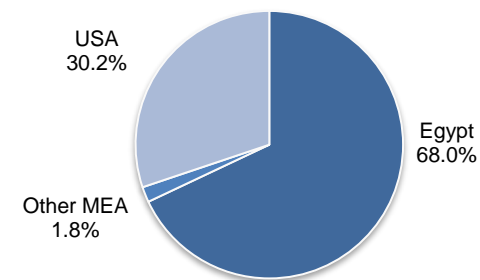
Summary Income Statement

USD million						
	9M 2022	9M 2021	Change	Q3 2022	Q3 2021	Change
Revenue	3,052.7	2,542.7	20.1%	1,138.1	857.7	32.7%
<i>MEA</i>	2,114.6	1,775.9	19.1%	738.0	587.2	25.7%
<i>USA</i>	938.2	766.8	22.4%	400.1	270.5	47.9%
EBITDA	150.1	146.2	2.7%	57.1	45.8	24.7%
<i>MEA</i>	134.3	135.2	(0.7)%	47.0	39.8	18.1%
<i>USA</i>	15.8	11.0	43.5%	10.1	6.0	68.3%
EBITDA margin	4.9%	5.7%		5.0%	5.3%	
<i>MEA margin</i>	6.4%	7.6%		6.4%	6.8%	
<i>USA margin</i>	1.7%	1.4%		2.5%	2.2%	
Net income attrib. to shareholders	57.8	76.1	(24.0)%	23.9	28.4	(15.8)%
<i>MEA</i>	51.8	63.1	(17.9)%	15.7	16.2	(3.1)%
<i>USA</i>	12.7	8.1	56.6%	8.4	5.7	47.4%
<i>BESIX</i>	(6.7)	4.9	(236.8)%	(0.2)	6.5	(103.1)%
Net income margin	1.9%	3.0%		2.1%	3.3%	
<i>MEA margin</i>	2.5%	3.6%		2.1%	2.8%	
<i>USA margin</i>	1.4%	1.1%		2.1%	2.1%	

Revenue by Geography – 9M 2022



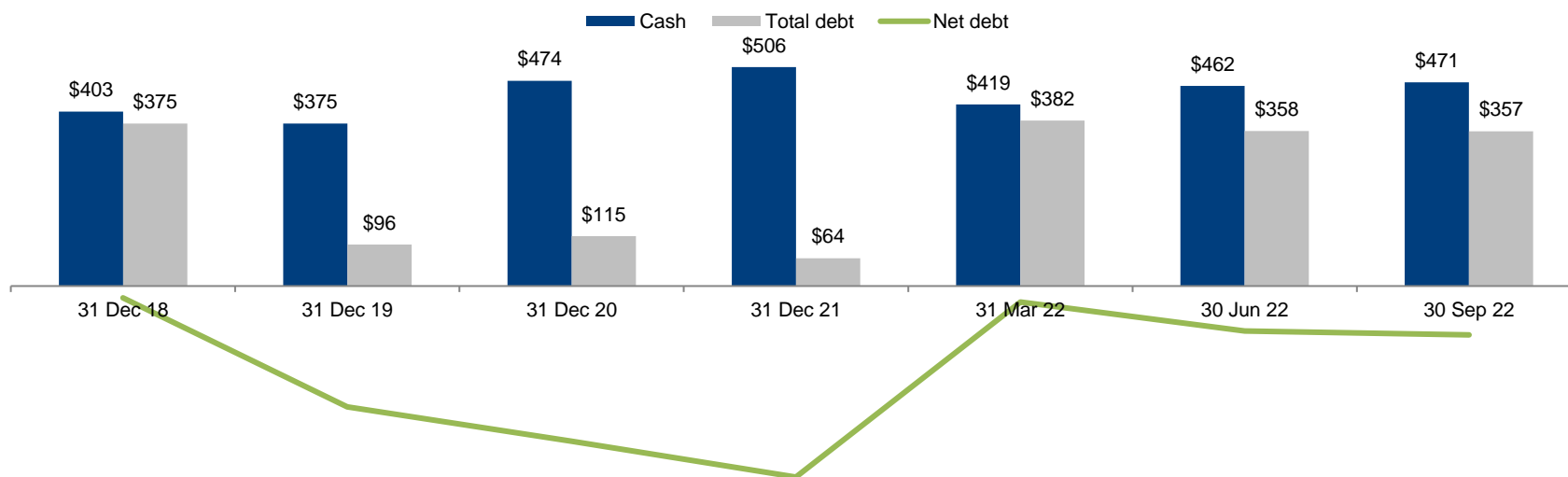
Revenue by Geography – 9M 2021



Net Cash Position

Net cash position of USD 113.1 million as of 30 September 2022

Evolution of Debt and Cash (USD Million)

