



## MYTILINEOS NINE MONTHS 2022 TRADING UPDATE

### INTERNATIONALIZATION IN FULL SWING & RAPID TRANSITION TO A NEW ERA

Athens, Greece – October 25, 2022 –MYTILINEOS SA (RIC: MYTr.AT, Bloomberg: MYTIL.GA, ADR: MYTHY US) announces nine months 2022 financial results.

- **Turnover increased by 169% to €4,573 million**, compared to €1,698 million in the first nine months of 2021.
- **Net Profit after minorities came in at €312 million, a 171% increase** vs. €115 million for the nine months of 2021. Thus, **Earnings per Share** stood at €2.618, an increase of 151% compared to the corresponding period of the previous year.
- **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)** reached **€533 million, 121% higher** compared to €241 million in the corresponding period of the previous year.

**Net Debt came in at €1,398 million**, with **leverage ratio** (Net Debt/EBITDA\*) standing at **2.1x** at the end of 9M 2022, while significant de-escalation is expected towards the end of the year. Strong cash flow generation allows MYTILINEOS to maintain low levels of leverage during a period with a) remarkable capital expenditure, which for the nine months of 2022, came in at €442 million as well as b) noteworthy working capital needs due to increased turnover. Nevertheless, high liquidity has been maintained, with cash at hand at 684 million (vs 650 million in H1 2022).

Following a strong 2021 financial performance, MYTILINEOS in the first nine months of 2022, responding successfully to a series of challenges related to the broader consequences of the prolonged Ukrainian conflict, the energy crisis, the strongest inflationary pressures recorded since the 1970s, as well as the rise of the interest rates, consistently records strong performance, benefiting from its diversified portfolio as well as the ever-increasing internationalization of its business activity.

MYTILINEOS' robust comparative advantages, the significant synergies arising between individual activities, the Company's global presence, as well as Management's timely proactive actions, are the key drivers behind MYTILINEOS' dynamic development, within a weak and highly volatile global economic environment.

As we are moving towards the end of 2022, MYTILINEOS' financial performance certifies the transition to a "new era", in terms of turnover, EBITDA and Net Income. At the same time, a

\*Last twelve months EBITDA

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series of new investments are coming to fruition, such as the commercial operation of the new 826MW CCGT plant, the aluminum production capacity increase as well as significant RES investments, both in Greece and abroad, allowing MYTILINEOS to remain firmly on a development trajectory.

During H2 2022, has been recorded for the first time a remarkable improvement of the Renewables & Energy Storage Development (RSD) Business Unit's performance. That is expected not only to be maintained, but further enhanced in the coming quarters and years, following the completion of a number of crucial deals related to the sale of Solar projects from RSD's global portfolio.

## 1. KEY FINANCIAL FIGURES

amounts in m. €	9M 2022	9M 2021	Δ %
Turnover	4,573	1,698	169%
EBITDA	533	241	121%
EATam	312	115	171%
EPS*	2.618	1.044	151%
<b>Margins (%)</b>			<b>Δ(bps)</b>
EBITDA	11.7%	14.2%	-254
EATam	6.8%	6.8%	4

\*Calculated on a weighted average number of ordinary shares

Compared to 9M 2021 figures, on a consolidated basis:

**Turnover** reached **€4,573 million** compared to €1,698 million in the first nine months of 2021, posting an increase of 169%. **EBITDA** increased by 121% to **€533 million**, compared to €241 million in the corresponding period of 2021, benefited greatly from the historically high performance of metallurgy as well as "Green" energy related activities.

The Metallurgy Business Unit's performance has been boosted both from higher aluminum prices, as well as from record-high premia levels. The above, combined with the Company's highly competitive production cost-profile, on a global-scale, allows Metallurgy Business Unit to maintain its inherent advantages over global competition.

The RSD Business Unit, driven by its BOT (Build Operate & Transfer) platform, achieved record profitability on a quarterly basis, which is expected to be maintained at similar levels in years to come, benefiting significantly from current, new energy environment, with demand for "green" projects being considerably strengthened.

