

December 3, 2019



**MYTILINEOS**

PRESENTATION



# Company Update



- 01 Debut Issuance of €500 mn senior notes in international debt markets & key success factors
- 02 Metallurgy: Maintaining position in cost curve & Aluminium recycling strategy
- 03 Power & Gas: Strengthening position
- 04 EPC: New projects in solar globally and implementation of investment platform strategy
- 05 Trading Update
- 06 Looking Forward



# 1 Successful debut bond issuance of €500m in the debt markets



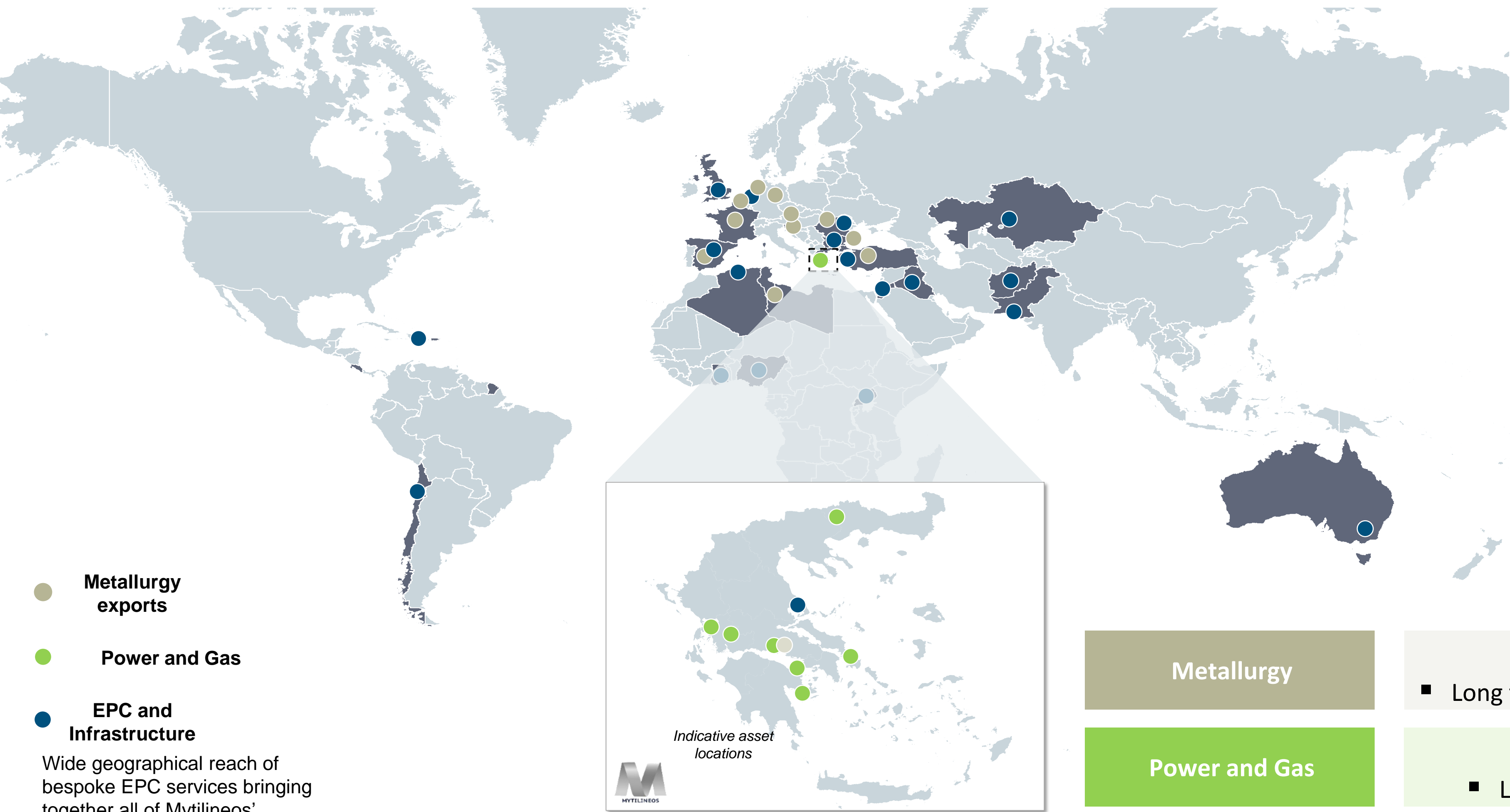
- ✓ We are the first debut Greek issuer to enter the international debt markets in over 5 years
- ✓ Key credit strengths that led to our successful debut offering were our diverse international business profile, our demonstrated resilience throughout the Greek crisis, our business diversification and our synergies across our business units
- ✓ Our decision to issue a rated bond, BB- / BB (S&P/Fitch) provides assurance to credit investors
- ✓ Oversubscription of 3.45x with strong international investor participation
- ✓ Secured low coupon of 2.50% lowers our financing costs
- ✓ Extends our maturity profile

# Unique investment highlights:

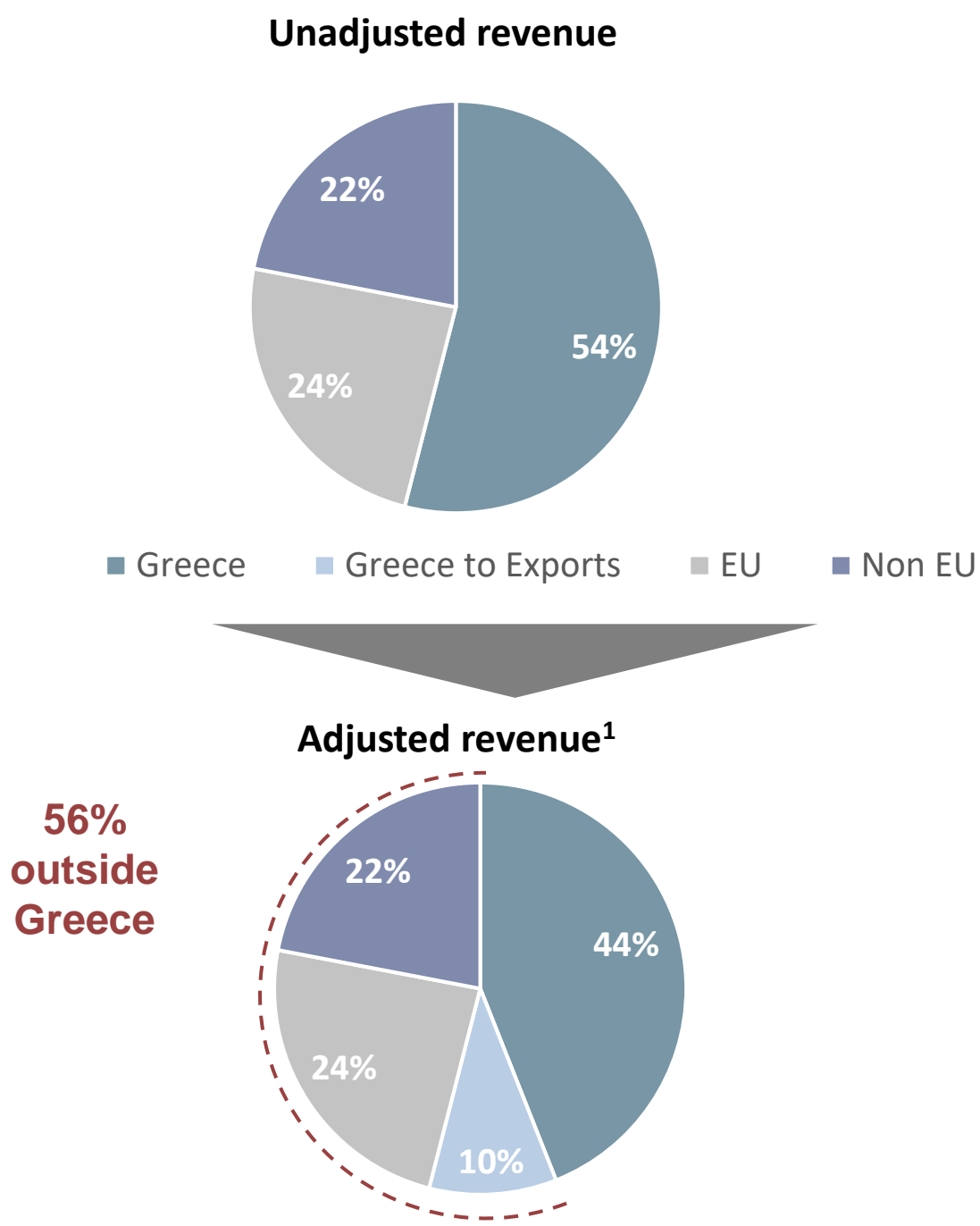
## a) Diverse international business profile