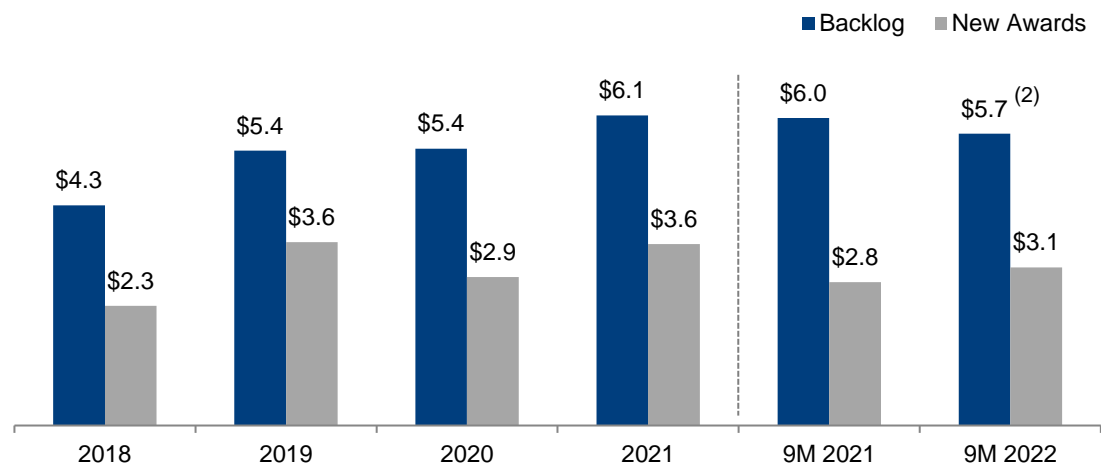


Debt and Equity Summary Based on IFRS Statements

USD million	31 Dec 18	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Mar 2022	30 Jun 2022	30 Sep 2022
Cash	402.5	374.8	473.8	505.7	419.3	462.0	470.5
Total debt	375.3	95.7	115.2	64.1	382.3	357.7	357.4
Net debt	(27.2)	(279.1)	(358.6)	(441.6)	(37.0)	(104.3)	(113.1)
Total equity	471.5	585.7	641.9	688.6	662.6	669.4	661.2
EBITDA	207.1	268.2	197.8	204.4	50.3 ⁽¹⁾	92.9 ⁽²⁾	150.1 ⁽³⁾

Consolidated Backlog

Evolution of Consolidated Backlog (USD Billion) ⁽¹⁾



Backlog and New Awards

USD million	9M 2022	9M 2021	Change	Q3 2022	Q3 2021	Change
Equity consolidation						
Backlog	5,732.5 ⁽²⁾	6,030.8	(4.9)%			
New Awards	3,057.4	2,765.5	10.6%	677.2	962.4	(29.6)%
Pro forma inc. 50% of BESIX						
Backlog	8,421.7	8,872.3	(5.1)%			
New Awards	4,527.4	4,323.3	4.7%	1,324.6	1,695.9	(21.9)%

Consolidated

- Consolidated backlog (excluding BESIX) decreased 4.9% y-o-y to USD 5.7 billion in 9M 2022⁽²⁾
- Consolidated new awards decreased 29.6% y-o-y to USD 677.2 million in Q3 2022 but increased 10.6% y-o-y to USD 3.1 billion in 9M 2022

MEA

- New awards of USD 2.0 billion in 9M 2022, of which \$473 million were in Q3 2022
- New contracts in Q3 2022 include water infrastructure, a build-own-operate warehouse in Egypt, and the construction of a new real estate development on the North Coast of Egypt for Ora Developers

