Arabtec Holding PJSC

1HY 2020 UNAUDITED EARNINGS RELEASE

Dubai, UAE – 15 August 2020:

Arabtec Holding PJSC ("Arabtec" or "Group"), a leading contractor for social and economic infrastructure, today reported its half year financial results for six months ended June 30, 2020.

Arabtec reported a net loss to parent of AED 794 million in 1HY 2020, which was attributable to the construction business (Arabtec Construction). Other core businesses including Target (Industrial), Arabtec Engineering Services (Infrastructure) and EFECO (MEP) traded profitably and remain well-positioned within their respective sectors.

The first half year loss is primarily attributable to:

- Limited liquidity in the real estate and construction sector, impacting progress and forecast costs on projects.
- Limited settlement and recoverability of contractual claims.
- The effect of COVID 19, resulting in reduced progress on projects and additional costs.
- Slowing real estate sector has resulted in limited new awards.

The Board, having considered the current challenging business and economic environment as well as the accumulated losses as a percentage of shareholders equity, together with the increased future funding requirements of the Group, will call for an Extraordinary General Assembly meeting to discuss and determine the future options for the Group.

The Group is negotiating and will soon engage with an advisory firm to assist management in a capital and debt restructuring exercise. Viable options will be shared with shareholders in the upcoming General Assembly to be held within the next 30 days as required by the UAE Federal Law No (2) of 2015; and based on the options presented, the Shareholders will then be required to vote on dissolving the company or determine the most appropriate restructuring plan.

The board and management will work collaboratively with all regulatory bodies during this process.

Financial Performance Summary

AED (million)	6M 2020	6M 2019	Variance
Revenue	3,026	4213	(1187)
Net (Loss)/Profit for the period	(794)	49	(843)
Net Margin (%)	-26.2%	1.1%	-
Net (Loss)/Profit attributable to the owners of the parent	(794)	58	(846)
Net Margin attributable to the owners of the parent (%)	-26%	1.3	-
Earnings per share	(0.526)	0.04	-

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About Arabtec Holding

A leading engineering and construction Group specialising in projects in the Middle East and North Africa. Through its operating companies and investments, the Group delivers construction and infrastructure projects, including commercial, residential, social, industrial and economic infrastructure in UAE and other selected countries in the region. The UAE-based group's list of completed projects includes iconic buildings such as the world's tallest building, the Burj Khalifa in Dubai, Abu Dhabi landmark, the Emirates Palace Hotel and Louvre Abu Dhabi Museum; as well as other technically challenging work on airports and related infrastructure. In 2005, Arabtec became the first construction company to be listed on the Dubai Financial Market. Today, Arabtec Holding consists of operating companies which span all segments of the construction cycle. The group is currently working on some of the most prestigious projects in the Middle East, such as the UAE Pavilion and the Midfield Terminal Building in Abu Dhabi.

For more information on Arabtec Holding please visit www.arabtecholding.com

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