### Broad international footprint...



### ...with 56% of sales coming internationally



**Metallurgy**

- Directs c.97% of sales internationally<sup>1</sup>
- Long term relationships with major European customers

**Power and Gas**

- Predominantly Greece focused
- Leading retail platform with 180,000 customers

**EPC and Infrastructure**

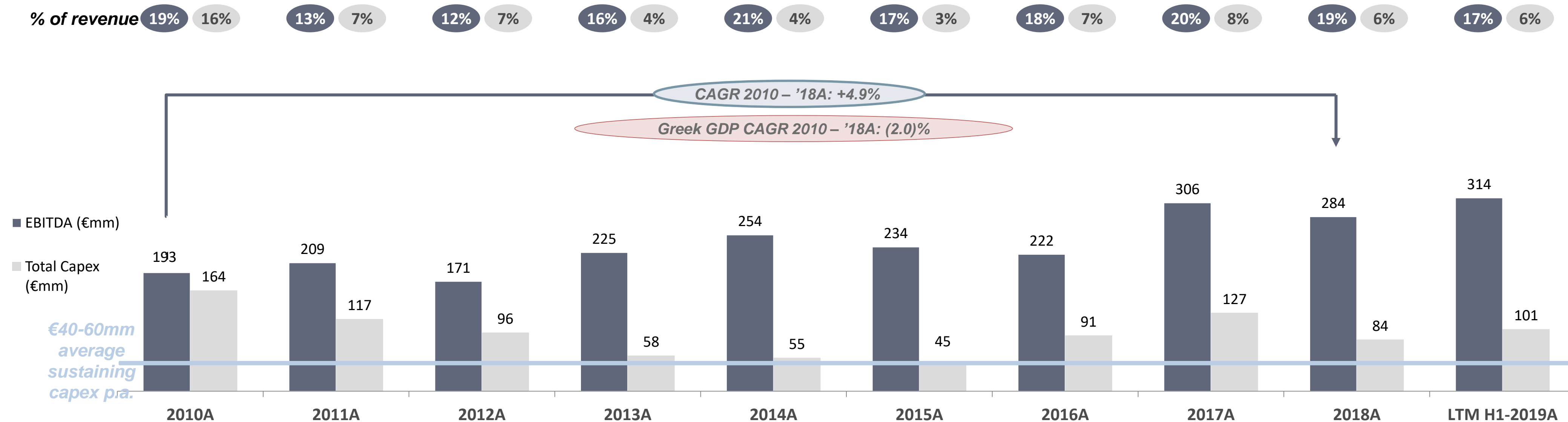
- c.77% international revenues
- Emerging market focused with diversified customer base

# Unique investment highlights:

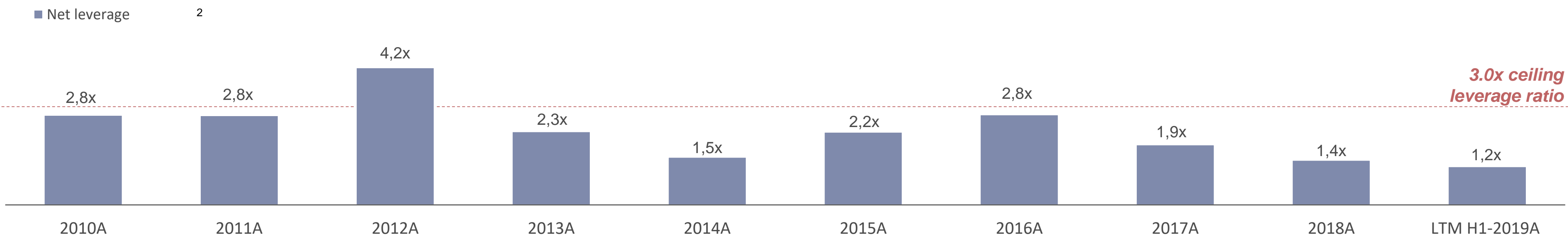
## b) Consistent value growth and proven resilience



### Robust cash flow generation



### Disciplined approach to leverage



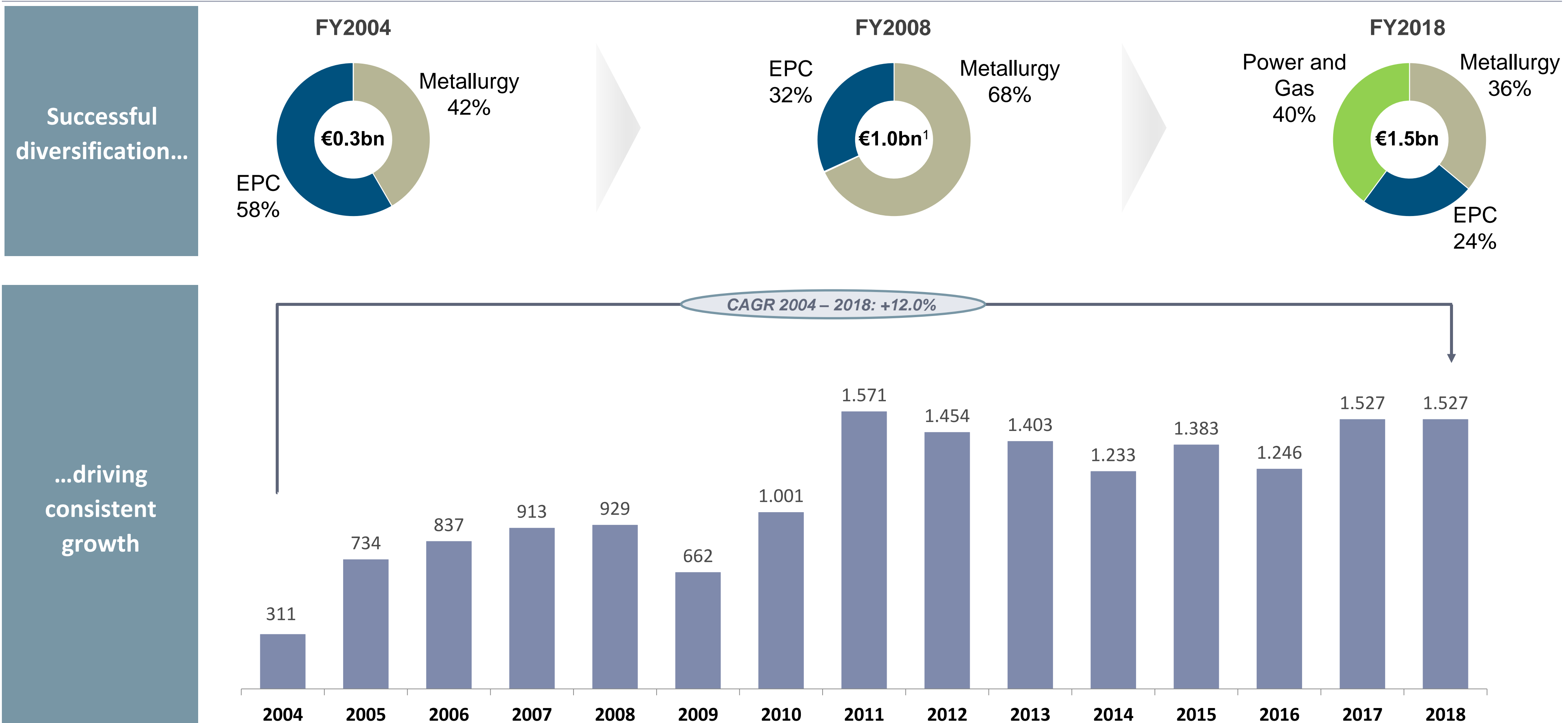
Note: <sup>1</sup> Includes capital expenditure for the purchase of intangible assets, in the range of €5 – 10mm per annum allocated across all Business Units; <sup>2</sup> Calculated as net debt divided by EBITDA

