ORASCOM CONSTRUCTION PLC

Consolidated Financial Statements

For the year ended 31 December 2025

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Orascom Construction PLC

Director's Report

The Board of Directors of Orascom Construction PLC (the "Company") presents the consolidated statement of financial position of the Company and its Subsidiaries (the "Group") as at 31 December 2025 and the related consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2025.

Principal Activities

The Group is a leading global engineering and construction contractor primarily focused on infrastructure, industrial and high-end commercial projects in the Middle East, Africa, and the United States. Orascom Construction also develops and invests in concessions, owns 50% of BESIX Group, and holds a building materials, facility management and equipment services portfolio. The Group has consistently ranked among the world's top contractors and is dual listed on the Abu Dhabi Securities Exchange and the Egyptian Exchange.

Financial Highlights and Performance

During the year ended 31 December 2025, Orascom Construction PLC achieved an increase in backlog, revenue and profitability metrics. Backlog increased 18.9% y-o-y to USD 9,025.4 million, and revenue increased 55.1% y-o-y to USD 5,049.8 million. Revenue growth was driven by progress at all major projects in Egypt, UAE, KSA and USA.

The Group also delivered an increase in EBITDA, net income and profitability margins, reflecting stronger performance across all operating segments. EBITDA increased 101.3% to USD 305.0 million in FY 2025, representing an EBITDA margin of 6.0% compared to 4.7% in the prior year. Net income attributable to shareholders increased 65.1% y-o-y to USD 194.8 million in FY 2025.

Financial Results

The Group reported a revenue of USD 5,049.8 million for the year ended 31 December 2025. The Group's net profit attributable to shareholder for amounted to USD 194.8 million for the same year ended.

Dividend

Orascom Construction PLC distributed total dividends of USD 51.8 million in FY 2025.

On 31 December 2024, the Board of Directors of Orascom Construction PLC approved an interim dividend of USD 0.220 per share amounting to USD 24.2 million, which was paid on 15 January 2025. In addition, the Board approved a further interim dividend of USD 0.250 per share amounting to USD 27.6 million, which was paid on 13 August 2025.

Comparatively, during 2024 the shareholders approved dividends totaling USD 43.0 million, consisting of an interim dividend of USD 0.190 per share and a final dividend of USD 0.200 per share.

Outlook and Strategy for 2026

The Group concluded the year with a healthy backlog of USD 9.0 billion, mainly driven by large-scale infrastructure projects in the MEA region, in addition to data centers, aviation, and commercial projects in the USA. The Group continues to pursue new construction opportunities across key sectors such as power, water, data centers and transportation, and new concessions under construction and evaluation.

Looking ahead, the Group continues to focus on operational excellence, health and safety, geographic diversification, and capital allocation.

Transactions with Related Parties

Related party transactions and balances are fully disclosed in Note 28 of the consolidated financial statements. All such transactions are conducted in the ordinary course of business of the Company and in accordance with all applicable laws and regulations.

Auditors

KPMG Lower Gulf Limited ("KPMG") serves as external auditors for the Group for the financial year ended 31 December 2025. KPMG has indicated its willingness to continue in this capacity for the fiscal year 2026. A recommendation for the reappointment of KPMG for the subsequent financial year will be submitted for shareholder approval at the forthcoming Annual General Meeting.

Statement of Disclosure to Auditors

The Directors of Orascom Construction PLC hereby certify that, to the best of their knowledge, there exists no material audit information of which Group's auditor is unaware. The Directors further confirm that all necessary measures have been taken as Directors to ascertain the completeness of all relevant audit information provided to the Group's auditor.

Directors

Name	Position
Jérôme Guiraud	Chairman Independent Non-Executive Director
Osama Bishai	Chief Executive Officer and Executive Director
Sami Haddad	Independent Non-Executive Director
Johan Beerlandt	Independent Non-Executive Director
Nada Shousha	Independent Non-Executive Director
Renad Younes	Independent Non-Executive Director
Bjorn Schuurmans	Non-Executive Director

On behalf of the Board

Osama Bishai
Chief Executive Officer
Abu Dhabi, United Arab Emirates
30 March 2026

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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 2025, the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows 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 2025, 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 the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Abu Dhabi Global Market ("ADGM") and Dubai Financial Services Authority ("DFSA") as applicable during the year. We have also 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. Revenue recognition for construction contracts

Refer to notes 13 and 25 of the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group recognizes revenue over time in accordance with IFRS 15 "Revenue from Contracts with Customers", based on the progress of construction contracts and in accordance with the terms of the related agreements and the relevant laws and regulations of the jurisdiction. Progress 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 relies on estimates made by management in relation to the final outcome of costs on each contract. Any changes to these estimates could give rise to material variances in the amount of revenue recognised. The input method used to measure the progress places considerable importance on accurate estimates of the extent of progress towards completion and may involve estimates on the scope of services required for fulfilling the contractually defined obligations. The significant estimates include total contract costs, remaining costs to completion, contract price, management's judgement involved in accounting for contract variations and claims and other judgments. Therefore, a high degree of subjectivity and significant management judgment is associated with estimating the amount of revenue to be recognised by the Group based on the final outcome on contract costs. Accordingly, revenue recognition from construction contracts is considered a key audit matter.	Our audit procedures included the following: • Assessed the appropriateness of the revenue recognition accounting policies adopted by the Group in accordance with IFRS Accounting Standards; • Obtained an understanding of the revenue process implemented by the Group; • Assessed the design and implementation of key relevant controls over the recognition of contract revenue; • Challenged management on the appropriateness of the method and evaluated whether management's method for measuring progress towards completion of performance obligations was appropriate under IFRS 15 and applied consistently across similar contracts; • On a sample basis, assessed the adequacy of the total estimated cost to complete through the supporting agreements, retrospective evaluation of budgets and other relevant information; • For costs incurred to date, tested on a sample basis, significant items of cost components by comparing these to the relevant supporting documents including payment certificates to ascertain the existence and accuracy of the costs of work done; • On a sample basis, 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; • On a sample basis, we assessed the appropriateness of recognised variations and claims by inspecting the contractual terms and analyzing past practice and correspondence with the customers;

Key Audit Matters (continued)

1. Revenue recognition for construction contracts (continued)

The key audit matter	How the matter was addressed in our audit
	• On a sample basis, challenged management's assertions in relation to variation orders and in the measurement of revenue, by inspecting correspondence and minutes of meetings between management and the customer, and by reviewing the track record of settlements with the customer; and • Considered 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 in accordance with applicable financial reporting framework

2. Expected credit loss allowances on receivables

Refer to note 9 of the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group is exposed to credit risk on its receivable balances including trade receivables, contracts work in progress, and retention receivables. The determination of expected credit loss ("ECL") involves significant estimates and judgement. Key areas involving judgements include current and forward-looking external factors and historical loss experience used in the measurement of lifetime expected credit losses. Due to significant judgements and complexities involved in the computation of ECL for determining impairment provision, this is considered as a key audit matter.	Our audit procedures included the following: • 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 Financial Instruments; • Assessed the design and implementation of key relevant controls over the ECL; • Testing the accuracy of the receivables aging report by agreeing a sample of outstanding customer balances to the underlying sales invoices and independently re-performing the aging classification based on invoice dates to verify that balances are correctly allocated to the appropriate aging buckets; and • Assessing the reasonableness of historical loss rates and forward-looking adjustments used in the expected credit loss calculation;

Key Audit Matters (continued)

3. Recognition of deferred tax assets

Refer to note 11 of the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Group recognizes deferred tax assets arising from deductible temporary differences and tax losses carried forward across multiple tax jurisdictions. The recognition and measurement of these deferred tax assets require significant judgement. Management assesses the recoverability of deferred tax assets based on forecasts of future taxable profits and the expected reversal of taxable temporary differences within the relevant jurisdictions. These assessments require consideration of the Group's future operating performance, tax planning strategies, and the application of complex local and international tax legislation. Given the significant judgements involved in forecasting future taxable profits and interpreting the applicable tax laws in various jurisdictions, the recognition of deferred tax assets is subject to estimation uncertainty. Accordingly, we considered the recognition of deferred tax assets to be a key audit matter.	Our audit procedures in relation to the recognition and measurement of deferred tax assets included: • Evaluating and testing the design and implementation of key relevant controls over the calculation and recognition of deferred tax balances; • Involving our tax specialists to assess the Group's tax positions, including deferred tax assets, and to evaluate compliance with the relevant tax legislation in certain jurisdictions in which the Group operates, as well as challenging the assumptions used by management in determining tax balances; • Assessing the deferred tax assets recognised in the consolidated statement of financial position by reviewing the reasonableness of management's forecasts of future taxable profits, the availability and utilisation of tax losses in the relevant jurisdictions, and the expected tax planning strategies; and • Evaluating the adequacy of the Group's tax-related disclosures in the consolidated financial statements in accordance with applicable financial reporting framework.

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.

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 ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules and applicable provisions of Markets Law No.1 of 2012 (as amended), as applicable during the year 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.
- 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.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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.

Report on Other Legal and Regulatory Requirements

We further report that the consolidated financial statements have been properly prepared in compliance with the applicable provisions of the Markets Law No. 1 of 2012 (as amended).

Further, as required by the provisions of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015, and the Market Rules, we report that:

1. the consolidated financial statements, in all material respects, have been properly prepared in compliance with the requirements of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules; and

2. the financial information included in the Director's report, in so far as it relates to these consolidated financial statements, is consistent with the books of account of the Group.

KPMG

KPMG Lower Gulf Limited

Mohamed Altatawi
Abu Dhabi, United Arab Emirates

Date: 30 March 2026

KPMG
KPMG Lower Gulf Limited
P.O. Box: 7613, Abu Dhabi - UAE
Tel: 02 - 4014800

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at

$ millions	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, plant and equipment	(7)	178.5	141.8
Goodwill	(8)	27.7	27.7
Trade and other receivables	(9)	33.1	16.0
Equity accounted investees	(10)	540.0	450.0
Deferred tax assets	(11)	80.3	63.2
Total non-current assets		**859.6**	**698.7**
Current assets			
Inventories	(12)	275.4	232.4
Trade and other receivables	(9)	1,902.5	1,422.8
Contracts work in progress	(13)	807.8	575.7
Current income tax receivables		0.8	0.4
Cash and cash equivalents	(14)	1,369.7	1,041.3
Total current assets		**4,356.2**	**3,272.6**
Total assets		**5,215.8**	**3,971.3**
Equity			
Share capital	(15)	110.2	110.2
Share premium		467.3	467.3
Reserves	(16)	(448.9)	(534.0)
Retained earnings		743.9	578.0
Equity attributable to owners of the Company		**872.5**	**621.5**
Non-controlling interest	(17)	28.2	26.0
Total equity		**900.7**	**647.5**
Liabilities			
Non-current liabilities			
Loans and borrowings	(18)	31.2	7.5
Trade and other payables	(19)	75.7	53.5
Deferred tax liabilities		4.9	4.3
Total non-current liabilities		**111.8**	**65.3**
Current liabilities			
Loans and borrowings	(18)	283.7	305.7
Trade and other payables	(19)	2,114.3	1,460.6
Advanced payments from construction contracts		708.6	873.2
Billing in excess of construction contracts	(13)	986.0	555.6
Provisions	(20)	74.8	37.3
Income tax payables		35.9	26.1
Total current liabilities		**4,203.3**	**3,258.5**
Total liabilities		**4,315.1**	**3,323.8**
Total equity and liabilities		**5,215.8**	**3,971.3**

The notes on pages 13 to 51 are an integral part of these consolidated financial statements.
The consolidated financial statements were approved by the Board of Directors and authorized for issue on 30 March 2026 and signed on their behalf by:

Chief Executive Officer

Board Member

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

for the year ended

$ millions	Note	31 December 2025	31 December 2024
Revenue	(25)	5,049.8	3,254.9
Cost of sales	(21)	(4,588.3)	(2,952.0)
Gross profit		461.5	302.9
Other income (net)	(22)	16.3	15.0
Selling, general and administrative expenses	(21)	(205.6)	(197.8)
Operating profit		272.2	120.1
Finance income	(23)	36.8	128.7
Finance cost	(23)	(120.9)	(110.9)
Net finance (cost) / income		(84.1)	17.8
Income from equity accounted investees	(10)	39.2	30.0
Profit before income tax		227.3	167.9
Income tax	(11)	(21.6)	(34.1)
Net profit		205.7	133.8
Other comprehensive income / (loss):			
Items that are or may be reclassified to profit or loss			
Foreign currency translation differences		86.1	(119.4)
Other comprehensive income / (loss), net of tax		86.1	(119.4)
Total comprehensive income		291.8	14.4
Profit attributable to:			
Owners of the Company		194.8	118.0
Non-controlling interests	(17)	10.9	15.8
Net profit		205.7	133.8
Total comprehensive income attributable to:			
Owners of the Company		279.9	5.7
Non-controlling interests	(17)	11.9	8.7
Total comprehensive income		291.8	14.4
Earnings per share (in USD)			
Basic and diluted earnings per share	(24)	1.77	1.07

The notes on pages 13 to 51 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended

$ millions	Note	Share capital	Share premium	Reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
Balance at 1 January 2024		110.2	467.3	(421.7)	533.3	689.1	22.3	711.4
Net profit for the year		-	-	-	118.0	118.0	15.8	133.8
Other comprehensive loss for the year		-	-	(112.3)	-	(112.3)	(7.1)	(119.4)
Total comprehensive income		-	-	(112.3)	118.0	5.7	8.7	14.4
Dividends	(31)	-	-	-	(67.2)	(67.2)	(5.0)	(72.2)
Other		-	-	-	(6.1)	(6.1)	-	(6.1)
Balance at 31 December 2024		110.2	467.3	(534.0)	578.0	621.5	26.0	647.5
Balance at 1 January 2025		**110.2**	**467.3**	**(534.0)**	**578.0**	**621.5**	**26.0**	**647.5**
Net profit for the year		-	-	-	194.8	194.8	10.9	205.7
Other comprehensive income for the year		-	-	85.1	-	85.1	1.0	86.1
Total comprehensive income		-	-	85.1	194.8	279.9	11.9	291.8
Dividends	(31)	-	-	-	(27.6)	(27.6)	(9.6)	(37.2)
Other		-	-	-	(1.3)	(1.3)	(0.1)	(1.4)
Balance at 31 December 2025		**110.2**	**467.3**	**(448.9)**	**743.9**	**872.5**	**28.2**	**900.7**