Power & Gas Business Unit's remarkable performance enhancement was due to MYTILINEOS' ability to source natural gas at competitive prices, the fact that it operates the most efficient thermal fleet in Greece, as well as the, pre-announced, substantial increase in international trade of power and natural gas, resulting from the highly volatile European market. At the same time, MYTILINEOS has undertaken a series of actions to protect security of supply across

all its production activities, while maintaining secure access to competitive and flexible sources of supply.

**Net profit** after taxes and minority interests, rose to **€312 million**, an increase of 171% compared to €115 million in the nine months of 2021.

Q3 2022 financial results confirm Management's expectations, as expressed in the Annual General Meeting of June 2022. In particular, MYTILINEOS, exploiting its strong H2 2022, is moving towards a new era of profitability, which, despite current rather volatile economic environment, is further boosted by the speed of maturity of investments across the board, while the Company is making full utilization of the opportunities arising over time.

## 2. BUSINESS UNITS OPERATIONAL UPDATES

### 2.1. Power & Gas Business Unit

amounts in m. €	9M 2022	9M 2021	Δ %
Revenues	3,209	688	366%
EBITDA	230	82	181%
<b>Margins (%)</b>			<b>Δ(bps)</b>
EBITDA	7.2%	11.9%	-474

#### Greek Market Data – 9M 2022

Production per Unit type [TWh]	9M 2022	9M 2021	9M 2022 % of mix	9M 2022 % of mix
Lignite	4.4	4.2	11%	11%
Natural Gas	15.1	15.9	39%	40%
Hydros	3.3	4.0	8%	10%
RES <sup>1</sup>	14.0	11.9	36%	30%
Net Imports	2.4	3.6	6%	9%
<b>Total</b>	<b>39.2</b>	<b>39.6</b>	<b>100.0%</b>	100.0%

<sup>1</sup>Renewable Energy Sources

MYTILINEOS Generation (TWhs)	9M 2022	9M 2021	Δ%
Thermal Plants	4.0	3.6	11%
RES	0.4	0.4	5%
<b>Total</b>	<b>4.4</b>	<b>4.0</b>	11%

Power & Gas Business Unit reported **turnover** of **€3,209 million**, representing 70.2% of the Company's total turnover, posting a 366% increase on a year-on-year basis. **EBITDA** stood at **€230 million**, a 181% increase from €82 million in the nine months of 2021.

The strong performance of the Business Unit is owed 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 very 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 at competitive prices for its own activities, while achieving, at the same time, significant penetration in neighboring markets, as part of the above-mentioned internationalization context.

The first nine months of 2022, characterized by extremely high volatility in European natural gas prices, as a result of the geopolitical turmoil, which combined with high CO2 prices led to a significant rise in the wholesale price (DAM). Year-to-date electricity demand came in at about the similar levels as in the corresponding period of 2021.

In that context, the Company's ability - due to the size of its portfolio (the Company's natural gas imports make up 23% of the country's total imports) - to supply natural gas at competitive prices, combined with the high degree of efficiency, availability, reliability and flexibility of its plants (two combined cycle plants and one high-efficiency cogeneration plant), brought its total thermal production at 4.0 TWh. The latter represents 10.3% of the total demand in the interconnected system and 26.7% of the production from natural gas plants. MYTILINEOS' total production both from thermal and renewable units amounted to 4.4 TWh, corresponding to 11.3% of total demand.

As far as the supply activity is concerned, **Protergia** is steadily strengthening its presence in retail, reporting a 9-month 2022 representation of 348,000 of total electricity and natural gas meters, while its share in the electricity market in September 2022 was 8.6% (EnEx market shares). The latter, when accounting for the market share of the recently acquired WATT+VOLT, should exceed the 10% mark.

The Company's RES production capacity currently stands at 208 MW, with the construction of the new 43.2MW wind park progressing on-time and should reach commercial operation date (COD) prior to the end of the year.

Furthermore, the Company is accelerating the development of its Greek pipeline (comprising ~0.64GW Wind and ~1.5GW Solar), 135MW (Solar) of which are gradually moving to operating stages. The Company has also announced a collaboration with Copenhagen Infrastructure Partners for the joint development and construction of offshore wind farms, once the necessary legal and regulatory framework will be in place.

