



**RELEASE** June/2021

September 16, 2021



# OEC A LEADING PLAYER IN THE WORLDWIDE E&C MARKET

- OEC is the largest Engineering & Construction company in Brazil, with a relevant footprint in Latin America and Africa, with projects under execution in 7 countries
- **+75 years** of experience and **+40 years** of international presence
- **+2,500** projects completed in **30 countries** (107 HPP; 8,817 miles of roads, 3,125 miles of Pipelines, etc)
- Recognize expertise and position, as **Top 10 ENR** Ranking in several segments over the last 10 years.
- **+18.000** direct and indirect employees worldwide
- First Class Governance: Board with 3 independent directors
- Rigorous Compliance Plan: Program attested **by ISO 37001**
- New Capital Structure after the successful OFL Bonds Exchange

# Highlights

## BACKLOG

- Babitonga LNG – Brazil (~ USD 70MM) Jul
- Barra do Dande - Angola (USD499MM) Sep
- Cabinda Refinery – Angola - Early Works (USD 40 MM), forecast to conclude Works until FYE of ~USD194 MM
- IIRSAs – Peru - amendment of USD 68MM Aug/21 (USD +50MM until Dec/21)
- CMC – Panama - Amendment (USD 14MM) on Jun

## OTHERS

Capital Structure: Closing of Restructuring (Jan)

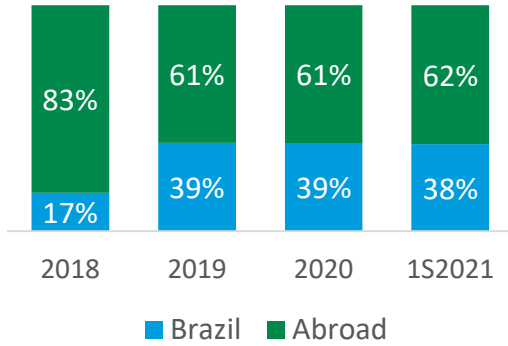
New independent board member, Bruno Sotter (Jan)

Certification ISO 37.001 for Compliance

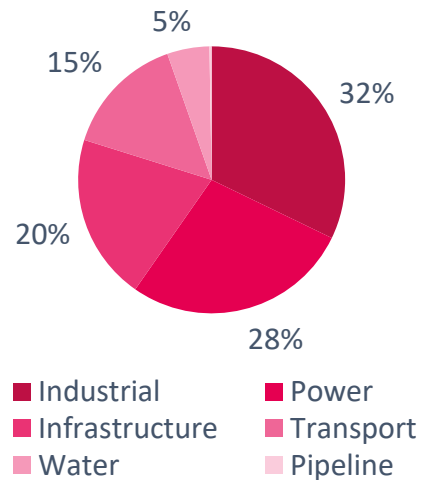
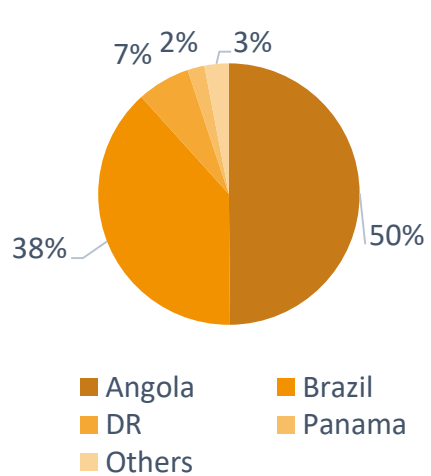
Recertification ISO 14.001: (Environment) and Transition OHSAS 18.001 to ISO 45.001

