

METLEN – ENERGY & METALS
FLASH NOTE - FINANCIAL RESULTS FIRST HALF 2024

Steadily pursuing internationalization and growth

Record-high H1 Net Profits performance

The internationalized and diversified growth model demonstrates significant resilience. Substantial industrial investments and RES expansion

Athens, Greece – July 25, 2024 –METLEN (RIC: MYTr.AT, Bloomberg: MYTIL.GA, ADR: MYTHY US) announces its H1 2024 financial results.

- ✓ **Turnover amounted to €2,482 million**, compared to €2,516 million in H1 2023, despite the significant de-escalation of energy and natural gas prices throughout the semester.
- ✓ **Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) reached €474 million**, compared to €437 million in the corresponding period of 2023, while operating margin increased by 169 basis points.
- ✓ **Net Profit after minorities reached €282 million** vs. €268 million in H1 2023. The corresponding **Earnings per Share** came in at €2.04 from €1.94 in the corresponding period of 2023.
- ✓ **Net Debt**, on an adjusted basis, **came in at €1,774 million**, excluding non-recourse debt. Despite the intensive CAPEX program that is in full swing, adjusted Net Debt to EBITDA stood at 1.76x, level on par with or better than the performance of companies with investment grade status. Following the most recent upgrade of METLEN by FITCH and S&P, the Company is now just one notch away from achieving the goal of investment grade, for the first time in its history.

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

“H1 2024 strong financial performance, confirms the establishment of METLEN in the historically high levels of performance achieved after the 2022 corporate transformation.

During a year of significant challenges, in an environment of high interest rates and intense geopolitical instability, METLEN’s business model, which incorporates, at its core, the vital synergies of the Energy and Metal Sectors, demonstrates once again the required resilience, allowing us to be optimistic about achieving the ambitious business targets we have set for the entire year”.

1. KEY FINANCIAL FIGURES

amounts in m. €	H1 2024	H1 2023	Δ %
Turnover	2,482	2,516	-1%
EBITDA	474	437	8%
EATam	282	268	5%
EPS*	2.04	1.94	5%
Margins (%)			Δ(bps)
EBITDA	19.1%	17.4%	169
EATam	11.4%	10.7%	70

Turnover amounted to **€2,482 million** compared to €2,516 million in the first half of 2023, marking a 1% decrease despite the significant de-escalation of energy prices, specifically both electricity prices (DAM: -54%) and natural gas prices (-33%).

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased by 8% reaching **€474 million**, compared to €437 million in the corresponding period of 2023, benefiting both from the consistently strong performance of the Metals Sector as well as the continued upward course of the profitability of the Energy Sector and particularly the activity of the Renewable Energy Sources (RES), which contributed approximately 1/3 of the Company's total EBITDA. At the same time, METLEN succeeded in strengthening its profit margin, which in terms of EBITDA increased from c.17% in the first half of 2023 to c.19% in the first half of 2024. This was mainly the result of the increased contribution in the profitability mix of Sectors with particularly qualitative characteristics, such as RES, Metallurgy as well as the Greek Utility.

METLEN posted once again a record high H1 performance led by the Energy Sector. In particular, on top of the significant contribution of M Renewables (RES in Greece and abroad), which saw its profitability significantly increasing (+61%) year-on-year, the Energy Sector was also benefited from the substantial strengthening of the Greek Utility, which, in terms of market share, reached the 20% level, at the end of the first half of 2024, both in electricity production and supply.

The Metals Sector, in H1 2024, exceeded the historically high levels of profitability of the first half of 2023 as a result of both the strengthening of aluminum premia and the price of Alumina API. The record six-month performance of the Metals Sector, owed mainly on timely actions taken by the Company's Management regarding the security of favorable LME prices, fully capitalizing on the opportunities presented in the previous period, while showcasing an effective cost control. The latter, following the termination of the PPC contract and the full assumption of the electrification of the aluminum plant by Protergia, is a key driver for the enhancement of the Metals Sector's profitability in 2024 compared to

2023. The above, along with the key synergies of the Energy and Metals sectors, maintain METLEN among the world's most competitive aluminum and alumina producers.

Net profit after minorities that came in at **€282 million**, a 5% increase compared to €268 million in the same period of 2023.

Following the seasonality of the recent years, METLEN's financial performance is expected to strengthen even more in the second half of 2024, driven by the Energy Sector. The above will result in significantly higher levels of profitability, while the positive financial flows will allow the execution of all the investments and the further strengthening of turnover with absolute control over key leverage ratios.