# Unique investment highlights:

## c) Business diversification provides stability through the cycle



### Historical revenue and diversification evolution (€mn)

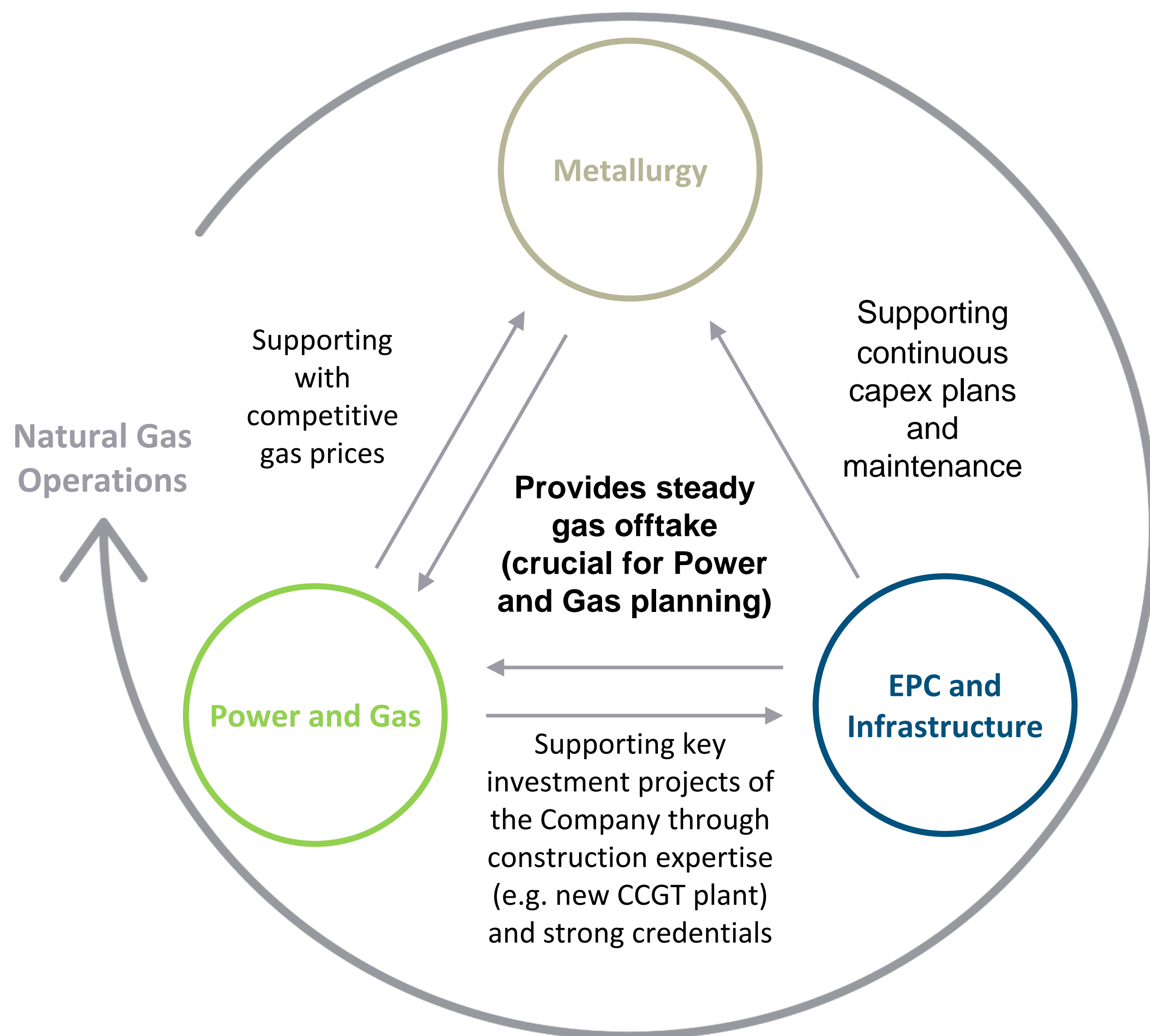


**Mylisneos has successfully created a large and diversified business across three segments and with FY2018 revenue of €1.5bn**

Note: <sup>1</sup> Total FY2008 revenue excludes -€46.8mn contribution from discontinued operations

# Unique investment highlights:

## d) Significant synergies drive incremental value



### ✓ Gas Sourcing: a sustainable competitive advantage

- Captive gas volumes from the Power and Metallurgy BUs provides an advantage in sourcing competitively priced gas

### ✓ Broad Geographic Reach

- Established global reach mainly of the EPC BU helps identify new opportunities for other BUs

### ✓ Gas to Power Projects

- Synergistic approach in gas-to-power projects with angles across EPC, gas supply and O&M

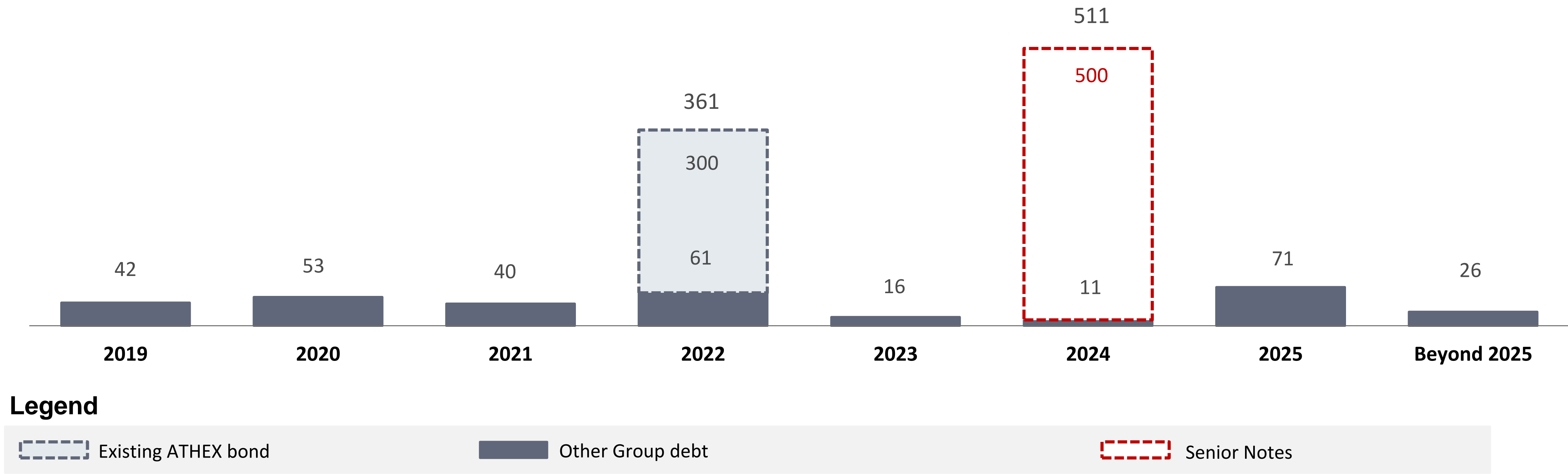
### ✓ Solid in house project management and construction capabilities

- Best in class execution of capital investments with superior project management, limiting implementation risk

### ✓ Large Scale Industrial Projects

- Major industrial investments executed by the EPC BU enhance know-how in less power-focused market segments





Note: <sup>1</sup> Figures exclude impact from IFRS 16; <sup>2</sup> Includes €106mm RES Project financing type and €131mm other debt, of which €115mm secured





