ORASCOM CONSTRUCTION

2023
ANNUAL REPORT

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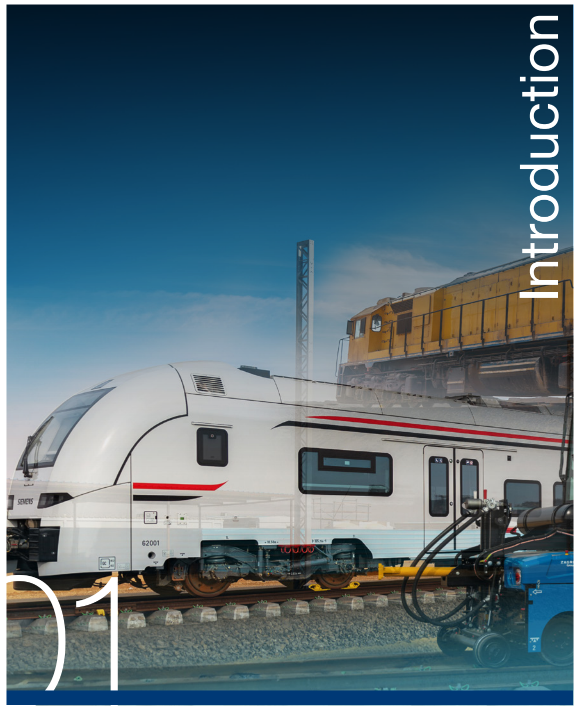
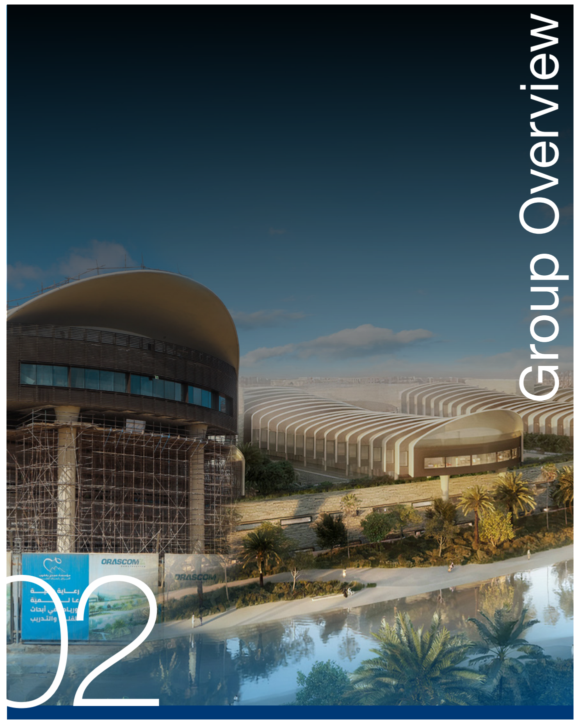
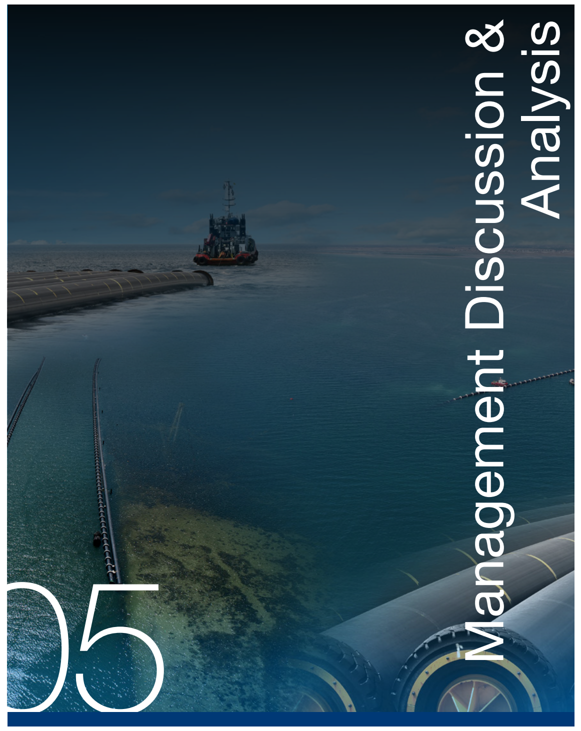
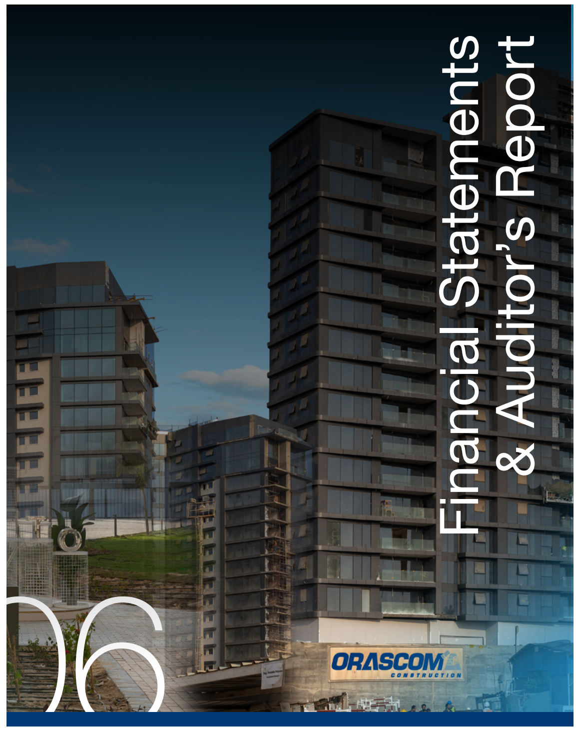








INTRODUCTION

Orascom Construction PLC is a leading global engineering and construction contractor with a footprint spanning the Middle East, Africa, and the United States. Its operations cover the infrastructure, industrial, and commercial sectors.

+70

years in construction

At a Glance

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 also develops and invests in concessions, owns 50% of BESIX Group, and holds a building materials, facility management and equipment services portfolio.

Since its inception in 1950, Orascom Construction PLC (Orascom or “the Group”) has transformed itself from a local contractor based in Upper Egypt into a leading global engineering and construction group with a reputation for excellence across its footprint. With core operations covering infrastructure, industrial and high-end commercial projects, the Group operates through Orascom Construction in the MEA region and a consolidated management arm of its two operational subsidiaries – Contrack Watts and The Weitz Company – in the United States.

The Group also develops and invests in infrastructure opportunities, and holds a portfolio of subsidiaries across construction materials, facility management, industrial parks, and equipment services.

Furthermore, Orascom Construction owns 50% of Belgium-based BESIX Group, one of the world’s leading international contractors with operations across construction, concessions, and property development.

The Group is dual-listed on Nasdaq Dubai and the EGX.

70+
Years of contracting

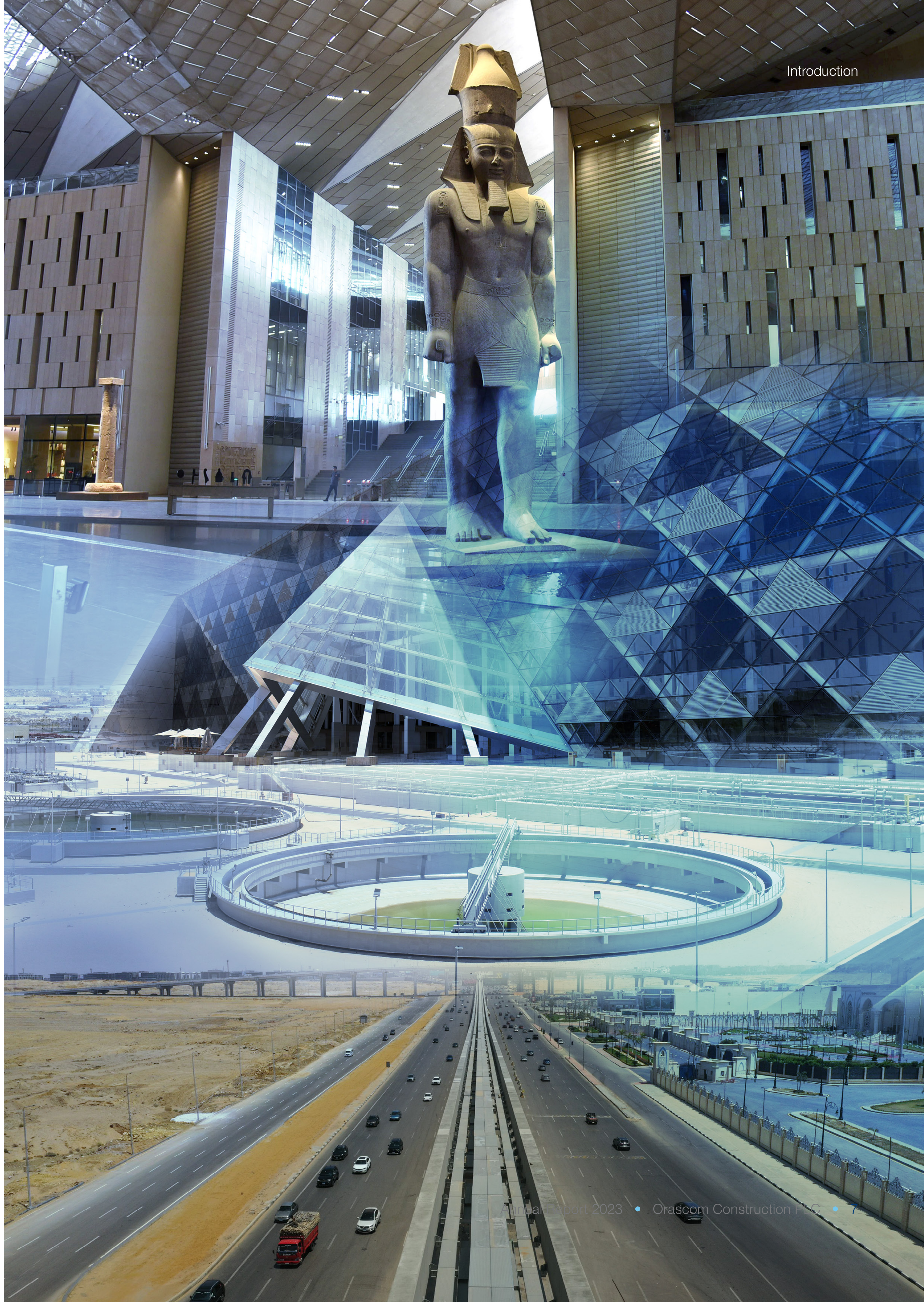
10+
Countries where Orascom has executed operations

51+ K
Employees

10.9 USD/BN
pro forma backlog as of FY23

7.4 USD/BN
pro forma new awards FY23

3.4 USD/BN
Revenues in FY23



Note from the CEO

Dear Shareholders and Partners,

As we come to the end of another challenging year, we should reflect on our achievements and the challenges. This year brought another geopolitical conflict in the MENA region, where the largest of Orascom Construction's activities are, in addition to economic challenges specifically in Egypt.

Nevertheless, I am pleased to report that we have achieved significant milestones and financial targets. This reflects the hard work and dedication of Orascom Construction's entire team across our regions. This is also a testament to the solid fundamentals that were established by implementing our long-term strategy, both operational and financial.

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 data centers and aviation. Our concessions portfolio continues to grow, and we extracted value across matured assets to reallocate capital to value-accretive areas. We also ended the year with a healthy backlog level, driven by another strong year of new awards. New awards increased 58.8% y-o-y to USD 5.8 billion, leading to backlog growth of 45.7% y-o-y to USD 8.1 billion. Egypt and the UAE accounted for 55% and 11% of new awards, respectively, with the USA accounting for the remaining 34%.

Most of our new and existing projects in Egypt are funded by internal institutions. We also successfully leveraged our expertise in the water sector to expand in the UAE and were awarded a large-scale 30-year seawater treatment and transportation project. Lastly, our U.S. business continues to steadily grow its specialized activities and we are pleased with our progress especially in aviation and data centers.

Our operations across both of our regions continued to focus on execution efficiency across transportation, water, renewables, aviation, and data centers, while our HSE KPIs continue to improve.

In Egypt, we delivered all packages of Greater Cairo Metro Line 3 Phase 4B stretching over 11km, achieved extensive progress on the world's longest monorail project in Egypt with a total length of 96 km, and commenced works on Phase 1 of High-Speed Rail from Sokhna to Marsa Matrouh. We also reached significant milestones across other large projects, completing the construction of the largest Water Treatment Plant in the world in Egypt, with a capacity of 7.5 million m3/day, and of social infrastructure projects such as the Grand Egyptian Museum. We are also pleased with progress on our existing projects in the Middle East and Africa outside of Egypt.

In the US, we are migrating to focus on a better quality of projects mix, mainly across aviation, data centers and industrial projects.

In addition, this year marks a major step towards our goal of geographic diversification in the MENA region, through our award of the 30-year seawater treatment and transportation project in Abu Dhabi with ADNOC.

In renewable energy, we have achieved financial close of our second 500 MW Wind Farm, with construction underway full speed in order to operate 250 MW by end of this year, and the second 250 MW by mid-2025.

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, such as capitalizing on the exporting capabilities of our steel fabrication business.

BESIX maintained profitability this year, reflecting the diversified nature of its business across concessions, real estate, and construction, while backlog remains at a healthy level of EUR 5.1 billion. Pro-forma backlog including BESIX increased 30.3% y-o-y to USD 10.1 billion. BESIX also maintained its annual dividend and we received EUR 10 million in June for our 50% share.

Financials

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 54% of total revenue in FY 2023, 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 and net income stood at USD 232.6 million and USD 158.6 million, reflecting solid performance across our business segments and divestments.

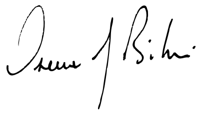
We also maintained a net cash position of USD 696.6 million and generated operating cash flow of USD 211.6 million in FY 2023, driven by our focus on collections, and cash and debt management.

Returning value to Shareholders

We returned a total of USD 71.5 million to shareholders in FY 2023 through two dividends and a share buyback of 5.6%. We are pleased to maintain this consistent track record, which reiterates our continued commitment to our shareholders.

Looking ahead

In 2023, we achieved significant milestones as we navigated a challenging yet rewarding journey. As we look ahead, we remain focused on expanding our construction activities and infrastructure investments across our core sectors and geographies, and we are well positioned for the opportunities and challenges in 2024.



Osama Bishai
Chief Executive Officer

Highlights of 2023

Orascom Construction PLC continued to strengthen its leading position in its key construction and infrastructure markets, while executing other parts of its strategy such as infrastructure investments and concessions.

Backlog and Project Execution,

The Group reached several important milestones across its large-scale projects in the Middle East, Africa and USA.

The Group continued to capitalize on its leading position across all major construction market segments including transportation, water treatment, renewable energy and social infrastructure.

Notable milestones include delivering all packages for Greater Cairo Metro Line 3 Phase 4B, extensive progress on the world's longest monorail project in Egypt, and completion of construction of two large wastewater treatment plants in Egypt and Saudi Arabia with a combined capacity of 7.7 million m3/day.

The Group also successfully expanded its presence in the UAE and was part of a consortium that will develop a large-scale water treatment and transportation project in Abu Dhabi that will play a key role in the sustainable development of the oil and gas sector.

In the US, the Group continued to grow its backlog across key sectors such as data centers and aviation while achieving strong progress across existing projects. In aviation in particular, the Group's subsidiary, The Weitz Company, delivered the new terminal at Kansas City International Airport and broke ground on the terminal expansion at Des Moines International Airport in Iowa.

Orascom Construction PLC achieved a record consolidated backlog level in 2023 of USD 8.1 billion and pro forma backlog of USD 10.9 billion, including the Group's 50% in BESIX.

New Awards

Orascom Construction PLC achieved strong new awards of USD 5.8 billion in 2023, mainly driven by a strong focus on key sectors including transportation, water treatment, data centers and aviation.

In Egypt, the Group reinforced its leading position across the transportation sector, by signing major contracts including a new regional metro system in Alexandria, all civil for Greater Cairo Metro Line 4 (Package CP402), and the upgrade of a railway corridor in Egypt. These new awards add to the Group's existing high-profile projects in this sector in Egypt, including the 96 km monorail, the 2,000 km high-speed rail system, and the railway systems and track works for all of Greater Cairo Metro Line 4.

In addition, the Group's new projects in Egypt included its own 500 MW Build-Own-Operate wind farm in Ras Ghareb, a fertilizer complex, and commercial projects on the Norh Coast of Egypt led by Eagle Hills Properties, Emaar Properties and Ora Developers.

Dammam Wastewater Treatment Plant

In the UAE, Orascom Construction consortium was awarded a contract to develop, own, and operate a large-scale seawater treatment and water transportation project worth a total of $2.2 billion in Abu Dhabi for ADNOC. This project emphasizes the Group's ability to target strategic projects in the region across sectors in which the Group has developed strong expertise.

2023 also saw OC awarded the Abu Qir Metro project, a new regional metro system and the first modernization of a transportation system in Alexandria, Egypt.

The Group also signed sizable new projects in the USA. The Group expanded its presence in the data center sector, adding new projects with a total capacity of 144 MW. In addition, the Group built on its recent success in the aviation sector and was awarded a new terminal at Des Moines International Airport in Iowa, set to increase the airport's aircraft capacity by 50%, and additional work at Orlando and Phoenix International Airports.

Completed Projects in 2023

2023 saw Orascom Construction complete number of key projects, including the commissioning of New Delta Agricultural Wastewater Treatment Plant. Located in the North Coast of Egypt and at 7.5 million m3/day, the project is the world's largest water treatment plant and follows the Group's completion of the largest water treatment plant in the world at the time in 2018.

Furthermore, the Group completed construction works at the City of Arts and Culture, a large complex with a total footprint area of 504,000 m2 including one of the largest opera houses in the world and total capacity of 4,723 seats.

OC is currently finalizing the remaining checklist for the preparation of the inauguration of the Grand Egyptian Museum (GEM), a landmark museum and cultural center that will showcase Egypt's ancient civilization to the world. This is in addition to being in the final testing and commissioning phase of the new world-class Olympic Stadium in Egypt's International City of Olympic Games. This world-class stadium is the largest in the Middle East and will have a seating capacity of over 93,000 spectators.

In Saudi Arabia, an Orascom Construction consortium completed the EPC works of the Dammam West Independent Sewage Treatment Plant (ISTP), the first ISTP project in the Kingdom. The project was executed on a build-own-operate-transfer basis. Meanwhile in the UAE, the Company completed construction works at Fujairah International Airport.

Meanwhile, in the US, The Weitz Company successfully completed construction works at the new Kansas City International Airport terminal, which received the LEED Gold certification and is the largest all-glass facility in USA. The new terminal can serve approximately 16 million people and has 39 gates. The company also completed several data center projects with a total capacity exceeding 300 MW and commercial projects including parts of University of Florida's new residential complex.

Ongoing Projects

Throughout 2023, Orascom Construction progressed on a number of key projects across various sectors in Egypt.

The Company continued with its execution of the world's longest Monorail project in Egypt, consisting of two lines spanning 96 km, and expected to reach completion in 2025 for both lines. The Group also commenced work on the first phase of the 2,000km high-speed rail system in Egypt, which is expected to be the sixth longest project of its kind worldwide. In Tunisia, Orascom Construction continued its EPC works on the Sfax Seawater Desalination Plant with a capacity of 100,000 m3/day, extendable to 200,000 m3/day.

Meanwhile, works on the Magdi Yacoub Global Heart Centre, a state-of-the-art hospital and research center and the first of its kind in the region, are ongoing.

In the US, work progressed on four data centers across the country and commenced on the Orlando International Airport – Terminal C Multi-Modal Connector Pedestrian Bridge & Rental Car Lobby project.

Infrastructure Investments, Building Materials and Subsidiaries

In 2023, the Group made tangible progress across its growing infrastructure investments and concessions portfolio.

The Group is ahead of schedule on the construction of the new 500 MW BOO wind farm in Ras Ghareb. Orascom Construction is executing the construction and owns a 25% stake in the 25-year project. This project builds on the resounding success of the 263 MW wind farm completed in 2019, and triples Orascom Construction's wind energy production capacity to 763 MW.

In addition, the Group in a consortium was awarded a new mega water treatment and transportation project in Abu Dhabi (referenced above) in May 2023. Financial close was achieved in September which paved the way for EPC activities. This $2.2 billion project is executed on as 30-year Built-Own-Operate-Transfer (BOOT) basis.

These concessions in renewable energy add to the Group's existing investments in wastewater treatment plants in Egypt and Saudi Arabia, and to other projects under development across hydrogen and logistics.

In building materials, the Group's subsidiary National Steel Fabrication continues to expand its position as a supplier and exporter for industrial projects, with 85% of the company's projects dedicated to exports including to USA and Europe.

Environmental Impact

Orascom Construction understands its responsibility to minimize the environmental impact of its work. Since 2021, our HSE Department has conducted carbon footprint assessments to track and reduce emissions across our projects.
We are committed to projects that benefit the communities we serve. Our 2,000 km High-Speed Rail system and 96 km Monorail will significantly reduce carbon emissions – the High-Speed Rail alone cuts emissions by 70% compared to cars and buses currently in use.

Our Green Hydrogen Production Facility in Ain Sokhna advances renewable energy and creates a sustainable new industry in Egypt. We're also actively promoting sustainable construction materials like the "green concrete" used in the Central Bank of Egypt's new headquarters, which boasts numerous benefits such as durability, decreased shrinkage, and lower carbon emissions during production.

GROUP OVERVIEW

From 1950 to today, Orascom Construction PLC has grown from a family-owned local contractor to an industry leader with a worldwide footprint.

+10

countries where we operate

Our History

Orascom Construction PLC has built a longstanding reputation of excellence in the markets in which it operates, growing from a family owned local contractor operating in one country to having operations in over 10 countries.

1950 – 2002

1950: Onsi Sawiris establishes a construction company in Upper Egypt.

1976: Orascom Onsi Sawiris & Co. (OOSC) is founded as a general contractor and trading company.

1985: OOSC establishes its first overseas company, Contrack International LLC (Contrack) in Virginia, US.

1998: OOSC is converted from a limited partnership into a joint-stock company and renamed Orascom Construction Industries S.A.E. (OCI S.A.E.).

1999: OCI S.A.E. IPOs on the Egyptian Exchange (EGX) and becomes the largest company on the EGX.

OCI S.A.E.'s first cement subsidiary, the Egyptian Cement Company (ECC), commences operations with a total annual capacity of 1.5 million tons.

2002: OCI S.A.E. announces the 50-05 Action Plan aimed at having 50% of consolidated revenue generated from outside Egypt by 2005.

2004 – 2010

2004: OCI S.A.E. acquires 50% of the BESIX Group, adding significant exposure to the European and GCC construction markets.

2007: OCI S.A.E. divests its cement group to Lafarge SA at an enterprise value of USD 15 billion.

2008: Proceeds from the cement divestment are distributed to shareholders and allocated to grow OCI's fertilizer investments.

2010: OCI S.A.E. expands into Saudi Arabia and targets infrastructure and industrial projects.

2012 –2016

2012: OCI S.A.E. acquires The Weitz Company (Weitz) and expands in the US construction market.

2013: Watts Constructors, a former Weitz wholly owned subsidiary, is consolidated into Contrack, forming Contrack Watts.

2015: Orascom Construction PLC is demerged from OCI N.V. and dual-listed on NASDAQ Dubai and the EGX.

2016: Sets the global benchmark for fast-tracked execution of power projects.

2017 – 2019

2017: The Group builds on its strategy of expanding in the concession business and begins developing the first BOO wind farm of its size in Egypt

2018: Orascom Construction PLC consolidates its position in the US market with the merger of its two US-based subsidiaries The Weitz Company and Contrack Watts as well as the commissioning of the world's largest methanol production facility in Beaumont, Texas.

Orascom inaugurates ahead of schedule two of the largest power plants in the world, each with a generation capacity of 4,800 MW.

2019: The Group further diversifies its revenue streams by expanding its O&M business.

Orascom Construction solidifies its status as a renewable energy leader by completing 45 days ahead of schedule the largest windfarm in Egypt with a 262.5 MW capacity.

2020 –2021

2020: Orascom Construction PLC achieves health and safety and operational milestones across the Group. Despite a challenging environment impacted by COVID-19, projects remained active with enhanced safety precautions.

2021: Orascom Construction PLC cements its position as a leader in the water and transportation sectors by building the largest water treatment plant in the world and signing an EPC and O&M contract to build Phase I of Egypt's first high-speed rail system.


Grand Egyptian Museum

2022 – 2023

2022: The Group acquires a leading equipment services distribution and maintenance company and establishes a new industrial park in Egypt.

The Group reinforces its position as a leading player in the renewable energy sector in Egypt, breaking ground on another 500 MW wind farm and starting O&M operations at water and wastewater treatment plants with a total capacity of 7.2 million m^2/day.

2023: Orascom Construction PLC continues to grow its concessions business with a new concession in Abu Dhabi.

The Group solidifies its leadership and expertise in the transportation sector with the award of several new projects, including the new regional metro system in Alexandria, Egypt and new scope for the Greater Cairo Metro.

Orascom Construction PLC divests two building material subsidiaries.

Our Strategy

Since its inception, Orascom Construction PLC has been committed to a four-pronged strategy built on the core pillars of the Group's focus: strengthening its construction market leadership, leveraging strategic partnerships, growing its investments and O&M portfolio, and furthering its commitment to excellence, health, safety, and the environment as it seeks to deliver shareholder value.

Magdi Yacoub Hospital

Strengthen Construction Market Leadership

The Group continues to expand its market presence by pursuing key infrastructure, industrial, and commercial sectors. Its competitive edge in power, water, and transportation, in addition to its track record of securing funding, have always guaranteed the Company's growth across existing and new geographic markets. Moreover, these factors have contributed to the Group's reputation for timely project delivery.

Leverage Strategic Partnerships

Orascom Construction PLC is a key partner to a number of internationally renowned global players and Original Equipment Manufacturers (OEMs). The Group aims to develop more strategic partnerships with repeat clients and industry leaders to increase their current capabilities and expand their reach. This has historically enabled the Group to participate in some of the largest construction projects in the MENA region. Orascom Construction PLC's goal of continuously strengthening relationships with repeat clients has been an essential part of maintaining its large and diverse portfolio.

Delivering Shareholder Value

Orascom Construction PLC has always been dedicated to delivering shareholder value, in line with its strategic pillars. Our founding shareholders and current management embody this commitment as they navigate the Group's sustainable growth journey.

New Alamein Towers

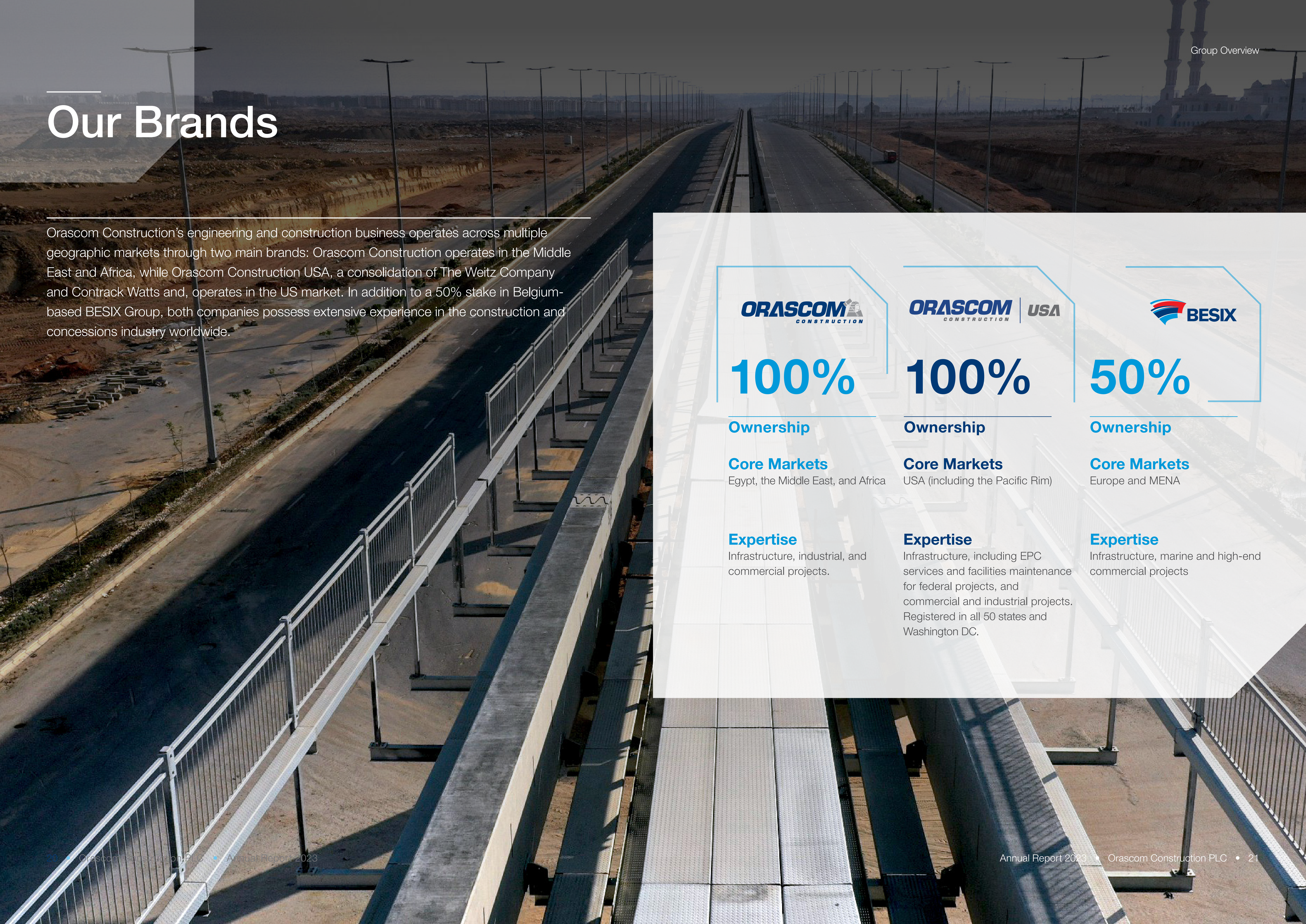
Grow Investments and O&M Portfolio

Orascom Construction PLC continues to invest in infrastructure assets, as well as complementary and new contracts that entail Operation and Maintenance (O&M) scopes, as part of its strategy to increase income streams and build a long-term relationship with shareholders. Its previous investments in specific industries, including cement, ports, fertilizers, and building materials, provide the Group with opportunities to explore and excel in new sectors such as wastewater, wind energy concessions, and equipment distribution services. The Group's O&M diverse portfolio comprises transportation, water, renewable energy, and facilities management.

Commitment to Excellence, Health, Safety and the Environment

We are firm believers in the importance of integrating quality, health, safety, the environment, and ethical business practices into every aspect of our business model. Our strong commitment to excellence and our aspiration to become the leading private sector contractor continue to drive our pursuit of further positive impact. As a result, corporate social responsibility is a core area of focus for the Group. We strive to have a tangible positive impact on the areas in which we operate, leaving our communities better than when we entered them.

Our Brands



Orascom Construction's engineering and construction business operates across multiple geographic markets through two main brands: Orascom Construction operates in the Middle East and Africa, while Orascom Construction USA, a consolidation of The Weitz Company and Contrack Watts and, operates in the US market. In addition to a 50% stake in Belgium-based BESIX Group, both companies possess extensive experience in the construction and concessions industry worldwide.

Orascom Construction

100%

Ownership

Core Markets
Egypt, the Middle East, and Africa

Expertise
Infrastructure, industrial, and commercial projects.

Orascom Construction USA

100%

Ownership

Core Markets
USA (including the Pacific Rim)

Expertise
Infrastructure, including EPC services and facilities maintenance for federal projects, and commercial and industrial projects. Registered in all 50 states and Washington DC.

BESIX

50%

Ownership

Core Markets
Europe and MENA

Expertise
Infrastructure, marine and high-end commercial projects

Leveraging over 70 years of experience in the industry, Orascom Construction is a leading EPC contractor in the Middle East and Africa with diversified operations spanning the infrastructure, industrial, and commercial sectors.

Orascom Construction's solid reputation as a leading turnkey contractor has enabled the company to attract a wide range of large public and private sector clients to work on large-scale infrastructure, industrial, and commercial projects. With a proven track record of on-schedule delivery of premium work across various sectors, ranging from power to water treatment, petrochemicals, industrial, transportation, and complex commercial structures, the Company strictly adheres to international health and safety standards.

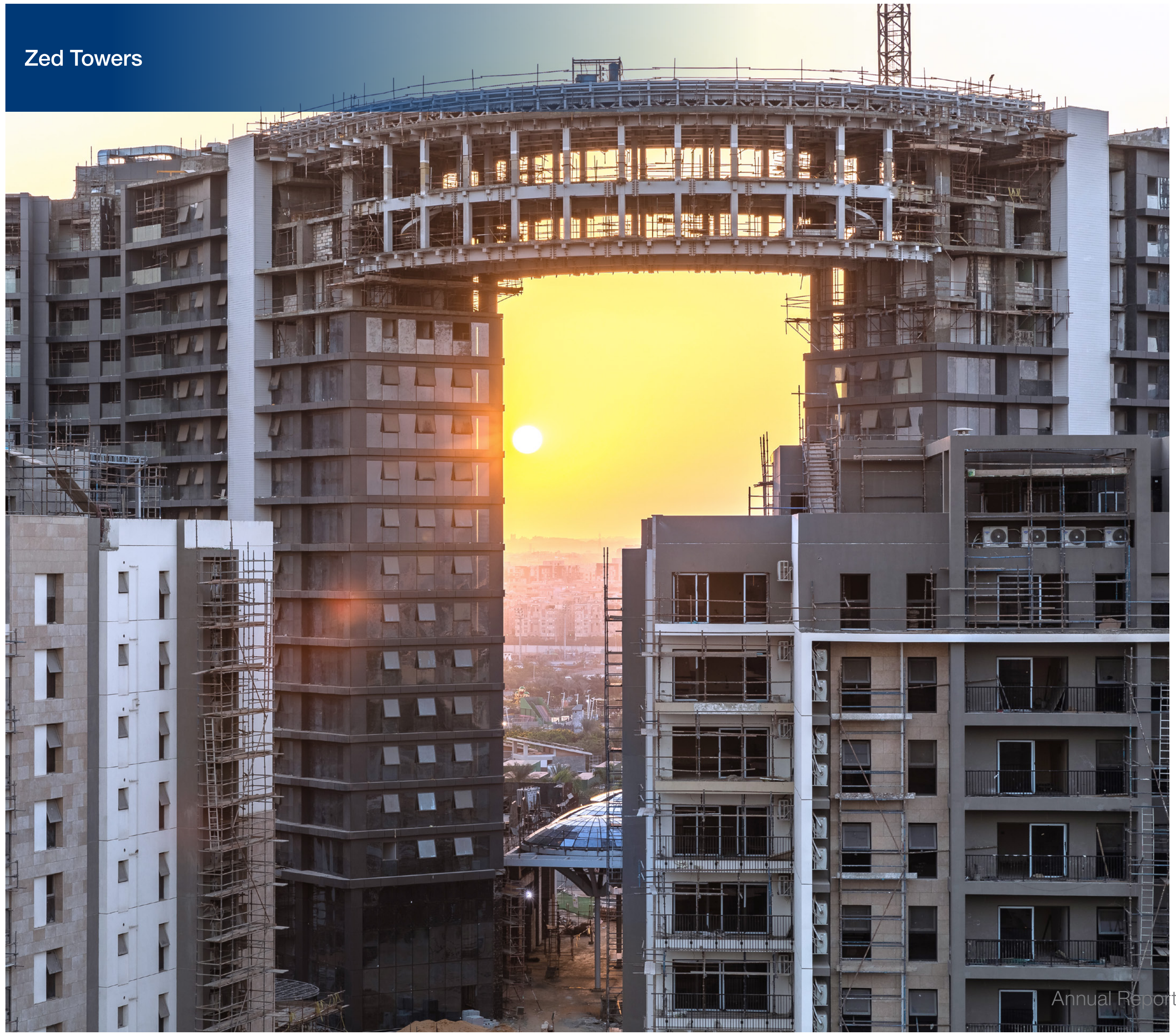
100%
Ownership

6.3 USD/MN
FY 2023 Backlog

38,991
Employees

0.429
LTIR


Monorail Transit


Zed Towers

- MEA.................... 100%

- Infrastructure..........89.5%
- Commercial.............6.3%
- Industrial 4.2%

- Public 84.4%
- Private 15.6%

ORASCOM CONSTRUCTION | USA

With the integrated capabilities of its operating subsidiaries, The Weitz Company and Contrack Watts, Orascom Construction USA successfully operates across the United States and Mexico as a full-service construction company, general contractor, design builder, and construction manager.

With a combined track record spanning 168 years, OC USA serves key growing markets, including mission critical, aviation, industrial, transportation, senior living, student housing, and additional commercial construction. The group also encompasses a full-service electrical contractor, EPI Power, which specializes in complex mission critical data center work.

As a leading, competitive player in the market, OC USA continues to contribute to the Group's profound success. To reinforce our reputation, we constantly pursue the latest construction innovations and technologies to provide our clients with predictable, reliable, and collaborative services.

www.weitz.com
www.contrackwatts.com
www.epipower.com

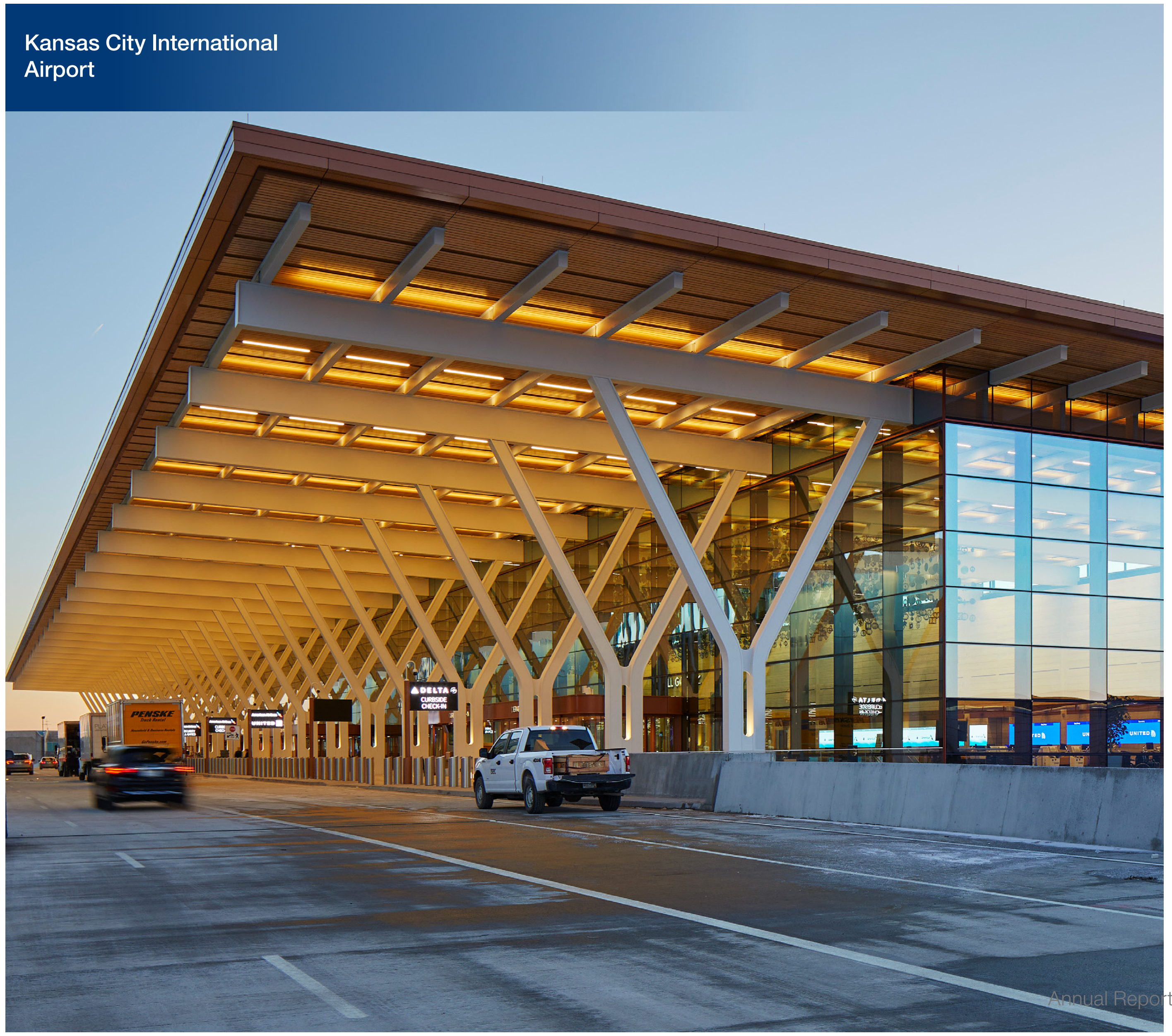
100%
Ownership

1.8 USD/MN
FY 2023 Backlog

2,201
Employees

0.00
LTIR


DSM Airport


Kansas City International Airport

- USA 97.1%
- MEA (incl. Japan). 2.9%

- Infrastructure..........9.7%
- Commercial...........43.2%
- Industrial 47.1%

- Public 16.9%
- Private 83.1%

BESIX

BESIX Group is a leading Belgian industrial group, based in Brussels, operating in the construction, real estate development and concessions sectors. Active in 25 countries and on 5 continents, BESIX is able to take on projects of all sizes and complexity and draws its strength from its entrepreneurial roots.

BESIX has a geographic footprint covering 25 countries and is an active real estate developer in Western Europe managing concessions through public-private partnerships in Europe and the Middle East. Since its establishment in 1909, BESIX has become a leading contractor with a wide variety of projects, varying from high-end commercial infrastructures to marine structures, environmental works, sports and leisure facilities, and industrial projects. The Group's engineering department enables BESIX to carry out complex and unique projects, especially in terms of technical and environmental aspects.

50%
Ownership

2.8 USD/MN
FY 2023 Backlog

10,382
Employees

0.68
LTIR

ICONE office building in Belval

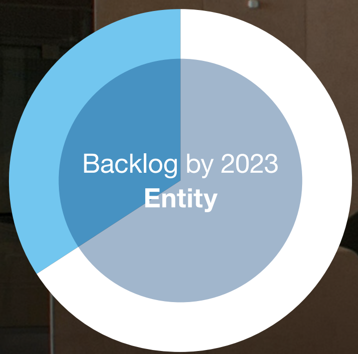
- Europe 61.9%
- Egypt 0.3%
- UAE 7.8%
- KSA 3.0%
- Other MEA 8.1%
- Australia 13.6%
- Other 5.3%

- Infrastructure 49.8%
- Commercial & Industrial 50.2%

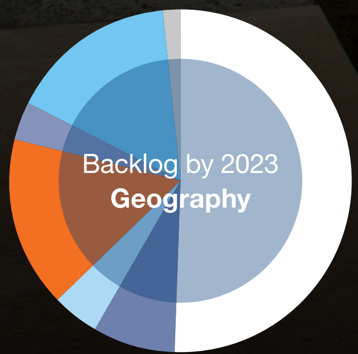
- Public 58.3%
- Private 41.7%

Our Footprint

Orascom Construction has a wide-spanning global footprint through its main subsidiaries and 50% stake in BESIX Group.



- Orascom Construction............ 74%
- BESIX 26%



- Egypt 50.7%
- UAE 7.9%
- Other MEA 4.4%
- Europe....................................... 16.0%
- Australia 3.5%
- USA.. 16.0%
- Other 1.5%

* This map depicts the main countries of operation. The breakdown of backlog figures is based on Orascom Construction PLC's pro forma backlog, which includes the Group's 50% stake in BESIX. On the Group's statutory financial statements, BESIX is accounted for under the equity method.

Our Business Lines

Engineering and Construction

With its expansive product and service offering, Orascom Construction PLC has positioned itself as a leading global engineering and construction contractor.

The Group has a proven three-decade track record of successful delivery of challenging projects across various sectors. Through these projects, Orascom Construction PLC has developed a broad range of niche core competences that enhance its positioning in regional and international markets.

Our activities cover the infrastructure, industrial, and commercial sectors, attracting public and private clients, with a footprint spanning the Middle East, Africa, and the USA.

The Group's offering also encompasses a wide range of strategic industries, including the energy, water and utilities, transportation, commercial, healthcare, data centers, and industrial sectors.

At the core of our operational excellence is our adherence to and implementation of comprehensive quality control and environmental, health, and safety standards and programs for both our employees and subcontractors.

To ensure our positive impact, Orascom Construction PLC is determined to target projects that are vital to the economic development and social progress of communities and has been part of many critical and mega projects in that regard. Additionally, the Group leverages its strong financing track record across several industries to help structure and arrange financing packages on behalf of its clients to support the launch of large infrastructure projects.

Orascom Construction PLC operates through two main subsidiaries that penetrate a manifold of industries and markets.

Orascom Construction
A leading EPC contractor in the Middle East and Africa, whose business span over seven decades

Orascom Construction USA
With the integrated capabilities of its two operating subsidiaries, The Weitz Company and Contrack Watts, Orascom Construction USA (OC USA) is a full-service construction company, general contractor, design builder, and construction manager, whose business spans around 168 years combined, and is licensed to operate across the United States.

Investments and Recurring Income

Concessions

The Group develops and invests in infrastructure assets, creating new construction opportunities and long-term shareholder returns. We take pride in capitalizing on our previous investments and our proven track record in helping finance various sectors.

Orascom Construction PLC's Concession Portfolio

Company	Ownership %	2023 Revenue (USD mn)*
Orasqualia	50%	11.7
Ras Ghareb Wind Energy	20%	46.2

*Revenue figures represent 100% of each unit's revenue and before intercompany elimination.

Orasqualia

Established in 2009 by Orascom Construction and FCC Aqualia, Orasqualia for Development of Wastewater Treatment Plant S.A.E acquired a construct and operate contract in the New Cairo Wastewater Treatment Plant concession, the first public-private partnership (PPP) project in Egypt. With the capacity to produce 250,000 m3 of water per day, the project was engineered to treat wastewater in New Cairo, supplying clean water to over one million people. The plant was initiated by the New Urban Communities Authority (NUCA); tendered by the Egyptian Ministry of Housing, Utilities, and Urban Development; and coordinated with the Ministry of Finance as a part of the 20-year PPP program. Completed in 2013, the concession is currently under operation and maintenance, and will run until 2030.

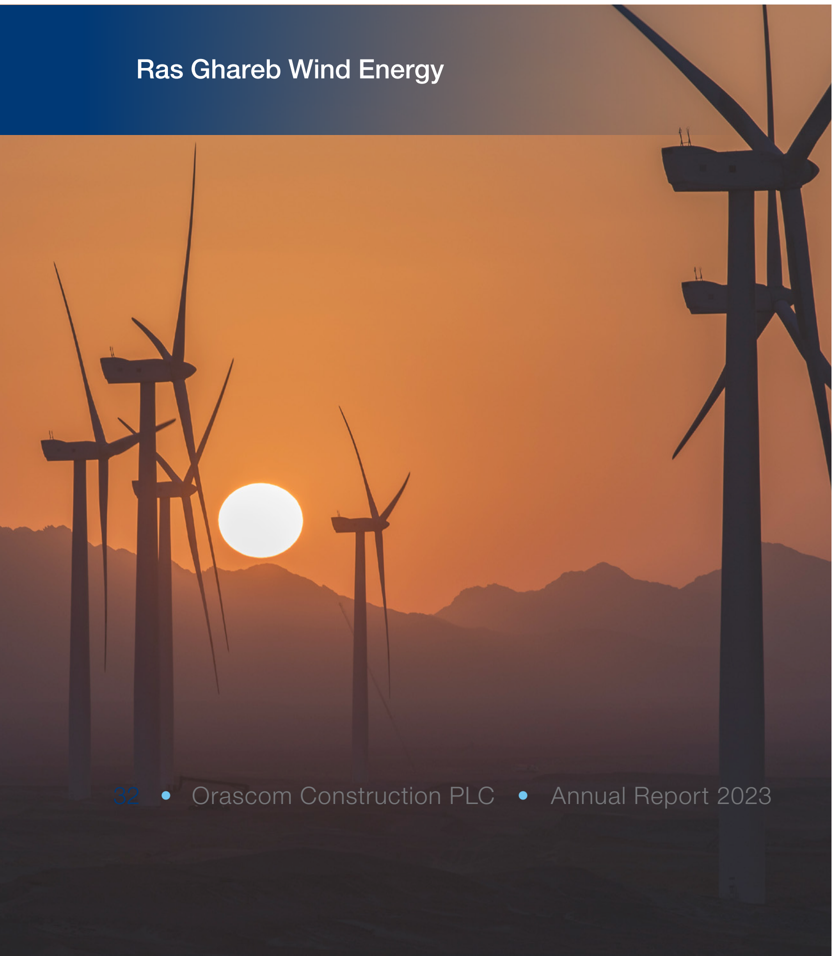
Orasqualia's success paved the way for Egypt's PPP legislation, prompting the construction of many other projects under this partnership. In 2010, the project was named Water Deal of the Year by Global Water Intelligence, as well as the PPP African Deal of the Year by Euromoney and Project Finance Magazine. The plant has been a milestone for Egypt's infrastructure sector and serves to showcase how financing can untap our potential in this sector.

Ras Ghareb Wind Energy

In 2019, Orascom Construction collaborated with ENGIE (France) and Toyota Tsusho Corporation/Eurus Energy Holdings Corporation (Japan) on the development of a 262.5 MW wind farm in Ras Ghareb, Egypt. The project was developed on a build-own-operate (BOO) basis in collaboration with the Egyptian Electricity Transmission Company and as part of a 20-year power purchase agreement (PPA). In addition to executing construction work on the wind farm, OC also owns a 20% stake on the project.

Operations began in October 2019, 45 days ahead of schedule, making it the first wind farm of its kind and size in Egypt.

The consortium currently operates and maintains the plant, which has saved over 735,000 tons of CO2 annually since inception. The concession will run until October 2039.

