

# RESULTS ANNOUNCEMENT

## FY 2020

### ORASCOM CONSTRUCTION REPORTS BACKLOG OF USD 5.4 BILLION AND NET INCOME OF USD 90.9 MILLION IN FY 2020

#### HIGHLIGHTS

- Revenue of USD 3.4 billion and consolidated EBITDA of USD 197.8 million in FY 2020
- Net income attributable to shareholders of USD 25.9 million in Q4 2020 and USD 90.9 million in FY 2020
- Net cash position of USD 358.6 million as of 31 December 2020 and operating cash flow of USD 138.2 million in FY 2020
- Consolidated backlog of USD 5.4 billion and pro forma backlog including 50% share in BESIX of USD 8.0 billion as of 31 December 2020, in-line with the levels achieved in FY 2019
- Consolidated new awards of USD 2.9 billion and pro forma new awards including 50% share in BESIX of USD 4.2 billion in FY 2020
- BESIX reports a standalone backlog of EUR 4.2 billion and new awards of EUR 2.3 billion in FY 2020
- The Board of Directors proposes a dividend distribution of USD 27 million (USD 0.2313 per share)

#### STATEMENT FROM THE CEO

Our success during a challenging FY 2020 is a direct outcome of the strength and commitment of our people, and I would like to thank our employees for their tireless contributions throughout the year.

Our health and safety efforts allowed us to successfully manage the challenges resulting from COVID-19 in addition to achieving multiple targets including low Lost Time Injury (LTI) rates at many of our sites such as our mega water projects in Egypt and commercial projects in the United States.

We have delivered on our commitment to secure ample backlog comprised of high-quality projects as we maintained our backlog at USD 5.4 billion as of 31 December 2020, in-line with the level achieved the previous year.

Our new awards ranged across core sectors such as transportation, infrastructure, data centers and logistics, and complement our existing backlog as we initiated work on important projects including the world's longest monorail system in Egypt and additional scopes in the data center sector in USA. It is also important to highlight that FY 2020 marks the first full year of operation for the Ras Ghareb Build-Own-Operate Wind Farm, demonstrating our commitment to creating a portfolio of recurring income projects comprised of infrastructure investments and Operation & Maintenance contracts.

Revenues increased 5.9% y-o-y in FY 2020 as our projects operated on a full-fledged basis despite additional challenges on the health, safety and business fronts. The Group also generated positive operating cash flow and maintained a net cash position, reflecting healthy operations and our successful collection and working capital efforts.

BESIX ended FY 2020 with a profitable second half and a solid backlog of EUR 4.2 billion, indicating its ability to overcome challenges encountered across certain projects during H1 2020. It is also worth noting that BESIX distributed to OC a dividend of EUR 10 million in June 2020 for our 50% share.

Lastly, we reiterated our commitment to providing returns to our shareholders. We distributed a total dividend of USD 0.42 per share on FY 2019 earnings over two equal installments in August 2020 and January 2021, representing a 40% payout ratio. In addition, the Board proposes another dividend of USD 0.2313 per share (USD 27 million), marking the fourth consecutive year of dividend distributions. Management expects to follow the same semi-annual payment pattern established last year.

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### CONSOLIDATED BACKLOG

| USD million                        | FY 2020 | FY 2019 | Change  | Q4 2020 | Q4 2019 | Change |
|------------------------------------|---------|---------|---------|---------|---------|--------|
| <b>Equity consolidation</b>        |         |         |         |         |         |        |
| Backlog                            | 5,439.4 | 5,444.9 | (0.1)%  |         |         |        |
| New awards                         | 2,918.8 | 3,550.3 | (17.8)% | 920.2   | 793.4   | 16.0%  |
| <b>Pro forma inc. 50% of BESIX</b> |         |         |         |         |         |        |
| Backlog                            | 8,037.0 | 8,132.5 | (1.2)%  |         |         |        |
| New awards                         | 4,235.2 | 5,428.5 | (22.0)% | 1,389.5 | 1,462.2 | (5.0)% |

Consolidated backlog excluding BESIX stood at USD 5.4 billion as of 31 December 2020, in-line with the level the achieved the previous year. Consolidated new awards increased 16.0% y-o-y to USD 920.2 million in Q4 2020 and decreased 17.8% y-o-y to USD 2.9 billion in FY 2020.

Including the Group's 50% share in BESIX, pro forma backlog stood at to USD 8.0 billion as of 31 December 2020, also in-line with the level reached in FY 2019. Pro forma new awards decreased 5.0% y-o-y to USD 1.4 billion in Q4 2020 and 22.0% y-o-y to USD 4.2 billion in FY 2020.