The notes on pages 13 to 51 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended

$ millions	Note	31 December 2025	31 December 2024
Net profit for the year		**205.7**	133.8
Adjustments for:			
Depreciation	(7)	32.8	31.4
Interest income	(23)	(32.7)	(21.9)
Interest expense	(23)	91.8	75.8
Net foreign exchange loss / (gain)	(23)	25.0	(71.7)
Share in income of equity accounted investees	(10)	(39.2)	(30.0)
Gain from disposal of subsidiaries	(22)	-	(0.7)
Gain on sale of property, plant and equipment	(22)	(1.9)	(4.3)
Income tax expense	(11)	21.6	34.1
Changes in:			
Inventories	(12)	(27.1)	(91.0)
Trade and other receivables	(9)	(408.9)	(528.7)
Contract work in progress	(13)	(196.4)	(73.5)
Trade and other payables	(19)	618.8	533.8
Advanced payments construction contracts		(211.1)	341.2
Billing in excess of construction contracts	(13)	398.3	366.7
Provisions	(20)	35.4	8.5
Cash flows:			
Interest paid	(23)	(91.8)	(75.8)
Interest received	(23)	32.7	21.9
Dividend from equity accounted investees		16.1	13.8
Income taxes paid		(7.5)	(18.2)
Cash flow generated from operating activities		**461.6**	**645.2**
Proceed from sale of property, plant and equipment		4.9	8.7
Proceed from sale of investments	(22)	-	2.5
Investments in property, plant and equipment	(7)	(52.3)	(75.1)
Investment in associate	(10)	(45.8)	-
Cash flow used in investing activities		**(93.2)**	**(63.9)**
Proceeds from borrowings	(18)	306.1	122.6
Repayment of borrowings	(18)	(323.5)	(59.2)
Lease payments	(19.1)	(7.4)	(5.9)
Dividends paid to shareholders	(31)	(51.8)	(43.0)
Dividends paid to non-controlling interest		(9.6)	(5.0)
Other long term liabilities		-	(6.1)
Cash flow (used in) / generated from financing activities		**(86.2)**	**3.4**
Net change in cash and cash equivalents		**282.2**	**584.7**
Cash and cash equivalents at 1 January	(14)	1,041.3	696.6
Currency translation adjustments		46.2	(240.0)
Cash and cash equivalents at 31 December	(14)	**1,369.7**	**1,041.3**

The notes on pages 13 to 51 are an integral part of these consolidated financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. General

Orascom Construction PLC ("OC PLC" or the "Company") is a public company limited by shares, continued pursuant to the Abu Dhabi Global Market (ADGM) Companies Regulations 2020 (as amended) with registered number 31025. The Company is deemed to have been continued in the ADGM effective 30 October 2025, from the Dubai International Financial Centre (DIFC), United Arab Emirates, where it was formerly registered as Orascom Construction PLC under registered number 1752. The Company's registered head office is located at 1501, Floor 15, Tamouh Tower, Al Reem Island, Abu Dhabi, United Arab Emirates. The Company's ordinary shares are dual listed on the Abu Dhabi Securities Exchange (ADX) and the Egyptian Exchange (EGX) (previously dual listed on NASDAQ Dubai and the Egyptian Exchange). The consolidated financial statements for the year ended 31 December 2025 (31 December 2024) 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 originally incorporated on 18 January 2015 as Orascom Construction Limited, a private company limited by shares under the laws of the DIFC, and was subsequently converted into a public company pursuant to DIFC Law No. 5 of 2018. On 30 October 2025, the Company completed its transfer of incorporation from the DIFC to the ADGM continuing as a company registered under the ADGM Companies Regulations.

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 IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the applicable provisions of Abu Dhabi Global Market Companies Regulations 2020 (as amended) and Abu Dhabi Global Market Companies Regulations (International Accounting Standards) Rules 2015.

These 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 and functional currency. All values are rounded to the nearest million (in millions of USD), except when stated otherwise.

These consolidated financial statements have been authorised for issue by the Company's Board of Directors on 30 March 2026.

3. Summary of material accounting policies

Material accounting policy information

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise.

Global minimum top-up tax

The Organisation for Economic Co-operation and Development (OECD) has issued the Global Anti-Base Erosion (GloBE) Model Rules, which mandate a minimum tax rate of 15% per jurisdiction (Pillar Two). Various countries have either enacted or are in the process of enacting tax legislation to fully or partially comply with Pillar Two. The United Arab Emirates, where the Group's Ultimate Parent Entity is situated, has substantively enacted the Cabinet Decision No. 142 of 2024 on the Imposition of Top-up Tax on Multinational Enterprises.

There is uncertainty regarding whether the Pillar Two model rules create additional temporary differences, whether deferred taxes should be remeasured for the Pillar Two model rules, and which tax rate should be used to measure deferred taxes. In response to this uncertainty, the IASB issued amendments to IAS 12 'Income Taxes' on 23 May 2023 and 27 June 2023, respectively. These amendments introduce a mandatory temporary exception to the requirements of IAS 12, under which a company does not recognize or disclose information about deferred tax assets and liabilities related to the OECD/G20 BEPS Pillar Two model rules. The Group applied this temporary exception as of 31 December 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 30.

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

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 and that either has been disposed of or is classified as held for sale and:

- 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 noncontrolling 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 arrangments

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 other 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; 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 derecognizes 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 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).

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;
- 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 components, 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Revenue from sale of goods

Revenue from the sale of goods is recognised in the statement of profit or loss when control has been transferred to the customer on delivery of goods.

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 construction 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 a cost-based method.

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.

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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.

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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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

- Lack of Exchangeability - Amendments to IAS 21

Accounting standards issued but not yet effective

A number of new accounting standards are effective for annual periods beginning after 1 January 2025 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.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- Contracts referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Sale or Contribution of Assets between an Investor and its associate or Joint Venture- Amendments to IFRS 10 and IAS 28.

5. Critical accounting judgements, 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:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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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.

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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 2025	31 December 2024
Trade and other receivables (excluding prepayments and supplier and subcontractor advance payments)	(9)	1,321.0	1,103.7
Contract work in progress	(13)	807.8	575.7
Cash and cash equivalents (excluding cash on hand)	(14)	1,368.0	1,039.9
Total		**3,496.8**	**2,719.3**

The major exposure to credit risk for trade and other receivables by geographic region was as follows:

$ millions	31 December 2025	31 December 2024
Middle East and Africa	635.3	616.6
Asia and Oceania	20.8	53.7
Europe and United States	664.9	433.4
Total	**1,321.0**	**1,103.7**

Impairment losses

The following table provides the information above the exposure to credit risk and ECLs for trade receivables as at 31 December 2024:

At 31 December 2024 $ millions	Weighted average loss rate	Gross	Loss allowance
Not due	- %*	470.2	-
0 - 30 days	- %*	53.5	-
31 - 90 days	- %*	31.2	-
More than 90 days	9.9 %	108.7	(10.8)
Total		663.6	(10.8)

The following table provides the information above the exposure to credit risk and ECLs for trade receivables as at 31 December 2025:

At 31 December 2025 $ millions	Weighted average loss rate	Gross	Loss allowance
Not due	-%*	589.2	-
0 - 30 days	-%*	109.2	-
31 - 90 days	-%*	36.3	-
More than 90 days	12.2%	103.2	(12.6)
Total		837.9	(12.6)

*Based on the Group's assessment, the ECL impairment loss on trade receivables is immaterial to the consolidated financial statements.

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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 to 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 2024 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(18)	313.2	337.5	160.8	168.7	8.0
Trade and other payables (excluding lease obligation, other tax payable and deferred revenue)	(19)	1,465.4	1,465.4	1,433.4	-	32.0
Lease obligation	(19.1)	27.4	32.5	0.2	5.6	26.7
Total		**1,806.0**	**1,835.4**	**1,594.4**	**174.3**	**66.7**

At 31 December 2025 $ millions	Note	Carrying amount	Contractual cash flow	6 months or less	6–12 months	1–5 years
Financial liabilities						
Loans and borrowings	(18)	314.9	339.0	149.2	156.5	33.3
Trade and other payables (excluding lease obligation, other tax payable and deferred revenue)	(19)	2,135.5	2,135.5	2,082.7	-	52.8
Lease obligation	(19.1)	31.4	36.0	1.0	8.0	27.0
Total		**2,481.8**	**2,510.5**	**2,232.9**	**164.5**	**113.1**

The interest on floating rate loans and borrowings is based on forward interest rates at period-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 and interest rates 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 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 prevailing 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.

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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 2024 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	196.4	(209.3)
Trade and other receivables	2.9	628.4
Trade and other payables	(0.2)	(629.0)

At 31 December 2025 $ millions	EUR	EGP
Cash and cash equivalents (including loans and borrowings)	274.1	(219.5)
Trade and other receivables	2.0	673.6
Trade and other payables	(2.0)	(1,215.6)
Notional value of forward contracts	-	170.6

Significant rates

The following significant exchange rates were applied during the year ended 31 December 2025:

	Average 2025	Closing 31 December 2025	Opening 1 January 2025
Egyptian Pound	0.0203	0.0210	0.0197
Saudi Riyal	0.2666	0.2667	0.2662
UAE Dirham	0.2723	0.2723	0.2723
Euro	1.1241	1.1729	1.0410

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 2025, if the functional currencies had strengthened/weakened 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 an increase/decrease of USD 45.8 million of the profit / loss of the year ended 31 December 2025 (31 December 2024: USD 20.0 million).

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31 December 2024 $ millions	Change in FX rate*	Effect on profit before tax	Effect on equity
EUR - USD	10%	19.9	19.9
EGP - USD	10%	0.1	(21.0)

31 December 2025 $ millions	Change in FX rate*	Effect on profit before tax	Effect on equity
EUR - USD	10%	27.4	27.4
EGP - USD	10%	18.4	(59.1)

* Determined based on the volatility of last year for the respective currencies.

In addition, for financial assets and liabilities denominated in USD held by entities whose functional currencies are other than USD, a 10% change in the USD exchange rate would result in an effect on profit or loss and equity of approximately USD 50.0 million as at 31 December 2025 (31 December 2024: USD 45.0 million).

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, i.e. floating rate borrowings amounting to USD 314.9 million (2024: USD 313.2 million) 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 2025, 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 9.2 million of the profit of the year ended 31 December 2025 (31 December 2024 : USD 7.6 million)

$ millions	Change in interest rate	31 December 2025	31 December 2024
Effect on profit before tax	10% increase	(9.2)	(7.6)
	10% decrease	9.2	7.6

Categories of financial instruments

$ millions	Note	31 December 2025 Financial assets / liabilities at amortized cost	31 December 2025 Derivatives at fair value	31 December 2024 Financial assets / liabilities at amortized cost	31 December 2024 Derivatives at fair value
Assets					
Trade and other receivables (excluding prepayments and supplier and subcontractor advance payments)	(9)	1,321.0	-	1,103.7	-
Contracts work in progress	(13)	807.8	-	575.7	-
Cash and cash equivalents	(14)	1,369.7	-	1,041.3	-
Total		**3,498.5**	-	**2,720.7**	-
Liabilities					
Loans and borrowings	(18)	314.9	-	313.2	-
Trade and other payables (excluding lease obligation)	(19)	2,158.6	-	1,486.7	-
Billing in excess of construction contracts	(13)	986.0	-	555.6	-
Total		**3,459.5**	-	**2,355.5**	-

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6.4 Capital Management

The Board of Director'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 2025	31 December 2024
Loans and borrowings	(18)	314.9	313.2
Less: cash and cash equivalents	(14)	(1,369.7)	(1,041.3)
Net debt / (Cash)		(1,054.8)	(728.1)
Total equity		900.7	647.5
Net debt to equity ratio		(1.17)	(1.12)

7. Property, plant and equipment

$ millions	Land	Buildings	Equipment	Fixtures and fittings	Under construction	Total
Cost as of 1 January 2024	**9.6**	**89.2**	**218.1**	**100.7**	**5.5**	**423.1**
Additions during the year	-	19.3	40.1	15.7	13.6	88.7
Disposals	-	(3.0)	(8.6)	(9.1)	(2.7)	(23.4)
Transfers	-	1.8	2.9	0.2	(4.9)	-
Disposal of subsidiaries	-	-	(1.5)	(0.6)	-	(2.1)
Effect of movement in exchange rates	(3.4)	(12.2)	(68.7)	(21.8)	(2.4)	(108.5)
Cost as of 31 December 2024	**6.2**	**95.1**	**182.3**	**85.1**	**9.1**	**377.8**
Accumulated Depreciation as of 1 January 2024	-	**(44.4)**	**(166.6)**	**(85.7)**	-	**(296.7)**
Depreciation	-	(6.2)	(18.2)	(7.0)	-	(31.4)
Disposals	-	3.0	7.2	8.8	-	19.0
Transfers	-	-	-	-	-	-
Disposal of subsidiaries	-	-	1.5	0.6	-	2.1
Effect of movement in exchange rates	-	7.6	48.6	14.8	-	71.0
Accumulated depreciation as of 31 December 2024	-	**(40.0)**	**(127.5)**	**(68.5)**	-	**(236.0)**
As of 31 December 2024	**6.2**	**55.1**	**54.8**	**16.6**	**9.1**	**141.8**

