



MYTILINEOS

**MYTILINEOS
FLASH NOTE - FINANCIAL RESULTS 2020**

**A YEAR OF STRONG PERSISTENCE AND RESILIENCE DESPITE THE
CHALLENGING ENVIRONMENT
MYTILINEOS effectively absorbed the pandemic effects, responding to the
challenges of 2020 with flexibility and determination**

Athens, Greece - 4 February 2020 - MYTILINEOS S.A. (RIC: MYTr.AT, Bloomberg: MYTIL.GA) announces its 2020 financial results.

- Operating income (EBITDA) reached €315 million remaining stable compared to 2019.
- Net profit after minority interests amounted to €129 million, with the annualized earnings per share index (annualized EPS) remaining at levels approaching 1.
- Net debt shaped at €538 million, keeping the Leverage ratio (Net Debt / EBITDA) below 2 and specifically at 1.71, despite significant investments, dividend payments and repurchase of 6.14 million shares (4.3% of the total).
- Proposed Dividend Per Share (DPS) at €0.36 (adjusted for own shares) corresponding to 41% of net profits compared to 35.5% in 2019.

Commenting on the Financial Results, the Chairman and Chief Executive Officer, Evangelos Mytilineos said: "2020 was undoubtedly a year marked by unprecedented global challenges. Especially for the Greek economy, which had started to recover from a ten-year recession, is yet again called to face a new economic downturn.

In this context, the strong financial results, which are announced today certify, in the clearest way, that based on MYTILINEOS' strategic advantages and the tireless effort of our people, we effectively managed to absorb the turbulences of the Covid-19 pandemic, maintaining last year's operating profitability levels (which I had set as a goal early in 2020), while also remaining on a steady growth path. In addition, in 2020 we accelerated MYTILINEOS' restructuring, which through the newly established Business Units, focuses on the goals of energy transition and sustainability".

During 2020, MYTILINEOS, following closely the domestic and international developments, took timely and effective measures, prioritizing the health and safety of its employees. The Company responded promptly with flexibility and determination for the successful transition

to remote working, ensuring the smooth continuation of operations of all Business Units, as well as minimizing the financial impact of the pandemic.

The start of 2021 finds MYTILINEOS at a strong position,

- The Power & Gas Business Unit, based on its competitive advantages, aims to maintain its profit margins, while targeting increased market shares.
- The Metallurgy Business Unit benefits from stable raw material costs, as well as from the recovery of Aluminum and Alumina prices.
- The Renewables & Storage Development and Sustainable Engineering Solutions Business Units are currently accelerating the contracting and execution process, as a number of new projects reached a mature stage during the second half of 2020.

1. Key Financials Figures

amounts in m. €	FY 2020	FY2019	Δ %
Turnover	1,899	2,256	-16%
EBITDA	315	313	1%
EATam	129	145	-11%
EPS	0.9116	1.0140	-10%
Margins (%)			Δ(bps)
EBITDA	17%	14%	272
EATam	7%	6%	34

Compared to 2019, on a consolidated basis:

Turnover amounted **€1,899 million** compared to €2,256 million in 2019, recording a 16% decline, due to the weak pricing environment of the Metallurgy and Power & Gas Business Units and the timeline shift in both implementation and contracting of new projects in the Renewables & Storage Development and Sustainable Engineering Solutions Business Units, due to the pandemic.

EBITDA remained almost flat at **€ 315 million** compared to € 313 million in 2019, benefiting from the strong performance of the Power & Gas Business Unit.

Respectively, the **Net Profits**, After Taxes and Minority Interests, stood at **€129 million** compared to €145 million in 2019.

Net Debt stood at **€538 million** compared to €421 million in 2019, with the Leverage Ratio (Net Debt/EBITDA) maintained at levels lower than 2x (1.71). In addition, following the early

bond repayment of €300 million in June 2020 (which normally will expire in June 2022), the Company has an excellent credit profile, with no significant maturities expected until the end of 2024.