#### MEA

The Group signed USD 2.0 billion of new awards primarily in Egypt during FY 2020, of which USD 570 million were added in Q4 2020.

New contracts signed in Q4 2020 include Cairo Metro, logistics, highways and commercial work, complementing the Group's new awards signed in 9M 2020 across the infrastructure, transportation, data center, water and commercial sectors.

Notably in Q4 2020, an Orascom Construction consortium signed in November 2020 a contract to execute the electromechanical and track works for Cairo Metro Line 4 Phase 1 for a total value of approximately USD 800 million, of which OC's share exceeds USD 350 million.

#### USA

The U.S. subsidiaries signed new contracts amounting to USD 920 million in FY 2020, of which USD 350 million were added in Q4 2020.

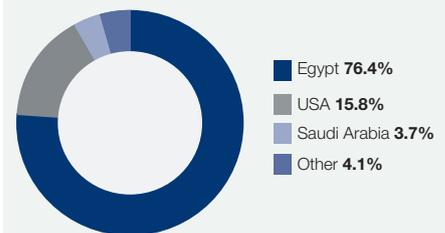
New awards in the U.S. grew 51.0% y-o-y in Q4 2020, indicating a positive trajectory in new award activity. New awards are mainly attributable to the data center, commercial and light industrial sectors, reflecting the Group's focus on these core markets.

#### BESIX Group

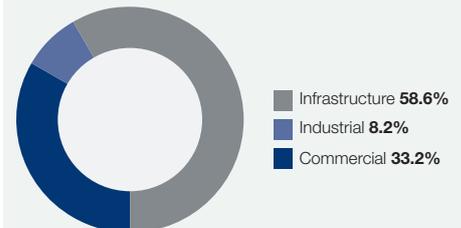
BESIX's standalone backlog stood at EUR 4.2 billion as of 31 December 2020. New awards totaled approximately EUR 760 million in Q4 2020, bringing total new awards in FY 2020 to EUR 2.3 billion.

### Backlog by Segment – Equity Consolidation

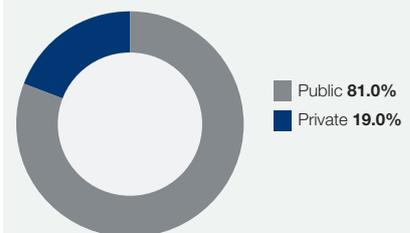
#### Backlog by geography



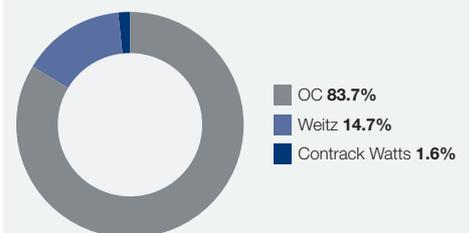
#### Backlog by sector



#### Backlog by client



#### Backlog by brand



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### SUMMARY FINANCIAL RESULTS

#### Summary Income Statement

| USD million                                    | FY 2020        | FY 2019        | Change         | Q4 2020      | Q4 2019      | Change         |
|--|----------------|----------------|----------------|--------------|--------------|----------------|
| <b>Revenue</b>                                 | <b>3,371.1</b> | <b>3,184.0</b> | <b>5.9%</b>    | <b>927.8</b> | <b>898.7</b> | <b>3.2%</b>    |
| MEA  | 2,107.3        | 2,182.2        | (3.4)%         | 594.9        | 551.6        | 7.8%           |
| USA  | 1,263.8        | 1,001.8        | 26.2%          | 332.9        | 347.1        | (4.1)%         |
| <b>EBITDA</b>                                  | <b>197.8</b>   | <b>268.2</b>   | <b>(26.2)%</b> | <b>47.5</b>  | <b>68.5</b>  | <b>(30.7)%</b> |
| MEA  | 184.7          | 276.4          | (33.2)%        | 45.7         | 60.8         | (24.8)%        |
| USA  | 13.1           | (8.2)          | 259.8%         | 1.8          | 7.7          | (76.6)%        |
| <b>EBITDA margin</b>                           | <b>5.9%</b>    | <b>8.4%</b>    |                | <b>5.1%</b>  | <b>7.6%</b>  |                |
| MEA margin                                     | 8.8%           | 12.7%          |                | 7.7%         | 11.0%        |                |
| USA margin                                     | 1.0%           | (0.8)%         |                | 0.5%         | 2.2%         |                |
| <b>Net income attributable to shareholders</b> | <b>90.9</b>    | <b>121.3</b>   | <b>(25.1)%</b> | <b>25.9</b>  | <b>27.6</b>  | <b>(6.2)%</b>  |
| MEA  | 87.8           | 115.9          | (24.2)%        | 19.8         | 26.2         | (24.4)%        |
| USA  | 9.3            | (17.5)         | 153.1%         | 3.8          | 4.8          | (20.8)%        |
| BESIX  | (6.2)          | 22.9           | (127.1)%       | 2.3          | (3.4)        | (167.6)%       |
| <b>Net income margin</b>                       | <b>2.7%</b>    | <b>3.8%</b>    |                | <b>2.8%</b>  | <b>3.1%</b>  |                |
| MEA margin                                     | 4.2%           | 5.3%           |                | 3.3%         | 4.7%         |                |
| USA margin                                     | 0.7%           | (1.7)%         |                | 1.1%         | 1.4%         |                |