$ millions	Land	Buildings	Equipment	Fixtures and fittings	Under construction	Total
Cost as of 1 January 2025	6.2	95.1	182.3	85.1	9.1	377.8
Additions during the year	-	11.9	19.1	16.3	18.2	65.5
Disposals	-	(4.0)	(17.0)	(5.5)	(0.3)	(26.8)
Transfers	-	0.7	2.6	(0.3)	(3.0)	-
Effect of movement in exchange rates	0.3	2.5	24.8	3.9	1.8	33.3
Cost as of 31 December 2025	**6.5**	**106.2**	**211.8**	**99.5**	**25.8**	**449.8**
Accumulated Depreciation as of 1 January 2025	-	**(40.0)**	**(127.5)**	**(68.5)**	-	**(236.0)**
Depreciation	-	(8.6)	(16.4)	(7.8)	-	(32.8)
Disposals	-	4.0	14.5	5.3	-	23.8
Transfers	-	-	(1.3)	1.3	-	-
Effect of movement in exchange rates	-	(1.4)	(20.4)	(4.5)	-	(26.3)
Accumulated depreciation as of 31 December 2025	-	**(46.0)**	**(151.1)**	**(74.2)**	-	**(271.3)**
As of 31 December 2025	**6.5**	**60.2**	**60.7**	**25.3**	**25.8**	**178.5**

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Property, plant and equipment' comprise owned and leased assets:

$ millions	31 December 2025	31 December 2024
Owned assets	147.7	115.9
Right to use	30.8	25.9
At 31 December	178.5	141.8

The information about 'Right to use' for assets of the Group is presented below:

$ millions	Buildings	Equipment	Total
Cost as of 1 January 2024	**30.7**	**7.2**	**37.9**
Additions during the year	11.4	2.2	13.6
Lease modification	(0.2)	-	(0.2)
Effect of Movement in exchange rates	(5.0)	(1.7)	(6.7)
Cost at 31 December 2024	**36.9**	**7.7**	**44.6**
Accumulated Depreciation as of 1 January 2024	**(14.0)**	**(5.0)**	**(19.0)**
Depreciation	(4.0)	(1.7)	(5.7)
Lease modification	0.2	-	0.2
Effect of Movement in exchange rates	4.1	1.7	5.8
Accumulated depreciation at 31 December 2024	**(13.7)**	**(5.0)**	**(18.7)**
As of 31 December 2024	**23.2**	**2.7**	**25.9**

$ millions	Buildings	Equipment	Total
Cost as of 1 January 2025	**36.9**	**7.7**	**44.6**
Additions during the year	11.7	1.5	13.2
Lease modification	(3.3)	(1.2)	(4.5)
Effect of Movement in exchange rates	(0.5)	1.0	0.5
Cost at 31 December 2025	**44.8**	**9.0**	**53.8**
Accumulated Depreciation as of 1 January 2025	**(13.7)**	**(5.0)**	**(18.7)**
Depreciation	(5.7)	(1.7)	(7.4)
Lease modification	2.8	1.2	4.0
Effect of Movement in exchange rates	(0.1)	(0.8)	(0.9)
Accumulated depreciation at 31 December 2025	**(16.7)**	**(6.3)**	**(23.0)**
As of 31 December 2025	**28.1**	**2.7**	**30.8**

8. Goodwill

$ millions	Goodwill
Cost	27.7
At 1 January 2025	27.7
Movements in the carrying amount:	-
At 31 December 2025	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 (previously known as "Alico") resulting in USD 1.4 million of goodwill.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

For the purpose of impairment testing, goodwill arising from the acquisition of Weitz amounting to USD 12.4 million has been allocated to the USA CGU, while the remaining goodwill balance of USD 15.3 million has been allocated to the MENA CGU.

Goodwill was tested for impairment in the fourth quarter of 2025. No impairment was recorded in 2025. 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 2026 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 5.1% for USA and MENA respectively. The estimated cash flows are discounted to their present value using a weighted average cost of capital of 9.0% and 22.2% 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 2025	31 December 2024
Trade receivables (gross)	837.9	663.6
Allowance for trade receivables	(12.6)	(10.8)
Trade receivables (net)	825.3	652.8
Trade receivables due from related parties (Note 28)	12.8	4.6
Prepayments	23.3	19.8
Other tax receivable	54.6	37.3
Supplier and subcontractor advance payments	591.3	315.3
Retentions	289.8	249.8
Other receivables	138.5	159.2
Total	1,935.6	1,438.8
Non-current	33.1	16.0
Current	1,902.5	1,422.8
Total	**1,935.6**	**1,438.8**

The carrying amount of 'Trade and other receivables' as at 31 December 2025 approximates its fair value.

The aging of gross trade receivables at the reporting date is as follows:

$ millions	31 December 2025	31 December 2024
Neither past due nor impaired	589.2	470.2
Past due 1 - 30 days	109.2	53.5
Past due 31 - 90 days	36.3	31.2
Past due 91 - 360 days	61.1	44.8
More than 360 days	42.1	63.9
Total	**837.9**	**663.6**

Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The movement in the allowance for impairment in respect of trade receivables during the year ended 31 December 2025 was as follows:

$ millions	2025	2024
At 1 January	**(10.8)**	(11.6)
Provision formed	(4.2)	(3.5)
Provision no longer required	2.9	-
Disposal of subsidiary	-	0.9
Exchange rate differences and other	(0.5)	3.4
At 31 December	**(12.6)**	(10.8)

10. Equity accounted investees

The following table shows the movement in the carrying amount of the Group's associates:

$ millions	2025	2024
At 1 January	**450.0**	464.7
Additions (refer to (i) below)	35.1	-
Share in results	39.2	30.0
Dividends	(16.1)	(14.2)
Disposal	-	(1.8)
Effect of movement in exchange rates	31.8	(28.7)
At 31 December	**540.0**	450.0

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	2025 100%	2025 Group Share 50%	2024 100%	2024 Group Share 50%
Non-current asset	948.4	474.2	877.2	438.6
Current asset	3,346.4	1,673.2	2,794.0	1,397.0
Non-current liabilities	(720.0)	(360.0)	(646.8)	(323.4)
Current liabilities	(2,655.0)	(1,327.5)	(2,189.8)	(1,094.9)
Net assets at 31 December	**919.8**	**459.9**	834.6	417.3
Construction revenue	4,849.6	2,424.8	3,815.4	1,907.7
Construction cost	(4,800.2)	(2,400.1)	(3,770.2)	(1,885.1)
Net Profit for the year ended 31 December	**49.4**	**24.7**	45.2	22.6

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The Group has interests in a number of equity accounted investees. The following are the significant interest as of 31 December 2025:

Name	Group Entity	Country	Participation %	2025 Group Share $ millions	2024 Group Share $ millions
BESIX Group SA	OC IHC 3 B.V.	Belgium	50.0	459.9	417.3
Red Sea Wind Energy SAE	Orascom Egypt Wind BV II	Egypt	25.0	42.7	2.3
National Pipe Company	Orascom Construction SAE OCI Construction Egypt	Egypt	40.0	15.2	12.7
Ras Ghareb Wind Energy SAE	Orascom Egypt Wind BV	Egypt	20.0	7.1	6.2
Orasqualia for the Development of the Wastewater Treatment Plant (S.A.E.) and Orasqualia for Operation and Maintenance (S.A.E.)	Orascom Construction SAE	Egypt	50.0	6.2	5.3
Wave Co Development SPV Limited	OC Investments Holding Limited	UAE	33.3	5.1	-
Al Ahly for Industrial Development SAE	Orascom Industrial Parks Company	Egypt	25.0	3.7	3.4
Clark, Weitz, and Clarkson	The Weitz Group	USA	30.0	-	2.7

The Group's participation percentages in the entities disclosed above remained unchanged from the previous reporting period.

The following table summarizes the financial information of the Orascom Construction Group's share on equity accounted investees:

$ millions	2025 100%	2025 Group Share	2024 100%	2024 Group Share
Non-current asset	1,988.4	726.1	1,732.2	642.2
Current asset	3,503.4	1,724.5	2,916.1	1,440.1
Non-current liabilities	(1,568.1)	(563.9)	(1,257.7)	(466.9)
Current liabilities	(2,727.5)	(1,346.7)	(2,467.4)	(1,165.4)
Net assets at 31 December	**1,196.2**	**540.0**	**923.2**	**450.0**
Income	5,009.8	2,471.0	3,953.0	1,954.4
Expense	(4,910.5)	(2,431.8)	(3,892.1)	(1,924.4)
Net profit for the year ended 31 December	**99.3**	**39.2**	**60.9**	**30.0**

Transaction between Group entities and associates

(i) During the year, the Group made cash contribution to Red Sea Wind Energy SAE amounting to USD 50.2 million. Of this amount, USD 35.1 million was contributed as increase in capital while the USD 15.1 million as form of a loan. During the same year, USD 4.4 million of the loan was repaid to the Group. The loan matures in February 2027 and bears interest at prevailing market rates.

There are no significant transactions between entities of the group and the associates, except for the investments in and the dividends received from these associates.

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 21.6 million (31 December 2024 : USD 34.1 million) and can be summarized as follows:

$ millions	31 December 2025	31 December 2024
Current tax	36.3	35.2
Deferred tax	(14.7)	(1.1)
Total income tax in profit or loss	**21.6**	**34.1**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 32.0%.

Reconciliation of the effective tax rate can be summarized as follows:

$ millions	31 December 2025	%	31 December 2024	%
Profit before income tax	227.3		167.9	
Tax calculated at weighted average group tax rate	(41.5)	18.3	(48.5)	28.9
Recognition of previously unrecognized tax asset	14.7	(6.5)	1.1	(0.7)
Other	5.2	(2.3)	13.3	(7.9)
Total income tax in profit or loss	(21.6)	9.5	(34.1)	20.3

The movement in income tax payable during the year is presented below:

$ millions	2025	2024
At 1 January	**26.1**	**38.9**
Current tax expense	36.3	35.2
Income tax paid during the year	(7.5)	(18.2)
Effect of movement in exchange rates and others	(19.0)	(29.8)
At 31 December	**35.9**	**26.1**

UAE Corporate Tax and Minimum Top-up Tax

The UAE has enacted the Pillar Two legislation by way of a Domestic Minimum Top-up Tax ("DMTT") that became effective from 1 January 2025. OC PLC is considered to be in scope of the Pillar Two rules.

OC PLC has assessed the impact of the UAE DMTT for year end reporting for the constituent entities. Based on the assessment, the Group is not liable for any DMTT as the UAE Group meets the transitional safe harbours (effective tax rate above 16%) at reporting date.

During the year, the Group recognised a current tax charge in respect of Pillar Two Top-up taxes, primarily relating to low taxed income subject to the Dutch Income Inclusion Rule and the Qatar Domestic Minimum Top-up Tax. Management has assessed the resulting Pillar Two tax liability as not material to the Group's consolidated financial statements.

Management is closely monitoring further developments that could impact its overall Pillar Two tax position on a going-forward basis. OC PLC applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

Deferred income tax assets and liabilities

The majority of the deferred tax assets of USD 80.3 million (31 December 2024: USD 63.2 million) relates to carried forward tax losses. The deferred tax assets recognized in the statement of financial position is expected to be realized in the period 2026 - 2031.

Deferred tax assets have not been recognized in respect to the carried forward tax losses amounting to USD 587.3 million with a tax effect of USD 152.7 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	31 December 2025	Expiry date	31 December 2024	Expiry date
Expire	512.0	2034-2037	627.6	2034-2037
Never Expire	75.3	-	75.3	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

12. Inventories

$ millions	31 December 2025	31 December 2024
Finished goods	21.6	17.5
Raw materials and consumables	236.2	204.6
Fuels and others	6.3	5.2
Others	11.3	5.1
Total	275.4	232.4

As at 31 December 2025, the total write-downs amount to USD 2.7 million (31 December 2024: USD 2.1 million), of which USD 1.9 million related to raw materials and USD 0.8 million related to finished goods.

13. Contracts work in progress / billing in excess of construction contracts

$ millions	31 December 2025	31 December 2024
Costs incurred on contracts (including estimated earnings)	26,223.7	21,439.3
Less: billings to date (Net)	(26,401.9)	(21,419.2)
Total	**(178.2)**	**20.1**

Presented in the consolidated statement of financial position as follows:		
Construction contracts in progress - current assets	807.8	575.7
Less: Billing in excess on construction contracts - current liabilities	(986.0)	(555.6)
Total	**(178.2)**	**20.1**

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 2025	31 December 2024
Contract assets (contract work-in-progress)	807.8	575.7
Contract liabilities (billings in excess of revenue)	(986.0)	(555.6)
Contract liabilities (advances from customers)	(708.6)	(873.2)

14. Cash and cash equivalents

$ millions	31 December 2025	31 December 2024
Cash on hand	1.7	1.4
Bank balances	1,368.0	1,039.9
Total	**1,369.7**	**1,041.3**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

15. Share capital

The movements in the number of shares (nominal value USD 1 per share) can be summarized as follows:

	31 December 2025	31 December 2024
At 1 January	110,243,935	110,243,935
At 31 December - fully paid	110,243,935	110,243,935
At 31 December ($ millions)	**110.2**	110.2

16. Reserves

$ millions	31 December 2025	31 December 2024
At 1 January	(534.0)	(421.7)
Currency translation differences	85.1	(112.3)
At 31 December	**(448.9)**	(534.0)

17. Non-controlling interest

$ 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	-	4.4	13.2	**17.7**
Current assets	8.8	96.4	10.5	2.1	**117.8**
Non-current liabilities	-	(0.2)	(2.0)	-	**(2.2)**
Current liabilities	(4.4)	(96.2)	(4.4)	(2.3)	**(107.3)**
Net assets as of 31 December 2024	4.5	-	8.5	13.0	**26.0**
Revenue	6.1	0.7	5.6	1.4	**13.8**
Profit	1.8	(1.1)	3.1	12.0	**15.8**
Other comprehensive loss	(2.5)	-	(4.5)	(0.1)	**(7.1)**
Total comprehensive (loss) / income for the year ended 31 December 2024	(0.7)	(1.1)	(1.4)	11.9	**8.7**

$ 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	0.2	-	6.2	19.2	**25.6**
Current assets	13.5	36.6	11.8	-	**61.9**
Non-current liabilities	-	(0.2)	(3.3)	-	**(3.5)**
Current liabilities	(7.9)	(43.1)	(4.8)	-	**(55.8)**
Net assets as of 31 December 2025	5.8	(6.7)	9.9	19.2	**28.2**
Revenue	8.5	0.7	6.0	-	**15.2**
Profit	1.6	(6.7)	1.3	14.7	**10.9**
Other comprehensive income	0.4	-	0.6	-	**1.0**
Total comprehensive (loss) / income for the year ended 31 December 2025	**2.0**	**(6.7)**	**1.9**	**14.7**	**11.9**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

