



Grand Egyptian Museum, Egypt

H1 2023 Results Presentation
30 August 2023



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Highlights

- Revenue of USD 1,562.5 million, consolidated EBITDA of USD 150.7 million and net profit attributable to shareholders of USD 98.7 million in H1 2023
- Net cash position of USD 163.1 million as of 30 June 2023

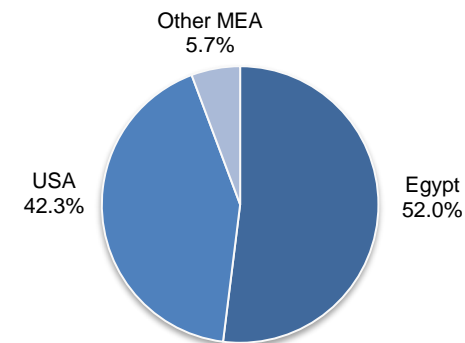
- Consolidated backlog of USD 5.5 billion and pro forma backlog including 50% share in BESIX of USD 8.5 billion in H1 2023
- Consolidated new awards of USD 1.6 billion and pro forma new awards including 50% share in BESIX of USD 2.6 billion in H1 2023
- BESIX reports a standalone backlog of EUR 5.5 billion and new awards of EUR 1.8 billion in H1 2023

- Divested two building materials subsidiaries for a total gross value of EGP 2.2 billion in May and June
- Successfully completed a share buyback of 5.6% in June
- Received a dividend of EUR 10 million from BESIX in June

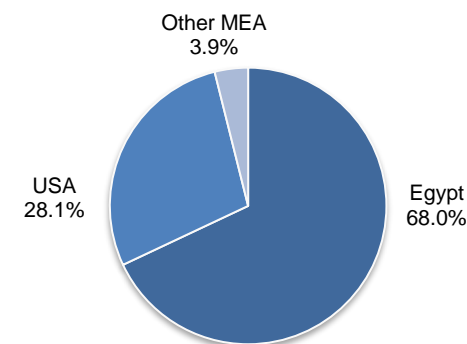
Summary Income Statement

USD million						
	H1 2023	H1 2022	Change	Q2 2023	Q2 2022	Change
Revenue	1,563.5	1,914.6	(18.3)%	758.6	934.9	(18.9)%
MEA	901.7	1,376.6	(34.5)%	453.7	635.4	(28.6)%
USA	661.8	538.0	23.0%	304.9	299.5	1.8%
EBITDA	150.7	92.9	62.2%	115.3	42.6	170.7%
MEA	137.9	87.3	57.9%	109.1	38.9	180.5%
USA	12.8	5.6	128.8%	6.2	3.7	67.6%
EBITDA margin	9.6%	4.9%		15.2%	4.6%	
MEA margin	15.3%	6.3%		24.0%	6.1%	
USA margin	1.9%	1.0%		2.0%	1.2%	
Net income attrib. to shareholders	98.7	33.9	191.2%	62.6	20.8	201.0%
MEA	82.9	36.3	128.3%	50.5	14.0	260.7%
USA	9.4	4.1	130.5%	5.6	2.3	143.5%
BESIX	6.4	(6.5)	(198.3)%	6.5	4.5	44.4%
Net income margin	6.3%	1.8%		8.3%	2.2%	
MEA margin	9.2%	2.6%		11.1%	2.2%	
USA margin	1.4%	0.8%		1.8%	0.8%	