Finally, the construction of the new 826 MW natural gas-fired combined cycle (CCGT) plant with General Electric's H-Class gas turbine was completed on-time, with plant commissioning activities being well-advanced. The new power plant will contribute decisively to the country's transition towards a lower carbon footprint energy mix. The project is executed by the

Company's Sustainable Engineering Solutions Business Unit with notable synergies, ensuring reduced investment cost.

## 2.2. Metallurgy Business Unit

amounts in m. €	9M 2022	9M 2021	Δ %
Revenues	675	482	40%
EBITDA	202	119	69%
<b>Margins (%)</b>			<b>Δ(bps)</b>
EBITDA	30.0%	24.8%	519

Total Production Volumes (ktons)	9M 2022	9M 2021	Δ%
<b>Alumina</b>	<b>644</b>	<b>648</b>	<b>-0.6%</b>
<i>Primary Aluminium</i>	139	136	2.6%
<i>Recycled Aluminium</i>	38	37	2.6%
<b>Total Aluminum Production</b>	<b>178</b>	<b>173</b>	<b>2.6%</b>

Aluminium & Alumina Prices (\$/t)	9M 2022	9M 2021	Δ%
3M LME	2,836	2,393	18.5%
Alumina Price Index (API)	377	300	25.6%

Metallurgy Business Unit in the first nine months of 2022 recorded **Turnover of €675 million**, representing 14.8% of total turnover, compared to €482 million in the first nine months of 2021. **EBITDA** came in at **€202 million**, compared to €119 million in the corresponding period of 2021, an increase of 69%. The above increase, among others, is due to the prevailing high aluminium European premia, as well as due to the timely actions taken by MYTILINEOS with regards to cost control, maintaining its position among the lowest-cost producers of alumina and aluminum globally, which is also reflected in the increase of the profit margin when compared to the first nine months of 2021.

Aluminium (3M LME) average price for the nine months 2022, came in at 2,836\$/t vs 2,393\$/t in the first nine months of 2021, marking a 19% increase. Aluminium price has been rather volatile lately, as during Q1 2022 recorded an all-time high at the \$4,000/t level, mainly due to the geopolitical crisis in Ukraine, while subsequently prices de-escalating back to the \$2,500/t mark, among others, due to the growing concerns of a slowdown in global economic activity as well as due to the strengthening of the US dollar. Since early Q3 2022, aluminium price has been stabilized around the \$2,300/t level. The aluminum price correction, coupled with inflated energy costs have further squeezed profit margins of a number of producers, mainly in Europe but also in the US. Today, more than 1 million tons of primary aluminum output in Europe has been cut off, with an equal capacity size being at risk.

Despite recent decline in prices, aluminum billet premia, remain at historically high levels, partly due to the reduced European aluminum output. The latter is further enhancing the fact that Europe remains a deeply deficit aluminium market, with most of its needs covered by imports from third countries, including Russia.

The Alumina Price Index (API), following the aluminium price trend, supported by the geopolitical developments and a number of plant closures, recorded a 26% increase in the first nine months of 2022 compared to the corresponding period of 2021, having recently been stabilized in the region of \$340/t. The recent API price decline, among others, is due to a relatively small global alumina surplus.

MYTILINEOS, having taken timely proactive actions in order to mitigate the various cost parameters, and particularly that of the energy cost, while taking advantage of both the record-high aluminium prices (LME) earlier this year, as well as the strengthening of the US Dollar against the Euro, along with its flexibility to use alternative fuel, for alumina production, has secured steadily higher levels of profitability ahead, while remaining among the lowest cost producers globally.

### 2.3. Renewables & Storage Development Business Unit

amounts in m. €	9M 2022	9M 2021	Δ %
Revenues	395	244	62%
EBITDA	65	15	332%
<b>Margins (%)</b>			<b>Δ(bps)</b>
EBITDA	16.4%	6.1%	1026

Renewables & Storage Development Business Unit, in the 9M 2022 recorded **turnover of €395 million** (representing 8.6% of total turnover), an increase of 62% over the corresponding period of 2021, while **EBITDA** rose to **€65 million**, vs €15 million in the first nine months of 2021, posting a strong growth of 332%.

The significant increase in profitability and profit margin in the 9M 2022, certifies that the Renewables & Storage Development Business Unit is becoming a strong pillar of development for the Company, as through the BOT (Build Operate & Transfer) platform, projects at various stages of development are promoted in European markets.