18. Loans and borrowings

Borrowing Company	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities (current)	Total
Orascom Construction SAE	Multiple rates	Annual	-	-	235.9	235.9
Orascom Road Construction	Multiple rates	Multiple	-	-	32.7	32.7
The Weitz Group, LLC	Multiple rates	Multiple	0.6	22.0	-	22.6
National Steel Fabrication	Multiple rates	Multiple	-	-	12.5	12.5
Fayoum for warehouse and Depots	Multiple rates	July 2039	6.9	-	-	6.9
Other	Multiple rates	Multiple	-	-	2.6	2.6
Total as of 31 December 2024			**7.5**	**22.0**	**283.7**	**313.2**

Borrowing Company	Interest rate	Date of maturity	Long term portion	Short term portion	Bank facilities (current)	Total
Orascom Construction SAE	Multiple rates	Annual	-	-	230.9	230.9
Fayoum for warehouse and Depots	Multiple rates	July 2039	30.9	-	-	30.9
Orascom Road Construction	Multiple rates	Multiple	-	-	25.6	25.6
The Weitz Group, LLC	Multiple rates	Multiple	0.3	11.2	-	11.5
National Steel Fabrication	Multiple rates	Multiple	-	-	12.5	12.5
Other	Multiple rates	Multiple	-	-	3.5	3.5
Total as of 31 December 2025			**31.2**	**11.2**	**272.5**	**314.9**

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	Lease Obligation	Retained Earnings	NCI	Total
Balance as at 1 January 2024	22.8	227.0	20.7	533.3	22.3	826.1
Proceeds from borrowings	65.9	56.7	-	-	-	122.6
Repayment of borrowings	(59.2)	-	-	-	-	(59.2)
Lease payments	-	-	(5.9)	-	-	(5.9)
Dividends paid to shareholders	-	-	-	(43.0)	-	(43.0)
Dividends paid to non-controlling interest	-	-	-	-	(5.0)	(5.0)
Other	-	-	-	(6.1)	-	(6.1)
Total changes from financing cashflow	**29.5**	**283.7**	14.8	484.2	17.3	829.5
Liability-related other changes	-	-	12.6	-	-	12.6
Equity-related other changes	-	-	-	93.8	8.7	102.5
Balance as at 31 December 2024	**29.5**	**283.7**	27.4	578.0	26.0	944.6

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$ millions	Loans & Borrowings	Bank Overdraft	Lease Obligation	Retained Earnings	NCI	Total
Balance as at 1 January 2025	29.5	283.7	27.4	578.0	26.0	944.6
Proceeds from borrowings	335.2	(29.1)	-	-	-	306.1
Repayment of borrowings	(323.5)	-	-	-	-	(323.5)
Lease payments	-	-	(7.4)	-	-	(7.4)
Dividends paid to shareholders	-	-	-	(51.8)	-	(51.8)
Dividends paid to non-controlling interest	-	-	-	-	(9.6)	(9.6)
Total changes from financing cashflow	**41.2**	**254.6**	**20.0**	**526.2**	**16.4**	**858.4**
Liability-related other changes	1.2	17.9	11.4	-	-	30.5
Equity-related other changes	-	-	-	217.7	11.8	229.5
Balance as at 31 December 2025	**42.4**	**272.5**	**31.4**	**743.9**	**28.2**	**1,118.4**

19. Trade and other payables

$ millions	31 December 2025	31 December 2024
Trade payables	749.8	523.2
Trade payables due to related party (Note 28)	9.9	6.9
Other payables	234.0	248.7
Accrued expenses	965.0	528.8
Deferred revenues	1.0	0.5
Other tax payables	22.1	20.8
Lease obligation (Note 19.1)	31.4	27.4
Retentions payables	175.9	156.6
Employee benefit payables	0.9	1.2
Total	2,190.0	1,514.1
Non-current	75.7	53.5
Current	2,114.3	1,460.6
Total	**2,190.0**	**1,514.1**

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 at the reporting date.

Retentions payable relate to amounts withheld from sub-contractors.

19.1 Lease obligations

$ millions	Non-current lease obligations	Current lease obligations	Total
At 1 January 2024	**15.9**	**4.8**	**20.7**
Movements in the carrying amount:			
Payments	(0.1)	(5.8)	(5.9)
Accretion of interest	-	0.9	0.9
Additions	10.6	2.0	12.6
Transfers	(3.9)	3.9	-
Effect of movement in exchange rates	(0.7)	(0.2)	(0.9)
As of 31 December 2024	**21.8**	**5.6**	**27.4**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

$ millions	Non-current lease obligations	Current lease obligations	Total
At 1 January 2025	**21.8**	**5.6**	**27.4**
Movements in the carrying amount:			
Payments	(0.4)	(7.0)	(7.4)
Accretion of interest	-	1.3	1.3
Additions	7.4	2.9	10.3
Transfers	(5.9)	5.9	-
Effect of movement in exchange rates	(0.1)	(0.1)	(0.2)
As of 31 December 2025	**22.8**	**8.6**	**31.4**

20. Provisions

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2024	**2.0**	**5.2**	**33.8**	**41.0**
Provision formed	0.8	9.5	5.2	15.5
Provision used	-	(2.0)	-	(2.0)
Provision no longer required	-	(0.5)	(0.2)	(0.7)
Effect of movement in exchange rates	(0.9)	(2.8)	(8.5)	(12.2)
Other	-	-	(4.3)	(4.3)
At 31 December 2024	1.9	9.4	26.0	37.3

$ millions	Warranties	Onerous contracts	Other (including claims)	Total
At 1 January 2025	**1.9**	**9.4**	**26.0**	**37.3**
Provision formed	-	3.0	40.2	43.2
Provision used	(0.3)	-	(4.5)	(4.8)
Provision no longer required	-	(0.2)	(1.7)	(1.9)
Effect of movement in exchange rates	0.1	0.7	1.1	1.9
Other	-	(0.1)	(0.8)	(0.9)
At 31 December 2025	**1.7**	**12.8**	**60.3**	**74.8**

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. This provision includes USD 7.2 million related to a litigation in the US. Reference is made to Note 27 for detailed information with respect to major ongoing litigations and claims.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. Cost of sales and selling, general and administrative expenses

i. Expenses by nature

$ millions	31 December 2025	31 December 2024
Changes in raw materials and consumables, finished goods and work in progress	3,970.7	2,446.0
Employee benefit expenses (ii)	679.5	587.0
Depreciation, amortization	32.8	31.4
Maintenance and repairs	38.9	24.7
Consultancy expenses	27.5	15.7
Donation Expenses	0.9	3.6
Other	43.6	41.4
Total	**4,793.9**	**3,149.8**

The expenses by nature comprise 'cost of sales' and 'selling and general and administrative expenses'.

The breakdown for the fees paid or payable to KPMG member firms during the year are as follows.

$ millions	31 December 2025	31 December 2024
Categories of services:		
Financial statement audits	1.2	1.0
Other services*	0.7	0.7
Total	**1.9**	**1.7**

*This primarily related to fees associated with the review of interim financial statements.

ii. Employee benefit expenses

$ millions	31 December 2025	31 December 2024
Wages and salaries	534.6	495.4
Social securities	1.1	1.2
Employee profit sharing	44.7	25.8
Pension cost	7.0	6.3
Other employee expenses	92.1	58.3
Total	**679.5**	**587.0**

As of 31 December 2025, the number of staff employed in the Group totaled 60,231 divided into 24,452 permanent employees and 35,779 temporary employees (31 December 2024: 56,119 employees divided into 21,198 permanent employees and 34,921 temporary employees).

The average monthly number of persons employed by the Group during the year, categorized between engineering and non-engineering personnel, were as follows:

	31 December 2025	31 December 2024
Engineering	15,343	12,573
Non-engineering	44,888	43,546
Total	**60,231**	**56,119**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

During the year ended 31 December 2025, under the LTIP, awards with a total value of USD 16.7 million vested (31 December 2024: USD 13.5 million). The carrying amount of LTIP awards as at 31 December 2025 was USD 67.6 million (31 December 2024: USD 30.1 million). As of 31 December 2025, a total of 5,320,798 shares remained outstanding under the LTIP (31 December 2024: 5,416,921 shares).

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 accounts 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 year ended 31 December 2025 is USD 7.8 million and the expected contribution to these plans for the financial year 2026 is USD 8.0 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.

22. Other income (net)

$ millions	31 December 2025	31 December 2024
Other income	14.4	10.0
Net gain on sale of property, plant and equipment	1.9	4.3
Capital gain*	-	0.7
Total	**16.3**	**15.0**

*In 2024, the Group recognized a gain on the sale of its investment in SCIB Chemicals SAE amounting to USD 0.7 million. The investment had a carrying value of USD 1.8 million and the total consideration received was USD 2.5 million.

23. Net finance income

$ millions	31 December 2025	31 December 2024
Interest income on financial assets measured at amortized cost	32.7	21.9
Foreign exchange gain	4.1	106.8
Finance income	**36.8**	**128.7**
Interest expense on financial liabilities measured at amortized cost	(91.8)	(75.8)
Foreign exchange loss	(29.1)	(35.1)
Finance cost	**(120.9)**	**(110.9)**
Net finance (cost) / income recognized in profit or loss	**(84.1)**	**17.8**

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 2025	31 December 2024
Total interest income on financial assets	32.7	21.9
Total interest expense on financial liabilities	(91.8)	(75.8)

24. Earnings per share

	31 December 2025	31 December 2024
Net profit attributable to shareholders ($ millions)	194.8	118.0
Weighted average number of ordinary share (million)	110.2	110.2
Basic and diluted earnings per ordinary share (USD)	**1.77**	**1.07**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

25. Revenue

$ millions	31 December 2025	31 December 2024
Revenue from contracts with customers	5,049.8	3,254.9
Primary geographical market		
MENA	2,849.3	1,611.3
USA	2,200.5	1,643.6
Total Revenue	5,049.8	3,254.9
Major products and service lines		
Construction revenue	4,945.8	3,150.5
Revenue from sale of goods	57.8	49.9
Revenue from sale of services	39.5	36.2
Others	6.7	18.3
Total Revenue	5,049.8	3,254.9
Timing of revenue recognition		
Products and services transferred overtime	4,985.3	3,186.7
Products and services transferred at a point in time	64.5	68.2
Total Revenue	5,049.8	3,254.9

26. Segment reporting

The Group determines and presents operating segments on the information that internally is provided to the Chief Executive Officer during the year. 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 the year ended 31 December 2024

$ millions	MENA	USA	Besix	Total
Products and services transferred overtime	1,543.1	1,643.6	-	3,186.7
Products and services transferred at a point in time	68.2	-	-	68.2
Total revenue	**1,611.3**	**1,643.6**	**-**	**3,254.9**
Construction revenue	1,506.9	1,643.6	-	3,150.5
Revenue from sale of goods	49.9	-	-	49.9
Revenue from sale of services	36.2	-	-	36.2
Others	18.3	-	-	18.3
Total revenue	**1,611.3**	**1,643.6**	**-**	**3,254.9**
Share in income of equity accounted investees	7.4	-	22.6	30.0
Depreciation and amortization	(23.6)	(7.8)	-	(31.4)
Interest income	21.4	0.5	-	21.9
Interest expense	(75.8)	-	-	(75.8)
Profit before tax for the year ended 31 December	**96.9**	**48.4**	**22.6**	**167.9**
Investment in PP&E (including right of use asset)	68.2	20.5	-	88.7
Equity accounted investee	30.0	2.7	417.3	450.0
Non-current assets as at 31 December	**156.3**	**125.1**	**417.3**	**698.7**
Total assets as at 31 December	**2,674.3**	**879.7**	**417.3**	**3,971.3**
Total liabilities as at 31 December	**2,764.9**	**558.9**	**-**	**3,323.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Business information for the year ended 31 December 2025

$ millions	MENA	USA	Besix	Total
Products and services transferred overtime	2,784.8	2,200.5	-	4,985.3
Products and services transferred at a point in time	64.5	-	-	64.5
Total revenue	**2,849.3**	**2,200.5**	**-**	**5,049.8**
Construction revenue	2,745.3	2,200.5	-	4,945.8
Revenue from sale of goods	57.8	-	-	57.8
Revenue from sale of services	39.5	-	-	39.5
Others	6.7	-	-	6.7
Total revenue	**2,849.3**	**2,200.5**	**-**	**5,049.8**
Share in income of equity accounted investees	14.5	-	24.7	39.2
Depreciation and amortization	(23.1)	(9.7)	-	(32.8)
Interest income	31.7	1.0	-	32.7
Interest expense	(88.7)	(3.1)	-	(91.8)
Profit before tax for the year ended 31 December	**138.2**	**64.4**	**24.7**	**227.3**
Investment in PP&E (including right of use asset)	54.6	10.9	-	65.5
Equity accounted investee	80.1	-	459.9	540.0
Non-current assets as at 31 December	**263.3**	**136.4**	**459.9**	**859.6**
Total assets as at 31 December	**3,828.6**	**927.3**	**459.9**	**5,215.8**
Total liabilities as at 31 December	**3,531.1**	**784.0**	**-**	**4,315.1**

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 the following customers that represent 10 percent or more of revenues:

Percentage	31 December 2025	31 December 2024
Egyptian Government	31.9%	27.3%

27. Contingencies

27.1 Contingent liabilities

27.1.1 Letters of guarantee / letters of credit

Letters of guarantee issued by the banks for the Group as at 31 December 2025 amount to USD 2,552.6 million (31 December 2024: USD 2,050.2 million). Outstanding letters of credit as at 31 December 2025 (uncovered portion) amount to USD 51.2 million (31 December 2024: USD 84.2 million).

As of 31 December 2025, mechanic liens have been received in respect of our US projects for a total of USD 15.1 million (31 December 2024: USD 1.9 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

27.1.2 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 20 '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 2025, though they may significantly impact operational results or cash flows in specific periods.

Furthermore, the Group faces potential claims from customers and claims from subcontractors 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.

27.1.3 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. Contrack Cyprus Limited is ultimately wholly owned by OC PLC.

