



MYTILINEOS - ENERGY & METALS FLASH NOTE - FINANCIAL RESULTS 2022

2022 FINANCIAL PERFORMANCE SIGNALS MYTILINEOS' NEW ERA

Athens, Greece – 26 January 2023 –MYTILINEOS SA (RIC: MYTr.AT, Bloomberg: MYTIL.GA, ADR: MYTHY US) announces its financial results for 2022.

- **Net Profit after minorities increased by 187% to €466 million** vs. €162 million in 2021. Respectively, **Earnings per Share** came in at €3.41, an increase of 186% compared to 2021.
- **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) increased by 130% to €823 million**, compared to €359 million in 2021.
- **Turnover increased by 137%, stood at €6,306 million**, compared to €2,664 million in 2021.
- **Recommended dividend of €1.20 per share**, (adjusted for own shares), up by 176% compared to 2021.
- 2022 financial results' key takeaway is the **Net Debt position** and its reduction to **€716 million in 2022**, vs. €803 million at the end of 2021, **with leverage ratio** (Net Debt/EBITDA) **significantly improved**, from 2.2x at the end of 2021, to **c.0.87x at the end of 2022**, levels reached solely by investment grade companies with global reach. The continuous improvement of the Company's credit profile has been recently certified by S&P, with the upgrade of the Company's credit rating to "BB" from "BB-", while maintaining a positive outlook.
- The de-escalation of the net debt position, becomes even more important if one considers that it has been achieved in a year during which **a) investments exceeded €700 million**, recording a new record-high, **b) turnover increased by almost €4 billion**, thus absorbing liquidity from cash reserves and credit lines.

Commenting on the Financial Results, the Company's Chairman and Chief Executive Officer, Evangelos Mytilineos said:

"2022 was a milestone year for MYTILINEOS, not only due to the Company's historically high performance against a negative international environment, but above all because it was the

year of transition to a new era through its corporate transformation into MYTILINEOS Energy & Metals.

Last year, MYTILINEOS faced challenges such as the unprecedented energy crisis and its impact, the lengthy war in Ukraine and its effects, the rapid increase in energy costs and interest rates, and the highest inflationary pressures recorded since the 1970s. In this environment, the Company has been able to respond successfully, while laying the foundation for further development in the coming years.

In particular, in 2022, MYTILINEOS achieved a continuous increase in profitability by attaining successive historic peaks in each fiscal quarter. At the same time the Company significantly reduced its leverage ratio in a year of record-high investments. This confirms the successful strategic planning and foresight by the Company's Management, while paving the way for even higher profitability in the coming period.

At the same time, MYTILINEOS joining the MSCI index for the first time as well as strengthening the participation of foreign institutional investors – the most recent example being Fairfax stepping up as the second largest shareholder – are an important recognition of MYTILINEOS performance over the years, as well as its commitment to the strategic goal of creating value for all shareholders.

Finally, after joining the Dow Jones Sustainability Indices and the MSCI ESG Ratings Index, MYTILINEOS Energy & Metals proves that it is now part of the global elite of companies with high performance in sustainable development issues".

MYTILINEOS, in 2022, achieved a new profitability record, with key drivers being the Company's competitive advantages against both domestic and global competition, but also based on the ever-increasing internationalization of its activities. The speed of maturity, the completion of a number of new investments, the diversified business model as well as significant synergies deriving among the Business Units, were key contributors, offering Management the ability to effectively exploit the opportunities arising in the current volatile environment.

1. KEY FINANCIAL FIGURES

amounts in m. €	2022	2021	Δ %
Turnover	6,306	2,664	137%
EBITDA	823	359	130%
EATam	466	162	187%
EPS*	3.410	1.193	186%
Margins (%)			Δ(bps)
EBITDA	13.1%	13.5%	-40
EATam	7.4%	6.1%	130

*Calculated on a weighted average number of ordinary shares

Turnover came in at **€6,306 million** compared to €2,664 million in 2021, posting an increase of 137%. **Earnings before interest, taxes, depreciation and amortization** (EBITDA) increased by 130% to **€823 million**, compared to €359 million in 2021, benefiting from the historically high performance of all Business Units and particularly that of the Renewables & Storage Development as well as the Sustainable Engineering Solutions which increased their profitability by 384% and 171% respectively.