## Metallurgy

### KEY HIGHLIGHTS



Committed focus on scrap recycling to reduce electricity consumption while increasing production



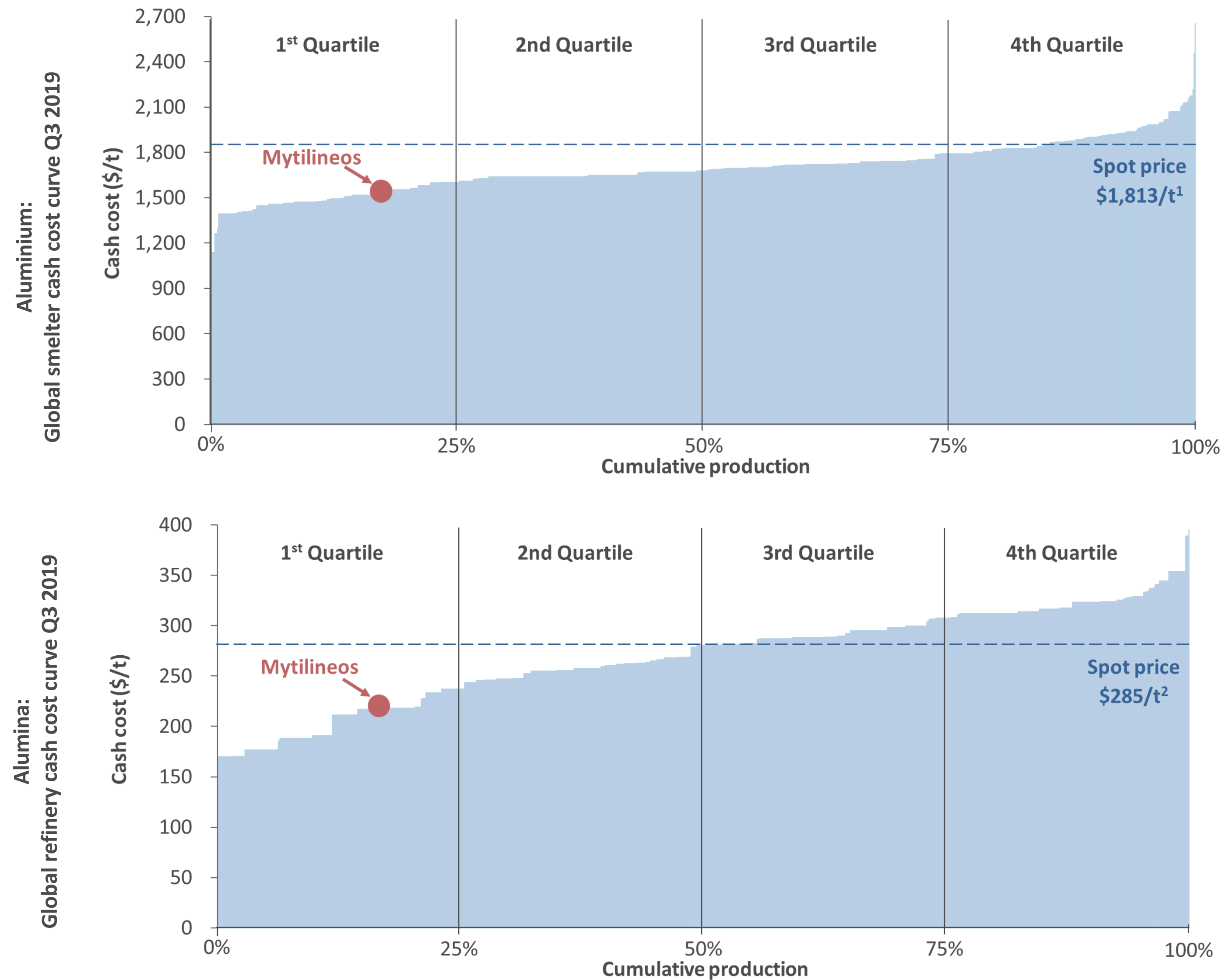
Active member to enhance sustainability in the aluminium sector through participation in ASI



Positioning in cost curve – continuous effort to reduce costs through the new program



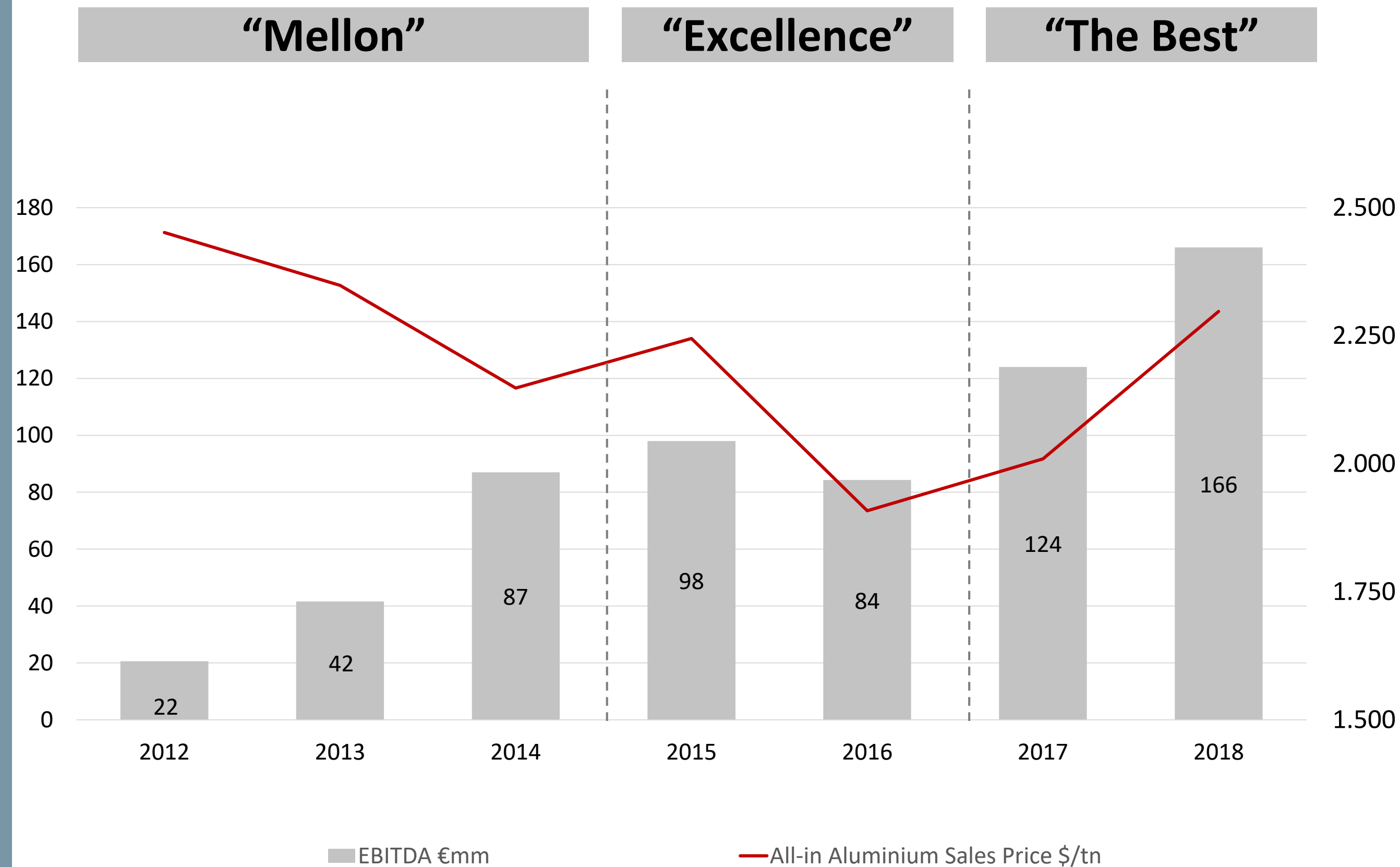
One of the lowest cost producers of alumina and aluminium worldwide...



