



MYTILINEOS – ENERGY & METALS FLASH NOTE - FINANCIAL RESULTS FIRST HALF 2023

New significant increase in net profits, up 61% against H1 2022

Consistently strong financial performance provides the groundwork for pursuing additional growth opportunities on the global stage

Athens, Greece – July 27, 2023 –MYTILINEOS SA (RIC: MYTr.AT, Bloomberg: MYTIL.GA, ADR: MYTHY US) announces its H1 2023 financial results.

- **49% increase in Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) to €438 million**, compared to €293 million in the corresponding period of 2022.
- **61% increase in Net Profit after minorities to €268 million** vs. €166 million in H1 2022. **Earnings per Share** came in at €1.94, an increase of 59% compared to the corresponding period of the previous year.
- **Turnover increased by 17% to €2,516 million**, compared to €2,154 million in H1 2022.
- **Net Debt**, on an adjusted basis, **came in at €1,019 million**, excluding €220 million of non-recourse debt. Despite the intensive CAPEX program that is in full swing, adjusted Net Debt to EBITDA stood at 1.05x, level on par with or better than the performance of investment grade companies. Following the most recent upgrade of MYTILINEOS by FITCH to "BB+", the company is now just one notch away from achieving the goal of investment grade, for the first time in its history.
- Successful issuance of a **7-year bond of €500 million** with interest rate at **4.0%** and significant oversubscription, as the total offered amount exceeded €1bn. This issue was the 1st for the Greek market in 2023, while it achieved the highest historical participation by private investors, to whom 91% of the issue was allocated. Following this issuance Mytilineos further enhances its available liquidity, ensuring the uninterrupted implementation of its investment plan. After the completion of the bond issuance, the company's liquidity is strengthened on the one hand, enabling the implementation of its large ongoing investment plan unobstructed, while on the other hand, MYTILINEOS' debt curve is further smoothed, particularly regarding longer maturities.

Commenting on the Financial Results, the Chairman and CEO of the Company, Evangelos Mytilineos stated:

“The strong financial performance, of the first half of 2023, confirms, once again, the resilience of MYTILINEOS’ business model in the face of constantly changing market conditions, the unprecedented volatility over the past two years as well as the most severe inflationary pressures recorded in recent years.

Moreover, it also certifies the tangible benefits arising from the recent corporate transformation of MYTILINEOS Energy & Metals, which has already received a warm reception in the international financial and capital markets. The advantages and significant synergies from the coexistence of the Energy and Metals sectors are becoming more visible being the main drivers behind the Company's growth, despite the monetary tightening conditions and the significant de-escalation of energy prices during the first half of the year”.

1. KEY FINANCIAL FIGURES

amounts in m. €	H1 2023	H1 2022	Δ %
Turnover	2,516	2,154	17%
EBITDA	438	293	49%
EATam	268	166	61%
EPS*	1.9381	1.2215	59%
Margins (%)			Δ(bps)
EBITDA	17.4%	13.6%	380
EATam	10.7%	7.7%	294

*LTM, Calculated on a weighted average number of ordinary shares

Turnover amounted to **€2,516 million** compared to €2,154 million in the first half of 2022, marking a 17% increase despite the significant de-escalation of energy and metal prices. **Earnings before interest, taxes, depreciation and amortization** (EBITDA) also showed a significant rise, of 49% reaching **€438 million**, compared to €293 million in the corresponding period of 2022, benefiting from the steady profitability growth of the Energy Sector, and in particular from the Renewable Energy Sources (RES) activity, which contributed the largest share (29%) of the Energy sector EBITDA. Additionally the supply of electricity and natural gas, played a key role in the increased EBITDA, as a result of the continuous internationalization of the Company's operations.