Regarding the construction and concessions activity, the **Earnings before Taxes, Interests and Depreciation (EBITDA)** amounted to €12.2 million compared €7 million in the corresponding period of the previous year, with the prospect of a significant increase in the second half of 2024 as the backlog of infrastructure projects already exceeds €800 million, while including projects that are in an advanced stage of contracting, it exceeds €1.2 billion. The outlook for the construction industry in Greece is particularly positive, especially for concession and Public & Private Partnerships (PPP), in which the Infrastructure Sector (METKA ATE and M Concessions) aspires to play a leading role.

2. BUSINESS UNITS OPERATIONAL UPDATES

2.1. Energy Sector

amounts in m. €	H1 2024	H1 2023	Δ %
Revenues	1,988	1,994	-0.3%
EBITDA	322	303	6%
Margins (%)			Δ(bps)
EBITDA	16.2%	15.2%	100

Energy Sector reported **turnover** of **€1,988 million**, representing 80% of the company's total turnover, remained at the same levels with H1 2023. **Earnings before interest, taxes, depreciation and amortization** stood at **€322 million**, increased by 6% compared to €303 million in H1 2023.

Following the corporate transformation, METLEN 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 – METLEN’s Global portfolio	Power (GW)
RES in Operation	0.9
RES Under Construction	1.4
RES RTB & Late stage of Development**	2.5
RES Early Stage of Development	5.8
Total	10.6

* Includes projects of all technologies (photovoltaic, energy storage, wind)

**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 **~4.8 GW**, while including projects in Early and Middle stages of development, with a capacity of **~5.8 GW**, METLEN’s global portfolio stands at **10.6 GW** in the end of H1 2024.

Total power production from Renewable Sources, with a total installed capacity of c.0.9GW, in the end of the first half of 2024 amounted to **632 GWhs**, of which 327 GWhs produced from RES in Greece and the remaining 305 GWhs from International RES.

METLEN, making utmost use of its Asset Rotation Model, proceeded to a strategic agreement with PPC, during the first half of 2024, for the sale of projects with total capacity of ~2GW in Europe and particularly in Italy (503 MW), Romania (516MW), Croatia (445MW) and Bulgaria (500MW), with a three year implementation horizon. The successful Asset Rotation Model allows METLEN to continue the growth of M Renewables' profitability, while making utmost use of all available financing tools. As a result of the above, the Company retains a self-funded RES development model, while maintaining low levels of leverage and an excellent credit profile.

Meanwhile, METLEN effectively continuing its Asset Rotation Model, during H1 2024 proceeded with the sale of photovoltaic (PV) projects (SPAs), with total capacity of 531MW.

With regards to Metlen’s own pipeline, the development of the ~340MW is continuing unobstructedly, while during H2 2024, the commencement of the construction of additional 550MW is expected. The Greek portfolio utilizes resources from the Recovery and Resilience Facility (RRF).

Regarding the international portfolio, METLEN is currently constructing PV projects with total capacity of over 1 GW, which are expected to be commissioned soon.

In the context of the Global Energy Transition, through the shift towards RES, as well as the Sustainable Development Strategy adopted by the Company in recent years, METLEN proceeded in May 2024 to the signing of two 10-year PPAs with Keppel DC REIT for the

energy supply in two Keppel DC REIT facilities in Dublin, generated by two PV farms in Ireland. The above should provide "green" energy, reducing carbon dioxide emissions by 6,250 tonnes of CO2 per annum.

Regarding the third party projects, the execution continues unobstructed, in countries like: Spain, the United Kingdom, Greece, Italy and Romania, with the contracted backlog (signed pending contracts) amounting to €221 million, while an additional €360 million are in final negotiation phase.

Greek Market Data – Q1 2023

Production per Unit type [TWh]	H1 2024	H1 2023	H1 2024 % of mix	H1 2023 % of mix
Lignite	1.5	2.1	6%	9%
Natural Gas	9.0	6.5	37%	28%
Hydros	1.8	1.6	7%	7%
RES ¹	11.8	9.6	49%	41%
Net Imports	0.3	3.5	1%	15%
Total	24.5	23.5	100%	100%

¹Renewable Energy Sources

METLEN Generation (TWhs)	H1 2024	H1 2023	Δ%
Thermal Plants	3.9	2.2	81%
RES	0.3	0.3	14%
Total	4.2	2.4	73%

H1 2024 was marked by a significant increase in electricity demand, recording a year-on-year growth of 4%. The largest increase, compared to the corresponding period in 2023, was noted in electricity generation from natural gas thermal plants, which increased by almost 40%, with Renewable Energy Sources (RES) following with a 23% increase compared to H1 2023. On the contrary, lignite-based electricity generation decreased by 30%, and energy imports from third countries were nearly eliminated (~1%) compared to 15% in H1 2023.