In July 2014, when the project was approx. 95% complete, the JV received a Notice of Termination from the Foundation. The Foundation also commenced arbitration proceedings against the JV by serving a Request for Arbitration with the ICC (seat in London).

On 1 July 2025, the ICC issued an award (on all claims other than costs and interest) in the case which, in addition to confirming the Foundation's entitlement to keep the amounts received in 2014 with the encashment of the JV's guarantees, finds the JV liable to pay the Foundation the net sum of QAR 104,622,023 (equivalent to US$ 28.7 million). The JV and QF filed Applications for Correction on this award.

On 27 Nov 2025, the Tribunal issued an addendum to the 12th Partial Award, reducing the JV's liability to QAR 3.9 million (equivalent to US$ 1 million). Contrack Cyprus is liable to pay 45% of that sum and has sufficient cash to meet this obligation. The necessary provisions were created in relation to the award issued.

The arbitral tribunal has now ruled on all claims submitted by the parties except for interest and legal costs. An award for interest and legal costs is expected in the fourth quarter of 2026 or early 2027.

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). This arbitration is on hold since March 2020 pending decision in the main arbitration in the paragraph above.

27.1.4 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

28. 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 ended 31 December 2024	AR and loan outstanding at year ended 31 December 2024	Purchases transactions during the year ended 31 December 2024	AP and advances outstanding at year ended 31 December 2024
Besix Group SA	Equity accounted investee	5.4	-	-	-
Egypt Green Hydrogen 1 BV	Equity accounted investee	0.4	-	-	-
Ras Ghareb Wind Energy	Equity accounted investee	0.4	-	-	-
Red Sea Wind Energy	Equity accounted investee	1.6	1.6	-	-
National Pipe Company	Equity accounted investee	-	-	-	4.3
Nile City Investment	Related via Key Management personnel	-	-	0.7	2.5
Other		-	3.0	-	0.1
Total		7.8	**4.6**	**0.7**	**6.9**

Related party $ millions	Relation	Revenue transactions during the year ended 31 December 2025	AR and loan outstanding at year ended 31 December 2025	Purchases transactions during the year ended 31 December 2025	AP and advances outstanding at year ended 31 December 2025
Besix Group SA	Equity accounted investee	11.7	-	-	-
Egypt Green Hydrogen 1 BV	Equity accounted investee	0.4	-	-	-
Ras Ghareb Wind Energy	Equity accounted investee	0.4	-	-	-
Red Sea Wind Energy	Equity accounted investee	0.6	11.2	-	-
National Pipe Company	Equity accounted investee	-	-	0.3	4.6
Nile City Investment	Related via Key Management personnel	-	-	0.2	2.7
Other		-	1.6	-	2.6
Total		**13.1**	**12.8**	**0.5**	**9.9**

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.

28.1 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.

29. Remuneration of the Board of Directors (Key management personnel)

During the year ended 31 December 2025, 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 amounts for the year ended 31 December 2025 to an amount of around USD 73.4 million (31 December 2024: USD 45.5 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Key management personnel compensation comprise of the following:

$ millions	31 December 2025	31 December 2024
Short-term employee benefits	19.1	18.3
Other long-term benefits	54.3	27.2
Total	73.4	45.5

30. List of principal subsidiaries, associates and joint ventures

Companies	Country	Percentage of interest	Consolidation method
Imagro Construction Algeria (SPA)	Algeria	99.99	Full
BESIX Group SA	Belgium	50.00	Equity
Integrated Facade Solutions (Alico)	Egypt	100.00	Full
National Equipment Company	Egypt	100.00	Full
National Pipe Company	Egypt	40.00	Equity
National Steel Fabrication	Egypt	100.00	Full
Orascom Construction SAE	Egypt	100.00	Full
Orascom Free Zone	Egypt	100.00	Full
Orascom Industrial Parks Company	Egypt	60.50	Full
Orascom Road Construction	Egypt	100.00	Full
Orascom Trading Company	Egypt	100.00	Full
Orasqualia for the Development of the Wastewater Treatment Plant	Egypt	50.00	Equity
Ras Ghareb Wind Energy SAE	Egypt	20.00	Equity
Red Sea Wind Energy SAE	Egypt	25.00	Equity
IMAGRO Construction SRL	Italy	49.90	Full
OCI Saudi Arabia Ltd. Co.	KSA	100.00	Full
Orascom Saudi Company	KSA	60.00	Full
Orascom Construction Trading - FZCO	UAE	100.00	Full
Orascom Structures Contracting L.L.C. S.O.C.	UAE	100.00	Full
Contrack Watts Inc	USA	100.00	Full
Orascom Construction USA Inc	USA	100.00	Full
Orascom E&C USA	USA	100.00	Full
The Weitz Group LLC	USA	100.00	Full

Furthermore, OC PLC has various holding companies in the Netherlands and the countries it operates in. The percentage of interest of the principal entities mentioned above have no significant change from the previous year.

31. Dividends

On 6 February 2024, the board of directors approved an interim dividend of USD 0.19 per share amounting to USD 20.9 million which had been paid on 22 February 2024.

On 20 May 2024, at the Annual General Meeting, the shareholders approved a dividend of USD 0.20 per share amounting to USD 22.1 million which had been paid on 21 August 2024.

On 31 December 2024, the board of directors approved an interim dividend of USD 0.22 per share amounting to USD 24.2 million which had been paid on 15 January 2025.

On 27 July 2025, the board of directors approved an interim dividend of USD 0.25 per share amounting to USD 27.6 million which had been paid on 13 August 2025.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

32. Potential Strategic Merger

On 22 September 2025, OCI Global (listed on Euronext Amsterdam) and Orascom Construction PLC (listed on ADX and EGX) jointly announced that they are exploring a potential strategic merger (the "Combination").

As at the reporting date, the boards of directors of Orascom Construction PLC and OCI Global had approved the proposed Combination, and the structure of the transaction and the exchange ratio had been agreed.

Under the agreed terms, Orascom Construction PLC would be the acquiring entity, incorporated in ADGM and primarily listed on ADX, with shareholders of OCI Global receiving newly issued shares in Orascom Construction PLC based on the agreed exchange ratio.

The proposed Combination remains subject to shareholder approvals and the receipt of required regulatory consents. As the transaction had not been completed as at the reporting date, it has no impact on these consolidated financial statements.

At the General Assembly Meeting held on 22 January 2026, the shareholders of Orascom Construction PLC approved all special resolutions relating to the proposed Combination, in accordance with the terms and conditions set out in the Shareholders' Circular and Notice of General Meeting published on 11 December 2025, and the applicable rules and regulations.

Completion of the proposed Combination remains subject to, among other matters, approval by the shareholders of OCI Global and the receipt of required regulatory approvals. Accordingly, this matter is considered a non-adjusting subsequent event and has no impact on these consolidated financial statements.

33. Subsequent Event

The recent regional military escalations have triggered a high-risk conflict environment across the Gulf. The situation is still very fluid, and scenarios can shift very quickly. The escalations have brought about additional uncertainties in the Group's operating environment, including Group's operations in UAE and KSA. With respect to consolidated financial statements for the year ended 31 December 2025, the potential financial reporting effects of the conflict are considered to be non-adjusting in nature.

The Group has been closely monitoring the impact of recent developments on its businesses. However, considering that the majority of the Group's operations are located outside the conflict area, management has concluded that there has been no material impact on the Group's operations, financial performance, or financial position, and therefore no contingency measures have been required to put in place.

As far as the Group's businesses are concerned, the current developments have not resulted in any significant operational disruptions, delays in constructions or in delivery to customers, or material impact on the repayment abilities of debtors. Accordingly, there has been no material impact on revenues, expected credit losses, or the recoverability of non-financial assets, and the Group does not anticipate any risk of breaching its financial covenants as a result of these developments. As the situation is fast evolving and fluid, the effect of the escalations is subject to significant levels of uncertainty, with the full range of possible effects unknown.

Management will continue to monitor the situation closely; however as at the reporting date, no material financial impact has been identified.

Abu Dhabi, UAE, 30 March 2026

The Orascom Construction PLC Board of Directors,

Jérôme Guiraud	Chairman Independent Non-Executive Director
Osama Bishai	Chief Executive Officer and Executive Director
Sami Haddad	Independent Non-Executive Director
Johan Beerlandt	Independent Non-Executive Director
Nada Shousha	Independent Non-Executive Director
Renad Younes	Independent Non-Executive Director
Bjorn Schuurmans	Non-Executive Director
Hassan Badrawi	Non-Executive Director (resigned on 26 January 2026)

Orascom Construction PLC
("the Company")

Separate financial statements
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DIRECTORS' REPORT

For the year ended 31 December 2025

The Board of Directors of Orascom Construction PLC (the "Company") presents the separate statement of financial position of the Company as at 31 December 2025 and the related separate statement of profit or loss and other comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year ended 31 December 2025.

Principal activities

The principal activity of the Company is holding investments.

Results

The Company incurred a net loss of USD 22,765,785 for the year ended 31 December 2025 *(2024: net loss of USD 17,110,188).*

Dividends

On 31 December 2024, the Board of Directors of Orascom Construction PLC approved an interim dividend of USD 0.220 per share amounting to USD 24.2 million, which was paid on 15 January 2025. In addition, the Board approved a further interim dividend of USD 0.250 per share amounting to USD 27.6 million, which was paid on 13 August 2025.

Comparatively, during 2024 the shareholders approved dividends totaling USD 43.0 million, consisting of an interim dividend of USD 0.190 per share and a final dividend of USD 0.200 per share.

Outlook and Strategy for 2026

The Company continues to focus on providing strategic oversight to its subsidiaries, optimizing its capital structure, and supporting the operational and financial performance of its underlying investments.

Transactions with related parties

Related party transactions and balances are fully disclosed in Note 13 of the separate financial statements. All such transactions are conducted in the ordinary course of business of the Company and in accordance with all applicable laws and regulations.

Auditors

KPMG Lower Gulf Limited ("KPMG") served as external auditors for the Company for the financial year ended 31 December 2025. KPMG has indicated its willingness to continue in this capacity for the fiscal year 2026. A recommendation for the reappointment of KPMG for the subsequent financial year will be submitted for shareholder approval at the forthcoming Annual General Meeting.

Statement of Disclosure to Auditors

The Directors of Orascom Construction PLC hereby certify that, to the best of their knowledge, there exists no material audit information of which the Company's auditor is unaware. The Directors further confirm that all necessary measures have been taken as Directors to ascertain the completeness of all relevant audit information provided to the Company's auditor.

Directors

Name	Position
Jérôme Guiraud	Chairman and Independent Non-Executive Director
Osama Bishai	Chief Executive Officer and Executive Director
Sami Haddad	Independent Non-Executive Director
Johan Beerlandt	Independent Non-Executive Director
Nada Shousha	Independent Non-Executive Director
Renad Younes	Independent Non-Executive Director
Bjorn Schuurmans	Non-Executive Director

On behalf of the Board

Osama Bishai
Chief Executive Officer
Abu Dhabi, UAE
30 March 2026

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Independent auditors' report

To the Shareholders of Orascom Construction PLC

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Orascom Construction PLC ("the Company") which comprise the separate statement of financial position as at 31 December 2025, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the unconsolidated financial position of the Company as at 31 December 2025, and its unconsolidated financial performance and its unconsolidated 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 Separate Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of the financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in the Abu Dhabi Global Market ("ADGM") and Dubai Financial Services Authority ("DFSA") as applicable during the year. We have also 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 separate financial statements of the current period. These matters were addressed in the context of our audit of the separate 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. Impairment of investment in subsidiaries

Refer to note 9 of the separate financial statements

The key audit matter	How the matter was addressed in our audit
Impairment of investment in subsidiaries is an area that involves significant management judgment and requires an assessment as to whether the carrying value of the subsidiaries can be supported by their value in use based on their current and expected future operations. To assess whether an impairment exists in the carrying value of the Company's subsidiaries, management is required to assess whether events or changes in circumstances indicate that their carrying value may not be recoverable. Factors considered important in determining whether an impairment review is required include indications that sufficient profits or cash flows may not be generated from the related investment. The assessment process is complex and involves significant judgment, as it relies on assumptions that are influenced by expected future market and economic conditions. Due to the significance of the carrying value of the investment in subsidiaries in the Company's separate financial statements and the inherent uncertainties associated with estimating future cash flows, the appropriate discount rates and growth rates, the impairment of investment in subsidiaries is considered as a key audit matter.	Our audit procedures included the following: • Review management's impairment assessment, evaluate the reasonableness of key assumptions and estimates used in the impairment model, and testing the mathematical accuracy and integrity of the model. • Assessed the accuracy of management's forecasts and challenged the significant assumptions and key areas of judgement underlying those forecasts; • Involved our specialists in assessing and evaluating the appropriateness of the discount rate and terminal growth rate used by management in the impairment assessment; • Assessed management's approach to identifying cash-generating units ("CGUs"), the allocation of assets to each CGU, and the methodology applied in the impairment assessment with reference to the requirements of the applicable accounting standards; • Performed sensitivity analysis on significant assumptions used in the model, including the discount rates and terminal growth rates; and • Assessed the adequacy of the disclosures in the separate financial statements.

Other Matter

The Group has prepared consolidated financial statements for the year ended 31 December 2025 in accordance with IFRS on which we issued a separate auditors' report, dated 30 March 2026.

Other Information

Management is responsible for the other information. The other information comprises the directors' report.

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

In connection with our audit of the separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate 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 Separate Financial Statements

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards and their preparation in compliance with the applicable provisions of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules and applicable provisions of Markets Law No.1 of 2012 (as amended), as applicable during the year and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate 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 separate 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 separate 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 Company's internal control.

- 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 Company'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 separate 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 Company to cease to continue as a going concern.

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

— Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 separate 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.

Report on Other Legal and Regulatory Requirements

We further report that the separate financial statements have been properly prepared in compliance with the applicable provisions of the Markets Law No. 1 of 2012 (as amended).