Metallurgy Business Unit, benefits from increased aluminum prices and historically high premia, along with the maintenance of a highly competitive production cost. Finally, Power & Gas Business Unit is favored by the fact that MYTILINEOS operates the most efficient thermal fleet in Greece, with competitive natural gas prices, in an environment of high natural gas prices and electricity with intensified international activity, which will become increasingly important in the upcoming quarters.

Net Profit, after taxes and minority interest, rose to **€466 million**, increased by 187% compared to €162 million in 2021.

Regarding Q4 2022:

Turnover increased by **79%**, to **€1,733 million** vs. €966 million in Q4 2021.

Earnings before interest, taxes, depreciation and amortization, increased by **147%**, to **€290 million**, compared with Q4 2021 and by +21% compared with Q3 2022, which was previously a record-high quarter in terms of profitability.

Net Profit, after taxes and minorities, came in at **€154 million**, an increase of **230%** compared to Q4 2021 and **6%** on a quarter-on-quarter basis.

H2 2022 performance, sets a new level of profitability, which for the coming years will be further enhanced by the contribution of the new CCGT, higher aluminum prices as well as the strengthening of the profitability of both RES and new energy solution projects as well as the Company's continues global expansion.

2. BUSINESS UNITS OPERATIONAL UPDATES

2.1. Power & Gas Business Unit

amounts in m. €	2022	2021	Δ %
Revenues	4,434	1,261	252%
EBITDA	373	147	153%
Margins (%)			Δ(bps)
EBITDA	8.4%	11.7%	-326

Greek Market Data – 2022

Production per Unit type [GWh]	2022	2021	2022 % of mix	2021 % of mix
Lignite	5.6	5.3	11%	10%
Natural Gas	18.9	21.8	37%	42%
Hydros	4.0	5.3	8%	10%
RES ¹	18.7	16.3	37%	31%
Net Imports	3.4	3.7	7%	7%
Total	50.6	52.4	100%	100%

¹ Renewable Energy Sources

MYTILINEOS Generation (GWhs)	2022	2021	Δ%
Thermal Plants	4.9	5.1	-4%
RES	0.5	0.5	0%
Total	5.4	5.6	-4%

Power & Gas Business Unit recorded a turnover of €4,434 million, corresponding to 70% of the company's total turnover, posting a 252% increase compared to the previous year. **Earnings before interest, taxes, depreciation and amortization** came in at **€373 million**, an increase of 153% compared to €147 million in 2021.

The strong performance of the Business Unit is owed primarily to both the high efficiency of the Company's plants as well as its ability, due to the size of its portfolio, to secure natural gas at competitive prices, through a wide and diverse network, via both LNG cargoes and pipeline gas. In that way, MYTILINEOS is securing sufficient natural gas quantities, in a period of very high energy prices, while achieving, at the same time, significant penetration in neighboring markets.

2022 was characterized by extreme volatility in European natural gas prices, as a consequence of geopolitical turmoil, which coupled with high CO2 prices led to a significant increase in the wholesale price (DAM). As a result, 2022 electricity demand came in 3.4% below that 2021.

Regarding the Greek energy mix, natural gas has been maintained as the main production fuel with its contribution exceeding 37%, while for the first time RES participation, registering a record increase, reported slightly below 37%. Lignite and hydros participation came in at 11% and 8% respectively, while 2022 the import needs maintained at 2021 levels (7%).

The Company's capacity to supply natural gas at competitive prices - due to the size of its portfolio, while natural gas imports make up 26% of the country's total imports - along with the high degree of efficiency, availability, reliability and flexibility of its units, led total production to 4.89 TWh. This represents 9.6% of the total demand in the interconnected system and 25.9% of the generation from natural gas plants. The Company's total production both from thermal and renewable units amounted to 5.42 TWh, which corresponds to 10.7% of the total demand.