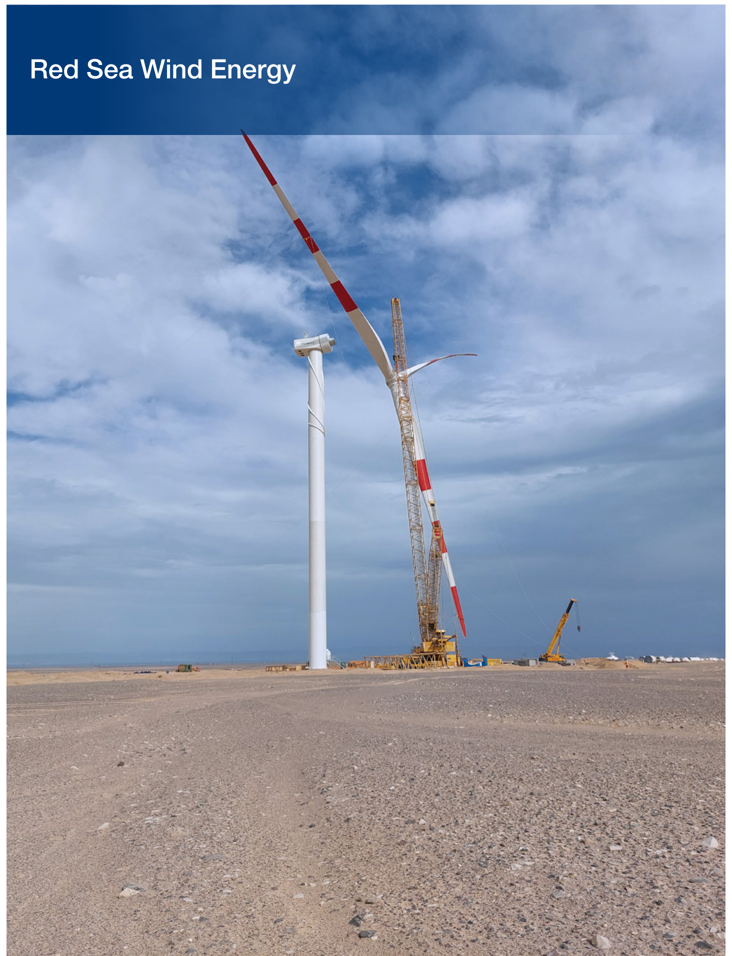

Ras Ghareb Wind Energy

Red Sea Wind Energy

After the success of the Ras Ghareb Wind Farm, the consortium formed between Orascom Construction, ENGIE (France), and Toyota Tsusho Corporation/Eurus Energy Holdings Corporation (Japan) is developing a 500 MW BOO wind farm also located in Ras Ghareb, Egypt.

In March 2023, the consortium concluded the project's financing and issued a notice to proceed to the contractors. OC owns a 25% stake in the project and is the main contractor of the wind farm.

Construction is to be completed over two phases in 1Q25 and 3Q25. Once fully operational, the project will deliver clean power to more than 800,000 Egyptian households. Additionally, it will accelerate Egypt's transition to renewable power generation, as well as reduce CO2 emissions by approximately 1,000,000 tons annually under the operation and maintenance for 25 years.


Red Sea Wind Energy

3GW Wind Farm

In 4Q22, Orascom Construction, in consortium with ENGIE (France) and Toyota Tsusho Corporation (Japan), signed a memorandum of understanding (MOU) with the Egyptian Electricity Transmission Company (EETC) and the New and Renewable Energy Authority (NREA) to build, own, and operate a 3GW wind farm in Egypt.

A land access MOU was concluded in October 2023 for the assigned plot in East Sohag at the south of Egypt, and the initial studies are now underway.

The new wind farm capitalizes on the consortium's past success and experience in developing similar projects executed on a BOO basis in Egypt.

El Dammam West Independent Sewage Treatment Plant (ISTP) in Saudi Arabia

The Dammam Sewage Treatment Plant's construction work was completed in April 2023, and is currently operational. The project was executed on a build-own-operate-transfer (BOOT) basis and will have an initial capacity of 200,000 m3/day, expandable in the future to 350,000 m^3/day.

Orascom Construction's consortium with Metito and MOWAH signed a sewage treatment agreement (STA) with the Saudi Water Partnership Company (SWPC) for 25 years.

OC holds a 10% stake in the project, and the construction works were executed by a 50/50 JV between OC and Metito.


El Dammam West Independent Sewage Treatment Plant (ISTP)

Subsidiaries and Investments

Orascom Construction PLC owns a diverse portfolio of subsidiaries and investments across sectors that are complementary to the construction industry. These sectors include building materials, facility management, industrial parks, equipment services, and long-term investments.

Orascom Construction PLC's Investment Portfolio

Company	Ownership %	2023 Revenue (USD mn) *
National Steel Fabrication	100%	48.6
Integrated Façade Solutions	100%	19.6
Orascom Services	100%	54.3
United Holding Company	56.5%	32.8
National Pipe Company	40%	79.8
SCIB Chemical	14.7%	44.8
Contrack FM	100%	23.2
Orascom Industrial Parks	60.5%	16.4

*Revenue figures represent 100% of each unit's revenue and before intercompany elimination.

National Steel Fabrication

Established in 1995, National Steel Fabrication (NSF) is a wholly owned subsidiary of Orascom Construction PLC. NSF is a leading Egyptian steel fabricator and erector that serves the infrastructure and commercial building sectors in Africa, Asia, Europe, the USA, and Latin America. NSF possesses a complex and specialized product range, including steel structures, steel collector elements, plate works, pressure vessels, boilers, heat recovery steam generators, heat exchangers, piping, tanks, and packaged skids. It owns and operates one major facility in Egypt, with a total production capacity of 50,000 tons annually.

NSF has built a reputation in delivering unwavering quality that meets international standards across all its products and services, which ultimately positioned it as one of the preferred worldwide suppliers in some of the largest international EPC companies. Its consistency in providing the highest levels of quality on precise and complex projects is made possible by utilizing the latest equipment and technologies, as well as leveraging a highly experienced and skilled workforce. NSF operates in line with ISO, ASME, AISC, BS, EN, and Euronorm quality certificates.


National Steel Fabrication


Integrated Façade Solutions

Integrated Façade Solutions

Integrated Façade Solutions (IFS) is a fully owned Orascom Construction subsidiary, formerly known as ALICO EGYPT. Founded in 1999, IFS is one of the Middle East's leading companies in manufacturing and installing glass and aluminum façades and architectural metal work for construction projects. The company partnered with leading global façade system suppliers like **SCHUCO International-Germany** and **Wicona-Hydro Group**, solidifying its position as a market leader with worldclass solutions and high-quality products that offer durability, safety, and impeccable design.

Boasting a reputation of timely delivery, the company offers a wide range of products that includes aluminum doors, windows, stick curtain walls, unitized curtain walls, skylights, handrails, standing seam roofs, and laminated stone products, in addition to architectural metal work such as aluminum, stainless steel, expanded metal mesh, and perforated metal cladding. It also provides complete façade technical solutions and support during the pre-tender and design phases.

Located in the New Suez Industrial Area, the IFS Ain Sokhna plant is equipped with top-of-the line production and fabrication facilities that produce all types of façade work. The six-hectare plant has a BUA of 18,000 m2, as well as 32,000 m2 of land for future expansion. It is equipped to produce some of the finest façade materials, given the facility's unequalled quality control standards.

Orascom Services

In 1Q2022, Orascom Construction acquired Orascom Services, a leading equipment import, distribution, and services business in Egypt. Founded by the late Eng. Onsi Sawiris over 30 years ago, the company was wholly owned by the Sawiris Family and operated independently from Orascom Construction.

Orascom Services operates an asset-light import, distribution, and maintenance business model with leadership across multiple industries including construction, marine, railway, and agriculture. As the sole agent for diverse, blue-chip Original Equipment Manufacturers (OEMs) of highly demanded equipment in Egypt, the portfolio includes leading OEMs such as **Grove, Volvo Penta, Hitachi, and Mitsubishi Heavy Industries.**

Drawing on its extensive expertise in multiple vital sectors, Orascom Services continues to expand in promising sectors by providing unparalleled sales and aftersales services. In 2023, Orascom Services played an important role in the agriculture sector in Egypt by providing the market with Zimmatic's leading irrigation technology, pivot systems.


Orascom Services

United Holding Company (UHC)

Founded in 2000, UHC is a holding company with a 50% stake in **Master Builders Solutions (MBCC)** and **A-Build Egypt (A-Build)**.

Operating through four plants in Egypt and one in Algeria, UHC's subsidiaries cater to the Egyptian and North African markets.

MBCC is one of the largest producers of specialty chemicals in Egypt and Algeria, namely admixtures and construction products. The company operates two production facilities, one in Sadat City, Egypt, with a production capacity of 100,000 metric tons per shift, and one in Baba Aly, Algeria, with a production capacity of 20,000 metric tons per shift. The two facilities were built in 2000 and 2006, respectively. As part of management's strategy to extract value across matured assets for reallocation to growth areas and maximizing shareholder value, UHC sold its stake in Master Builders Solutions in May 2023 for gross proceeds of EGP 1.8 billion.

A-Build is a market-leading specialized contractor in Egypt operating in the construction protection and repair fields. Its expertise lies in several domains, including waterproofing, lining and geomembranes, thermal insulation, concrete repair, injection and fire proofing, industrial coatings, and joints sealants.

United Paints & Chemicals (UPC)

Since 1998, UPC owned and operated **DryMix**, the largest manufacturer of cement-based and ready-mixed mortars in powder form. In June 2023, the group sold its 56.5% stake in UPC as part of its strategy to extract value across its assets for allocation to growth and value-accretive areas including concessions.

National Pipe Company (NPC)

Established in 1993, NPC is one of the largest Egyptian manufacturers of precast concrete pipes and pre-stressed concrete, primarily for infrastructure projects, serving the Egyptian market.

Today, the company operates two plants in Egypt with a combined annual production capacity of 86 kilometers of concrete piping ranging from 700 to 3,000 millimeters.

National Pipe Company

SCIB Chemical

SCIB Chemical

Founded in 1981 and serving Egypt and North Africa, SCIB manufactures high-quality decorative paints and industrial coatings for the construction industry. Its two Egyptian plants have a combined annual production capacity of 130,000 kiloliters of paint.

SCIB supplies the highest-level products in the region renowned for variety and quality; from premium emulsion paints, special effects décor paints, and exterior paints to enamel paints and wood paints.

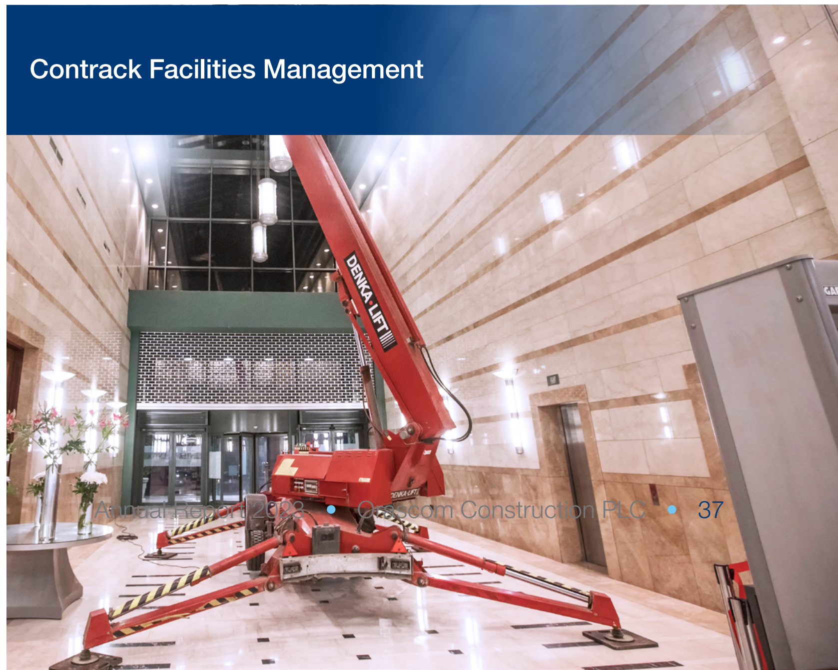
Contrack Facilities Management (CFM)

Established in 2004, Contrack Facilities Management S.A.E. (CFM) is a leading integrated services company that provides a number of cleaning, security, and repair services to commercial buildings through managing and operating high-value and technologically advanced machinery and equipment.

Created to serve the two 34-story Nile City Towers buildings on Corniche El Nile, Ramlat Boulak, the company has since expanded to deliver first-class services to commercial buildings around Egypt, adding value to clients and facilitating the lease of their spaces at prime rents to international organizations like the European Union. It currently controls the largest market share in Egypt's facilities management industry.

CFM proudly provides hard services, including engineering, fit-outs, civil and architectural repair, and maintenance services, as well as soft services including housekeeping, soft janitorial services, and deep cleaning services, with specialties in façade cleaning, landscaping, pest control, waste management, and recycling.

Additionally, it leverages an impressive client portfolio that covers most commercial property types, including local and multinational corporations, and a variety of sectors such as industrial, banking, healthcare, retail, and real estate, as well as prominent business parks, such as Smart Village in Abu Rawash. It also boasts long-term partners such as the Children's Cancer Hospital, Cairo Festival City Mall, Credit Agricole, the CBE, Emirates NBD, Alshaya Group, and Dar El Handasa.



Contrack Facilities Management

Orascom Industrial Parks (OIP)

OIP is a leading Egyptian private sector company that has been managing industrial zones in Egypt since 1998. It developed two industrial parks, **Sokhna Industrial Park** and **Abu Rawash Industrial Park**, spanning over 12 million m².

Sokhna Industrial Park

Since 1998, OIP has been the developer, operator, and utility facilitator of a 10 million m² industrial park in Ain Sokhna on Egypt's Red Sea coast. Located 40 kilometers south of the Suez Canal and at the crossing of the Cairo-Sokhna and Suez-Hurghada highways, Sokhna Industrial Park benefits from one of the most attractive locations for industrial projects in Egypt.

With a track record of over 60 projects and over 100 clients, Sokhna Industrial Park develops industrial land and provides utility services for light, medium, and heavy industrial users in Ain Sokhna. Its industrial park proudly operates a large network, providing a wide range of products and services, including power, water, firefighting, sewage treatment, and telecommunications connections. Other services include flood control protection, solid waste disposal, and access to roads and railways.


Sokhna Industrial Park

Abu Rawash Industrial Park

This 2 million m² ECO industrial park is located in Abu Rawash, Giza, Egypt, in proximity to key transport infrastructure, including highways, airports, ports and railways. The park is perfectly designed to utilize the space, while considering sustainability and cross-industry and community collaboration.

It will offer industrial land, plug & play, build to suite, warehousing, and storage facilities. It will also provide other amenities, including logistic support, office spaces, a training center, and retail showrooms, while simultaneously ensuring that all activities collaborate to minimize waste and maximize industrial park efficiency.


Abu Rawash Industrial Park

3D Printing Construction

In 4Q22, Orascom Construction formed an exclusive partnership with Denmark-based COBOD to bring state-of-the-art 3D printing construction (3DPC) technology to Egypt for the first time. This partnership will explore various opportunities in the Egyptian market that utilize 3DPC technology in printing entire buildings.

It is expected to lead the technological advancement of the construction sector in Egypt, given this new technology is more cost and time effective compared to traditional methods of construction. It is also more environmentally sustainable, as it reduces material consumption, construction waste, and carbon footprint.


3D Printing Construction


Abu Rawash Wastewater Treatment Plant

Operation and Maintenance Contracts

Orascom Construction PLC has a proven track record in the O&M field, where it has secured several multi-year O&M contracts for projects on which the Group is also the contractor. The current O&M contracts span across several sectors, such as water treatment, wastewater treatment, water desalination, and transportation, including a 10-year O&M contract for the largest water treatment plant in Egypt and a 30-year O&M contract for the world's longest monorail project in Egypt.

Active projects

Abu Rawash Wastewater Treatment Plant

Orasqualia, a JV between Orascom Construction and Aqualia, began the operation and maintenance of the Abu Rawash project in March 2022 for a duration of three years. At its peak, the project is expected to recycle an average of 1.6–2 million m^3/day of primary and secondary treated sewage water. The plant currently provides clean water to nine million people.

Bahr El Baqr Water Treatment Plant

A 10-year O&M contract on Bahr El Baqr, a 5,600,000 m3/day plant with the purpose of e x nhancing natural resource use in the Sinai Peninsula, commenced in December 2021. The plant will contribute to land reclamation and cultivation east of the Suez Canal in Sinai, where water will be sent from the plant to irrigate some 475,000 feddans of land. The scope of the JV between OC and Arab Contractors includes the plant's routine and preventive maintenance, in addition to the supply of spare parts and consumption materials, such as fuel, water, and chemicals. The project was recorded as the world's largest water treatment plant by Guinness World Records.

Bahr El Baqr Water Treatment Plant


Al Hammam Agricultural Wastewater Treatment Plant

Future O&M projects following the completion of construction

Al Hammam Agricultural Wastewater Treatment Plant (AAWWTP) – Egypt

Al Hammam Agricultural Wastewater Treatment Plant's commissioning was completed in 2023, and the plant is currently partially operational. This phase will remain in effect until the completion of the upstream conveying system, which is expected to occur in 2H24.

The scope of the O&M contract for the Al Hammam Agricultural Wastewater Treatment Plant — which pertains to the Metito, Orascom Construction, Hassan Allam Construction, and The Arab Contractors JV — began in December 2023 with the issuing of a five-year taking over certificate (TOC). The scope of work includes the operation and maintenance of the 7.5 million m^3/day plant, which is set to become the largest of its kind in the world. The plant will provide treated water for the irrigation of up to 500,000 feddans in the New Delta region, located west of the Nile Delta.

SFAX Seawater Desalination Plant

OC (37.5% stake), in collaboration with Metito (37.5% stake) and Cobra Installation Services (25% stake), will lead the operation and maintenance of the SFAX Seawater Desalination Plant for two years, upon the completion of construction in 2024. The plant will have the capacity to produce 100,000 m^3/day, extendable to 200,000 m^3/day. It will enhance the quantity and quality of the water supply to the SFAX metropolitan area, thereby contributing to better living conditions, as well as greater economic and social growth in the area. The project is expected improve the drinking water supply for 600,000 to one million people.


SFAX Seawater Desalination Plant

Borg El Arab International Airport

Borg El Arab International Airport

Orascom Construction (49% stake) and TAISEI (51% stake) will be the main O&M contractors of Borg El Arab International Airport, expected to commence in 2024 and take two years to complete. Located 40 km southwest of Alexandria, the airport will serve Alexandria and the nearby areas of the Nile Delta. With the completion of the second phase, the airport will have the capacity to handle 3.5–4 million passengers annually, as well as a cargo capacity of 10,000 tpa, expandable according to air freight requirements. The scope of work includes full maintenance and repair services for the airport's systems and works.

Monorail

A JV between Orascom Construction and The Arab Contractors is working on the large-scale monorail project, set to be the longest monorail system in the world, enabling fast, sustainable, comfortable, and safe transportation for around 45,000 people per hour per direction. The project, in which Alstom owns an 80% stake and is also a contractor, will enhance a two-line monorail rapid transit system, being the first public transport link from the New Administrative Capital and 6th of October City to the Cairo metropolitan area. The scope of work includes O&M services for both lines and related facilities for 30 years. The project is set to be handed over in phases, with the New Capital line to be completed in 2024 and the 6th of October line in 2025.

Monorail

High-Speed Rail Project Green Line – Maintenance for Egypt's First High-Speed Rail System

Siemens, Arab Contractors, and Orascom Construction will be the main O&M contactors of the High-Speed Rail Project Green Line, expected to commence in 2026, following the warrantee of the EPC contract. The 22-station high-speed, electrified main and freight 600 km rail line is the first of three lines. Once completed, the line will transport more than 30 million people per year and save up to 50% travel time, providing efficient, safe, and affordable transportation for passengers and goods across the country. Additionally, it will connect both sea and dry ports, improving freight movement efficiency and increasing freight transported on rails by 15%. The scope of work on the 15-year contract includes operating and maintaining the lines and related facilities. The project is set to become the sixth largest worldwide after the completion of all three lines.

High-Speed Rail

OPERATIONAL REVIEW

Orascom Construction remains positioned as a leading global construction group with a diverse offering and expansive footprint.

3.4 USD/BN

FY23 revenues

Orascom Construction

Middle East & Africa (MEA)

Infrastructure

Recognizing the critical need for a well-developed infrastructure platform for Egypt's economic development and social progress, Orascom Construction has been focusing on the construction of key projects across all infrastructure sectors, such as water treatment, transportation, and power generation.

Water Infrastructure

Over the past three decades, Orascom Construction became a leading player in Egypt's water infrastructure sector through its involvement in several water treatment, desalination, and wastewater projects, providing a vast record in the sector. The Company also successfully secured several operation and maintenance (O&M) contracts ranging between one and ten years.

Water Treatment

2023 witnessed the completion of two iconic water treatment plants in Egypt and Saudi Arabia, with a combined capacity of 7.7 million m^3 per day.

New Delta Agricultural Wastewater Treatment Plant

In 3Q2023, the JV between Orascom Construction, Metito, The Arab Contractors, and Hassan Allam Holding successfully completed the establishment — design, supply, installation, commissioning, and startup — of the New Delta Agricultural Wastewater Treatment Plant. The plant, located in the North Coast's El Hammam area, is the world's largest water treatment plant of its kind, with a capacity of 7.5 million m^3 per day. The scope of work includes the establishment of the plant, followed by its operation and maintenance for five years. The plant has been fully commissioned and is currently partially operational.

The treated water will irrigate up to 500,000 feddans west of the Nile Delta area. Its delivery capacity will be achieved by collecting and transporting agricultural drainage water from the north of the Nile Delta to the plant through a 120 km long route.

This project aligns with Egypt's 2017–2037 National Water Resources Strategy, effectively addressing the pressing issue of water scarcity in the region. Orascom Construction achieved 27 million man hours without lost time injury (LTI) on the project.

New Delta Agricultural Wastewater Treatment Plant

The project was awarded four Guinness World Records (GWR), namely:

(320,600 m^2)
Largest Water Treatment Facility

(86.8 m^3/second)
Largest Water Treatment Plant Capacity

(520,339 m^2)
Largest Epoxy Coating in a Building

(670.01kg)
Largest Sludge Treatment Plant Capacity

These records follow the GWR awarded to another noteworthy Orascom Construction project, the Bahr El Baqr Water Treatment Plant, which broke three world records as the largest water treatment plant, the largest sludge treatment facility, and the largest single-operator ozone generating plant in the world.

Dammam West Independent Sewage Treatment Plant (ISTP)

In 2Q2023, the consortium between Orascom Construction and Metito successfully completed the engineering, procurement, and construction (EPC) works of the Dammam West Independent Sewage Treatment Plant, the first ISTP project in Saudi Arabia (KSA). The project was executed on a build-own-operate-transfer (BOOT) basis, and the scope of responsibilities included the commissioning and testing of a new tertiary wastewater plant with a capacity of 200,000 m3/day, expandable to 350,000 m3/day. The project has received recognition for achieving five million working hours without lost time injury (LTI).

Seawater Desalination

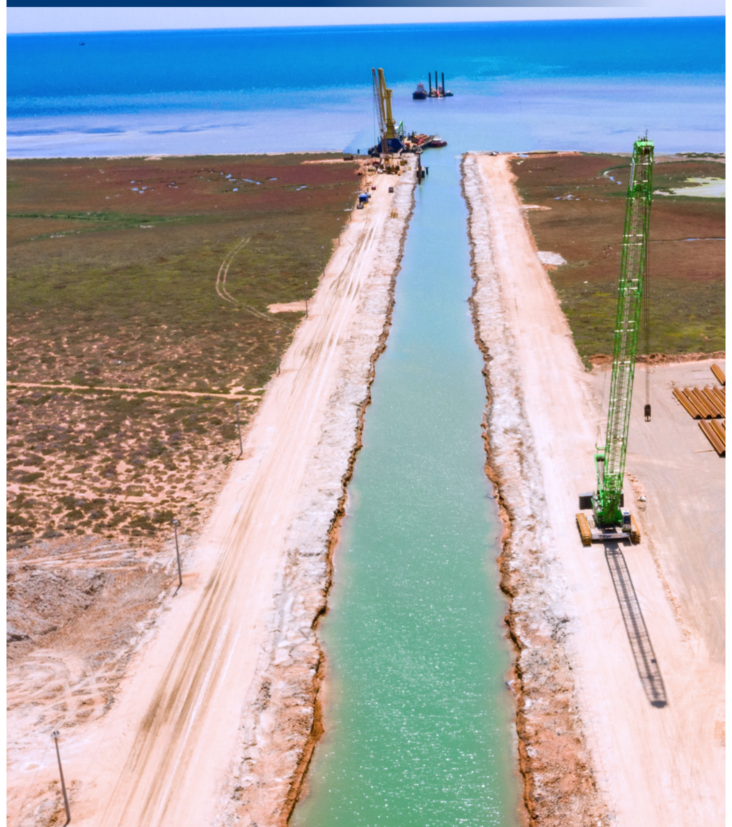
In 2023, the Orascom Construction-Metito consortium was awarded a large-scale seawater treatment and water transportation project in the UAE, in addition to its continued progress on seawater desalination plants in Egypt and Tunisia.

OC's JV with Metito continued its work on the EPC of the **Sfax Seawater Desalination Plant**. Located in Sfax, Tunisia, the plant's capacity is 100,000 m^3/day, extendable to 200,000 m^3/day. The project started in 3Q2021 and is scheduled for completion in 4Q2024. Once completed, the JV will also operate and maintain the plant for two years.

The OC-Metito JV also resumed its EPC works on the **Sharm El Sheikh Seawater Desalination Plant**, with a capacity of 30,000 m3/day, expandable to 60,000 m^3/day. The project started in 2Q2022 and is scheduled for completion in 2Q2024.

Dammam West Independent Sewage Treatment Plant (ISTP)

Sfax Seawater Desalination Plant



Wave Project

Wave Project

In 3Q2023, the OC-Metito consortium signed a contract to develop, own, and operate a large-scale Seawater Treatment and Water Transportation Project in Abu Dhabi, UAE, for ADNOC. In September, the consortium achieved the successful financial close in a record time of four months of the mega greenfield project that will be developed under a BOOT concession model with a tenor of 30 years. This important milestone allows the project to move at full speed on the EPC level, with commercial operations scheduled for 2026.

The project will develop a centralized world-class seawater treatment facility and transportation network for operations at the Bab and Bu Hasa fields in Abu Dhabi. This project will replace the current high-salinity, deep aquifer water systems at the fields, thereby reducing energy consumption related to water injection by up to 30%. The project will be connected to the grid and will receive 100% of its power from clean energy sources. More than 60% of the project value during the development and operation phases will flow back into the UAE's economy, which will further stimulate economic and industrial growth and create commercial opportunities for the private sector in line with the UAE Leadership's directives.

As part of the consortium's commitment to sustainability and environmental standards, the project will implement a Construction Waste Management Plan to follow the international and local standards and requirements and work toward reducing ADNOC's environmental footprint.

The project will deliver more than 110 million imperial gallons per day (MIGD) of nano filtered seawater through 75 km of transportation and over 230 km of distribution pipelines and two pumping stations, supplying sustainable water for ADNOC's onshore operations.

Toshka Project

Water Supply

Toshka Project

Orascom Construction is currently involved in the **Development of the South Valley of Toshka Project,** a major national land reclamation initiative spearheaded by the Egyptian government to increase agricultural land across Egypt.

The Toshka project, the largest farm in Egypt, spans over about 60,000 feddans. It aims to develop the South Valley and establish a new home for integrated communities — a recreation of the Nile Valley — that are built on agricultural activity, food industries, and various other urban activities. The farm's main source for irrigation is the Toshka Canal. Water reaches the farm through a pumping station with seven pumps that supply around 7,000 m3 of water per hour.

As a main contractor, Orascom Construction continued the execution of several packages in the Toshka Project that are scheduled to be completed in 1Q2024. The first is the **Reclamation of 17,000 Feddans**, which includes works for four lagoons with five intakes from the main canal to the lagoons, four pump stations with their related civil and electro-mechanical works, four electrical buildings, four administrative buildings, as well as the fences and landscapes for the four locations. Orascom Construction is also working on the construction of the **Main Water Networks and Canals** in four areas (L2, O4, R5, and S7), where the scope of works include the main networking lines, road works, leveling works, and reinforced concrete works, as well as lagoons, main canal, end basin, and booster's basin. The delivery of the L2 Main Water Network and Canals package was completed in 4Q2023.

Toshka Project

Pumping Stations & Pipelines in Egypt

In a 50:50 JV with Metito, OC is involved in the construction of **Al Alamein Pumping Station and Force Mains**. The project consists of the construction of main gravity lines with diameters varying from 1,200 to 1,800 mm, at a total length of 4.5 km, for a main pumping station, as well as a force main with a diameter of 1,000 mm and a total length of 11.5 km. Awarded in 3Q2020, the project will be completed in 2Q2024.

OC is also working on **Al Hammam Pumping Stations**, part of the state's strategy to expand Egypt's agricultural area and develop the West Delta region. Expected to be the largest of its kind in the whole world, with a planned capacity of 7.5 million m3 of water per day, the treated water will then irrigate up to 500,000 feddans of land west of the Nile Delta area. The scope of work encompasses the construction of two lifting pump stations and GRP transmittal pipelines to Al Hammam Treatment Plant. The project started in 3Q2021 and is scheduled to be completed in 2Q2024. It is currently running at a capacity of 1 million m3/day in its trial operation phase.

In addition, OC continues its supply and installation works on the **Wastewater Pipelines to El Gabal El Asfar** project. The sewage pipelines extend from New Cairo to El Gabal El Asfar, with a diameter of 3,400 mm. The project started in 4Q2021 and is scheduled for completion in 3Q2024.

Al Hammam Pumping Station

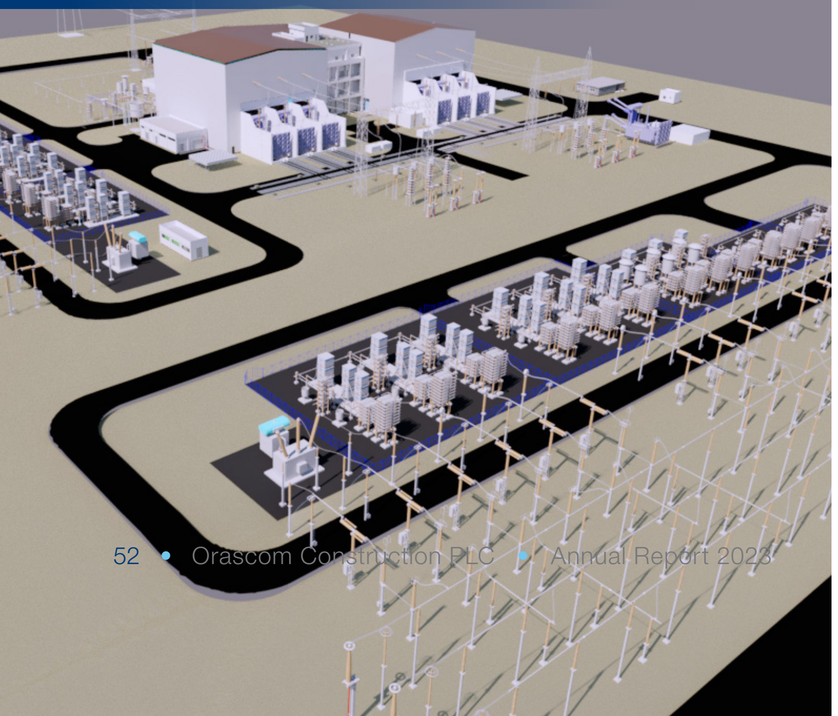
Power Generation

Orascom Construction is a key player in the energy sector in the MEA region. Its track record comprises projects of conventional simple cycle, combined cycle, steam, and renewable energy power plants with a capacity exceeding 30 GW. The partnership with global technology providers—such as Siemens AG, General Electric (GE), Engie, Toyota Tsusho, Ansaldo, and Alstom—has placed OC as a principal player in this sector in Egypt and one of the largest in the region.

500 KV Egypt / Saudi HVDC Interconnection Project

OC's Consortium with Hitachi ABB Power Grids on the National Power Grids Connection between Egypt and the Kingdom of KSA. The consortium is building the HVDC converter station in northeast Cairo and the transition station in Taba, Sinai. This unique project is among the most advanced and complex high-voltage direct current (HVDC) projects of its kind worldwide and stands as the first inter-continent HVDC project in the world. The project will allow both countries to exchange up to 3 GW at peak times, providing power supply to more than 20 million people, as well as allowing both Egypt and KSA to improve the efficiency of transmission grids and exchange renewable energy, supporting a carbon neutral future. OC's scope includes the design, procurement, supply, construction, installation, testing, and commissioning of the Badr HVDC Converter Station and Taba Transition Station. It also includes telecommunication works in both Egypt and KSA. Operation for the first stage of the project is scheduled to start in late 2024 with a capacity of 1.5 GW, and the balance of the capacity is scheduled to begin by early 2026.

500 KV Egypt / Saudi HVDC Interconnection Project



Burundi Hydropower Plants

The 50:50 JV between OC and CMC Di Ravenna continues its construction works on the 51 MW Jiji & Muluembue Hydropower Plants in Burundi. The scope includes earthworks; civil works, such as river diversion, a dam, intake, and a sand trap; and purge channel, as well as tunneling, pipelines, six turbines, generators, transformers, switchgears, road works, and the operation city. Works started in 1Q2020 and are scheduled for completion in 4Q2024.

TM2500 Project

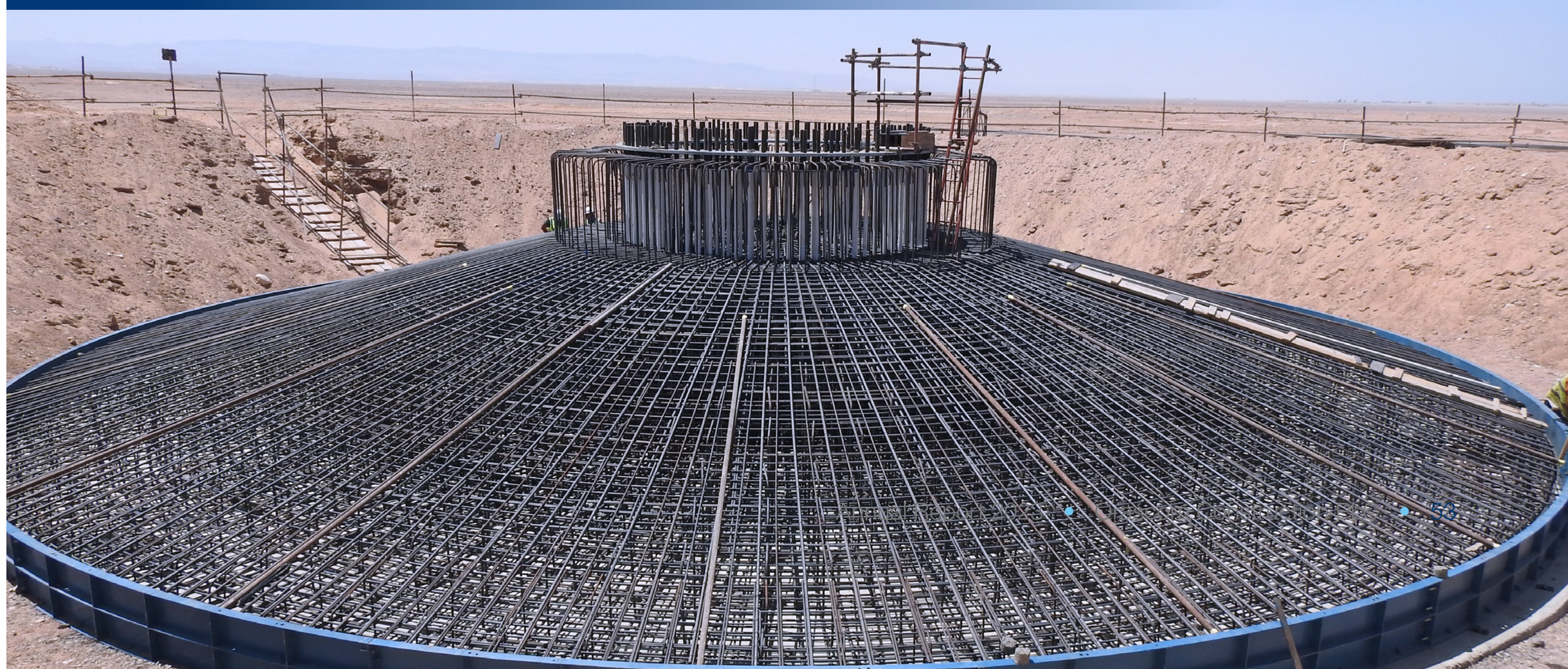
In 1Q2023, OC started its works on the 20 GE TM2500 Gas Turbines Project in Egypt. The scope is to supply services for the demobilization, transportation, and shipping of 20 GE TM2500 gas turbines and the related balance of plant, auxiliaries, spare parts, and 2 x LM2500 engines. The project was completed and successfully delivered within three months.

Burundi Hydropower Plants

Red Sea 500 MW Wind Farm

In 2Q2023, the Red Sea Wind Energy (RSWE) — Consortium between Engie, Orascom Construction, Toyota Tsusho Corporation, and Eurus Energy Holdings Corporation — achieved the financial close of the new 500 MW Gulf of Suez Wind Farm, located near Ras Ghareb in Egypt. This new 500 MW wind farm project builds on the past success of the consortium in developing Egypt's first renewable energy independent power producer (IPP) project of its kind and size. The new wind farm also triples the developer consortium's wind energy capacity in Egypt to 762.5 MW. The project will be capable of delivering clean power to more than 800,000 Egyptian homes, and it will help accelerate Egypt's transition to renewable power generation and reduce CO2 emissions by approximately 1 million tons annually. After financial closure, the consortium will operate and maintain the wind farm under a 25-year power purchase agreement (PPA) with the Egyptian Electricity Transmission Company (EETC). The plant will be connected to the grid over two phases, with full commercial operation planned to commence in 3Q2025.

Red Sea 500 MW Wind Farm



Transportation

Orascom Construction has always understood how crucial the development of new railways, highways, airports, and ports are to the economic and social betterment of communities across the MEA region.

Railways

Orascom Construction's portfolio of the monorail, light rail, high-speed rail, metro, and other railway projects in Egypt and the Middle East highlights its leadership and expertise in this sector and indicates its ability to secure high-quality projects with funding from international financial institutions.

Orascom Construction's current and past projects, which span over more than 35 years in this sector, cover a wide range of state-of-the-art and sustainable transportation systems, and include major projects covering over 3,500 km.

Railway Corridor Projects in Egypt

Orascom Construction continues its works on the modernization of the signaling system of **Naga Hammadi/Luxor Corridor**. The line covers 14 stations and 45 level crossings along 118 km from Naga Hammadi to Luxor. The project is executed with a modern electronic system (EIS) that achieves the highest safety rates and holds a Safety Integrity Level 4 (SIL4) certificate, the highest rate of safety worldwide. The scope also includes civil works consisting of cable trenches, signaling installation, and the complete supply and installation of power supply and communication. The project started in 2021 and is scheduled for completion in 2025.

In 3Q2023, OC's consortium with Thales was awarded a new railway contract by the Egyptian National Railway (ENR) in Egypt. The project is to modernize and upgrade the **Cairo/Beni Suef Railway Corridor**. The consortium will modernize the signaling system and tracks across approximately 125 km, consisting of 17 signal towers and 65 level crossings, in addition to the complete modernization of the electronic interlocking system at the stations. This project will contribute to increasing the factors of control, safety, and security of the trains' path, reducing the intersection period between trains and increasing the capacity of the network by increasing the number of trips during the day. The contract also includes a five-year maintenance agreement, aiming to develop and maintain the Beni Suef railway system. Works are scheduled to be completed within 60 months.

Banha Port Said Railway

Progress is ongoing on the modification, renewal, and maintenance of the Banha-Port Said Line. The project covers the supply of all components and the construction of 356 turnouts of 45 km tracks. Orascom Construction's scope also includes the removal of old tracks and turnouts and installation of new ones. The project kicked off in 2Q2020 and is scheduled to be completed in 1Q2024.

Banha Port Said Railway

Greater Cairo Metro

Orascom Construction is currently involved in the execution of many packages of Greater Cairo Metro Lines 3 and 4 — part of the infrastructure plan for the development of public transport envisaged and planned by the Egyptian government. The Metro is the fastest transit system in Greater Cairo, the largest metropolitan area in Egypt. The Metro is also the first of the three full-fledged metro systems in Africa and the first in the Arab world to be constructed.

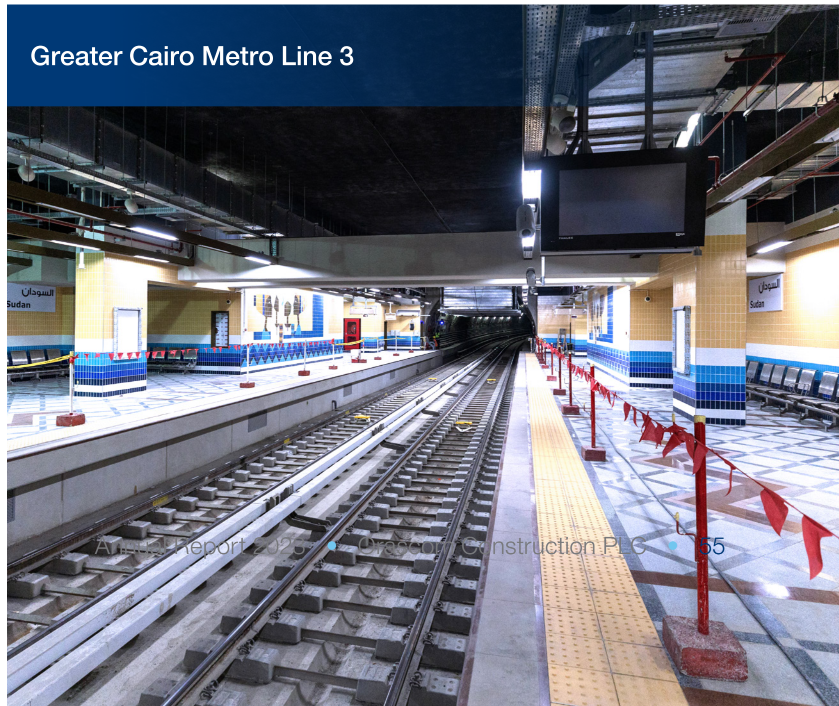
OC, in a French-Egyptian consortium, is working on the civil and electromechanical works on the **Greater Cairo Metro Line 3 Phase 3**, which spans a total length of about 18 km and consists of 15 stations (underground, elevated, and at grade), in addition to annex structures, a stabling area, and a light repair workshop. Both the electromechanical and the civil works are scheduled to be delivered in 2024.

In addition, OC is currently involved in two packages for the **Greater Cairo Metro Line 4,** which is expected to transport about 2 million passengers daily and has a total length of 42 km with 39 stations (37 tunnels – 2 surface).

As part of a consortium with Mitsubishi Corporation, Colas Rail, and Thales, OC is working on **Greater Cairo Metro Line 4 – Phase 1- Package CP411,** which covers 19 km and includes 17 stations. OC's scope includes the railway systems (signaling, power supply, AFC, PSD, and telecom), track, and depot works. The project started in 2Q2022 and will be completed in 3Q2028.

In 4Q2023, OC announced the signature of a new contract with the National Authority for Tunnels (NAT) to execute all civil works for **Greater Cairo Metro Line 4 – Phase 1- Package CP402,** which is 5.5 km long and includes five stations.

Greater Cairo Metro Line 3



Monorail

In a consortium with Alstom and Arab Contractors, OC is currently executing two lines of the world's longest Monorail Transit project in Egypt, with a total length of 96 km. The project links Greater Cairo with the New Administrative Capital and the 6th of October City, and it will greatly improve mobility for Egyptian citizens. Both lines will be capable of transporting c.45,000 passengers per hour in each direction—with an operating speed of up to 80 km/hour—once full capacity is reached. The project was awarded in 3Q2019, and is scheduled for completion by 2025. Upon completion, the consortium will be responsible for the O&M of both lines for 30 years.

High-Speed Rail

In a consortium with Siemens Mobility and Arab Contractors, OC is working on Egypt's first **High-Speed Rail Green Line**. This Line covers a 660 km, 22-station, high-speed, electrified main and freight rail line that will connect the port cities of Ain Sokhna on the Red Sea to Alexandria and Marsa Matrouh on the Mediterranean Sea. The construction scope includes the track works, signaling and overhead catenary, telecommunications system, and traction power substations, while the 15-year maintenance scope encompasses the track works and telecommunications system. Once completed, the line will transport more than 30 million people per year and save up to 50% travel time, providing efficient, safe, and affordable transportation for passengers and goods across the country. The line will also connect both sea and dry ports, improving freight movement efficiency and increasing freight transported on rails by 15%. Works on the green line were awarded in 2021 and are scheduled to be completed within 2026.

The High-Speed Rail Project will be the country's first-ever electric railway. The rail lines will connect 60 cities nationwide via trains that can operate at up to 230 km/hour. The network, which will be accessible to around 90% of Egyptians, will include three lines and provide about 500 million journeys annually. Once completed, the project will be the sixth largest of its kind in the world.

In 2Q2022, the consortium partners signed a contract with NAT to expand the High-Speed Rail network to 2,000 km divided into two additional lines. The second Blue Line will stretch 1,100 km, linking Cairo in the north with Aswan's Abu Simbel in the south. The third Red Line will connect Luxor in Upper Egypt with Hurghada city on the Red Sea, spanning 240 km. Within 2023, OC was involved in the civil works on the **High-Speed Rail Blue Line**, including piles and foundations. The track works will start in 2024.

In 2Q2022, OC was awarded the construction of one of the Green Line stations. Works on the **Borg El Arab Station** for the high-speed train are progressing. The scope comprises the civil works and finishes for the passengers' main station, including the boarding and arrival halls, three platforms for both high-speed and express trains, ancillary buildings, and the depot. All station components are linked together through five pedestrian bridges. The station's architectural and interior design reflects a modern treatment of the ancient Egyptian architecture. The scope also includes landscape areas, parking lots, and limited commercial areas.

In 4Q2023, OC signed a contract with NAT to lead a joint venture to execute the **mechanical, electromechanical, and plumbing (MEP) works for all stations** of the Green (First) Line of the New High-Speed Rail System in Egypt.

High-Speed Rail

Abu Qir Metro

In 3Q2023, the NAT signed a contract for the EPC works with the Colas Rail-OC consortium to build a New Regional Metro System in Alexandria, Egypt. The consortium will deliver a new electric metro system that will enable efficient, safe, and low-carbon mass transportation in Alexandria. The project, spanning 21.7 km and encompassing 20 stations to connect downtown Alexandria with the northeastern town of Abu Qir, marks an important milestone as the first modernization of a transportation system in Alexandria.

Roads

For almost 25 years, Orascom Construction contributed to the development of road networks in Egypt, KSA, and the UAE through its specialized Road Construction subsidiary. This subsidiary owns a modern fleet of road specialty equipment that helped it execute around 730 km of roads in Egypt, linking many governorates together, throughout 2023.

Roads in Egypt

In 1Q2023, OC completed the asphalt paving of 75 km of **El Dakhla Road**; the upgrading of asphalt and concrete pavement works, including base and sub-base courses, on the **Sheikh Fadl Road** as part of the Upper Egypt Freeway, with a total length of 80 km; and the construction of 60 km of the **Dabaa/Sallum Road.**

In 2Q2023, OC finalized the construction of 21 km of the **El Dabaa Road**, the construction and upgrading of 40 km of the **El Farafrah Road,** and raising the efficiency of the **Sallum/Matrouh Road** with a combined length of 40 km.

In 3Q2023, OC successfully completed the upgrading and new construction of 30 km of roads at the **Ras El Hekma Project,** the upgrading of the main road and the construction of a new service road (30 km in length on each side) as part of **Phase 2 of the International North Coast Road,** and the upgrading of the existing 50 km concrete and asphalt **Beni Suef Road.**

In 4Q2023, OC completed the new construction of 30 km on the **Qattara Depression Road,** as scheduled. It also completed the upgrading of 20 km (asphalt and concrete pavements) on the **Wadi El Natroun/El Alamein Road** and the upgrading of the main road of the 40 km long **Cairo/Alexandria Desert Road.**

International North Coast Road

OC is currently working on the 45 km **Wadi Feiran Saint Catherine Road,** the 86 km long **Al Kayan Road** at the New Administrative Capital, and the 81 km long **Internal Roads at the New Administrative Capital.** These projects are scheduled to be completed in 2024.

Wadi El Natroun/El Alamein Road

Cairo/Alexandria Desert Road

Airports

Experienced in airports construction in Egypt and the Middle East since 1990s. Orascom Construction is one of the primary contractors involved in the upgrade of military and civil airports, with a total of more than 130 km of runways and taxiways.

Fujairah International Airport

In 3Q2023, a JV between Al Sahraa Group and OC completed the construction works of a new runway, an extension of the old runway, taxiways, a new air traffic control tower, and other related buildings and infrastructure works at the Fujairah International Airport in the UAE. The project achieved a five million working hours without LTI safety award.

Borg El Arab International Airport

A JV between Taisei Corporation and Orascom Construction continues the modernization and extension of the Borg El Arab International Airport in Alexandria, Egypt. The project covers the construction of a new low-cost carrier (LCC) passenger terminal building, a new apron in front of the new LLC terminal building, and airport utilities. The scope includes civil, electromechanical, and finishing works. Once completed, the O&M scope will be for 24 months. The project started in 2020 and is scheduled to be delivered in 2024.

Borg El Arab International Airport

Ports

With Egypt's coastlines on the Mediterranean Sea, the River Nile, and the Red Sea, Orascom Construction has been involved in the construction of Ports since 1999.

Ain Sokhna Port

In 2023, OC successfully completed one of its two awarded phases in the largest expansion project at the Ain Sokhna Port in Egypt. The project entailed completing and developing the port through constructing four new basins and 18 km of berths (a quay wall structure). Orascom Construction's first phase – completed in 2Q2023 – was to construct a quay spanning 880 m at Basin 3, while the second phase – scheduled to be completed in 2Q2024 – is to construct a 1,000 m quay wall at Basin 6. The quay wall structure consists of deep foundations (diaphragm wall, barrettes, and piles) of various depths, connected by a deck structure (front, rear, transvers beams, and deck slab) with a depth of 2 m. The project achieved a five million working hours without LTI safety award.

Ain Sokhna Port

Infrastructure Networks and Utilities

Orascom Construction has been involved in the realization of several projects focused on infrastructural works (sewage and irrigation networks and foundations) that are necessary for the sustainable development of new cities.