Continuous focus on austerity reducing SGA

# Backlog

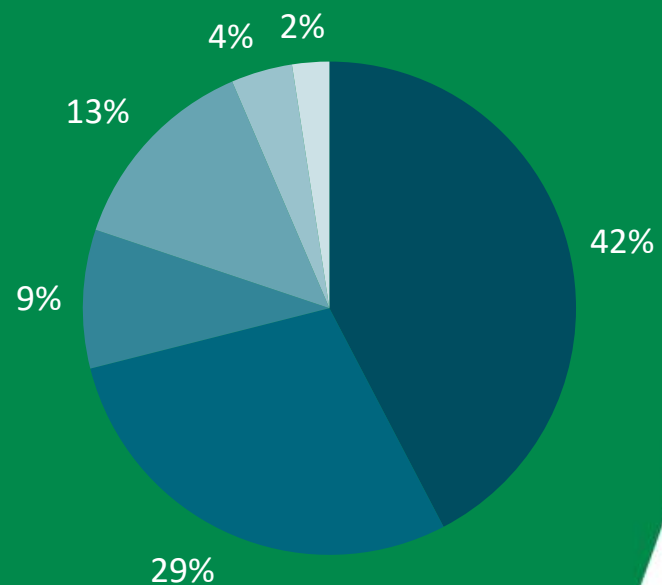


## Amount 1H21: USD 2,543 MM

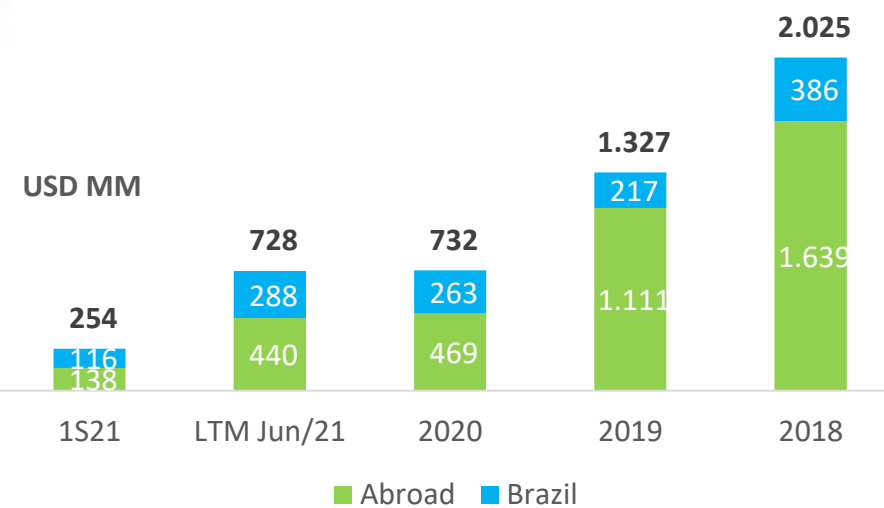


# Revenue

Breakdown by Country  
1S 2021 (%)

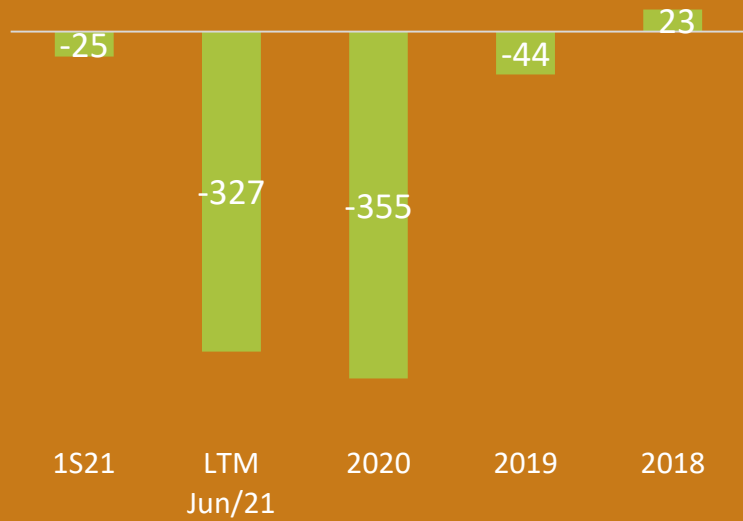


- Brazil
- Angola
- Panama
- DR
- Peru
- Others



# Profitability

## Ebitda

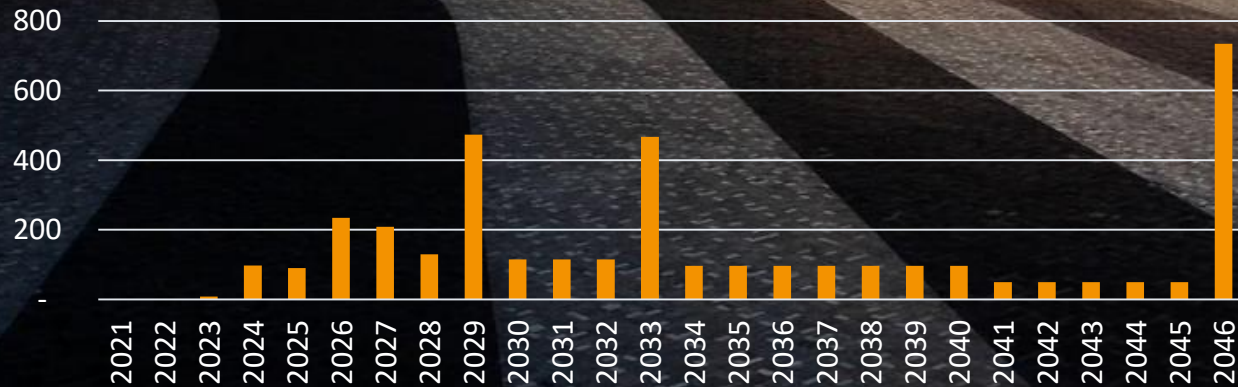


# Debt Profile

AMOUNT BONDS 1H21  
**USD 1,612.8**

Average Rate 6,3% p.a.