Revenue by Geography – H1 2023



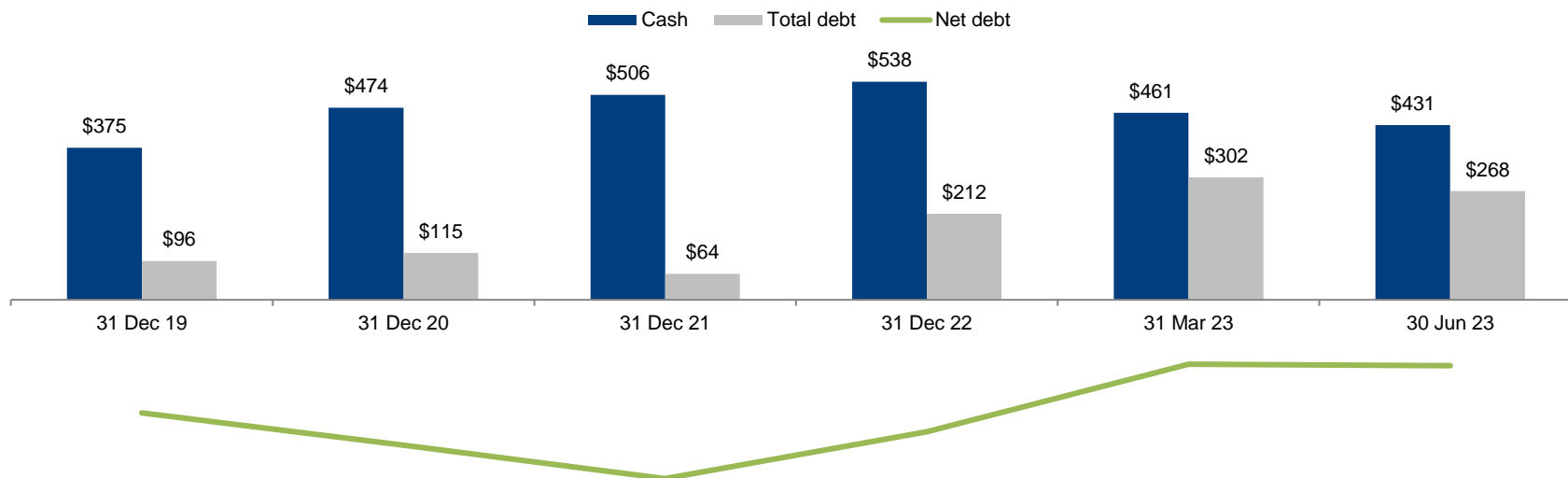
Revenue by Geography – H1 2022



Net Cash Position

Net cash position of USD 163.1 million as of 30 June 2023

Evolution of Debt and Cash (USD Million)