MYTILINEOS posted a record H1 performance driven by the Energy Sector. Besides the significant contribution of **M Renewables (RES in Greece and abroad), which saw its profitability to more than double +117% compared to H1 2022**, the Energy Sector was also favored by the strengthening of MYTILINEOS' presence in supply of both electricity and natural gas in the wider region of the Balkans and SE Europe. Moreover, in the domestic market, the presence of MYTILINEOS in electricity supply continued to grow steadily, with the completion of the acquisition of WATT+VOLT, which in turn resulted in a market share approaching 13% and serving over 500,000 customers.

The Metals Sector repeated its historically high levels of profitability from the first half of 2022, despite significant decline of both premia (over 50%) and aluminum prices (~23%). Metals performance is mainly attributed to the timely actions taken by the Company's management, regarding the favorable LME prices as well as €/€ exchange rate, while maintaining strict cost control. The synergies between Energy and Metals Sectors were also a key contributing factor, for MYTILINEOS, to be maintained among the world's most competitive aluminum and alumina producers.

Furthermore, **Net profit** after taxes and minority interests increased significantly to **€268 million**, a 61% increase compared to €166 million in the same period of 2022.

MYTILINEOS' financial performance is expected to further strengthen in the second half of 2023, with new investments gradually reaching completion, including the new 826MW power plant. Additionally, significant investments in Renewable Energy Sources are being promoted, expected to further boost the project portfolio, and thus M Renewables' financial performance. These efforts are expected to result in significantly higher levels of profitability, while strong cash flows would allow the realization of those investments and the subsequent increase in turnover while maintaining control over key leverage metrics.

Regarding the construction activity, the Earnings before Taxes, Interests and Depreciation (EBITDA) of the newly established, spin-off branch of MYTILINEOS amounted to €7 million compared to €5 million in the corresponding period of the previous year. At the end of the first half of 2023, the backlog of infrastructure projects in progress exceeds €550 million, while including projects that are in an advanced stage of contracting, it exceeds €900 million. The prospects for the construction industry in Greece are particularly positive, especially for concession and PPP projects, in which the Infrastructure Sector aspires to play a leading role.

2. BUSINESS UNITS OPERATIONAL UPDATES

2.1. Energy Sector

amounts in m. €	H1 2023	H1 2022	Δ %
Revenues	1,994	1,640	22%
EBITDA	303	157	92%
Margins (%)			Δ(bps)
EBITDA	15.2%	9.6%	560

Energy Sector reported **turnover** of **€1,994 million**, representing 79% of the company's total turnover, posting a 22% increase on a year-on-year basis. **Earnings before interest, taxes, depreciation and amortization** stood at **€303 million**, increased by 92% compared to €157 million in H1 2022.

Following the corporate transformation, MYTILINEOS ENERGY & METALS has acquired an even more dynamic and flexible shape, able to face current as well as upcoming challenges. Moreover, the Company is strategically positioned at the forefront of the Energy Transition as a leading and integrated energy company, with an international presence in the entire spectrum of the energy sector (Renewables, Energy & Generation Management, Energy Customer Solutions, Integrated Supply & Trading and Power Projects).

RES – MYTILINEOS' Global portfolio	Power (GW)
RES in Operation	0.6
RES Under Construction	1.5
RES RTB & Late stage of Development*	2.7
RES Middle Stage of Development	2.2
RES Early Stage of Development	6.2
Total	13.3

*Project ready to be Build (RTB) or that will reach RTB stage within the next ~ 6 months

Total capacity of the **operational and mature Global portfolio** of M Renewables, which is dynamically expanding in all 5 continents, is **~4.9 GW**, while including projects in Early and Middle stages of development, with a capacity of c. 8.5 GW, **MYTILINEOS' global portfolio** exceeds the **13 GW**, representing a total increase of ~4.2GW (or ~46%) during H1 2023.

About 1/3 of the increase of the global RES portfolio is attributed to the acquisition of a portfolio of 5 solar projects located in Alberta, Canada, from Westbridge Renewable, that will be able to generate more than 2TWh per annum. Total cost of the investment is estimated at €1.16 billion, without taking into account the benefit that MYTILINEOS will gain from the incentives recently adopted by the Canadian government for investments in clean technologies that can provide up to 30% of the capital expenditure, further enhancing the

performance of those assets. This transaction marks the first of its kind for MYTILINEOS in North America, in line with the Company's international strategy to seek opportunities in countries and regions with high commercial interest and a business-friendly environment.

