

# RESULTS ANNOUNCEMENT

## FY 2023

# ORASCOM CONSTRUCTION REPORTS BACKLOG OF USD 8.1 BILLION AND REVENUE OF USD 3.4 BILLION IN FY 2023

## HIGHLIGHTS

- Revenue of USD 3,367.5 million, consolidated EBITDA of USD 232.6 million and net income attributable to shareholders of USD 158.6 million in FY 2023
- Net cash position of USD 446.8 million as of 31 December 2023 and operating cash flow of USD 211.6 million in FY 2023
- Consolidated backlog of USD 8.1 billion and pro forma backlog including 50% share in BESIX of USD 10.9 billion as of 31 December 2023
- Consolidated new awards of USD 5.8 billion and pro forma new awards including 50% share in BESIX of USD 7.4 billion in FY 2023
- BESIX reports a standalone backlog of EUR 5.1 billion and new awards of EUR 3.1 billion in FY 2023
- Returned USD 71.5 million to shareholders in FY 2023 through dividends and a share buyback

## STATEMENT FROM THE CEO

We continue to deliver consistent results as we execute our long-term operational, financial and capital allocation strategies. We also believe that we have established the right fundamentals that have allowed us to navigate the current environment and position us well for the challenges of 2024.

Throughout the year, we continued to sign quality, internationally funded new projects in Egypt, further diversified our regional presence in the UAE, and strengthened our U.S. business across growth sectors such as data centers and airports.

Total new awards in Q4 2023 amounted to USD 1.9 billion, bringing total new awards in FY 2023 to USD 5.8 billion and backlog as of 31 December 2023 to a record USD 8.1 billion.<sup>1</sup> Egypt accounted for 66% of new awards in Q4 2023, including a contract to expand our role on Greater Cairo Metro by building a new phase of line 4 that will utilize funding from JICA. The U.S. accounted for the balance of new awards, led by a sizable contract to build a new terminal at Des Moines International Airport, which follows our recent success to build a 16 million passenger terminal at Kansas City International Airport.

We are also pleased with the tangible progress achieved across our growing concessions portfolio. EPC activities are underway at the large-scale seawater treatment and transportation project in Abu Dhabi, UAE, while construction remains ahead of schedule at the 500 MW wind farm in Ras Ghareb, Egypt. These two projects complement our existing concessions across wind energy and wastewater treatment as we continue to evaluate new investment opportunities.

In addition, we were able to extract value during the year by divesting two matured building material assets for reallocation to growth and value-accretive areas. That said, we are also focused on maintaining growth of our remaining portfolio of subsidiaries across building materials, operation and maintenance (O&M), and equipment services, which collectively accounted for 15% of total net income in FY 2023.

BESIX maintained profitability this year, driven by its businesses across concessions, real estate and construction, while backlog remains at a healthy level of EUR 5.1 billion.

Lastly, we distributed a dividend of USD 0.2750 in October 2023. This brings total capital returned to shareholders in FY 2023 through dividends and share buybacks to USD 71.5 million, reiterating our commitment to shareholder returns.

**OSAMA BISHAI**

<sup>1</sup> Based on the official the EGP-to-foreign currency rates as of 31 December 2023. Assuming a USD-EGP rate of 50, backlog would stand at a record USD 7.4 billion.

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### CONSOLIDATED BACKLOG

USD million	FY 2023	FY 2022	Change	Q4 2023	Q4 2022	Change
<b>Equity consolidation</b>						
Backlog	8,061.9	5,533.2	45.7%			
New awards	5,756.1	3,625.9	58.8%	1,900.3	568.5	234.3%
<b>Pro forma inc. 50% of BESIX</b>						
Backlog	10,871.8	8,346.3	30.3%			
New awards	7,442.8	5,593.3	33.1%	2,276.0	1,065.9	113.5%

Consolidated backlog excluding BESIX increased 45.7% y-o-y and 15.8% q-o-q to USD 8.1 billion as of 31 December 2023.

These backlog figures are based on the official EGP-to-foreign currency rates as of 31 December. Assuming a USD-EGP rate of 50, consolidated backlog as of 31 December 2023 would decrease by 8.2% or USD 663.7 million to USD 7,398.2 million.

Consolidated new awards increased 234.3% y-o-y to USD 1.9 billion in Q4 2023 and 58.8% y-o-y to USD 5.8 billion in FY 2023.

Including the Group's 50% share in BESIX, pro forma backlog increased 30.3% y-o-y to USD 10.9 billion as of 31 December 2023. Pro forma new awards increased 113.5% y-o-y to USD 2.3 billion in Q4 2023 and 33.1% y-o-y to USD 7.4 billion in FY 2023.