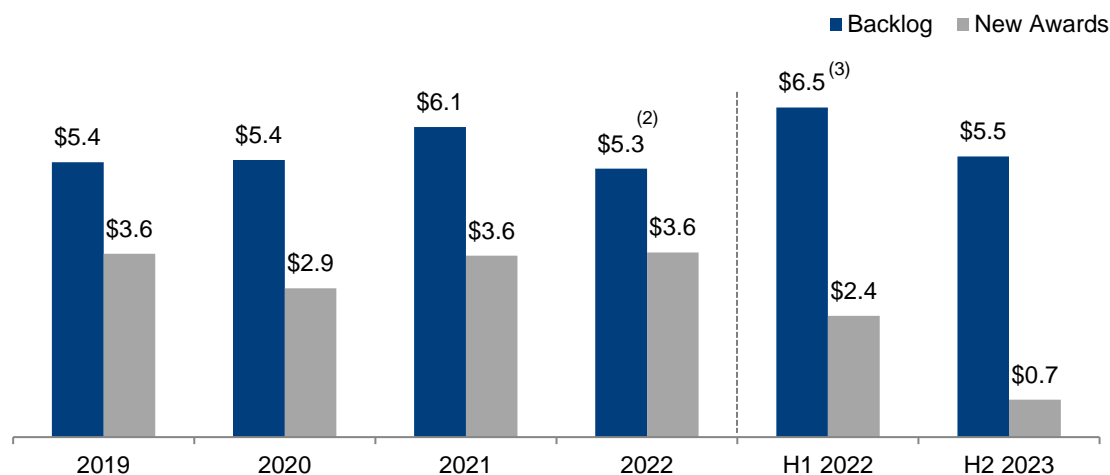


Debt and Equity Summary Based on IFRS Statements

USD million	31 Dec 2019	31 Dec 2020	31 Dec 2021	31 Dec 2022	31 Mar 2023	30 Jun 2023
Cash	374.8	473.8	505.7	537.7	461.2	430.9
Total debt	95.7	115.2	64.1	212.0	302.1	267.8
Net debt	(279.1)	(358.6)	(441.6)	(325.7)	(159.1)	(163.1)
Total equity	585.7	641.9	688.6	691.3	655.1	681.8
EBITDA	268.2	197.8	204.4	200.3	35.5 ⁽¹⁾	150.7 ⁽²⁾

Consolidated Backlog

Evolution of Consolidated Backlog (USD Billion) ⁽¹⁾



Backlog and New Awards

USD million	H1 2023	H1 2022	Change	Q2 2023	Q2 2022	Change
Equity consolidation						
Backlog	5,512.2	6,474.7	(14.9)%			
New Awards	1,594.1	2,380.2	(33.0)%	735.7	1,762.7	(58.3)%
Pro forma inc. 50% of BESIX						
Backlog	8,534.3	9,025.1	(5.4)%			
New Awards	2,552.2	3,202.7	(20.3)%	1,133.3	2,156.1	(47.4)%

Consolidated

- Consolidated backlog (excluding BESIX) maintained at USD 5.5 billion in H1 2023
- Consolidated new awards decreased 58.3% y-o-y to USD 735.7 million in Q2 2023 and 33.0% y-o-y to USD 1.6 billion in H1 2023
- Y-o-y decline in new awards is due to the above-average level achieved in Q2 2022, during which the large high-speed rail contract was signed.

MEA

- New awards of USD 751.0 million in H1 2023, of which USD 293.3 million were in Q2 2023
- Included transportation, industrial, infrastructure and renewable energy sectors

USA

- New awards of USD 843.1 million in H1 2023, of which USD 442.4 million were in Q2 2023
- Included projects in the data center, commercial and light industrial sectors

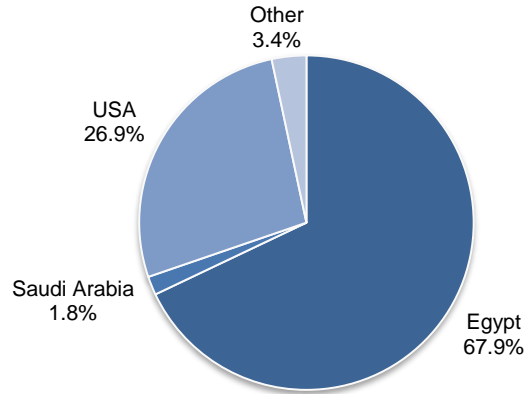
(1) Backlog/new awards chart excludes BESIX and JV's accounted for under the equity method

(2) Represents the backlog as of 31 December 2022 but assumes the EGP-to-foreign currency rates as of 31 January 2023, therefore reflecting the further devaluation of the EGP that took place during January 2023

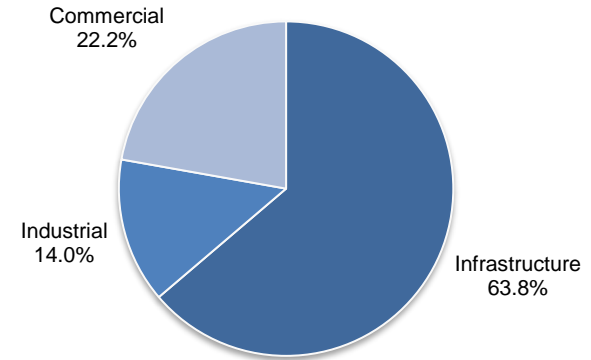
(3) Backlog level in H1 2022 is prior to the EGP devaluation