USA

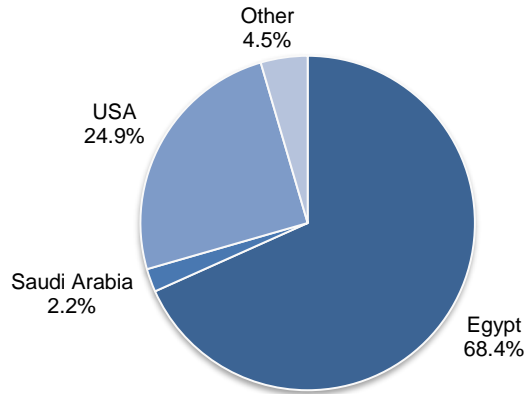
- New awards of USD 1.0 billion in 9M 2022, of which USD 204 million were in Q3 2022
- Led by projects across the Group's core data center and commercial sectors

(1) Backlog/new awards chart excludes BESIX and JV's accounted for under the equity method

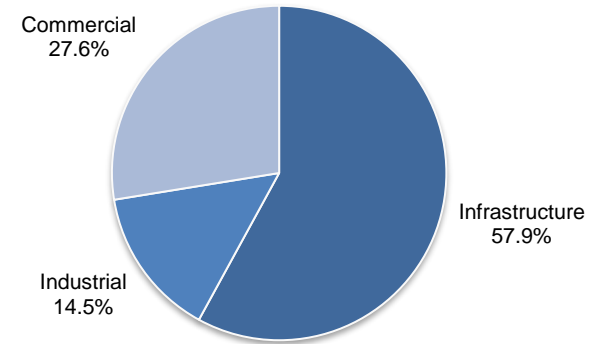
(2) Represents the backlog as of September 30 but assumes the EGP-to-foreign currency rates as of October 31, therefore fully reflecting the floatation of the EGP that took place on October 27. Assuming that the EGP-to-foreign currency rates as of September 30 were used, the backlog would have been USD 365 million higher at USD 6.1 billion, in-line with the level recorded the previous year.