#### MEA

The Group signed USD 3,788.0 million of new awards in Egypt and the UAE during FY 2023, of which USD 1,256.8 million were added in Q4 2023.

Orascom Construction signed contracts to build a new phase of Greater Cairo Metro Line 4 (Package CP402) and to execute the MEP works for all 23 stations of the Green Line of the high-speed rail. These two new contracts build on the Group's existing main roles on both projects. New awards during the quarter also included work on a new fertilizer plant and a private sector development on Egypt's north coast.

This strong quarter of new awards reiterates the Group's leading position across all major sectors and adds to the Group's projects signed in 9M 2023 across transportation, water, renewable energy, industrial and premium private sector real estate sectors in Egypt and UAE.

#### USA

The U.S. subsidiaries signed USD 1,968.2 million of new awards in FY 2023, of which USD 643.5 million were added in Q4 2023.

New awards increased 52.3% in FY 2023, resulting in backlog growth in the U.S. of 27.9% y-o-y to a record level of USD 1.8 billion as of 31 December 2023, as the Group continued to expand in growth sectors such as data centers, airports and commercial.

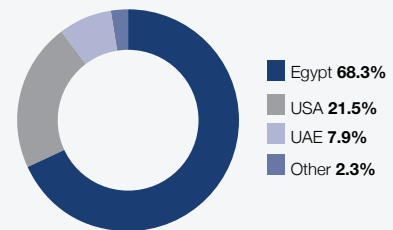
The Group, through its subsidiary Weitz, built on its recent success in the airport sector and added another large contract to build the first phase of the new terminal at Des Moines International Airport. It is worth noting that the Group was part of a joint venture that delivered in Q1 2023 the new USD 1.5 billion terminal at Kansas City International Airport.

#### BESIX Group

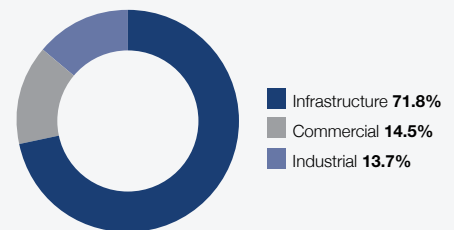
BESIX's standalone backlog stood at EUR 5.1 billion as of 31 December 2023, reflecting a decrease of 3.1% y-o-y but still near record levels. New awards amounted EUR 680.7 million in Q4 2023, bringing total new awards in FY 2023 to EUR 3.1 billion compared to EUR 3.8 billion in FY 2022.

#### Backlog by Segment – Equity Consolidation

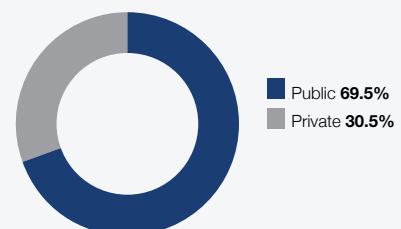
##### Backlog by geography



##### Backlog by sector



##### Backlog by client



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### SUMMARY FINANCIAL RESULTS

#### Summary Income Statement

USD million	FY 2023	FY 2022	Change	Q4 2023	Q4 2022	Change
<b>Revenue</b>	<b>3,367.5</b>	<b>4,177.3</b>	<b>(19.4)%</b>	<b>1,002.3</b>	<b>1,124.6</b>	<b>(10.9)%</b>
MEA	1,809.7	2,812.9	(35.7)%	465.1	698.4	(33.4)%
USA	1,557.8	1,364.4	14.2%	537.2	426.2	26.0%
<b>EBITDA</b>	<b>232.6</b>	<b>200.3</b>	<b>16.1%</b>	<b>48.7</b>	<b>50.1</b>	<b>(2.8)%</b>
MEA	193.2	175.5	10.1%	31.1	41.1	(24.3)%
USA	39.4	24.8	59.0%	17.6	9.0	95.6%
<b>EBITDA margin</b>	<b>6.9%</b>	<b>4.8%</b>		<b>4.9%</b>	<b>4.5%</b>	
MEA margin	10.7%	6.2%		6.7%	5.9%	
USA margin	2.5%	1.8%		3.3%	2.1%	
<b>Net income attributable to shareholders</b>	<b>158.6</b>	<b>113.5</b>	<b>39.7%</b>	<b>43.8</b>	<b>55.8</b>	<b>(21.5)%</b>
MEA	112.7	60.5	86.3%	20.5	8.7	135.6%
USA	34.7	33.1	4.9%	19.5	20.5	(4.9)%
BESIX	11.2	19.9	(43.5)%	3.8	26.6	(85.7)%
<b>Net income margin</b>	<b>4.7%</b>	<b>2.7%</b>		<b>4.4%</b>	<b>5.0%</b>	
MEA margin	6.2%	2.2%		4.4%	1.2%	
USA margin	2.2%	2.4%		3.6%	4.8%	