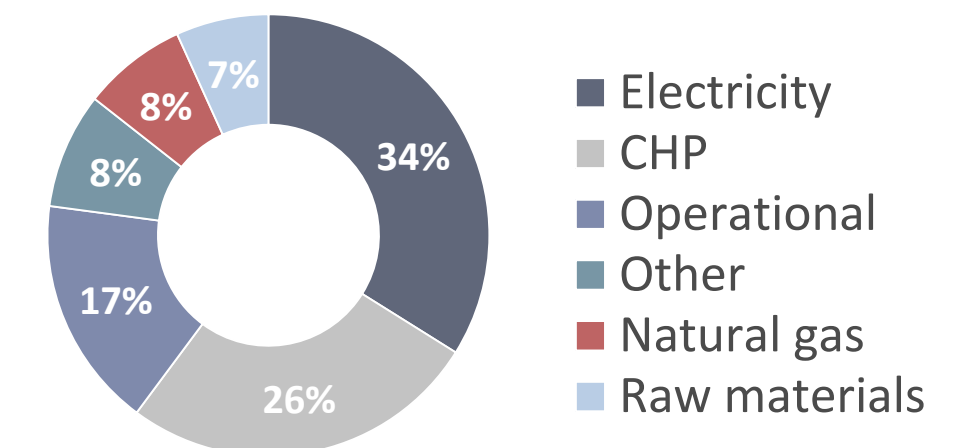
## 2 Maintaining low cost position in cost curve



...with successful and continuous cost optimisation initiatives



Over €230mn of cumulative cost savings were identified and achieved since 2012



Initiatives aimed at expanding alumina & aluminium output, optimising procurement of raw materials and other input costs, with continuous operational improvements

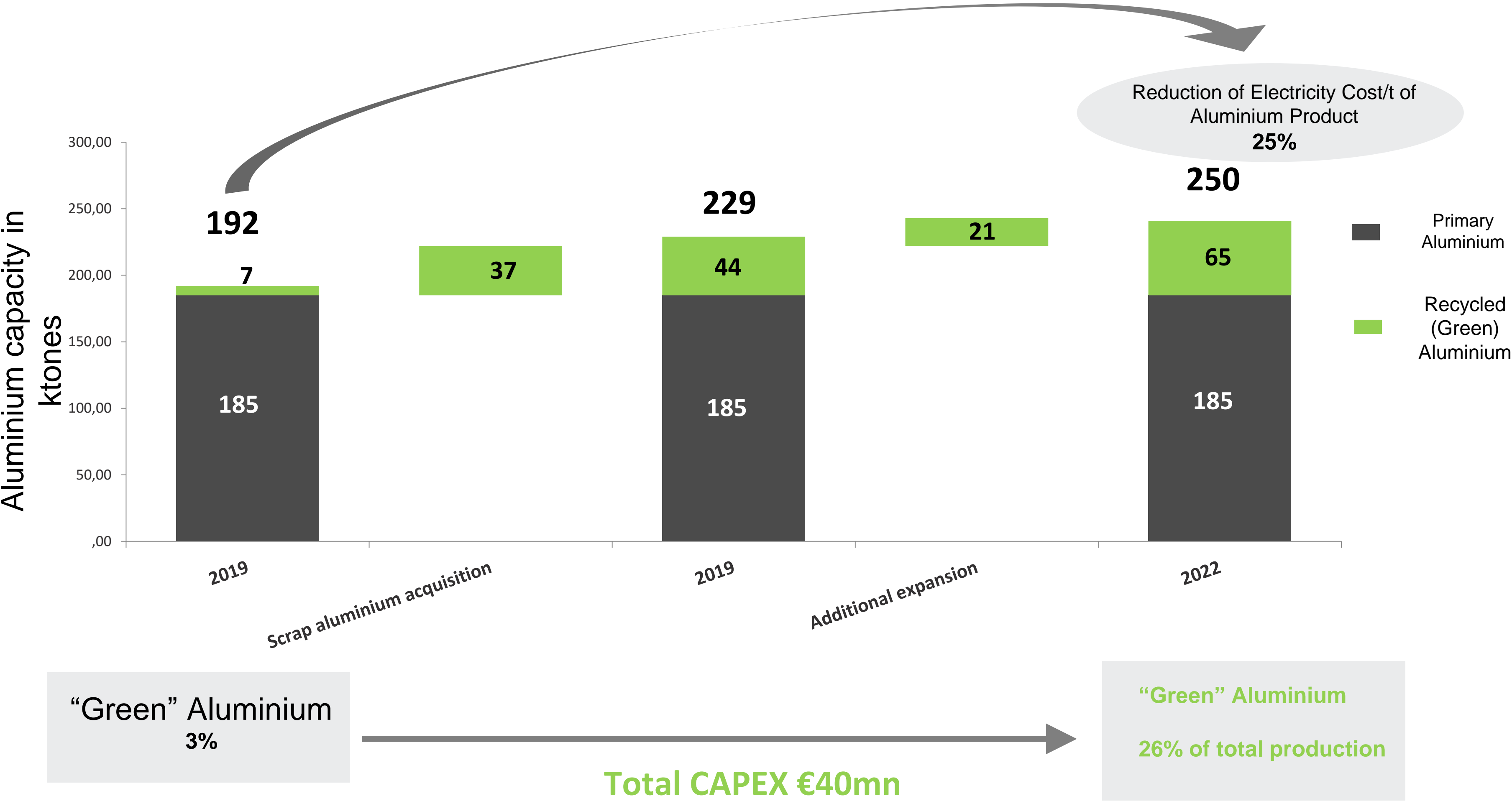
| Total saving: €119mn  | Total saving: €78mn                                 | Total saving: €35mn  |
|---|---|--|
| 2012 – 2014   | 2015 – 2016   | 2017 – 2018  |
| Improved operations from 4 <sup>th</sup> quartile to the 2 <sup>nd</sup> quartile | Focused on raw material supply and natural gas cost | Continuous improvements to remain 1 <sup>st</sup> quartile |

| Hephaestus initiative  |
|--|
| 2019 – 2021  |
| Cost base optimization and improving refinery & smelter productivity |





**New ERA 250: project improving quality and size of our slabs and introducing recycling**  
Growth in production while minimizing specific energy consumption through recycled aluminium investments



**Recycled Aluminium requires only 5% of the primary aluminium energy consumption**



## SEGMENT



## Power and Gas

### KEY HIGHLIGHTS



Well positioned to take advantage of changing fuel mix (decarbonization)



Positioning in gas market with 32% market share secures low cost production



Increase in RES capacity – already at 207MW with ongoing capacity additions



New CCGT – to come online is highly efficient and will further leverage our scale to negotiate competitive gas terms