A 50:50 JV between Hassan Allam and OC continues its works on the **Green River Project** at the New Administrative Capital, with a total area of 205 feddans. The scope of works includes infrastructure, landscape, hardscape, several decorative features, service and facility buildings, multiple bridges, and other forms of light construction. Works started in 4Q2019 and are scheduled to be completed in 1Q2024.

Additionally, works on the **Development of Egyptian Villages in Farafrah** are ongoing. OC's scope includes the construction of sewage and water infrastructure pipelines, one wastewater treatment plant, nine pumping stations, and several buildings for the health units, agricultural services, and youth and family development centers. Works started in 3Q2021 and are scheduled to be completed in 1Q2024.

OC is also working on the **32,000 Feddan Reclamation Project** — part of Phase 2 of Al Dabaa Axis Development. The project consists of the reclamation of 250,000 feddans for agricultural purposes to assist in covering Egypt's needs of crops, alongside similar projects in Toshka. OC's scope also consists of infrastructural works, such as a network of roads to facilitate the transportation of produce, canals to distribute irrigation water, a piping network to provide irrigation systems (pivots) with water, and land leveling and grading for pivots. Works started in 2022 and will be completed in 2024.

Green River Project

Development of Egyptian Villages in Farafrah

Industrial

For over 35 years, Orascom Construction has had a leading role in the development of various industrial projects, such as cement, fertilizers, petrochemicals, and LNG plants in the MEA region.

OC constantly secures large contracts, working in partnership with other leading regional and multinational contractors. Its in-house team provides the needed civil, mechanical, and electrical work and also supplies the needed steel structures and equipment.

East Owainat Potatoes Plant

In 2Q2023, OC announced the inauguration of the East Owainat Potatoes Plant, a large potato factory and storage complex in Egypt. This project plays an important role in supporting Egypt's sustainable needs for important strategic crops and directly improves quality of life across all nearby cities. The project comprises a potato factory that spans over an extensive area of 296,000 m², equipped with innovative technology for the efficient production of various end products. The complex also includes separate large, refrigerated storage with a capacity for over 130,000 tons of products and seeds to ensure quality and longevity.

As a main contractor, OC has executed four contracts for the National Company for Reclamation and Cultivation of Desert Lands. One contract was completed in 2022, where OC was responsible for supplying, installing, constructing, commissioning, and putting into operation the refrigerator storage with capacity for 64,000 tons of potatoes seeds. Three other contracts were completed as scheduled in 2023: a refrigerator storage with capacity for 64,000 tons of raw potatoes,a freezer storage for 6,000 tons of packed potatoes, and a half-fried potatoes plant, in which OC's scope was design and build works, excluding the fried potatoes production lines. After delivery, the project received a number of quality certificates, including Global G.A.P. Certificate, Good Manufacturing Practice Certificate (GMP), Good Laboratory Practice Certificate (GLP), and ISO 22000/2018 Food Safety Certificate.


East Owainat Potatoes Plant


Damietta Textiles Factory

Textile Manufacturing Complexes in Egypt

Works on the Textile Manufacturing Complexes in Damietta and Mahalla are progressing. The projects will play a central role in the revival of the textile industry in Egypt, and the manufacturing complexes will utilize state-of-the-art equipment across different facilities, covering a combined area of more than 189,000 m². In Damietta, OC is constructing four new factories with a scope that includes all civil, architectural, and MEP works. In El Mahalla, OC is involved in the construction of four new factories and a sewage lift station, where its scope includes all demolition, civil, steel structure, architectural, and MEP works. The complexes will be delivered in 2025.

Plasma Fractionation and Purification Plant

OC is also working on the Plasma Fractionation and Purification Plant located in the New Administrative Capital. The project's footprint is 12,000 m², and its total built-up area is 36,000 m². The project started in 2022 and is scheduled for completion by the beginning of 2025.


Plasma Fractionation and Purification Plant

Commercial

Orascom Construction is the preferred choice for large-scale commercial projects. OC has 40 years of experience in the construction of commercial buildings in Egypt and the Middle East, with an impressive portfolio and a total built-up area of more than 10 million m2. OC has enjoyed working with several private and public sector clients who appreciate its levels of excellence and customer focus.

New Cities in Egypt

Orascom Construction has been involved in the construction of several commercial projects in new, fourth generation cities in Egypt, such as the New **Administrative Capital and the New Alamein.**

New Administrative Capital

The New Administrative Capital is located 35 km east of Cairo, with a total area of 170,000 feddans.

Since 2016, OC has worked on several key buildings with a total built-up area of more than 4 million m^2, as well as their infrastructure works.

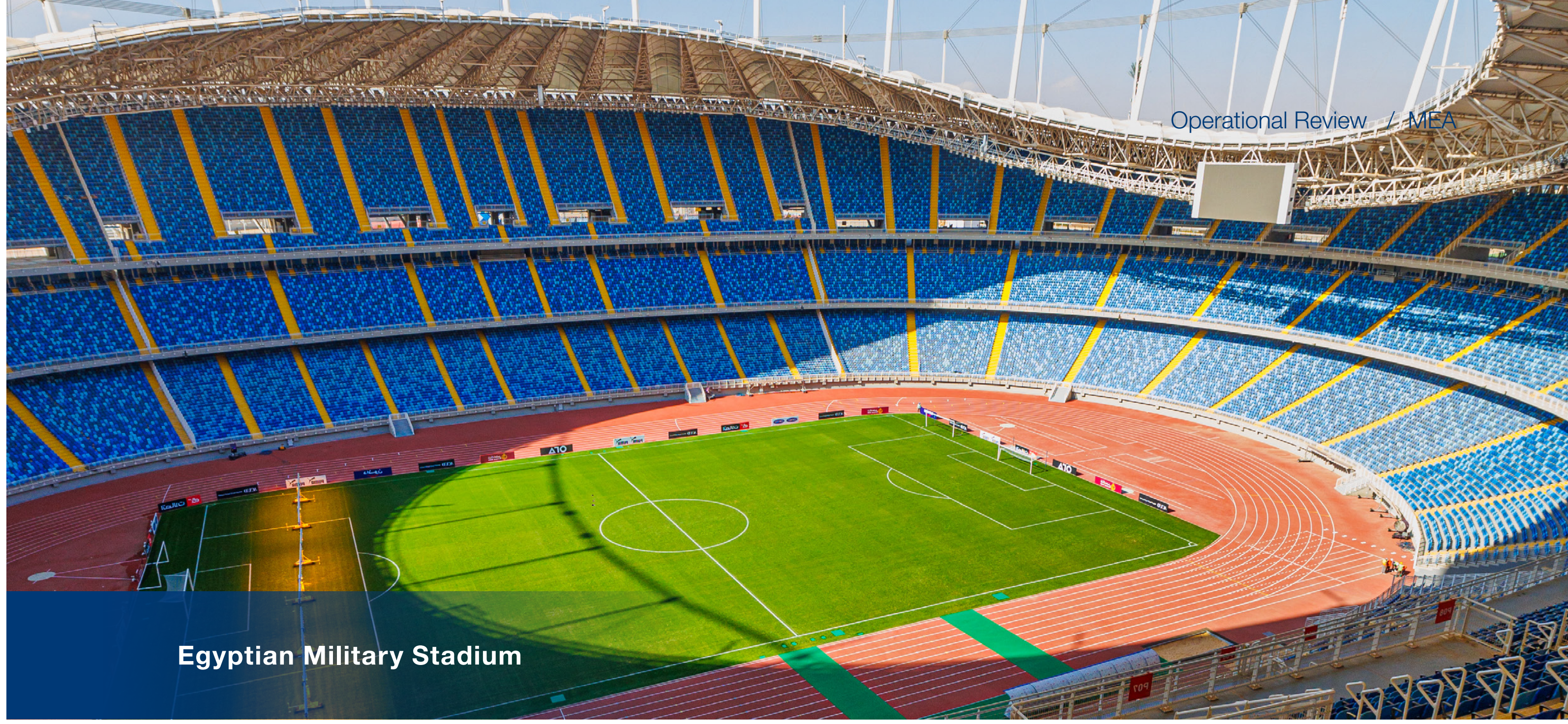
Residential Sector

In the Residential Sector, OC is currently working on the **R5 Apartment Buildings Project,** which consists of 13 clusters with a total built-up area of 1,204,285 m^2. Each cluster consists of four or five buildings connected by two basements, and each building contains five to eight floors. OC's scope includes skeleton works and architectural and MEP works. The project has achieved 17 million working hours without LTI. Works are scheduled to be completed in 2024.

Banking Sector

In the Banking Sector, OC is involved in the construction of two headquarters. The first project is the **Central Bank of Egypt (CBE) Headquarters,** a turnkey project consisting of two basement floors, a mezzanine, a ground floor, and seven floors, with a total built-up area of 145,000 m^2. It also consists of a coin museum, meeting rooms, offices, a bank governor office, a VIP restaurant, a medical center, and a gym. , the project's scope includes all civil works, in addition to the facades and landscape works. The second project is core and shell works on the **Housing and Development Bank Headquarters**, which includes two basements and seven floors, with a total built-up area of c. 41,500 m^2. The project has achieved 5.5 million working hours without LTI. Both projects started in 4Q2019 and are scheduled to be completed in 2Q2024.

R5 Apartment Buildings

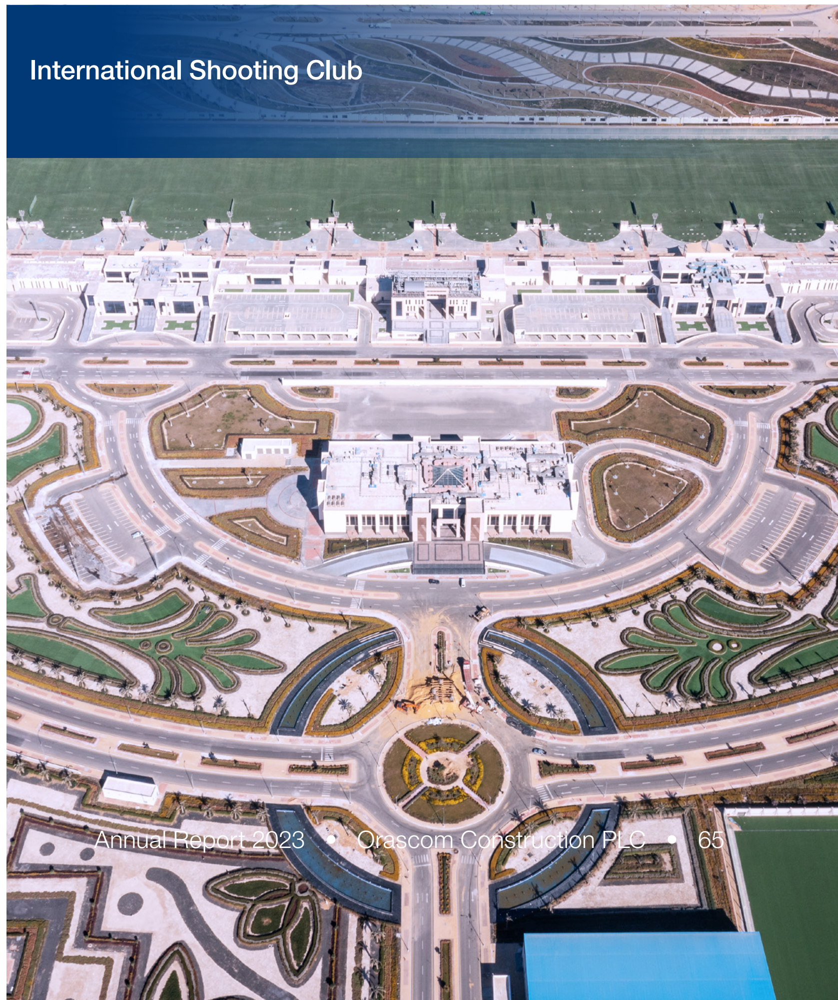


Egyptian Military Stadium

Sporting Sector

In 2023, OC completed its works on the **International Shooting Club,** a project with a total built-up area of c. 400,000 m^2, consisting of a hotel and a multipurpose hall, Al Khartoosh shooting area, electronic shooting area, manual shooting area, bow and arrow shooting area, a protocol building, administrative buildings, shopping areas, a sports area, fencing, and eight gates. In parallel, OC is nearing completion of the EPC works on the **Egyptian Military Stadium** in the New Administrative Capital Sports City Complex, with a total built-up area of c. 118,865 m^2. Due for completion in June 2024, the stadium is the largest in Egypt and the Middle East, with a capacity to host 92,000+ spectators. It is built to world class standards with spectacular architecture.

Housing and Development Bank



International Shooting Club


New Alamein High-Rise Towers

Crescent Tower

In 4Q2023, OC completed the concrete skeleton and structural steel works on the Crescent Tower located in the Central Business District (CBD) of the New Administrative Capital, with a total built-up area of 122,000 m².

New Alamein City

The New Alamein City is located in the North Coast area and set to be the first-of-its-kind in the area. Designed to the high standards of a fourth-generation city, the city is designed to hold millions of residents, hitting a new milestone for the North Coast area. It comes with the new concept of an open-to-the-public tourism city on the North Coast, taking a different approach than the private resorts spread across the sea line. OC has been working on several commercial projects in the New Alamein City, with a total built-up area of c. 1.7 million m².

Commercial/Residential Towers

In terms of the Commercial/Residential Towers overlooking the Mediterranean Sea in the New Alamein City, OC is currently involved in the construction of three projects. In 3Q2023, works were completed on the **Al Massa Hotel,** a turnkey project with a total built-up area of 278,000 m². The project consists of six towers, three of which encompass the hotel itself and the other three are hotel apartments. Each tower consists of two basement floors, a ground floor, first floor, mezzanine, and 18 typical floors. This is in addition to a service floor and a 21st upper cap floor, with two upper linking caps, a three-star hotel, a mosque, a shopping mall with a basement, ground floor, and mezzanine floor, utility and service buildings, an external fence, as well as external works, such as roads, hardscape, softscape, and water features. OC's scope included civil, finish, elevation, and electromechanical works. Concurrently, OC is working on the finishing and electromechanical works on the second phase of the **New Alamein High-Rise Towers**. The project consists of four towers and a podium, with a total built-up area of 285,000 m². It received a 24 million working hours without LTI safety award. Works started in 1Q2019 and will be completed in 4Q2024. In addition, the construction works on the **Marina Towers** are progressing, where OC is constructing two towers, each consisting of 41 floors and a podium of five floors, with a total built-up area of 300,000 m². OC's scope comprises civil works, including piles, foundations, and skeleton works, as well as block works. The project started in 2022 and is scheduled to be completed in 2025.


Crescent Tower


Al Massa Hotel

Commercial Complexes

In terms of commercial complexes, OC is working on its two contracts for the **New Alamein Historical Old City,** with a total built-up area of 148,329 m², consisting of a cinema complex, control and monitor (C&M) buildings, library, church, City Hall, museum, luxury apartments, exhibition hall, Roman theater, opera, talent development center, left chiller, and two substations. The first contract, scheduled to be completed in 2024, includes excavation, backfilling, insulation, and foundation works, skeleton works for buildings, and external works, as well as excavation and backfilling for landscapes and roads. The second contract is scheduled for completion in 2025, and it includes full finishes, electromechanical works, and landscaping for the buildings. In parallel, OC is working on two other contracts for the **New Alamein Latin Quarter,** an 18-cluster complex of residential blocks composed of 71 multi-stories buildings with a total built-up area of 687,671 m². The scope of the first contract includes excavation, backfilling, insulation, foundation, and skeleton works and is scheduled to be completed in 2024. The second contract entails full finishes, electromechanical works, and landscaping, to be completed in 2025. The project has achieved 6 million working hours without LTI.


New Alamein Historical Old City


New Alamein Latin Quarter

Commercial Buildings

Throughout 2023, Orascom Construction was involved in and completed a number of large-scale commercial projects, with a combined built-up area that exceeds 1.2 million m².

Giza Plateau

In 2Q2023, OC completed the renovation and upgrading works on the infrastructure facilities at the Giza Plateau, located beside the Giza Pyramids. The project is expected to raise efficiencies of and modernize the existing facilities and buildings by equipping them with the latest technology and fit-outs. OC's scope included the implementation of light structures for stations and F&B merchandising retail to serve visitors while preserving the site's archaeological and historical nature. The scope also included the refurbishment of the existing areas and buildings, the construction of three new bus stations (Panorama, Khufu, and Sphinx), as well as the renovation and modification of existing roads to create a route for electric buses to provide tours around the Pyramids and Sphinx.

Cash Center of the Central Bank of Egypt

4Q2023 saw the completion of the Cash Center of the Central Bank of Egypt (CBE) at the New El Minya City, with a total built-up area of 4,100 m² for the main building. OC's scope included the main building, gate building, fences, tank and pump room, electrical substation, relative utilities, landscape, and a road. The execution phase entailed shop drawings and as-built drawings, general site works, concrete skeleton works, architectural finishing works, electrical light current and telecommunication works, mechanical works, and testing and commissioning works. The project has achieved two million working hours without LTI.


Giza Plateau

Central Bank of Egypt (CBE)

Maspero Nile Towers

OC continued its works on the Maspero Nile Towers in the Maspero Triangle overlooking the Nile River. The project consists of foundation and structural works on three luxury, residential 30-floor towers, including a four-floor podium, three-floor underground parking lot, and an underground floor for the parking entrances. The towers are connected at the top by a triangle steel structure of three cap floors spanning 30–40 m, with an estimated weight of 2,400 tons. With a total built-up area of 52,000 m², the project started in 1Q2021 and will be delivered in 1Q2025.

Grand Egyptian Museum (GEM)

The 50:50 JV between BESIX and OC has successfully delivered the majority of its construction works on the Grand Egyptian Museum (GEM), a landmark museum and a cultural center located on the plateau of Giza Pyramids. The JV is currently finalizing the remaining checklist for the preparation of the inauguration. Once fully inaugurated, the GEM will become one of the largest museum development projects in the world, a cornerstone of Egyptian tourism and culture, and the largest archaeological museum in the world dedicated to one civilization, being built on a dedicated area of c. 500,000 m². The total land area is c. 491,400 m², with a total built-up area of 165,000 m², divided into several categories, offering exhibition galleries, a conference center, cafes, restaurants, cinema, theater, and commercial and retail areas. The GEM represents the future of preserving Egypt's glorious past, enhancing Egypt's global position as a prime tourist destination, with 18,000 pieces of artifacts on display at the various Exhibition Galleries.

Maspero Nile Towers


Grand Egyptian Museum (GEM)


ZED East

ZED West and East – Residential

Works on **ZED Towers – Phase 1A** in Sheikh Zayed City are nearing completion. The project entails the construction of four fully finished residential towers, with a total of 600 housing units. Each tower contains a three-floor parking lot linking the four towers, a two-floor podium, and 17 floors of apartments. The project's total built-up area is 197,000 m^2. OC's scope includes construction and finishing works, as well as testing and commissioning works. The project achieved 21 million working hours without LTI. The project was awarded in 2Q2020 and is scheduled for completion in 1Q2024.

In 2Q2023, OC started working on **ZED East – Phase 1** in New Cairo, which is scheduled for completion in 3Q2025. The project is a multi-family residential compound that comprises 15 fully finished buildings and underground parking, with a total built-up area of 392,000 m^2. OC's scope includes structural, finishing (turkey), façade, MEP, and HVAC works.

Beach Resorts

OC is also involved in the execution of two contracts on the **Silver Sands Project** in Sidi Hinish, North Coast, Egypt. The project is an integrated residential community and a luxury resort that extends for around 139 feddans out of the allocated 500 feddans. The first contract was the rough grading construction works on Phase 1, consisting of earthwork (excavation and backfilling), which started in 2Q2022 and was completed in 4Q2023. As for the second contract, its ongoing scope includes the EPC works of 380 residential buildings with a built-up area of c. 200,000 m^2 on Phase 1A and 1B. The project has achieved three million working hours without LTI. The project started in 4Q2022 and is scheduled to be completed in 4Q2024.

In 3Q2023, OC was awarded the EPC works on the **Soul Luxury Beach Resort**, a luxury resort in the North Coast, Egypt. The project consists of 247 residential buildings, with a built-up area of about 60,000 m^2, and is scheduled for delivery in 2026.


Silver Sands Project

Hospitals

Orascom Construction has been involved in the healthcare sector through the construction of several key hospitals with over 730 beds.

Magdi Yacoub Global Heart Center

OC continues its progress on the Magdi Yacoub Global Heart Center in the 6th of October City, Egypt. The facility is a state-of-the-art, 304-bed hospital and research center, with six operation theaters and four cath labs, with a built-up area of 90,000 m2 and a footprint of 23,730 m2. The center is the largest healthcare facility in the region for cardiac care, treatment, and research. Upon completion in 2024, the Magdi Yacoub Global Heart Center will have a capacity of over 120,000 patients annually. OC's scope includes the construction of the hospital building's superstructure, the superstructure of the energy center and site buildings, complete internal and external finishing, MEP Works, FF&E, ID, infrastructure and utility networks, site roads, and landscaping, excluding the medical equipment. The project achieved 13 million working hours without LTI.


Magdi Yacoub Global Heart Center

Hotels

With experience spanning three decades, Orascom Construction is the preferred choice for most five-star hotels in Egypt.

Emaar Vida Marina Hotel & Yacht Club

Currently, OC is constructing the Vida Marina Hotel and Yacht Club in the North Coast, Egypt. The hotel spans over c. 24,112 m2, with a total built-up area of 37,000 m2, including 5,400 m2 dedicated for parking. The hotel also includes 120 keys for guest rooms and suites and 110 keys for serviced apartments. OC's scope covers the construction and finishing of a new hotel building and the relevant external works (landscaping, roads, and infrastructure). The project achieved four million working hours without LTI. The project is scheduled for completion in 2Q2024.


Emaar Vida Marina Hotel & Yacht Club

Orascom Construction USA

Middle East & Africa (MEA) – Contrack Watts

Infrastructure

Shore-to-Ship Utilities System, Bahrain

This design-bid-build (DBB) project requires the construction of shore-to-ship-based utility systems in Bahrain. These dedicated utility systems will support forward deployed littoral combat ship (LCS) surface combatants and be able to service compatible homeported and visiting U.S. ships on extended leave.

This project constructs six hotel stations along the waterfront for shore-to-ship utility connections during construction Phases 4, 5, and 6. Each hotel station will be equipped with a Medium Voltage (MV) termination cabinet, 11kv/480v-60Hz step-down transformer, low voltage power circuit breaker switchgear, and twenty-seven (27) 600V/690A/1P connectors. The anticipated completion date of this project is April 2024.

Shore-to-Ship Utilities System

USA – Contrack Watts

Infrastructure

Bainbridge Ferry Terminal OHL Walkway Replacement & Cab Rehab Project

The Bainbridge ferry route between Seattle and Bainbridge Island is the busiest in the system for walk-on passengers. More than 3.2 million commuters, travelers and tourists use this terminal's overhead walkway annually. Built over 50 years ago, this project replaces the existing overhead wooden walkway with a wider, safer concrete and steel structure built to meet the increase in traffic and current seismic codes.

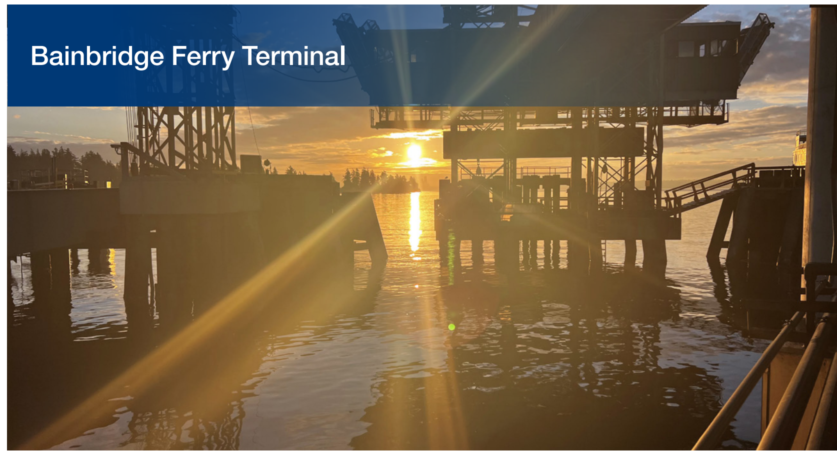
Construction includes replacing the existing wood piles, with a new steel-fortified walkway anchored by concrete and steel columns. The steel bridge span, when complete, will measure 339 ft long and weigh more than 114 tons. The new pedestrian bridge will be furnished with fiber reinforced polymer (FRP) decking. Various mechanical and electrical components that power the existing overhead loading bridge will also be upgraded. The final design incorporated input from the community about the types of windows, flooring, and other design details; increasing safety conditions overall and aligns with WSDOT's 2040 Long Range Plan for its ferry system. The project is expected to be completed in early 2024.

USA – The Weitz Company

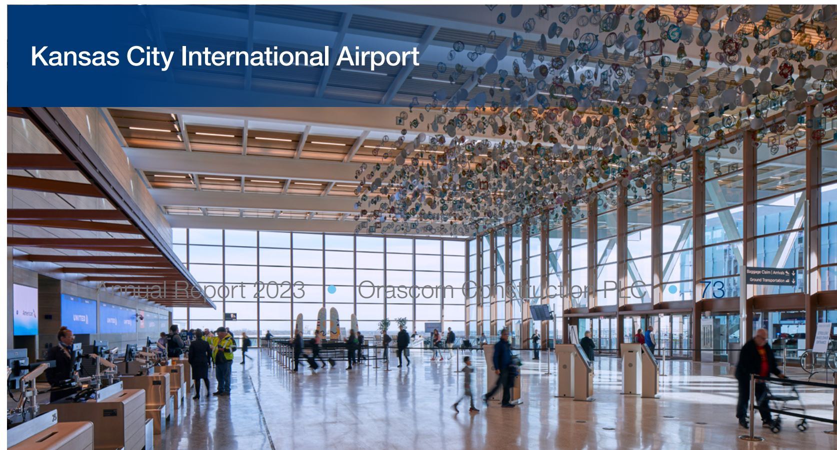
Infrastructure

KCI Airport, Kansas City, Missouri

Construction was completed this year at the Kansas City International Airport single terminal project, with the first flights taking off from the terminal in February 2023. This 40-gate, 1.1 million ft2 facility is the single largest infrastructure project in Kansas City's history, and it replaced Kansas City International's three-terminal concept, originally built in 1972. The new single terminal consists of a two-story headhouse to guide passengers through major functions, such as check-in and baggage claim. The project then leads to two-gate concourses connected by a two-level bridge with baggage handling functions at the ground level. This project also included a striking arrival experience punctuated by Y beams, a new parking garage with 6,100 spaces, and two curbs for commercial vehicles (buses, shuttles, etc.). Surface parking in the center of the airport was re-planned and the terminal roadway system also underwent modifications to serve the new terminal, garage, and related facilities. The KCI terminal was the first airport project in the Midwest to achieve LEED gold, and was named "Best Airport in the US" by Travel Awaits.



Bainbridge Ferry Terminal



Kansas City International Airport

Des Moines International Airport New Terminal

Construction began this fall on the new single terminal in Des Moines, Iowa. This 265,000 ft2 processer and concourse will initially include five gates. The new terminal includes ticketing, an updated and more efficient outbound/inbound baggage handling system and screening, security, offices, concessions, support areas, and a connection to the existing concourse. When complete, the new terminal building will offer a skyway bridge to the parking garage, a connection to the existing concourse, a new energy plant, and a new office building. The terminal is expected to open in Q3 2026 with the remaining site and demolition work complete in fall of 2027.

Des Moines International Airport New Terminal

Orlando International Airport – Terminal C Multi-Modal Connector Pedestrian Bridge & Rental Car Lobby

The Weitz Company contracted with the Greater Orlando Aviation Authority (GOAA) to design-build a new MCO Terminal C Multi-Modal Connector Pedestrian Bridge and Rental Car Lobby, including approximately 65,206 ft².

The Terminal C Multi-Modal Connector Pedestrian Bridge & Rental Car Lobby procurement and design project will primarily focus on constructing an approximately 450-ft-long pedestrian walkway that is elevated, enclosed, and conditioned and an adjacent rental car lobby area on the north side. The rental car lobby will directly connect the new Terminal C with the existing multi-modal facility to serve up to four forms of passenger rail and all public and private ground transportation. The project will include rental car counters and queuing areas, multi-use information displays, interior landscaping, and preservation of all future capabilities for baggage rights-of-way and connection to future facilities and parking facilities. The project is planned to be completed in 2025.

GOAA Pedestrian Bridge

Project Toretto

Industrial

Project Toretto

Project Toretto in Lima, Ohio is a new, standalone manufacturing facility for a confidential client. The facility will include rail receiving, central utility plant, tank farm, and perfume storage. This is in addition to production, work in progress storage, packaging, and shipping. The plant will be constructed on currently owned property between the existing Lima manufacturing facility and the distribution center. The facility and manufacturing systems will follow industry and clean design/cGMP standards. The contract form will be the client's IFOA Agreement, a full IPD contract, making it the company's second full IPD contract.

Creekstone Farms Premium Beef LLC Wastewater Treatment

This Wastewater Treatment (WWT) contract consists of upgrades to support production expansions and future NPDES requirements for the beef processing facility. The scope of services includes a pen waste gravity clarifier, tertiary system addition, pre-anoxic basin, aeration basin addition, additional lagoon, final clarifier addition, pretreatment building expansion, pretreatment equipment, MCC expansion, sludge holding, dewatering expansion, and constructing a building for the operations staff. The execution of the WWT project expansion and upgrades is phased to facilitate ongoing operations while avoiding downtime to maintain production during construction.


Des Moines Confidential Data Center

Data Centers in USA & Mexico

Des Moines Confidential Data Center

This hyperscale data center is the fourth project in the Des Moines area and consists of the simultaneous construction of multiple 245,000 ft2 building shells, power distribution centers, and the buildout of multiple collocation spaces. Our scope also includes the site work for the greenfield building complex. Once completed, the project will span 720,000+ ft2 across three projects: Project 1 will have a capacity of 16 MW, while each of Projects 2, 3, and 4 will have a capacity of 48 MW. It is noteworthy that all building commissioning (Cx), quality assurance (QA), and quality control (QC) processes were self-performed.

Virginia Confidential Data Center

Built on a brand-new campus, this project has the capacity of 96 MW. It includes two 234,553 ft2 building shells and power distribution centers. Our scope includes all the project's sitework, which follows strict security protocols and safety measures for all project personnel. All commissioning and quality assurance processes were self-performed.


Virginia Confidential Data Center

Phoenix Confidential Data Center – Phase 1 + 2, Mission Critical

Our scope of work of this 41-MW, single-story data center includes a facility operations and administration support building and all associated site work. Phase 1 of the project has a capacity of 8.2 MW. The City of Goodyear received the Arizona Association for Economic Development's (AAED) Deal of the Year – Award of Merit 2020. All Cx, QA, and QC processes were self-performed.

Des Moines Confidential Data Center – Interior Project

The scope of work shall include fit out (1) 48 MW single story Ballard Data Center Building, Five (5) 9.6 MW collocation interior fit-outs per Building. All Cx, QA, and QC processes were self-performed.

Mexico Confidential Data Center

Constructed on a brand-new campus, this 9.6 MW data center includes a building shell, administration center, and water treatment facility on an area of 49,000 ft2. The building contains one colo. Our scope includes all the project's sitework, which follows strict security protocols and safety measures for all project personnel. All Cx, QA, and QC processes were self-performed.


Phoenix Confidential Data Center


Des Moines Confidential Data Center


Mexico Confidential Data Center

Commercial

Denver

990 Bannock

990 Bannock is a mixed-use, 224-unit apartment building with one level below grade and 14 levels above grade. Level B1 includes parking and the storm water detention vault, while Level 1 includes amenities, retail, parking, and building services. Levels 2–5 include parking and residential units, which wrap the garage along 10th Avenue and Bannock Street. Level 6 includes residential units, amenities, and a spa deck; levels 7–13 include residential units; and level 14 includes residential units and an amenity space. Exterior finishes include a mix of prefabricated exterior wall panels, punched windows, and curtain walls.

26th & Alcott, Denver, CO

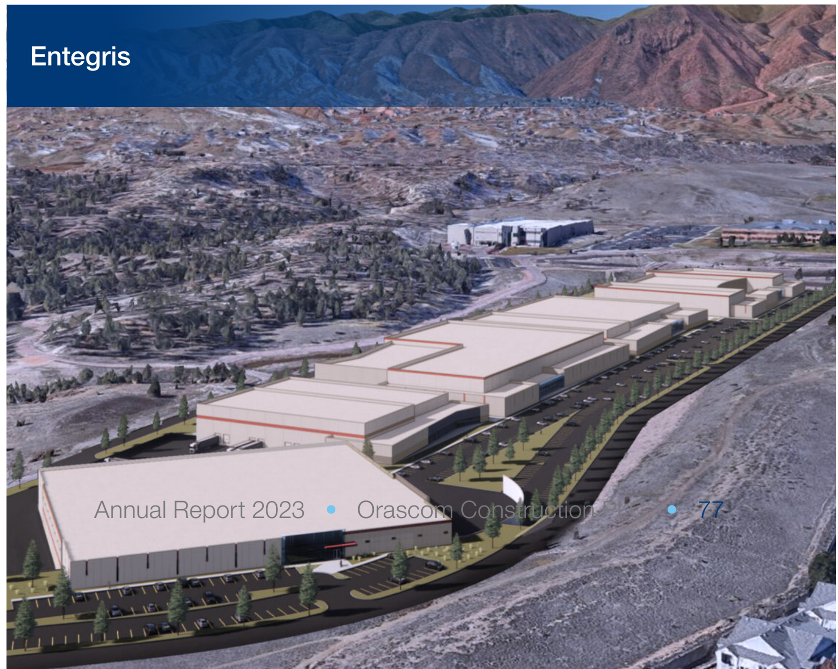
Stretching over a full city block in Denver's Jefferson Park neighborhood, the project consists of two-multifamily, load-bearing metal stud towers atop a four-floor, partially below grade post-tensioned parking garage. The first tower houses 93 short-term rental units, while the second tower houses 533 apartment style units, amounting to 626 units in total. The construction of this 15-floor high-rise began October 2021 and is on schedule for completion in April 2024.

Entegris

The Weitz Company was selected as the designer/builder on Phase 1 of 3 for Entegris' Manufacturing Center of Excellence in Colorado Springs, Colorado. The new facility will support production for Entegris' Micro-contamination Control (MC) and Advanced Materials Handling (AMH) divisions, which develop critical products that support the semiconductor manufacturing process. The facility is scheduled to begin production in early 2025. Entegris expects to invest more than USD 600 million in the construction of the campus over the next several years, totaling nearly 1,000,000 ft2 across all three phases.


990 Bannock


26th & Alcott


Entegris

ARIZONA

La Loma Senior Living – Villas & Terraces

The La Loma Villas and Terraces are independent living units and a part of the first phase of construction in a large, master-planned senior living community for Sun Health. The Villas consist of 16 wood-framed units located in one building, with parking below the podium. Amenities within this building include a lobby with a fireplace, garage storage, and a public balcony on the third floor. The Terraces consist of a total of two buildings, each with five wood-framed units, and each unit has its own private garage.


La Loma Senior Living

Raintree Drive Residential Multi-Family Housing

Located in North Scottsdale, Raintree Drive Residential is a new, ground-up, five-story, wood-framed, multi-family project wrapped around a six-level precast parking structure containing 270 stalls. 192 units are located on levels 1 through 5, with walk-out units on the street level. The new development places emphasis on creating a walkable community and connectivity to the surrounding land uses, retail, restaurants, and office buildings. Urban lifestyle amenities include two accessible courtyards: one with a pool, grill area and seating, the other with a dog park and spa. Other building amenities include a residence lobby, leasing center, mail room, club room, sky deck, and a fitness and yoga center. The design promotes a rich desert landscape palette in a contemporary theme that celebrates the quality of the Sonoran Desert while providing an attractive resort-like setting for the buildings.

Raintree Drive Residential Multi-Family Housing



Maravilla Senior Living

Maravilla Senior Living

Located in Scottsdale, Arizona, the Maravilla expansion project will add 146 more independent living units and 47 casitas with detached garages to the campus. Amenities include areas dedicated for fitness, dining, and crafts, as well as an outdoor pool. Weitz built the original campus that includes 118 independent living units, 60 assisted living units, 39 casitas, a parking garage, and a sales center. The ornately detailed buildings frame tranquil views of the McDowell Mountain range and highlight the elegance of desert Southwest living.

Florida Power and Light Corporate Campus


FLORIDA

Florida Power and Light Corporate Campus, Palm Beach Gardens, FL

Construction is progressing at the Florida Power and Light Phase 1 Corporate Campus project in Palm Beach Gardens, Florida. The six-level, 270,000 ft2 Class A office building is designed to withstand Category 5 hurricane force winds and will feature a cafeteria with a commercial kitchen, fitness and wellness center, data center, typical office building amenities, and a conference center. The project will also include an attached 700-space, three-level parking structure, including photovoltaic solar array, back-up battery storage, and electric vehicle charging capabilities. A Tier 3 data center and mechanical center to control all Florida Power and Light's power plan substations is also part of the project's scope. The structures will be a combination of concrete, structural steel, curtain wall, and precast.

University of Florida Gator Village


University of Florida Gator Village, Gainesville, FL

Awarded in August 2021, the new Undergraduate Residential Complex with Honors College is the first of several projects scheduled in the University of Florida's masterplan. The design approach breaks down the scale of the project into four residential halls, five to six floors each. The buildings will house a combination of single and double suites, including ADA suites, amounting to 1,400 student beds. Facilities will also include music rooms, teaching kitchens, Honors College faculty offices, and other academic support spaces. The construction of this project began in October 2021.


The Canopy at Mill District, Healdsburg, CA

National

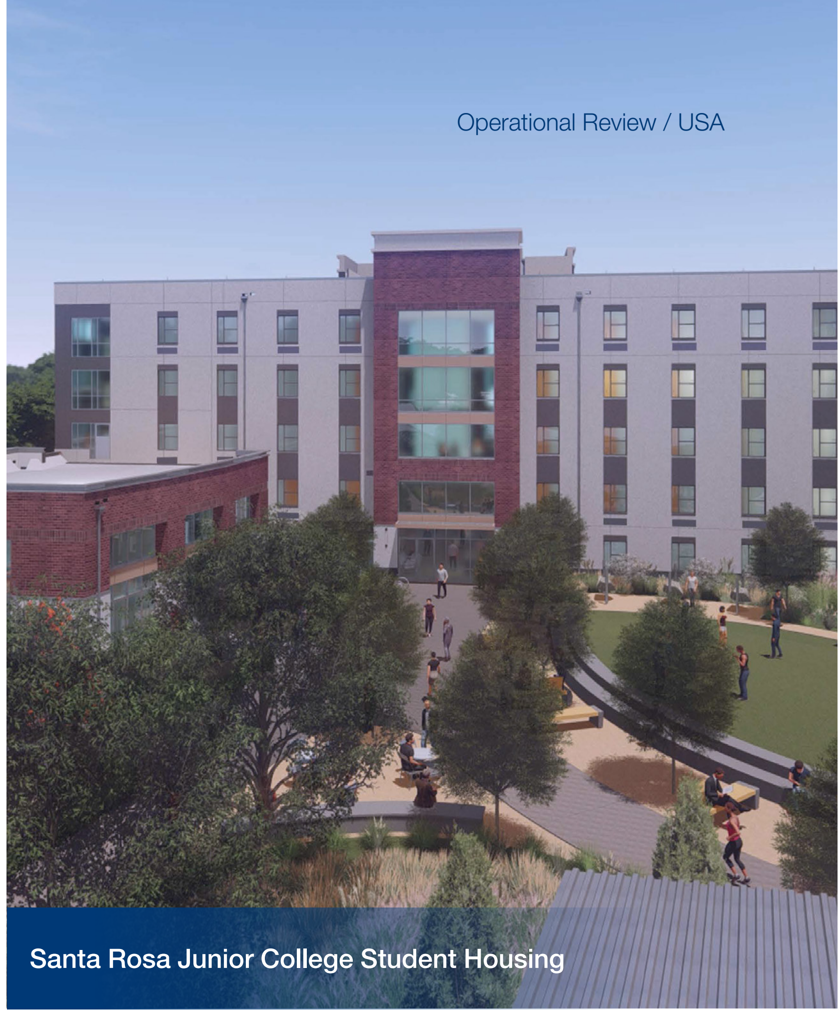
The Canopy at Mill District, Healdsburg, CA

The Mill District condominiums are a mix of signature suites ranging in size — up to 4,750 ft2. With a total area of 150,299 ft2, this project will consist of three four-story buildings, built on top of a one-level subterranean parking garage. The buildings will consist of structural steel framing with metal stud infill, constructed on top of a concrete parking garage that is on top of a mat slab and rammed aggregate piers. The exterior of the buildings will include stucco, metal panels, storefront, movable glass partitions, metal sunscreens, multiple balconies with a paver/pedestal system, vapor barriers, and waterproofing systems. Interior finishes will include stone flooring, wood flooring, carpet and stone tile, high-end cabinets with natural stone tops, elevators, interior stairs with railings, and high-end residential appliances.

Enso Village, Healdsburg, CA

Construction on the Enso Village project broke ground in June 2021 and was completed in 2023. Enso Village is a Life Plan Community on 15 acres in Sonoma County California. The project includes 220 independent living units, 30 assisted living units, and 24 memory care units. Amenities include commons areas, meditation areas, gardens, and under-building parking. Residents can practice meditation in the centrally located meditation hall with Senior Zen Center practitioners, who will be in residence. Residents will also have access to classes, workshops, retreats, and the opportunity to garden and cook together.

Enso Village, Healdsburg, CA



Santa Rosa Junior College Student Housing

Santa Rosa Junior College Student Housing, CA

Construction on the Santa Rosa Junior College Student Housing project officially began in October 2021. The five-floor student housing project is located on the northwest corner of the Santa Rosa Junior College campus. The building will feature 353 beds with onsite parking and outdoor amenity space. Inside the building, there will be study rooms, common kitchens, and a two-floor open living room to accommodate speakers and events. The design focuses on integrating the existing campus physically, socially, visually, and emotionally by creating a community at multiple levels. The design also encourages student engagement through various features and spaces, such as micro-communities and the kitchen garden built for resident-grown food production.

Iowa

Iowa State University Veterinary Diagnostic Laboratory, Ames, Iowa

This project consists of the design and construction of a new, two-story, stand-alone veterinary diagnostic laboratory (VDL) on the campus of the College of Veterinary Medicine, Iowa State University. This new 94,000 ft2 design-build facility will serve the diagnostic medicine needs of Iowa's livestock, poultry, pets, and wildlife. When completed, the building will include specialized laboratory spaces and a flexible lab space. The state-of-the-art facility will provide essential infrastructure for sample receiving and processing, pathology, bacteriology, necropsy, and histopathology, and it will include an incinerator.

Iowa State University Veterinary Diagnostic Laboratory


BESIX

BESIX Group is a leading Belgian industrial group, based in Brussels, operating in the construction, real estate development and concessions sectors. Founded in 1909, it has grown steadily over the years. The Group's engineering department enables BESIX to carry out complex and unique projects, especially in terms of technical and environmental aspects. Active in 25 countries and on 5 continents, BESIX is able to take on projects of all sizes and complexity and draws its strength from its entrepreneurial roots.

Commercial Highlights

This year saw BESIX continue and deliver a number of important and innovative projects. Among them is **ICÔNE**, a smart office development in Belval, Luxembourg.

Awarded in 2020, the project was inaugurated in January 2023 following two and a half years of construction. Developed by BESIX RED and built by BESIX and its affiliate in Luxembourg, LuxTP, this pioneering office complex is a tangible demonstration of the successful collaboration and synergies within BESIX Group, as well as its design and build capabilities.

The building has obtained the BREEAM 'Excellent' environmental certification. The design is inspired by the Well Building Standard®.

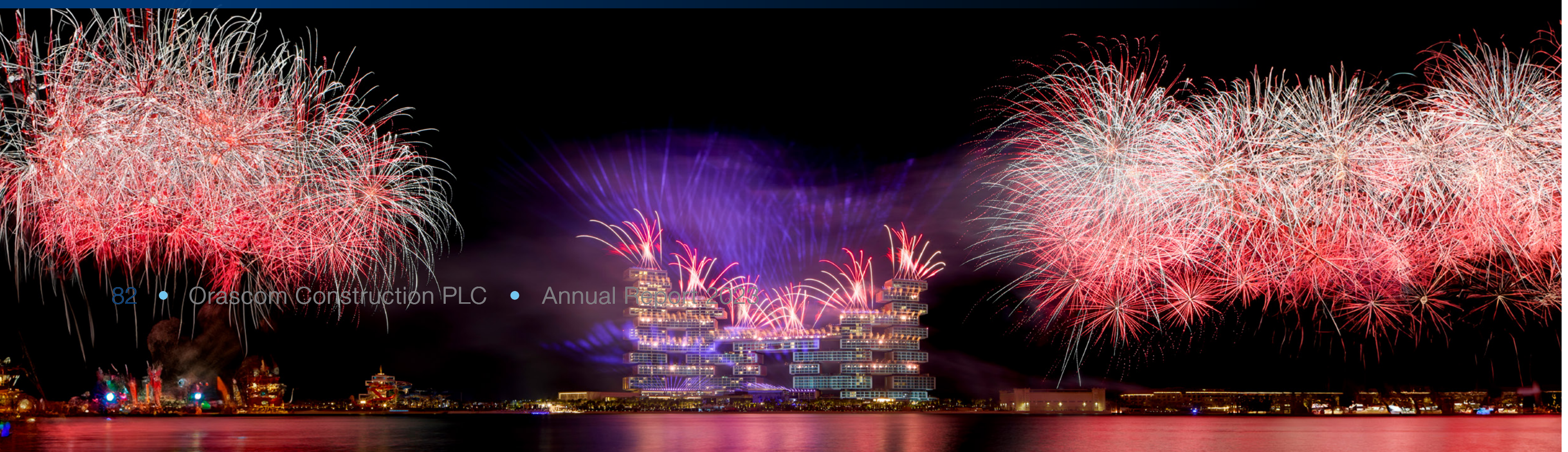
Meanwhile, in the UAE, the **Royal Atlantis Resort and Residences luxury resort** in Dubai was also inaugurated at the start of the year, following the completion of its construction by BESIX and its South Korean partner SsanYong at the end of 2022.

The Royal Atlantis Hotel & Residences is an extraordinary project spanning almost 400,000 m². Located at the tip of the Palm Jumeirah, with its feet in the Arabian Gulf, the resort consists of a 5-star hotel with 795 rooms and suites and 231 serviced apartments. The complex comprises six towers, a magnificent podium, and an impressive skybridge, which connects the towers at 95 meters above the ground.

The complex culminates at a height of 185 meters, with 43 storeys. It features private gardens, numerous dining options, and fitness, pool, and spa facilities, as well as a magnificent rooftop featuring a 90-metre infinity sky pool with breathtaking views of the Arabian Gulf and Dubai skyline.

The project was a complex challenge requiring advanced skills in engineering, construction, and design, and serves as a testament to the dedication and capabilities of BESIX and its partners.

Delivery of Dubai Royal Atlantis



Dubai Waste to Energy plant

Infrastructure Highlights

In the UAE, work progressed smoothly at the **Dubai Waste-to-Energy facility**. Awarded in 2020, the project consists of a Waste-to-Energy plant, located at the former Warsan landfill site. The facility will treat 1,900,000 tons of municipal solid waste per year, representing approximately 45% of the total waste generated by Dubai annually. Up to 200 MW of thermal energy recovered will be fed into the local grid. The size and capacity of this facility make it one of the largest in the world.

BESIX's role includes financing, design, construction, and operations and maintenance of the facility for a period of 35 years. BESIX designed the facility in close collaboration with Dubai Municipality BESIX partner Hitachi Zosen Inova.

The first fire at the plant was successfully ignited in June 2023, demonstrating the plant's efficient and secure waste-to-energy conversion capabilities. In the meantime, BESIX has been actively participating in the Early Operations Phase, in preparation for a full commissioning in the first quarter of 2024. The facility is scheduled to be fully operational in 2024.

Across the globe in Australia, BESIX Watpac, BESIX Group's subsidiary in Australia and New Zealand, delivered its works on the Barangaroo Station, one of seven new metro stations being built on the Sydney Metro City and Southwest project, in Syndey, New South Wales, Australia. BESIX Watpac was in charge of delivering the underground station platforms, full fit-out and station entrance, as well as road and public domain works including footpaths, cycling facilities, tree planting, lighting and street furniture.


HRH Princess Astrid of Belgium at Sydney Barangaroo Metro Station

In October 2023, Her Royal Highness Princess Astrid of Belgium participated in a Belgian Economic Mission in Sydney and Melbourne, Australia, during which she visited the Barangaroo site.

Maritime Highlights

In 2023, BESIX continued to expand in the maritime sphere, having re-entered Brazil, Denmark, and Saudi Arabia with major marine infrastructure projects during the year.

In Brazil, BESIX was awarded a contract by Portonave, the Brazilian subsidiary of Swiss container terminal operator Terminal Investment Ltd (TIL) for the port **improvement project of the Port of Navegantes**. Preparation work on the project has kicked off. Meanwhile, in a joint venture with local firm Empresa Construtora Brasil (ECB), BESIX is building a new quay wall at the port, while keeping the port operational.

At the **Nordhavn Tunnel** site in Copenhagen, Denmark, BESIX reached a significant milestone, having completed maritime works, including the demolition, dredging, and construction of the working platform. The design and build contract is carried out in a consortium with MT Højgaard Denmark, with BESIX named as the lead contractor by Vejdirektoratet, the Danish Road Directorate. This technically complex contract includes the design and construction of a 1.4 km cut-and-cover road tunnel from Svanevænget across the Svanemøllehavn harbor and out to Nordhavn. Of the 1.4 km, 700 m will run underwater. The scope of work also covers local roads and junctions to be built in connection with the tunnel, as well as mechanical and electrical installations and several traffic control and monitoring systems.

The year also saw BESIX make substantial headway at the **Oxagon Port Marine Works** project in Saudi Arabia, where site and piling works have kicked off. The project is a design and build contract with NEOM, with project execution jointly conducted by BESIX, MBL, and Boskalis. BESIX, as the lead contractor, is responsible for constructing 4.6 km of quay walls, together with its local partner. Boskalis will be responsible for the dredging to widen and deepen access to the port.

Separately, in Canada, BESIX handed over the **quay berth project** to JGC Fluor JV in 2023. Works included the construction of a 500-metre-long wharf, the LNG loading platform, as well as several cargo and LNG berthing dolphins.