Consolidated Backlog Breakdown – 30 September 2022

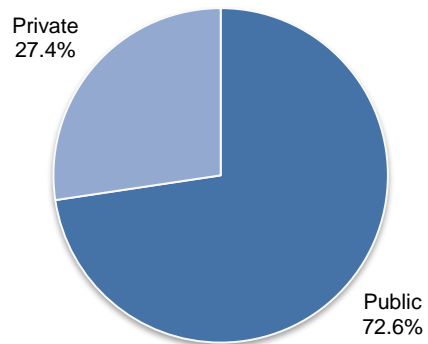
Backlog by Geography



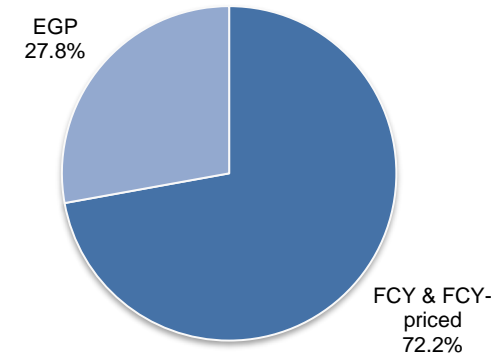
Backlog by Sector



Backlog by Client



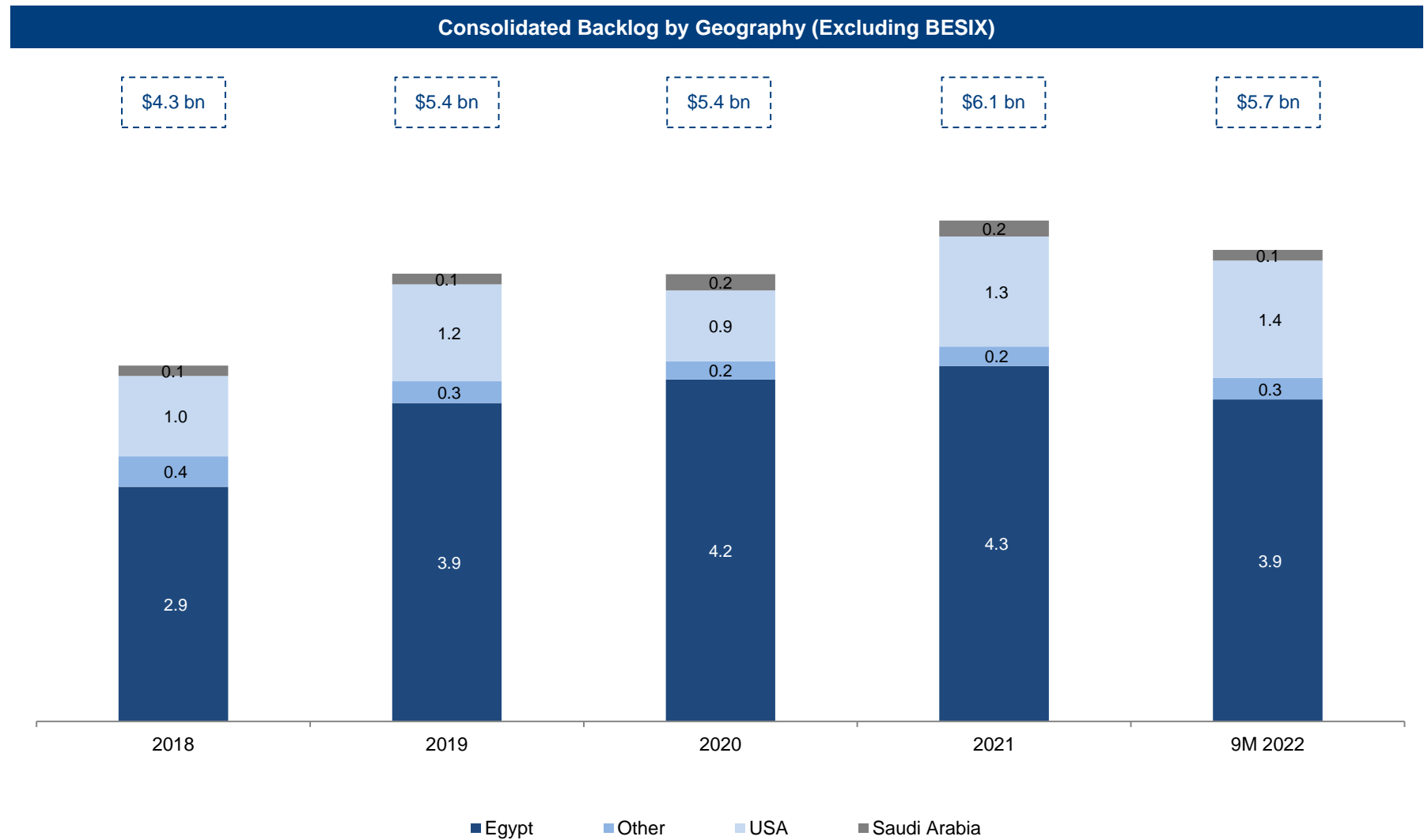
Backlog by Currency⁽¹⁾



(1) 59% of backlog in Egypt is in FCY

Note: Backlog breakdown of \$5.7 billion as of 30 September 2022; backlog excludes BESIX and JV's accounted for under the equity method

Evolution of Backlog by Geography

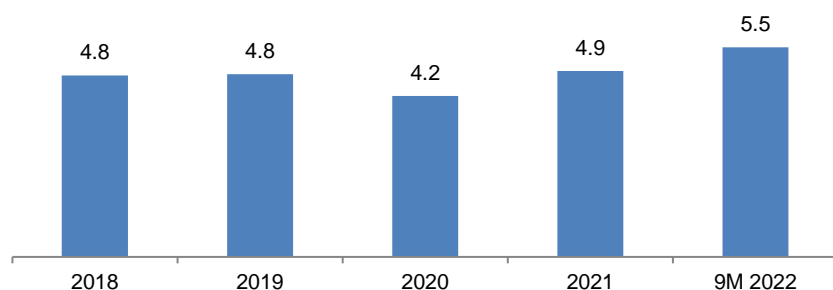


Pro Forma Snapshot Including 50% of BESIX – 9M 2022



- BESIX's standalone backlog increased 11.8% y-o-y to EUR 5.5 billion as of 30 September 2022
- New awards totaled approximately EUR 1.3 billion in Q3 2022, resulting in an increase of 6.9% y-o-y in 9M 2022 new awards to EUR 2.9 billion
- Standalone net debt position of EUR 264 million as of 30 September 2022
- BESIX book value of USD 366.4 million in Orascom Construction's noncurrent assets on the balance sheet