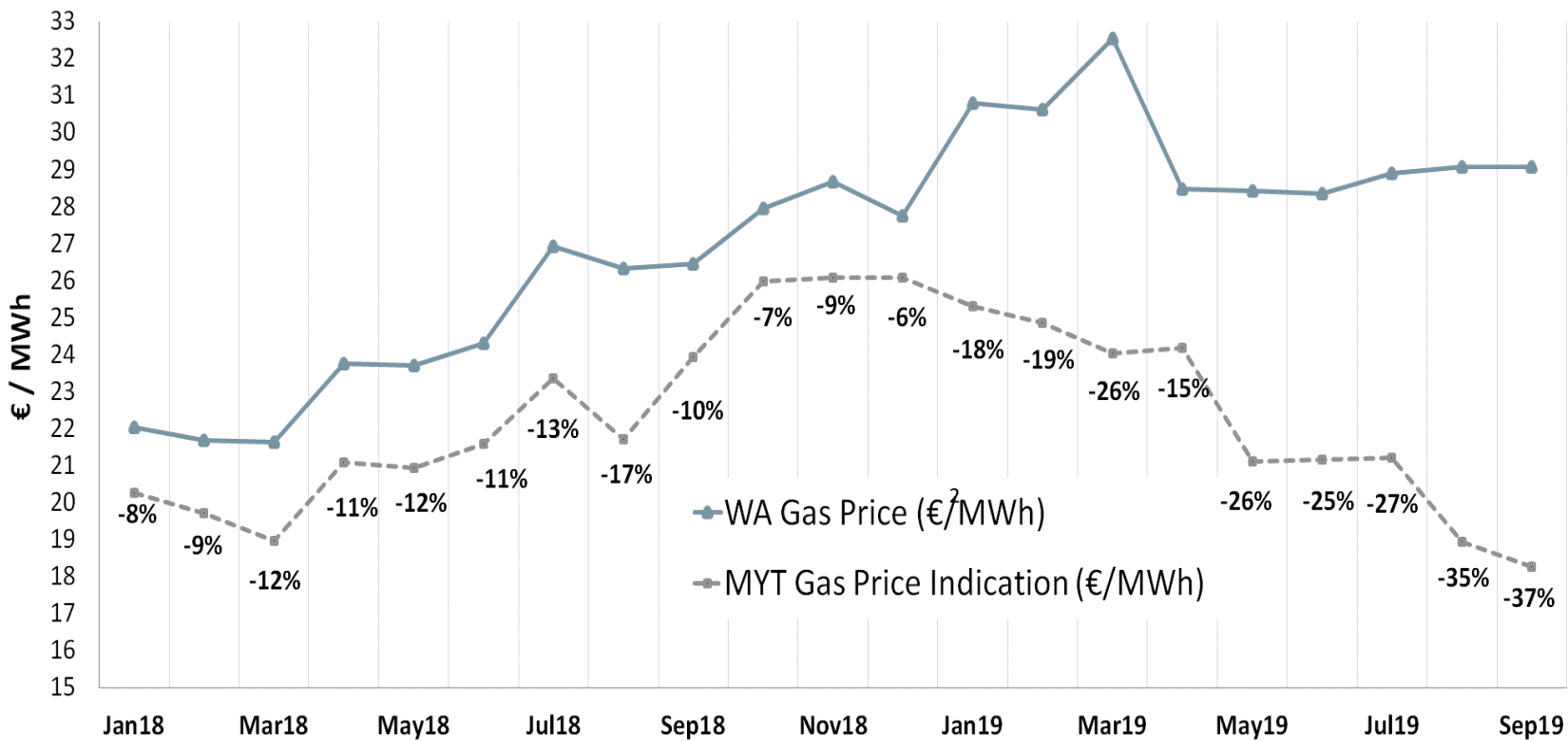


# Top tier, optimised asset base with a low cost structure and strong competitive positioning

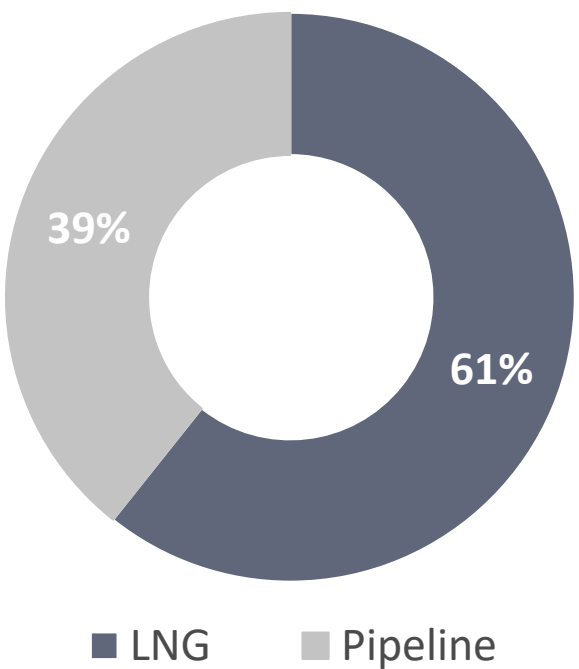


Natural gas platform allows to secure highly competitive contracts

Jan 2018 – Sep 2019: Mytilineos gas price indication<sup>1</sup>

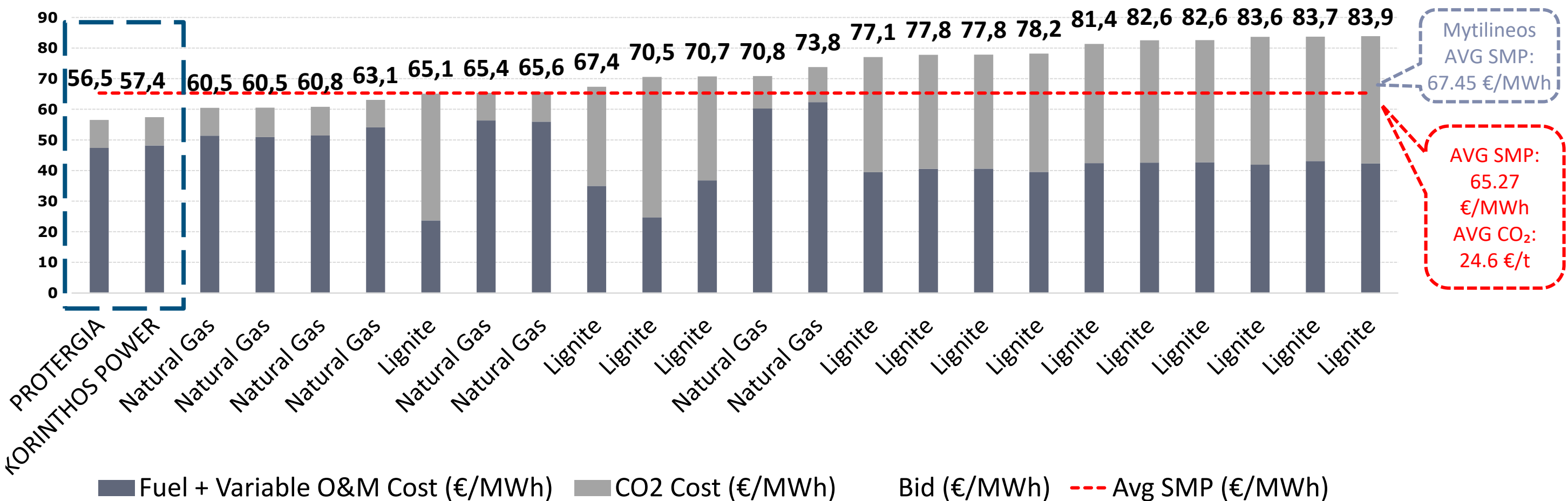


Mytilineos' current supply sources (H1-19)



Best-in-class CCGTs and track record of competitive natural gas prices enhances cash flow visibility

Greek interconnected system: Power plants merit order (9M-19)



Notes: <sup>1</sup> Source: DAPEEP; Average natural gas price (High Heating Value) for natural gas fired power generation; <sup>2</sup> Weighted Average Gas Price