Further, as required by the provisions of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015, and the Market Rules, we report that:

1. the separate financial statements, in all material respects, have been properly prepared in compliance with the requirements of the ADGM Companies Regulations 2020 (as amended), the ADGM Companies Regulations (International Accounting Standards) Rules 2015 and the Market Rules; and

2. the financial information included in the Director's report, in so far as it relates to these separate financial statements, is consistent with the books of account of the Company.

KPMG

KPMG Lower Gulf Limited

Mohamed Altatawi
Abu Dhabi, United Arab Emirates

Date: 30 March 2026

KPMG
KPMG Lower Gulf Limited
P.O. Box: 7613, Abu Dhabi - UAE
Tel: 02 - 4014800

Orascom Construction PLC

Separate statement of financial position

As at 31 December

	Note	**2025 USD**	2024 USD
Non-current assets			
Investment in subsidiaries	*9*	**921,549,637**	921,549,637
Loans due from related parties	*13*	**422,788**	1,001,711
Property and equipment	*10*	**9,231**	554,405
		921,981,656	923,105,753
Current assets			
Prepayments and other receivables	*11*	**2,371,589**	15,099,079
Due from related parties	*13*	**59,470,090**	8,939,795
Cash and cash equivalents	*12*	**2,233,838**	1,035,853
		64,075,517	25,074,727
Total assets		**986,057,173**	948,180,480
Shareholders' equity			
Share capital	*15*	**110,243,935**	110,243,935
Share premium		**469,990,308**	469,990,308
Retained earnings		**50,394,922**	100,721,691
		630,629,165	680,955,934
Non-current liabilities			
Lease liability		**-**	299,497
Loans due to related parties	*13*	**267,183,200**	214,617,009
		267,183,200	214,916,506
Current liabilities			
Accounts payable and accrued expenses	*14*	**17,392,739**	8,945,976
Lease liability		**-**	209,416
Dividends payable	*16*	**-**	24,253,666
Due to related parties	*13*	**70,852,069**	18,898,982
		88,244,808	52,308,040
Total liabilities		**355,428,008**	267,224,546
Total liabilities and shareholders' equity		**986,057,173**	948,180,480

The notes on pages 11 to 37 form an integral part of these separate financial statements.

These separate financial statements were approved by the Board of Directors and authorised for issue on 30 March 2026 and signed on their behalf by:

Chief Executive Officer

Board Member

The independent auditors' report is set out on pages 3 to 6.

Orascom Construction PLC

Separate statement of profit or loss and other comprehensive income

For the year ended 31 December

	Note	2025 USD	2024 USD
Dividend income	*13*	**40,000,000**	15,189,803
Support and management fees	*13(i)*	**14,400,000**	10,268,769
General and administrative expenses	*5*	**(39,397,629)**	(29,768,883)
Finance income	*6*	**406,038**	9,322,973
Finance expenses	*7*	**(26,655,638)**	(21,541,674)
Reversal of / (provision for) impairment loss on loans and amount due from related parties, net	*13(iv)*	**3,972,054**	(581,176)
Provision for impairment loss on other receivables	*11*	**(15,490,610)**	-
Loss before income tax		**(22,765,785)**	(17,110,188)
Income tax	*8*	-	-
Loss for the year		**(22,765,785)**	(17,110,188)
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		**(22,765,785)**	(17,110,188)
Earnings per share (in USD)			
Basic earnings per share**		**1.77**	1.07

**Basic earnings per share is calculated using the profit attributable to the shareholders of the Company as reported in the consolidated financial statements, which includes the results of the Company and its subsidiaries.

The notes on pages 11 to 37 form an integral part of these separate financial statements.

The independent auditors’ report is set out on pages 3 to 6.

Orascom Construction PLC

Separate statement of changes in equity
For the year ended 31 December 2025

	Share capital USD	Share premium USD	Retained earnings USD	Total USD
Balance at 1 January 2024	110,243,935	469,990,308	185,080,679	765,314,922
Total comprehensive loss for the year				
Loss for the year	-	-	(17,110,188)	(17,110,188)
Transactions with owners, recognised directly in equity				
Dividends declared *(refer note 16)*	-	-	(67,248,800)	(67,248,800)
Balance at 31 December 2024	110,243,935	469,990,308	100,721,691	680,955,934
Balance at 1 January 2025	**110,243,935**	**469,990,308**	**100,721,691**	**680,955,934**
Total comprehensive loss for the year				
Loss for the year	-	-	**(22,765,785)**	**(22,765,785)**
Transactions with owners, recognised directly in equity				
Dividends declared *(refer note 16)*	-	-	**(27,560,984)**	**(27,560,984)**
Balance at 31 December 2025	**110,243,935**	**469,990,308**	**50,394,922**	**630,629,165**

The notes on pages 11 to 37 form an integral part of these separate financial statements.

Orascom Construction PLC

Separate statement of cash flows

For the year ended 31 December

	Note	2025 USD	2024 USD
Operating activities			
Loss for the year		**(22,765,785)**	(17,110,188)
Adjustments for:			
Depreciation on property and equipment		**140,949**	50,400
Finance income	*6*	**(406,038)**	(9,322,973)
Finance expenses	*7*	**26,655,638**	21,541,674
Dividend income	*13*	**(40,000,000)**	(15,189,803)
Net loss / (gain) on foreign exchange forward contracts	*13*	**1,833,487**	(404,394)
Provision for other receivables	*11*	**15,490,610**	-
(Reversal of) / provision for impairment loss on loans and amounts due from related parties, net	*13(iv)*	**(3,972,054)**	581,176
		(23,023,193)	(19,854,108)
Change in prepayments and other receivables		**(1,915,504)**	213,930
Change in due from related parties		**(10,061,444)**	(4,821,606)
Change in accounts payable and accrued expenses		**8,344,543**	5,053,042
Change in due to related parties		**94,148,287**	46,215,330
Net cash from operating activities		**67,492,689**	26,806,588
Investing activities			
Additional loan given to a related party	*13(vi)*	**(1,963,990)**	(2,183,980)
Collections from related parties loan	*13(vi)*	**6,351,318**	1,258,176
Additions to property and equipment		**(10,179)**	-
Finance income received	*6*	**84,394**	56,510
Net cash from /(used in) investing activities		**4,461,543**	(869,294)
Financing activities			
Dividends paid	*16*	**(51,814,650)**	(42,995,134)
Proceeds from loans given by related party	*13(vii)*	**21,031,838**	16,838,642
Lease payment		**-**	(102,220)
Finance expense paid		**(3,610,131)**	(30,276)
Repayment of loans to related parties	*13(vii)*	**(36,200,000)**	-
Net cash used in financing activities		**(70,592,943)**	(26,288,988)
Net change in cash and cash equivalents		**1,361,289**	(351,694)
Cash and cash equivalents at the beginning of the year		**1,035,853**	1,502,023
Effect of movements in exchange rates on cash held		**(163,304)**	(114,476)
Cash and cash equivalents at the end of the year	*12*	**2,233,838**	1,035,853

Any significant non cash movements are being disclosed in the related party transactions and balances (note 13).

The notes on pages 11 to 37 form an integral part of these separate financial statements.

The independent auditors' report is set out on pages 3 to 6.

1 Legal status and principal activities

Orascom Construction PLC ("OC PLC" or the "Company") is a public company limited by shares, continued pursuant to the Abu Dhabi Global Market (ADGM) Companies Regulations 2020 (as amended) with registered number 31025. The Company is deemed to have been continued in the ADGM effective 30 October 2025, from the Dubai International Financial Centre (DIFC), United Arab Emirates, where it was formerly registered as Orascom Construction PLC under registered number 1752. The Company's registered head office is located at 1501, F15, Tamouh Tower, Al Reem Island, Abu Dhabi, United Arab Emirates. The Company's ordinary shares are dual listed on the Abu Dhabi Securities Exchange (ADX) and the Egyptian Exchange (EGX) (previously dual listed on NASDAQ Dubai and the Egyptian Exchange).

OC PLC was originally incorporated on 18 January 2015 as Orascom Construction Limited, a private company limited by shares under the laws of the DIFC, and was subsequently converted into a public company pursuant to DIFC Law No. 5 of 2018. On 30 October 2025, the Company completed its transfer of incorporation from the DIFC to the ADGM, continuing as a company registered under the ADGM Companies Regulations.

The principal activity of the Company is holding investments.

The Company holds 100% ownership in Orascom Holding Cooperatief U.A., OC Investment Holding Limited, OC International Holding Limited and Orascom Building Materials Holding Limited. These entities operate as holding companies, and their respective subsidiaries are primarily engaged in activities within the construction sector.

2 Basis of preparation

Statement of compliance

These separate financial statements have been prepared in accordance with the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the applicable provisions of Abu Dhabi Global Market Companies Regulations 2020 (as amended) and Abu Dhabi Global Market Companies Regulations (International Accounting Standards) Rules 2015.

The financial year of the Company commences on 1 January and ends on 31 December.

Separate financial statements of the Company

The Company acts as a holding company for its subsidiaries. The Company and its subsidiaries are collectively referred to as "the Group". These separate financial statements present the financial performance and position of the Company only and do not include the operating results and financial position of its subsidiaries. In these separate financial statements, the investments in subsidiaries are stated at cost less provision for impairment losses (refer accounting policy on impairment) in accordance with International Accounting Standard 27 Consolidated and Separate Financial Statements. In order to have a more comprehensive understanding of the results of operations, financial position, changes in equity and cash flows as well as contingencies and commitments, the consolidated financial statements of the Group for the year ended 31 December 2025 issued separately on 30 March 2026 should be referred to.

Basis of measurement

These separate financial statements have been prepared under the historical cost basis.

2 Basis of preparation *(continued)*

Functional and presentation currency

These separate financial statements are presented in US Dollars ("USD"), which is the Company's functional currency.

Use of estimates and judgments

In preparing these separate financial statements management has made judgements, and estimates about the future, that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimate.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

In particular, information about significant areas of assumptions, estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the separate financial statements are discussed in note 20.

3 Material accounting policies

The accounting policies set out below, which comply with IFRS accounting standards, have been applied consistently to all periods presented in these separate financial statements in dealing with items which are considered material in relation to these separate financial statements.

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 Company 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

Financial assets

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 fair value through profit or loss ("FVTPL").

3 Material accounting policies *(continued)*

Financial instruments *(continued)*

ii. Classification and subsequent measurement *(continued)*

Financial assets *(continued)*

Financial assets are not reclassified subsequent to their initial recognition unless the Company 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 Company 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 Company 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 – 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.

3 Material accounting policies *(continued)*

Financial instruments *(continued)*

ii. Classification and subsequent measurement *(continued)*

Financial assets *(continued)*

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company 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 Company 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 Company'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 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 compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains or losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost

These assets including derivative financial assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment losses are recognized in profit or loss. Any gain or loss on derecognition is recognized in 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.

3 Material accounting policies *(continued)*

Financial instruments *(continued)*

iii. Derecognition

Financial assets

The Company 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 Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its separate 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 Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company 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 separate statement of financial position when, and only when, the Company 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.

Impairment

i. Non-derivative financial assets

The Company recognises loss allowances for ECLs on loans due from related parties, amounts due from related parties, other receivables and cash at banks.

The Company measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- 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.

Loss allowances for loans due from related parties, amounts due from related parties and other receivables are always measured at an amount equal to lifetime ECLs.

3 Material accounting policies *(continued)*

Impairment *(continued)*

i. ***Non-derivative financial assets*** *(continued)*

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company 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 Company's historical experience and informed credit assessment that includes forward-looking information.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

Credit-impaired financial assets

At each reporting date, the Company 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;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise; or
- it is probable that the debtor will enter bankruptcy or other financial reorganisation.

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 Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Presentation of allowance for ECL in the separate statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

3 Material accounting policies *(continued)*

Impairment *(continued)*

i. Non-derivative financial assets *(continued)*

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Company expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Investment in subsidiaries

Subsidiaries are entities controlled by the Company. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Investment in subsidiaries is stated at cost less provision for impairment, if any.

Share premium and treasury shares

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 recognised 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 classified as treasury shares on the statement of changes in equity. When treasury shares are sold or reissued subsequently, the amount received is recognised as a decrease in treasury shares, and the resulting surplus or deficit on the transaction is presented in share premium.

3 Material accounting policies *(continued)*

Retained earnings

The amount included in retained earnings includes accumulated profits and reduced by dividends, and also include transfers of share premium. Dividends are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Dividends for the year that are approved after the reporting date are dealt with as an event after the reporting date. Retained earnings may also include effect of changes in accounting policy as may be required by the standard's transitional provisions.

Finance income

Finance income include interest income on loans due from related parties, net foreign exchange gain, interest from bank balances. Interest income is recognised as it accrues, using the effective interest rate method.

Finance expense

Finance expense include interest on finance lease, interest expense on loans due to related parties, and bank charges. Interest expense is recognised as it accrues, using the effective interest rate method.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances and 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 Company in the management of its short-term commitments.

Provisions

A provision is recognised in the separate statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Derivative financial instruments

The Company enters into derivative financial instruments to manage its exposure to interest rate risk and foreign exchange rate risk, including foreign exchange forward contracts. Derivatives are initially recognised at fair value at the date the derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting date. The resulting gain or loss is recognised in the separate statement of profit or loss immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the separate statement of profit or loss depends on the nature of the hedge relationship. The Company designates derivatives as hedges of interest rate risk and foreign currency risk of firm commitments (cash flow hedges). A derivative with a positive fair value is recognised as a financial asset; a derivative with a negative fair value is recognised as a financial liability.

3 Material accounting policies *(continued)*

Foreign currencies

Transactions in foreign currencies are translated into functional currency of the Company at the exchange rates at the dates of the transaction.

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.

Short term leases and leases of low-value assets

The Company has elected not to recognise 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 Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases

At inception of a contract, the Company 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 Company 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 Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

• the Company has the right to direct the use of the asset.

The Company 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 Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

The Company 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.

3. Material accounting policies *(continued)*

Leases *(continued)*

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 Company'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 Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company 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 Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company 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.

Income tax

Income taxes have been provided for in the financial statements in accordance with legislation enacted at the reporting date in the United Arab Emirates, where the Company operates and generates taxable income. The income tax charge comprises current tax and deferred tax, recognised in statement of profit or loss and comprehensive income for the year.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect to other years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received the reflects the uncertainty related to income taxes, if any. It is measured using tax rates enacted at the reporting date in the United Arab Emirates.