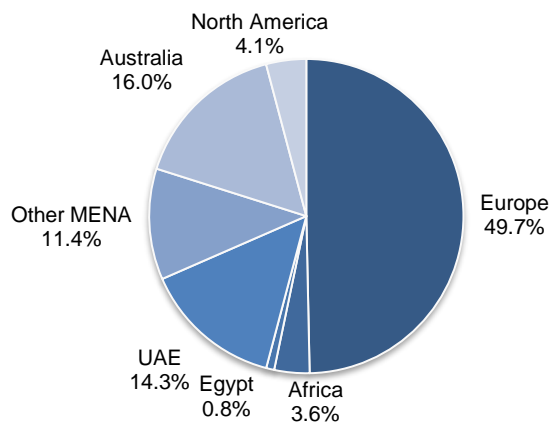
BESIX Standalone Backlog Evolution (EUR billion)



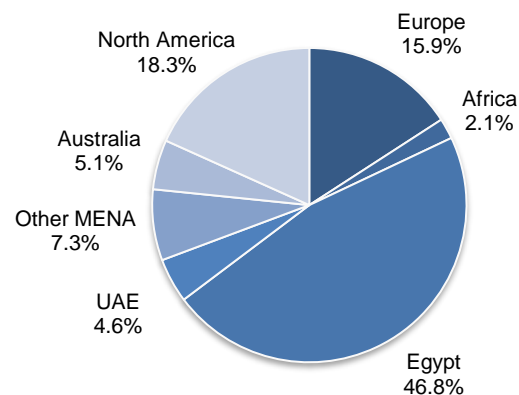
USD million

	OC	50% of BESIX	Pro Forma
Revenue	3,052.7	1,275.5	4,328.2
EBITDA	150.1	18.9	169.2
Net Income	64.5 ⁽¹⁾	(6.7)	57.8
Net Debt (Cash)	(113.1)	129.5	16.4
Backlog	5,732.5	2,689.2	8,421.7
New Awards	3,057.4	1,470.0	4,527.4

BESIX Standalone Backlog by Geography



Pro Forma Backlog – 50% of BESIX



Portfolio of Equipment Services, Building Materials, Facility Mgmt. and Infrastructure Assets

These subsidiaries and investments contributed USD 30.5 million to the Group's total net income in 9M 2022

Company	Ownership	9M 2022 Revenue	Description
	100%	USD 30.5 million	<ul style="list-style-type: none"> A leading equipment importation, distribution and maintenance player in Egypt Sole agent for portfolio of blue-chip equipment across include earthmoving equipment, gensets, pumps, irrigation, marine equipment, railway and security systems
	100%	USD 64.9 million	<ul style="list-style-type: none"> Manufactures and supplies fabricated steel products in Egypt and North Africa – total capacity of 120k/year Operates four facilities plants in Egypt and Algeria, two of which are the largest in MENA
	100%	USD 26.4 million	<ul style="list-style-type: none"> Manufactures and installs glass, aluminum and architectural metal works Operates facility in Egypt with a capacity of 250k sqm, supplying primarily Egypt and North Africa
	56.5%	USD 81.6 million	<ul style="list-style-type: none"> Holds 50% stakes in BASF Construction Chemicals Egypt, Egyptian Gypsum Company and A-Build Egypt Subs operate from 4 plants in Egypt and Algeria, supplying products primarily in Egypt and North Africa
	56.6%	USD 9.2 million	<ul style="list-style-type: none"> Owns DryMix, Egypt's largest manufacturer of cement-based ready mixed mortars in powdered form used in the construction industry Capable of producing 240k metric tons of product and supplies products to clients in Egypt and North Africa
	40%	USD 61.2 million	<ul style="list-style-type: none"> Manufactures precast/pre-stressed concrete cylinder pipes and pre-stressed concrete primarily Two plants located in Egypt supply Egypt and North Africa; production capacity of 86 km/yr of concrete piping
	14.7%	USD 39.8 million	<ul style="list-style-type: none"> Production capacity of 130k kilolitres of decorative paints and industrial coatings primarily for the construction industry Operates two plants in Egypt and supplies products to clients in Egypt and North Africa
	100%	USD 20.2 million	<ul style="list-style-type: none"> Egypt's premier facility and property management services provider Hard and soft facility management in commercial, hospitality and healthcare
	60.5%	USD 25.0 million	<ul style="list-style-type: none"> Owner and developer of an 8.8 million square meter industrial park located in Ain Sokhna, Egypt Provides utility services for light, medium and heavy industrial users in Ain Sokhna, Egypt
	50%	USD 12.6 million	<ul style="list-style-type: none"> A 250m³/day wastewater treatment plant; OC is a co-owner and co-operator of the facility Egypt's first Public Private Partnership project
	20%	USD 39.0 million	<ul style="list-style-type: none"> The largest renewable energy IPP project in Egypt; a 262.5 MW build-own-operate wind farm under a 20-year Power Purchase Agreement Full commercial operation commenced 45 days ahead of schedule on 31 October 2019