#### Net Debt (cash)

USD million	31 Dec 23	31 Dec 22	Change
Cash and cash equivalents	696.6	537.7	29.6%
Total debt	249.8	212.0	17.9%
Total equity	711.4	691.3	2.9%
Net debt (cash)	(446.8)	(325.7)	37.2%

Consolidated revenue decreased 10.9% y-o-y to USD 1,002.3 million in Q4 2023 and 19.4% y-o-y to USD 3,367.5 million in FY 2023. The MEA operations comprised 46% and 54% of total revenue in Q4 2023 and FY 2023, respectively, while the USA operations accounted for the balance. Revenue in Egypt was impacted by the devaluation of the Egyptian pound while the increase in revenue in the U.S. reflects project execution and new awards growth.

Consolidated EBITDA decreased 2.8% y-o-y to USD 48.7 million in Q4 2023 and increased 16.1% y-o-y to USD 232.6 million in FY 2023. Consolidated EBITDA margins stood at 4.9% in Q4 2023 and 6.9% in FY 2023.

Including the Group's 50% share in BESIX, pro forma EBITDA increased 11.3% y-o-y to USD 282.9 million in FY 2023. BESIX reported net income contribution of USD 3.8 million in Q4 2023, bringing total net income from BESIX to USD 11.2 million in FY 2023 compared to USD 19.9 million in FY 2022.

Net income attributable to shareholders decreased 21.5% y-o-y to USD 43.8 million in Q4 2023 due to lower income from BESIX, and increased 39.7% y-o-y to USD 158.6 million in FY 2023. Excluding net income from BESIX,

net income increased 37.0% y-o-y to USD 40.0 million and 57.4% y-o-y to USD 147.4 million in Q4 and FY 2023, respectively. Net income in FY 2023 also included the divestment of two building material subsidiaries for a gross total of EGP 2.2 billion and one-off items in Q2 2023. Excluding these items, EBITDA and net income stood at USD 139.7 million and USD 116.8 million, respectively, in FY 2023.

The Group's net cash position stood at USD 446.8 million as of 31 December 2023. This compares to net cash positions of USD 187.2 million as of 30 September 2023 and USD 325.7 million as of 31 December 2022. Total equity increased 2.9% y-o-y to USD 711.4 million as of 31 December 2023. Operating cash flow increased 9.1% y-o-y to USD 211.6 million in FY 2023.

#### Concessions

The Group continues to make tangible progress on its concessions projects currently under construction.

EPC activities are underway at the large-scale seawater treatment and water transportation project in Abu Dhabi, UAE. This project is developed under a 30-year BOOT scheme.

In addition, construction on the new 500 MW BOO wind farm is ahead of schedule while pre-commissioning activities at the Dammam West Independent Sewage Treatment Plant BOOT project have been completed.

These projects complement the Group's current operational concessions: the 262.5 MW BOO wind farm and the 250,000 m3/day BOOT wastewater treatment plant in Egypt.

#### Building Materials, O&M and Equipment Services

Net income in FY 2023 from the Group's investments and subsidiaries in building materials, operation and maintenance (O&M) and equipment services stood at USD 24.1 million, accounting for 20.5% of total net income. This figure and percentage exclude net income contribution from and capital gain related to the two building materials entities divested in May and June 2023. Gross proceeds from these two transactions amounted to EGP 2.2 billion.

The Group's current activities in this segment include steel fabrication, aluminum and glass façade, facility management, O&M, and equipment services.

#### Health and Safety

The Group extended its safety record in FY 2023. The lost time injury (LTI) rate in the Middle East and Africa stood at 0.01 with manhours of 172 million, and in USA stood at 0.00 with manhours of 2.5 million.

Notable health and safety achievements include 27 million manhours at the largest water treatment plant in the world in Egypt with a capacity of 7.5 m3/day and over 11 million manhours without LTI at data center projects since inception in USA.

#### Dividends and Share Buyback

A dividend of USD 0.2750 per share (USD 30.3 million in total) was distributed to shareholders on 31 October 2023. This follows a dividend of USD 0.1850 per share (USD 21.6 million) distributed in February 2023 and a share buyback of 5.6% (USD 19.6 million) executed in June 2023.

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### 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. Orascom Construction also develops and invests in concessions, owns 50% of BESIX Group, and holds a building materials, facility management and equipment services portfolio. The Group has consistently ranked among the world's top contractors and is dual listed in the UAE and Egypt. 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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