

RESULTS ANNOUNCEMENT

H1 2023

ORASCOM CONSTRUCTION REPORTS BACKLOG OF USD 5.5 BILLION AND REVENUE OF USD 1.6 BILLION IN H1 2023

HIGHLIGHTS

- Revenue of USD 1,563.5 million, consolidated EBITDA of USD 150.7 million and net income 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 as of 30 June 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 non-strategic building materials subsidiaries for EGP 2.2 billion in May and June
- Successfully completed a share buyback of 5.6% in June

STATEMENT FROM THE CEO

We continue to create value for shareholders and focus on our long-term strategy.

We recently divested two of our non-strategic building materials subsidiaries in May and June. These transactions align with our approach to unlock value across our matured assets for allocation to growth and value accretive areas.

Furthermore, as part of our commitment to effective capital allocation and long-term shareholder returns, we completed a share buyback of 5.6% in June.

We also continue to make tangible progress on our investments in the wind energy sector. Construction at the new 500 MW build-own-operate wind farm in Egypt is well underway and ahead of schedule. This project is seeing us leverage our key experience as a first mover in renewable energy in Egypt, as we combine the highest levels of execution, health and safety, and collaboration with world class partners and international financial institutions to deliver sustainable energy to over 800,000 Egyptian homes.

This project also exemplifies our growing concessions portfolio under development, which now encompasses several key sectors including water, renewable energy, and hydrogen in three different countries, Egypt, UAE, and Saudi Arabia.

On our EPC business, we added USD 735.7 million of new awards during the quarter and maintained our backlog at a consistent level of USD 5.5 billion. The U.S. accounted for 60% of new awards in Q2 2023, while a sizable portion of the Group's backlog in Egypt is denominated in foreign currency and financed by international institutions.

BESIX reported improved profitability in Q2 and H1 2023, and increased backlog of 13.0% y-o-y to EUR 5.5 billion. We also received a dividend of EUR 10 million from BESIX for our 50% share during the quarter.

OSAMA BISHAI

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CONSOLIDATED BACKLOG

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 backlog excluding BESIX decreased 14.9% y-o-y and increased 1.0% q-o-q to USD 5.5 billion as of 30 June 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. The y-o-y decline in new awards in Q2 and H1 2023 is due to the above-average level of new awards achieved in Q2 2022, during which the large high-speed rail contract was signed.

Including the Group's 50% share in BESIX, pro forma backlog decreased 5.4% y-o-y to USD 8.5 billion as of 30 June 2023. Pro forma new awards decreased 47.4% y-o-y to USD 1.1 billion in Q2 2023 and 20.3% y-o-y to USD 2.6 billion in H1 2023.

MEA

The Group signed USD 751.0 million of new awards in Egypt during H1 2023, of which USD 293.3 million were added in Q2 2023.

New awards signed during the quarter spanned the transportation, industrial and infrastructure sectors, and complement projects added in Q1 across renewable energy and premium private sector real estate.

USA

The U.S. subsidiaries signed USD 843.1 million of new awards in H1 2023, of which USD 442.4 million were added in Q2 2023.

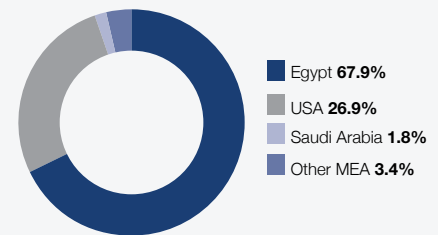
The new awards momentum established in Q1 2023 was maintained, as the Group signed additional work across its core data center, commercial and light industrial sectors.

BESIX Group

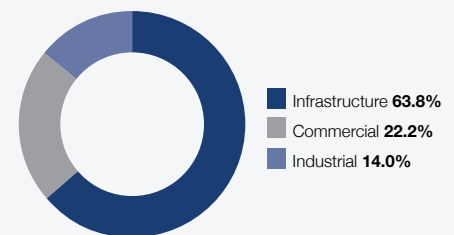
BESIX's standalone backlog stood at EUR 5.5 billion as of 30 June 2023, reflecting an increase of 13.0% y-o-y. New awards totaled EUR 728.9 million in Q2 2023, increasing total new awards in H1 2023 15% y-o-y to EUR 1.8 billion.