Business Highlights

Business Growth

In 2023, BESIX Group continued to expand on its diversification strategy, with strategic investments in PropTech start-ups through BESIX Technology, a new business venture that complements its existing core divisions of Construction, Real Estate Development, and Concessions & Assets. This past year, BESIX Group signed investment agreements with two Venture Capital (VC) funds specializing in PropTech and ConTech: Rise PropTech Fund is a Belgium-based hands-on VC fund active in the PropTech sector, while PT1 – PropTech1 Ventures (Berlin and London) is a pan-European VC fund platform investing in transformative real estate technologies. Meanwhile, BESIX also intensified its support for the seven PropTech and ConTech start-ups already in its portfolio: Neanex, Litobox, BuildUp, Conneqtr, CIRCL, SquareSense, and aug·e. 2023 was particularly remarkable for BuildUp, which received numerous awards, and CIRCL, with the inaugural opening of the first houses.

Stake Sales

In 2023, BESIX Group initiated the sale processes for its stakes in two hotels in Belgium: The Courtyard by Marriott in Brussels, and A-STAY in Antwerp. After completing due diligence, in principle agreements were signed with the prospective buyers at the end of December 2023. The transactions are scheduled to close in 2024, subject to fulfilment of all buyer and seller conditions precedent, such as raising acquisition financing and agreeing on satisfactory termination terms for existing hotel management agreements.

Commitment to Sustainability

In 2023, BESIX undertook significant strides in Environmental, Social, and Governance (ESG) awareness and responsibility. The launch of the Sustainability & ESG Board marked a pivotal step in pioneering sustainable practices and promoting responsible business conduct. A key focus was conducting a double materiality assessment in line with the EU's Corporate Sustainability Reporting Directive on non-financial reporting. This double materiality assessment was made in consultation with 190 key internal and external stakeholders, and evaluated the company's environmental and social impact, as well as also examined how sustainability issues influence its financial health. Additionally, various training sessions, including workshops on the UN Sustainable Development Goals, were organized to educate and engage staff in the company's sustainability efforts.

On the engineering front, BESIX focused in 2023 on continuing efforts to tangibly reduce the carbon footprint of its projects. Guided by the Engineering Department, the company works to embed sustainable principles into its projects. CO_2 is used as a key design parameter and life cycle analyses are conducted to identify and address carbon hotspots. BESIX also prioritizes locally sourced, sustainable building materials, as part of its commitment to decarbonization and circularity, to ensure conducted design work is inherently aligned with the company's sustainability goals.

Meanwhile for procurement, BESIX deepened its dialogue with specific suppliers, particularly steel and cement manufacturers, to accelerate the shift to decarbonized building materials. In 2023, the company strengthened its relations to encourage the development of sustainable strategies to ensure procured materials align with BESIX's sustainability goals.

Although BESIX did not directly participate in COP28, its involvement in thought-leadership has been significant. During this year's COP28 in Dubai, the Belgian Prime Minister visited the Waste-to-Energy plant, where he was provided a guided tour offering a comprehensive overview of its operations. His visit underscored the Belgian government's commitment to collaborating with the industry to achieve Net Zero. BESIX Middle East also delivered a public keynote at COP28, discussing BESIX's journey in the energy transition sphere, titled "Navigating the Energy Transition: From Waste to Watt". The talk focused on BESIX's role in aiding public and private companies in the Middle East with sustainable, long-term infrastructure, especially in wastewater, solid waste, water, and green energy.

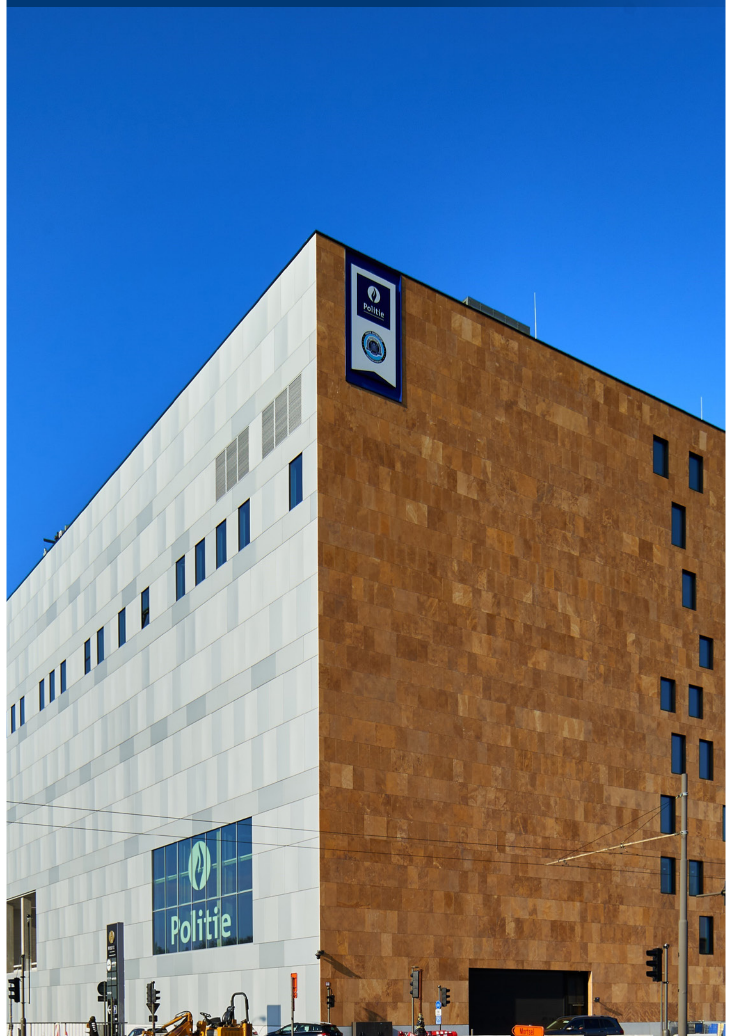
BESIX as an equity provider

In 2023, BESIX reinforced its position as a leading industrial equity provider with the delivery of the new **Antwerp Police Force building**, marking the completion of the largest PPP project in Belgium. BESIX was the exclusive EPC contractor in the Post X LPA consortium overseeing design, construction, financing, and a 25-year maintenance commitment, which started in 2023.

The year also saw significant progress on several industrial equity projects, including the partnership with Indaver, for the **design, build, financing, and operations and maintenance of a large sewage sludge processing facility for a Flemish water treatment company**. The facility is located on the ArcelorMittal site at the port of Ghent in Belgium and is expected to be operational by 2026. The project's O&M scope is for a duration of 20 years, marking the first environmental PPP project for BESIX in Europe.

Belgian Prime Minister visiting Dubai Waste to Energy

New headquarters of Antwerp Local Police



In the Middle East, BESIX actively participated in the **Early Operations Phase of the Waste-to-Energy project in Dubai**, in preparation for a full commissioning in the first quarter of 2024. BESIX and Hitachi Zosen Inova partnered up for this USD 1.2 billion project in Dubai, for which financial close was reached in 2021. When fully operational in 2024, it will have the capacity to process 1.9 million tonnes of municipal waste per year and generate 200 MW of electricity, being by far the largest project of its kind worldwide.

Progress was also made in the construction of the **Zayed City Schools complex in Abu Dhabi (UAE)**. This is the UAE's first public-private partnership in the field of school infrastructure, a pioneering project paving the way for private sector participation in the development of the country's social infrastructure. The project was awarded to the BESIX–Plenary consortium by the Abu Dhabi Investment Office (ADIO), in collaboration with the Abu Dhabi Department of Education and Knowledge (ADEK). It covers the financing, design, procurement, construction, commissioning, and 20-year operations and maintenance of three new state-of-the-art school campuses with a total capacity of 5,360 students in Zayed City, Abu Dhabi, anticipated to open for the 2024-2025school year.

Certifications

In 2023, in recognition of its excellence, BESIX received numerous awards from various entities across diverse projects. In Europe, Sluishuis, an iconic housing complex in Amsterdam by BESIX RED and BESIX Netherlands, earned the **MIPIM Award for 'Best Residential Project'**, and Deloitte University EMEA, built by BESIX France, was named **'Best Alternative Project'**. BESIX RED won two other prestigious awards with ICÔNE at the LuxReal & Paperjam + Delano Business Club **Real Estate Awards** and the **European Property Awards**.

In the Middle East, the Zayed City Schools project in the UAE clinched **MENA Social Infrastructure Deal of the Year at the IJGlobal Awards**, while Dubai Uptown Tower won the Construction Week Award for Mixed-Use Development. In Australia, BESIX Watpac's Poly Centre won the Master Builders Association award for Best Commercial Building.

The Top Employers Institute, the renowned authority in recognizing excellence in HR and people practices, certified BESIX Group as **Belgian Top Employer** for the fifth consecutive year. Each year, the organization certifies companies worldwide where working conditions are outstanding, workers are stimulated to develop their talents, and where equity and inclusion are a reality in the company's culture.

ESG

Orascom Construction remains positioned as a leading global construction group with a diverse offering and expansive footprint.

3

scholarships awarded in 2023

Our Environmental Impact

Beyond Policy: Embracing an Ambitious Vision for Sustainability

While having the correct policies and procedures in place is crucial to ensuring the advancement of sustainable environmental practices, we are driven by a comprehensive Sustainability and Environmental Vision that transcends local concerns and addresses global environmental challenges. This vision acknowledges the intricate connection between our construction activities and their impact on global ecological hazards.

In recent years, we have taken significant strides to align our vision with the evolving sustainability discourse. This transformation involves:

- **Shifting perspectives:** Moving beyond the traditional concept of “environment” towards a broader understanding of ecosystems and ecological footprints. Pollution concerns are reframed through the lens of bio capacity and carbon footprint reduction. Waste management practices are evolving towards circular economy principles.
- **Holistic approach:** Our robust management system goes beyond incident monitoring and mitigation. It comprehensively analyses the impact of our activities on all spheres of the environment: atmosphere, hydrosphere, lithosphere, and biosphere. Natural phenomena like wind and dust are factored into our planning and procedures.
- **Climate action leadership:** Orascom Construction is committed to combating climate change. Our participation in COP27 underscored our dedication to global solutions. We meticulously track the carbon footprint of all our projects, equipped with a well-defined methodology for greenhouse gas impact assessment.
- **Ensuring preparedness:** We prioritize safeguarding the environment by providing critical environmental equipment and emergency plans across all sites. Continuous ecological training programs and a comprehensive environmental audit program equip our personnel with the knowledge and tools to operate sustainably.

On the social front, we are equally dedicated to responsible practices. Our commitment is reflected in:

- **Alignment with UN SDGs:** We have established procedures that map our operations to the United Nations Sustainable Development Goals for 2030.
- **Stakeholder engagement:** We proactively identify interested parties and stakeholders for each project, actively addressing their concerns and integrating their priorities into our decision-making processes.

- **Social responsibility initiatives:** We are implementing an accommodation audit program and a monthly inspection plan for projects, ensuring adherence to social responsibility standards and positively impacting the communities in which we operate.

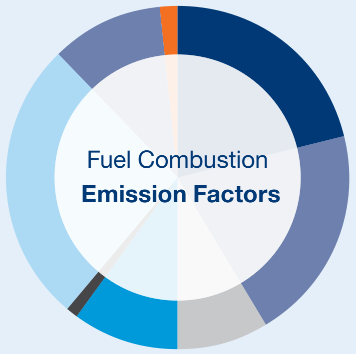
By moving beyond policies and procedures, Orascom Construction is embracing a transformative sustainability vision. We are committed to minimizing our environmental footprint, contributing to climate change solutions, and fostering responsible social practices – all while delivering exceptional construction services. This unwavering commitment paves the way for a future where environmental and social progress go hand-in-hand with economic success.

Carbon Footprint

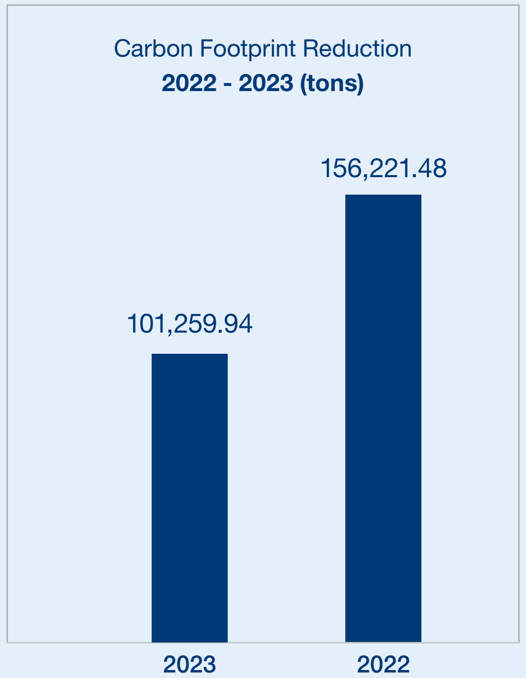
The Paris Agreement's long-term temperature goal is to keep the rise in mean global temperature to well below 2°C (3.6°F) above pre-industrial levels, and preferably limit the increase to 1.5°C (2.7 °F), to substantially reduce the effects of climate change. Emissions should be reduced as soon as possible and reach net-zero by 2050. To stay under the 1.5°C target, emissions need to be cut by approximately 50% by 2030.

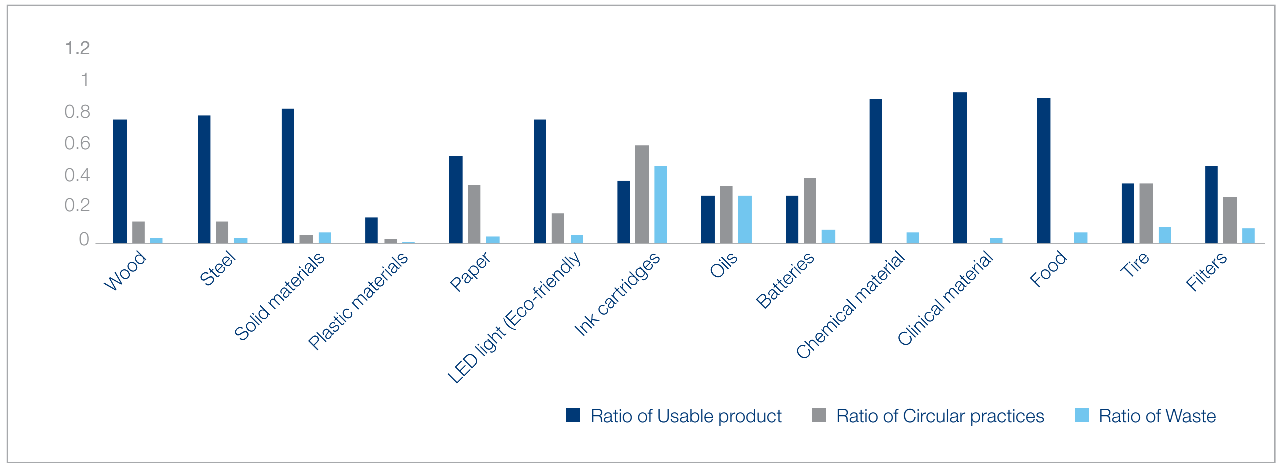
We are committed to reducing our overall impact on the surrounding environment, and supporting Egypt's Vision 2030, including identifying key areas where reductions in consumption can be made, adopting circular economy policies, minimizing pollution and waste, and ensuring we adhere to all international and legal standards, reducing the carbon footprint of the organization as a whole.

2023 saw the continuation of the Carbon Footprint assessment program within the Orascom Construction HSE Department, covering all projects. The primary objective for 2023 was to demonstrate our projects' overall carbon footprint from what was recorded in 2022. The program has proven very successful, with our project teams embracing the objective to reduce emissions. Our overall reduction in 2023 was 30% from 2022, an achievement we are very proud of, and will be looking to build on in 2024.



- Vehicle OC 21%
- Vehicle Rent 20%
- Heavy Equipment OC............. 9%
- Heavy Equipment Rent........... 10%
- Generators OC 1%
- Generators Rent 27%
- Other Equipments OC 11%
- Other Equipments Rent.......... 1%





Ras Ghareb Wind Farm

Impact of Projects Financed by International Finance Institutions

Orascom Construction continues to be involved in several large-scale Engineering, Procurement, Construction and Finance (EPC-F) projects. These projects are funded by lending institutions, i.e. banks and NGOs. The loan is, in turn, paid back by the project's operations over the agreed repayment period.

As part of this investment, Orascom Construction's obligations are to adhere to a series of strict Environment and Social (E&S) compliance requirements, such as the IFC Performance Standards 1 – 8, which cover the specific policy requirements of those individual investment partners. These requirements are put in place to protect the investor's reputation.

Key focus areas for our finance partners include:

- Socioeconomic Impacts
- Labor, Working Conditions, and Worker Welfare
- Community Engagement

Due to our extensive experience, in-house E&S experts, and proven performance, Orascom Construction is the E&S Lead on behalf of its construction partners for the following projects:

Current Active Financed Projects	Completed Financed Projects
Burundi Hydroelectric PP	Burullus 4800 MW Combined Cycle PP
Cairo Monorail	New Capital 4800 MW Combined Cycle PP
Borg El Arab Airport Extension	West Damietta PP
Grand Egyptian Museum	Assiut PP
Egyptian High-Speed Rail Green Line	Ras Ghareb 262 MW Wind Farm (BOO)
RedSea Wind Energy 500 MW Wind Farm	
Cairo Metro Line 4	
Alexandria Regional Metro – Abu Qir	
Abu Rawash Wastewater Treatment Plant	

Socio-economic Impacts

- Ensuring local businesses impacted by a project are dealt with fairly and transparently, in a socially responsible manner.
- Monitoring interactions with project workers.
- Managing any concerns or grievances raised.

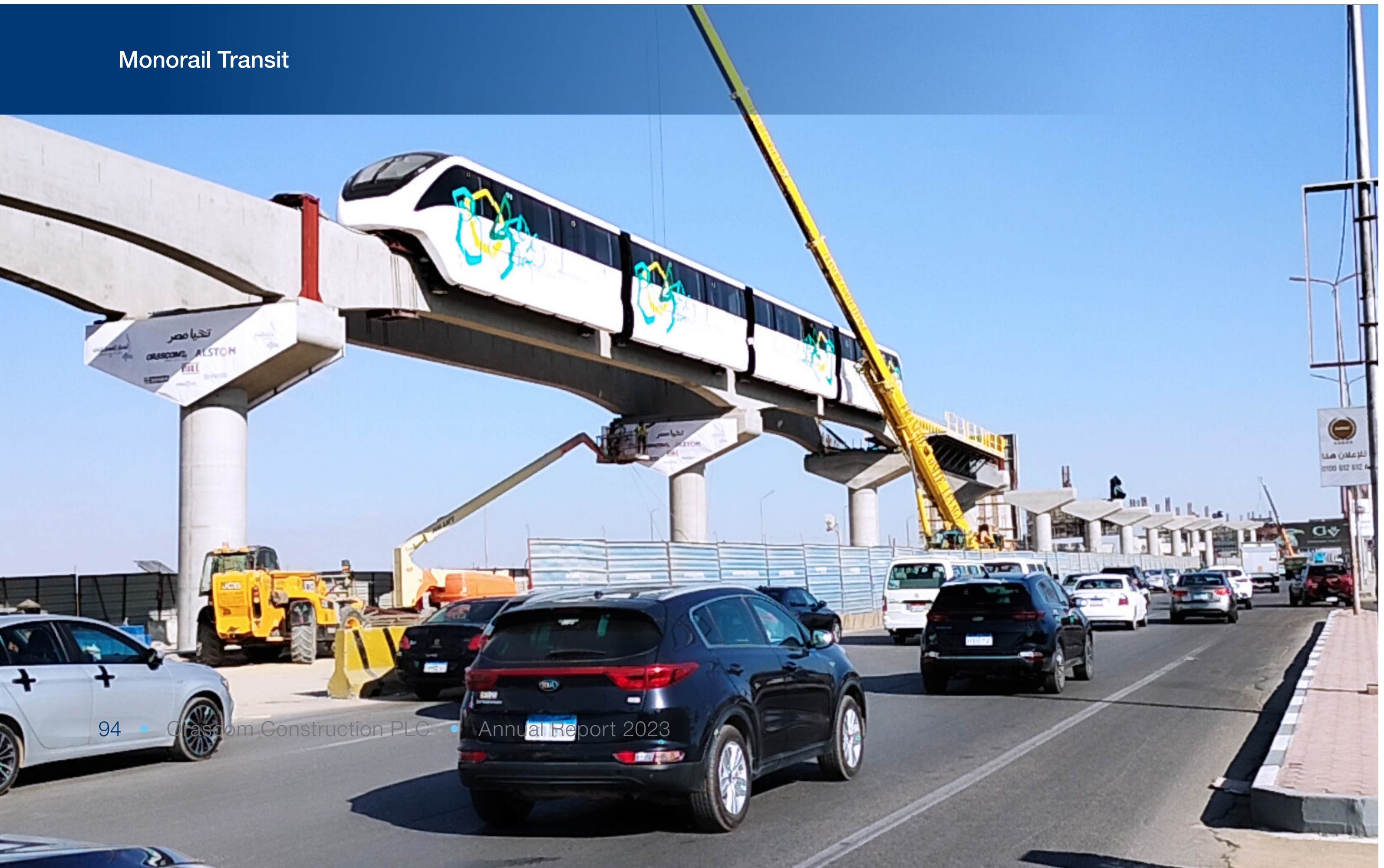
Labor, Working Conditions, and Worker Welfare

- Ensuring workers are aware of and understand their rights.
- Fair treatment and non-discrimination.
- Accommodation inspections.
- Labor and working condition interviews and inspections.

Community Engagement

- Engagement with the community to provide project-related information.
- Community initiatives within surrounding communities, such as:
  - Road upgrades.
  - Speed traps near schools.
  - Building and refurbishing schools and mosques.
  - River cleanup initiatives.
  - Environmental education and awareness programs.
  - Tree planting and landscaping.

Monorail Transit



Vision for the Future

Egypt's Vision 2030 is a unified long-term political, economic, and social vision. It was developed in alignment with the United Nations Sustainable Development Goals (SDGs). The vision sets a target to reduce greenhouse gases (GHGs) by 10% compared to 2016 levels from the energy sector, including oil and gas, by 2030.

Orascom Construction is committed to making our contribution towards the Vision 2030 by reducing our carbon footprint as much as possible. The carbon assessment program will be a major contributor to this, by monitoring and putting in place measures to reduce our consumption levels across our projects. The employee carbon footprint self-assessment will be further expanded to capture a greater percentage of our workforce, rewarding those who successfully reduce their overall personal carbon footprint.

CARBON FOOTPRINT

2030 VISION OF EGYPT

Red Sea Wind Farm

Corporate Social Responsibility

Over the last 73 years, Orascom Construction PLC has transformed from a small, ambitious family business to Egypt's largest engineering and construction contractor, and a global force with presence across dozens of countries in the Middle East, Africa, and the USA. As our operations continue to grow, so do our responsibilities. Consequently, we ensure our social and economic contributions to surrounding communities and our countries of operation remain active and engaged. We prioritize the development of sustainable solutions and models with tangible impact in human development that focus on education and healthcare.

2023 Onsi Scholarship Recipients

2023 Highlights

Supporting Education in Egypt

Orascom Construction PLC believes that a high-quality, well-rounded education that promotes critical thinking and entrepreneurship is the key to poverty eradication and long-term human growth. To that end, the Group has committed significant resources to the development of the entire education value chain, from building schools to funding training and scholarship programs for teachers and students, financing and coordinating exchange programs between Egyptian and American institutions, and sponsoring extracurricular educational programs and competitions.

Through various initiatives, we have positively impacted the lives and education of Egyptians in a multitude of ways over the last twenty-three years. These initiatives include:

Onsi Sawiris Scholarship Program

The Onsi Sawiris Scholarship Program was established by Orascom Construction PLC in 2000 to provide full scholarships to talented Egyptian students pursuing a Master of Business Administration (MBA) or Master's in Engineering, as well as undergraduate degrees at the University of Chicago, Stanford University, Harvard University, and University of Pennsylvania. In partnership with the Sawiris Foundation for Social Development, the program has been running for 23 years and has awarded 96 scholarships to date.

The goal of the program is to cultivate a group of highly educated and skilled leaders who will have a lasting positive impact on the Egyptian economy. The program also aims to help students develop their academic and extracurricular skills to help shape them into well-rounded individuals.

These efforts have thus far proven successful; a large number of the program's alumni have gone on to have successful careers in business, engineering, and other fields. They have also made significant contributions to the Egyptian economy.

In 2023, the program awarded scholarships to three students to attend the University of Chicago and Stanford University. The students were selected based on their academic achievements, leadership potential, and commitment to making a positive impact in Egypt.

The Onsi Sawiris Scholarship Program is a valuable investment in the future of Egypt. It is helping create a more educated and skilled workforce that will drive economic growth and prosperity.

Testimonials

I am sincerely honored to have been selected as a recipient of the **Onsi Sawiris Scholarship,** as this was a dream of mine throughout high school. I would like to thank Orascom Construction for granting me this opportunity to acquire a world-class education that will equip me with the skills to pursue my passion for making a difference and have a positive impact on the Egyptian economy.

Carol Tharwat – Undergraduate
University of Chicago

Thank you for your generosity in offering me this opportunity, which will allow me to pursue a degree in computer science at Stanford University. Your generosity has inspired me to help others and give back to the community what I was given, and I hope one day I will be able to help other students achieve their goals.

Youssif Seisa – Undergraduate
Stanford University

I would like to thank Orascom Construction from the bottom of my heart for its unprecedented generosity in providing me with this life-altering opportunity. It is a great honor to be called an **Onsi Sawiris scholarship** recipient. Being able to study at the University of Chicago opened doors to a future I only dreamed of. You have inspired me to work harder, give more, and be better. I sincerely hope that I will be able to give back some of what was given to me, to my beloved country.

Aly EL Kaffas – Undergraduate
University of Chicago

Success Stories

“I would like to express my heartfelt gratitude for the incredible opportunity that **Onsi Sawiris Scholarship Program** has provided me over the past four years. It is with immense appreciation that I reflect on the transformative journey I have experienced as a recipient of the **Onsi Sawiris Scholarship**, which enabled me to pursue my passion for computer science at the University of Pennsylvania.

The scholarship’s generosity has not only lightened the financial burden of my education but has also opened doors to a world of knowledge, growth, and personal development. The ability to study at an institution as prestigious as the University of Pennsylvania has truly been a dream come true.

Throughout my time at the University of Pennsylvania, I have been inspired by dedicated professors, collaborated with talented peers, and engaged in cutting-edge research and projects. Your support allowed me to focus on my studies and extracurricular activities without the constant worry of financial constraints. It is this freedom that has enriched my academic experience and fostered a deep sense of gratitude within me.

As I move forward in my career, I remain committed to embodying the values and principles that the **Onsi Sawiris Scholarship Program** represents. Your investment in my education has not only impacted my life but will also ripple through the lives of those I aim to inspire and support. Once again, thank you from the bottom of my heart for your unwavering support and belief in my potential. I am truly honored to have been a part of this remarkable scholarship program, and I will carry the lessons and opportunities it has provided me throughout my life.”

Ali Krema
University of Pennsylvania
Class 2019

“Being an **Onsi Sawiris Scholar** has changed my life!

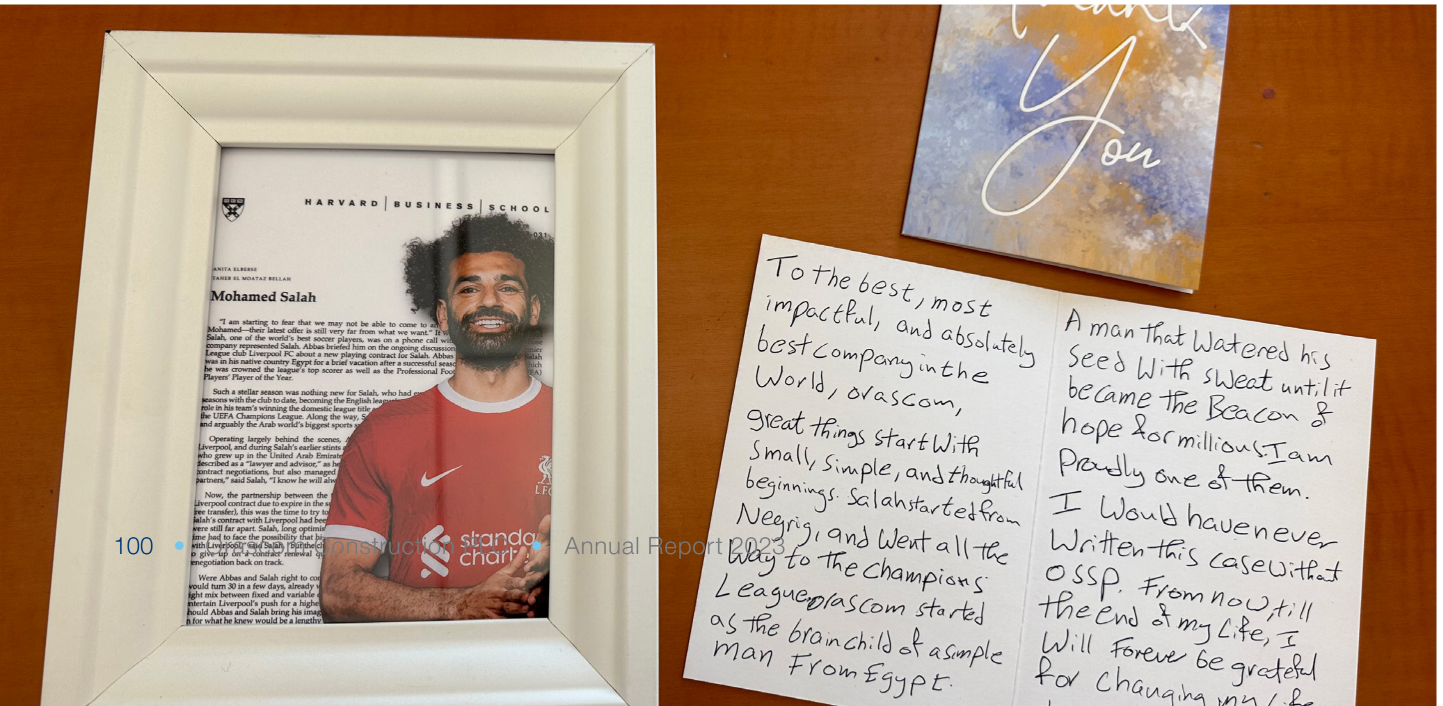
I am planning on pursuing a career in entertainment. Having spent the last five years of my life working as a drilling engineer and moonlighting as a screenwriter for the Middle East’s biggest Edutainment show “El Da7ee7” has made me realize how education can be transformed through the power of storytelling.

Now I want to focus on producing educational, entertaining, and enlightening movies for cinemas as they have the biggest reach and the most powerful and long-lasting impact. In order to start a company that will challenge industry norms and expectations that whatever is shallow is what will succeed required me to produce and not just to write, something I couldn’t do without an MBA coming from a completely different field. An MBA that I would have never been able to finish if it wasn’t for **Onsi Sawiris Scholarship.**

I have a lot of friends who applied for student loans and now have to find a high paying job in fields that are not remotely interesting to them to pay back their debt. I am relieved of this burden as a result of this generous scholarship that not just covered my cost of tuition, but also provided me with the most precious gift of freely pursuing my passion after graduation. I have just secured a six-figure seed round and have already started working on the script, and I will forever be grateful for granting me this opportunity.

This was the most transformational experience of my life. The world is full of opportunities and life is full of beauty. I am eager to bring back what I learned to Egypt and help make it a little better for those who will come after me, as you have done for me. Thank you so much for everything.”

Taher Farghaly
Harvard University
Class 2021



Success stories within Orascom Construction

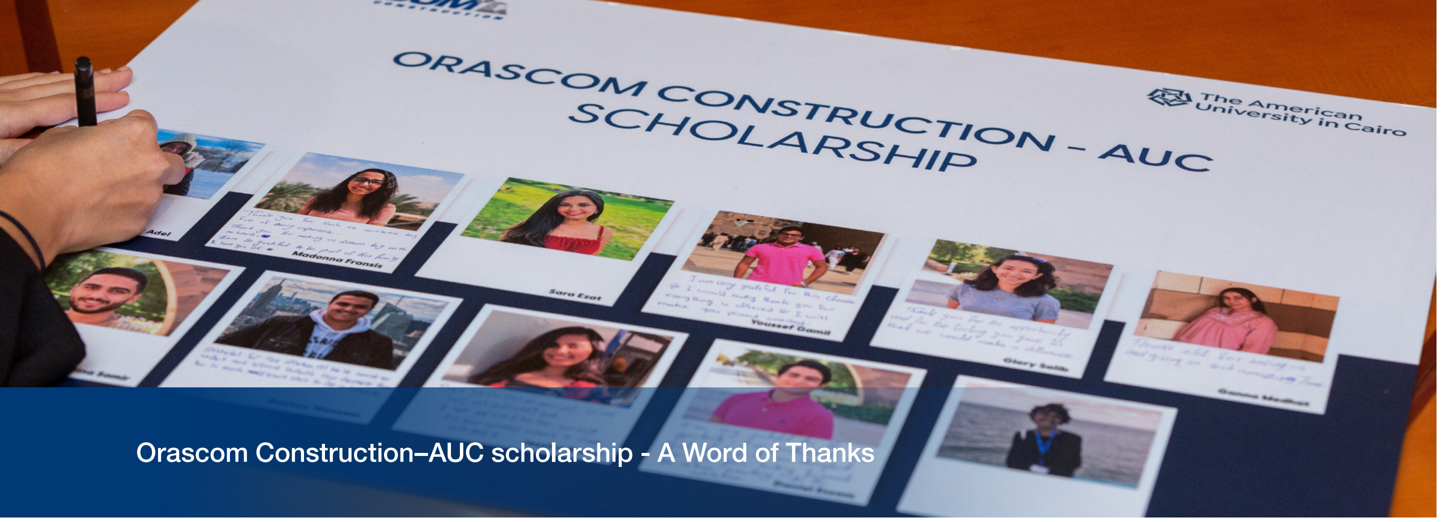
“As I step into my third year, my educational journey continues to be an exhilarating adventure of growth, learning, and exploration. I spent my fourth semester in Hyderabad, India. This cultural immersion was an eye-opening experience, exposing me to the rich history, traditions, and incredible technological advancements in this dynamic nation.

As I embark on my fifth semester, I find myself in Argentina. In addition to my studies, I’ll be working on a civic project for optimization techniques in collaboration with a leading local tech company in Buenos Aires.

Minerva University’s global rotation has not only broadened my worldview but also made me adaptable and resourceful in navigating the complexities of different environments.

The unwavering support from Orascom Construction has been instrumental in helping me overcome challenges and embrace opportunities.”

Fady Hanna – Son of OC’s Employee
Minerva University



Orascom Construction–AUC scholarship - A Word of Thanks

Orascom Construction – AUC Upper Egypt Youth Scholarship

For the 10th consecutive year, and as part of its drive to support youth in Upper Egypt, Orascom Construction PLC awarded full scholarships to students from Upper Egypt to pursue their undergraduate degrees in Economics, Data Science, and Mathematics, with a focus on Statistics and Data Analysis or Actuarial Mathematics. This year, Orascom Construction expanded its scholarship program at the American University in Cairo to include additional majors in Engineering department, including Architectural Engineering, Construction Engineering, Mechanical Engineering, and Petroleum Engineering. The program identifies students with the potential to become future leaders and sponsors their studies at AUC, where they gain the value of a liberal arts education and excellent student services.

The Orascom Construction – AUC Scholarship Program has consistently proven successful, with students achieving high academic and leadership excellence in their journey to join the cadres of private corporations, civil society, and governmental entities.

The Orascom Construction–AUC Scholarship Program welcomed its tenth cohort this year, with three students selected from Qena, Sohag, and Minya governates, bringing the number of current enrolled students to 16 in Fall 2023.

In addition to their academic studies, students from cohorts VIII and IX enrolled in a pronunciation course. The course aims to increase students' speech awareness and skills to ensure they are understood and increase their confidence. Students became aware of the essential features of English pronunciation, stress, and intonation, focusing on challenging areas for Egyptian/Arab speakers.

Students actively participated throughout the year in extracurricular activities and assumed key leadership roles in various clubs, in line with the scholarship targets. Sessions covered different leadership theories such as Trait theory, Great Events, and Transformational Leadership. Team-building activities, special coaching, and counselling sessions were regularly conducted to empower students to reach their full potential. Student retreats were also held throughout the year to build emotional and social skills through informal educational settings.

Orascom Construction-AUC Scholars during the Leadership Development & Skills session

Orascom Construction-AUC Scholars during the Leadership Development & Skills session

Orascom Construction – AUC Scholarship Capacity Building Activities

Orascom Construction – AUC Scholarship 2023 Highlights

Scholarship students had the opportunity to spend a day at Orascom Construction headquarters and meet experts in various business sectors. Students learned about the banking sector in Egypt and its different services to its clients. The goal was to explore different career options and learn from experts in the respective fields. Students also had the opportunity to put their skills and knowledge to the test in a real-world setting.

Students also visited Acumen Consulting, a management consulting firm in Egypt that specializes in supporting SMEs, family businesses, and the start-up ecosystem.

The job shadowing visit introduced students to consulting careers in different sectors. The students had the privilege of meeting Sandra Farid, Acumen founding partner and CEO, and asking her questions. She shared her insights on the skills needed for a career in consulting. Students also had the chance to see hands-on projects and learn about qualitative and quantitative research, and worked on two consulting cases.

Orascom Construction – AUC Scholarship

Success Stories

Orascom Construction – AUC Scholarship students Jessica, Beshoy, Sandy, and Glory have excelled in their studies and extracurricular activities this year. They have worked as teaching assistants, research assistants, peer tutors, and student technology assistants. They have also participated in competitions and organized events. Mina Samir interned at Acumen Consulting this summer with Daniel Ghaly. These students have demonstrated their leadership skills, commitment to service, and passion for their studies.

Their achievements are a testament to their dedication to their studies and their commitment to making a difference in the world.

Establishment of "The Onsi Sawiris School for Applied Technology and Construction"

In 2023, Orascom Construction PLC signed an MOU with the Sawiris Foundation for Social Development and the Ministry of Education for the establishment of **The Onsi Sawiris School for Applied Technology and Construction**, Egypt's first international boarding vocational school dedicated to construction. The school is being funded by the Sawiris Foundation for Social Development and will be located at the Orascom Construction Industrial Park in Ain El Sokhna. It is scheduled to begin operations in the 2024/2025 academic year.

Orascom Construction - AUC Scholars

Signing the MoU of "The Onsi Sawiris School for Applied Technology and Construction"

Orascom Construction, SFSD, and the Ministry of Education celebrate the signing of the MoU

The Onsi Sawiris School for Applied Technology and Construction aims to create highly skilled technical cadres in the field of finishing. The school represents an institutional framework that is based on international standards for training technical cadres. Its establishment comes in line with Egypt's Vision 2030, furthering the development and improvement of the quality of technical education, and preparing students to enter the labor market upon graduation.

Orascom Construction will be responsible for building the school, providing practical training for students, and hiring students upon graduation. Consequently, the school will be in close proximity to Orascom Construction's work sites in the New Administrative Capital, which will include training sites for students.

The school will follow German standards under the Applied Technology School model. This model is a form of a public-private partnership that aims to utilize the market knowledge of the private sector in order to bridge the skill gap.

The school will have a three-year track and will operate under the umbrella of the Ministry of Education and Technical Education (MoETE). The vision is to allow for expansion and collaboration with further industrial partners in the professions most relevant and needed in Egypt within the construction sector. The school aims to attract Grade 10 (around age 14) students from public schools around Egypt, and will offer supervised dormitory facilities. The location was carefully selected after several evaluation, including conducting an environmental study.

The Onsi Sawiris School for Applied Technology and Construction's establishment is in collaboration with German partnerBerufsförderungswerk Der Südbadische Bauwirtschaft GMBH (BFW). BFW, Sawiris Foundation and Orascom Construction will be working in close collaboration with the MoETE in developing the school's curricula.

The school is expected to have a significant positive impact on the Egyptian economy and society. It will provide students with the skills and knowledge needed to succeed in the construction industry, and attract local and regional students. It will also help to address the shortage of skilled workers in the industry. The school will also have a positive impact on the Suez Canal Economic Zone, by growing the pool of skilled workers that are knowledgeable in various aspects of the construction industry and providing job opportunities for locals. It will also contribute to overall infrastructure development at the Suez Canal Economic Zone.

INJAZ Egypt

For more than 13 years, Orascom Construction has been an avid supporter of INJAZ Egypt, an organization that delivers experiential learning in financial literacy, work readiness, and entrepreneurship to young minds in Egypt. This enduring alliance, dating back to 2009, has empowered over 850,000 individuals, enabling them to not only chart their economic destinies but also fortify their communities and economies. INJAZ Egypt partners with businesses and educational institutions across Egypt to reach thousands of students, schools, startups, and volunteers, providing them with hands-on learning.

San3ety Graduates Initiative

INJAZ Egypt launched the fifth cycle of the San3ety Graduates Program this year, sponsored by Orascom Construction and ExxonMobil. The San3ety Graduates Program is a valuable resource for young people embarking on their careers. It provides them with the skills and knowledge they need to compete in the competitive job market. In partnership with the Don Bosco Institute, the program offers 43 participants tailored technical training that meets the latest employment demands. The program is constantly evolving to ensure participants learn the most relevant skills and are aligned with the rhythms of the job market.

This round, 392 applications were received, of which 130 were called for interviews. Further filtration resulted in a final cohort of 49 applicants, consisting of 16 girls and 33 boys. The participants were enrolled in INJAZ Egypt's work readiness training and Don Bosco's technical training. They gained critical transferrable and specific skills in several phases:

San3ety - Work Readiness Training

1. Work Readiness Training

The "Building Blocks for Employment" program aims to bridge the gap between education and the market requirements. The program is delivered through 18 diverse skill-building modules. Participants learn how to differentiate between different personality types, understand different learning styles, and learn different stages of competency development. They also receive training on effectively setting goals, identifying and overcoming barriers to success, communicating effectively, giving presentations, critical problem solving, writing CVs, and conducting successful interviews. Participants are also introduced to the latest job searching techniques.

2. Entrepreneurship Training

- **I-Camp "Business Model Canvas":** A dynamic journey that readies the participants to become instant entrepreneurs. The workshop helped trainees ignite their entrepreneurial spirits and foster interpersonal skills, empowering them to craft ingenious business solutions for real-world use.

- **Conflict Management Program:** Enabled participants to seize control of their professional and personal lives and establish the guiding principles for achieving profound self-awareness.

- **Personal Finance:** This training offered profound insights into the correlation between personal finances and overall quality of life, charting a path toward personal fulfillment and satisfaction.

3. English Training

Participants received tutoring to master the English language, enhancing their linguistic skills for seamless integration into diverse, modern workplace settings. All participants completed the first and second-level training.

4. AutoCAD Training

A versatile and personalized training course in AutoCAD, enabling participants to design 2D and 3D creations in their fields of study, through hands-on design experiments.

5. Technical Training

Aiming to bridge the gap between educational programs and the demands of the job market, the specializations for this round were: Refrigeration and Air Conditioning, Automotive Mechanics, Welding with Oxygen & Electricity, and Electricity Installation.

6. Assessment Visit with Certified Service Providers

The San3ety Graduates Program offered students four specialization opportunities at Don Bosco: Refrigeration and Air Conditioning, Automotive Mechanics, Welding with Oxygen & Electricity, and Electricity Installation. Through partnerships with leading factories and plants, students participated in unique and immersive field visits, where they put their newly acquired skills to the test and received performance-based evaluations. Field visits were conducted at:

- Orascom Construction for Installation Electricity
- Orascom Construction for Welding with Oxygen and Electricity
- Orascom Construction & KIA Egypt for Automotive Mechanics
- Train & Fresh for Refrigeration and Air Conditioning

San3ety – English training

San3ety – AutoCAD training

San3ety assessment visit

These field visits were valuable opportunities for students to gain hands-on experience in their chosen field, learn from experts, and demonstrate their skills to potential employers. They also ensured that students were exposed to the latest technologies in their fields, and evaluated by experienced professionals.

7. Internship, Job Shadowing, and Employment

Orascom Construction, ExxonMobil, and INJAZ Egypt spearheaded a multi-faceted strategy to help integrate Egyptian youth into the job market. As a result, three students are now poised for recruitment at KIA, while other have been promoted at Fresh. Additionally, two participants have embarked on their own entrepreneurial journeys; a testament to the program's high-quality entrepreneurial education.

This round's graduation ceremony took place in October 2023 to celebrate the achievement of the graduating participants. It was a proud moment to hear the graduates' success stories, which demonstrated the program's positive impact on their lives.


San3ety 2023 cohort

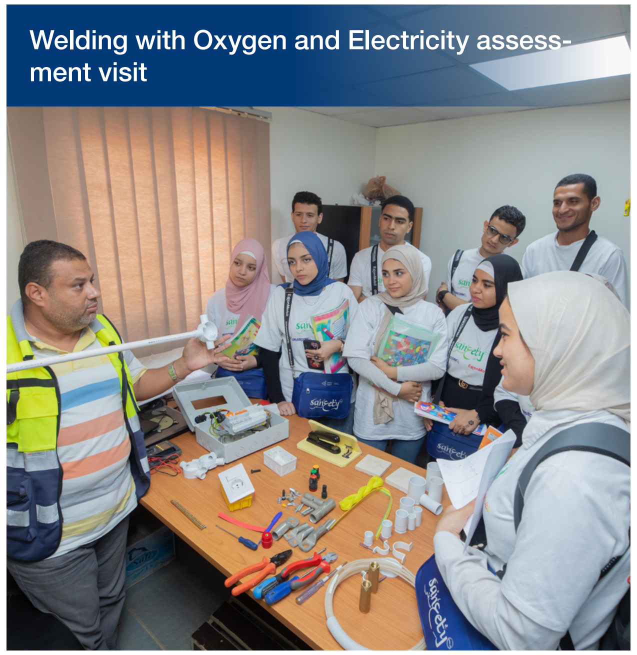

Graduation ceremony

The top San3ety students were awarded kits

San3ety Students welcomed at Orascom Construction sites


San3ety students are getting ready for the assessments


Tire Inspection


Welding with Oxygen and Electricity assessment visit


Vehicle Inspection

Success stories and testimonials

"I used to face rejection whenever I tried to break into the field of Automotive Mechanics as a girl. The San3ety initiative has embraced me wholeheartedly, and I am immensely thankful for the chance it provided me to pursue my passion."

Alaa Mohamed

"Despite being an experienced welder, this initiative has enriched my knowledge with valuable insights that will undoubtedly enhance my performance in my profession. Many thanks go to Orascom Construction, INJAZ Egypt, and Exxon Mobil for this opportunity"

Omar Khaled Hanafi

Orascom Construction's executives participated as judges in the 2023 ENACTUS Egypt National competition

ENACTUS Egypt

As part of its longstanding commitment to empowering Egypt's youth, Orascom Construction PLC has partnered with and endorsed Enactus Egypt since 2007. The partnership is borne of the Group's strong belief in the organization's mission and vision to create a better world through entrepreneurship. Orascom Construction PLC has seen firsthand the positive impact ENACTUS has had on Egypt's youth. The Group's support for ENACTUS Egypt serves not only as an economic investment, but a social one as well. Orascom Construction PLC believes that by investing in the young generation, it is investing in a better future for everyone.

In 2023, Orascom Construction renewed its partnership with ENACTUS Egypt to support the organization's mission. The partnership has helped thousands of students develop their entrepreneurial skills and create socially impactful projects that have changed the lives of many. Many of these students are now alumni and are pursuing successful ventures.

This year, Orascom Construction sponsored the **General Orientation Training,** where 800 student leaders from over 58 universities came together for a training module designed to provide high-quality training and guidance that raises the bar for national competitions and has prepared students to compete at the **ENACTUS World Cup.** It has also helped to develop a community of young entrepreneurs who are committed to creating social impact in Egypt. Teams are trained on Entrepreneurship, Leadership, Design Thinking, Business Model Canvas, Project Management, Supply Chain, How to Set a Pricing Plan, Artificial Intelligence, Digital Marketing, HR, Presentation Skills, Graphic Designing, Web Development, and more.

ENACTUS – General Orientation Training

Orascom Construction also sponsored the **ENACTUS Thematic Competition** on Innovation. The competition was open to students from 58 universities in Egypt. The students were challenged to develop innovative outreach projects that would improve the quality of life and standard of living in their communities.

Students came up with 120 innovative projects that had a real impact on their communities. Among these was as a solar-powered water purification system that provided clean water to a rural village, and a mobile app that helped farmers sell their crops more efficiently.

Orascom Construction's executives participated as judges in the 2023 **ENACTUS Egypt National Competition**, where they evaluated the results of the outreach projects implemented by the various teams. A total of 35 ENACTUS Egypt qualified universities participated in the competition, and the winning project was "**Hermetia**", presented by ENACTUS Kafr El Sheikh University. The ENTACTUS Kafr El Sheikh team identified a significant problem with fish farming, particularly fish feed. Many farmed fish are affected by parasites and diseases, due to poor water quality or a stressful environment. The team's solution was to create a new fish feed called **Hermetia**, an innovative project that transforms a potential biodiversity threat into a remarkable opportunity for the fishery, poultry, and agricultural sectors. The feed is significantly cheaper than others on the market, as a result of the team utilizing protein from the black soldier fly. Taking their research further, the team also found the same issues are present in poultry, large animals, and ornamental fish feed. Further modifications were made to **Hermetia** to make it more suitable for these animals. The team also made a biological water filter to solve the problem of water pollution and succeeded in extracting the chitosan from the shell of the black soldier fly to use it in cosmetics. The project had a direct impact on the livelihoods of 20,000 fishermen.

Hermetia Project


Hermetia Project

Orascom Construction continued to sponsor the Egyptian National team at the **ENACTUS World Cup,** which was held in Utrecht - Netherlands, with more than 72,000 students from around the world participating in the event. The ENACTUS Kafr El Sheikh University team once again emerged victorious with **Hermetia** at the 2023 **Enactus World Cup Competition.** This marked the fifth consecutive year for Egypt to win the **ENACTUS World Cup.** The remarkable achievement is a testament to the hard work and dedication of Egyptian students and entrepreneurs, who are developing creative and sustainable solutions to the world's most pressing challenges.

It is worth mentioning that Egypt has an impressive record at the ENACTUS World Cup, finishing as the 1st Runner-Up in 2012 and 2018, and winning the World Cup Championship seven times, including two consecutive years in 2009 and 2010, and five consecutive years from 2019 to 2023.