Additionally, MYTILINEOS is active in energy storage projects in Greece & Italy at an early stage of development, with a maximum capacity of ~1.3 GW. It is noted that MYTILINEOS participated in the recent tender process for the operational and investment support of autonomous storage units with batteries conducted by the Regulatory Authority for Waste, Energy and Water (RAE) on July 10.

Total power production from Renewable Sources, with a **total installed capacity of 618MW**, in the first half of 2023 amounted to 474 GWhs, of which 286 GWhs produced from RES in Greece and the balance 188 GWhs from International RES.

The construction of the first part (135 MW) of the Greek portfolio (~1.5 GW of PV) is progressing well, utilizing resources from the Recovery and Stability Mechanism (RRF), becoming operational at some point during 2023. Moreover, the construction of the second Greek portfolio with capacity of 160 MW, should commence during the year. Regarding the international portfolio, MYTILINEOS is currently constructing over 1.5 GW of PV outside Greece, which are expected to become operational over the coming months.

In the context of the Global Energy Transition, through the shift to Renewable Energy Sources, as well as the Sustainable Development Strategy adopted by the Company the recent years, MYTILINEOS proceeded during H1 2023 into bilateral electricity supply agreements between RES producers and final consumers ("green" PPAs - Power Purchase Agreements):

- Australia, PV 23 MW with Zen Energy
- Australia, PV 53 MW with Smartest Energy
- Australia, PV 150 MW with Telstra & NBN

Meanwhile, MYTILINEOS effectively continuing its Asset Rotation Plan, during the first half of 2023 proceeded with the sale of European projects, with total capacity of more than 250MW.

With regards to third party projects, the execution continues unobstructed, in countries like: Spain, the United Kingdom, Greece, Italy, Romania and Chile. Within the first semester of 2023, new projects for third parties with total capacity of ~671 MW were contracted in Greece, Italy, Romania and UK, with the signed backlog coming at €369 million, while another €465 million are in the final negotiation phase.

Greek Market Data – Q1 2023

Production per Unit type [TWh]	H1 2023	H1 2022	H1 2023 % of mix	H1 2022 % of mix
Lignite	2.1	2.5	9%	10%
Natural Gas	6.5	9.2	28%	36%
Hydros	1.6	2.2	7%	8%
RES ¹	9.6	9.0	41%	35%
Net Imports	3.5	2.8	15%	11%
Total	23.5	25.6	100%	100%

¹Renewable Energy Sources

MYTILINEOS Generation (TWhs)	H1 2023	H1 2022	Δ%
Thermal Plants	2.2	2.4	-11%
RES	0.3	0.3	9%
Total	2.4	2.7	-9%

In the first half of 2023 there was a decrease in Natural Gas prices in Europe, due to mild weather conditions, which, combined with sufficient Natural Gas reserves, led to a significant reduction in the wholesale electricity price (DAM). Electricity demand was at lower levels in H1 2023, down approximately 8% compared to H1 2022.

More specifically, the three combined cycle plants (CCGTs) and the one high-efficiency generation plant (CHP) produced a total of 2.16 TWh in the first half of the year. This amount represents 9.2% of the total demand in the interconnected system and 33.1% of the production from natural gas plants, up from ~25% in 2022. The total production in Greece, both from the thermal and renewable units of the Company amounted to 2.45 TWh, a quantity corresponding to 10.4% of the total demand.