Overall, in 2020 the Company **utilized its competitive advantages and synergies across Business Units, intensified the cost optimization**, and by **leveraging on the Power & Gas Business Unit** record high performance, managed **to respond effectively to the pandemic** and set the foundations for strong growth going forward.

Regarding the performance in the 4th Quarter of 2020:

EBITDA reached €81 million compared to €65 million in the respective period of 2019, benefiting from the significantly improved performance of the Sustainable Engineering Solutions Business Unit, as well as the consistently strong performance of the Power & Gas and Metallurgy Business Units.

2. BUSINESS UNITS OPERATIONAL UPDATE

2.1 Power & Gas Business Unit

amounts in m. €	FY 2020	FY 2019	Δ %
Revenues	928	996	-7%
EBITDA	157	101	55%
Margins (%)			Δ(bps)
EBITDA	16.9%	10.1%	678

Greek Market Data – 2020

Production per Unit type [GWh]	FY 2020	FY 2019	Δ%
Lignite	5,737	10,418	-44.9%
Hydros	2,903	3,363	-13.7%
Natural Gas Units	18,691	17,104	9.3%
RES ¹	13,835	11,344	22.0%
Net Imports	8,860	9,944	-10.9%
Total	50,025	52,173	-4.1%

¹Renewable Energy Sources

MYTILINEOS Production (GWhs)	FY 2020	FY 2019	Δ%
Thermal Plants	5,550	5,404	2.7%
RES	522	430	21.6%
Total	6,072	5,834	4.1%

Power & Gas Business Unit had a record high performance in 2020, despite reduced electricity consumption (-4.1%) in the country due to the pandemic and the 30% lower wholesale market prices (SMP). Regarding the power generation mix, Natural Gas has emerged as the base load fuel, following the reduced electricity production from lignite by 44.9%. The participation of RES in the energy mix, was significantly increased, reaching 28% of the total production.

MYTILINEOS benefited significantly from the above conditions, **leveraging on its competitive Natural Gas portfolio, the high efficiency, availability and reliability of its units**, but also on its **leading position** among the independent electricity suppliers.

Specifically, **turnover** was reported at **€928 million**, corresponding to 49% of the total turnover, compared to €996 million in 2019.

Earnings Before Interest, Taxes, Depreciation and Amortization (**EBITDA**) reached **€157 million** in 2020, compared to €101 million in 2019, recording a 55% increase. The historically high performance in 2020 resulted in the BU's increased contribution to the Company's total operating profitability that reached 50% of total.

The Company's ability to source Natural Gas at competitive prices, combined with the high efficiency, availability and reliability of the Company's power units (two combined cycle CCGT and one high efficiency Combined Heat and Power plant), resulted in 5.55TWh of total production. This amount represents 11.1% of the total electricity demand in the interconnected system and 29.7% of the Natural Gas production.

The total production from the Company's thermal and renewables units reached 6.07TWh, a 12.1% share of the total demand.

During 2020, MYTILINEOS share of total NG imports reached 36%, while the respective share of exports is estimated at 72%.

Profitability and energy production from RES were both significantly increased. During the 3rd Quarter of 2020, 11MW was added to MYTILINEOS installed capacity totalling 222MW, while the construction of a new Wind Park of 43.2MW has also been launched.

Regarding electricity and natural gas supply, Protergia is strengthening its position as the leading independent private supplier, increasing its market share to 7.7% compared to 5.5% in 2019, representing more than 285,000 electricity and NG clients.

Finally, the construction of the new Gas-fired Combined Cycle (CCGT), 826MW power plant continues according to the initial timeline and it is expected to be commissioned by the 4th Quarter of 2021. The new plant is expected to enhance significantly MYTILINEOS' position both in terms of power production and supply to companies and retail customers.