Orascom Construction congratulates the ENACTUS Egypt team for their dedication to bettering their communities through innovative solutions.


Kafr El Sheikh University team wins ENACTUS National Competition

Kafr El Sheikh University team wins ENACTUS World Cup


Kafr El Sheikh University team wins ENACTUS World Cup

Testimonials

"ENACTUS is more than just a competition. It's a platform for social change, a community of leaders, and a force for good. It is not only about creating projects, but also about creating leaders who will shape the future. It's where we turn our passion into purpose, where dreams become reality, and where ideas transform lives."

Mariam Abo Alkaramat - Enactus Beni Suef University

Threads of Hope

In 2022, Orascom Construction PLC sponsored two classes of embroidery training at Threads of Hope, a social enterprise dedicated to empowering women through high-end embroidery training programs. The program has been transformative for the women who have participated. They have acquired new knowledge and skills, made connections with individuals from diverse backgrounds, and gained the confidence to start their own businesses. The program also helped them to develop practical skills that they can use to make their lives easier, such as repurposing old materials and simplifying household chores.

Participants in the program expressed their heartfelt gratitude to Orascom Construction PLC for the lifechanging opportunity provided by the embroidery training program. They highlighted the positive impact the program has had on their lives, such as learning new skills and developing their embroidery talents, the flexibility of remote work, and the chance to establish an independent source of income. The course also helped them reuse old materials, reduce household chores, and connect with individuals from diverse backgrounds.

The women also acknowledged that they faced some challenges during the program, including demotivation from societal expectations and negative perceptions of embroidery as a profession, bullying and criticism of their work from others, and difficulty in balancing their embroidery training with their family and household responsibilities. Despite these challenges, they were able to overcome them with the support of their families, friends, and instructors. They found strength in the camaraderie of their fellow trainees, who shared similar experiences and provided encouragement and motivation. The instructors also played a crucial role in supporting the women, providing them with guidance, mentorship, and a safe space to discuss their challenges.

Wives of Orascom Construction's administrative staff are proud to share their handicrafts

Messages from some of participants

"I've always been interested in handicrafts, and I was excited to learn more about embroidery. The Threads of Hope program was the perfect opportunity for me. I learned so much, and I was able to connect with other women who shared my passion for embroidery. The center also helped me develop my skills, and I'm now able to create my own embroidery designs. I'm so grateful to Orascom Construction for making this program possible." **Hanan**

"I was looking for a break from the routine of daily life when I heard about the Threads of Hope program. I didn't know much about embroidery, but I was interested in learning something new. The program was a great experience for me. I learned how to embroider, and I also met some amazing women. Thanks to Orascom Construction for this opportunity that we could not dream of previously. I now have my own income and I can be independent on my own and buy what I need." **Rawaa**

"I was looking for a way to earn an independent income, and this program was the answer to my prayers. I am now able to work from home and set my own hours. I am so grateful for this opportunity, and I would encourage any woman who is interested in embroidery to join the program." **Iman**

Embroidery has always been a passion of mine, and the Threads of Hope training program gave me the opportunity to take my skills to the next level. With heartfelt gratitude, I extend my deepest thanks to Orascom Construction for the transformative impact of the Threads of Hope embroidery training program. This empowering experience has not only enriched my skills but also opened doors to financial independence and personal fulfillment." **Lilianne**

Community Schools – Assiut

In 2018, Orascom Construction PLC and the Sawiris Foundation for Social Development launched the third phase of the Schools for Egypt project in Assiut. One of the poorest governorates in Egypt and ranking among the lowest governorates in Human Development Indicators, as well as having poor educational and health services, Assiut was targeted by the project to improve educational opportunities for children in the poorest and most marginalized areas. The Community School model was introduced by UNICEF in the 1990s to provide educational opportunities for girls in unserved areas. The model has since evolved to provide high-quality educational opportunities for the poorest and most marginalized communities in rural areas. Over the past seven years, the project established 15 schools, through which 519 students (52% of which are girls) were granted an educational opportunity in an environment that expanded their learning potential. The project is anchored in four key pillars to achieve its objectives: (1) student learning and development, (2) teachers' professional development, (3) community involvement, and (4) maintenance and enhancement of the schools' environment.

Community Schools - Assiut

Community schools – learning activities

1. Student learning and development

Under this pillar, the project focuses on ensuring students' regular attendance. In 2023, schools continued to organize a variety of curricular and extracurricular educational activities, including sports days at youth centers, trips, and other activities to motivate children to regularly attend school. Additionally, the project provided in-kind grants, such as school uniforms, shoes, and backpacks for the targeted students, to support families unable to cover these costs.

2. Teachers' professional development

Professional development for teachers is key to ensuring they have the needed skills and knowledge to deliver quality learning experiences for students.

In 2023, the project continued working on teachers' professional development through a capacity-building plan encompassing the teachers' training needs. The following activities were implemented:

- Educational supervisors conducted bi-weekly capacity-building activities with teachers on teaching strategies and classroom management.
- The educational and health districts assigned specialists to conduct awareness-raising sessions for teachers. The sessions covered the topics of female genital mutilation and the harmful effects of smoking. Sexual education sessions were also held for students.
- Cross visits between the targeted schools, allowing for the exchange of experiences and the identification of challenges and their solutions.

Community schools – Teachers' professional development

3. Community participation

To ensure schools' ability to consistently provide quality education, school committees continued to mobilize communities and build closer links between teachers, the school administration, and parents. In 2023, the committees conducted several awareness sessions about the value of education, educational challenges, and difficulties facing community schools.

The committees participated in the enhancement of the schools' infrastructure through donations from the community and volunteer work for renovations.

Community schools – learning activities

4. Maintenance and enhancement of the schools' environment

Minor renovations were carried out at the schools before the start of the academic year. This process relies on community participation, to ensure the schools' sustainability and the community's ownership. Additionally, stationary, educational aids, medical equipment, and cleaning and sterilizing tools were provided to each school at the start of the academic year.

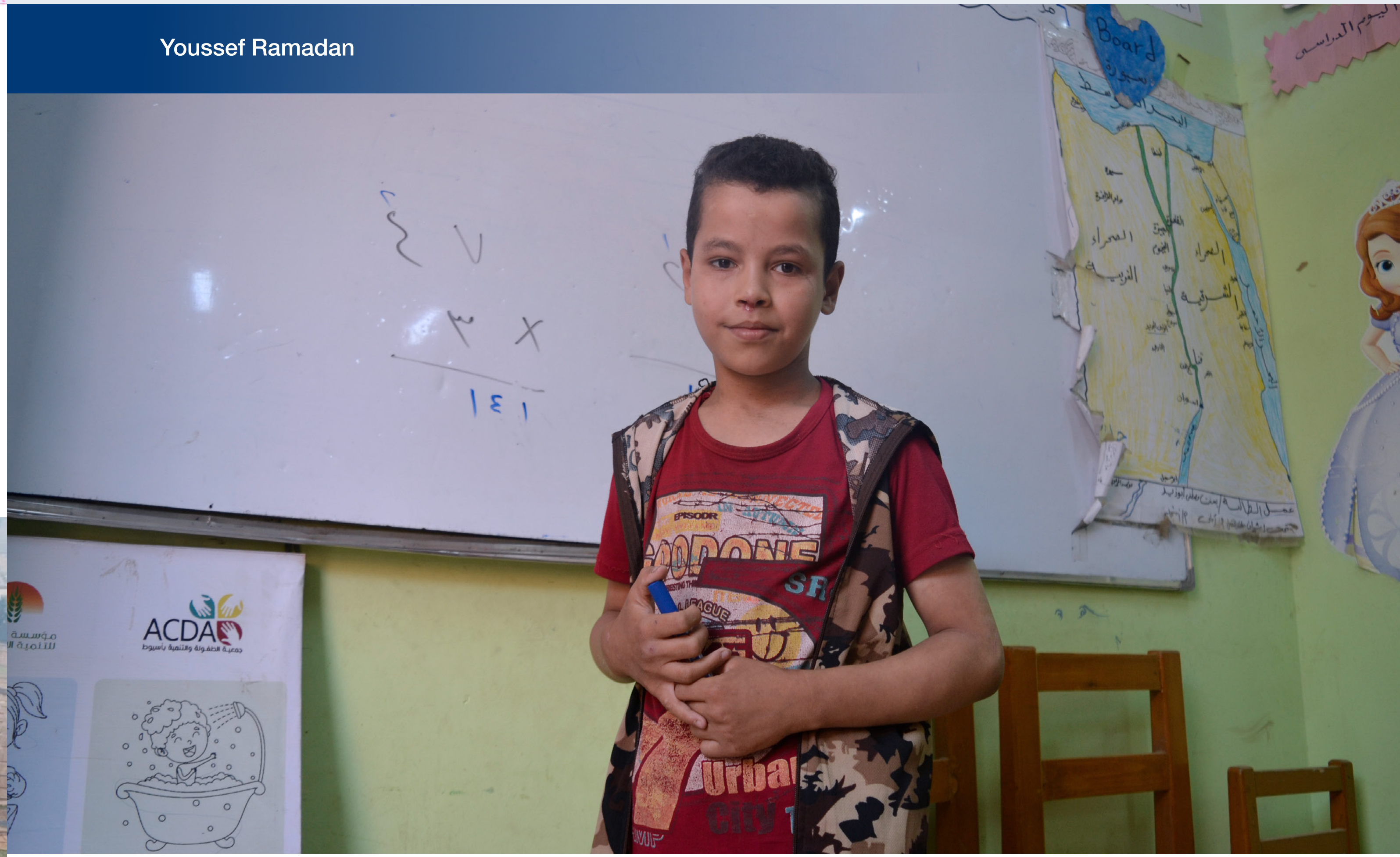
Through the continued cooperation between the Sawiris Foundation and Orascom Construction PLC, hundreds of children in marginalized and poor communities are now enjoying their right to quality education adapted to their needs.


Community schools – Assiut

Testimonials

"My name is Youssef Ramadan, I am a student at the Elshahid Emad School in Kom El-Mansoura. I'm the first person in my family to go to school and receive an education. Most of my neighbors never went to school. I was not popular in my class and my classmates did not want to play with me because they did not like the way I was talking to them. The teachers in my school taught me how to behave inside and outside the school, and how this can help me make friends. The teachers started to encourage me, involve me in activities with my classmates, and follow up with my parents at home. As a result, my academic level and grades improved, and my classmates started to like me and asked me to play with them. I am also happy because I have become better, and I increased my self-esteem. I am proud to be among the few educated people in my neighborhood, and that I am able to deal with and understand my colleagues and friends."

Youssef Ramadan – 4th grade student



Youssef Ramadan

Increasing Nursery Enrollment in Egypt

Orascom Construction PLC is proud to be a collaborating partner in a coalition to improve early childhood education in Egypt. The coalition, which includes Orascom Construction PLC, the Sawiris Foundation for Social Development, UNICEF, the Egyptian Food Bank, and Save the Children, is implementing a five-year project to provide high-quality early childhood services to children in impoverished communities in the governorates of Beni Suef, Minya, Assiut, Gharbia, and Luxor. The project is funded by the coalition partners and is being implemented by the Ministry of Social Solidarity, with an impact evaluation being conducted by the Abdul Latif Jameel Poverty Action Lab.

The project focuses on four pillars:

- Upgrading the infrastructure, furniture, safety, and security measures for 400 nurseries catering to children from birth to four years old.
- Building the capacities of 1,600 early childhood caregivers and nursery staff through specialized training programs.
- Providing food grants to 40,000 children in nurseries by the end of the project period.
- Raising awareness on women's participation in the labor market for 2,000 parents of children in the targeted nurseries.

The signing ceremony for the project's memorandum of understanding took place on 25 September, 2023, at the Ministry of Social Solidarity. The project's interventions are being piloted in 17 nurseries in Beni Suef, where the following has been completed:

- Baseline survey.
- Start of renovations in 10 nurseries.
- Training of 34 nursery facilitators have been trained.

The main project activities commenced in December 2023 and will continue for five years.

The project is expected to have a significant impact on the lives of children and families in Egypt. By providing high-quality early childhood education, the project will help improve young children's cognitive and socio-emotional development and prepare them for success at school and beyond. The project will also help increase women's participation in the labor market by providing affordable and accessible childcare services.

Coalition to improve early childhood education in Egypt – Signing Ceremony

Coalition to improve early childhood education in Egypt – Signing Ceremony

Educate me – Blended Learning Journey Program Empowers Educators and Promotes Sustainability

Orascom Construction PLC's **Blended Learning Journey Program**, a contextualized program that aims to raise the capacities of educators on the use of technology in education within their context and available resources, ended in 2022 with a ceremony to recognize the participants for their successful completion of the program.

This year, a survey was conducted 10 months after the end of the program to assess its sustainability. The survey results were highly encouraging, indicating that the program has had a lasting impact on the participants and their students.

Key findings from the survey:

- 95% of participants are still using the applications they learned during the program.
- 88% of participants have shared at least three applications with their colleagues.
- 76% of participants are still using the applications with their students during the academic year.
- 100% of participants are interested in participating in advanced training in blended learning.

These results demonstrate that the **Blended Learning Journey Program** was effective in building the capacity of educators in using technology in the classroom. The program proved to have had a positive impact on the teaching and learning process.

Educate Me – Blended Learning Journey Program

School Transformation Journey – Zedan Sanad School

Out of its conviction that furthering education and community involvement is essential to creating a better future, in 2022 Orascom Construction renovated the Zedan Sanad School, located near our Bahr El Baqar Water Treatment Plant site in Port Said. In a record time, the Orascom Construction-Arab Contractors JV renovated classrooms, floors, walls, lighting systems, playgrounds, and landscapes, and added internet access points. The JV also partnered with the Educate Me Foundation to transform Zedan Sanad School into a model school that provides students with a high-quality education, by implementing the UNESCO-Hamdan award-winning program **The School Transformation Journey**. This is a 3-year program targeting the entire team of 37 school staff, including teachers, counselors, and principals, to develop their capacities and improve student learning outcomes.

In 2023, the main focus was to create a shift in educators' mindset towards a humanistic approach, learning 21st century skills and becoming life-long learners. This was done through a series of Interventions starting with a needs assessment exercise to identify the training needs of the school team and ensure that the program's interventions fulfil the learning gaps. This was followed by the Educators Self-Awareness Training, to support the school team and provide them with skills to balance the various aspects of their lives and tools to manage stress and burnout. This is considered the foundation of the human teacher module. This was followed by a series of trainings that cater to the different roles within the school.

Educate Me School Transformation Journey – Zedan Sanad School

School Transformation Journey – Training the educators

Starting with the Leadership Skills training for the school principals, the foundational training objective is to equip school leaders with the knowledge and skills that enable them to understand their job role, learn about different leadership styles, and empower them to apply the transformational leadership in the management of the school team.

Counselors took the Counsellors Foundational Training. This module's objective is for counselors to understand the importance of their role in the school and its impact on the students' learning outcomes. It also aims to build their capacity to design, implement, and evaluate student activities, in addition to analyzing and identifying drivers for student behavior.

For teachers, the first specialized training focused on student age level characteristics, helping teachers understand students' age-specific characteristics and needs. Accordingly, teachers can design and implement classroom lessons efficiently, and understand the different learning styles within the classroom. This training is the first level of a series of trainings for basic subjects in modern learning skills and strategies.

Finally, the entire school staff underwent capacity building training through the use of blended learning tools as one of the modern teaching strategies. Educate Me also carried out coaching and mentoring sessions, a core component of the program. These sessions aim to provide technical support and on-the-job training to the school team, facilitating group learning through learning circles.

Testimonials

"Prior to participating in your program, I had a negative perception of my role as a social worker. However, through the program, I have gained a deeper understanding of my value and my important role in the school. I am now more committed to my work and no longer shy away from my responsibilities, such as participating in competitions. I have also started attending school events with my students and was recently honored for my contributions. Additionally, I have created two student groups: one for all students and one for gifted students."

Mayada Mohamed Abu Elnaga, Social Worker

"The program has helped me develop my teaching skills and provided me with valuable life skills that have benefited me both personally and professionally."

Rehab Farouk El-Shashtawi, Basic Subject Teacher

Donation to EDU Foundation for the purchase of braille Devices and Video Magnifier Devices

Donation to EDU Foundation for the Purchase of Braille Devices and Video Magnifier Devices

Orascom Construction made a donation to the EDU Foundation to purchase five Braille devices and one video magnifier device for students who are blind or visually impaired. The EDU Foundation is a non-profit organization that provides educational resources and support to students with disabilities in Egypt.

The donation allowed the EDU Foundation to extend its services to more students and to provide them with the tools they need to succeed in school. Braille devices allow students to read and write using Braille, a system of tactile dots that represent letters and numbers. Video magnifier devices allow students to enlarge and enhance printed materials, making them easier to read.

The donation was made as part of Orascom Construction's commitment to supporting educational opportunities for all children, regardless of their disability. The company believes that all children deserve the chance to reach their full potential, and that education is the key to a better future.

Naga' El Fawal and El Deir Village Integrated Sustainable Development Project – Fully transforming a community – Sustainability Updates

In 2018, Orascom Construction, the EFG Hermes Foundation, the Sawiris Foundation for Social Development, the Kuwaiti Initiative for Supporting the Egyptian People, and the Center of Egyptian Family Development launched a comprehensive development project to improve the living standards of the residents of Naga' El Fawal in El Deir village in Esna, Luxor.

The project, which lasted for 24 months, aimed to improve the quality of education, healthcare, and infrastructure in the community, as well as socio-economically empowering its residents. The project benefited over 60,000 individuals from Naga' El Fawal and El Deir village.

Orascom Construction and the Sawiris Foundation for Social Development have conducted regular monitoring and evaluation of the project's impact since its completion. Regular follow-up visits take place to understand the effects of the project and its outcomes for the target population. Based on these visits, successful interventions can be replicated, while ineffective ones can be phased out or modified.

Education and Life Skills

With the project's support, 25 facilitators trained by Fantasia continued to implement activities for children throughout the village.

Two years after the project's activities were concluded, the follow-up field visit identified several positive effects:

1. Facilitators established a team called "Children of Life", consisting of 13 facilitators trained through the education component of the project. The team provides skill development services for children and families through online and offline workshops. So far, they have served 120 children and adults.

   The team operates on three levels:

   - Level 1 – Child Skill Development: For children aged 6 to 14, providing support through the "Discover Yourself" program.
   - Level 2 – Family Members' Skill Development: This level provides informational and skills support to all family members about child-rearing and child psychology.
   - Level 3 – A Child's Relationship with the Community: This level integrates children into their surrounding community and helps them learn about the community and its challenges, involving them in problem-solving.

   The training has proven to have a positive impact on the community, through helping children develop new skills and knowledge, empowering mothers, and building a sense of community.

2- One facilitator opened a skills development center for children called "Zaad Academy". The center operates six hours a day, six days a week, and provides skill development activities for both mothers and children. It also assists working mothers by hosting children until the end of the workday.

3- The 'Children of Life' team and the El Deir Youth Center management established a free weekly educational and recreational event for children at the youth center.

4- Children who have received the project's services have shown positive changes in behavior, according to their facilitators and parents. They are more confident in expressing themselves at home and school, have better time management skills, better applied public health principles, as well as the ability to generate alternative solutions to various problems.

5- An increase in children's access to education was also observed, especially for girls, by providing them with the space to study, private lessons, and the necessary school supplies.


Investing in the future of Naga' El Fawal


Naga' El Fawal Community Center

Naga' El Fawal community development


Health

Beneficiaries expressed satisfaction with the project's healthcare services and praised the quality and efficiency of the medical interventions. Beneficiaries showed a keen interest in preserving their eyesight by undergoing regular eye examinations even after the project's conclusion. Those who underwent eye surgery received follow-up visits for six months, until completing their treatment at Dar Al-Ayn Hospital in Qena.

18 months after the project's completion, Naga' El Fawal NGO board members stated that beneficiaries have become more engaged with national healthcare initiatives, such as '100 Million Health' and the early detection of breast cancer, after conducting awareness sessions and healthcare interventions. This year's follow-up visit found that many beneficiaries started developing healthier and more balanced eating habits and provided better nutrition for their families, including more meat, fish, fruits, juice, beets, and liver, all of which help combat anemia.

Economic Empowerment

The project has changed Naga' El Fawal's employment structure, particularly for youth, by providing support for self-employment as an alternative to government jobs. Furthermore, around 30 beneficiaries opened post office accounts for the revenue they are earning from their small businesses, and ten invested that revenue in additional projects to increase their profits.

Naga' El Fawal – Economic empowerment

Naga' El Fawal – Economic empowerment

Individual success Stories

1. The first beneficiary received a grant for a plow, and used the revenue from his agricultural business to purchase a tractor, which he rents to other farmers, diversifying his income as well as increasing his monthly earnings by an additional EGP 5,000.

2. The second beneficiary expanded his furniture and household appliance store to include carpets, blankets, electrical appliances, and mobile phone accessories, allowing him to employ some family members and increase his monthly income by an additional EGP 2,500.

3. The third beneficiary established a unique animal feed mill in the village, serving the residents of Naga' El Fawal, El Deir, and surrounding areas. This increased his family's income, allowed him to complete his university education and graduate from the Faculty of Engineering.

Business success stories

The animal feed mill was expanded through purchasing larger quantities of seeds, advertising, and working longer hours. Another business, poultry farming, was also started, with the beneficiary using a portion of the profits to buy poultry equipment and birds. The project improved the skills and entrepreneurial mindset of 126 beneficiaries by enhancing their technical and managerial capacities, resulting in an approximate 60% increase in household income.

Naga' El Fawal - Supply Water and Sanitation Before Renovation

Naga' El Fawal - Supply Water and Sanitation After Renovation

Infrastructure

The project implemented integrated development and infrastructure projects in Naga' El Fawal during its lifespan, including housing construction, as well as supplying water and sanitation for the targeted population.

Towards the end of the project period, and in collaboration with the El Fawal Association for Comprehensive Development, 82 houses were fully furnished and equipped, helping the families overcome administrative obstacles.

Positive changes in residents' behavior after the construction of their homes included:

- Increased focus on home cleanliness and child safety.
- Enhanced attention to children's health and medical conditions.
- Adoption of healthy dietary patterns for children.
- Amplified sense of calm, psychological comfort, stability, and strengthened social bonds, enabling residents to receive relatives and friends at home.

The project also supported 14 families facing major challenges in obtaining demolition and construction permits for their homes.

Littlest Lamb – Central A/C system

Since its involvement with Littlest Lamb, Orascom Construction PLC has remained steadfast in its commitment to the wellbeing and success of children.

Two years ago, the Group sponsored the foundation, seating, and lighting for the children's basketball court. Today, as the Littlest Lamb family has grown to 97 children, Orascom Construction's unwavering support continues. This year, Orascom Construction provided new A/C units for the kitchen and dining room, after the previous units faced operational issues.

Naga' El Fawal – Renovated and delivered houses

Littlest Lamb – Children enjoying a family atmosphere

"The Littlest Lamb is a beacon of hope for orphaned and vulnerable children in Egypt. It not only offers a safe residential community but also an environment filled with love, support, educational resources, and guidance, fostering the growth of confident individuals, poised to combat the stereotypes associated with being an orphan in Egypt. For over 12 years, the Littlest Lamb has ventured beyond Cairo to serve underprivileged communities, forging trust while imparting counsel for a brighter future. As of September 2023, 97 children have been safeguarded and nurtured, all thanks to Orascom Construction who continuously stand by our mission."

Note From Mira Riad – Founder of Littlest Lamb

A Focus on Healthcare

The active development of social healthcare across Egypt is at the forefront of Orascom Construction PLC's priorities. This year, the Group invested in awareness campaigns and donated funds to several non-profit organizations (NGOs) dedicated to this cause. It also maintained its efforts across the initiatives to which it has been committed since their inception.

Abu El-Rish El Yabani Hospital – Renovation of the Radiology Department

Orascom Construction swiftly responded to Abu El-Rish El Yabani Hospital's request to renovate the Radiology Department, in order to improve the quality of healthcare for patients and provide them with access to the latest technology and facilities.

In 2023, Orascom Construction provided a cash donation to Abu El-Rish El Yabani Hospital for the renovation of the Radiology Department. This donation was used to purchase new equipment and upgrade the facilities in the department.

The radiology department is a vital part of any hospital, and it is essential that it is equipped with the latest technology and facilities. The new equipment allowed doctors to provide more accurate and timely diagnoses, which led to better outcomes for patients. The upgraded facilities also made the radiology department more comfortable and welcoming for patients.

The donation to Abu El Rish El Yabani Hospital was a testament to Orascom Construction's commitment to providing quality healthcare to all. The organization was grateful for the opportunity to support the hospital's mission to provide quality healthcare to the people of Egypt.

Abu El-Rish El Yabani Hospital – Renovation of the Radiology Department

The Karim Camel-Toueg International Fellowship in Hepatology

Established in 2011 in memory of OCI Board Member Karim Camel-Toueg, the program provides Egyptian hepatologists with the opportunity to become fellows at the Cleveland Clinic's Hepatology Center for six months. The program aims to increase the number of top-tier specialists in Egypt who possess best-in-class, real-time experience in patient-handling, cultivated in an environment supported by top quality medical and research facilities. The ultimate goal is to increase excellence in the treatment of prevalent liver diseases in Egypt.

Fostering Community Development

Orascom Construction PLC is committed to improving social conditions and human development across Egypt by supporting a variety of initiatives that tackle social issues, poverty, illness, and hunger, and implementing projects that improve transportation and living conditions.

HELM – A Journey Towards an Inclusive Society

Orascom Construction PLC's partnership with Helm continued to thrive in 2023, as the two organizations deepened their commitment to building transformative projects that ensure sustainable progress towards empowering persons with disabilities.

Through collaborative efforts, the partnership has achieved significant progress and demonstrated the sustainability of projects undertaken. This partnership is a model for how businesses and non-profit organizations can work together to create positive change. The following key collaborations highlight the continuous growth of the partnership and its ongoing commitment to removing barriers and empowering persons with disabilities in Egypt.

Launch of "STARS Scholarship Program"

Under the sole sponsorship of Orascom Construction, Orascom Construction and Helm launched the **STARS Scholarship Program** for persons with disabilities, aiming to enhance employability and increase opportunities.

Building on Helm's earlier education program SEED Employability, Helm reached out to more than 2000 persons with disabilities from their most committed graduates. 304 candidates applied, of which 20 candidates were successfully shortlisted for the program. Five winners were selected and are currently enrolled.

The 5 winners of the STARS Scholarship Program

Signing the MoU of the launch of the STARS Scholarship Program

Cairo University Area and Metro Station Accessibility Project (Faisal and Cairo University Metro Stations)

Aiming to influence policymakers and promote accessibility in the construction and transportation sectors, the Cairo University Area and Metro Station Accessibility project has made a significant impact on mainstreaming the accessibility of public transportation in Egypt. The project has demonstrated that it is possible to create accessible and inclusive public spaces, and inspired other organizations to follow suit.

"The tactile blocks installed at metro stations have made a significant difference in my daily commute. I appreciate the efforts of Orascom Construction and Helm in making public spaces more inclusive."
Aya Mohamed, visually impaired

Cairo University Area and Metro Stations Accessibility Project – Helm

Access Dahab Project

Orascom Construction is proud to be the sole sponsor of the Access Dahab project, led by Helm and the South Sinai Governorate. The project, which began in 2021, aims to create a highly accessible city for persons with disabilities by promoting policy-level changes, raising awareness, and removing barriers.

The Access Dahab project takes on a holistic approach, involving all stakeholders to ensure policy-level change. This is achieved through raising the awareness of local communities and business owners and educating them to work together to remove all barriers that hinder potential tourists with disabilities from visiting Egypt.

To date, the project has made significant progress, including:

- Disability equality training and awareness initiatives for key governmental and private stakeholders.
- Construction of 20 ramps, with an accessible beach entrance currently under construction.
- Consulting services provided to the South Sinai Governorate to build an inclusive walkway in Dahab.
- Marketing campaign and Access Dahab Week attracting tourists with disabilities.

The partnership between Orascom Construction and Helm has yielded remarkable results in empowering persons with disabilities and creating sustainable change. Initiatives such as the STARS program, the Cairo University Area and Metro Station Accessibility project, and the Accessibility Dahab project continue to make a positive impact on the lives of individuals with disabilities. By ensuring the engagement of local communities, businesses, and governmental entities, the partnership remains committed to long-term sustainability and inclusivity.

"Access Dahab has opened up opportunities for me to explore new experiences. I commend Orascom Construction and Helm for their commitment to inclusivity. I now enjoy my scuba-diver certificate because Dahab is a more accessible city."

Zeinab Marie, a wheelchair user

School Transformation Journey – Training the educators

Access Dahab Project – Helm

Sponsoring Future Athletes

Orascom Construction remains committed to helping young athletes reach their full potential and succeed in their sport by sponsoring their training and coaching programs. This support enables them to develop the physical fitness and skills necessary to succeed in their athletic endeavors.

Orascom Construction is proud to continue its sponsorship of Youssef Ibrahim, a rising star in the world of professional squash and the highest ranked Ivy League student player in the sport. Youssef embodies Orascom Construction's commitment to supporting excellence in both athletics and education, being a Princeton University alumnus. He is an ideal ambassador for the Group's scholarship programs, and his story inspires young people around the world to pursue their dreams.

Message from Youssef Ibrahim

"Last season was very tough for me because of my knee injury that kept me out of competition for 5 months. I couldn't perform on the squash court as well as I wanted, and it was very frustrating. However, I am thankful that I started feeling better by the end of the season. I became almost pain free the last two tournaments and started challenging the Top 5 players in the world, losing 3 games to 2 to them. I would like to thank Orascom Construction for being my sponsor and for being extremely supportive through this rough period. I appreciate everything they do for me, I know that I have a lot of hard work ahead of me, but I am confident that I can achieve my goals. I am looking forward to a great season!"

Orascom Construction is also proud to continue its sponsorship of Chris Badour, a talented young squash player with a bright future ahead of him. Chris is dedicated to his training and is committed to achieving his goals.

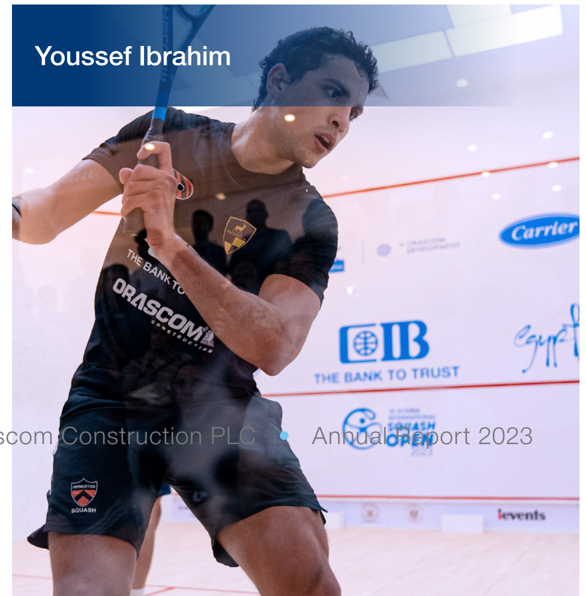
Chris has made great progress, both technically and physically. He worked hard with his coaches to develop his game and improve his fitness. This is an important year academically for Chris, as he is preparing to apply to top international universities.

Orascom Construction endorses both his excellence in sports and education, and continues to believe that this support improves his chances of being accepted and sponsored at a top US university, where he can receive a stellar education and continue his squash competitive track.

Message from Chris Badour

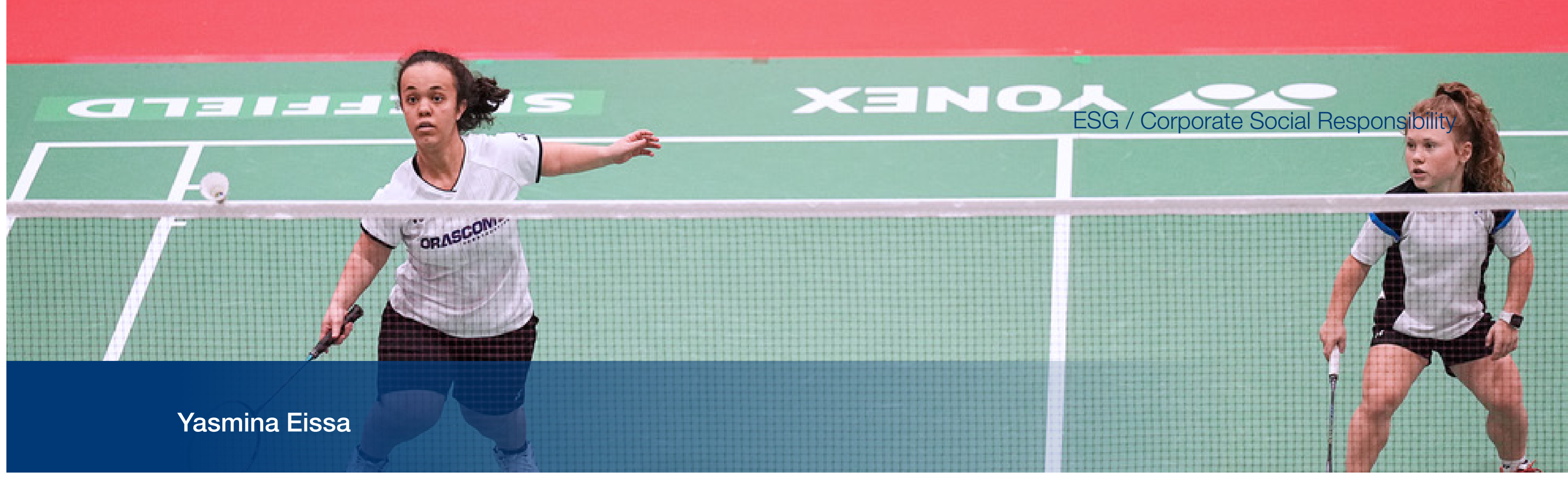
"I would like to express the honor and gratitude I have to Orascom Construction for sponsoring me. Without your generous contribution, I wouldn't have had the chance to compete at such a high level. I greatly appreciate your generous support and am looking forward to more success."

Orascom Construction is sponsoring for the second year Yasmina Eissa, an inspiring Egyptian Para-badminton athlete in the short stature category. Yasmina is not only a badminton athlete, but a studious Economics major who chose to continue her preparation for the Paris 2024 Paralympics at Loughborough University for its sporting excellence and educational rigor. Since 2017, she has competed in national, continental, and international tournaments, representing Egypt. She has won numerous medals, including a silver medal in the doubles at the Australian Para-badminton International in 2023.



Youssef Ibrahim

Chris Badour



Yasmina Eissa

She is currently preparing for the Paris 2024 Paralympics, and has three tournaments left in her Paralympic qualification period: Japan Para-badminton International, Dubai Para-Badminton International, and the World Championships.

Yasmina is a role model for youth around the world, demonstrating that anything is possible with dedication and perseverance.

Message from Yasmina Eissa

"I'm very happy to be going into my second year of my sponsorship by Orascom Construction. I have been focused on my training and studies at Loughborough University in England in hopes of qualifying for the Paris 2024 Paralympics, as well as obtaining my bachelor's degree in Politics, Philosophy and Economics. Over this past year, I was able to achieve a lot of my goals, competing in over 10 tournaments in both singles and doubles. January 2023 marked the beginning of my qualification period for the Paris 2024 Paralympics. In singles, my most notable accomplishments are making it to the quarter finals of several Level 1 (highest graded) tournaments, as well as retaining my African title in September 2022. In doubles I was able to secure 3 medals (2 gold and 1 silver) with my partner Jayci Simon from the USA.

My qualification period ends on 31 March, 2024, so I'm looking forward to the last stretch of tournaments in hopes of raising Egypt's flag at the Paralympic Games in Paris 2024."

Collaboration for Community Engagement

Orascom Construction continues to support a variety of initiatives that tackle a spectrum of societal issues, in active pursuit of improved conditions that would alleviate levels of poverty, illness, and hunger. It also implements several projects that improve transportation, living conditions, and human development across the country. The Group's subsidiaries provide time, resources, and financial support to a variety of charitable and community organizations to improve the wellbeing of local community members, making a meaningful difference in the lives of others, and having an enduring impact on their communities.

Sawiris Foundation for Social Development (SFSD)

The Sawiris Foundation for Social Development (SFSD) was established in 2001 with an endowment from the Sawiris family as one of the first national donor foundations addressing many of Egyptian society's critical and pressing issues. Since its establishment, the SFSD has been working to create opportunities, drive change, and achieve sustainable development that is based on knowledge, exchange of experiences, and best development practices. For more than 20 years, the foundation has succeeded in consolidating the sustainable development approach instead of the charitable approach, by adopting pioneering initiatives in the fields of education, scholarships, economic and social empowerment, as well as arts and culture. Throughout its sustainable development journey, SFSD has invested more than EGP 2 billion, which directly impacted more than 700,000 Egyptians, across 24 governorates, with a focus on Upper Egypt and those most in need.

Our People

At Orascom Construction PLC, we believe that our employees are our most valuable assets and the key to sustainable growth. OC is thus committed to investing in the highest standards of human capital development and providing its employees with a workplace in which they can thrive and reach their full potential.

We have always worked toward enhancing our employees' experience through providing numerous management and career opportunities that foster individual growth. OC actively works to support employees' exposure to new and greater opportunities, aiming to elevate their skills and advancement within the organization, which ultimately adds value and directly benefits the business in achieving its goals.

From left to right/on chairs: Mrs. Heba Iskander - Corporate Development Director, Mrs. Reham El Beltagy - Group Chief Financial Officer

From left to right/second row: Eng. Osama Bishai - Group Chief Executive Officer, Mr. Bassem Bessada - Group Financial Controller Deputy Director, Eng. Khaled El Said – Vice President HR & IT, Mr. Hesham El Halaby - Investor Relations Director, Mr. Nader Ragheb - VP & Group Treasurer, Mr. Alexandre Lousada - Group General Counsel, Mr. Moataz Eldemerdash - Chief Executive Officer - Building Materials

From left to right on chairs: Eng. Philip Megally - Executive Director Industrial Unit, Dr. Engy Serag - Executive Director Contracts and Claims, Mrs. Reham El Beltagy - Group Chief Financial Officer

From left to right/second row: Eng. Osama Bishai - Group Chief Executive Officer, Eng. Khaled El Said – Vice President HR & IT, Eng. Tamer Shafik - Executive Director Business Development, Eng. Stuart Edwards - HSE Director, Eng. Maged Abadir - Chief Operating Officer, Eng. Ihab Mehawed – Managing Director Egypt, Mr. Mohamed Abdel Razik - Executive Director Finance, Eng. Khaled El Degwy – Executive Director Concession

Orascom Construction

Online Learning

In 2023, OC extended its collaboration with Coursera, a world-class digital learning partner, to provide its employees with access to exceptional learning content from 275+ leading universities and industry partners. The license was granted to over 700 of OC's most eager employees, aspiring to benefit from a board range of learning programs to enhance their skills and advance their careers through acquiring specialized certification.

We continue to use virtual platforms to improve and advance the entire learning cycle. By revamping the Learning Management System, we were able to make it more user-friendly; it now includes more features related to employee engagement, self-registration, and the evaluation of the learning experience, as well as a management dashboard.

In addition to acting as our learning management platform, the application relies on OC's pool of competent in-house trainers, along with partner institutes and universities, to provide employees with strong technical, business, and soft skills.

We partnered with various top-notch providers in delivering webinars with the potential reach to expand to our OC employees, especially those working remotely. Leveraging on their wide range of knowledge, the webinars tackled a variety of topics in the areas of personal, interpersonal, and leadership skills, reaching out to a total of 1,700 staff members.

LEAD program

Functional Training Programs

By the end of 3Q2023, we successfully delivered over 120 training rounds to 2,000 staff members to enhance their technical and soft-skill knowledge and provide them with the right tools to complete their day-to-day tasks. The 50 training topics and programs were delivered by both highly qualified internal instructors and top external providers and were instrumental in building a culture of learning and development throughout the organization.

Post-Graduate Studies

The Group remains committed to developing its employees' capabilities and diversifying their skills. Through constant updates to the training budget, OC is keen on increasing investments directed at the continuous education of its workforce, as part of its long-term strategic plans of increasing progression and unlocking employee potential.

Orascom Construction PLC extended post-graduate support to employees in the form of sponsorships in 2023, including master's degrees, post-graduate diplomas, or certifications that directly impacted their career development goals. The Group's commitment to and encouragement of advanced learning stems from the added value of higher education, which accelerates the professional development of employees and builds an ambitious and innovative workforce.

LEAD Program

LEAD is a two-year program designed for young talents planning to pursue a career at Orascom Construction PLC. The program is rotational, giving participants the opportunity to explore different projects and functions within the organization. This year, the Group witnessed the launch of the third iteration of the program, with 17 engineers from different universities who are ready to explore different career tracks, learn from experienced professionals, and excel in their career. Through the LEAD program, participants will be responsible for challenging tasks and interesting projects that inspire them to develop their professional, interpersonal, and leadership skills. It enables engineers to undergo a live simulation detailing the real-life experiences of working at Orascom Construction PLC.

2023 Summer Internship Program: A Huge Success!

The Orascom Construction Summer Internship Program is a two- to four-week program that provides students with the opportunity to gain hands-on experience in the construction industry.

Throughout the program, interns had the opportunity to delve into the construction industry, gaining valuable insights under the guidance of experienced professionals. Real-world projects served as a testing ground for their skills, fostering practical learning and growth. Networking events and workshops facilitated meaningful connections, extending the reach of the program beyond its duration. As a result of this completed initiative, participants have not only acquired hands-on experience but also gained a competitive edge in the job market—a testament to the program's success in blending professional development with practical application.

Students from various universities applied to the program: 16 applicants attended our main program, and 290 students attended the shadowing program in different projects and departments. The top five majors of the participating students were Architecture Engineering, Civil Engineering, Business, Electrical Engineering, and IT. More than 600 students joined our comprehensive internship program as part of the Monorail project.

A large percentage of the programs' participants were university students, constituting 68% of the total number of participants, while the rest were enrolled in academies and institutes.

According to feedback from participating students, the internship program proved highly beneficial, with several noteworthy aspects standing out. The students highlighted the extent of valuable experience and extensive knowledge they gained throughout their participation in the program. The program's structured approach and thorough preparation for future career paths received acclaim for providing a solid foundation. Effective teaching and guidance were also highlighted as integral components, contributing to a positive learning environment. The emphasis on having friendly and supportive teams resonated positively for creating a collaborative atmosphere. Additionally, the communication skills and leadership exhibited by program organizers were commended, adding another layer of value to the overall internship experience.

We are very grateful to all our interns for their hard work and dedication, and we wish them all the best in their future career paths.

2023 Summer Internship Program

Advance Program

At the outset of this year, we initiated a program meticulously crafted to foster the growth of our experienced OC engineers and leaders who have played a pivotal role in our success over the years. Through this program, our construction and technical office engineers were afforded the opportunity to engage in a specialized development curriculum tailored to propel their career advancement within OC. Five significant phases of this journey have already been completed, encompassing HSE, Contracts, Planning, Cost Control, and Quality Management. Our engineers have also actively participated in a series of development and training sessions that covered essential areas, such as people management, financial acumen, contractual awareness, quality, and business development. These experiences have empowered them with a solid foundation in business acumen, and we eagerly anticipate their ongoing growth within the organization.

Partnership and Protocol

We collaborated with several educational institutions to develop our OC Executive Leadership Program, as part of our commitment to further enhancing the program and growing our network. OC focuses on more than just growing through construction; the Company is also devoted to developing a strategic group of leaders to sustain and drive organizational success globally and dependable succession planning.

OC strives to increase its partnerships and collaborations with public and private universities using different protocols. In addition to our established HSE protocols, which aim to increase students' HSE awareness, OC has also been shedding light on the importance of investing in future generations through providing them with new opportunities and educational experiences, as well as empowering them with the necessary skills to guide them on a successful career path.

Orascom Construction Academy Launch

2023 witnessed the launch of our corporate academy, which serves our mission to create a dynamic, influential, and sustainable learning and development tool for operational and business support. The academy effectively prepares future masters of the industry, as it promotes employee engagement in a competitive ecosystem that nurtures diverse talents and accelerates our collective business growth.

The OC Academy is constructed on three levels: future leaders, accelerated programs, and an intensive, rich Construction and Project Management track. Each track is based on operational and competence requirements and on tenures with equivalent bundles.

The journey helps employees enhance their targeted competencies while the learning bundles are 80% targeted for current job and 20% targeting next career move. It provides career development content in line with future market requirements and helps create future leaders pipeline for operational sustainability.

Annual Excellence Award

The Excellence Award program is designed to recognize and celebrate exceptional performances, motivate employees, and foster a culture of excellence among all OC business units. Aiming to acknowledge outstanding contributions to the company, boost morale, retain talents, and promote a positive work environment, the program offers non-financial rewards to exceptional employees every six months. It also aims to promote and facilitate knowledge sharing and encourage the adoption of industry best practices throughout the entire organization.

Advance Program

Orascom Construction USA

With the increased revenue and project growth of OC USA, staffing has also increased, bringing fresh viewpoints, skillsets, and opportunities. Leadership across the company has been focused on training incoming team members, supporting the career growth of existing team members, and maintaining company culture of safety, wellness, and belonging through an emphasis on the core values of OC USA: Honesty and Integrity, Respect for People, Performance with Absolute Reliability, Long-Term Perspective, and Nurturing Future Growth. New employees were welcomed to Weitz headquarters in Des Moines, Iowa twice this year for New Employee Orientation training sessions that attracted over 100 attendees each and featured presentations from senior leadership on operations, employee resources, and strategic company goals.

From left to right: Shane Bauer, Chief Operating Officer; Karmyn Babcock, Executive Vice President, Strategy Execution; Krista Robinson, Vice President, Human Resources; Kevin McClain, President & Chief Executive Officer; T. Ryan Lamb, Vice President & General Counsel; Jeremy Marron, Chief Financial Officer.

Not Pictured: Jim Wells, Executive Vice President, Business Development

Weitz University

Diversity, Equity, & Inclusion

To foster a culture of belonging for both new and existing employees, Diversity, Equity, and Inclusion (DEI) continue to be a key area of focus for Orascom Construction USA. A DEI Committee comprising company leadership and representatives from across the company continued its efforts in 2023 via four subcommittees — namely the Benchmark, Intentionally Communicate, Create Awareness, and Engage subcommittees. The scope of responsibilities of those four subcommittees include acting on the committee's key priorities. To help drive these efforts, OC USA was proud to welcome Shekinah Fountain to the company as Senior DEI Associate. Shekinah will be responsible for leading the DEI Committee in efforts such as expanding diverse supplier outreach, holding training for employees and leaders, incorporating DEI into the company's communications, and more.

Weitz University

The Weitz Company's Florida office was proud to host the first Weitz University session throughout the fall of 2023. This new initiative supports small and diverse businesses by providing training and coursework centered around the construction business. Each Weitz University program consists of five in-person sessions led by Weitz employee subject matter experts specialized in various fields, including quality control, safety, contracts and bonding, cost control, and schedule management. Firms who attended all sessions were offered the opportunity to network with skilled professionals, a guided pre-qualification process, and a certificate of completion. The Florida team was the first to launch Weitz University sessions and helped 14 firms graduate the program. In 2024, every office will be tasked with hosting a Weitz University session.

Construction Inclusion Week

In October, The Weitz Company was proud to be a sponsor of Construction Inclusion Week, an industry-wide collaboration focused on identifying ways to advance diversity, equity, and inclusion in construction. In partnership with other general contractors across the country, Orascom Construction USA participated in daily toolbox talks, training sessions, and discussions at every jobsite and in every office. The training sessions and discussions led to several important conversations regarding belonging at all levels, and the company looks forward to participating again next year.

Leadership Promotions

Ryan Lamb has taken over the role of General Manager, Mission Critical, overseeing more than 111 Mission Critical employees across jobsites and offices in the United States and Mexico. Lamb has been with the company for over a decade, serving in various capacities within the company's legal and risk management department. Prior to his legal roles, he worked as a civil engineer for five years. Lamb will lead Weitz's rapidly growing Mission Critical division as the company continues to expand and evolve its data center portfolio and services.

Jesse Hammes has been promoted to Vice President of the Weitz Industrial Group. Hammes started with the Weitz Company in 2004 as a project engineer for the Industrial Plant Services team. His passion for large capital projects led him to Tecnico, a subdivision of the Weitz Industrial Group, in 2006 to work as an assistant project manager on the company's first biodiesel project. Continuing in his career, Hammes supported industrial growth and projects nationally as an onsite project manager in different locations, such as New Orleans, Memphis, and Pasco, and on a $9B Canadian Natural Resources Horizon Oil Sands project. In 2013, Hammes took on the role of senior project manager on the Iowa Fertilizer Plant project in Wever, Iowa.

Michael Thomas has been promoted to General Manager of the Florida Business Unit. Most recently serving as Business Development Director, Thomas has been with The Weitz Company for over 25 years, holding roles in both operations and leadership.

Ben Bunge has been promoted to General Manager of the Aviation division. Ben started with The Weitz Company as an intern, joining the organization full time in January 2006 as a project engineer. In total, Ben has worked on seven projects during his nearly two decades with the company. Among the most notable of his builds are the Des Moines Downtown Hilton Hotel and the $1.5B Kansas City International (KCI) Airport. His exceptional leadership on the 1.1 million square feet single terminal helped to establish the company's aviation portfolio, providing the needed experience and momentum to formally launch a dedicated aviation division.

Mina Wassef has taken over the role of General Manager of Weitz's Southwest office based in Phoenix, Arizona. Wassef has been with the company for 10 years, starting at Orascom Construction PLC as a Corporate Business Development Manager. As the newly appointed General Manager, he will grow the Southwest team and ensure operational excellence moving forward.

Internship Program

Orascom USA/The Weitz Company welcomed over 60 summer interns this year.

Interns held a variety of roles within jobsites and offices around the country. They were able to apply what they are learning at their universities in a real-world setting, gaining firsthand experience in the construction industry. Project teams appreciated the interns' contributions, specifically their eagerness to learn and fresh perspectives. The internship program provides the company with the opportunity to show these students how they can "Build a Better Way" in their communities and future careers, while ultimately expanding the organization's talent pipeline.

Quality, Health, Safety, and Environment (QHSE) Management

Orascom Construction

Commitment to Quality

At Orascom Construction PLC, we are dedicated to delivering the highest quality construction projects. We aim to always exceed customer expectations by regularly improving and enhancing our quality management system. Through an extensive risk-based audit program, we guarantee compliance to the OC quality management system, updating and boosting processes when necessary. The Corporate Quality Team, comprising highly skilled technical experts, handles all things quality control, from the performance of the quality team to site-related operations.