Consolidated Backlog Breakdown – 30 June 2023

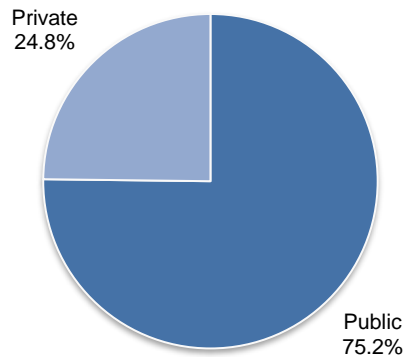
Backlog by Geography



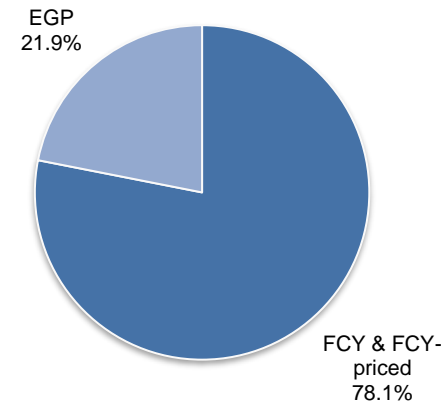
Backlog by Sector



Backlog by Client



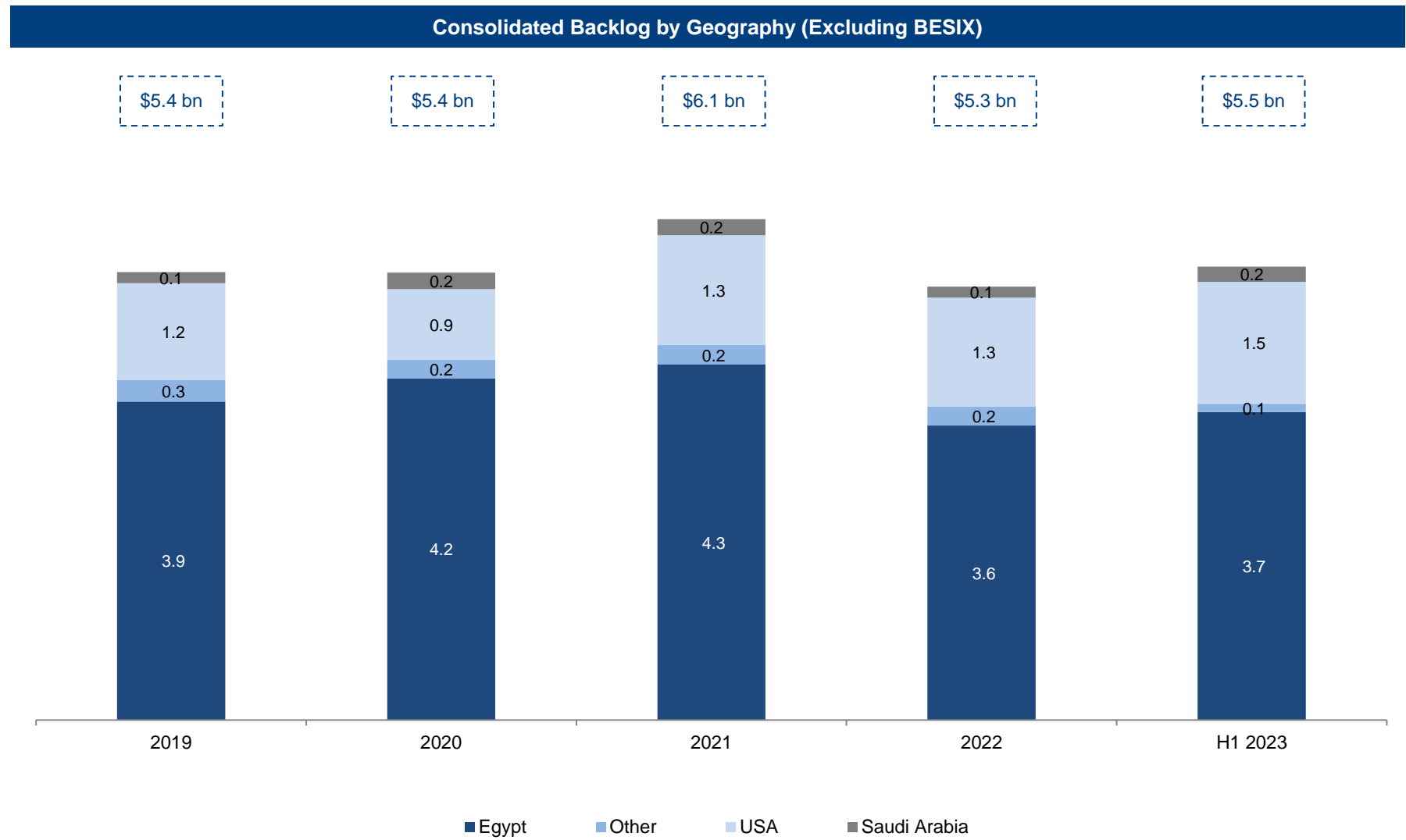
Backlog by Currency⁽¹⁾



(1) 67.7% of backlog in Egypt is in FCY

Note: Backlog breakdown of \$5.5 billion as of 30 June 2023; backlog excludes BESIX and JV's accounted for under the equity method

Evolution of Backlog by Geography

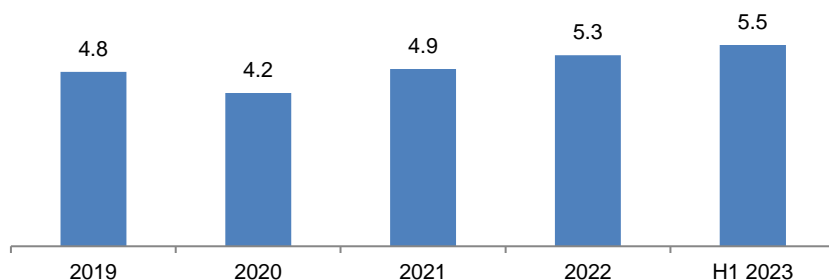


Pro Forma Snapshot Including 50% of BESIX – H1 2023