Financial Statements

Income Statement

USD million	9M 2022	9M 2021	Q3 2022	Q3 2021	Results Commentary
Revenue	3,052.7	2,542.7	1,138.1	857.7	Revenue:
Cost of sales	(2,791.2)	(2,300.3)	(1,043.5)	(779.8)	
Gross profit	261.5	242.4	94.6	77.9	<ul style="list-style-type: none"> Consolidated revenue increased 32.7% y-o-y to USD 1,138.1 million in Q3 2022 and 20.1% y-o-y to USD 3,052.7 million in 9M 2022 MEA operations comprised 65% of total revenue in Q3 2022 and 69% in 9M 2022 while USA operations accounted for the balance
<i>Margin</i>	8.6%	9.5%	8.3%	9.1%	
Other income	4.0	6.6	2.3	1.7	
SG&A expenses	(150.3)	(138.2)	(50.9)	(45.7)	
Operating profit	115.2	110.8	46.0	33.9	
EBITDA	150.1	146.2	57.1	45.8	EBITDA
<i>Margin</i>	4.9%	5.7%	5.0%	5.3%	<ul style="list-style-type: none"> EBITDA increased 24.7% y-o-y to USD 57.1 million in Q3 2022 and 2.7% y-o-y to USD 150.1 million in 9M 2022 EBITDA margins stood at 5.0% in Q3 2022 and 4.9% in 9M 2022 EBITDA margins in the MEA region declined y-o-y, but increased in USA, reflecting improved performance
Financing income & expenses					
Finance income	26.2	9.0	1.6	2.6	
Finance cost	(47.0)	(18.1)	(11.3)	(6.6)	
Net finance cost	(20.8)	(9.1)	(9.7)	(4.0)	
Income from equity accounted investees	5.6	13.6	4.5	9.7	
Profit before income tax	100.0	115.3	40.8	39.6	Income from associates:
Income tax	(29.8)	(31.1)	(11.1)	(8.8)	<ul style="list-style-type: none"> BESIX net income of USD (0.2) million in Q3 2022 compared to USD 6.5 million in Q3 2021, and USD (6.7) million in 9M 2022 compared to USD 4.9 million in 9M 2021
Net profit for the period	70.2	84.2	29.7	30.8	
Profit attributable to:					
Owners of the company	57.8	76.1	23.9	28.4	<ul style="list-style-type: none"> Net income decreased 15.8% y-o-y to USD 23.9 million in Q3 2022 and 24.0% y-o-y to USD 57.8 million in 9M 2022 Net income in Q3 and 9M 2022 was impacted by BESIX's performance and higher net financing costs
Non-controlling interests	12.4	8.1	5.8	2.4	
Net profit	70.2	84.2	29.7	30.8	

Balance Sheet

USD million	30 Sep 2022	31 Dec 2021	Results Commentary
ASSETS			
Non-current assets			Non-current assets
Property, plant and equipment	180.0	199.2	<ul style="list-style-type: none"> Total investment in associates includes BESIX at an equity value of USD 366.4 million
Goodwill	27.7	13.8	
Trade and other receivables	36.2	46.8	Current assets:
Equity accounted investees	409.8	426.4	<ul style="list-style-type: none"> Trade and other receivables as of 30 Sept 2022 include USD 831.9 million in accounts receivables, USD 281.8 million in retentions and USD 223.6 million in supplier and subcontractor advance payments
Deferred tax assets	38.0	41.1	<ul style="list-style-type: none"> 73% of gross trade receivables as of 30 Sept 2022 are not yet due
Total non-current assets	691.7	727.3	<ul style="list-style-type: none"> Contracts work in progress should be assessed along with advance payments
Current assets			
Inventories	311.6	307.3	
Trade and other receivables	1,580.7	1,462.4	
Contracts work in progress	857.4	1,099.5	
Current income tax receivables	1.3	0.2	
Cash and cash equivalents	470.5	505.7	
Total current assets	3,221.5	3,375.1	
TOTAL ASSETS	3,913.2	4,102.4	