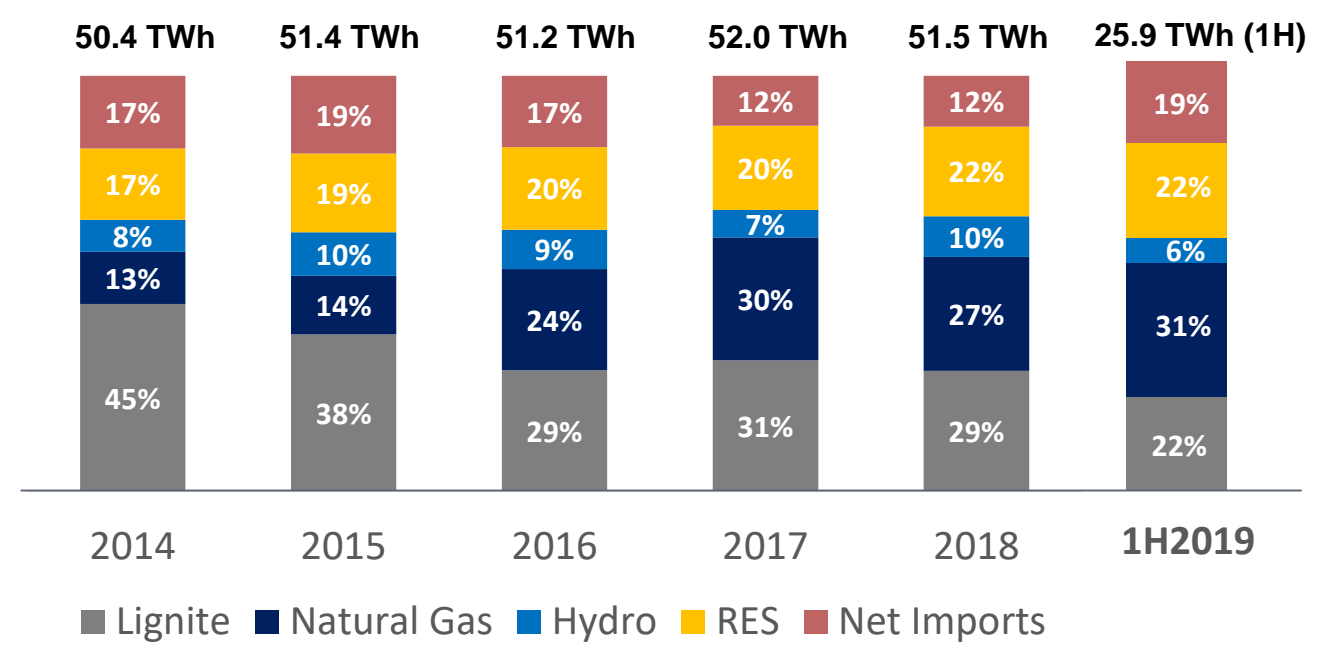


# 3 Greek energy sector transformation paves avenue for Mytilineos to consolidate and evolve its leading market position

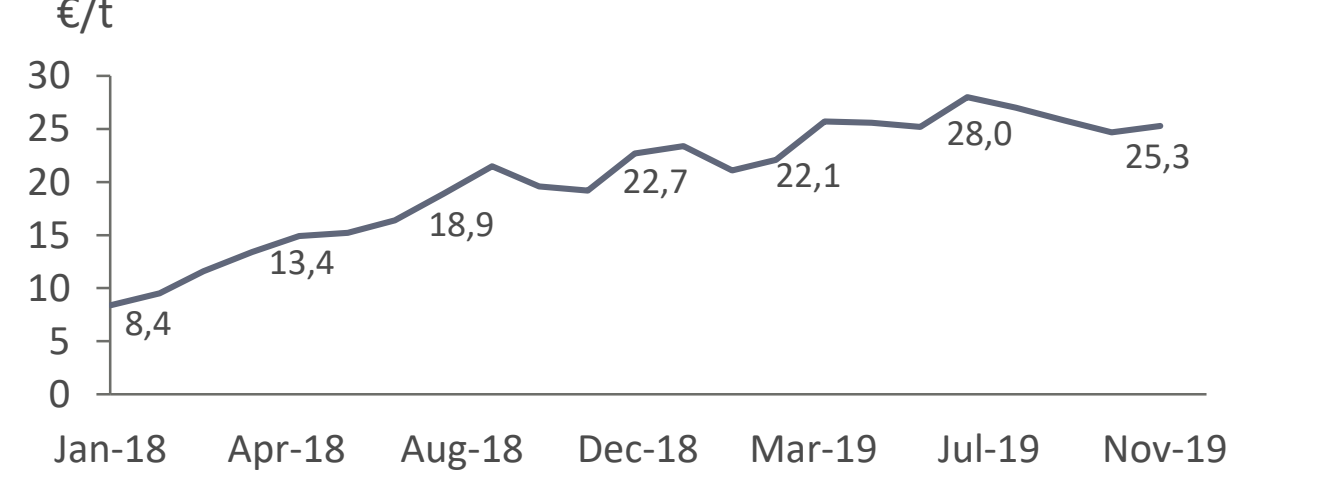


## Greece intends to decommission all lignite power generation capacity by 2028

Historical generation mix evolution<sup>2</sup>

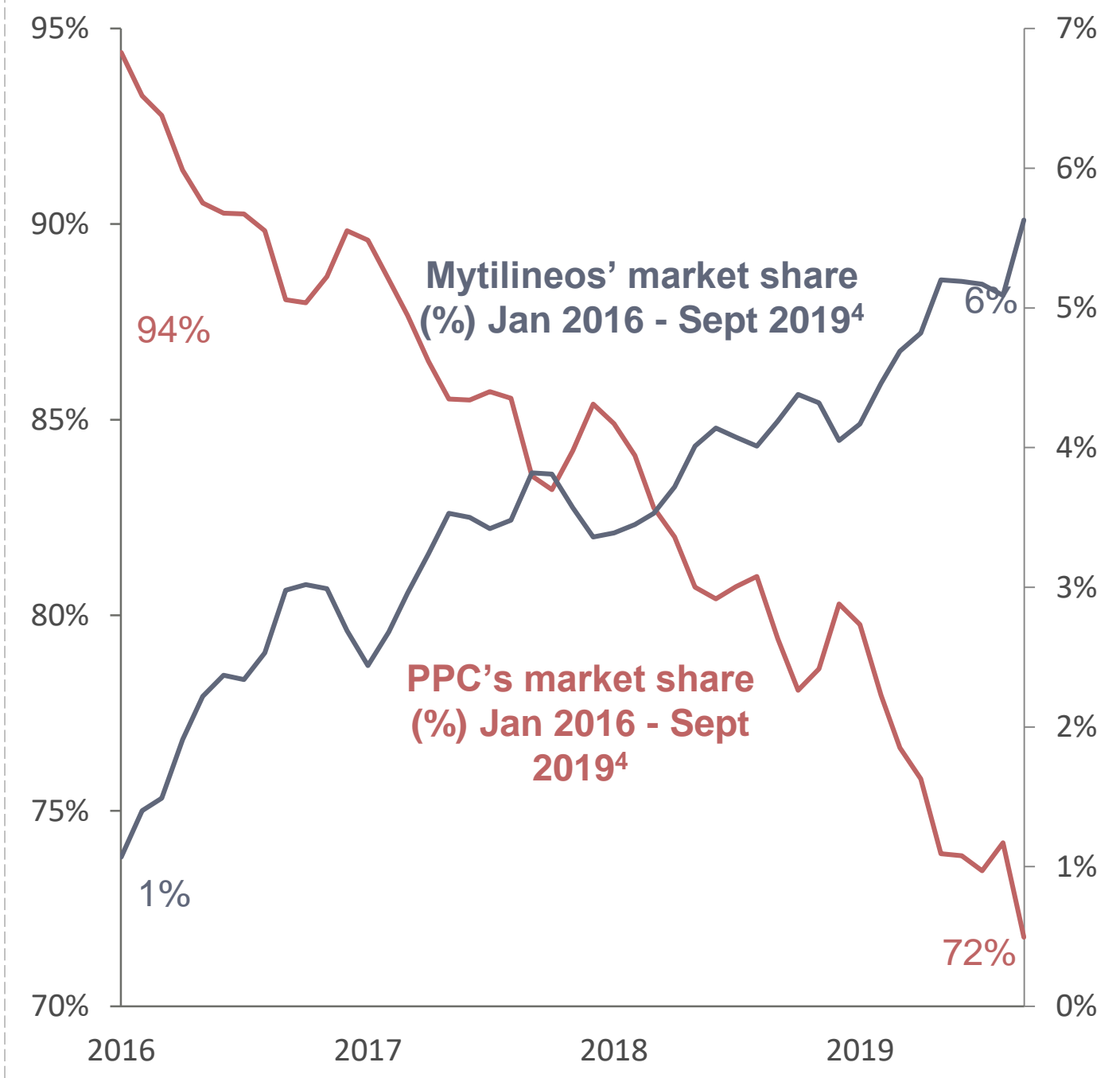


## CO<sub>2</sub> price has steadily increased over the past 2 years<sup>3</sup>



**New CCGT will strengthen MYTILINEOS position while helping Greece's transition**

## Increasing retail market share



**Through Protergia, Mytilineos has become the largest private energy retail business**

- ✓ Capitalise on increased domestic and international interconnectivity
- ✓ Increase proportion of renewables in the energy mix
- ✓ Well placed to take advantage of market liberalisation to further increase market share