- BESIX's standalone backlog increased 13.0% y-o-y to a record EUR 5.5 billion as of 30 June 2023 and new awards increased 15.0% y-o-y to EUR 1.8 billion in H1 2023
- Standalone net debt position of EUR 287.8 million as of 30 June 2023 (driven by the real estate development business)
- BESIX book value of USD 414.8 million in Orascom Construction's noncurrent assets on the balance sheet
- OC received a dividend from BESIX of EUR 10 million in June 2023

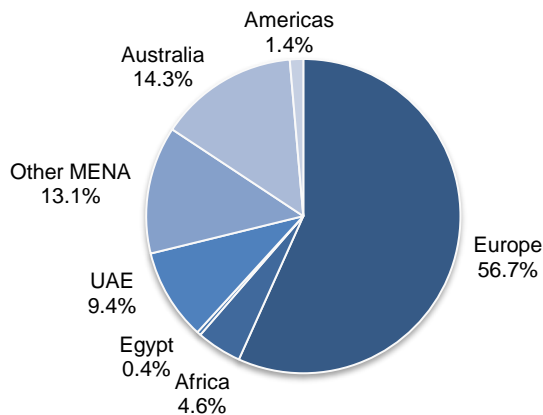
BESIX Standalone Backlog Evolution (EUR billion)