The decline in thermal unit production in the first half of 2023, compared to the corresponding period in 2022, was mainly due to the scheduled maintenance of the Ag. Nikolaos station (Protergia), which affected the unit's production for almost the entire Q1 2023. Therefore, H2 2023 production is expected to be significantly enhanced, as on top of the expected increased contribution of the two older CCGTs (Protergia, Korinthos Power), a large contribution is also expected by the new CCGT plant (826 MW), which in H1 2023 produced just 0.27 TWh. The new CCGT plant comes at a time of increased power consumption due to the high summer temperatures, thus decisively contributing to the country's transition towards an energy mix with a significantly reduced carbon footprint. The above, combined with the high efficiency and flexibility of MYTILINEOS' units as well as the supply of electricity at competitive prices, **are expected to significantly boost the profitability of the second half.**

MYTILINEOS – Supply of Energy & Natural Gas	Q1 2023	Q1 2022	Δ%
Total amount of Power and Gas meters	531ths	345ths	54%
Market share	12.8%	8.2%	-

Regarding the electricity supply activity, **Protergia**, following **WATT+VOLT's** integration, is steadily strengthening its presence in retail, representing a total of 531 thousand electricity and natural gas customers at the end of H1 2023, while its share in the electricity market in June 2023 exceeded the 12,8% (HEnEx market shares). In the coming period, MYTILINEOS is targeting to capture 20% of the Greek consumption, including the representation of Aluminum, creating an integrated green utility with international presence. Taking advantage of the vertical integration of the Company's operation in the Energy Sector, MYTILINEOS has proceeded to the creation of the most integrated energy provider of the new era ("Utility of the Future").

Moreover, MYTILINEOS, beyond the Greek market, has achieved significant penetration in other markets in the Southeast European region, in terms of natural gas supply and trading, as part of the Company's internationalization strategy. Having secured most of Revythoussa terminal's available slots for the coming years, while steadily increasing its trading volumes (the Company's natural gas imports make up 35% of the country's total imports), MYTILINEOS has become a major regional player in the supply and trading of natural gas in both the Balkans and the wider Southeastern Europe. This achievement has enabled the company to secure competitive natural gas prices and the benefits of this success are distributed through MYTILINEOS' synergistic model to all company operations.

Power Projects MYTILINEOS	H1 2023
Backlog of contracted projects	€1.1 billion
Total pipeline	€1.9 billion

M Power Projects Sector, focusing on projects that support the goals of the Energy Transition and Sustainable Development, is continuously strengthening its international presence, currently executing 30 projects in 10 different countries.

At the end of H1 2023, the backlog of contracted projects amounted to €1.1 billion, while including projects at an advanced stage of contracting, total backlog amounts to **€1.9 billion**, of which 16% refers to projects in Greece and 53% in the United Kingdom, an activity which is expected to record significant growth, both in the construction and concessions sectors. The resources of the European Recovery Fund also offer significant growth prospects, with Greece being the country that receives the highest funding as a percentage of GDP.

Regarding H1 2023 major developments, M Power Projects Sector has agreed to develop and build a 299MW open-cycle gas turbine (OCGT) gas-fired power plant in Immingham, UK for VPI Immingham – B LLP, of Vitol group. The OCGT is expected to be put into commercial operation in July 2025. Also, in the first quarter of 2023, started the contract for the "Supply and Installation of a Modern Condenser" on behalf of RWE Generation UK PLC, in the United Kingdom.

2.2. Metals Sector

amounts in m. €	H1 2023	H1 2022	Δ %
Revenues	480	458	5%
EBITDA	136	137	-1%
Margins (%)			Δ(bps)
EBITDA	28.3%	30.0%	-158

Total Production Volumes (ktons)	H1 2023	H1 2022	Δ%
Alumina	429	424	1,2%
<i>Primary Aluminium</i>	92	93	0%
<i>Recycled Aluminium</i>	28	28	0%
Total Aluminum Production	120	120	0%

Aluminium & Alumina Prices (\$/t)	H1 2023	H1 2022	Δ%
3M LME	2,362	3,080	-23.3%
Alumina Price Index (API)	352	396	-11.1%

Aluminium (3M LME) average price for the H1 2023, came in at 2,362\$/t, down from 3,081\$/t in the first half of 2022, marking a 23% decrease. During Q2 2023, aluminium prices maintained their downward trend, reaching the 2,100\$/t area, over fears of a weak macro environment mainly attributed to the concerns of a slowdown in global economic activity, expectations for further rate hikes, normalized energy prices, as well as rising aluminium supply stemming mainly from China. However, early Q3 2023 has shown signs of recovery, among others due to the weaker US dollar as well as the prospects for a Chinese driven demand recovery.