3 Material accounting policies *(continued)*

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the separate financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets arising from deductible temporary differences, unused tax losses, or unused tax credits are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Global Minimum Top-up Tax

The UAE has enacted the Pillar Two legislation by way of a Domestic Minimum Top-up Tax (“DMTT”) that became effective from 1 January 2025. The Company is considered to be in scope of the Pillar Two rules.

The Company has assessed the impact of the UAE DMTT for year end reporting for the Constituent Entities. Based on the assessment, the Group is not liable for any DMTT as the UAE Group meets the transitional safe harbours (effective tax rate above 16%) at year end reporting date.

Management is closely monitoring further developments that could impact its overall Pillar Two tax position on a going-forward basis. The Company applies the IAS 12 exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

3 Material accounting policies *(continued)*

New and amended standards issued and effective

The following revised new and amended standards have been adopted in the separate financial statements.

- Lack of Exchangeability - Amendments to IAS 21

Accounting standards issued but not yet effective

A number of new accounting standards are effective for annual periods beginning after 1 January 2025 and earlier application is permitted. However, the Company has not early adopted the following new or amended accounting standards in preparing these separate financial statements.

- Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7
- Contracts referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7
- Annual Improvements to IFRS Accounting Standards - Volume 11
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- Sale or Contribution of Assets between an Investor and its associate or Joint Venture-Amendments to IFRS 10 and IAS 28.

4 Financial risk management and capital management

Overview

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Company's Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework and is responsible for developing and monitoring the Company's risk management policies.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations which arise principally from the Company's loans due from related parties, amounts due from related parties, other receivables and cash at banks. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each of its related party. The Company's cash is placed with banks of repute.

The Company establishes an allowance for impairment that represents its estimate of expected losses with respect to Company's loans due from related parties, amounts due from related parties and other receivables.

4 Financial risk management and capital management *(continued)*

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk mainly relates to accounts payable and accrued expenses, dividend payable, loans due to related parties and amounts due to related parties. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company'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 on risk.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to the changes in foreign exchange rates. The principal currencies in which these transactions are primarily denominated in Egyptian pound and Euro.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the net finance income/expense of the Company. The Company has exposure to interest rate risk on loans due from and loans due to related parties on which interests are charged at agreed upon rates.

Capital management

The Company sets the amount of capital in proportion to risk. The Company manages the capital structure and makes adjustments to it in the light of change in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to the shareholders or issue new shares.

Fair value

The fair value of the financial assets and liabilities of the Company approximate their carrying values as at the reporting date.

5 General and administrative expenses

	2025	2024
	USD	USD
Salaries and wages (refer note 13)	**28,454,349**	25,451,936
Consultancy fees	**5,164,359**	1,577,235
Expenses recharged from related parties (refer note 13)	**863,245**	1,128,378
Other expenses	**4,915,676**	1,611,334
	39,397,629	29,768,883

The average number of persons employed by the Company during the year was 15 (31 December 2024: 16). The Company had no significant changes in its workforce during the reporting period.

The Company's auditor is KPMG. The breakdown for the fees paid or payable to KPMG member firms during the year are as follows:

	2025	2024
	USD	USD
Categories of services:		
Financial statement audits	**1,181,822**	1,015,785
Other services*	**717,131**	691,223
Total	**1,898,953**	1,707,008

*This primarily relates to fees associated with the review of interim financial statements and corporate governance AUP.

6 Finance income

	2025	2024
	USD	USD
Interest on loans due from related parties (refer note 13)	**310,472**	297,273
Interest on bank balances	**84,394**	56,510
Foreign exchange gain – net	**-**	8,564,796
Gain on foreign currency exchange forward contracts	**-**	404,394
Others	**11,172**	-
	406,038	9,322,973

7 Finance expenses

	2025	2024
	USD	USD
Interest on loans due to related parties (refer note 13)	**24,057,690**	21,505,070
Loss on foreign currency exchange forward contracts	**1,833,487**	-
Foreign exchange loss – net	**710,806**	-
Bank charges	**38,131**	30,276
Interest expense on finance lease	**15,524**	6,328
	26,655,638	21,541,674

8 Income tax

	2025	2024
	USD	USD
Taxable losses	**(62,765,785)**	(32,299,991)
Effective tax rate	**0%**	0%
	-----	-----
	-	-
	-----	-----

Reconciliation of tax based on the taxable losses and tax based on accounting losses:

	2025	2024
	USD	USD
Accounting loss before income tax	**(22,765,785)**	(17,110,188)
Permanent differences:		
Tax-exempt income	**(40,000,000)**	(15,189,803)
Temporary differences	**-**	-
	---------------	---------------
	(62,765,785)	(32,299,991)
	---------------	---------------

The Company qualifies as a Free Zone Entity under the UAE Corporate Tax regime and is therefore subject to a corporate tax rate of 0%, in accordance with the applicable regulations.

9 Investment in subsidiaries

	2025	2024
	USD	USD
Orascom Holding Cooperatief U.A. (refer to note (i) below)	**921,399,637**	921,399,637
OC Investments Holding Limited	**50,000**	50,000
OC International Holding Limited (refer note (ii) below)	**50,000**	50,000
Orascom Building Material Holding Limited (refer note (iii) below)	**50,000**	50,000
	---------------	---------------
	921,549,637	921,549,637
Less: Provision for impairment	**-**	-
	---------------	----------------
	921,549,637	921,549,637
	=========	=========

(i) On 31 December 2025, the management assessed the recoverable amount of its investment in Orascom Holding Cooperatief U.A. (“OHC”). The impairment assessment was performed taking into consideration the downstream subsidiaries as a single Cash Generating Unit (“CGU”).

9 Investment in subsidiaries *(continued)*

The recoverable amount of the investment in OHC was estimated based on its value in use, by aggregating the present value of net cash flows of the CGU. In arriving at the estimated cash flows, the following post-tax discount and terminal growth rates were used.

	2025		2024	
Segment	**Post – tax discount rate**	**Terminal growth rates**	Post– tax discount rate	Terminal growth rates
Middle and North Africa Region (MENA Region)	22.2%	5.1%	29.0%	8.9%
United States of America Region (USA Region)	9.0%	2.1%	8.7%	2.1%
BESIX	10.0%	2.1%	10.4%	2.2%

Based on the management's assessment of the recoverable amount of each segment, determined using the present value of the estimated future cash flows, management concluded that no impairment provision is required as at 31 December 2025 (*2024:nil)*.

On 26 December 2025, the OHC declared dividends amounting to USD 40,000,000 to the Company.

(ii) On 30 May 2024, the Company invested an amount of USD 50,000 in OC International Holding Limited ("OCIHL"). OCIHL was incorporated under the DIFC Law No. 5 of 2018, is a 100 percent owned subsidiary of the Company.

(iii) On 31 May 2024, the Company invested an amount of USD 50,000 in Orascom Building Material Holding Limited ("OBMHL"). OBMHL was incorporated under the DIFC Law No. 5 of 2018, is a 100 percent owned subsidiary of the Company.

The principal place of business and country of incorporation for OHC is Netherlands while the rest of subsidiaries are in United Arab Emirates. All of the subsidiaries of the Company principal activity is holding companies.

10 Property and equipment

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Property and equipment comprise owned and leased assets:

	2025	2024
	USD	USD
Right of use of assets	**-**	554,405
Owned assets	**9,231**	-
	-------	----------
At 31 December	**9,231**	554,405
	====	======

As at the reporting date, the Company continues to use certain property, plant and equipment that are fully depreciated and therefore have a carrying amount of nil.

11 Prepayments and other receivables

	2025	2024
	USD	USD
Unrealised gain on foreign currency exchange forward contracts (refer to note (i) below)	**2,142,907**	404,394
Prepayments	**112,232**	329,228
Refundable deposits	**-**	62,632
Other receivables (refer note 13 (ii))	**15,607,060**	14,302,825
	17,862,199	15,099,079
Impairment loss on other receivables (refer to note (ii) below)	**(15,490,610)**	-
	2,371,589	15,099,079

(i) As at 31 December 2025, the notional amount of the forward contracts entered into during the year amounted to EGP 8,129,500,000 (*2024: EUR 40,000,000*). The forward contract commitments are expected to occur within one year from the reporting date.

(ii) During the year, management assessed the recoverability of other receivables in accordance with IFRS 9 Financial Instruments. Based on this assessment, an allowance amounting to USD 15,490,610 for expected credit losses was recognised.

12 Cash and cash equivalents

	2025	2024
	USD	USD
Cash on hand	**1,264**	2,096
Cash at banks	**2,232,574**	1,033,757
	2,233,838	1,035,853

13 Related party transactions and balances

The Company, in the ordinary course of business, enters into transactions with other business enterprises that fall within the definition of a related party contained in International Accounting Standard No. 24. These transactions are carried out at mutually agreed rates. The significant transactions with related parties during the year are as follows:

	2025	2024
Transactions with subsidiaries	**USD**	USD
Funds received from related party	**117,703,967**	68,493,631
Assignment and transfer of related party payables	**69,791,532**	96,165,814
Dividend income from subsidiary (refer note 9)	**40,000,000**	-
Repayment of loans due to related party	**36,200,000**	-
Interest expense on loans due to related parties (refer note 7)	**24,057,690**	21,505,070
Support and management fees (refer to (i) below)	**14,400,000**	10,268,769
Collection of loans due from related party	**6,351,318**	1,258,176
Expenses paid on behalf of related party	**2,916,879**	1,824,674
Additional loans given to related party	**1,963,990**	2,183,980
Expenses recharged from related parties (refer note 5)	**863,245**	1,128,378
Expenses incurred by related parties on behalf of the Company	**684,959**	1,228,709
Interest income on loans due from related parties (refer note 6)	**310,472**	297,273
Conversion of due to related party to loan due to related party	**-**	112,327,821
Dividend income from disposal of indirect subsidiary (refer to (ii) below)	**-**	15,189,803

13 Related party transactions and balances *(continued)*

(i) Support and management fees represent corporate charges made by the Company to one of its related party for tax, legal, accounting, treasury management, general management services, information technology and other support services.

(ii) In 2024, the Company entered into an agreement to acquire certain assets and assume certain liabilities, commitments, parent guarantees and contingencies of one of its subsidiaries as disclosed in the Group's consolidated financial statements. Consequently, certain commitments were assumed and a dividend income of USD 15,189,803 representing the net assets transferred, were recognized in the separate statement of profit and loss. In the current year, based on management's assessment of the recoverability of the outstanding balance, a provision has been recognized for the full amount.

(iii) Key management remuneration

The Company considers the members of the Board of Directors (Executive and Non-executive) and the senior management to be the key management personnel of the Company.

The remuneration of the key management for the year is as follows:

	2025 USD	2024 USD
Short-term employee benefits	**19,070,163**	18,337,005
Long-term employee benefits	**9,384,186**	7,114,931
	28,454,349	25,451,936

(iv) Impairment loss on loans and amounts due from related parties

The movement in provision for impairment with respect to loans and amounts due from related parties during the year is as follows:

	2025 USD	2024 USD
At 1 January	**3,972,054**	3,390,878
(Reversal of) / Provision for impairment during the year	**(3,972,054)**	581,176
At 31 December	**-**	3,972,054

The net impairment loss on related party loans and balances presented in the statement of profit or loss and other comprehensive income includes the following:

	2025 USD	2024 USD
(Reversal of) / Provision for impairment loss on amount due from Orascom Saudi	**(474,121)**	474,121
(Reversal of) / Provision for loan due from OCI Saudi Arabia	**(3,497,933)**	221,366
Reversal of impairment loss on amount due from OCI Construction Limited	**-**	(114,311)
	(3,972,054)	581,176

13 Related party transactions and balances *(continued)*

	Relationship	Interest terms	Repayment terms	**31 December 2025** Current portion USD	Non-current portion USD	Total USD	31 December 2024 Current portion USD	Non-current portion USD	Total USD
Loans due from related parties									
OC Investments Holding Limited	Subsidiary	refer note (v.a)	receivable on 30 June 2028	**-**	**422,788**	**422,788**	-	1,001,711	1,001,711
OCI Saudi Arabia	Subsidiary	refer note (v.b)	receivable on 31 December 2026	**-**	-	**-**	3,497,933	-	3,497,933
Total loans due from related parties				**-**	**422,788**	**422,788**	3,497,933	1,001,711	4,499,644
Less: Provision for impairment				**-**	-	**-**	(3,497,933)	-	(3,497,933)
				-	**422,788**	**422,788**	-	1,001,711	1,001,711
Due from related parties									
Orascom Holding Cooperatief U.A.	Subsidiary	no interest	receivable on demand	**40,000,000**	-	**40,000,000**	-	-	-
Orascom Construction CO2 Abu Dhabi	Subsidiary	no interest	receivable on demand	**6,201,772**	-	**6,201,772**	1,155,000	-	1,155,000
Orascom Construction - Libya	Subsidiary	no interest	receivable on demand	**5,000,000**	-	**5,000,000**	-	-	-
Orascom Construction CO1	Subsidiary	no interest	receivable on demand	**3,150,000**	-	**3,150,000**	-	-	-
Orascom Construction - Burundi	Subsidiary	no interest	receivable on demand	**2,000,000**	-	**2,000,000**	-	-	-
Orascom Egypt Wind II	Subsidiary	no interest	receivable on demand	**1,395,669**	-	**1,395,669**	2,439,606	-	2,439,606
OCI Saudi Arabia	Subsidiary	no interest	receivable on demand	**850,028**	-	**850,028**	130,820	-	130,820
Orascom Saudi	Subsidiary	no interest	receivable on demand	**474,121**	-	**474,121**	474,121	-	474,121
Orascom Structures Contracting LLC	Subsidiary	no interest	receivable on demand	**180,523**	-	**180,523**	63,814	-	63,814
National Steel Fabrication	Subsidiary	no interest	receivable on demand	**100,431**	-	**100,431**	15,532	-	15,532
OCI Construction Limited	Subsidiary	no interest	receivable on demand	**76,977**	-	**76,977**	7,154	-	7,154
NSF Global Limited	Subsidiary	no interest	receivable on demand	**40,569**	-	**40,569**	29,822	-	29,822
Orascom Construction SAE	Subsidiary	no interest	receivable on demand	**-**	-	**-**	5,098,047	-	5,098,047
Total due from related parties				**59,470,090**	-	**59,470,090**	9,413,916	-	9,413,916
Less: Provision for impairment				**-**	-	**-**	(474,121)	**-**	(474,121)
				59,470,090	-	**59,470,090**	8,939,795	-	8,939,795