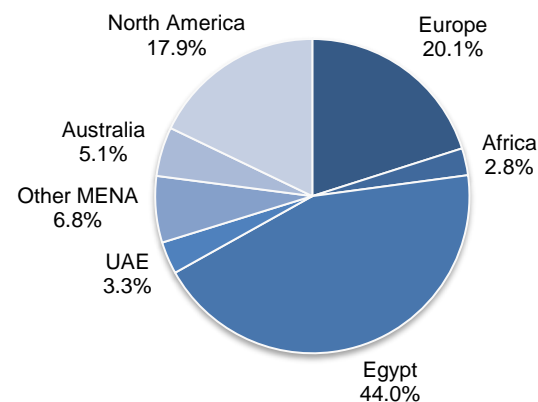
USD million

	OC	50% of BESIX	Pro Forma
Revenue	1,563.5	873.7	2,437.1
EBITDA	150.7	25.4	176.1
Net Income	92.3	6.4	98.7
Net Debt (Cash)	(163.1)	157.0	(6.1)
Backlog	5,512.2	3,022.1	8,534.3
New Awards	1,594.1	958.1	2,552.2

BESIX Standalone Backlog by Geography






Pro Forma Backlog – 50% of BESIX



Portfolio of Equipment Services, Building Materials, Facility Mgmt. and Concessions

These subsidiaries and investments contributed USD 11.5 million to the Group's total net income in H1 2023⁽¹⁾

Company ⁽²⁾	Ownership	H1 2023 Revenue	Description
	100%	USD 22.0 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 22.0 million	<ul style="list-style-type: none"> Manufactures and supplies fabricated steel products, serving infrastructure and industrial clients in Africa, Asia, Europe, USA and Latin America Operates one major facility in Egypt with a capacity of 50k tons/year
	100%	USD 10.8 million	<ul style="list-style-type: none"> Manufactures and installs glass, aluminum and architectural metal works Facility located in Ain Sokhna and equipped with top-of-the line production and fabrication facilities that produce all types of façade work
	40%	USD 37.2 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 22.8 million	<ul style="list-style-type: none"> Production capacity of 130k kilolitres of decorative paints and industrial coatings mainly for the construction industry Operates two plants in Egypt and supplies products to clients in Egypt and North Africa
	100%	USD 11.4 million	<ul style="list-style-type: none"> Leading facility and property management services provider in Egypt Fully integrates all aspects of facility management and maintenance, including soft services, hard services, asset management and corporate services
	60.5%	USD 7.7 million	<ul style="list-style-type: none"> Egypt's first privately-owned industrial park developer Develops, operates and maintains an industrial landbank of around 12.2 million square meters in Ain Sokhna and Abu Rawash/Giza, Egypt
	50%	USD 5.3 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 8.7 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

Note: Revenue figures represent 100% of each unit's revenue and before intercompany eliminations.

(1) Net income figure and table excludes contribution from two subsidiaries divested in May and June 2023

(2) Table includes only operational assets, and excludes concessions under construction and development phase