Regarding the supply business of MYTILINEOS, Protergia is steadily strengthening its retail presence, closing 2022 with a representation of 345,000 power and gas meters in total. In addition, the market share of Protergia regarding the Power & Gas market in December 2022 reached 7.6% (EXE shares). MYTILINEOS, as part of its strategic planning for the development of its activities in the retail market of Power and Gas supply in Greece and the wider region, has agreed to acquire all shares of WATT+VOLT. The integration of WATT+VOLT and the enlargement of the customer base further strengthens the verticalization of the Power & Gas BU, forming an important step towards creating the utility of the new era ("Utility of the Future"). The latter could potentially be enhanced with an additional acquisition.

MYTILINEOS, committed to its goal to accelerate the development of its RES pipeline, is constantly enhancing its operating capacity, which currently stands at 256 MW. In December, a new 43.2 MW wind park has been put into trial operation, along with another 5.1MW, part of a wider group of 135MW PV which are expected to become operational during 2023. The latter is supported by the Recovery and Resilience Facility (RRF).

With RES being central for the Company's growth, MYTILINEOS is accelerating the development of its total RES pipeline, comprising projects in different countries and different stages of development. Detailed analysis of the total global RES portfolio contained under the Renewable Sources & Energy Storage Development BU section (page 9).

Finally, the construction of the new 826 MW natural gas-fired combined cycle (CCGT) plant with General Electric (H-Class) gas turbine has been completed and is currently in hot commissioning stage. The new station is expected to be put into commercial production very soon, thus contributing decisively to supporting the country's transition towards an energy mix with a significantly smaller carbon footprint. Commercial operation of the new CCGT will double the Company's thermal installed capacity, while accounting for the combined heat and power plant (CHP) as well as RES, company's total power capacity shall exceed the 2.3GW.

2.2. Metallurgy Business Unit

amounts in m. €	2022	2021	Δ %
Revenues	817	668	22%
EBITDA	270	159	69%
Margins (%)			Δ(bps)
EBITDA	33.0%	23.9%	910

Total Production Volumes (k tons)	FY 2022	FY 2021	Δ%
Alumina	861	871	-1.1%
Primary Aluminium	187.1	183.6	1.9%
Recycled Aluminium	50.0	51.0	-2.0%
Total Aluminium Production	237.0	234.5	1.1%

Aluminum & Alumina Prices (\$/t)	2022	2021	Δ%
3M LME	2,716	2,486	9%
Alumina Price Index	362	329	10%

The Metallurgy Business Unit in 2022 recorded a **turnover of €817 million**, corresponding to 13% of the total turnover, compared to €668 million in 2021. **Earnings before Taxes, Interest and Depreciation (EBITDA)** amounted to **€270 million**, compared to €159 million in 2021, marking an increase of 69%.

The significant increase in profitability is, among others, due to the steep rise in European aluminium Premia, during 2022, as well as due to the significant improvement in profit margins, the result of continuous investments in an effort to increase productivity, coupled with timely actions to address the various cost parameters and particularly the energy costs.

2022 3M LME Aluminium average price, came in at 2,716\$/t vs 2,486\$/t in 2021, marking a c.10% increase year-on-year. Aluminium price skyrocketed to an all-time high at the \$4,000/t level during Q1 2022, mainly due to the geopolitical crisis in Ukraine, the steep rise in energy cost, while at the same time there was also a strong concern regarding the availability of the metal. During Q2 and Q3 2022, aluminium prices de-escalated back to the \$2,100/t area, among others, due to the growing concerns of a slowdown in global economic activity, anticipation of interest rate rises, as well as due to the strengthening of the US dollar. High energy costs and the correction of aluminum prices significantly compressed the profit margins of many producers, leading to aluminium production cuts mainly in Europe and the

US. This resulted in more than 1Mt of primary aluminum production in Europe being lost, either temporarily or permanently, which in turn led Europe to a 30 year low in terms of aluminium production. At the same time, another 0.5 Mt remain at risk, particularly at a high energy prices environment.

Since late Q3-2022, aluminium prices are strengthening and recently are trading around the \$2,600/t mark. The recent rise of the LME price, on top of the “green transition” fueled increase in the aluminium demand, could also be related to both the reduction in global aluminum inventories, which are now at a 20-year low, as well as to the better-than-expected course of the global economy, and in particular the higher expected demand for the metal in China and Europe, as well as the reduced aluminum production both in the European continent, as stated above, as well as in China.