Balance Sheet

USD million	30 Sep 2022	31 Dec 2021	Results Commentary
EQUITY			Equity:
Share capital	116.8	116.8	<ul style="list-style-type: none"> The movement in reserves relates primarily to currency translation differences
Share premium	480.2	480.2	
Reserves	(354.9)	(305.4)	Liabilities:
Retained earnings	377.8	346.9	
Equity attributable to owners of the Company	619.9	638.5	<ul style="list-style-type: none"> Trade and other payables as of 30 Sept 2022 includes USD 639.9 million in trade payables, USD 482.0 million in accrued expenses and USD 166.5 million in retentions payable to subcontractors
Non-controlling interests	41.3	50.1	
TOTAL EQUITY	661.2	688.6	
LIABILITIES			
Non-current liabilities			
Loans and borrowings	-	1.2	
Trade and other payables	45.7	49.9	
Deferred tax liabilities	3.0	3.4	
Total non-current liabilities	48.7	54.5	
Current liabilities			
Loans and borrowings	357.4	62.9	
Trade and other payables	1,496.6	1,531.1	
Advanced payments from construction contracts	979.8	1,361.4	
Billing in excess of construction contracts	306.3	299.6	
Provisions	34.1	59.1	
Income tax payables	29.1	45.2	
Total current liabilities	3,203.3	3,359.3	
Total liabilities	3,252.0	3,413.8	
TOTAL EQUITY AND LIABILITIES	3,913.2	4,102.4	

Cash Flow Statement

USD million	30 Sep 2022	30 Sep 2021	Results Commentary
Net profit for the period	70.2	84.2	Cash flow used in operating activities: <ul style="list-style-type: none"> Positive operating cash flow of USD 61.1 million in Q3 2022 Q3 and Q2 2022 operating cash flow did not compensate for outflow in Q1 2022, resulting in operating cash outflow of USD 110.7 million in 9M 2022 The Group is working to build on this to end FY 2022 positively, which would follow the previous year's trend
Adjustments for:			
Depreciation	34.9	35.4	
Interest income	(7.9)	(5.5)	
Interest expense	28.5	14.9	
Foreign exchange gain (loss) and others	0.2	(0.3)	
Share in income of equity accounted investees	(5.6)	(13.6)	
Gain on sale of PPE	(0.9)	(2.9)	
Income tax expense	29.8	31.1	
Changes in:			
Inventories	7.6	(13.5)	
Trade and other receivables	(91.6)	77.8	
Contract work in progress	242.1	(162.2)	
Trade and other payables	46.6	(51.0)	
Advanced payments construction contracts	(381.6)	(9.6)	
Billing in excess on construction contracts	6.7	(52.0)	
Provisions	(29.6)	1.3	
Cash flows:			
Interest paid	(28.5)	(15.0)	
Interest received	7.9	5.4	
Dividends from equity accounted investees	7.3	-	
Income taxes paid	(46.8)	(38.5)	
Cash flow used in operating activities	(110.7)	(114.0)	

Cash Flow Statement

USD million	30 Sep 2022	30 Sep 2021	Results Commentary
Investments in PPE	(53.6)	(41.3)	Cash flow used in investing activities: <ul style="list-style-type: none"> ▪ Cash flow used in investing activities of USD 9.6 million in Q3 2022 and USD 74.9 million in 9M 2022 ▪ Includes USD 28.5 million in Q1 2022 for the acquisition of a leading equipment importation, distribution and maintenance company in Egypt (now rebranded to Orascom Services)
Acquisition of subsidiaries, net of cash acquired	(28.5)	-	
Proceeds from sale of PPE	7.2	4.8	Cash flow from financing activities: <ul style="list-style-type: none"> ▪ Cash flow from financing activities of USD 219.6 million in 9M 2022 compared to USD 25.2 million in 9M 2021
Cash flow used in investing activities	(74.9)	(36.5)	
Proceeds from borrowings	351.0	110.2	
Repayment of borrowings	(62.1)	(21.8)	
Dividends paid to shareholders	(54.0)	(51.2)	
Dividends paid to non-controlling interest	(9.0)	(5.5)	
Other	(6.3)	(6.5)	
Cash flows from financing activities	219.6	25.2	
Net change in cash and cash equivalents	34.0	(125.3)	
Cash and cash equivalents at 1 January	505.7	473.8	
Currency translation adjustments	(69.2)	(0.2)	
Cash and cash equivalents at 30 September	470.5	348.3	

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Backlog and new contract 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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