Financial Statements

Income Statement

USD million	H1 2023	H1 2022	Q2 2023	Q2 2022	Results Commentary
Revenue	1,563.5	1,914.6	758.6	934.9	Revenue:
Cost of sales	(1,437.2)	(1,747.7)	(701.7)	(859.5)	
Gross profit	126.3	166.9	56.9	75.4	<ul style="list-style-type: none"> Revenue decreased 18.9% y-o-y to USD 758.6 million in Q2 2023 and 18.3% y-o-y to USD 1,563.5 million in H1 2023 MEA comprised 60% of total revenue in Q2 2023 and 58% in H1 2023 while USA accounted for the balance
<i>Margin</i>	8.1%	8.7%	7.5%	8.1%	EBITDA
Other income	113.6	1.7	114.1	-	
SG&A expenses	(104.2)	(99.4)	(62.3)	(43.6)	<ul style="list-style-type: none"> EBITDA increased 170.7% y-o-y to USD 115.3 million in Q2 2023 and 62.2% y-o-y to USD 150.7 million in H1 2023 Other income in Q2 and H1 2023 includes USD 108.6 million related to the divestment of two building materials subsidiaries SG&A expenses in Q2 and H1 2023 include USD 15.7 million related to one-off items Excluding these one-off items, EBITDA stood at USD 22.4 million in Q2 2023 and USD 57.8 million in H1 2023
Operating profit	135.7	69.2	108.7	31.8	Income from associates:
EBITDA	150.7	92.9	115.3	42.6	
<i>Margin</i>	9.6%	4.9%	15.2%	4.6%	<ul style="list-style-type: none"> Net income from BESIX increased to USD 6.5 million in Q2 2023 and to USD 6.4 million in H1 2023
Financing income & expenses					
Finance income	70.7	24.6	34.5	1.4	Net Income:
Finance cost	(45.5)	(35.7)	(29.9)	(9.0)	
Net finance cost	25.2	(11.1)	4.6	(7.6)	<ul style="list-style-type: none"> Net income increased 201.0% y-o-y to USD 62.6 million in Q2 2023 and 191.2% y-o-y to USD 98.7 million in H1 2023 The Group benefitted from the divestment of two building material subsidiaries, and from foreign exchange gains due to the Group's favorable currency net asset position Excluding the one-off items above, net income stood at USD 20.8 million in Q2 2023 and USD 56.9 million in H1 2023
Income from equity accounted investees	10.0	1.1	7.3	7.1	
Profit before income tax	170.9	59.2	120.6	31.3	
Income tax	(38.0)	(18.7)	(27.8)	(6.1)	
Net profit for the period	132.9	40.5	92.8	25.2	
Profit attributable to:					
Owners of the company	98.7	33.9	62.6	20.8	
Non-controlling interests	34.2	6.6	30.2	4.4	
Net profit	132.9	40.5	92.8	25.2	

Balance Sheet

USD million	30 Jun 2023	31 Dec 2022	Results Commentary
ASSETS			
Non-current assets			Non-current assets
Property, plant and equipment	120.9	146.5	<ul style="list-style-type: none"> Total investment in associates includes BESIX at an equity value of USD 457.6 million (BESIX represents USD 414.8 million)
Goodwill	27.7	27.7	
Trade and other receivables	19.7	24.6	Current assets:
Equity accounted investees	457.6	462.5	<ul style="list-style-type: none"> Trade and other receivables as of 30 June 2023 include USD 594.4 million in accounts receivables, USD 261.6 million in retentions and USD 271.4 million in supplier and subcontractor advance payments
Deferred tax assets	44.9	47.4	<ul style="list-style-type: none"> 74% of gross trade receivables as of 30 June 2023 are not yet due
Total non-current assets	670.8	708.7	<ul style="list-style-type: none"> Contracts work in progress should be assessed along with advance payments
Current assets			
Inventories	235.2	247.6	
Trade and other receivables	1,369.0	1,294.0	
Contracts work in progress	697.2	742.5	
Current income tax receivables	0.8	0.9	
Cash and cash equivalents	430.9	537.7	
Total current assets	2,733.1	2,822.7	
TOTAL ASSETS	3,403.9	3,531.4	

Balance Sheet

USD million	30 Jun 2023	31 Dec 2022	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 ▪ Treasury shares relate to a share buyback that took place on June 5. The Group purchased 5.6% of its own shares on Nasdaq Dubai. These shares are held as treasury shares and will be cancelled in September 2023
Share premium	480.2	480.2	
Treasury Shares	(19.5)	-	
Reserves	(425.1)	(377.5)	
Retained earnings	509.9	432.2	
Equity attributable to owners of the Company	662.3	651.7	
Non-controlling interests	19.5	39.6	Liabilities:
TOTAL EQUITY	681.8	691.3	<ul style="list-style-type: none"> ▪ Trade and other payables as of 30 June 2023 includes USD 515.6 million in trade payables, USD 429.7 million in accrued expenses and USD 170.4 million in retentions payable to subcontractors
LIABILITIES			
Non-current liabilities			
Trade and other payables	42.3	41.9	
Deferred tax liabilities	5.2	5.0	
Total non-current liabilities	47.5	46.9	
Current liabilities			
Loans and borrowings	267.8	212.0	
Trade and other payables	1,297.5	1,438.4	
Advanced payments from construction contracts	768.0	777.0	
Billing in excess of construction contracts	269.9	298.4	
Provisions	39.8	31.5	
Income tax payables	31.6	35.9	
Total current liabilities	2,674.6	2,793.2	
Total liabilities	2,722.1	2,840.1	
TOTAL EQUITY AND LIABILITIES	3,403.9	3,531.4	