MYTILINEOS, with approximately 1.4 GW installed thermal units and operating RES projects, while holding the leading position amongst the private energy suppliers, has established its position as the largest private vertically integrated electricity and natural gas Company, reaching the critical size needed in order to benefit the most from the implementation of the Target Model, which has been enforced since November 2020, as well as the general full liberalization of the domestic electricity and natural gas market.

2.2 Metallurgy Business Unit

amounts in m. €	FY 2020	FY 2019	Δ %
Revenues	499	594	-16%
EBITDA	136	164	-17%
Margins (%)			Δ(bps)
EBITDA	27.2%	27.6%	-35

Total Production Volume (ktons)	FY 2020	FY2019	Δ%
Alumina	826.5	820.1	0.8%
Primary Aluminum	181.9	181.3	0.4%
Recycled Aluminum	42.5	25.8	64.5%
Total Aluminum Production	224.4	207.1	8.4%

Aluminium & Alumina Prices	FY 2020	FY2019	Δ%
3M LME	1,730.0	1,811.0	-4.5%
Alumina Price Index (API)	270.8	332.0	-18.4%

The Covid-19 pandemic outbreak led to increased uncertainty and low visibility, affecting the Alumina and Aluminium markets and resulting in a particularly soft pricing environment, a trend which was reversed during the second half of 2020.

Specifically, the Aluminium price at LME 3M recorded a low of \$1,460/t and then recovered, resulting in an average annual price of \$1,730/t, a 4.5% price drop compared to 2019.

Respectively, the Alumina Price Index (API) recorded a significant decline reaching \$230/t, with average annual price of approximately \$270/t, an 18% decrease compared to 2019. Towards the end of 2020, the prices were increased, boosted by optimistic news about the vaccination progress and the projected positive impact on the economy.

The USD strengthened against the EURO during the 1st Half of 2020, though lost its momentum, especially towards the end of the year. On a full year basis USD settled at 1.14 slightly weakened, compared to 2019 (€/\$ 1.12).

Despite the weak pricing environment, the Metallurgy Business Unit had a resilient performance, maintaining its operating profit margins at similar high levels of 2019. The Unit benefited from cost optimization initiatives, which resulted in improved production costs by approximately 25% in Alumina and about 20% in Primary Aluminium, compared to 2019.

The Alumina and Aluminium plants remained in full operation, without problems due to the pandemic, regarding the demand for end products and the supply chain.

Specifically, in 2020, the Metallurgy Business Unit marked a **turnover of €499 million**, representing the 26% of the total turnover, compared to €594 million in 2019, a decrease solely due to lower prices, while sales volumes were increased. The Unit's **EBITDA** in 2020 was **€136 million**, while in 2019 was reported at €164 million.

The new Metallurgy competitiveness program, "HEPHAESTUS", is in full deployment, with €19 million savings to date. The program is expected to continue until the end of 2021, with a total target at €60 million, of which €35 million refer to the improvement of EBITDA on a recurring basis and the remaining amount to one-off savings.

2.3 Renewables & Storage Development Business Unit

Amounts in million €	FY 2020	FY 2019	Δ %
Turnover	264	388	-32 %
EBITDA	15	29	-48%
Margins (%)			Δ (bps)
EBITDA	5.7%	7.5%	-179

At early 2020, the Renewables & Storage Development Business Unit became an autonomous Business Unit, marking the Company's strategic focus on the global market of

solar PV and energy storage projects, both through the construction of projects for third parties, as well as through its own development platform.

In 2020, the Renewables & Storage Development Business Unit marked a **€264 million turnover**, representing 14% of the Company's total turnover, compared to €388 million in 2019. **EBITDA** in 2020 was **€15 million** compared to €29 million in 2019.

The pandemic impacted the financial performance of the Unit, especially during the first 9 months of 2020, since the construction timeline of contracted projects was shifted, as well as the contracting of new projects. The last quarter of 2020 started a gradual recovery with the signing of new projects and the normalization of construction progress. Especially during the last months of 2020, the Company announced a series of new agreements, regarding new projects for its own platform, as well as for the construction for third parties in countries such as Chile, Spain, Scotland, Australia and Greece.