MYTILINEOS, meanwhile, has secured significant Power Purchase Agreements (PPAs) for 100MW & 588MWp projects, in the UK and Chile respectively.

The total capacity of the MYTILINEOS' RSD Business Unit's international mature portfolio currently stands at c.2.445 MW out of which:

- 233 MW in operation
- 951 MW are under construction
- 1.261 MW are Ready to Build (RTB) or expected RTB within the next 6 months

On top of the above, the portfolio also includes a pipeline, with projects on various stages of development, with capacity of c.3.7 GW.

Regarding third-party EPC projects, RSD Business Unit is rapidly expanding its footprint in large scale solar energy projects: in Uzbekistan the 131.35 MWp solar project "Tutly" achieved commercial operation, in Chile the energization of the 118.4MWp solar project "Pampa Tigre" was successfully completed and in Spain the Business Unit is strengthening its market position by executing EPC contracts for two solar parks of 90MW and 50MW respectively. It is reminded that in Greece the RSD Business Unit has already begun the construction of the 200 MW solar project of PPC Renewables SA in Kozani as well as a 70 MW solar project for ENEL. In total, the contracted backlog currently stands at €220 million, with another €298 million being in final negotiation phase.

Energy markets' global turmoil as a consequence of the ongoing conflict in Ukraine is further accelerating the demand for "green" projects, while the REPowerEU plan for Europe's energy transformation opens up new development prospects for the Business Unit regarding both the development of new projects as well as the enhancement of the RES project's valuations, particularly those in mature stage of development.

#### 2.4. Sustainable Engineering Solutions Business Unit

amounts in m. €	9M 2022	9M 2021	Δ %
Revenues	294	284	4%
EBITDA	54	30	83%
<b>Margins (%)</b>			<b>Δ(bps)</b>
EBITDA	18.4%	10.4%	799

Sustainable Engineering Solutions (SES) 9M 2022 **turnover** stood at **€294 million**, representing 6.4% of the Company's total turnover, while the **EBITDA** came in at **€54 million** compared to €30 million in the corresponding period of the previous year.

EBITDA in the third quarter of the year recorded a significant improvement, reaching €38 million compared to €5 million in the corresponding period last year, due to the progress of the high and constantly replenished project backlog, which is expected to continue reinforce the Business Unit's results in the coming quarters.

Regarding the main developments of the 9M 2022, SES Business Unit signed an Engineering, Procurement & Construction (EPC) contract for the development of three open-cycle gas turbine (OCGTs) power plant projects in the UK, while as part of a consortium, undertook the development of a 560MW CCGT plant in Poland, which is the Company's first project in this market. Also, a total of four contracts were signed for the construction and maintenance of the same number of distribution network projects for the Hellenic Electricity Distribution Network Operator S.A. (HEDNO), while it signed a contract with the Independent Power Transmission Operator (IPTO SA) for the construction of a 400kV electricity transmission line for the electrical interconnection Greece-Bulgaria. Finally, the first stage of construction for the power plant in Tobruk, Libya has been completed and already 185MW distributed to the country's electricity system.

At the end of 9M 2022, the signed backlog came in at **€1.4 bn**, while accounting for the projects in an advanced stage of development, total pipeline reaches **€2.5 bn**, 42% of which refers to Greek projects, an activity which is expected to record significant growth, both in construction and concession sectors.

SES Business Unit, focusing on projects that promote the targets of the Energy Transition and Sustainable Development, is now recognized internationally as a top Turn-Key project contractor that responds to demanding international markets, with significant energy needs, consistently delivering high-quality projects.

Significant growth prospects also arise from the European Recovery Fund, with Greece being the country that will receive the highest funding as a percentage of GDP. The Unit, possessing the know-how for higher standard projects, will take full advantage of the significant opportunities arising from projects that contribute to green development as well as infrastructure projects.

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#### **MYTILINEOS:**

MYTILINEOS S.A. is a leading Greek industry active in Metallurgy, Power & Gas, Renewables & Storage and Sustainable Engineering Solutions. Established in Greece in 1990, the company is listed on the Athens Exchange, has a consolidated turnover of €4.5 billion (9M 2022) and employs directly or indirectly more than 4,820 people in Greece and abroad.

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