13 Related party balances and transactions *(continued)*

	Relationship	Interest terms	Repayment terms	**31 December 2025** Current portion USD	Non-current portion USD	Total USD	31 December 2024 Current portion USD	Non-current portion USD	Total USD
Loans due to related parties									
OCI Construction International BV	Subsidiary	refer note (v.c)	payable on 31 December 2029	-	**229,091,410**	**229,091,410**	-	177,597,545	177,597,545
Orascom Holding Cooperatief U.A.	Subsidiary	refer note (v.d)	payable on 31 December 2027	-	**33,847,058**	**33,847,058**	-	28,145,185	28,145,185
Orascom Construction SAE	Subsidiary	refer note (v.e)	payable on 31 December 2027	-	**4,244,732**	**4,244,732**	-	8,874,279	8,874,279
				-	**267,183,200**	**267,183,200**	-	214,617,009	214,617,009
Due to related parties									
OCIHL	Subsidiary	no interest	payable on demand	**29,958,700**	-	**29,958,700**	50,000	-	50,000
Orascom Construction Trading FZCO	Subsidiary	no interest	payable on demand	**16,952,778**	-	**16,952,778**	-	-	-
Contrack Watts Inc.	Subsidiary	no interest	payable on demand	**12,142,967**	-	**12,142,967**	11,044,469	-	11,044,469
Orascom E&C	Subsidiary	no interest	payable on demand	**5,050,208**	-	**5,050,208**	4,607,927	-	4,607,927
Imagro Algeria	Subsidiary	no interest	payable on demand	**2,460,459**	-	**2,460,459**	2,349,054	-	2,349,054
Orascom Construction SAE	Subsidiary	no interest	payable on demand	**1,004,370**	-	**1,004,370**	-	-	-
The Weitz Company, LLC	Subsidiary	no interest	payable on demand	**577,356**	-	**577,356**	577,356	-	577,356
Cementech Limited	Subsidiary	no interest	payable on demand	**193,419**	-	**193,419**	220,176	-	220,176
OBMHL	Subsidiary	no interest	payable on demand	**11,812**	-	**11,812**	50,000	-	50,000
Others	Under common control	no interest	payable on demand	**2,500,000**	-	**2,500,000**	-	-	-
				70,852,069	-	**70,852,069**	18,898,982	-	18,898,982

13 Related party transactions and balances *(continued)*

(v) Interest terms

(v.a) The loan carries interest at 30-day average SOFR plus 4.49%
(v.b) The loan carries interest at 30-day average SOFR plus 1.40%
(v.c) The loan carries interest at 30-day average SOFR plus 3.81%.
(v.d) The loan carries interest at 30-day average SOFR plus 3.25%.
(v.e) The loan is denominated in Egyptian pounds which carries interest at Egyptian Central Bank Mid Corridor rate plus 1%.

(vi) Reconciliation of movements of assets to cash flow arising from investing activities

Loans due from related parties	**2025 USD**	2024 USD
Balance as at 1 January	**1,001,711**	2,812,011
Additional loan given to related parties	**1,963,990**	2,183,980
Collections from related parties loan	**(6,351,318)**	(1,258,176)
Other asset related non cash changes	**3,808,405**	(2,736,104)
Balance as at 31 December	**422,788**	1,001,711

(vii) Reconciliation of movements of liabilities to cash flow arising from financing activities

Loans due to related parties	**2025 USD**	2024 USD
Balance as at 1 January	**214,617,009**	10,557,826
Proceeds from loans given by related parties	**21,031,838**	16,838,642
Repayment of loans to related parties	**(36,200,000)**	-
Other liability related non cash changes	**67,734,353**	187,220,541
Balance as at 31 December	**267,183,200**	214,617,009

14 Accounts payable and accrued expenses

	2025 USD	2024 USD
Accounts payable	**632,679**	785
Accrued expenses	**16,509,534**	8,945,191
Other payable	**250,526**	-
	17,392,739	8,945,976

15 Share capital

The movement in share capital during the year is as follows:

	2025	2024
	USD	USD
At 1 January	**110,243,935**	110,243,935
At 31 December	**110,243,935**	110,243,935

16 Dividends

On 6 February 2024, the board of directors approved an interim dividend of USD 0.190 per share amounting to USD 20,946,347 which had been paid on 22 February 2024.

On 20 May 2024, at the Annual General Meeting, the shareholders approved a dividend of USD 0.200 per share amounting to USD 22,048,787 which had been paid on 21 August 2024.

On 31 December 2024, the board of directors approved an interim dividend of USD 0.220 per share amounting to USD 24,253,666 which had been paid on 15 January 2025.

On 27 July 2025, the board of directors approved an interim dividend of USD 0.250 per share amounting to 27,560,984 which had been paid on 13 August 2025.

17 Financial instruments

The financial assets of the Company include cash at banks, loans due from related parties and amounts due from related parties. The financial liabilities of the Company include accounts payable and accrued expenses, loans due to related parties and amounts due to related parties. Accounting policies for financial assets and liabilities are set out in note 3.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

	2025	2024
	USD	USD
Cash at banks	**2,232,574**	1,033,757
Due from related parties	**59,470,090**	8,939,795
Loans due from related parties	**422,788**	1,001,711
Refundable deposits and other receivables	**116,450**	14,365,457
	62,241,902	25,340,720

Management believes that the cash at banks, amounts due from related parties, loan due from related parties, refundable deposit and other receivables are fully recoverable and accordingly, no provision for impairment was made.

17 Financial instruments *(continued)*

Liquidity risk

The following are the contractual maturities of financial liabilities including estimated interest payments and excluding the impact of netting arrangements:

	Carrying amount USD	Contractual cash flows USD	1 year or less USD	More than 1 year USD
31 December 2025				
Non-derivative financial liabilities				
Loans due to related parties	**267,183,200**	**355,593,494**	**-**	**355,593,494**
Due to related parties	**70,852,069**	**70,852,069**	**70,852,069**	**-**
Accounts payable and accrued expenses	**17,392,739**	**17,392,739**	**17,392,739**	**-**
	355,428,008	**443,838,302**	**88,244,808**	**355,593,494**

	Carrying amount USD	Contractual cash flows USD	1 year or less USD	More than 1 year USD
31 December 2024				
Non-derivative financial liabilities				
Loans due to related parties	214,617,009	325,348,850	-	325,348,850
Dividends payable	24,253,666	24,253,666	24,253,666	-
Due to related parties	18,898,982	18,898,982	18,898,982	-
Accounts payable and accrued expenses	8,945,976	8,945,976	8,945,976	-
Lease liability	508,913	541,726	209,416	332,310
	267,224,546	377,989,200	52,308,040	325,681,160

Interest rate risk

At the reporting date, the interest rate profile of the Company's interest-bearing financial instruments was:

Variable rate instruments

	2025 USD	2024 USD
Financial assets	**422,788**	1,001,711
Financial liabilities	**(267,183,200)**	(214,617,009)
	(266,760,412)	(213,615,298)

17 Financial instruments *(continued)*

Cash flow sensitivity analysis for variable rate instruments

An increase / decrease of 100 basis points in interest rates at the reporting date would have increased/ (decreased) net profit by the amounts shown below. This analysis assumes that all other variables remain constant:

	2025		2024	
	100 bp Increase USD	**100 bp Decrease USD**	100 bp Increase USD	100 bp Decrease USD
Variable rate instruments	**(2,667,605)**	**2,667,605**	(2,136,153)	2,136,153

Interest Rate Benchmark Reform

A fundamental reform of major interest rate benchmarks has been undertaken globally, including the replacement of some interbank offered rates (IBORs) with alternative nearly risk-free rates (referred to as 'IBOR' reform').

IBOR reforms and expectation of cessation of LIBOR might impact the Company's current risk management strategy and possibly accounting for its financial liabilities. These financial instruments are referenced to LIBOR. The alternative reference for LIBOR is the Secured Overnight Financing Rate (SOFR).

Currency risk

The Company's exposure to foreign currency risk as at reporting date is as follows:

31 December 2025	**Euro**	**Egyptian pound**
Cash at banks	**324,326**	**11,836,337**
Due from related parties	**65,631**	**-**
Other receivables	**-**	**621,074,896**
Loans due to related parties	**-**	**(202,322,789)**
Notional value of forward contracts	**-**	**8,129,500,000**
	389,957	**8,560,088,444**

31 December 2024	Euro	Egyptian pound
Cash at banks	312,937	8,707,310
Due from related parties	6,872	171,999,000
Other receivables	-	621,074,896
Loans due to related parties	-	(451,158,073)
	319,809	350,623,133

17 Financial instruments *(continued)*

***Currency risk** (continued)*

Sensitivity Analysis

The following foreign exchange rates are applied by the Company during the year:

	Average rate 2025	**Spot rate 2025**	Average rate 2024	Spot Rate 2024
1 Euro	**1.1241**	**1.1729**	1.0824	1.0410
1 Egyptian pound	**0.0203**	**0.0210**	0.0233	0.0197

1% strengthening of the USD against the Egyptian Pound and Euro at 31 December would have increased / (decreased) the net profit by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant:

	2025 USD	2024 USD
Euro	**4,574**	3,329
Egyptian pound	**1,797,619**	69,073
	1,802,193	72,402

18 Contingent liabilities and capital commitments

The Company has provided general performance guarantees in respect of the execution of major projects undertaken by its subsidiaries as follows:

	2025 Guarantees	2024 Guarantees
US Dollar	**320,607,290**	277,797,122
UAE Dirhams	**63,039,908**	-
Saudi Riyal	**28,271,629**	90,948,750
Euro	**6,907,069**	3,647,293

19 Operating segments

There were no operating segments identified by the management as at the reporting date.

20 Significant accounting estimates and judgements

The Company makes estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

20 Significant accounting estimates and judgements *(continued)*

Impairment of investment in subsidiaries

The Company determines whether investment in subsidiaries is impaired on an annual basis or whenever there is any indication of impairment. This requires estimation of the "value in use" of the cash generating units. Estimating a value in use amount requires management to make an estimate of the expected future cash flows from the cash generating unit and also to choose a suitable discount rate in order to calculate the present value of these cash flows.

Impairment losses on receivables

The Company's credit risk is primarily attributable to its loans due from related parties, other receivables and amounts due from related parties. In determining impairment losses, the Company recognises loss allowance for expected credit losses on the financial asset that is measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since the initial recognition. When making the assessment, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses.

The Company may assume that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date.

If reasonable and supportable forward-looking information is available without undue cost or effort, the Company cannot rely solely on past due information when determining whether credit risk has increased significantly since initial recognition. However, when information that is more forward-looking than past due status (either on an individual or a collective basis) is not available without undue cost or effort, the Company may use past due information to determine whether there have been significant increases in credit risk since initial recognition.

Regardless of the way in which the Company assesses significant increases in credit risk, there is a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 90 days past due. The Company can rebut this presumption if it has reasonable and supportable information that is available without undue cost or effort, that demonstrates that the credit risk has not increased significantly since initial recognition even though the contractual payments are more than 90 days past due. When the Company determines that there have been significant increases in credit risk before contractual payments are more than 90 days past due, the rebuttable presumption does not apply.

21 Potential Strategic Merger

On 22 September 2025, OCI Global (listed on Euronext Amsterdam) and Orascom Construction PLC (listed on ADX and EGX) jointly announced that they are exploring a potential strategic merger (the "Combination").

As at the reporting date, the boards of directors of Orascom Construction PLC and OCI Global had approved the proposed Combination, and the structure of the transaction and the exchange ratio had been agreed.

Under the agreed terms, Orascom Construction PLC would be the acquiring entity, incorporated in ADGM and primarily listed on ADX, with shareholders of OCI Global receiving newly issued shares in Orascom Construction PLC based on the agreed exchange ratio.

The proposed Combination remains subject to shareholder approvals and the receipt of required regulatory consents. As the transaction had not been completed as at the reporting date, it has no impact on these separate financial statements.

At the General Assembly Meeting held on 22 January 2026, the shareholders of Orascom Construction PLC approved all special resolutions relating to the proposed Combination, in accordance with the terms and conditions set out in the Shareholders' Circular and Notice of General Meeting published on 11 December 2025, and the applicable rules and regulations.

Completion of the proposed Combination remains subject to, among other matters, approval by the shareholders of OCI Global and the receipt of required regulatory approvals. Accordingly, this matter is considered a non-adjusting subsequent event and has no impact on these separate financial statements.

22 Subsequent events

The recent regional military escalations have triggered a high-risk conflict environment across the Gulf. The situation is still very fluid, and scenarios can shift very quickly. The escalations have brought about additional uncertainties in the Company's operating environment, including the Company's subsidiaries operations in UAE and KSA. With respect to separate financial statements for the year ended 31 December 2025, the potential financial reporting effects of the conflict are considered to be non-adjusting in nature.

The Company has been closely monitoring the impact of recent developments on its businesses. However, considering that the majority of the Company's subsidiaries operations are located outside the conflict area, management has concluded that there has been no material impact on the Company's operations, financial performance, or financial position, and therefore no contingency measures have been required to put in place.

As far as the Company and its subsidiaries businesses are concerned, the current developments have not resulted in any significant operational disruptions, delays in constructions or in delivery to customers, or material impact on the repayment abilities of debtors. Accordingly, there has been no material impact on revenues, expected credit losses, or the recoverability of non-financial assets, and the Company does not anticipate any risk of breaching its financial covenants as a result of these developments. As the situation is fast evolving and fluid, the effect of the escalations is subject to significant levels of uncertainty, with the full range of possible effects unknown.

Management will continue to monitor the situation closely; however, as at the reporting date, no material financial impact has been identified.