Regarding the EPC projects for third parties, during 2020, despite the challenging circumstances and the restrictions in various markets and countries, the Company managed to successfully complete large projects such as Talasol, a 300MW project in Spain, Atacama, a 170MW project in Chile, and other important projects in Kazakhstan and United Kingdom, establishing its position amongst the leading EPC contractors for solar energy and energy storage projects.

Regarding the BOT (Build-Operate-Transfer) projects, during the 1st Quarter of 2020, the Company sold a portfolio of photovoltaic projects in North and Central Greece, priced at €45.8 million. The development of projects continued in countries like Greece, Spain, United Kingdom, Chile, Mexico, South Korea, Taiwan and Australia. The total capacity of the BOT portfolio reaches 4.3 GW, including projects that are in various stages: from early development stage to "ready to build" projects.

The Renewables & Storage Development Business Unit continues to focus on the timely execution of the existing contracts and the undertaking of new projects and investments in targeted markets, since companies and countries are focusing on a faster integration of clean energy in their energy mix, in order to improve their environmental footprint. In this context, MYTILINEOS' activities in the Renewables & Storage Development Business Unit will be a "significant catalyst" for its operational profitability in the next year, as there is an important increase of projects under implementation, regarding both third party projects, as well as own investment projects through the development, construction and operation/sale of photovoltaic or energy storage projects.

2.4 Sustainable Engineering Solutions Business Unit

Amounts in million €	FY 2020	FY 2019	Δ %
Turnover	208	278	-25%
EBITDA	11	22	-50%
Margins (%)			Δ (bps)
EBITDA	5.3%	7.9%	-263

In 2020, the Sustainable Engineering Solutions Business Unit's financial performance has been affected by the Covid-19 pandemic, since there was a timeline shift for the implementation of projects. Despite the above, the Unit was resilient, presenting positive results. The **turnover** stood at **€208 million** compared to €278 million in 2019, while the **EBITDA**, following the significant recovery marked during the 4th Quarter of 2020, was **€11 million** compared to €22 million in 2019.

2020 was a turning point, as the former EPC & Infrastructure BU was transformed, with a new organizational structure, focusing on projects that promote the goals of Energy Transition and Sustainable Development. In this context, the European Recovery Fund is expected to offer significant opportunities for the Greek economy and especially for companies with the capacity and know-how to participate in projects, which promote a sustainable development model (eg. solid & liquid waste management projects, hybrid and off-grid energy projects, energy upgrade projects and execution of innovative first-of-a-kind energy projects). Since the 4th Quarter of 2020, the Sustainable Engineering Solutions Business Unit has started to present positive results, starting with the increase of backlog within 2020, the execution of existing contracts, as well as undertaking new projects, with the backlog of already contracted projects reaching €1,023 million.

Prospects for 2021

Financial activity in Greece and globally, marked a historic downturn in 2020, due to the pandemic, a trend that is expected to be gradually reversed during 2021, as the vaccination progress continues globally.

In addition to the monetary measures, significant fiscal packages in the U.S.A. and E.U., are expected to support the economic activity and accelerate the financial recovery, assuming that the pandemic will gradually recede.

The overall environment is still fluid, since uncertainty remains regarding the vaccination progress rate, as well as the timing that the financial support measures will yield results.

However,

- the recovery of Aluminium price to pre-pandemic rates in combination with the competitive production costs,
- the improvement of domestic electricity consumption and gradual increase of power prices as a result of increased natural gas prices,
- the progress of new significant projects in the Renewables & Storage Development and Sustainable Engineering Solutions Business Units,

are setting a solid foundation for a strong financial performance in 2021.

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MYTILINEOS S.A.

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 €1.9 billion and employs directly or indirectly more than 3,600 people in Greece and abroad.

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