Cash Flow Statement

USD million	30 Jun 2023	30 Jun 2022	Results Commentary
Net profit	132.9	40.5	Cash flow used in operating activities:
Adjustments for:			<ul style="list-style-type: none"> Operating cash outflow of USD 119.3 million in H1 2023 compared to 171.8 million in H1 2022
Depreciation	15.0	23.7	
Interest income	(6.0)	(5.6)	
Interest expense	23.2	16.3	
Foreign exchange gain and others	(42.4)	0.4	
Share in income of equity accounted investees	(10.0)	(1.1)	
Gain from disposal of subsidiaries	(109.4)	-	
Gain on sale of PPE	(0.1)	(0.5)	
Income tax expense	38.0	18.7	
Changes in:			
Inventories	(41.9)	17.5	
Trade and other receivables	(254.1)	71.5	
Contract work in progress	(68.5)	195.4	
Trade and other payables	114.1	(177.6)	
Advanced payments construction contracts	92.4	(279.0)	
Billing in excess on construction contracts	2.0	(19.1)	
Provisions	8.3	(28.0)	
Cash flows:			
Interest paid	(23.2)	(16.3)	
Interest received	6.0	5.6	
Dividend from equity accounted investees	10.9	5.3	
Income taxes paid	(6.5)	(39.5)	
Cash flow used in operating activities	(119.3)	(171.8)	

Cash Flow Statement

USD million	30 Jun 2023	30 Jun 2022	Results Commentary
Proceeds from sale of investment in subsidiaries	116.7	-	Cash flow used in investing activities: <ul style="list-style-type: none"> ▪ Cash flow from investing activities of USD 102.6 million in H1 2023 compared to negative USD 65.3 million in H1 2022 ▪ The Group divested two building material subsidiaries in May and June ▪ CAPEX in Q1 2022 includes USD 28.5 million for the acquisition of a equipment importation, distribution and maintenance company in Egypt (now rebranded to Orascom Services)
Investments in PPE	(14.3)	(38.2)	
Acquisition of subsidiaries, net of cash acquired	-	(28.5)	
Proceeds from sale of PPE	0.2	1.4	
Cash flow from / (used in) investing activities	102.6	(65.3)	
Proceeds from borrowings	94.5	316.1	Cash flow from financing activities: <ul style="list-style-type: none"> ▪ Cash flow used in financing activities of USD 20.9 million in H1 2023 compared to cash flow from financing activities of USD 253.7 million in H1 2022
Repayment of borrowings	(38.7)	(26.9)	
Purchase of Treasury Shares	(19.5)	-	
Dividends paid to shareholders	(21.6)	(27.0)	
Dividends paid to non-controlling interest	(36.0)	(7.1)	
Other	0.4	(1.4)	
Cash flow (used in) / from financing activities	(20.9)	253.7	
Net change in cash and cash equivalents	(37.6)	16.6	
Cash and cash equivalents at 1 January	537.7	505.7	
Currency translation adjustments	(69.2)	(60.3)	
Cash and cash equivalents at 30 June	430.9	462.0	

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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.



Contact Investor Relations:

Hesham El Halaby
Director
hesham.elhalaby@orascom.com
T: +971 4 318 0900

NASDAQ Dubai: OC
EGX: ORAS

www.orascom.com