More specifically, the three combined cycle plants (CCGTs) and the one high-efficiency generation plant (CHP) produced a total of **3.9 TWh** from **2.2 TWh** in the corresponding period of 2023, resulting in an c.**80%** increase in METLEN's thermal production. Metlen's thermal production represents 43.4% of the electricity production from natural gas units in the country, from c.33% in 2023.

The significant increase in the production from thermal units production in the first half of 2024, compared to H1 2023, is primarily driven (despite Arpil's scheduled maintenance) to

the operation of the new CCGT unit (826 MW – in hot commissioning stage). Therefore, due to very strong demand, particularly in Q3 2024, production for the second half is expected to be significantly enhanced. The new CCGT contributes decisively to support the country's transition towards an energy mix with significantly lower carbon footprint. The above, coupled with the high degree of efficiency and flexibility of our units as well as the procurement of natural gas at competitive prices, are expected to significantly boost H2 and consequently 2024 profitability.

Power production in Greece, both from the Company's thermal and renewable units, amounted to 4.2 TWh, representing 17.3% of total demand from 10.4% at the end of the first half of 2023. Over the past year, METLEN has managed to nearly double its production and thus its market share, which, due to the increase in RES production along with the full integration of the new CCGT unit (826 MW), is expected to continue its upward trend in years to come.

METLEN – Supply of Energy & Natural Gas	H1 2024	H1 2023	Δ%
Market share	16.7%	12.8%	-

Regarding the electricity supply activity, **Protergia**, is steadily strengthening its presence in the retail market, with its market share in electricity at the end of June 2024 approaching 17% (HEnEx market shares – including Volterra's market share), up from 12.8% at the end of June 2023. METLEN is targeting to exceed 20% of the Greek consumption, creating an integrated "green" utility with international presence. Taking advantage of the vertical integration of the Company's operation in the Energy Sector, METLEN has managed to establish the integrated energy provider of the new era ("Utility of the Future"). Thus, Metlen has the capacity to absorb the pressure created by sharp price fluctuations for the benefit of consumers, as recently highlighted by Protergia's August pricing policy announcement.

Moreover, METLEN, 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. METLEN, maintaining significant natural gas volumes, has become a major regional player in the supply and trading of natural gas in both the Balkans and wider Southeastern Europe. This achievement has enabled the company to secure competitive natural gas prices and the benefit of this success is distributed through METLEN's synergistic model to all company's operations. In H1 2024, the Company's natural gas imports reached 25 TWh, with METLEN representing 43% of the country's total imports.

Power Projects METLEN	H1 2024
Backlog of contracted projects	€1.4 billion
Total pipeline	€1.8 billion

M Power Projects Sector, continuously strengthening its international presence on projects that support the Energy Transition and Sustainable Development goals, currently executing 35 projects in 11 different countries.

At the end of H1 2024, the backlog of contracted projects amounted to €1.4 billion, while including projects at an advanced stage of contracting, total pipeline amounts to €1.8 billion, of which only 8% refers to projects in Greece and the rest in foreign markets, mainly in the UK market, an activity which is expected to grow significantly. 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 2024 major developments, M Power Projects Sector reached an agreement for the development and construction of a 560MW CCGT unit with associated infrastructure at the Adamów power plant in Poland. This is METLEN's second energy project in Poland, as the company has already signed an EPC contract and is currently constructing a 560 MW CCGT project in Grudziadz, again in consortium with SIEMENS ENERGY. The project is expected to be completed in the second quarter of 2027 and the contract price for METLEN is approximately €250 million. The total investment exceeds PLN 2.3 billion (€500 million).

Additionally, in H1 2024, the commencement of work on the construction of the first high-capacity subsea interconnection in the UK came into effect, under a £1bn contract. Metlen's MPP along with GE Vernova, has undertaken the supply and construction of two high-voltage direct current (HVDC) converter stations for the EGL1 consortium with National Grid and SP Energy Networks. The project is designed to unlock Scotland's vast renewable energy potential, increasing the UK's ability to transport clean energy where it is needed.