Our commitment to quality is reflected in our adherence to the ISO 9001 certification. We are also proud holders of certification from the American Society of Mechanical Engineers (ASME) for Power Boilers S Stamp and Pressure Vessels U Stamp, in addition to our certification from the National Board of Boiler and Pressure Vessel Inspectors for NB and R Stamp.

Nuclear Certificate

In our efforts to keep up with the ever-evolving construction industry and our constant dedication to continuous development in all fields, Orascom Construction obtained two nuclear ASME certificates. The N certificate is for the construction of concrete containments at various ASME (corporate) certified locations, while NA is for Class 1, 2, 3, CS, & MC field installations at various locations, certified by ASME (corporate). These certificates reflect OC's ability to deliver and maintain the highest levels of quality.

Quality Training

Quality-related training programs are an essential part of the development of OC's personnel, pushing employees toward the highest construction standards. The program aims to evolve OC personnel's understanding of the company's quality management requirements. Through cooperation with the HR Department, training programs specific to quality in construction have been developed, and a Train the Trainer program allows training to be rolled out extensively across all projects.

Areas of Focus:

- **Customer satisfaction:** continued trust
- **Projects and product quality:** attention to details
- **Innovation and proactivity:** continuous development

To meet our customers' requirements and expectations, our Quality Management Team promotes and encourages:

- Constant communication with customers, suppliers, and employees
- Continuous development of management and technical expertise, in addition to the acquisition and development of new technology

Quality Training Center

In 2023, our commitment to excellence was further demonstrated with the establishment of a quality training center. Offering comprehensive modules spanning architecture, civil engineering, and MEP disciplines, our center blends expert-led technical lectures with immersive live training. Supported by meticulously crafted videos from the Orascom Construction team, this innovative approach ensures a dynamic and enriching learning experience, marking a milestone in our ongoing pursuit of knowledge and skill development.

Technology Innovation

Digital Innovation and Transformation

Over the past decade, Orascom Construction has built and leveraged on the integration of diverse technologies at different project stages. From the tender phase to the final completion of a project, we ensure that the latest technological advancements are incorporated. This approach has enabled us to streamline our processes and deliver high-quality projects in a more efficient manner.

Our success has been largely attributed to our dedication to innovation. We continually research innovative methods to incorporate the latest technology into our projects and keep up with continues development.

Our roadmap toward a successful digital transformation includes:

- Reality-capturing using laser scanning
- Implementing augmented reality for construction validation
- Integrated collaboration via cloud-based solutions
- Enhanced meeting experience through virtual reality and metaverse
- Delivering asset information models fully integrated with computer aided facility management solutions, computerized maintenance management systems, and digital twins.
- Digitalizing our current processes into a more agile workflow

Within this context, we have made the strategic decision to invest in data analytics and artificial intelligence solutions. This forward-thinking move is rooted in our belief that these technologies will play a critical role in shaping the future of the construction industry.

Our focus on data-driven insights and automation will undoubtedly provide our organization with a competitive advantage, allowing us to enhance business strategy, operations, and digital transformation. We are committed to staying ahead of the curve and embracing emerging technologies that will help us achieve our goals and drive long-term success.

Commitment to Health, Safety and Environment (HSE)

Orascom Construction PLC's compliance with health, safety, and environmental requirements continued during 2023 in all its projects.

Company	2023 LTIR
Orascom Construction	0.429
Orascom Construction USA	0.00

Leading with Environmental and Safety Excellence: 15 Years of Commitment

Orascom Construction PLC proudly boasts a 15-year legacy of implementing and upholding a robust integrated HSE Management System. Certified to the rigorous international standards ISO 14001:2015 (Environmental Management) and ISO 45001:2018 (Occupational Health and Safety), this system underscores our unwavering commitment to safeguarding employees, subcontractors, and clients.

Elevating Standards Through Strategic Partnerships at Ahram Engineering Institute

Elevating Standards Through Strategic Partnerships

In 2023, our dedication to top-tier HSE practices was further affirmed through successful renewals of key protocols with esteemed institutions like the Canadian International College and Al Ahram Engineering Institute. Notably, our collaboration with the Egyptian Engineering Syndicate in Alexandria continues to thrive following the successful completion of the Cairo branch protocol.

Cultivating a Culture of Safety: The Protocol in Action

These partnerships revolve around a comprehensive protocol encompassing both theoretical and practical elements. Students receive classroom instruction on vital topics like HSE Management Systems, OC HSE standards and regulations, OSHA 30-hour requirements, fire safety, cranes, lifting, and rigging. This knowledge is then translated into actionable insights through supervised visits to operational construction sites. Witnessing our expert teams seamlessly integrate HSE principles into challenging and complex environments provides students with invaluable real-world experience, nurturing a future generation of safety-conscious professionals.

Cultivating a Culture of Safety at Egyptian Engineers Syndicate in Alexandria

Elevating Standards Through Strategic Partnershiops at Canadian International College

Investing in Excellence: Orascom Construction's 2023 VOC Program

Program Expansion and Impact

Orascom Construction took a decisive step in 2023 by expanding its Verification of Competencies (VOC) program to encompass all ongoing projects. This strategic move underlines our unwavering commitment to ensuring skill excellence and safety compliance across our workforce, directly propelling seamless project execution.

Performance Highlights

The VOC program assessed a diverse range of trades in 2023, granting a comprehensive understanding of employee competencies.

Continuous Improvement Focus

We firmly believe in fostering an environment of continuous learning and growth. As such, operatives who do not initially pass the VOC assessment are offered comprehensive retraining programs. This empowers them to gain further experience and retest, ensuring every team member reaches their full potential and contributes significantly to both personal and collective success.

19,903
Assessments conducted

c.22% (4,362 operatives)
Pass rate

Building the Future

The VOC program remains a core element of our strategy to develop a highly skilled and proficient workforce. We are committed to continually refining our assessment and training methodologies to keep pace with evolving industry standards and project requirements.

A Safer Future, Hour by Hour

In 2023, the Group's rigorous HSE Management System safeguarded 171,855,238 hours worked across 93 projects, three workshops, and three industrial factories in the Middle East and Africa.

Sector	Hours worked
Airports	8,050,682
Commercial Buildings	62,618,953
Foundation	953,551
Industrial	6,641,280
Industries	7,177,283
Infrastructure	14,032,242
Land Reclamation	750,664
Marine Work	2,492,655
Power Generation	5,658,748
Transportation	46,671,147
Water Treatment	13,893,046
Workshops	2,914,987
Grand Total	**171,855,238**

c.78% (15,541 operatives)
Retraining/improvement opportunity

Strengthening Compliance through Enhanced Audit Focus

In 2023, Orascom Construction took a crucial step in elevating its health, safety, and environment (HSE) performance by introducing specialized audits alongside the regular comprehensive HSE assessments. These targeted audits focus on critical areas, including:

- **Lifting operations:** Ensuring rigorous adherence to lifting safety procedures and equipment protocols.
- **Accommodation and camp conditions:** Verifying compliance with worker well-being and hygiene standards.
- **Work permit systems:** Evaluating the effectiveness of permit issuance and adherence across projects.
- **Electrical safety:** Guaranteeing robust implementation of electrical safety protocols and risk mitigation strategies.

These specialized audits complement our comprehensive HSE assessments, providing a multi-layered approach to evaluating project compliance with Orascom Construction's stringent HSE standards. Internal reports detail findings and recommendations, followed by a comprehensive report shared with the Project Manager for immediate action and the HSE Corporate Director for thorough review.

To ensure continuous vigilance and adherence to best practices, monthly audit results are readily accessible to all Orascom Construction personnel through the HSE Corporate Director's reports.

Since 2016, we have adopted a policy of unannounced audits, driving consistent preparedness across projects. This proactive approach has yielded positive results, with audit scores steadily improving. This positive trend reflects a deeper understanding of Orascom Construction's HSE standards and a more robust risk management culture at the project level.

Year	Number of Conducted Internal Audits	Environmental & Social Audits	Initial Audits	Accommodation Audits	Lifting Audits	Medical Audits
2021	288	49	10			
2022	279	65	10			
2023	241	61	8	21	28	34

Year	Total No. of HSE Audits	Green	Orange	Yellow	Red
2021	337	229	40	7	2
2022	344	231	25	9	4
2023	241	209	27	5	0

Full compliance
Relative compliance
Low compliance
No compliance

No. NCRs

Year	H & S Audits	Environmental & Social Audits	Accommodation Audit	Lifting Audit
2021	1960			
2022	1884	406		
2023	1831	399	149	182

Targeted Training for Enhanced Impact

In 2023, a focused environmental training program was launched for site personnel. This year-long initiative, commencing in January, featured monthly sessions encompassing:

- Interactive workshops to delve deeper into critical environmental concepts and best practices.
- Practical on-site tasks led by the HSE manager, allowing participants to apply their learnings in real time.

This decentralized training approach, driven by our on-site HSE teams, fosters a sense of ownership and accountability for environmental performance.

Trainings delivered by the Project Training Manager

	Induction (one hour)		Toolbox talks (Half an hour)		Training by site (HSE Team) & Corporate Campaign	
	No. of Attendees	Total Training Hours	No. of Attendees	Total Training Hours	No. of Attendees	Total Training Hours
2021	118,657	118,657	374,662	187,331	79,487	83,575
2022	110,987	110,987	630,012	315,006	113,072	141,854
2023	83,631	83,631	690,511	345,256	94,707	161,565

Trainings delivered through the corporate team

	No. of Attendees	Total Course Hours
2021	1553	26,652
2022	1663	23,740
2023	2113	20,215

Third-Party Courses

	No. of Attendees	Total Course Hours
2021	227	1,576
2022	985	3,284
2023	1,038	7,319

2023 training courses

- ISO 45001-2018
- 7 Habits Training
- Appointed Person for Lifting Operations
- Civil Defense
- Confined Space
- Defensive Driving
- Ecology and Construction Course (16 hours)
- Electrical Hazard
- Environmental
- First Aid
- First Aid Advanced
- Labor office requirements awareness session
- Leadership
- Lifting & Rigging Training
- OSHA (10 Hours)
- Permit To Work Training
- Rigging and Slinging Train Course
- Risk Assessment
- Scaffolding Training
- Working at Heights Business Unit Training

From Concept to Cornerstone: The Evolution of Onboarding and Training

Born from a 2018 initiative, Orascom Construction's Practical Training Center has blossomed into a strategic hub for project onboarding and training. This integrated facility seamlessly combines administrative, HR, medical, safety induction, practical training, and competence verification under one roof.

As a result, OC's safety culture has demonstrably strengthened. By exposing workers and subcontractors to high-potential hazards in a controlled and safe environment, the center equips individuals with the knowledge and skills needed to navigate real-world challenges. This commitment to proactive safety training resonates throughout the Company, evidenced by the 2023 opening of a dedicated training center for the Silver Sands project.

Mandatory Onboarding and Training

Every new site-based employee embarks on their journey with Orascom Construction at the center, undergoing comprehensive onboarding and training. Skill-based workers further hone their expertise through rigorous Vocational Occupational Competence assessments before stepping onto a project site. This meticulous approach ensures a healthy, qualified, and safety-conscious workforce.

Subcontractors - Elevating Standards: Partnering for Excellence in HSE

Orascom Construction recognizes subcontractors' crucial role in upholding our unwavering commitment to HSE excellence. Consequently, we have intensified our focus on their performance recently.

Rigorous Monitoring and Continuous Improvement:

Dedicated site HSE managers meticulously assess subcontractor performance each month based on critical compliance elements. This comprehensive audit process serves as a valuable platform for:

- **Identifying areas for improvement:** Early detection of potential issues allows for swift intervention and corrective action.
- **Fostering collaboration:** Constructive feedback and support help subcontractors enhance their HSE practices.
- **Maintaining high standards:** Consistent monitoring ensures everyone adheres to Orascom Construction's unwavering commitment to HSE across all levels.

A Clear and Consistent Approach

We understand that performance may fall short even with our support. To address such situations, we have implemented a transparent and well-defined escalation process:

- **First poor result:** Site management promptly notify the subcontractor and request a concrete action plan for improvement be submitted.
- **Second poor result:** Site management convenes a meeting with the subcontractor to discuss necessary performance adjustments and provide additional support.
- **Third poor result:** The subcontractor is removed from the site for persistent non-compliance.

Rewarding Excellence, Building Trust

At Orascom Construction, we believe in fostering long-term, mutually beneficial relationships with our subcontractors. As a result:

- **High performers are prioritized:** Subcontractors consistently demonstrating exemplary HSE practices are placed at the top of our selection list for future projects.
- **Low performers are excluded:** We actively exclude underperforming subcontractors from participating in our procurement process to reinforce our unwavering commitment to safety.

Transparency and Accountability

Category	Subcontractors	
	Number	Percentage
A	3783	24.57%
B	10256	66.61%
C	1192	7.74%
D	160	1.04%
E	5	0.03%
Total	**15396**	**100%**

2023 achievements

Health & Safety Achievement awards

Project	Achievement (million)
El-Hammam Agriculture Wastewater Treatment JV Project	27,000,000
Zed Towers Project #Code #475	21,000,000
Zed Towers Project #Code #475	21,000,000
Mansour Code 440	17,000,000
Magdy Yacoub Global Heart Center	13,000,000
Housing & Development Bank	5,500,000
El Sokhna port Certificate-OC	5,000,000
SWPC appreciation certificate(KSA)	5,000,000
OCI-Al Sharaa JV	5,000,000
Latin Quarter	5,000,000
H3 Vida Marina Hotel	4,000,000
El Sokhna port Certificate-OCF	3,000,000
Silver Sand	3,000,000
Central Bank of Egypt - Cash Center project - New El Minya	2,000,000

Environmental certificates

Project	Achievement (million)
Zed Towers Project #Code #475	21,000,000

OC Earns Recognition in 2023 Audits

Orascom Construction received positive feedback from both Bureau Veritas (certification holding SAS – UK branch) and Lender audits conducted across several projects in 2023. The reviews highlighted significant improvements and commended several key areas, demonstrating the company's dedication to excellence in various aspects of its operations.

Areas of Excellence

- **Safety First:** Orascom Construction's robust HSE management system was particularly lauded, showcasing a strong commitment to employee safety and project site well-being.
- **Compliance Focus:** Legal compliance, a cornerstone of responsible operations, was recognized as consistently upheld across projects.
- **Environmental Consciousness:** Orascom Construction's dedication to environmental stewardship through its effective Environment System was acknowledged.
- **Investing in People:** The company's comprehensive training programs for employee development and skill enhancement were commended.
- **Holistic Care:** Both health and hazardous materials storage practices received positive feedback, reflecting Orascom Construction's commitment to employee health and safety beyond the immediate work environment.
- **Operational Excellence:** The audit team praised the emphasis on housekeeping, equipment inspection, pre-start meetings, and PPE compliance, demonstrating a focus on operational efficiency and hazard prevention.
- **Clear Communication:** Color coding and effective material management practices were highlighted as examples of strong communication and organization on project sites.

Fostering Collaboration and Excellence: Quarterly HSE Meetings Fuel Progress

Orascom Construction prioritizes open communication and collaboration regarding excellence HSE. In 2023, we hosted four dynamic quarterly meetings, each led by the HSE Director and engaging all Business Unit (BU) HSE Managers.

These meetings served as a vital platform for:

- **Open dialogue:** HSE challenges, issues, and needed support were openly discussed, fostering a transparent and collaborative environment.
- **Performance review:** Each BU presented its HSE performance, allowing for peer learning and targeted improvement strategies.
- **Knowledge sharing:** Valuable insights and innovative ideas were exchanged, driving continuous improvement across all BUs.
- **Strategic alignment:** The HSE Director ensured alignment with company-wide HSE initiatives and priorities, ensuring unified action towards our goals.

HSE Quarterly Meetings

Meeting outcomes:

- **Strengthening our safety culture:** Open communication and collaboration create shared ownership of safety across all levels.
- **Proactive problem-solving:** Early challenges identification allows swift and effective intervention.
- **Continuous performance improvement:** Sharing best practices and identifying areas for improvement drives consistent upward movement in HSE performance.

The commitment to regular, engaging, and productive HSE meetings remains a cornerstone of Orascom Construction's unwavering pursuit of operational excellence and a robust safety culture.

World Safety Day

Celebrating HSE World Day: Building a Sustainable Future Together

In 2023, Orascom Construction proudly embraced HSE World Day, celebrated on 28 April. This global event recognizes the heroes dedicated to shaping a safer and more sustainable future for all. Our celebration transcended a single day, transforming into a week-long commitment to collaboration and action, under the theme **Collaborating for a Safe and Sustainable Workplace.** Through engaging activities, we aimed to empower employees and strengthen our shared commitment to environmental responsibility and workplace safety.

World Safety Day

Highlights of HSE World Day festivities

- **Teamwork Through Sports:** Encouraging camaraderie and active participation, we hosted a series of friendly inter-departmental sports tournaments.
- **Growing Our Future:** Recognizing the importance of environmental stewardship, we organized a company-wide tree-planting initiative to contribute to a greener future, planting numerous trees that will stand as a testament to our commitment to sustainability.
- **Knowledge is Power:** Our commitment to continuous learning shone through in a comprehensive safety seminar, where experts addressed critical HSE topics and best practices. Participants gained valuable insights into maintaining a safe working environment and mitigating potential risks.
- **Recognizing Excellence:** The tireless efforts of individuals who champion safety and sustainability are the reason for our success in this regard. Our HSE World Day culminated in a prestigious awards ceremony, honoring those who consistently go above and beyond to promote a safe and healthy work environment.

Empowering Safety Excellence

The 2023 HSE Incentive Program saw Orascom Construction celebrate and reward **1,713 employee actions** that prioritized safety across our operations. This program, recognizing outstanding commitments to safety standards and procedures, played a crucial role in fostering a culture of proactive risk mitigation and continuous improvement.

Month-by-Month Dedication

HSE Incentive Program – Total Year 2023		
#	Month	Total Certificates issued
1	January	191
2	February	162
3	March	177
4	April	136
5	May	140
6	June	102
7	July	123
8	August	138
9	September	134
10	October	127
11	November	143
12	December	140
Total		**1,713**

Investing in People, Driving Results

This high level of participation reflects the program's effectiveness in encouraging and rewarding safe behaviors. From identifying potential hazards to implementing corrective actions, our employees consistently demonstrated their commitment to creating a safer workplace for everyone. This not only bolstered employee morale but also contributed to a reduction in incident rates.

Looking Ahead

The success of the 2023 program reinforces our commitment to prioritizing safety in everything we do. We are proud of our employees' achievements and plan to further enhance the program in 2024, introducing new initiatives to inspire even greater engagement and reinforce the importance of safety as a shared value.

Orascom Construction USA

Commitment to Quality

The Weitz Company has committed to growing its Operational Excellence Department (commonly referred to as "OpEx") to bolster efforts to equip and empower project teams with the knowledge, skills, and tools needed to perform on every project, no matter the size or location. To support this work, Weitz established a dedicated OpEx team with the addition of a Director of OpEx, Director of Project Controls, and other roles with expertise in continuous improvement, quality, scheduling, and cost control. The OpEx team will partner closely with business unit employees to enhance processes and provide opportunities to be involved in cross functional initiatives, from build methods to how employees, trade partners, and clients feel about being a part of Weitz projects.

Commitment to Health, Safety, and Environment (HSE)

The Weitz Company is excited to announce the creation of our new Safety Excellence Program, which establishes a world-class safety training program to support the organization. This initiative allows us to structure and facilitate training consistently across the company in a trackable manner for all employees – hourly and salaried – regardless of business unit. Training will be delivered through a hybrid learning model, containing both online and instructor-led components, and consists of four separate tiers: Qualifier, Bronze, Silver, and Gold.

The Qualifier tier went live on 26 June and is required for every new hire to complete before they strap on their safety helmets. It introduces all new employees to the company's safety expectations and values to ensure they are equipped with the tools they need to be safety leaders from day one on the job. This module will be run in conjunction with the HR onboarding.

The Bronze, Silver, and Gold tiers will be assigned to individuals based on their roles. The competencies assigned to each tier are strategically designed to cultivate employees' safety knowledge as their role and responsibilities grow with the company. These range from entry level safety education, indoctrination of company specific safety policies/procedures, equipment operation certifications, and soft skills such as leading organized morning stretch and flex and conveying our safety brand to clients.

Corporate Governance

Orascom Construction PLC is committed to implementing a corporate governance framework that ensures transparency and efficiency and safeguards the interests of the company's shareholders and the communities in which it operates.

Board of Directors

Orascom Construction PLC's Board of Directors is responsible for driving the Company's long-term success by adopting and developing efficient corporate governance policies and practices. It is tasked with upholding the highest standards of business conduct, as well as mitigating the negative impact of the Company's operations on its employees, surrounding communities, and the environment.The Group is dual-listed on Nasdaq Dubai and the EGX.

Jérôme Guiraud

CHAIRMAN – NON-EXECUTIVE DIRECTOR

Mr. Jérôme Guiraud graduated from Ecole des Hautes Etudes Commerciales in 1984 (HEC Paris).

He started his career at the French Embassy in Zagreb (Croatia) in 1985 as Deputy to the Commercial Attaché. He joined the Société Générale group in 1986, where he held multiple senior managing positions in Europe and emerging countries, mainly on capital markets, before becoming Country Manager and Director of various Société Générale Group listed and non-listed subsidiaries.

Mr. Guiraud joined NNS Group in 2008. He is currently Executive Chairman and CEO of NNS Ltd and a director of various non-listed NNS Group entities.

He is also Director and Member of the Audit and the Nomination Committees of OCI.NV (a leading fertilizer company listed on the Euronext Amsterdam stock exchange) and a Board member of BESIX Group.

Osama Bishai

CHIEF EXECUTIVE OFFICER – EXECUTIVE DIRECTOR

Osama Bishai joined Orascom in 1985. Since then, he assumed numerous key leadership roles within the Construction Group and has been CEO of Orascom Construction PLC since March 2015.

Mr. Bishai was instrumental in transforming the Construction Group into a leading infrastructure and EPC player active in the Middle East, Africa, and the USA. He led the company's growth into new industries, including the construction of most of OCI's investments in cement and fertilizers worldwide, and more recently spearheaded the Orascom Construction's growth in renewable energy and concessions in the Middle East.

Mr. Bishai is a board member of BESIX Group.

He holds a BSc. in Structural Engineering from Cairo University, and a Construction Management Diploma from the American University in Cairo.

Sami Haddad

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Sami Haddad has decades of experience in both the private and public sectors, specifically in finance, politics, and academia.

Mr. Haddad worked for the International Finance Corporation, part of the World Bank Group, for more than 20 years in a variety of positions, including Cairo-based Director of the MENA region. In 2005, he became Minister of Economy and Trade in Lebanon, a position which he held for three years. Mr. Haddad was also General Manager of Byblos Bank from 2008 to 2014. He was Chairman of Inventis, a management consulting company until 2020.

Mr. Haddad holds an MA in economics from the American University in Beirut and pursued his postgraduate studies at the University of Wisconsin-Madison.

Johan Beerlandt

INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Johan Beerlandt is the Chairman former Chief Executive Officer (2004-2017) of BESIX Group. He oversaw the transformation of the business into a major regional player in Europe and the Middle East.

In 2004, Mr. Beerlandt was instrumental in the 50-50 leveraged management buyout of the BESIX holding company executed by BESIX management and Orascom.

Mr. Beerlandt brings a wealth of knowledge and experience in regional and international construction and concessions markets to the Board.

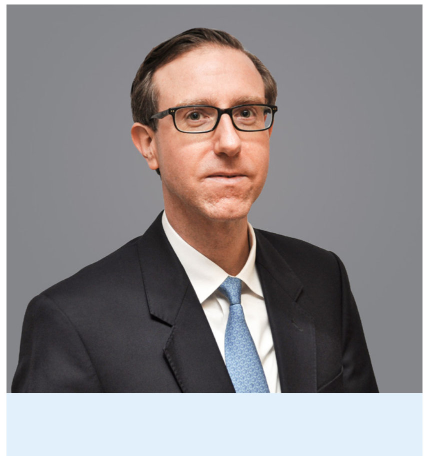
Nada Shousha

NON-EXECUTIVE DIRECTOR

Ms. Nada Shousha is a seasoned executive in the financial services, investment, and economic development sectors. She currently holds positions on various Boards, including Vice Chair and Investment Committee Member of the Egyptian American Enterprise Fund, Board Member and Chair of the Governance Committee of Arab Investment Bank (Egypt), Board and Audit Committee Member of AXA (Egypt), and member of the Investment Committee of Sawari Ventures.

Ms. Shousha was most recently the Regional Manager for Egypt, Libya, and Yemen for the IFC, which she joined in 2002. During her tenure, Egypt's IFC program increased from a USD 50-75 million annual program to an annual average of USD 250+ million. In particular, she led IFC's counter-cyclical strategy post-Arab Spring, which focused on restoring confidence in the country's private sector and resulted in over USD 1 billion of new investments in the country from 2012 to 2014.

Prior to joining IFC, Ms. Shousha was a manager in the corporate finance practice at Arthur Andersen.



Wiktor Sliwinski

NON-EXECUTIVE DIRECTOR

Mr. Wiktor Sliwinski serves as Chief Investment Officer at NNS Advisers, the London-based advisory office of the Nassef Sawiris family.

Prior to joining the NNS Group in 2018, Mr. Sliwinski spent twelve years at Elliott Advisors (UK) Limited. He was responsible for managing a multi-strategy portfolio consisting of positions across the capital structure, including in listed and non-listed equities, and in various types of credit instruments. His investment experience covers numerous sectors ranging from real estate, TMT, and energy to aerospace & defense, heavy industrials, and chemicals.

He also has served on the Boards of numerous companies, including on three publicly listed entities in the real estate, steel, and finance sectors.

Between 2001 and 2004, Mr. Sliwinski was an investment banking analyst at Merrill Lynch within the Corporate Finance division, with a focus on the technology, media, and telecom sectors.

Mr. Sliwinski obtained his B.Sc. in Economics from University College London (UK) in 2001, and his MBA from Wharton (USA) in 2006.

Renad Younes

INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Renad Younes is a partner with Gibson, Dunn & Crutcher LLP and serves as the Abu Dhabi Partner in Charge.

Ms. Younes advises corporations, financial institutions, and governments on local and international M&A transactions and projects that cover a wide range of sectors, including energy and infrastructure. Her vast sector and industry knowledge, combined with her M&A, equity and debt offerings, and project development experience also enables her to lead a wide array of complex transactions across several sectors such as renewables, transitional energy, upstream, midstream, downstream, and LNG.

Ms. Younes is listed and top ranked by Chambers and Legal 500 in both the M&A and energy categories and is listed in the "Hall of Fame" for UAE Oil, Gas and Natural Resources by Legal 500 EMEA 2022. She was also named on IFLR 1000's Women Leaders 2022 list of "highly regarded" lawyers worldwide.

Our Corporate Governance Structure

Orascom Construction PLC believes good governance is essential to ensuring success and driving value for shareholders. The Group's Board of Directors' responsibilities include adopting and developing efficient corporate governance structures and internal controls to ensure the Company's success, while the Chief Executive Officer and the Corporate Management team are in charge of the day-to-day management of the business, barring specific matters reserved for the board's decision.

The board's responsibilities include reviewing and monitoring the Company's corporate governance framework and ensuring its compliance with all relevant laws and stock exchange regulations for NASDAQ Dubai and EGX Cairo. Additionally, the board actively works to continuously improve the Company's transparency and disclosure standards. To fulfill its responsibilities, the Board of Directors established four committees: the Audit Committee, Remuneration Committee, Nomination Committee, and Strategy & Sustainability Committee. The board is tasked with constituting, assigning, coopting, and fixing the terms of service for the committee members. It delegates certain duties to each committee as defined by their respective terms of reference, and each committee is required to regularly report to the board. The Board of Directors may opt, on occasion, to set up additional separate committees, when the need arises.

Audit Committee

The Audit Committee consists of five non-executive directors. It is tasked with assisting the Board in overseeing:

1. The integrity of the Company's financial statements.
2. The Company`'s compliance with legal and regulatory requirements.
3. The external auditor's performance, qualifications, and independence.
4. The performance of the Company's internal audit function.

Additionally, the committee is tasked with preparing and publishing an annual committee report and other reports required under all applicable securities laws and stock exchange regulations. The role and responsibilities of the Audit Committee are stated in written terms of reference, and include the appointment, compensation, and retention of the independent auditor, review of the Company's interim and annual financial statements with management and the independent auditor, and review of the Company's internal control and risk management systems.

The Audit Committee meets at least twice annually and as otherwise requested by its chairman.

Members:
Sami Haddad – Chair
Jérôme Guiraud
Wiktor Sliwinski
Nada Shousha
Renad Younes

Remuneration Committee

The Remuneration Committee is composed of three non-executive directors. It is responsible for assisting the board in overseeing all matters relating to director and executive officer compensation, as well as preparing and publishing an annual committee report on the subject matter and all other reports required under all applicable securities laws and stock exchange regulations.

The role and responsibilities of the Remuneration Committee are stated in written terms of reference and include the review, evaluation, and approval of director and executive officer compensation, incentive compensation plans, and equity-based incentive plans. To determine the compensation of the Company's directors and executive officers, the Remuneration Committee takes into account the Company's performance and relative shareholder return, the compensation level of directors and executive officers at comparable companies, and the compensation of the directors and executive officers in past years. No company director or executive officer is solely involved in deciding their own compensation. Executive officers do not receive additional compensation for their service as executive directors. Non-executive directors receive an annual stipend and may participate in the Company's share-based incentive program.

The Remuneration Committee meets at least once a year and as otherwise requested by its chairman.

Members:
Sami Haddad – Chair
Jérôme Guiraud
Nada Shousha

Nomination Committee

The Nomination Committee consists of three non-executive directors. It primarily assists the board in identifying potential board members, nominating directors for the next annual meeting of shareholders and for each board committee, as well as overseeing the evaluation of the board and management.

The role and responsibilities of the Nomination Committee are stated in written terms of reference and include determining annually the independence of each director as may be required under any applicable securities laws and stock exchange regulations, the compliance of each director and executive officer with the Company's code of business conduct and ethics, and such other activities as the board may assign occasionally to the committee.

The Nomination Committee meets at least once a year.

Members:
Nada Shousha – Chair
Sami Haddad
Jérôme Guiraud

Strategy & Sustainability Committee

The Strategy & Sustainability Committee consists of six non-executive directors. It primarily assists the board by providing an advisory role with a focus on the Company's long-term strategic plans and matters related to sustainability, including, but not limited to HSE.

The role and responsibilities of the Strategy & Sustainability Committee are stated in written terms of reference and include the following:

- Reviewing and providing guidance to management with respect to the Company's long-term strategic plans to reflect changes in market or business conditions and identify strategic possibilities for further development.
- Evaluating diversification opportunities into new markets and construction sectors.
- Examining strategic investments, acquisition, and disposals.
- Monitoring and periodically discussing the Company's sustainability goals, targets, and risk management, including the progress made in the following areas.
- Implementing (as the Committee deems fit) and reviewing the status of the Company's sustainability policy, and assessing the effectiveness of any related sustainability programs and initiatives.
- Monitoring and periodically discussing current and emerging topics, technologies, and trends relating to sustainability, including new or emerging opportunities and projects that may affect the business, operations, performance, or public image of the Company or are otherwise pertinent to the Company and its stakeholders.
- Periodically reviewing and evaluating sustainability performance metrics and KPIs with a long-term view towards achieving announced Company targets.
- Reviewing the Company's sustainability disclosures in the Annual Report, as well as any periodic disclosures on sustainability.
- Reviewing the status of the Company's HSE policies and performance, to ensure compliance with applicable laws/regulations and programs to manage risk, and assess the effectiveness of HSE programs and initiatives in support of the Company's HSE policy.
- Reviewing and monitoring the Company's HSE performance statistics.
- Reviewing the Company's communication practices with employees and contractors concerning the importance of developing a culture of HSE responsibilities and ensuring all reviews cover the identified topics and areas of strategic importance with clear objectives and timeframe for completion.

The Strategy Committee meets at least twice per year.

Members:
Renad Younes – Chair
Nada Shousha
Jerome Guiraud
Sami Haddad
Johan Beerlandt

Shareholders' Rights

The Company's Annual General Assembly Meeting of Shareholders enables shareholders to exercise their rights. The meeting is held no later than six months after the end of the Company's fiscal year, usually in May of each year. Additional Extraordinary General Shareholders Meetings may be convened at any time by the Board of Directors or by one or more shareholders representing more than 10% of issued share capital. Important matters that require approval at the Annual General Assembly Meeting of Shareholders include:

- Adoption of financial statements.
- Declaration of dividends.
- Significant changes to the Company's corporate governance.
- Remuneration policies.
- Remuneration of non-executive Directors.
- Discharge from liability of the Board of Directors.
- Appointment of an external auditor.
- Appointment, suspension, or dismissal of members of the Board of Directors.
- Issuance of shares or rights to shares, restriction or exclusion of preemptive rights of shareholders, and repurchase or cancellation of shares.
- Amendments to the Articles of Association.

External Auditor

The General Meeting of Shareholders appoints an external auditor. The Audit Committee recommends to the Board of Directors a candidate to be proposed for (re)appointment by the General Meeting of Shareholders. Additionally, the Audit Committee evaluates the functioning of the external auditor on a regular basis. On 31 May 2023, the General Meeting reappointed KPMG as independent external auditor for the company for the 2023 fiscal year.

Shareholder Name	Shares Held	% of total
Sawiris Family and entities held for their benefit	60,481,391	54.86%
Mr. Nassef Sawiris and entities held for his benefit	40,265,048	36.52%
Mr. Samih Sawiris, his family members and entities held for their benefit	13,776,618	12.50%
Mr. Naguib Sawiris, his family members and entities held for their benefit	6,439,725	5.84%
Sustainable Capital Africa Alpha Fund	18,869,086	17.12%
Remaining Shareholders	30,893,458	28.02%
Total Shares Outstanding	110,243,935	100%

Board of Directors Report

Composition and Independence

Orascom Construction PLC's board is deliberately composed to equip the company with leaders who possess diverse skills, experience, and backgrounds, thereby maximizing the board's ability to act independently and critically without emphasizing particular interests.

Assessment and Evaluation of the Board

The board concluded that the composition, processes, and scope of its activities and the personal contribution of each member has been satisfactory in 2023. Board policy states that a formal evaluation will be performed every three years, with the aid of an external consultant.

Board Meetings

The board met four times during 2023. Discussions focused on the following issues:

- Strategy, focus markets, and plans, including potential business.
- Business performance.
- Approval of the 2022 annual report and external quarterly reporting through 2023.
- Approval of key financing, operational, and investment activities, as well as divestments and other business developments.

Audit Committee Report

The Audit Committee is mandated with monitoring and supervising activities related to the Company's financial, internal audit, compliance, and tax performance. In 2023, the Audit Committee held four meetings.

In accordance with its Charter, the Audit Committee reviewed and advised on the following issues:

- Financial reporting and non-financial information;
- Financing strategy, including mitigation of forex exposures;
- Working capital development and financial exposures to individual clients;
- The company's internal control processes, internal audit function, and audit approach;
- Effective tax rate and tax compliance;
- Litigation and major legal and arbitration cases, such as the Sidra cases; and
- Risk analysis and audit-related matters.

Financial Reporting and External Auditor

The Company's external auditor is KPMG. The external auditor attended all Audit Committee meetings in 2023, before signing off on the full and quarterly financial statements for the year.

The directors confirm that they are not aware of any relevant audit information of which the Company's auditor is not aware, and that they have taken all sufficient steps to become aware of such relevant audit information.

Other Legal Requirements

This Annual Report satisfies the requirements of article 126 (2) of the DIFC Companies Law, Law No. 5 of 2018, pertaining to the content of the directors' report. The information contained in the remaining sections of this report is incorporated by reference into this directors' report and is considered part of this directors' report.

The Board considers that the best practice standards specified in App4 of the DFSA Market Rules have been adopted by the Company and that the corporate governance framework of the Company is effective in promoting compliance with the applicable corporate governance principles.

Risk Management and Controls

Introduction

The nature of the construction business involves substantial risks. Our management is mindful of these risks and takes a calculated mitigation approach to maximize our ability to successfully pursue sustained growth. Our board and management adopt a transparent company-wide approach to risk management and internal controls, allowing our businesses to operate effectively. We are working diligently to further enhance our risk management within the Company. To do so, the Company relies on a Group General Counsel with solid experience in risk management in the context of engineering and construction multinationals, to support and improve the risk management processes and internal controls. Two risk committees were established in 2021 to monitor the risk management processes of the Company's activities in the MEA region and the USA. As part of the Group's governance structure, the Audit Committee provides independent assurance on the risk management, governance, and internal control processes' operational effectiveness through the internal audit function.

Our risk appetite is flexible to account for our diversified market presence and is tailored to four main categories:

- Strategic

We are able to take certain calculated strategic risks that create opportunities to maximize our ability to deliver outstanding value to our shareholders. Our ability to adapt our risk management to meet the requirements of our diversified exposure to emerging and developed markets is key to maintaining our success.

- Operational

We aim to minimize operational risks while maximizing our ability to capitalize on our leadership positions in our markets. We strive to maximize operational efficiency while fostering a safe and entrepreneurial environment for our employees.

- Financial

We implement a prudent financial and reporting strategy to maintain a strong financial position. Our key financial policies are described in the notes of the financial statements.

- Compliance

All employees are bound by our Code of Business Principles and Conduct and Code of Ethics. Both the Company and its employees uphold the values of honesty, integrity, and fairness in all their actions to foster a business climate that maintains such standards. We strive to comply with applicable laws and regulations wherever we do business.

Key Risk Factors

Our key risks, as identified by management, are outlined below, along with an overview of how these risks are mitigated, as well as the opportunities that can arise from these actions. The sequence in which these risks are presented does not reflect any order of importance, chance, or materiality. If any of the following risks materialize, the Company's business, prospects, financial condition, or results of operations may be materially affected. Although the identified risks and uncertainties are the most significant risks, they are not the only risks to which Orascom Construction PLC is exposed. All these risks are possibilities that may or may not occur. Additional risks and uncertainties may also have a considerably adverse effect on the Company or its operational results.

Risk Type	Risk	Mitigant
Strategic	**Economic and Political Conditions:** The Group is exposed to certain countries, especially in the Middle East and Africa, where there is a risk of adverse economic and political conditions or instability in both developed and emerging markets, which may adversely impact the business.	• Diversifying our operations in both emerging and developed markets. • For emerging markets, management assesses any investment opportunity through thorough due diligence, aimed at understanding and addressing the risks. • For major projects, the Group coordinates with reputable financial institutions to secure proper funding availability to their customers.
	Risk of Adverse Sovereign Action: The Group operates in locations where it is exposed to a risk of adverse sovereign action, including expropriation of property, renegotiation of contract terms, placement of foreign investment restrictions, limitations on extracting cash and dividends, or changes in tax structures which may adversely impact the business	• The legal team diligently monitors and reviews practices and any changes in laws or regulations in the countries in which the Group operates to provide sufficient assurances that it remains in compliance with all relevant laws. • Projects in emerging markets are mainly public infrastructure projects with sovereign clients, which are less likely to be affected by funding restrictions in a country. • The Group retains binding contractual arrangements to minimize the risk. • Management cooperates closely with the governments of the countries in which the Group operates to maintain positive working relationships.
	Concentration Risk: The Group is, to a degree, exposed to concentration risk, as it is dependent on several key sovereign clients, such as the Egyptian government and US federal government. Egypt's high concentration risk with sovereign clients is mainly related to the government's strategic plan to improve infrastructure.	• The Group has diversified clients in the US through its subsidiaries, with a focus on commercial projects. • For infrastructure projects, when relevant, the Group enters partnerships to secure contractual obligations according to the market practice and standards. • Management strives to have a diversified client base in countries other than Egypt, mainly in the Middle East, Africa, and the US.

Risk Type	Risk	Mitigant
Operational	**Project Costs:** There is a risk of changes in planned project costs due to: • Fluctuations in the cost of procurement and raw materials; • Fluctuations in foreign exchange rates; • Cost overruns due to delays in projects' progress; • Uncontrolled scope changes; and/or • Cost increases for any unforeseen	• Contracts are reviewed by the Legal and Finance Departments and contracts with larger monetary values require approval from the CEO. • Contractual terms and conditions are revisited periodically to reflect lessons learned. • A centralized procurement department is in place to ensure competitive purchase prices and avoid cost fluctuations. • During the execution of projects, cost control reports are prepared on a monthly basis to analyze budget variances. • A monthly report is prepared by the Claims Department to highlight areas of concern at an early stage before becoming a significant risk to the Company's performance. • Management closely monitors operational issues that may lead to potential disputes.
Operational	**Risks Associated with Investments in Joint Ventures:** The Group has investments in joint ventures and other partnerships. There is a default risk of business continuity due to different management styles and techniques.	• Management identifies appropriate clauses in the joint venture agreements that protect the Group's economic and operating interests and clear definition of the responsibility of each partner to avoid conflicts. • Management maintains close working relationships with joint venture partners. • Management monitors and periodically reviews the operating and financial results of the investments in joint ventures through executive and steering committees.
Financial	**Ability to Raise Debt or Meet Financial Requirements:** Unfavorable market conditions in any of the countries in which the Group operates may hinder its ability to meet its financial obligations or hinder securing long-term corporate financing solutions, which may have significant effects on project progress and, accordingly, business prospects, earnings, and/or its financial position.	• The Treasury Department closely monitors the Group's cash position and credit lines to ensure its financial flexibility. • The Group has diversified funding sources to avoid dependence on a single market. • The Treasury Department established long-term partnerships with financial institutions including local, regional, and international commercial banks; developmental financial institutions; and export credit agencies to ensure access to liquidity and aligning available limits that allow adequate liquidity headroom.

Risk Type	Risk	Mitigant

Financial	**Collection Risk: Delay in Payments by Customers:**
	A significant segment of the Group's customers are government bodies that have long payment processes, leading to payment delays for due invoices that may lead to:
	• Operating cash flow disruptions.
	• Project delays.
	• Extra finance costs that may affect profitability.
		• Finance cost is considered as part of the projects' pricing.
		• Operating controls are in place to ensure timely collections from customers through:
		  • Proper controls over the invoicing process to ensure timely issuance by operations and approval by the customer.
		  • Close follow-up with customers to ensure a timely payment approvals process.
		•
		• The Treasury Department closely monitors the cash position and credit lines to ensure financial flexibility and avoid any business disruption.

Financial	**Currency Fluctuations** The Group is exposed to foreign exchange risks on its operational currencies, including the EGP, EUR, JPY, and DZD, which may have a material effect on the Group's profitability.	• Management reviews the business operating cycle on a project-by-project basis to identify where the foreign currency fluctuation risk exists and determine the profit margin's sensitivity to currency fluctuations. • The Treasury Department manages significant exposures in foreign currencies from a consolidated Group perspective through hedging, whenever appropriate.
Compliance	**Regulatory Conditions in the Markets where the Group Operates:** This includes changes in environmental, data protection, competition, and product-related laws, as well as changes in accounting standards and taxation requirements.	• The Group is committed to complying with the Code of Business Principles and Conduct, Code of Ethics, and the laws and regulations of the countries where it operates. • Management closely monitors the legal developments in each market in which the Group operates.

Compliance	**Cyberattacks:**
	The Group is exposed to cybersecurity risk resulting from a cyber-attack or data breach which may result in financial loss, disruption, or damage to reputational risk.
	These attacks are usually represented in the form of phishing mails, ransomware, impersonation, denial of service attacks to suspend running systems, data exfiltration, unauthorized access to corporate data, hacking, insider attacks, and data leakage.
		• The Group, through its corporate information security team, has implemented several controls to mitigate cybersecurity risk, including and not limited to:
		  • Raising end users' security awareness;
		  • Applying multi-factor authentication/complex passwords;
		  • Implementing appropriate policies for data classification and access levels;
		  • Acquiring the latest top-of-the-line security technologies to detect and analyze corporate traffic; and
		  • Conducting periodic security assessments/penetration tests, risk assessments, and audits.

Risk Management Approach

Our risk management framework provides sufficient guarantees that the risks we face are properly evaluated and mitigated and that management is provided with the necessary information to make informed decisions in a timely manner. The key elements of our compliance policies and control systems in 2023 were:

Code of Conduct

Orascom Construction PLC remains committed to conducting all business activities ethically, responsibly, efficiently, transparently, and with integrity and respect toward all stakeholders. Our values form the essence of the Company's Code of Business Principles and Conduct, which must be read in conjunction with our Code of Ethics, together forming the Code of Conduct. The Code of Conduct encompasses the policies and principles that govern how each director, executive officer, and employee of Orascom Construction PLC is expected to conduct themselves while carrying out their duties and responsibilities on behalf of Orascom Construction PLC.

Whistleblower Policy

The Whistleblower Policy applies to all employees, officers, and directors of Orascom Construction PLC. Internal reporting of suspected criminal or unethical conduct by or within the company is crucial to maintaining our success. All received reports are treated with the utmost confidentiality and are promptly investigated without the risk of recourse for the reporting employee, as long as their report is made in good faith.

Insider Trading Policy

The Insider Trading Policy applies to all employees, officers, and directors of Orascom Construction PLC. It prohibits all employees from using insider information on a transaction in Orascom Construction PLC securities. It also forbids all employees from executing a transaction in Orascom Construction PLC securities if that transaction may appear to have been executed while the employee was in possession of or had access to inside information.

Internal Financial Reporting and Audits

All management teams of our subsidiaries are required to provide corporate management with a monthly report regarding their financial performance, new awards, and operating issues. These monthly reports are reviewed centrally by Group Controlling and discussed by the CEO and CFO in monthly review meetings with the responsible management. The CEO provides the Board of Directors with comprehensive financial, operational, and strategic updates at each board meeting. For each subsidiary, a detailed budget and a one-year forecast are prepared and presented to management in the last quarter of each preceding year. Budgets are updated monthly to account for actuals, while forecasts are updated at mid-year review. These budgets and forecasts are consolidated into Orascom Construction PLC's budget and forecast, which are used by management as a tool to evaluate the Company's investment strategy, performance indicators, and operations. The Orascom Construction PLC budget is approved by the Board of Directors. Periodic internal audits are conducted to review any specific issues at the subsidiary and/or project level. Internal audit findings that require follow-up are reported to local and corporate management. The Head of Internal Audit reports a summary of findings to the Audit Committee, which also approves the yearly internal audit plan.

Group Controlling provides guidance on internal and financial controls that must exist for each process and monitors their implementation in collaboration with the Internal Audit Department.

Non-Financial Letters of Representation

On a yearly basis, the managements of our more significant subsidiaries are asked to present a nonfinancial letter of representation to the corporate management. In the letter, they confirm, among several other assurances, their compliance with our codes and policies and that proper internal controls have been maintained through the financial year.

Statement of Directors' Responsibility

The following statement is to be read along with the auditors' responsibility section of the independent auditors' report. It has been prepared with the aim of distinguishing the respective responsibilities of the directors and auditors in relation to the Company's Consolidated Financial Statements.

The directors are required to prepare the Consolidated Financial Statements for 2023. These statements provide an accurate and fair view of the state of affairs of both Orascom Construction PLC (the "Company") and its subsidiaries (collectively the "Group") at the end of the financial year and disclose the profit and loss for the financial year 2023.

The Consolidated Financial Statements are prepared in accordance with international financial reporting standards. To prepare these statements, the directors must select appropriate accounting policies and apply them consistently, make reasonable and prudent judgments and estimates, and state whether all applicable accounting standards have been followed, subject to any material departures disclosed and explained in the statements. Unless stated otherwise, the directors use a going-concern basis in preparing the Consolidated Financial Statements.

The directors are tasked with ensuring that the company maintains accurate accounting records that disclose the financial position of the Company at any given time. These records enable the directors to ensure that the Consolidated Financial Statements comply with the applicable laws in the relevant jurisdiction.

Generally, the directors are responsible for taking necessary and reasonable actions to defend the Group's assets and to prevent and detect fraud and other wrongdoings. They are also responsible for preparing a Directors' Report and Corporate Governance Statement in accordance with applicable laws and regulations. The directors consider both the Annual Report and the Consolidated Financial Statements to be fair, balanced, and understandable. These documents provide necessary information for shareholders to assess the Company's performance, business model, and strategy.

MANAGEMENT DISCUSSION & ANALYSIS

Management Discussion & Analysis

Financial Highlights		
Revenue	2023	2022
Revenue	**3,367.5**	**4,177.3**
Cost of sales	(3,099.7)	(3,830.4)
Gross profit	267.8	346.9
EBITDA	**232.6**	**200.3**
Operating profit	202.2	154.7
Income tax	(33.3)	(37.6)
Non-controlling interest	36.5	20.8
Net income attributable to shareholders	**158.6**	**113.5**
Basic earnings per share	1.40	0.97
Total assets	3,666.0	3,531.4
Total equity	711.4	691.3
Gross interest - bearing debt	249.8	212.0
Net debt	(446.8)	(325.7)

Revenue

Orascom Construction PLC reported a decline in FY 2023 revenues of 19.4%, mainly due to the devaluation of the Egyptian pound. Excluding the forex impact, PLC would have reported an increase of 5.5% compared to FY 2022. Excluding the forex impact, revenues attributable to the MEA region accounted for 64.7%, while US operations accounted for the balance.

In the MEA region, revenue was primarily driven by the execution of large infrastructure and commercial projects including the Monorail, Toshka Area development, and roads projects. Revenue in the US was driven by a mix of commercial, infrastructure, and light industrial projects including data centers, 26th and Alcott multifamily towers, and UF Gator Village Student Housing.

Central Bank of Egypt - New Capital

EBITDA

The Group reported consolidated EBITDA of USD 232.6 million in FY 2023 compared to USD 200.3 million in FY 2022, generating a margin of 6.9% in FY 2023 compared to 4.8% in FY 2022. EBITDA benefitted from the capital gain recognized as a result of the divestment of building material subsidiaries, United Painting and Chemicals - Dry Mix (UPC) and MBS Construction Chemicals subsidiaries, in Q22023.

Excluding the divestment and one-off items in 2Q 2023, the MEA region continued to deliver solid performance in FY 2023, delivering an EBITDA margin of 5.7% compared to 5.9% in FY 2022, impacted by the inflationary environment.

The US region reported growth reporting an EBITDA of USD 39.4 million in FY 2023 compared to USD 24.8 million in FY 2022, driven by solid backlog execution and higher profitability.