The Alumina Price Index (API), following the aluminium price trend, recorded a c.10% increase to \$362/t. Significant production cuts were also noted in the market of alumina in Europe with a high percentage of plants operating at a loss.

MYTILINEOS, has taken prompt actions in order to take measures to mitigate the various cost parameters, especially regarding the energy cost, while making full utilization of both the record-high LME prices in H1 2022, as well as the strengthening of the US Dollar against Euro, and the flexibility of the use of alternative fuel for alumina production, has consistently secured high profitability going forward, remaining among the lowest cost aluminum producers globally, being consistently in the top quartile of the global cost curve.

2.3. Renewables & Storage Development Business Unit

amounts in m. €	2022	2021	Δ %
Revenues	630	365	73%
EBITDA	105	22	384%
Margins (%)			Δ(bps)
EBITDA	16.6%	5.9%	1,068

The Renewables & Storage Development (RSD) Business Unit, in the fiscal year 2022, recorded a **turnover of €630 million** (corresponding to 10% of the total turnover), increased by 73% compared to the corresponding fiscal year of the previous year, while the **EBITDA** amounted to **€105 million**, compared to €22 million in 2021.

This steep rise of EBITDA (384% compared to 2021), on top of the turnover increase, is due to the significant strengthening of the Business Unit's profit margin, as a result of a much greater contribution by BOT (Build Operate & Transfer) projects contribution compared to the 3rd party EPC projects, in the profitability mix. BOT projects, which will maintain the "lion's share" of the profitability in years to come, come with a significantly higher profit margin vs 3rd party EPC projects.

In more detail, during 2022, the signing of **project sales agreements (SPAs)** for the following projects has been completed:

- **110 MW in United Kingdom**
- **210 MW in Romania**
- **26 MW in Cyprus**

In the context of the Global Energy Transition, the shift towards renewable Energy Sources, as well as the Sustainable Development Strategy adopted by the Company in recent years, RSD Business Unit concluded, during 2022, bilateral electricity supply agreements between RES producers and final consumers ("**green**" **PPAs - Power Purchase Agreements**):

- **Chile, 588 MW**, 4 PV Projects, Customer: ENEL Chile
- **United Kingdom, 110 MW**, 3 PV Projects, Customer: VODAFONE UK, CENTRICA UK
- **United Kingdom, 232 MW**, 5 PV Projects, Customer: VODAFONE UK, CENTRICA UK
- **Italy, 63 MW**, 4 PV Projects, Client: Statkraft

During 2022 the Business Unit completed the financing process (without recourse or guarantees from the parent company - **non-recourse financing**) for three solar farms in **Australia**, with total capacity of 237 MW and a total funding of **AUD 234 million**.

MYTILINEOS' global RES pipeline, as described above, comprising projects at different stages of development with total capacity of **9.1 GW**, of which:

- A. **539 MW in operation** (of which 283 MW abroad)
- B. **c.1.0 GW under construction** (of which 827 MW abroad)
- C. **c.2.2 GW in mature stage of development**, i.e. projects either on a RTB or soon RTB stage (of which c.1.5 GW abroad)
- D. **>5 GW in less mature stage** of development (of which c.4 GW abroad)

Additionally, MYTILINEOS owns 1.1 GW of Greek energy storage projects, currently at an early stage of development

The new energy environment, as it has been shaped in global energy markets, opens up new development prospects for the RSD Business Unit, not only for the development of projects, but also for securing higher valuations for RES units, particularly those in a mature stage of development.

Regarding 3rd party EPC projects, the execution continues without problems in countries such as Spain, United Kingdom, Greece, Uzbekistan and Chile, with the contracted balance (signed backlog) standing at €87 million, while additional €526 million are in the final negotiation phase.