2.2. Metals Sector

amounts in m. €	H1 2024	H1 2023	Δ %
Revenues	412	480	-14%
EBITDA	142	135	4%
Margins (%)			Δ(bps)
EBITDA	34.5%	28.3%	620

Total Production Volumes (ktons)	H1 2024	H1 2023	Δ%
Alumina	431	429	0.5%
<i>Primary Aluminium</i>	91	92	-2.0%
<i>Recycled Aluminium</i>	29	28	4.2%
Total Aluminum Production	120	120	-0.5%

Aluminium & Alumina Prices (\$/t)	H1 2024	H1 2023	Δ%
3M LME	2,401.7	2,362.2	1.7%
Alumina Price Index (API)	401.8	352.5	14.0%

Metals Sector reported **turnover** of **€412 million**, representing 17% of the company's total turnover, posting a 14% decrease on a year-on-year basis. **Earnings before interest, taxes, depreciation and amortization (EBITDA)** stood at **€142 million**, increased by 4% compared to H1 2023.

H1 2024 average aluminium price (3M LME), came in almost flat year-on-year at 2,402\$/t. During Q2 2024, aluminium prices maintained their upward trend, reaching the 2,800\$/t area, before returning to the \$2,400/t levels. The increase in aluminium prices, beyond the global growth improvement, is owing to the recent ban on deliveries of new Russian aluminium production from the London Metal Exchange (LME), following the sanctions imposed by the US and the UK, coupled with alumina supply concerns. At the same time, the strengthening of the US dollar and market fears for higher for longer interest rates, caused metal's prices to retreat back to \$2,500/t at the end of H1 2024 and to \$2,400/t at the beginning of the second half.

Aluminum billet premia showed a significant upward trend, especially in the regions where the Company operates (Europe), moving from the level of \$370/t, at the beginning of the year, to \$600/t today. Premia's steady upward trend is mainly attributed to the fact that Europe remains a significantly deficit market, with most of its needs covered by imports

from third countries, including the Middle East and Russia. Simultaneously, transportation and management costs have risen significantly, reinforcing this upward trend of premia.

Alumina's profitability, in H1 2024, improved significantly compared to the corresponding period of 2023, as production costs reduced while selling prices increased. Alumina price index (API), followed a strong upward trend, rising 14% year-on-year to \$402/t. Alumina prices have strengthened significantly from the \$350/t level at the beginning of the year to over \$500/t at the end of H1 2024. The above is a result of strong demand, driven by the restart of some aluminium plants in Yunnan province of China, and Europe, as well as the constrained Australian and Chinese alumina supply, the result of bauxite shortages. Potential depletion of local bauxite reserves (e.g. China), could play a decisive role in prospect alumina prices.

Therefore, the need for greater verticalization in the aluminum market is now seen as imperative, not only for an even more effective cost management, but also for the seamless continuation of the production process, by securing bauxite supply, the raw material for alumina and aluminum production. METLEN, by taking timely actions and making the most of all the opportunities offered either at the revenues level (hedging) or via cost cuttings and investments (acquisition of Imerys bauxites, agreement for bauxite mining in Ghana), manages consistently to lead the Metals segment to new record high levels of profitability. METLEN, at the same time, 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 Metals profit margin, while positioning METLEN among the most competitive aluminum and alumina producers globally. METLEN, has the ability to maintain itself among the lowest-cost producers of alumina and aluminum globally, among others, by utilizing aluminium smelter as a battery, and charge it, taking advantage of the particularly low energy prices, the result of power oversupply during certain hours of the day.

Prospects

METLEN's historically high performance in the first half lays a strong foundation for achieving the goals set for the entire year. Further analysis regarding the Company's financial results, prospects, business developments and strategy will be discussed by METLEN's Management in the scheduled conference call on Thursday 25/7/2024, 5:30 pm (GR TIME).

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Metlen Energy & Metals – evolution of MYTILINEOS Energy & Metals - is a multinational industrial and energy company, a leader in the metallurgy and energy industries, focused on sustainability and circular economy. The Company is listed on the Athens Stock Exchange, with a consolidated turnover and EBITDA of €5.49 billion and €1.01 billion, respectively. Metlen is a reference point for competitive green metallurgy at the European and global level, whilst operating the only vertically integrated bauxite, alumina and primary aluminum production unit in the European Union (E.U.) with privately owned port facilities. In the energy sector, Metlen offers comprehensive solutions, covering thermal and renewable energy projects, electricity distribution and trading, alongside investments in grid infrastructure, battery storage, and other green technologies. The Company is active in the markets of all five continents, in 40 countries, adopting a full-scale synergetic model between the Metallurgy and Energy Sectors, while undertaking end-to-end development of major energy infrastructure projects.

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