	2023		2022	
$ millions	MENA	USA	MENA	USA
Revenue	1,809.7	1,557.8	2,812.9	1,364.4
Cost of sales	(1,645.1)	(1,454.6)	(2,545.5)	(1,284.9)
Gross profit	164.6	103.2	267.4	79.5
EBITDA	**193.2**	**39.4**	**175.5**	**24.8**
Operating profit	**170.2**	**32.0**	**137.5**	**17.2**
Income tax	(37.7)	4.4	(51.1)	13.5
Non-controlling interest	33.3	3.2	19.3	1.5
Net income attributable to shareholders *	123.9	34.7	80.4	33.1

* MENA net income includes the Group's 50% stake in BESIX, amounting to net profit of USD 11.2 million in FY 2023, maintaining its positive profitability contribution (FY 2022: USD 19.9 million). BESIX is consolidated under the equity method.

Selling, General and Administrative Expenses

The Group's Selling, General and Administrative Expenses (SG&A) expenses constituted 5.8% of revenue in FY 2023, exceeding FY 2022 level of 4.7%. This increase is a result of one-off items, which if excluded, reduces SG&A to 5.2% of revenue.

Net financing cost

Net financing cost consists of interest income, gain or loss on foreign exchange, and interest expense.

The Group reported net finance income of USD 5.5 million in FY 2023 compared to a net financing cost of USD 18.0 million in FY 2022. This is attributable to foreign exchange gain resulting from the devaluation of the EGP overcoming the increase in finance costs as a result of the hike in interest rate on the EGP overdraft.

Income tax

Income tax expense marked USD 33.3 million in FY 2023 compared to USD 37.6 million in FY 2022.

The effective tax rate dropped from 21.8% in FY 2022 to 14.6% in FY 2023. This is due to the increase in Deferred Tax Assets in US as a result of management's latest projection of taxable income, partially offset by lower profit from Besix.

Cash Flow

Condensed Consolidated Statement of Cash Flow for the year ended 31 December

$ millions	2023	2022
Net profit for the year	195.1	134.3
Adjustments:		
Depreciation of PPE and amortization	30.4	45.6
Gain from disposal of subsidiaries	(107.7)	-
Changes in working capital	119.4	45.2
Dividends received from equity accounted investees	15.0	7.4
Other cash flows from operating activities	(40.6)	(38.6)
Cash Flow from (used in) operating activities	**211.6**	**193.9**
Proceed on sale of investment in subsidiaries	116.7	-
Investments in property, plant and equipment	(34.3)	(49.3)
Proceeds from sale of property, plant and equipment	2.5	2.8
Acquisition of subsidiaries, net of cash acquired	-	(28.5)
Cash Flow from (used in) investing activities	**84.9**	**(75.0)**
Proceeds from borrowings	108.4	287.0
Repayment of borrowings	(70.6)	(143.5)
Purchase of treasury shares	(19.5)	-
Dividends paid to shareholders	(51.9)	(54.0)
Other cash flows from financing activities	(33.4)	(20.2)
Cash Flow (used in) from financing activities	**(67.0)**	**69.3**
Net increase in cash and cash equivalents	**229.5**	**188.2**
Cash and cash equivalents at 1 January	**537.7**	**505.7**
Currency translation adjustments	(70.6)	(156.2)
Cash and cash equivalents at 31 December	**696.6**	**537.7**

Cash Flow from operating activities

Cash inflows from operating activities maintained at a positive level of USD 211.6 million reflecting the Group's focus on cash management, supported by the strong collections in both the MEA and US regions. In addition, advance payments received for newly awarded projects increased, while dividends received from equity accounted investees also increased to USD 15.0 million in FY 2023 compared to USD 7.4 million in FY 2022.

Cash Flow from investing activities

Cash inflow from investing activities amounted to USD 84.9 million in FY 2023, comprised mainly of the Group's proceeds from sale of UPC and MBS subsidiaries for a total amount of USD 116.7 million, partially absorbed by gross capital expenditure of USD 34.3 million to support new projects in MEA. In FY 2022, cash outflows mainly related to the consideration paid to acquire Orascom Services of USD 28.5 million.

Cash Flow from financing activities

Cash outflows from financing activities of USD 67.0 million in FY 2023 compared to inflows of USD 69.3 million in FY 2022, mainly resulting from two dividend payments to shareholders totaling USD 51.9 million that were disbursed in January 2023 and October 2023 and the purchase of Treasury Shares for USD 19.5 million (5.58% of the Group's issued shares for USD 3.0 per share) in June 2023. Additional cash outflow of USD 35.3 million for dividend payment to NCI related to distributing MBS subsidiaries sale proceeds. These were partially recovered by net proceeds from borrowings of USD 37.8 million.

	December 2023	December 2022
Long-term interest-bearing debt	0.7	-
Short-term interest-bearing debt	249.1	212.0
Gross interest-bearing debt	**249.8**	**212.0**
Cash and cash equivalents	696.6	537.7
Net debt	**(446.8)**	**(325.7)**

The Group's net cash positive position increased by USD 121.1 million to reach to USD 446.8 million as of 31 December 2023, reflecting an increase in cash balance by USD 158.9 million and an increase in debt balance by USD 37.8 million.

Condensed Consolidated Statement of Financial Position

as at 31 December		
$ millions	2023	2022
Total non-current assets	701.3	708.7
Total current assets	2,964.7	2,822.7
Total Assets	**3,666.0**	**3,531.4**
Shareholder's Equity	689.1	651.7
Non-controlling interest	22.3	39.6
Total Equity	**711.4**	**691.3**
Total non-current liabilities	46.8	46.9
Total current liabilities	2,907.8	2,793.2
Total Liabilities	**2,954.6**	**2,840.1**

Non-Current Assets

As at 31 December 2023, OC PLC's non-current assets stood at USD 701.3 million (2022: USD 708.7 million). This includes the following:

- Property, plant, and equipment balance of USD 126.4 million (2022: USD 146.5 million). The reduction mainly related to the effect of the EGP devaluation against the USD.
- Investments in equity accounted investees balance of USD 464.7 million, with the majority representing the Group's investment in BESIX Group.
- Deferred tax assets balance of USD 60.4 million, primarily relating to carry-forward losses in the USA expected to be realized against future profits. The increase resulted from management's latest projection of taxable income.

Current Assets

Current assets increased to USD 2,964.7 million (2022: USD 2,822.7 million) mainly related to the increase in supplier advance balance due to increased operational activities and an increase in cash and cash equivalents.

Cash and cash equivalents stood at USD 696.6 million at year-end 2023 (2022: USD 537.7 million).

Equity

The Group's total equity slightly increased to USD 711.4 as at 31 December 2023 (2022: USD 691.3 million), reflecting an increase in net profits for the year, materially absorbed by the reduction in reserves related to the EGP devaluation against the USD and the purchase of treasury shares for USD 19.5 million, which were subsequently cancelled through the reduction of both share capital and share premium.

During FY 2023, the Group declared and distributed two dividends to shareholders amounting to USD 51.9 million.

Non-Current Liabilities

Non-current liabilities primarily relate to the non-currnet portion of trade and other payables.

Current Liabilities

Current liabilities increased to USD 2,907.8 million (2022: USD 2,793.2 million), mainly related to advances received for newly awarded projects and a slight increase in the overdraft balance.

Number of employees

During the financial year ended 31 December 2023, the number of staff employed in the Group totaled 51,004, divided into 21,482 permanent employees and 29,522 temporary employees (2022: 59,676 employees).

Outlook

The Group reported a record backlog of USD 8.1 billion as of 31 December 2023, highlighting successful efforts in pursuing quality projects across its main markets. New awards level substantially grew by 58.8% to reach USD 5.8 billion in FY 2023, comprising mainly of mega infrastructure projects located in MEA region, such as Abo Qir Metro in Egypt, a large-scale seawater treatment and transportation project in UAE, Data Centers in USA, and Des Moines International Airport New Terminal in USA.

Management enhanced the Group's investments in infrastructure assets and concessions that create both construction revenue and long-term recurring income. Construction is progressing ahead of schedule at the new 500 MW BOO wind farm in Egypt and EPC activities are underway at the large-scale seawater treatment and water transportation BOOT project in Abu Dhabi, UAE.

The Group returned a total of USD 71.4 million through two dividends and a share buyback in FY 2023, reiterating commitment to shareholder returns. In February 2024, the Group distributed a dividend of USD 20.9 million.

BESIX is expected to continue its positive earnings reported in FY 2024.

Management has assigned approximately USD 26.8 million of capital expenditure in FY 2024.

FINANCIAL STATEMENTS & AUDITOR'S REPORT

10.9 USD/BN

FY23 pro forma backlog

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Independent auditors' report

To the Shareholders of Orascom Construction PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Orascom Construction PLC ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2023, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements of the Dubai Financial Services Authority ("DFSA") and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

1 Accounting for construction contracts

Refer to notes 13 and 26 of the consolidated financial statements

Key audit matter

The Group recognises revenue and profit based on the progress of the construction contracts which is assessed with reference to the proportion of contract costs incurred for the work performed as at the reporting date, relative to the estimated total costs of the contract at completion. The recognition of revenue and profit relies on estimates made by management in relation to the final out-turn of revenue and costs on each contract. Any changes to these estimates could give rise to material variances in the amount of revenue and profit/loss recognised in a given financial period.

The final out-turn of a construction contract may be affected by subsequent variations from the initially agreed scope of work and claims arising under the contract. The amounts to be included in the estimated revenue depends on the Group's estimate of the amount which is highly probable and that significant subsequent reversal will not occur when the uncertainty associated with these variations are resolved. In addition, the estimated total costs of a contract may also include various cost contingencies or disputed claims, which are specific to the respective contracts.

There is a high degree of subjectivity and significant management judgment associated with estimating the amount of revenue to be recognised by the Group based on the final out-turn on contracts; assessing the contingencies; and recognising variations and claims. Accordingly, revenue recognition from construction contracts is considered a key audit matter.

How our audit addressed the key audit matter

Using a variety of quantitative and qualitative criteria, we have selected a sample of construction contracts to assess the reasonableness of the significant and complex estimates used by management in accounting for these contracts.

We also obtained the detailed project status reports ("the reports") and assessed, where necessary, the judgments underlying those reports with the audit evidence obtained including discussion with the Group's senior operational, commercial and financial management. In this area, our audit procedures included:

- identifying and testing key controls over the revenue recognition process over construction contracts;
- assessing the accounting policies adopted by the Group and its compliance with IFRS as well as assessing that these policies had been applied to individual contracts with customers appropriately;

Key Audit Matters (continued)

1 Accounting for construction contracts (continued)

How our audit addressed the key audit matter (continued)

- evaluating the financial performance of contracts against budget, available third-party evidence and historical trends;
- conducting site visits to certain higher risk or larger value contracts, physically observing the progress of individual projects and identifying areas of complexity through observation and discussion with site personnel;
- assessing the reasonableness of the Group's judgment in respect of forecast contract out-turn, contingencies, settlements and the recoverability of contract balances via reference to our own assessments based on certain quantitative and qualitative factors, historical outcomes and industry norms;
- analyzing correspondence and other relevant documents obtained by management from customers around variations and claims and considering whether this information is consistent with the estimates made by the management;
- inspecting selected contracts for key clauses, identifying relevant contractual mechanisms such as liquidated damages, defects liability and warranties and, assessing whether these key clauses have been appropriately reflected in the amounts recognised in the consolidated financial statements; and
- considering the adequacy of the Group's disclosures in the consolidated financial statements in respect of contract accounting and the key risks relating to these amounts.

2 Expected credit loss allowances on receivables

Refer to note 9 of the consolidated financial statements

Key audit matter

The Group is exposed to credit risk on its receivable balances including contract receivables, contract assets, and retention receivables. The determination of expected credit loss ("ECL") involves significant estimates and judgement. Key areas involving judgements include current and future looking external factors, probability of default and loss given default.

Key Audit Matters (continued)

2 Expected credit loss allowances on receivables (continued)

Key Audit Matters (continued)

Due to significant judgements and complexities involved in the computation of ECL for determining impairment provision, this is considered as a key audit matter.

How our audit addressed the key audit matter

- obtaining an understanding of the Group's process for estimating ECL and assessing the appropriateness of the ECL estimation methodology against the requirement of IFRS 9;
- identifying and testing key controls over the process for estimating ECL;
- testing key inputs of the model, such as those used to calculate the likelihood of default and the subsequent loss on default, by comparing to the historical data; and
- assessing the reasonableness of key assumptions and judgments made by the management in determining the ECL allowances including segmentation of receivables, selection of appropriate ECL model, and expert credit judgments.

3 Litigation and claims

Refer to note 28 of the consolidated financial statements

Key audit matter

Considering the nature of the Group's operations, it can be exposed to a number of litigations and claims. The recognition and measurement of provisions as well as making the necessary disclosures in respect of contingent liabilities, contingent assets, litigation and claims requires significant judgment by the management in assessing the outcome of the legal case which is based on management's discussion with internal and external legal advisors. Due to the significance of the litigations and claims and the judgment applied in assessing and measuring the resulting outcome, this is considered as a key audit matter.

How our audit addressed the key audit matter

Our audit procedures included the following:

- evaluating the Group's policies, procedures and controls in relation to litigation, claims and provision assessments;
- obtaining inputs from the Group's in-house legal counsel with regards to the Group's litigations and claims, making independent enquiries and obtaining confirmations from external lawyers to understand the background of each case, legal position and the material risks that may impact the Group's consolidated financial statements;

Orascom Construction PLC
Independent Auditors' Report
31 December 2023

Key Audit Matters (continued)

3 Litigation and claims (continued)

How our audit addressed the key audit matter (continued)

- assessing reasonableness of judgment made by management in assessing and measuring the final outcome of the claim; and
- determining the adequacy of the level of provisioning or disclosure in the Group's consolidated financial statements in accordance with IAS 37.

4 Accounting for tax

Refer to note 11 of the consolidated financial statements

Key audit matter

The Group operates in a number of tax jurisdictions. The complexities of local and international tax legislations require an understanding of the applicable tax laws and regulations in these jurisdictions. Furthermore, the recognition of deferred tax assets involves significant judgment and estimates with regards to the Group's future operations and the applicable tax laws in the respective jurisdictions and, as a result, this is considered as a key audit matter.

How our audit addressed the key audit matter

Our approach included:

- identifying and testing key controls over calculation for current income tax and deferred tax;
- involving our tax specialists to assess the Group's tax positions including deferred tax assets, its compliance with the relevant tax legislations, to analyse and challenge the assumptions used by management in determining the tax provisions;
- for the purpose of assessing the valuation of deferred tax assets recognised in the Group's statement of financial position, we have reviewed and assessed the reasonableness of the calculation used in projecting the Group's future taxable profits, the availability of tax losses in the respective jurisdictions and the expected tax planning strategies; and
- considering the adequacy of the Group's tax disclosures in the consolidated financial statements and its compliance with IFRS.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Orascom Construction PLC
Independent Auditors' Report
31 December 2023

Other Information (continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and their preparation in compliance with the applicable provisions of the Markets Law 2012 (as amended) and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

Orascom Construction PLC
Independent Auditors' Report
31 December 2023

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Orascom Construction PLC
Independent Auditors' Report
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Report on Other Legal and Regulatory Requirements

We further report that the consolidated financial statements have been properly prepared in accordance with the applicable provisions of the Markets Law 2012 (as amended).

KPMG LLP

KPMG LLP

Mohamed Altatawi
DFSA Registration No: I009750
Dubai, United Arab Emirates
Date: 20 March 2024

Consolidated Statement of Financial Position
As at

$ millions	Note	31 December 2023	31 December 2022
Assets			
Non-current assets			
Property, plant and equipment	(7)	126.4	146.5
Goodwill	(8)	27.7	27.7
Trade and other receivables	(9)	22.1	24.6
Equity accounted investees	(10)	464.7	462.5
Deferred tax assets	(11)	60.4	47.4
Total non-current assets		**701.3**	**708.7**
Current assets			
Inventories	(12)	248.8	247.6
Trade and other receivables	(9)	1,281.1	1,294.0
Contracts work in progress	(13)	737.8	742.5
Current income tax receivables		0.4	0.9
Cash and cash equivalents	(14)	696.6	537.7
Total current assets		**2,964.7**	**2,822.7**
Total assets		**3,666.0**	**3,531.4**
Equity			
Share capital	(15)	110.2	116.8
Share premium		467.3	480.2
Reserves	(16)	(421.7)	(377.5)
Retained earnings		533.3	432.2
Equity attributable to owners of the Company		**689.1**	**651.7**
Non-controlling interest	(18)	22.3	39.6
Total equity		**711.4**	**691.3**
Liabilities			
Non-current liabilities			
Loans and borrowings	(19)	0.7	-
Trade and other payables	(20)	43.8	41.9
Deferred tax liabilities		2.3	5.0
Total non-current liabilities		**46.8**	**46.9**
Current liabilities			
Loans and borrowings	(19)	249.1	212.0
Trade and other payables	(20)	1,391.8	1,438.4
Advanced payments from construction contracts		841.6	777.0
Billing in excess of construction contracts	(13)	345.4	298.4
Provisions	(21)	41.0	31.5
Income tax payables		38.9	35.9
Total current liabilities		**2,907.8**	**2,793.2**
Total liabilities		**2,954.6**	**2,840.1**
Total equity and liabilities		**3,666.0**	**3,531.4**

The notes on pages 13 to 50 are an integral part of these consolidated financial statements.

This consolidated financial statements were approved by the Board of Directors and authorized for issue on 20 March 2024 and signed on their behalf by:

Director

Director

Consolidated Statement of Profit or Loss And other Comprehensive Income
for the year ended

$ millions	Note	31 December 2023	31 December 2022
Revenue	(26)	3,367.5	4,177.3
Cost of sales	(22)	(3,099.7)	(3,830.4)
Gross profit		**267.8**	**346.9**
Other income	(23)	130.0	5.1
Selling, general and administrative expenses	(22)	(195.6)	(197.3)
Operating profit		**202.2**	**154.7**
Finance income	(24)	58.7	76.9
Finance cost	(24)	(53.2)	(94.9)
Net finance income / (cost)		**5.5**	**(18.0)**
Income from equity accounted investees	(10)	20.7	35.2
Profit before income tax		228.4	171.9
Income tax	(11)	(33.3)	(37.6)
Net profit for the year		195.1	134.3
Other comprehensive income:			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		(51.3)	(91.2)
Other comprehensive loss , net of tax for the year		**(51.3)**	**(91.2)**
Total comprehensive income for the year		**143.8**	**43.1**
Net profit attributable to:			
Owners of the Company		158.6	113.5
Non-controlling interest	(18)	36.5	20.8
Net profit for the year		**195.1**	**134.3**
Total comprehensive income attributable to:			
Owners of the Company		114.4	41.4
Non-controlling interest	(18)	29.4	1.7
Total comprehensive income		**143.8**	**43.1**
Earnings per share (in USD)			
Basic and diluted earnings per share	(25)	1.40	0.97

The notes on pages 13 to 50 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes In Equity

For the year ended

$ millions	Share Capital	Share Premium	Reserves	Retained earnings	Treasury Shares	Equity attributable to owners of the Company	Non-controlling interest	Total Equity
Balance at 1 January 2022	116.8	480.2	(305.4)	346.9	-	638.5	50.1	688.6
Net profit for the year	-	-	-	113.5	-	113.5	20.8	134.3
Other comprehensive loss for the year	-	-	(72.1)	-	-	(72.1)	(19.1)	(91.2)
Total comprehensive income for the year	**-**	**-**	**(72.1)**	**113.5**	**-**	**41.4**	**1.7**	**43.1**
Dividends (Refer to note 32)				(27.0)	-	(27.0)	(10.3)	(37.3)
Change in non-controlling interest	-	-	-	-	-	-	(1.9)	(1.9)
Other	-	-	-	(1.2)	-	(1.2)	-	(1.2)
Balance at 31 December 2022	**116.8**	**480.2**	**(377.5)**	**432.2**	**-**	**651.7**	**39.6**	**691.3**
Net profit for the year	-	-	-	158.6	-	158.6	36.5	195.1
Other comprehensive loss for the year	-	-	(44.2)	-	-	(44.2)	(7.1)	(51.3)
Total comprehensive income for the year	-	-	(44.2)	158.6	-	114.4	29.4	143.8
Dividends (Refer to note 32)	-	-	-	(51.9)	-	(51.9)	(35.3)	(87.2)
Treasury Shares acquired (Refer to note 17)	-	-	-	-	(19.5)	(19.5)	-	(19.5)
Share Capital reduction (Refer to note 15 and 17)	(6.6)	(12.9)	-	-	19.5	-	-	-
Subsidiary disposal	-	-	-	-	-	-	(11.4)	(11.4)
Other	-	-	-	(5.6)	-	(5.6)	-	(5.6)
Balance at 31 December 2023	**110.2**	**467.3**	**(421.7)**	**533.3**	**-**	**689.1**	**22.3**	**711.4**

The notes on pages 13 to 50 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash flow

for the year ended

$ millions	Note	31 December 2023	31 December 2022
Net profit for the year		195.1	134.3
Adjustments for:			
Depreciation and amortization	(7)	30.4	45.6
Interest income	(24)	(13.9)	(7.6)
Interest expense	(24)	51.4	40.3
Foreign exchange (gain)	(24)	(43.0)	(14.7)
Income from equity accounted investees	(10)	(20.7)	(35.2)
Gain from disposal of subsidiaries	(23)	(107.7)	-
Gain on sale of property, plant and equipment	(23)	(1.1)	(1.0)
Income tax expense	(11)	33.3	37.6
Changes in:			
Inventories	(12)	(49.9)	71.6
Trade and other receivables	(9)	(176.9)	206.7
Contract work in progress	(13)	(104.9)	357.0
Trade and other payables	(20)	183.6	27.7
Advanced payments from construction contracts		173.9	(584.4)
Billing in excess of construction contracts	(13)	78.0	(1.2)
Provisions	(21)	15.6	(32.2)
Cash flows:			
Interest paid	(24)	(51.4)	(40.3)
Interest received	(24)	13.9	7.6
Dividends from equity accounted investees		15.0	7.4
Income taxes paid		(9.1)	(25.3)
Cash flow from operating activities		**211.6**	**193.9**
Proceeds on sale of an investment in subsidiaries	(23)	116.7	-
Acquisition of property, plant and equipment	(7)	(34.3)	(49.3)
Acquisition of subsidiaries, net of cash acquired		-	(28.5)
Proceeds from sale of property, plant and equipment		2.5	2.8
Cash flow from (used in) investing activities		**84.9**	**(75.0)**
Proceeds from borrowings	(19)	108.4	287.0
Repayment of borrowings	(19)	(70.6)	(143.5)
Purchase of Treasury Shares	(17)	(19.5)	-
Dividends paid to shareholders	(32)	(51.9)	(54.0)
Dividends paid to non-controlling interest		(35.3)	(10.3)
Other		1.9	(9.9)
Cash flow (used in) from financing activities		**(67.0)**	**69.3**
Net change in cash and cash equivalents		229.5	188.2
Cash and cash equivalents at 1 January	(14)	537.7	505.7
Currency translation adjustments		(70.6)	(156.2)
Cash and cash equivalents at 31 December	(14)	**696.6**	**537.7**

The notes on pages 13 to 50 are an integral part of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1. General

Orascom Construction PLC ('OC PLC') is a Public Company, incorporated with registered number 1752 in the Dubai International Financial Center (DIFC) with its head office located at Gate Village-Building 1, DIFC, Dubai, UAE. OC PLC is dual listed on the NASDAQ Dubai and the Egyptian Stock Exchange. The consolidated financial statements for the year ended 31 December 2023 comprise the financial statements of OC PLC, its subsidiaries and joint operations (together referred to as the 'Group') and the Group's interests in associates and joint ventures.

OC PLC was incorporated on 18 January 2015 as Orascom Construction Limited, a company limited by shares and converted to a Public Company under the Law, DIFC Law No. 5 of 2018.

OC PLC is primarily engaged as an international engineering and construction contractor focused on large-scale infrastructure, complex industrial and high-end commercial projects in the United States, Middle East, Africa and Central Asia for public and private clients.

2. Basis of preparation

2.1. General

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), and applicable provision of DIFC Law No. 5 of 2018 and markets law 2012 (as amended).

The consolidated financial statements have been prepared on the historical cost basis, except when otherwise indicated.

The financial year of OC PLC commences on 1 January and ends on 31 December.

These consolidated financial statements are presented in US dollars ('USD'), which is OC PLC's presentation currency. All values are rounded to the nearest tenth million (in millions of USD), except when stated otherwise.

The consolidated financial statements have been authorised for issue by the Company's Board of Directors on 20 March 2024.

3. Summary of material accounting policies

Material accounting policy information

The Group has adopted Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2) from 1 January 2023. Although the amendments did not result in any changes to the accounting policies themselves, they impacted the accounting policy information disclosed in the consolidated financial statements.

The amendments require the disclosure of 'material', rather than 'significant', accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting entities to provide useful, entity-specific accounting policy information that users need to understand other information in the consolidated financial statements.

Management reviewed accounting policies and made updates to the information disclosed below material accounting policies (2022: Significant accounting policies) in certain instances in line with the amendments.

Deferred tax related to assets and liabilities arising from a single transaction

The Group has adopted Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12) from 1 January 2023. The amendments narrow the scope of the initial recognition exemption to exclude transactions that give rise to equal and offsetting temporary differences - e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, an entity is required to recognise the associated deferred tax assets and liabilities from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, an entity applies the amendments to transactions that occur on or after the beginning of the earliest period presented.

Global minimum top-up tax

The Group has adopted International Tax Reform - Pillar Two Model Rules (Amendments to IAS 12) upon their release on 23 May 2023. The amendments provide a temporary mandatory exception from deferred tax accounting for the top-up tax, which is effective immediately, and require new disclosures about the Pillar Two exposure.

The mandatory exception applies retrospectively. However, because no new legislation to implement the top-up tax was enacted or substantively enacted at 31 December 2022 in any jurisdiction in which the Group operates and no related deferred tax was recognised at that date, the retrospective application has no impact on the Group's consolidated financial statements.

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

3.1. Consolidation

Subsidiaries

Subsidiaries are all companies to which OC PLC is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. When OC PLC ceases to have control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interest and other components of equity. Any resulting gain or loss is recognized in profit or loss including related cumulative translation adjustments accumulated in other comprehensive income. If it becomes an associate, the interest retained is subsequently valued in accordance with the equity method. The principal subsidiaries are listed in Note 31.

Transactions eliminated in the consolidated financial statements

Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of OC PLC's interest in the investees. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

3.2. Discontinued operations / assets held for sale

A discontinued operation is a component of OC PLC's business which:

- has operations and cash flows that can be clearly distinguished from the rest of OC PLC;
- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale. When an operation is classified as a discontinued operation, the comparative information in the statement of comprehensive income and the consolidated statement of cash flows are reclassified as if the operation had been discontinued from the start of the comparative period. In the statement of financial position, the comparative numbers are not reclassified.Gain / loss from disposal of subsidiaries are calssified as an operating income.

3.3. Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss. Any contingent consideration to be transferred by the acquirer will be recognized at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument, is measured at fair value with changes in fair value recognized either in profit or loss or as a change to other comprehensive income. Contingent consideration classified as equity is not remeasured and subsequent settlement is accounted for within equity.

Non-controlling interests

Non-controlling interests are presented as a separate component in equity. Changes in the Group's interest in a subsidiary or joint operation that do not result in a loss of control are accounted for as an equity transaction.

3.4. Associates

Associates are those companies in which the Group exercises significant influence, but does not have control over the financial and operating policies, which is presumed to exist when the Group holds 20 percent to 50 percent of the shareholding and related voting rights of the other entity. Associates are accounted for by applying the 'equity method'. The Group's share of profit or loss of an investee is recognized in profit or loss from the date when significant influence begins up to the date when that influence ceases. Investments in associates with negative shareholder's equity are impaired and a provision for its losses is recognized only if the Group has a legal or constructive obligation to cover the losses. Equity changes in investees accounted for using the equity method that do not result from profit or loss are recognized directly in other comprehensive income. Unrealized gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Unrealized gains on transactions between two associates are not eliminated.

3.5. Joint arrangements

Under IFRS 11 investments in joint arrangements are classified as either joint ventures or joint operations depending on the contractual rights and obligations of each investor. Those joint arrangements that are assessed as joint ventures are accounted for using the equity method. Joint operations are accounted for using the line-by-line accounting.

Under the equity method of accounting, interests in joint ventures are initially recognized at cost and adjusted subsequently for the group's share in the post-acquisition profit or losses and movements in comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, forms part of the Group's net investment in joint ventures), the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

A joint operation is proportionately consolidated until the date on which the Group ceases to have joint control over the joint operation. Upon loss of joint control, the Group reassesses the joint operation.

3.6. Foreign currency translation

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

- However, foreign currency differences arising from the translation of the following items are recognised in OCI:
- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective (see (P)(v)); and
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign operations

Upon consolidation, the assets and liabilities of subsidiaries with a functional currency other than the US dollar are translated into US dollars using the exchange rates prevailing at the balance sheet date. Income and expense items are translated using exchange rates prevailing at the date of the transactions. Investments in joint ventures and associates with a functional currency other than the US dollar are translated into US dollar using exchange rates prevailing on the balance sheet date. Exchange rate differences arising during consolidation and on the translation of investments in subsidiaries, joint arrangements and associates are included in other comprehensive income, as 'currency translation adjustments and accumulated in the translation reserve, except to the extent that the translation differences is allocated to NCI. When a foreign operation is (partly) disposed of or sold, (the proportionate share of) the related currency translation differences that were recorded in other comprehensive income are recycled to profit or loss as part of the gain and loss on disposal or sale.

3.7. Financial instruments

I. Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

II. Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Subsequent measurement – financial assets

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (see accounting policy on impairment). Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in profit or loss. Other net gains and losses are recognized in OCI. On de-recognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are never reclassified to profit or loss.

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

III. Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

IV. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.8. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date (original maturity) that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments. Restricted cash comprises cash balances where specific restrictions exist on the Group's ability to use this cash. Restricted cash includes cash deposited as collateral for letters of credit issued by the Group.

3.9. Share capital

Ordinary shares are classified as equity. Share premium is the excess amount received over the par value of the shares. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction, net of tax, from the proceeds. When ordinary shares are repurchased, the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is recognized as a deduction from 'Reserves'. Repurchased shares are classified as treasury shares and are presented in 'Reserves'. When treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in 'Reserves', and the resulting surplus or deficit on the transaction is presented in share premium.

3.10. Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes cost of material, direct labour, other directly attributable cost incurred to bring the asset ready to its intended use, cost of asset retirement obligations and any capitalized borrowing cost.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. Subsequent expenditures are capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed as incurred. Spare parts of property, plant and equipment are recognized under property, plant and equipment if the average turn-over exceeds 12 months or more, otherwise they are recognized within inventories.

Property, plant and equipment under construction

Expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and becomes ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to its final category of property, plant and equipment. Assets under construction are not depreciated and measured at cost less any impairment losses.

Depreciation

Items of property, plant and equipment are depreciated on a straight line basis through profit or loss over the estimated useful lives of each component, taking into account any residual values. Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use.

The estimated useful lives for items of property, plant and equipment are as follows:	Years
Buildings	10 - 50
Equipment	5 - 25
Fixtures, fittings and scaffolding	3 - 10

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

Borrowing costs

Borrowing costs attributable to the acquisition, construction or production of assets that necessarily take a substantial period of time to get ready for their intended use or sale, are recognized as part of the cost of those assets. All other borrowing costs are recognized as 'Finance cost' in the period in which they are incurred.

3.11. Goodwill

Goodwill represents the excess of the cost, being the excess of the aggregate of the consideration transferred including the amount recognized for non-controlling interest, of an acquisition over the fair value of the Group's share in the net identifiable assets and liabilities assumed of the acquired subsidiary at the date of acquisition.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the gain is recognized in profit or loss.

Goodwill on acquisition of entities that qualify as subsidiaries is presented under 'Intangible assets'. Goodwill on acquisitions of entities that qualify as associates or joint ventures is included under Equity accounted investees. Goodwill on acquisition of subsidiaries is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or group of units that are expected to benefit from the business combination through which the goodwill arose, based on past experience.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is tested annually for impairment; an impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of the cash-generating unit is determined by the higher of its fair value less cost to sell and its value in use. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold. All other expenditures on internally generated goodwill and other intangible assets are recognized in profit or loss as incurred.

3.12. Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories of raw materials, spare parts and supplies cost are based on weighted average principle or the first-in-first-out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories and work in progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

3.13. Impairment of assets

Non-derivative financial assets

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

Loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

The Group measures loss allowances for trade receivables and contract assets at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 90 days past due.

The Group considers a financial asset to be in default when:

- the trade receivable is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs:
ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets
At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of impairment
Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is recognised in OCI, instead of reducing the carrying amount of the asset.

Non-financial assets
Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortization but are tested annually for impairment or more frequently when indicators arise. Assets with a finite useful life are subject to depreciation or amortization and are reviewed (at least at the balance sheet date) for impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. For the purposes of assessing impairment, assets are grouped based on the lowest level for which there are separately identifiable cash flows (cash-generating units). Impairment is recognized as an expense in profit or loss. Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment has to be (partially) reversed. Impairment losses on goodwill are not reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

3.14. Provisions

Provisions are recognized when a present legal or constructive obligation as a result of a past event exists, and it is probable that an outflow of economic benefits is required to settle the obligation. The non-current part of provisions is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Warranties
A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Restructuring
A provision for restructuring is recognized when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced, the Group has committed itself by public announcement or is expected to commit itself to a restructuring plan.

Onerous contract
A provision for contracts onerous loss is recognized if the Group expects that the unavoidable costs of meeting the obligations under a contract exceed the economic benefits expected to be received under it. A provision for contracts onerous loss is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

Legal
The Group is subject to legal and regulatory proceedings in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties or disgorgements against the Group. If it is probable that an obligation to the Group exists, which will result in an outflow of resources and the amount of the outflow can be reliably estimated, a provision is recognized.

3.15. Revenue from Contracts with Customers

The Group recognises revenue from contracts with customers based on the five steps model set out in IFRS 15:

Step 1 Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2 Identify the performance obligations in the contract: A performance obligation is a unit of account and a promise in a contract with a customer to transfer a good or service to the customer.

Step 3 Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4 Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group will allocate the transaction price to each performance obligation in an amount that depicts the consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5 Recognise revenue when the entity satisfies a performance obligation.

The Group satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

- The customer simultaneously receives and consumes the benefits provided by the Group's performance as and when the Group performs; or
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the Group and its an enforceable right to payment for performance completed to date.

For performance obligations where none of the above conditions are met, revenue is recognised at the point in time at which the performance obligation is satisfied.

Variable consideration

Variable consideration amounts are estimated at either their expected value or most likely amount and included in revenue to the extent that it is highly probable that the revenue will not reverse.

Significant financing component

The Group evaluates significant financing component, if the period between customer payment and the transfer of goods/services (both for advance payments or payments in arrears) is more than one year. The Group adjusts the promised amount of consideration for the time value of money using an appropriate interest rate reflecting the credit risk.

Contract modification

A contract modification occurs when the Group and the customer approve a change in the contract that either creates new enforceable rights and obligations or changes the existing enforceable rights and obligations. Revenue related to a modification is not recognised until it is approved. Approval can be in writing, oral, or implied by customary business practices.

The Group treats the contract modification as a separate contract if it results in the addition of a separate performance obligation and the price reflects the standalone selling price of that performance obligation. Otherwise, a modification (including those that only affect the transaction price) is accounted for as an adjustment to the original contract, either prospectively or through a cumulative catch-up adjustment.

The Group accounts for a modification prospectively if the goods or services in the modification are distinct from those transferred before the modification. Conversely, the Group accounts for a modification through a cumulative catch-up adjustment if the goods or services in the modification are not distinct and are part of a single performance obligation that is only partially satisfied when the contract is modified.

Cost of obtainment and fulfillment

The Group capitalises incremental costs to obtain a contract with a customer except if the amortisation period for such costs is less than one year.

If the costs incurred in fulfilling a contract with a customer are not in the scope of other guidance - e.g. inventory, intangibles, or property, plant and equipment - then the Group recognises an asset only if the fulfillment costs meet the following criteria:

- Relate directly to an existing contract or specific anticipated contract;
- Generate or enhance resources that will be used to satisfy performance obligations in the future; and
- Are expected to be recovered.

If the costs incurred to fulfill a contract are in the scope of other guidance, then the Group accounts for such costs using the other guidance.

The Group amortises the asset recognised for the costs to obtain and/or fulfill a contract on a systematic basis, consistent with the pattern of transfer of the good or service to which the asset relates. In the case of an impairment, the Group recognises these losses to the extent that the carrying amount of the asset exceeds the recoverable amount.

Revenue from sale of goods

Sales are recognised when control of the products is transferred, being when the products are delivered to the customer, the customer has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the customer's acceptance of the products. Revenue from the sale is recognised in the statement of profit or loss on when the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the products in accordance with the sales contract, the acceptance provisions have lapsed, or the Company has objective evidence that all criteria for acceptance have been satisfied.

Revenue from construction contracts

As regards the Contracting business lines, the Group has carried out in-depth analysis of a set of contracts that represent material transactions and contract types. The analysis confirms the following conclusions:

- Revenue generated from most construction and service contracts is recognised as a single performance obligation involving the gradual transfer of control.
- To measure a contract's percentage of completion, the Group uses either a cost-based method or a method based on the physical percentage of completion. For contracts in which the measurement method corresponds to the physical percentage of completion.
- Contracting business lines may receive advances, which are mainly intended to secure and limit non-recovery risks in relation to work done for the customer. As a result, analysis has shown that the primary objective of these advances is not to meet the funding requirements of Group subsidiaries. Lastly, advances received are consumed over relatively short timeframes. In conclusion, the Group has taken the view that the IFRS 15 provisions relating to the identification of a significant financing element are not met.

In the Concessions business, the Group has not identified any impact on the method for recognising revenue from concession contracts based on the current IFRIC 12 model. Analysis confirms that there is only one performance obligation during the construction phase of the Group's concession contracts. The provisions of concession contracts have not led to the identification of any distinct performance obligation relating to infrastructure maintenance and renewal works. Those works will continue to be subject to specific provisions measured and recognised in accordance with IAS 37.

3.16. Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Group has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

- the Group has the right to direct the use of the asset. The Group has this right when it has the decision- making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Group has the right to direct the use of the asset if either:
- the Group has the right to operate the asset; or
- the Group designed the asset in a way that predetermines how and for what purpose it will be used.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Group presents right-of-use assets in 'property, plant and equipment' and lease liabilities in 'trade and other payables' in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.17.Finance income and cost

Finance income comprises:

- interest income on funds invested;
- gains on the disposal of financial assets;
- fair value gains on financial assets at fair value through profit or loss;
- gains on the re-measurement to fair value of any pre-existing interest in an acquired business combination;
- gains on hedging instruments that are recognized in profit or loss and reclassifications of amounts previously recognized in other comprehensive income; and
- interest income is recognized as it accrues in profit or loss, using the effective interest method.

Dividend income is recognized in profit or loss on the date that the Group's right to receive payment is established, which in the case of quoted securities is normally the ex-dividend date.

Finance cost comprise:

- interest expense on borrowings;
- unwinding of the discount on provisions and contingent consideration;
- losses on disposal of financial assets;
- fair value losses on financial assets at fair value through profit or loss; and
- impairment losses recognized on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss are expensed as incurred.

Foreign currency gains and losses are recognized on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

3.18. Employee benefits

Defined contribution plan

Certain Group subsidiaries provide 'pension plans', 'end of service remuneration plans' and 'long-term service benefits'. These pension plans qualify as defined contribution plans. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits

The Group long-term employee benefits are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably to determine its present value. The discount rate is the yield at the balance sheet date on triple-A ('AAA') credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. Re-measurements are recognized in profit or loss in the period in which they arise.

Termination benefits

Employee termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. OC PLC recognizes termination benefits when OC PLC is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when OC PLC is providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

Share based payments

The fair value of the amount payable to employees under Long-Term Incentive Plan (LTIP), which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the target awards. Any changes in the liability are recognised in profit or loss.

3.19. Income tax

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends. Current income tax assets and liabilities are offset when there is a legally enforceable right to offset and when the current income tax relates to the same fiscal authority.

Deferred tax

Deferred income tax liabilities are recognized for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements ('liability' method). Deferred income tax assets are recognized for all deductible temporary differences, unused carry forward losses and unused carry forward tax credits, to the extent that it is probable that future taxable profit will be available against which the deferred income tax assets can be utilized.

Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Also, no deferred income tax is recognized regarding the initial recognition of goodwill.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

3.20. Segment reporting

An operating segment is a component of an entity that engages in business activities for which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to make decisions about resource allocation to the segment and to assess its performance and for which discrete financial information is available. The Group determines and presents operating segments on the basis of information that internally is provided to the CODM during the period.

3.21. Consolidated statement of cash flows

The consolidated statement of cash flows has been prepared using the 'indirect' method. Cash flows in foreign currencies have been translated applying average exchange rates. Currency translation differences are shown separately in the consolidated statement of cash flows. Cash flows from investing activities consist mostly of investments and divestments in property, plant and equipment, intangible assets, and acquisitions insofar as these are paid for in cash. Acquisitions or disposals of subsidiaries are presented as acquisition of subsidiary, net of cash, acquired. Cash flows relating to capitalized borrowing cost are presented as cash flows from investment activities similar as other cash flows to acquire the qualifying asset.

3.22. Earnings per share

Earnings per ordinary share are calculated by dividing the profit or loss (net) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year. In making this calculation the (ordinary) treasury shares are deducted from the number of ordinary shares outstanding. The calculation of the diluted earnings per share is based on the weighted average number of ordinary shares outstanding plus the potential increase as a result of the conversion of convertible bonds and the settlement of share-based compensation plans (share option plans). Anti-dilutive effects are not included in the calculation. With regard to the convertible notes it is assumed that these are converted in full. An adjustment is made to profit or loss (net) to eliminate interest charges, whilst allowing for effect of taxation. Regarding equity-settled share option plans it is assumed that all outstanding plans will vest. The potential increase arising from share option plans is based on a calculation of the value of the options outstanding. This is the number of options multiplied by the exercise price, divided by the average share price during the financial year. This potential increase is only applied if the option has intrinsic value.

3.23. Subsequent events

The Group assesses whether events occurring between the balance sheet date and the date of issues of the Consolidated Financial Statements have given rise to either adjusting events or non-adjusting events. Adjusting events are events that provide evidence of conditions that existed at the end of the reporting period and have to be recognized in the financial statements. Non-adjusting events are those events that are indicative of conditions that arose after the reporting period, these events are disclosed. Changes in estimates are only adjusted if the estimates contain errors.

4. New accounting standards and policies

New and amended standards issued and effective

The following revised new and amended standards have been adopted in the consolidated financial statement.

- IFRS 17 Insurance contracts.
- Disclosure of Accounting policies (Amendment to IAS 1 and IFRS Practice statement 2).
- Definition of Accounting Estimate (Amendments to IAS 8).
- Deferred tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12).
- International Tax Reform - Pillar Two Mode Rules (Amendment to IAS 12- effective 23 May 2023).

Accounting standards issued but not yet effective

A number of new accounting standards are effective for annual periods beginning after 1 January 2023 and earlier application is permitted. However, the Group has not early adopted the following new or amended accounting standards in preparing these consolidated financial statements.

- Non - Current Liabilities with Covenants (Amendments to IAS 1) and Classification of Liabilities as Current or Non- Current (Amendment to IAS 1).
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16).
- Supplier Finance Arrangements (Amendment to IAS 7 and IFRS 7).
- Lack of Exchangeability (Amendment to IAS 21).
- Sale or Contribution of Assets between an Investor and its associate or Joint Venture- Amendments to IFRS 10 and IAS 28.

5. Critical accounting judgement, estimates and assumptions

The preparation of the consolidated financial statements in compliance with IFRS requires management to make judgements, estimates and assumptions that affect amounts reported in the consolidated financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods. The most critical accounting policies involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in the consolidated financial statements are the following:

Intangible assets

Intangible assets with finite useful lives are carried at cost less cumulative amortization and any impairment. Amortization is calculated using the ‘straight-line’ method based on the estimated useful lives. Management makes estimates regarding the useful lives and residual values and assumes that amortization takes place on a ‘straight-line’ basis. The assets’ useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. For intangible assets with finite useful lives, OC PLC assesses annually or more frequently whether indicators exist that suggest the intangible asset might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of intangible assets, OC PLC makes estimates and assumptions about future cash flows based on the value in use. In doing so, OC PLC also makes assumptions and estimates regarding the discount rates in order to calculate the net present value of the future cash flows.

OC PLC tests at least annually whether goodwill is impaired by comparing the recoverable amounts of cash-generating units with their carrying amounts. The recoverable amount is the higher of the fair value less cost to sell and the value in use. In determining the recoverable amount, OC PLC makes estimates and assumptions concerning future revenues, future costs, future working capital, future investments, Weighted Average Cost of Capital (WACC) and future inflation rates.

Property, plant and equipment

Depreciation is calculated using the ‘straight-line’ method based on the estimated useful lives, taking into account any residual values. Management makes estimates regarding the useful lives and residual values and assumes that depreciation takes place on a ‘straight-line’ basis. The assets’ residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. OC PLC assesses annually, or more frequently, whether indicators exist that suggest that an item of property, plant and equipment might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of property, plant and equipment, OC PLC makes estimates and assumptions about future cash flows based on the value in use. In doing so OC PLC also makes assumptions and estimates regarding the discount rates to be used in order to calculate the net present value of the future cash flows.

Financial instruments (including trade receivables and contract assets)

The implementation of business model approach under IFRS 9 require judgement to ensure that financial assets of the Group are classified in to the appropriate category. Deciding whether the classified categories will require assessment of contractual provisions that do or may change the timing or amount of the contractual cash flows.

Impairment of financial instruments (including trade receivables)

Objective evidence may exist in circumstances in which a counterparty has been placed in bankruptcy, or has failed on the repayments of principal and interest. In other circumstances OC PLC uses judgment in order to determine whether a financial asset may be impaired using ECL model. OC PLC uses judgement in order to determine whether an impairment can be reversed, an assumption in doing so might be an improvement in the debtor’s credit rating or receipt of payments due. In addition, Group also make judgments in deciding whether the measurement of expected credit loss reflect reasonable and supportable information that is available without undue cost or effort that include historical, current and forecast information.

Net realizable value of Inventories

In determining the net realisable value of inventories, OC PLC estimates the selling prices in the ordinary course of business, cost of completion and cost to sell. In doing so, OC PLC makes estimates and assumptions based on current market prices, historical usage of various product categories versus current inventory levels and specific identified obsolescence risks (e.g. end of life of specific goods and spare parts and the impact of new environmental legislation).

Recognition of Provisions

Recognition of provisions include significant estimates, assumptions and judgements. IFRS requires only those provisions to be recognized if there is an expected outflow of resources in the near future and if the cost of these outflows can be estimated reliably. Accordingly, management exercises considerable judgment in determining whether there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. These judgements are subject to change as new information becomes available. The required amount of a provision may change in the future due to new developments in the particular matter. Revisions to estimates may significantly impact future profit or loss. Upon resolution, the Group may incur charges in excess of the recorded provisions for such matters.

The group uses past experiences to estimate the likelihood and cost of future warranties with respect to services provided and goods sold.

Provisions for asset retirement obligations, represent estimated costs of decommissioning. Due to the long time frame over which future cash outflows are expected to occur including the respective interest accretion require assumptions. Amongst others, the estimated cash outflows could alter significantly if, and when, political developments affect future laws and regulation with respect to asset retirements.

In case of contracts future loss the Group estimates the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. In doing so, the Group has to estimate the future cash flows and the discount rates used. In addition to this the Group has to estimate any possible impairments.

With respect to legal cases, the Group has to estimate the outcome of the legal cases. Regulatory and legal proceedings as well as government investigations often involve complex legal issues and are subject to substantial uncertainties. The Group periodically reviews the status of these proceedings with both the internal and external legal counsels.

Revenue recognition on revenue contracts with client

The Group conducts a significant portion of its business under construction contracts with customers. The Group recognizes revenue from construction contracts over time using the input method as Group believes this method faithfully represent the transfer of goods or services to the customer over the period of construction contract. This method places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of deliveries and services required for fulfilling the contractually defined obligations. In addition, in determining the transaction price, the Group make significant judgment as to whether any variable consideration to be included in the contract price. The significant estimates include total contract costs, remaining costs to completion, contract price, contract risks, including technical, political and regulatory risks, and other judgments. Management of the operating divisions continually review all estimates involved in such construction contracts, including commercial feasibility, and adjusts them as necessary.

Recognition of Income taxes

OC PLC is subject to income taxes in numerous jurisdictions. Estimates are required in determining the worldwide provision for income taxes. There are some transactions and calculations for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognizes provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made. OC PLC recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available for the deferred tax asset to be recovered. This is based on estimates of taxable future income by jurisdiction in which OC PLC operates and the period over which deferred tax assets are expected to be recoverable. In the event that actual results or new estimates differ from previous estimates and depending on the possible tax strategies that may be implemented, changes to the recognition of deferred tax assets could be required, which could impact the financial position and profit or loss.

6. Financial risk and capital management

Overview

The Group has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk
- Market risk

These risks arise from exposures that occur in the normal course of business and are managed on a consolidated company basis. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Senior management has an overall responsibility for the establishment and oversight of the Group's risk management framework. The Board is responsible for developing and monitoring the Group's risk management policies.

The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by the Internal Audit Department. The Internal Audit Department undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

6.1. Exposure to credit risk

The Group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade and other receivables. The main components of this allowance are a specific loss component that relates to individually significant exposures. The carrying amount of financial assets represents the maximum credit exposure. With respect to transactions with financial institutions, the group sets limits to the credit worthiness rating of the counterparty. The maximum credit risk is the carrying amount of financial instruments, for an overview reference is made to the tables of financial instruments by category.