Payment Schedule





# Highlights and Future Strategy

- Focus on **Margin and liquidity** improvement
- Continuous Strategic Business Revaluation
- Focus of engineering / support teams: **Productivity and competitiveness**
- Replenishing and **qualification Backlog**

# Balance Sheet

USD MM

	Jun/21	Dec/20
Cash and Cash Equivalents	118	168
Trade Account Receivable	320	405
Advances to Suppliers	28	23
Taxes Recoverable	101	93
Inventories	82	84
Current Ac. with Consortium	87	83
Prepaid Expenses	8	10
Others Assets	194	134
<b>Current Assets</b>	<b>938</b>	<b>1000</b>
Novonor Group Companies	2565	2596
Trade Account Receivable	360	349
Deferred Tax	194	198
Taxes Recoverable	29	12
Other Assets	158	243
<b>Non-Current Assets</b>	<b>3306</b>	<b>3399</b>
Associated Companies	55	57
Property and Equipment	102	119
Others	21	26
Investments	179	202
<b>Total Assets</b>	<b>4424</b>	<b>4600</b>

	Jun/21	Dec/20
Debt	74	830
Suppliers and Subcontractors	825	909
Taxes, Fees, Salaries	168	156
Advances from Customers	155	234
Current Acc.s with Consortium	102	92
Provi. for Tax, Labor and Others	126	110
Other Liabilities	119	96
<b>Current Liabilities</b>	<b>1570</b>	<b>2428</b>
Debt	818	39
Suppliers and Subcontractors	8	1
Advances from Customers	1447	1416
Nononor Group Companies	502	538
Deferred Tax	159	182
Provi. for Tax, Labor and Others	802	865
Other Liabilities	251	174
<b>Non-Current Liabilities</b>	<b>3988</b>	<b>3215</b>
Capital	90	86
Carrying Value Adjustments	123	42
Acumulated Losses	-1327	-1146
Non-controlling participation	-19	-25
<b>Net Capital Worth</b>	<b>-1134</b>	<b>-1043</b>
<b>Total Liabili. and Net Cap. Worth</b>	<b>4424</b>	<b>4600</b>

# Results USD MM

US\$ MM	1H21	1H20	Δ	LTM Jun/21	LTM Jun/20	Δ
<b>Gross Revenues</b>	<b>254</b>	<b>247</b>	<b>3%</b>	<b>728</b>	<b>803</b>	<b>-9%</b>
Brazil	116	88	33%	288	189	52%
Abroad	138	160	-14%	440	614	-28%
Taxes and Deductions	-24	-8	200%	-42	-16	166%
<b>Revenues</b>	<b>230</b>	<b>239</b>	<b>-4%</b>	<b>686</b>	<b>787</b>	<b>-13%</b>
Cost of Services Rendered	-239	-196	22%	-590	-565	4%
Operating Profit	-8	44	-119%	96	222	-57%
Operating Margin	-4%	18%		14%	28%	
SG&A	-43	-94	-55%	-442	-423	5%
Other Revenues (Expenses)	17	-3	-633%	-5	-5	-6%
<b>Earnings before Interest and Taxes (EBIT)</b>	<b>-34</b>	<b>-53</b>	<b>-36%</b>	<b>-351</b>	<b>-159</b>	<b>121%</b>
<b>EBIT Margin</b>	<b>-15%</b>	<b>-22%</b>		<b>-51%</b>	<b>-20%</b>	
Equity Participation	-12	4	-378%	-12	-32	-63%
Financial Results	-95	-911	-90%	372	-3,527	-111%
Earnings before Taxes (EBT)	-141	-961	-85%	10	-3,718	-100%
Income Tax	8	6	48%	-12	46	-125%
Net Income	-133	-955	-86%	-2	-3,672	-100%
Discontinued Operations	-2	-264	-99%	-99	-632	-84%
Net Income (with Discontinued Operations)	-135	-1,219	-89%	-101	-4,304	-98%
<b>EBITDA</b>	<b>-25</b>	<b>-41</b>		<b>-327</b>	<b>-127</b>	
<b>EBITDA Margin</b>	<b>-11%</b>	<b>-17%</b>		<b>-48%</b>	<b>-16%</b>	

# Cash Flow

USD MM

	1H21	1H20
Loss before Income Tax	-143	-1225
Adjustments:	-15	1232
Equity and Results of Investments	12	-4
Variation in Construction Contracts Revenues	-111	159
Depreciation and Amortization	9	13
Residual Value of Reduction in Property and Equipment	13	19
Residual Value Adjustments	-802	15
Provisioned Losses on Doubtful Accounts Accrual, net	1342	67
Provisions of Guarantees	-738	24
Income of Discontinued Operations	0	53
Interest, Monetary and Foreign Exchange Variations, net	99	887
Others	161	-1
Changes in Assets and Liabilities:	31	262
Trade Account Receivable	119	330
Prepaid Expenses and Others Assets	10	49
Suppliers and Subcontractors	-61	-24
Advances from Customers	-24	-104
Taxes, rates, salaries and payroll charges	-23	-9
Others Assets	8	-8
Others Liabilities	2	28
<b>Net Cash used in Operating Activities</b>	<b>-128</b>	<b>269</b>
<b>Net Cash used in Investing Activities</b>	<b>-5</b>	<b>-18</b>
<b>Net Cash used in Financing Activities</b>	<b>4</b>	<b>10</b>
Effect of Changes in the Exchange Rate	76	-70
<b>Increase (decrease) in Cash and Cash Equivalents</b>	<b>-53</b>	<b>190</b>



OEC

IS **READY**  
FOR **the FUTURE!**