#### Net Debt (cash)

| USD million               | 31 Dec 20 | 31 Dec 19 | Change |
|---------------------------|-----------|-----------|--------|
| Cash and cash equivalents | 473.8     | 374.8     | 26.4%  |
| Total debt                | 115.2     | 95.7      | 20.4%  |
| Total equity              | 641.9     | 585.7     | 9.6%   |
| Net debt (cash)           | (358.6)   | (279.1)   |        |

Consolidated revenue increased 3.2% y-o-y to USD 927.8 million in Q4 2020 and 5.9% y-o-y to USD 3,371.1 million in FY 2020. The MEA operations comprised 64% and 63% of total revenue in Q4 2020 and FY 2020, respectively, while the USA operations accounted for the balance.

Consolidated EBITDA decreased 30.7% y-o-y to USD 47.5 million in Q4 2020 and 26.2% y-o-y to USD 197.8 million in FY 2020, while consolidated EBITDA margins stood at 5.1% in Q4 2020 and 5.9% in FY 2020. The U.S. operations reported the first full year of profits, marking an important milestone on the path to sustained profitability.

Including the Group's 50% share in BESIX, pro forma EBITDA stood at USD 227.6 million in FY 2020. BESIX reported positive net income in H2 2020, indicating a solid recovery.

Net income attributable to shareholders decreased 6.2% to USD 25.9 million in Q4 2020 and 25.1% to USD 90.9 million in FY 2020. Net income in FY 2020 was impacted primarily by lower consolidated gross profit and negative earnings from BESIX in H1 2020. However, excluding contribution from BESIX, the Group would have reported net income attributable to shareholders of USD 97.1 million in FY 2020, in-line with the level generated in FY 2019.

The Group increased its net cash position to USD 358.6 million as of 31 December 2020 from USD 279.1 million as of 31 December 2019. In addition, the Group generated operating cash flow of USD 138.2 million, demonstrating the successful efforts in collections and working capital management. Total equity increased 9.6% y-o-y to USD 641.9 million as of 31 December 2020.

#### Health and Safety

The Group reached a number of health and safety milestones throughout the year even with additional challenges stemming from COVID-19. In FY 2020, the lost time injury (LTI) rate in the Middle East and Africa stood at 0.01 with manhours of 212 million, and in USA stood at 0.40 with manhours of 3.3 million.

The Group's achievements during the year include exceeding 15 million manhours without LTI at Abu Rawash Wastewater Treatment Plant and the Grand Egyptian Museum in Egypt, while the Group's U.S. operations expanded the existing 'Lead with Safety' program at all locations and completed 12,000 safety audits.

#### Dividends

The Board of Directors proposes a dividend to shareholders of USD 27 million (USD 0.2313 per share), marking the fourth consecutive year of dividend distributions and the first of two expected installments.

Dubai, UAE / Cairo, Egypt / 25 March 2021

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### ABOUT ORASCOM CONSTRUCTION PLC

Orascom Construction PLC is a leading global engineering and construction contractor primarily focused on infrastructure, industrial and high-end commercial projects in the Middle East, Africa and the United States. The Group has consistently ranked among the world's top contractors and is ranked number 38 on ENR's 2020 Top 250 International Contractors list. Orascom Construction PLC also develops and invests in infrastructure opportunities, owns 50% of BESIX Group, and holds a construction materials and facilities management portfolio. For more information, please visit [www.orascom.com](http://www.orascom.com)

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Backlog and new awards are non-IFRS metrics based on management's estimates of awarded, signed and ongoing contracts which have not yet been completed, and serves as an indication of total size of contracts to be executed. These figures and classifications are unaudited, have not been verified by a third party, and are based solely on management's estimates.

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