2.4. Sustainable Engineering Solutions Business Unit

amounts in m. €	2022	2021	Δ %
Revenues	425	371	15%
EBITDA	91	33	171%
Margins (%)			Δ(bps)
EBITDA	21.3%	9.0%	1,231

The **turnover** of the Sustainable Engineering Solutions Business Unit in 2022 accounted for **€425 million** corresponding to 7% of the total turnover, while the **Profit before Taxes, Interest and Depreciation** was **€91 million** compared to €33 million in 2021, an increase of 171%. The significant increase in the profitability of the BU is due to the progress of the execution of the signed contracts, which are constantly increasing.

The Company, having the recognition of the market as a leading Turn-Key projects constructor while utilizing its strong track record in the development of energy projects, in 2022, came into an agreement to execute a series of important contracts. In particular, in the United Kingdom an agreement was reached for the "Design, Supply & Construction" of three open cycle power plants (OCGT) and the «Supply and installation of a Synchronous Condenser». In Poland, as a member of

a consortium, it undertook the construction of a 560MW combined cycle unit, which is also the Company's first project in this particular market. In Ireland, GE and MYTILINEOS have undertaken the construction of a new 200MW plant for the country's Public Electricity Company. In Greece, four contracts were signed with HEDNO, for the Construction and maintenance of distribution network projects, while a contract was also signed with IPTO for the construction of a 400kV Electricity Transmission Line for the electrical interconnection between Greece and Bulgaria. The Company has also undertaken the street lighting of the Municipalities of Athens and Corinth, the Kiato-Rio electrification project and the construction, operation and maintenance of the "New Eastern Ring Road of Thessaloniki" (Flyover) as a member of a joint venture, while it has also undertaken the construction of the largest data center in Greece.

In the field of environmental solutions, great prospects are recognized, especially for wasted-energy recovery projects, such as the "Protos Energy Recovery Facility" that the Company is already building in England. MYTILINEOS is actively engaged in discussions to undertake similar projects, some of which are considered mature and expected to enhance the Company's backlog.

At the end of 2022, the backlog of contracted projects amounted to €1.66 billion, while including projects at an advanced stage of contracting, the total pipeline amounts to €2.95 billion, of which c. 40% concerns projects in Greece and 28% projects in UK. Significant growth rates are expected both in the construction and concessions.

The European Recovery Fund offers opportunities for both green growth and infrastructure projects. The Company, possessing the know-how required for high-demand projects, aims to fully utilize the important perspectives opened by the European Recovery Fund.

Prospects for 2023

Although, current economic environment remains fluid and full of uncertainties, MYTILINEOS has paved its way for the future, via its recent corporate transformation, while it has already laid the foundations for an even stronger profitability in years to come, relying, among others, on:

- The acceleration of the development of both the Greek and the international RES portfolio, as the Company has already matured a significant part of its **total RES portfolio of 9.1 GW**, while it maintains the liquidity required to accelerate its "Green" Transition.
- The contribution in profitability, for the first time during 2023, of the new highly efficient new CCGT of 826 MW, which will become a key driver for the strengthening of the Company's market share, towards the 20% level.
- Metallurgy's elevated profitability, the result of appropriate hedging actions regarding metal price fluctuations as well as the €/€ exchange rate, while maintaining competitive production costs, particularly with regards to the energy costs.

Finally, the 2022 financial results presentation, which will also be available on a Metaverse platform (<https://flashnote.mytilineos.gr/>) is the last in this current format. From Q1 2023, the financial results presentation will refer to MYTILINEOS' new structure, following the transformation announced on the 14th of December 2022.

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MYTILINEOS:

MYTILINEOS Energy & Metals, founded in Greece in 1990, is an industrial and energy multinational company, listed on the Athens Stock Exchange, with a consolidated turnover of €6.3 billion and EBITDA of €823 million and employs more than 4,820 direct and indirect employees in Greece and abroad. Through the Energy Sector, the company is strategically positioned at the forefront of the energy transition as an integrated "green" utility, while through the Metallurgy Sector the Company is establishing as a benchmark for competitive "green" metallurgy in the European landscape. Focused on sustainability, it has set a target to reduce CO2 emissions by at least 30% by 2030 and achieve by 2050 net zero carbon footprint in all its operations in accordance with ESG criteria for Environment, Society and Governance.

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