Backlog by Segment – Equity Consolidation

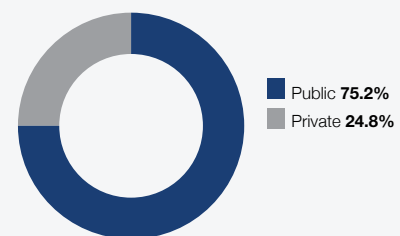
Backlog by geography



Backlog by sector



Backlog by client



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SUMMARY FINANCIAL RESULTS

Summary Income Statement

USD million	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 attributable 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)		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%	

Net Debt (cash)

USD million	30 Jun 23	31 Dec 22	Change
Cash and cash equivalents	430.9	537.7	(19.9)%
Total debt	267.8	212.0	26.3%
Total equity	681.8	691.3	(1.4)%
Net debt (cash)	(163.1)	(325.7)	

Consolidated 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. The MEA operations comprised 60% and 58% of total revenue in Q2 2023 and H1 2023, respectively, while the USA operations accounted for the balance.

Consolidated 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. Consolidated EBITDA margins stood at 15.2% in Q2 2023 and 9.6% in H1 2023. The Group's performance in the U.S. continued to improve, with EBITDA in the U.S. increasing 1.7x y-o-y in Q2 2023 and 2.3x y-o-y in H1 2023.

Excluding total one-off items (all of which are attributable to the MEA region), EBITDA stood at USD 22.4 million in Q2 2023 and USD 57.8 million in H1 2023.

Including the Group's 50% share in BESIX, pro forma EBITDA increased 69.6% y-o-y to USD 176.1 million in H1 2023. Net income contribution from BESIX increased 44.4% y-o-y to USD 6.5 million in Q2 2023, bringing total net income contribution from BESIX in H1 2023 to USD 6.4 million.

Net income attributable to shareholders 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. Net income in Q2 2023 benefitted from the divestment of two building material subsidiaries, and from foreign exchange gains due to the Group's favorable currency net asset position in Egypt.

Excluding total one-off items, net income stood at USD 20.8 million in Q2 2023 and USD 56.9 million in H1 2023.

The Group's net cash position stood at USD 163.1 million as of 30 June 2023. This compares to net cash positions of USD 104.3 million as of 30 June 2022, USD 159.1 million as of 31 March 2023 and USD 325.7 million as of 31 December 2022. Total equity decreased 1.4% y-o-y and increased 3.9% q-o-q to USD 679.6 million as of 30 June 2023.

Concessions

Construction on the new 500 MW BOO wind farm is ahead of schedule, where the pouring of the foundations of the wind turbine generators is already underway. In addition, the Dammam West Independent Sewage Treatment Plant BOOT project is expected to commence operations in Q4 2023.

The Group also signed in May a new contract to develop, own and operate a large-scale seawater treatment and water transportation project in Abu Dhabi, UAE for ADNOC.

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 H1 2023 from the Group's investments and subsidiaries in building materials, operation and maintenance (O&M) and equipment services stood at USD 11.3 million, accounting for 11% of total net income. This figure excludes net income contribution from and capital gain related to the two building materials entities divested in May and June 2023. The total gross value of the two transactions amounted to EGP 2.2 billion.

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

Health and Safety

The Group extended its safety record in H1 2023. The lost time injury (LTI) rate in the Middle East and Africa stood at 0.01 with manhours of 86 million, and in USA stood at 0.00 with manhours of 1.5 million.

Notable health and safety achievements include 10 million manhours at a new private commercial project in Egypt and 5.8 million manhours without LTI at data center projects since inception in USA.

Share Buyback

On June 5, the Company purchased 6,517,444 of its own shares, representing 5.58% of the Company's total issued shares, for USD 3.0 per share. This share buyback was executed on Nasdaq Dubai. The Company will cancel these shares in September and is holding these shares as treasury shares until such cancellation occurs.

Dubai, UAE / Cairo, Egypt / 30 August 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, operates 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.

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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.