The global aluminum market remains in deficit, mainly due to low Chinese production, as a result of significantly reduced hydropower production due to prolonged drought. Despite the fact that we are in the traditional rainy season, with enhanced hydropower generation potential, the pace of the ramp-up of idle Chinese capacity remains to be seen

Aluminum billet premia also showed a small decline, compared to Q1 2023, moving below the \$600/t level. Despite the recent decline, billet premia remain at healthy levels compared to the past, partly due to the reduced European aluminum production, which remains a significantly deficit market, with most of the needs met by imports from third countries, including Russia, whose production covers 1/3 of European needs. The fact that Russian aluminum production is not so attractive, as the renewal of existing contracts is uncertain (eg Glencore announced that it will not renew its \$16 billion contract expiring in 2024 to buy aluminum from Russia), while at the same time the majority of aluminum stocks on the LME are of Russian origin, and could put upward pressure on both LME prices and European premia.

Alumina Price Index (API) following the trend of Aluminium prices, recorded a 11% decrease in H1 2023, at 353\$/t.

Despite the weak environment in the aluminium market, MYTILINEOS, due to its timely proactive actions, managed to repeat stellar H1 2022 semi-annual performance, on a profitability basis. MYTILINEOS, among others has managed to secure favorable LME prices, an advantageous €//\$ FX rate, while its effective cost control, combined with the significant comparative advantages offered by the coexistence of the Energy and Metals Sectors, are reflected in the further improvement of the Metallurgy profit margin, while positioning MYTILINEOS among the most competitive aluminum and alumina producers globally

Aluminium prices usually reflect the state of the global economy, which still remains under-pressure resulting in a weaker-than-expected demand, as benefits from “Green” evolution cannot yet replace demand drag from weak macro environment. However, Energy Transition is base metals’ main driver, with aluminium topping the list, as it commands more than 50% of the world’s overall energy transition demand. The importance of aluminium in the “Green” revolution, is further enhanced by the fact that EC has recently added Bauxite, Alumina and Aluminium in the Critical Raw Material Act (CRMA) along with Gallium, a by-product of bauxite processing for Alumina production. Those critical raw materials, according to the EC, are indispensable for a wide set of strategic sectors including, among others, the net zero industry and the digital industry.

Prospects for the rest of the year

At the end of the first half of the year, despite the positive outlook for the Greek economy, the international economic environment remains highly volatile and is characterized by strong challenges, as successive interest rate hikes aimed at curbing inflation strengthen the possibility of an economic recession.

However, despite the fluid economic environment and the significant challenges, MYTILINEOS maintains positive prospects for a further increase in its financial performance in the second half of the year, primarily relying on key investments that are gradually reaching completion.

In particularly,

- the commercial operation of the 826MW power plant
- the significant increase of the contribution of RES
- Metallurgy’s competitive production cost
- as well as the continuous strengthening of both the Energy and Metals sectors’ international activity,

lay a strong foundation for MYTILINEOS, to achieve new historically high financial performance in 2023.

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MYTILINEOS:

Founded in Greece in 1990, MYTILINEOS is an industrial and energy multinational company, listed on the Athens Stock Exchange, with a consolidated turnover and EBITDA of €6.3 billion and €823 million respectively. More than 5,442 direct and indirect workers in Greece and abroad. The Company is focused on sustainability, it has set itself the goal of reducing carbon dioxide (CO2) emissions by at least 30% by 2030 and achieving a neutral footprint in its total business activity by 2050, based on ESG performance indicators for Environment, Society and the Governance.

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