The major exposure to credit risk at the reporting date was as follows:

$ millions	Note	31 December 2023	31 December 2022
Trade and other receivables (excluding prepayments and supplier advance payments)	(9)	1,040.2	1,164.9
Contract work in progress	(13)	737.8	742.5
Cash and cash equivalents (excluding cash on hand)	(14)	694.9	536.4
Total		**2,472.9**	**2,443.8**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	31 December 2023	31 December 2022
Middle East and Africa	591.9	823.1
Asia and Oceania	84.9	95.5
Europe and United States	363.4	246.3
Total	**1,040.2**	**1,164.9**

Impairment losses

The following table provides the information above the exposure to credit risk and ECLs for trade receivables as at 31 December 2022:

At 31 December 2022 $ millions	Weighted average loss rate	Gross	Loss allowance
Not due	- %	411.1	-
0 - 30 days	- %	60.7	-
31 - 90 days	- %	67.1	-
More than 90 days	7.9 %	156.5	(12.3)
Total		**695.4**	**(12.3)**

The following table provides the information above the exposure to credit risk and ECLs for trade receivables as at 31 December 2023:

At 31 December 2023 $ millions	Weighted average loss rate	Gross	Loss allowance
Not due	- %	372.2	-
0 - 30 days	- %	35.2	-
31 - 90 days	- %	48.5	-
More than 90 days	7.4 %	156.5	(11.6)
Total		**612.4**	**(11.6)**

6.2. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is also safeguarded by using multiple financial institutions in order the mitigate any concentration of liquidity risk.

The availability of cash is monitored internally at Group level, on an ongoing basis by the corporate treasury department. In addition management prepared at closing date a cash flow projection to assess the ability of the Group to meet its obligations.

The following are the contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting arrangements.

At 31 December 2022 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(19)	212.0	227.3	111.1	116.2	-
Trade and other payables (excluding lease obligation, other tax payable and deferred revenue)	(20)	1,449.1	1,449.1	1,422.0	-	27.1
Lease obligation	(20.1)	19.2	25.0	2.9	2.8	19.3
Total		**1,680.3**	**1,701.4**	**1,536.0**	**119.0**	**46.4**

At 31 December 2023 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(19)	249.8	268.0	130.6	136.7	0.7
Trade and other payables (excluding lease obligation, other tax payable and deferred revenue)	(20)	1,397.4	1,397.4	1,369.5	-	27.9
Lease obligation	(20.1)	20.7	25.5	3.0	2.4	20.1
Total		**1,667.9**	**1,690.9**	**1,503.1**	**139.1**	**48.7**

The interest on floating rate loans and borrowings is based on forward interest rates at year-end. This interest rate may change as the market interest rate changes.

6.3. Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to foreign currency risk arising in separate ways:

Foreign exchange translation exposure

Due to the Group's international presence, OC PLC's Financial Statements are exposed to foreign exchange fluctuations as these affect the translation of the subsidiaries' assets and liabilities presented in foreign currencies to the US dollar (the Group's presentation currency). The currencies concerned are mainly Egyptian Pound, Algerian Dinar and Euro. Foreign exchange translation exposure is considered a part of doing business on an international level; this risk is not actively managed, nor is it hedged.

Exchange rates used by the Group in the consolidated financial statement are based on the providing exchange rates in the market at the time of transactions.

OC PLC is not exposed to Saudi Riyal, UAE Dirham and Qatar Riyal. These currencies are pegged to the US dollar.

The Group entities predominantly execute their activities in their respective functional currencies. Some Group subsidiaries are, however, exposed to foreign currency risks in connection with the scheduled payments in currencies that are not their functional currencies. In general this relates to foreign currency denominated supplier payables due to project procurement, capital expenditures and receivables. The Group monitors the exposure to foreign currency risk arising from operating activities.

The Group is exposed to foreign exchange transaction exposure to the extent that there is a mismatch between the currencies in which sales, purchases and borrowings are denominated and the respective functional currencies of Group companies. The functional currencies of Group companies are primarily Euro, US Dollar, Egyptian Pound, Saudi Riyal, Algerian Dinar and UAE Dirham.

The Group uses foreign exchange contracts to manage its foreign exchange transaction exposure. No hedge accounting is applied; therefore all fair value changes are recognised in profit and loss.

The summary of quantitative data about the Group's exposure to foreign exchange transaction exposure provided to management of the Group based on its risk management policy for the main currencies was as follows:

At 31 December 2022 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	98.1	(83.1)
Trade and other receivables	395.9	367.1
Trade and other payables	(23.9)	(896.0)

At 31 December 2023 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	128.5	(134.2)
Trade and other receivables	14.6	565.6
Trade and other payables	(14.0)	(751.9)

Significant rates

The following significant exchange rates applied during the year ended 31 December 2023:

	Average 2023	Closing 31 December 2023	Opening 1 January 2023
Egyptian pound	0.0331	0.0324	0.0404
Saudi riyal	0.2665	0.2666	0.2661
Arabic Emirates Dirham	0.2723	0.2723	0.2723
Euro	1.0823	1.1039	1.0705

The following tables demonstrate the sensitivity to a reasonably possible change in EUR and EGP exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities, including inter company positions. The Group's exposure to foreign currency changes for all other currencies is not material.

As of 31 December 2023, if the functional currencies had changed by 10 percent against the Euro and 10 percent against the Egyptian Pound with all other variables held constant, the translation of foreign currency receivables, cash and cash equivalents, payables and loans and borrowings that would have resulted in a change of USD 15.2 million of the profit / loss of the year ended 31 December 2023 (31December 2022: USD 48.4 million).

31 December 2022 $ millions	Change in FX rate*	Effect on profit before tax	Effect on equity
EUR - USD	10%	47.0	47.0
EGP - USD	10%	1.4	(61.2)

31 December 2023 $ millions	Change in FX rate*	Effect on profit before tax	Effect on equity
EUR - USD	10%	12.9	12.9
EGP - USD	10%	2.3	(32.0)

* Determined based on the volatility of last year for the respective currencies.

Interest rate risk

The Group's cash flow interest rate risks arise from the exposure to variability in future cash flows of floating rate financial instruments. The Group reviews its exposure in light of global interest rate environment after consulting with a consortium of global banks.

The Group calculates the impact on profit or loss of a defined interest rate shift. The same interest rate shift is used for all currencies. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

As of 31 December 2023, if the interest rate had strengthened/weakened by 10 percent with all other variables held constant, the interest cost that would have resulted in an increase/decrease of USD 5.1 million of the profit of the year ended 31 December 2023.

$ millions	Change in interest rate	31 December 2023	31 December 2022
Effect on profit before tax	10% increase	(5.1)	(4.0)
	10% decrease	5.1	4.0

Categories of financial instruments

		31 December 2023		31 December 2022	
$ millions	Note	Financial assets / liabilities at amortized cost	Derivatives at fair value	Financial assets / liabilities at amortized cost	Derivatives at fair value
Assets					
Trade and other receivables (excluding prepayments and supplier advance payments)	(9)	1,040.2	-	1,164.9	-
Contracts work in progress	(13)	737.8	-	742.5	-
Cash and cash equivalents	(14)	696.6	-	537.7	-
Total		**2,474.6**	**-**	**2,445.1**	**-**
Liabilities					
Loans and borrowings	(19)	249.8	-	212.0	-
Trade and other payables (excluding lease obligation)	(20)	1,414.9	-	1,461.1	-
Billing in excess of construction contracts	(13)	345.4	-	298.4	-
Total		**2,010.1**	**-**	**1,971.5**	**-**

6.4. Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, share premium, reserves, retained earnings and non-controlling interest of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group's net debt to equity ratio at the reporting date was as follows:

$ millions	Note	31 December 2023	31 December 2022
Loans and borrowings	(19)	249.8	212.0
Less: cash and cash equivalents	(14)	(696.6)	(537.7)
Net debt / (Cash)		**(446.8)**	**(325.7)**
Total equity		711.4	691.3
Net debt to equity ratio		**(0.63)**	**(0.47)**

7. Property plant and equipment

$ millions	Land	Buildings	Equipment	Fixtures, and fittings	Under construction	Total
Cost as of 1 January 2022	13.8	104.2	313.9	147.2	18.4	597.5
Additions during the year	-	18.3	27.6	13.4	4.8	64.1
Disposals	-	(2.9)	(6.7)	(3.2)	-	(12.8)
Transfers	0.1	3.6	2.2	0.1	(15.8)	(9.8)
Acquisition of subsidiaries	3.8	1.6	1.4	1.5	-	8.3
Effect of movement in exchange rates	(6.0)	(25.2)	(91.3)	(43.7)	(3.4)	(169.6)
Cost as of 31 December 2022	**11.7**	**99.6**	**247.1**	**115.3**	**4.0**	**477.7**
Accumulated Depreciation as of 1 January 2022	**-**	**(46.1)**	**(231.1)**	**(121.1)**	**-**	**(398.3)**
Depreciation	-	(8.0)	(25.1)	(12.5)	-	(45.6)
Disposals	-	1.9	6.3	2.8	-	11.0
Transfers	-	0.1	(0.3)	0.3	-	0.1
Acquisition of subsidiaries	-	(0.7)	(0.7)	(1.2)	-	(2.6)
Effect of movement in exchange rates	-	7.2	61.9	35.1	-	104.2
Accumulated depreciation as of 31 December 2022	**-**	**(45.6)**	**(189.0)**	**(96.6)**	**-**	**(331.2)**
As of 31 December 2022	**11.7**	**54.0**	**58.1**	**18.7**	**4.0**	**146.5**

$ millions	Land	Buildings	Equipment	Fixtures, and fittings	Under construction	Total
Cost as of 1 January 2023	11.7	99.6	247.1	115.3	4.0	477.7
Additions during the year	-	4.1	23.0	8.3	5.3	40.7
Disposals	-	(0.2)	(5.2)	(1.4)	(0.7)	(7.5)
Transfers	-	3.9	(6.4)	(0.2)	(1.6)	(4.3)
Disposal of subsidiaries	-	(6.2)	(6.8)	(1.5)	(1.0)	(15.5)
Effect of movement in exchange rates	(2.1)	(12.0)	(33.6)	(19.8)	(0.5)	(68.0)
Cost as of 31 December 2023	**9.6**	**89.2**	**218.1**	**100.7**	**5.5**	**423.1**
Accumulated Depreciation as of 1 January 2023	**-**	**(45.6)**	**(189.0)**	**(96.6)**	**-**	**(331.2)**
Depreciation	-	(6.5)	(14.4)	(9.5)	-	(30.4)
Disposals	-	0.1	4.8	1.2	-	6.1
Transfers	-	(1.6)	4.9	1.0	-	4.3
Disposal of subsidiaries	-	2.2	4.1	1.2	-	7.5
Effect of movement in exchange rates	-	7.0	23.0	17.0	-	47.0
Accumulated depreciation as of 31 December 2023	**-**	**(44.4)**	**(166.6)**	**(85.7)**	**-**	**(296.7)**
As of 31 December 2023	**9.6**	**44.8**	**51.5**	**15.0**	**5.5**	**126.4**

'Property, plant and equipment' comprise owned and leased assets:

$ millions	2023	2022
Owned assets	107.5	128.5
Right of use	18.9	18.0
At 31 December	**126.4**	**146.5**

The information about 'Right of use' for which assets of the Group is presented below:

$ millions	Buildings	Equipment	Total
Cost as of 1 January 2022	20.3	7.5	27.8
Additions during the year	12.7	2.1	14.8
Remeasurements	(2.8)	(0.7)	(3.5)
Effect of Movement in exchange rates	(0.4)	(0.1)	(0.5)
Cost at 31 December 2022	**29.8**	**8.8**	**38.6**
Accumulated Depreciation as of 1 January 2022	(10.1)	(6.2)	(16.3)
Depreciation	(5.2)	(1.9)	(7.1)
Remeasurements	2.0	0.7	2.7
Effect of Movement in exchange rates	-	0.1	0.1
Accumulated depreciation at 31 December 2022	**(13.3)**	**(7.3)**	**(20.6)**
As of 31 December 2022	**16.5**	**1.5**	**18.0**

$ millions	Buildings	Equipment	Total
Cost as of 1 January 2023	29.8	8.8	38.6
Additions during the year	4.0	2.4	6.4
Effect of Movement in exchange rates	(3.1)	(4.0)	(7.1)
Cost at 31 December 2023	**30.7**	**7.2**	**37.9**
Accumulated Depreciation as of 1 January 2023	(13.3)	(7.3)	(20.6)
Depreciation	(4.1)	(1.7)	(5.8)
Effect of Movement in exchange rates	3.4	4.0	7.4
Accumulated depreciation at 31 December 2023	**(14.0)**	**(5.0)**	**(19.0)**
As of 31 December 2023	**16.7**	**2.2**	**18.9**

8. Goodwill

$ millions	Goodwill
Cost	27.7
At 1 January 2023	27.7
At 31 December 2023	**27.7**

On 31 July 2012, the Group acquired the Weitz Company LLC, a United States general contractor based in Des Moines, Iowa, resulting in USD 12.4 million of goodwill. The transaction was completed on 12 December 2012. On 2 April 2015, the Group acquired Integrated Facade Solutions (Alico) resulting in USD 1.4 million of goodwill.

On 2 January 2022, the Group acquired 100% of the total shares "Orascom Trading Company, Orascom Free Zone, National Equipment Company", resulting in USD 13.9 million of goodwill.

Goodwill was tested for impairment in the 4th Quarter of 2023. No impairment was recorded in the year 2023. The impairment test is based on cash-flow projections of the five year plan. Key assumptions used in the projections are:

i.Revenue growth: based on expected growth in 2024 as a result of development in backlog and expected general market growth in the USA and MENA.
ii.Margin development: based on actual experience and management's longer-term projections.

The terminal value was calculated using a long-term average market growth rate of 2.1% and 8.93% for USA and MENA respectively. The estimated cash flows are discounted to their present value using a weighted average cost of capital of 8.7% and 27.5% for USA and MENA respectively. An increase or decrease of 100 basis points in the assumed WACC or the terminal growth rate would not have resulted in an impairment.

9. Trade and other receivables

$ millions	31 December 2023	31 December 2022
Trade receivables (gross)	612.4	695.4
Allowance for trade receivables	(11.6)	(12.3)
Trade receivables (net)	**600.8**	**683.1**
Trade receivables due from related parties (Note 29)	10.9	19.0
Prepayments	16.0	11.5
Other tax receivable	46.2	70.1
Supplier & Subcontractor advanced payments	247.0	142.2
Other investments	9.1	5.6
Retentions	269.9	265.2
Other receivables	103.3	121.9
Total	**1,303.2**	**1,318.6**
Non-current	22.1	24.6
Current	1,281.1	1,294.0
Total	**1,303.2**	**1,318.6**

The carrying amount of 'Trade and other receivables' as at 31 December 2023 approximates its fair value.

Prepayments relate for the largest part to the amounts prepaid to sub-contractors, retentions related for the largest part to amounts withheld by customers resulting from contractual clauses.

The aging of gross trade receivables at the reporting date were as follows:

$ millions	31 December 2023	31 December 2022
Neither past due nor impaired	372.2	411.1
Past due 1 - 30 days	35.2	60.7
Past due 31 - 90 days	48.5	67.1
Past due 91 - 360 days	83.4	94.9
More than 360 days	73.1	61.6
Total	**612.4**	**695.4**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behaviour and extensive analysis of customer credit risk.

The movement in the allowance for impairment in respect of trade receivables during the year ended 31 December 2023 was as follows:

$ millions	2023	2022
At 1 January	(12.3)	(10.6)
Provision formed	(5.0)	(3.9)
Provision no longer required	2.1	0.2
Disposal / (Acquisition) of subsidiaries	2.1	(1.6)
Exchange rate differences and other	1.5	3.6
At 31 December	**(11.6)**	**(12.3)**

10. Equity accounted investees

The following table shows the movement in the carrying amount of the Group's associates:

$ millions	2023	2022
At 1 January	462.5	426.4
Share in results	20.7	35.2
Dividends	(14.8)	(9.2)
Effect of movement in exchange rates	(3.7)	10.1
At 31 December	**464.7**	**462.5**

The entity disclosed under 'Equity accounted investees' that is significant to the Group is BESIX.

BESIX Group (BESIX)

Established in 1909 in Belgium, BESIX is a global multi-service group offering engineering, procurement and construction (EPC) services. BESIX operates in the construction, real estate and concession sectors in 15 countries focusing on Europe, Africa, the Middle East and Australia. Their core construction competencies include buildings, infrastructure and environmental projects, industrial civil engineering, maritime and port works and real estate development. In addition to EPC services, BESIX is active in real estate development and holds concessions in several Public Private Partnerships (PPP) and design, build, finance, and maintain/operate (DBFM) contracts, through which it develops, operates and maintains projects.

The below table summarizes the financial information of BESIX :

$ millions	2023 100%	2023 Group Share 50%	2022 100%	2022 Group Share 50%
Non-current asset	906.6	453.3	855.8	427.9
Current asset	2,843.0	1,421.5	2,779.6	1,389.8
Non-current liabilities	(672.4)	(336.2)	(774.0)	(387.0)
Current liabilities	(2,237.8)	(1,118.9)	(2,028.4)	(1,014.2)
Net assets at 31 December	**839.4**	**419.7**	**833.0**	**416.5**
Construction revenue	3,580.0	1,790.0	3,624.6	1,812.3
Construction cost	(3,557.6)	(1,778.8)	(3,584.8)	(1,792.4)
Net profit for the year ended 31 December	**22.4**	**11.2**	**39.8**	**19.9**

The Group has interests in a number of equity accounted investees, the following are the significant investments as of 31 December 2023:

Name	Parent	Country	Participation %	Net Assets
BESIX Group	OC IHC3 B.V.	Belgium	50.0	419.7
Medrail Ltd.	Orascom Construction Holding Cyprus	UAE	50.0	-
Ras Ghareb Wind Energy	Orascom Egypt Wind BV	Egypt	20.0	6.6
Clark,Weitz, and Clarkson	The Weitz Group	USA	30.0	8.1
National Pipe Company	OCI Construction Egypt Orascom Construction SAE	Egypt	40.0	13.4
Orasqualia, Orasqualia for Construction S.A.E. and Orasqualia for Maintenance	Orascom Construction SAE	Egypt	50.0	9.5

The following table summarizes the financial information of the equity accounted investees including BESIX, National Pipe Company, all of Weitz's associates:

$ millions	2023 100%	2023 Group Share	2022 100%	2022 Group Share
Non-current asset	1,230.8	528.2	1,213.5	507.7
Current asset	3,007.6	1,490.1	2,915.5	1,442.3
Non-current liabilities	(938.0)	(396.1)	(1,068.3)	(450.0)
Current liabilities	(2,341.1)	(1,157.5)	(2,104.9)	(1,037.5)
Net assets at 31 December	**959.3**	**464.7**	**955.8**	**462.5**
Income	3,720.5	1,838.2	3,839.4	1,857.2
Expense	(3,675.9)	(1,817.5)	(3,757.4)	(1,822.0)
Net profit for the year ended 31 December	**44.6**	**20.7**	**82.0**	**35.2**

Transaction between Group entities and associates / joint ventures

There are no significant transactions between entities of the group and the associates / joint ventures, except for the investments in and the dividends received from these associates and joint ventures.

11. Income taxes

11.1. Income tax in the statement of profit or loss

The income tax on profit before income tax amounts to USD 33.3 million (31 December 2022: USD 37.6 million) and can be summarized as follows:

$ millions	31 December 2023	31 December 2022
Current tax	43.4	42.3
Deferred tax	(10.1)	(4.7)
Total income tax in profit or loss	**33.3**	**37.6**

11.2. Reconciliation of effective tax rate

OC PLC's operations are subject to income taxes in various foreign jurisdictions, the statutory income tax rates vary from 0.0% to 28.0%.

Reconciliation of the effective tax rate can be summarized as follows:

$ millions	31 December 2023	%	31 December 2022	%
Profit before income tax	228.4		171.9	
Tax calculated using tax rates in foreign jurisdictions	(48.0)	21.0	(49.5)	28.8
Utilization of deferred tax asset	**(10.1)**	**4.4**	**(4.7)**	**2.7**
Other	24.8	(10.8)	16.6	(9.7)
Total income tax in profit or loss	**(33.3)**	**14.6**	**(37.6)**	**21.8**

11.3. Deferred income tax assets and liabilities

Deferred tax assets of USD 60.4 million (2022: USD 47.4 million) relates to the carried forward tax losses from 2014 to 2019. The deferred tax assets recognized in the statement of financial position is expected to be utilized in the period 2024 - 2029.

Deferred tax assets have not been recognized in respect to the carried forward tax losses amounting to USD 765 million with a tax effect of USD 199 million. The deferred tax was not recognized since the Group assessed that it is not probable that future taxable profit will be available against which the Group can use the benefits therefrom. These tax losses will expire as follows:

$ millions	2023	Expiry date	2022	Expiry date
Expire	689.7	2034-2038	689.7	2034-2038
Never expire	75.3	-	75.3	-

12. Inventories

$ millions	31 December 2023	31 December 2022
Finished goods	22.9	20.0
Raw materials and consumables	211.2	209.6
Fuels and others	6.1	5.2
Others	8.6	12.8
Total	**248.8**	**247.6**

As at 31 December 2023, the total write-downs amount to USD 3.4 million (31 December 2022: USD 9.9 million), of which USD 2.2 million related to raw materials & USD 1.2 million related to finished goods.

13. Contracts work in progress / billing in excess of construction contracts

$ millions	31 December 2023	31 December 2022
Costs incurred on contracts (including estimated earnings)	23,319.7	23,775.1
Less: billings to date (Net)	(22,927.3)	(23,331.0)
Total	**392.4**	**444.1**
Presented in the consolidated statements of financial position as follows:		
Construction work in progress - current assets	737.8	742.5
Billing in excess of construction contracts - current liabilities	(345.4)	(298.4)
Total	**392.4**	**444.1**

Contract balances

Contract assets primarily relate to the Group's right to consideration for work completed but not yet billed at the reporting date. Contract liabilities relate to the billings in excess of revenue and the advances from customers. Advances from customers pertain to the advance consideration received from customers for the services for which revenue is recognised on performance obligation. The contract assets becomes trade receivables when the rights become unconditional.

The following table provides information about contract assets and contract liabilities from contracts with customers:

$ millions	31 December 2023	31 December 2022
Contract assets (contract work-in-progress)	737.8	742.5
Contract liabilities (billings in excess of revenue)	(345.4)	(298.4)
Contract liabilities (advances from customers)	(841.6)	(777.0)

14. Cash and cash equivalents

$ millions	31 December 2023	31 December 2022
Cash on hand	1.7	1.3
Bank balances	690.3	510.3
Restricted funds	2.0	1.7
Restricted cash	2.6	24.4
Total	**696.6**	**537.7**

Restricted funds

The restricted amounts mostly relate to letters of guarantee for United Holding Company (USD 0.5 million), Orascom Trading Company (USD 0.7 million) and Orascom Free Zone Company (USD 0.3 million).

Restricted cash

Restricted cash relates to amounts withheld in relation to amounts restricted for use for an amount of USD 2.6 million as collateral against certain loans and trade finance.

15. Share capital

The movements in the number of shares (nominal value USD 1 per share) can be summarized as follows:

	31 December 2023	31 December 2022,761,379
At 1 January	116,761,379	116,761,379
Share capital reduction (Note 17)	(6,517,444)	-
At 31 December - Fully paid	**110,243,935**	**116,761,379**
At 31 December (in millions of USD)	**110.2**	**116.8**

16. Reserves

$ millions	31 December 2023	31 December 2022
At 1 January	(377.5)	(305.4)
Currency translation differences	(44.2)	(72.1)
At 31 December	**(421.7)**	**(377.5)**

17. Treasury Shares

Based on the decision made in the Annual General Meeting (AGM), held on 31 May 2023, the Company has purchased 6,517,444 of its own shares at a price of USD 3.00 per share, and subsequently, the treasury shares were cancelled through the reduction of both share capital and share premium.

18. Non-controlling interest

31 December 2022 $ million	United Holding Company - Egypt	Orascom Saudi - KSA	Orascom Industrial Parks - Egypt	Other Individual insignificant entities	Total
Non-controlling interest percentage	43.5%	40.0%	39.5%		
Non-current assets	4.2	-	10.3	3.2	17.7
Current assets	39.5	98.1	15.2	4.2	157.0
Non-current liabilities	-	(0.4)	(5.6)	(0.1)	(6.1)
Current liabilities	(20.6)	(96.7)	(7.7)	(4.0)	(129.0)
Net assets	**23.1**	**1.0**	**12.2**	**3.3**	**39.6**
Revenue	50.5	2.6	12.9	7.8	73.8
Profit	14.2	(1.8)	5.9	2.5	20.8
Other comprehensive loss	(12.3)	-	(5.9)	(0.9)	(19.1)
Total comprehensive income	**1.9**	**(1.8)**	**-**	**1.6**	**1.7**

31 December 2023 $ million	United Holding Company - Egypt	Orascom Saudi - KSA	Orascom Industrial Parks - Egypt	Other Individual insignificant entities	Total
Non-controlling interest percentage	43.5%	40.0%	39.5%		
Non-current assets	0.1	-	7.9	4.8	12.8
Current assets	21.9	96.5	11.9	1.8	132.1
Non-current liabilities	-	(0.4)	(3.9)	-	(4.3)
Current liabilities	(16.0)	(95.0)	(5.4)	(1.9)	(118.3)
Net assets	**6.0**	**1.1**	**10.5**	**4.7**	**22.3**
Revenue	14.3	1.3	6.5	2.9	25.0
Profit	31.6	0.1	1.6	3.2	36.5
Other comprehensive loss	(4.4)	-	(2.4)	(0.3)	(7.1)
Total comprehensive income	**27.2**	**0.1**	**(0.8)**	**2.9**	**29.4**

19. Loans and borrowings

Borrowing Company $ million	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities	Total
Orascom Construction SAE	Multiple rates	Annual	-	-	174.5	174.5
The Weitz Group, LLC	Multiple rates	Multiple	-	1.2	-	1.2
Contrack Watts	Multiple rates	Multiple	-	15.0	-	15.0
Other	Multiple rates	-	-	2.0	19.3	21.3
Total as of 31 December 2022			**-**	**18.2**	**193.8**	**212.0**

Borrowing Company $ million	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities	Total
Orascom Construction SAE	Multiple rates	Annual	-	-	202.0	202.0
The Weitz Group, LLC	Multiple rates	Multiple	0.7	12.1	-	12.8
Contrack Watts	Multiple rates	Multiple	-	10.0	-	10.0
Other	Multiple rates	-	-	-	25.0	25.0
Total as of 31 December 2023			**0.7**	**22.1**	**227.0**	**249.8**

Information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in the financial risk and capital management paragraph in Note 6. The fair value of loans and borrowings approximates the carrying amount as at the reporting date.

Movements of liabilities to cash flow arising from financing activities:

$ million	Loans& Borrowings	Bank Overdraft	Treasury Shares	Retained Earnings	NCI	Total
Balance as at 1 January 2022	39.9	24.2	-	346.9	50.1	461.1
Proceeds from borrowings	117.4	169.6	-	-	-	287.0
Repayment of borrowings	(143.5)	-	-	-	-	(143.5)
Purchase of treasury shares	-	-	-	-	-	-
Dividends paid to shareholders	-	-	-	(54.0)	-	(54.0)
Dividends paid to non-controlling interest	-	-	-	-	(10.3)	(10.3)
Other	-	-	-	9.9	-	9.9
Total changes from financing cashflow	**13.8**	**193.8**	**-**	**302.8**	**39.8**	**550.2**
Liability-related other changes	4.4	-	-	-	-	4.4
Equity-related other changes	-	-	-	129.4	(0.2)	129.2
Balance as at 31 December 2022	**18.2**	**193.8**	**-**	**432.2**	**39.6**	**683.8**

$ million	Loans& Borrowings	Bank Overdraft	Treasury Shares	Retained Earnings	NCI	Total
Balance as at 1 January 2023	18.2	193.8	-	432.2	39.6	683.8
Proceeds from borrowings	75.2	33.2	-	-	-	108.4
Repayment of borrowings	(70.6)	-	-	-	-	(70.6)
Purchase of treasury shares	-	-	(19.5)	-	-	(19.5)
Dividends paid to shareholders	-	-	-	(51.9)	-	(51.9)
Dividends paid to non-controlling interest	-	-	-	-	(35.3)	(35.3)
Other	-	-	-	1.9	-	1.9
Total changes from financing cashflow	**22.8**	**227.0**	**(19.5)**	**382.2**	**4.3**	**616.8**
Liability-related other changes	-	-	-	-	-	-
Equity-related other changes	-	-	19.5	151.1	18.0	188.6
Balance as at 31 December 2023	**22.8**	**227.0**	**-**	**533.3**	**22.3**	**805.4**

20. Trade and other payables

$ millions	31 December 2023	31 December 2022
Trade payables	569.3	612.5
Trade payables due to related party (Note 29)	10.3	4.9
Other payables	182.8	212.1
Accrued expenses	455.0	448.3
Deferred revenues	6.9	5.0
Other tax payables	10.6	7.0
Lease obligation (Note 20.1)	20.7	19.2
Retentions payables	176.4	167.6
Employee benefit payables	3.6	3.7
Total	**1,435.6**	**1,480.3**
Non-current	43.8	41.9
Current	1,391.8	1,438.4
Total	**1,435.6**	**1,480.3**

Information about the Group's exposure to currency and liquidity risk is included in Note 6. The carrying amount of 'Trade and other payables' approximated the fair value as ay the reporting date.

Retentions payable relate to amounts withheld from sub-contractors.

20.1 Lease obligations

$ millions	Non-Current lease obliga-tions	Current lease obliga-tions	Total
At 1 January 2022	8.8	3.8	12.6
Movements in the carrying amount:			
Payments	-	(5.7)	(5.7)
Accretion of interest	-	0.9	0.9
Additions	9.6	1.8	11.4
Transfers	(3.6)	3.6	-
As of 31 December 2022	**14.8**	**4.4**	**19.2**

$ millions	Non-Current lease obligations	Current lease obligations	Total
At 1 January 2023	14.8	4.4	19.2
Movements in the carrying amount:			
Payments	-	(5.7)	(5.7)
Accretion of interest	-	0.9	0.9
Additions	4.9	1.5	6.4
Transfers	(3.8)	3.8	-
Effect of movement in exchange rates	-	(0.1)	(0.1)
As of 31 December 2023	**15.9**	**4.8**	**20.7**

21. Provisions

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2022	7.7	5.9	45.5	59.1
Provision formed	0.1	4.3	8.3	12.7
Provision used	-	-	(5.6)	(5.6)
Provision no longer required	(2.7)	(4.9)	(23.4)	(31.0)
Acquisition of subsidiaries	-	-	3.5	3.5
Effect of movement in exchange rates	(1.8)	(1.4)	(6.6)	(9.8)
Others	-	-	2.6	2.6
At 31 December 2022	**3.3**	**3.9**	**24.3**	**31.5**

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2023	3.3	3.9	24.3	31.5
Provision formed	-	4.8	14.1	18.9
Provision used	-	-	(1.6)	(1.6)
Provision no longer required	(0.8)	(3.1)	(2.9)	(6.8)
Divestment	-	-	(1.3)	(1.3)
Effect of movement in exchange rates	(0.5)	(0.4)	(2.6)	(3.5)
Others	-	-	3.8	3.8
At 31 December 2023	**2.0**	**5.2**	**33.8**	**41.0**

Warranties

The warranties are based on historical warranty data and a weighting of possible outcomes against their associated probabilities.

Other (including claims)

The Group is involved in various litigations and project related disputes. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized. Reference is made to Note 28 for detailed information with respect to major ongoing litigations and claims.

22. Cost of sales and selling, general and administrative expenses

i. Expenses by nature

$ millions	31 December 2023	31 December 2022
Changes in raw materials and consumables, finished goods and work in progress	2,696.8	3,274.5
Employee benefit expenses (ii)	467.9	578.5
Depreciation and amortization	30.4	45.6
Maintenance and repairs	30.2	42.0
Consultancy expenses	11.5	31.6
Donation expenses*	10.8	-
Other	47.7	55.5
Total	**3,295.3**	**4,027.7**

The expenses by nature comprise 'cost of sales' and 'selling, general and administrative expenses'.

* Donation expense represents donation made to an Egyptian development fund based on Board approval and was paid in July 2023.

The breakdown for the fees paid or payable to KPMG member firms during the year as follows:

$ millions	31 December 2023
Categories of services:	
Financial Statement Audits	1.0
Other services*	0.8
Total	**1.8**

*This primarily related to fees associated with the review of interim financial statement and corporate governance AUP.

ii. Employee benefit expenses

$ millions	31 December 2023	31 December 2022
Wages and salaries	384.2	472.0
Social securities	1.6	1.8
Employee profit sharing	11.1	8.6
Pension cost	6.4	7.9
Other employee expenses	64.6	88.2
Total	**467.9**	**578.5**

During the year ended 31 December 2023, the average number of staff employed in the Group converted into full-time equivalents amounted to 21,482 permanent and 29,522 temporary employees.

A Long-Term Incentive Plan ("LTIP") to attract, motivate and retain key employees in the organization by providing market competitive compensation packages has been put in place in June 2016. Under the plan target awards will be granted annually to executives and senior management and employees in critical positions or high performers. These awards will carry a 3-year vesting period. They will be focused on EBITDA, cash flow from operations and share performance. The plan is cash-settled; no transfer of equity instruments will take place under this plan.

Some of the Group's subsidiaries in the United States of America contribute to multi-employer defined benefit plans administered by unions that provide pension and post-retirement health and welfare benefits to employees, based on a defined dollar amount per hour. The Group has availed the exemption of IAS 19, para 34, to account for the contributions to these multiemployer defined benefit plans as defined contribution plans, as sufficient financial information is not publicly available with regards to these plans. The contribution to these plans for the financial year 2023 is USD 7.3 million and the expected contribution to these plans for the financial year 2024 is USD 7.5 million. The average contribution by Group's subsidiaries to multiemployer benefit plans is assessed to be less than 5% of the total contributions of the respective plans.

23. Other income

$ millions	31 December 2023	31 December 2022
Capital gain*	107.7	-
Gain on sale of property, plant and equipment	1.1	1.0
Other income	21.2	4.1
Total	**130.0**	**5.1**

*During the year, the Group recognized a gain on the sale of subsidiaries amounting to USD 107.7 million. The sale relates to the subsidiaries that were classified as assets held for sale as of 31 March 2023, the total consideration received is USD 116.7 million.

The following table summarizes the financial information of the sold subsidiaries at the time of sale:

$ millions	
Assets	
Property, plant and equipment	9.8
Inventories	8.9
Trade and other receivables	22.5
Cash and cash equivalent	12.1
Other assets	0.8
Total	**54.1**
Liabilities	
Loans and borrowings	1.7
Trade and other payables	25.1
Provisions	1.4
Other liabilities (including selling expenses)	16.9
Total	**45.1**

24. Net finance cost

$ millions	31 December 2023	31 December 2022
Interest income on financial assets measured at amortized cost	13.9	7.6
Foreign exchange gain	44.8	69.3
Finance income	**58.7**	**76.9**
Interest expense on financial liabilities measured at amortized cost	(51.4)	(40.3)
Foreign exchange loss	(1.8)	(54.6)
Finance cost	**(53.2)**	**(94.9)**
Net finance income / (cost) recognized in profit or loss	**5.5**	**(18.0)**

The above finance income and finance cost include the following interest income and expense in respect of assets (liabilities) not measured at fair value through profit or loss:

$ millions	31 December 2023	31 December 2022
Total interest income on financial assets	13.9	7.6
Total interest expense on financial liabilities	(51.4)	(40.3)

25. Earnings per share

$ millions	31 December 2023	31 December 2022
Net Profit attributable to shareholders (million USD)	158.6	113.5
Weighted average number of ordinary share (million)	113.1	116.8
Basic and diluted earnings per ordinary share (USD)	**1.40**	**0.97**

26. Revenue

$ millions	31 December 2023	31 December 2022
Revenue from contracts with customers	3,367.5	4,177.3
Primary Geographical market		
MENA	1,809.7	2,812.9
USA	1,557.8	1,364.4
Total Revenue	**3,367.5**	**4,177.3**
Major products and service lines		
Construction revenue	3,219.3	3,960.7
Revenue from sale of goods	118.2	190.3
Revenue from sale of services	27.4	22.6
Others	2.6	3.7
Total Revenue	**3,367.5**	**4,177.3**
Timing of revenue recognition		
Products and services transferred overtime	3,219.3	3,960.7
Products and services transferred at a point in time	148.2	216.6
Total Revenue	**3,367.5**	**4,177.3**

27. Segment reporting

The Group determines and presents operating segments on the information that internally is provided to the Chief Executive Officer during the period. The Group has three reportable segments, as described below. Each of the segments is managed separately because they require different operating strategies and use their own assets and employees. Factors used to identify the Group's reportable segments, are a combination of factors and whether operating segments have been aggregated and types of products and services from which each reportable segment derives its revenues.

Business information for 31 December 2022

$ millions	MENA	USA	Besix	Total
Total revenue	2,812.9	1,364.4	-	4,177.3
Share in income of equity accounted investees	10.8	4.5	19.9	35.2
Depreciation and amortization	(38.0)	(7.6)	-	(45.6)
Interest income	7.1	0.5	-	7.6
Interest expense	(38.4)	(1.9)	-	(40.3)
Profit before tax	**130.9**	**21.1**	**19.9**	**171.9**
Investment in PP&E (Including right of use asset)	48.7	15.4	-	64.1
Equity accounted investee	34.8	11.2	416.5	462.5
Non-current assets	192.9	99.3	416.5	708.7
Total assets	**2,577.4**	**537.5**	**416.5**	**3,531.4**
Total liabilities	**2,392.9**	**447.2**	**-**	**2,840.1**

Business information for 31 December 2023

$ millions	MENA	USA	Besix	Total
Total revenue	1,809.7	1,557.8	-	3,367.5
Share in income of equity accounted investees	8.9	0.6	11.2	20.7
Depreciation and amortization	(22.9)	(7.5)	-	(30.4)
Interest income.	13.0	0.9	-	13.9
Interest expense	(51.1)	(0.3)	-	(51.4)
Profit before tax	**183.8**	**33.4**	**11.2**	**228.4**
Investment in PP&E (Including right of use asset)	30.5	10.2	-	40.7
Equity accounted investee	36.9	8.1	419.7	464.7
Non-current assets	172.0	109.6	419.7	701.3
Total assets	**2,586.4**	**659.9**	**419.7**	**3,666.0**
Total liabilities	**2,390.0**	**564.6**	**-**	**2,954.6**

Segment revenues have been presented based on the location of the entity which is managing the contracts.

BESIX is presented as part of 'equity accounted investees', therefore in the above schedule only the income from equity accounted investees and the asset value are reflected. For further information with respect to liabilities, revenues and cost, reference is made to note 10.

The geographic information above analyses the Group's revenue and non-current assets by the Company where the activities are being operated. The Orascom Construction Group has customers that represent 10 percent or more of revenues:

Percentage	31 December 2023	31 December 2022
Egyptian Government	37.0%	50.2%

28. Contingencies

28.1. Contingent liabilities

28.1.1. Letters of guarantee / letters of credit

Letters of guarantee issued for the Group as at 31 December 2023 amount to USD 1,873.4 million (31 December 2022: USD 1,715.3 million). Outstanding letters of credit as at 31 December 2023 (uncovered portion) amount to USD 93.6 million (31 December 2022: USD 112.5 million).

Some of our sub-holdings have provided general performance guarantees for the execution of major projects by our subsidiaries.

As of 31 December 2023, mechanic liens have been received in respect of our US projects for a total of USD 5.0 million (31 December 2022: USD 5.2 million).

28.1.2. Litigations and claims

The Group entities and joint ventures, are engaged in various legal disputes, acting either as defendants or claimants. These cases are closely monitored by management and legal counsel, who evaluate them for potential impacts, taking into account possible insurance recoveries and third-party claims. Provisions for potential financial impacts from unfavorable outcomes are recognized in the consolidated financial statements in accordance with the requirements of IAS 37 "Provisions, Contingent Liabilities, and Contingent Assets", specifically under note 21 'Provisions,'. However, due to uncertainties such as potential new lawsuits, settlements, or court decisions, the Group cannot determine any additional financial loss with certainty. Despite this, based on legal consultations, the management believes these legal matters will not substantially affect the Group's financial position as of 31 December 2023, though they may significantly impact operational results or cash flows in specific periods.

Furthermore, the Group faces potential claims from customers and accordingly sets aside adequate provisions, with these reserves being periodically reviewed to account for any significant claims or litigation risks. Legal assessments suggest that these provisions are sufficient, and no significant additional cash outflows are anticipated beyond what has already been accounted for. In adherence to IAS 37 guidelines on "Provisions, Contingent Liabilities, and Contingent Assets," the Group has chosen not to disclose full details of these legal disputes. This decision is driven by the belief that such disclosures could compromise the Group's position in ongoing and contested legal matters, prioritizing the protection of their legal strategy while managing litigation risks within the framework of IAS 37.

28.1.3. Sidra Medical Center

The contract for the design and build of the Sidra Medical and Research Centre in Doha, Qatar, was awarded by Qatar Foundation for Education, Science & Community Development (the "Foundation") in February 2008 to Obrascón Huarte Lain (55%) and Contrack Cyprus Limited (45%), hereinafter referred to as the "JV", for a total contract value of approximately USD 2.4 billion.

In July 2014, when the project was approx. 95% complete, the JV received a Notice of Termination from the Foundation. On or around the same date, the Foundation successfully liquidated the JV's performance bank and advance payment guarantees, receiving a total of QAR 880 million. On 23 July 2014, the Foundation commenced arbitration proceedings against Obrascón Huarte Lain and Contrack Cyprus Limited by serving a Request for Arbitration with the ICC (seat in London). Since 2014, several hearings and expert meetings took place and partial awards have been issued by the tribunal. An award is expected by the end of 2024 or Q1 2025.

In August 2017, the Foundation again served a Request for Arbitration, this time in parallel proceedings against OCI SAE with the ICC (seat in London). The claims made by the Foundation in this new arbitration arise in connection with a Parent Company Guarantee (the "PCG") issued by OCI SAE on 7 February 2008. The Foundation alleged that the terms of the PCG protect it in respect of liabilities and obligations of Contrack (Cyprus) Limited on the Project. This arbitration is on hold since March 2020 pending decision in the main arbitration in the paragraph above. If claims are awarded against Contrack (Cyprus) Limited in that arbitration, the Tribunal will have to consider its implications on OCI SAE in this arbitration.

28.1.4. King Abdul-Aziz Airport Development Project

Saudi Binladin Group ("SBG") entered into an EPC contract with the General Authority of Civil Aviation of the Kingdom of Saudi Arabia, for the King Abdul-Aziz Airport Development Project - Phase 1 (the "Project"). Orascom Saudi Limited ("OS"), a company which OCI Construction Limited (Cyprus) has a participation of 60%, entered into a series of five subcontracts (the "Subcontracts") with SBG to carry out works related to the project throughout 2011 to 2015. Under the Subcontractors, OS encountered several delays in the commencement, performance and completion of the works against the originally contemplated time schedule resulting in time and cost damages to OS.

On 25 June 2019, OS commenced arbitration proceedings by filing a Request for Arbitration before the ICC Court of Arbitration (seat in Cairo) claiming its entitlement to extensions of time and additional costs. On 8 September 2019, SBG filed its Answer to the Request for Arbitration, counterclaiming that OS was overpaid and seeking recovery of the amount. On 19 September 2019, the Arbitral Tribunal was constituted. In August 2020, OS submitted its Statement of Claim, followed by SGB filing its Statement of Defence and Counterclaim in May 2021. During the months of May through to December 2021, the Parties were engaged in a document production phase, together with the exchange or written submissions on the claims and counterclaims.

The arbitration is currently suspended, while the parties attempt to reach a mutual agreement.

28.1.5. USA Claims

In addition to the cases identified above, the Group is involved in other disputes of a lower value, namely in the United States, either as defendants or claimants. Provisions are considered in the Group's accounts when deemed appropriate, in accordance with the IAS standards.

29 Related party transactions and balances

The following is a list of significant related party transactions and outstanding amounts

Related party $ millions	Relation	Revenue transactions during the year	Receivable outstanding at year end	Purchases transactions during the year	AP and advances outstanding at year end
Ras Ghareb Wind Energy	Equity accounted investee	-	4.5	-	-
Iowa fertilizer Company	Related via Key Management personnel	-	0.8	-	-
OCI SAE "fertilizer"	Related via Key Management personnel	-	5.4	-	-
Other		-	8.3	-	4.9
Total as at 31 December 2022		**-**	**19.0**	**-**	**4.9**

Related party $ millions	Relation	Revenue transactions during the year	Receivable outstanding at year end	Purchases transactions during the year	AP and advances outstanding at year end
Ras Ghareb Wind Energy	Equity accounted investee	-	3.6	-	-
Iowa fertilizer Company	Related via Key Management personnel	-	0.8	-	-
OCI SAE "fertilizer"	Related via Key Management personnel	-	2.5	0.1	0.1
Other		-	4.0	5.3	10.2
Total as at 31 December 2023		**-**	**10.9**	**5.4**	**10.3**

In addition to the related party transactions in the table above, the company incurs certain operating expenses for immaterial amounts in relation to services provided by related parties.

29.1 Tax indemnity agreement

In 2013, as part of a settlement with the Egyptian Tax Authority (ETA) regarding the sale of its cement business to Lafarge SA in 2007, OCI S.A.E (OCI) agreed to pay EGP 7.1 billion over a five-year period. This settlement included an initial payment of EGP 2.5 billion by OCI.

In February 2014, the Egyptian Public Prosecutor exonerated OCI from the tax claim, a decision further supported by the ETA's Independent Appeals Committee in November 2014. Following these decisions, OCI requested the ETA to reimburse the first installment previously paid. However, the ETA appealed this decision.

In the midst of these legal proceedings, on 6 February 2015, OC PLC and OCI N.V. entered into a tax indemnity agreement related to the ongoing tax claim lodged by the ETA. This agreement outlined that any liabilities incurred from the tax claim, including associated costs, would be shared equally between the two parties.

Subsequently, the demerger from OCI N.V. was completed in March 2015, with OC PLC being listed on Nasdaq Dubai on 9 March and on the Egyptian Exchange on 11 March. This move established OC PLC and OCI N.V.

In the same month, OCI received EGP 1.9 billion from the Egyptian authorities, despite the ongoing dispute over the tax claim. In 2016, OCI made a second installment payment of EGP 900 million as part of the original agreement with the ETA.

In January 2023, a court judgment confirmed the decision by the ETA's Independent Appeals Committee in favor of OCI, rejecting the tax claim. This decision became irrevocable in May 2023, ensuring that the EGP 1.9 billion paid to OCI in 2015 could not be reclaimed by the ETA, and establishing OCI's claim for reimbursement of the EGP 900 million second installment.
Finally, in June 2023, an agreement was signed between the Group and OCI N.V., where the Company would receive a 50% share of the net reimbursed amount received by OCI, as well as a 50% share in the reimbursement claim against the ETA.

29.2. OCI Foundation and Sawiris Foundation

The OCI Foundation invests company resources in educational programs that improve the communities in which the company operates. OCI has cultivated strong ties with several leading universities, including the University of Chicago (Onsi Sawiris Scholars Exchange Program), Stanford (The American Middle Eastern Network Dialogue) and Yale (Master of Advanced Management program and Global Network for Advanced Management program).

Furthermore, the Sawiris Foundation for Social Development also provides grants to fund projects implemented by charitable organizations, educational institutions, local government and private business.

30. Remuneration of the Board of Directors (Key management personnel)

During the year ended 31 December 2023, we considered the members of the Board of Directors (Executive and Non-executive) and the senior management to be the key management personnel as defined in IAS 24 'Related parties'. The total remuneration of the key-management personnel for the year ended 31 December 2023 amount to approximately USD 22.6 million (2022: USD 19.9 million).

Key management personnel compensation comprise of the following:

$ millions	31 December 2023	31 December 2022
Short-term employee benefits	14.2	14.5
Other long-term benefits	8.4	5.4
Total	**22.6**	**19.9**

31. List of principal subsidiaries and associates

Companies	Country	Percentage of interest	Consolidation method
Cementech Limited	BVI	100.00	Full
Orascom Construction Industries Algeria Spa	Algeria	99.90	Full
IMAGRO Construction SRL	Italy	49.90	Full
BESIX Group SA	Belgium	50.00	Equity
Integrated Facade Solutions (Alico)	Egypt	100.00	Full
OCI Construction Limited	Cyprus	100.00	Full
Orascom Construction	Egypt	100.00	Full
Orascom Road Construction	Egypt	99.98	Full
Orasqualia for the Development of the Wastewater Treatment Plant	Egypt	50.00	Equity
National Steel Fabrication	Egypt	99.90	Full
Orascom Industrial Parks (SIDC)	Egypt	60.50	Full
Orascom Saudi Company	Kingdom of Saudi Arabia	60.00	Full
Contrack Watts Inc	USA	100.00	Full
Orascom E&C USA	USA	100.00	Full
Orascom Construction USA Inc	USA	100.00	Full
Orascom Investments	Netherlands	100.00	Full
The Weitz Group LLC	USA	100.00	Full
Orascom For Wind Energy	Egypt	100.00	Full
Orascom Trading Company	Egypt	100.00	Full
Orascom Free Zone	Egypt	100.00	Full
National Equipment Company	Egypt	100.00	Full

Furthermore, OC PLC has various holding companies in the Netherlands and the countries it operates in.

32. Dividends

On 1 August 2022 the board of directors' has approved an interim dividend of USD 0.2313 per share amounting to USD 27.0 million which has been paid on 24 August 2022.

On 24 January 2023 the board of directors' has approved an interim dividend of USD 0.1850 per share amounting to USD 21.6 million which has been paid on 9 February 2023.

At the Extraordinary General Meeting held on 11 October 2023, the Board of Directors and shareholders approved a dividend of USD 0.2750 per share amounting to USD 30.3 million which had been paid on 31 October 2023.

33. Subsequent event

On 5 February 2024, the board of directors' has approved an interim dividend of USD 0.19 per share amounting to USD 20.9 million which has been paid on 22 February 2024.

On 6 March 2024, the Central Bank of Egypt decided to announce the application of the flexible exchange rate system for pricing foreign exchange based on the conditions of supply and demand. Based on that, the exchange rate of the US Dollar increased against the Egyptian Pound.

34. Applicable laws on taxation of corporations and businesses

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

Generally, UAE businesses will be subject to a 9% CT rate, however a rate of 0% will be applied to taxable income not exceeding AED 375,000 or to certain types of entities, as prescribed by way of a Cabinet Decision.

The CT Law is considered enacted for reporting purposes and the management has concluded that there is no deferred tax impact per reporting date.

The Group has not identified any material risks or uncertainties in the structure from a corporate perspective and will continuously monitor further developments that could impact the tax profile.

Dubai, UAE, 20 March 2024

The Orascom Construction PLC Board of Directors,

Jérôme Guiraud	Chairman
Osama Bishai	Chief Executive Officer
Sami Haddad	Member
Johan Beerlandt	Member
Wiktor Sliwinski	Member
Nada Shousha	Member
Renad Younes	Member