Notes: <sup>1</sup> Including opt out, ageing lignite fleet; <sup>2</sup> Source: IPTO; Refers to the interconnected system only; <sup>3</sup> Source: European Energy Exchange; <sup>4</sup> Source: HenEx





SEGMENT

## EPC and Infrastructure

### KEY HIGHLIGHTS



Leader in specialised large-scale energy projects and utility-scale solar PV and energy storage



Value-centric, asset-light, cash generative business model focused on maximising returns



Over 50 years of experience, internationally recognised for strong execution track-record



Diverse international presence and strong partnerships with leading technology and equipment providers



€1.1bn backlog in 9M 2019 of which €255 million related to solar EPC



Countries with projects completed, under execution or awarded / committed

## LATAM

Chile  
Puerto Rico

## Europe

Bulgaria  
Cyprus  
France  
Greece  
Romania  
Slovenia  
Spain  
Turkey  
United Kingdom

## Africa

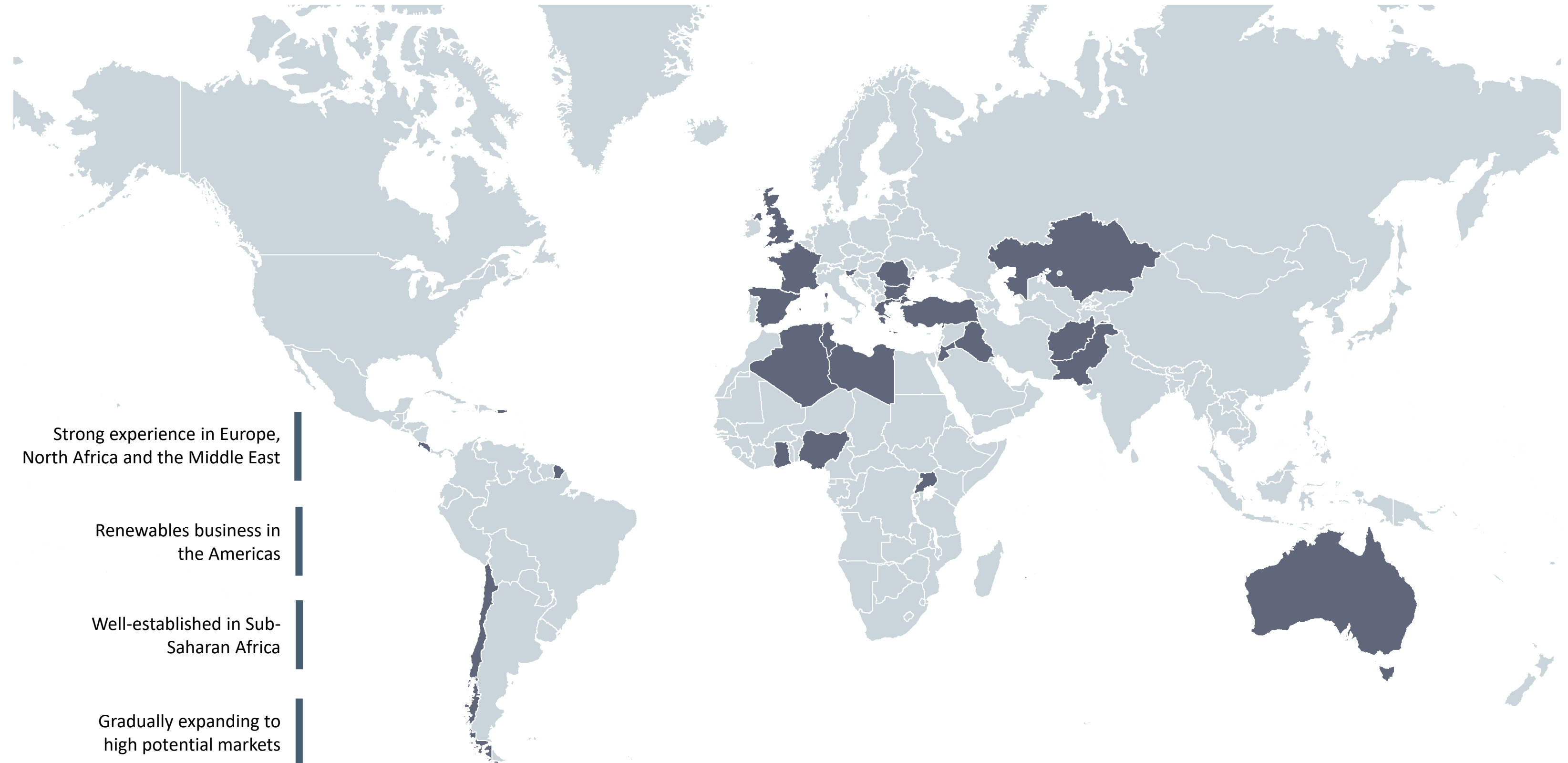
Algeria  
Ghana  
Libya  
Nigeria  
Tunisia  
Uganda

## Middle East

Jordan  
Iraq

## Asia

Afghanistan  
Australia  
Kazakhstan  
Korea  
Pakistan



Strong links with blue chip clients and equipment providers





# 5 Diversified portfolio of projects demonstrate in-depth expertise



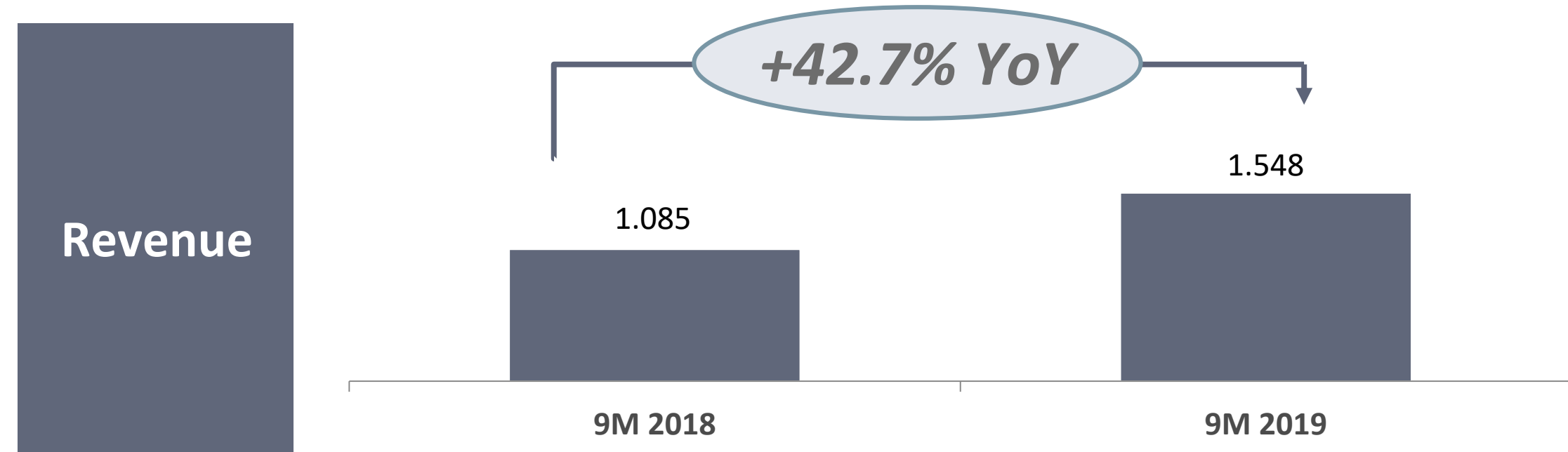
**Within the EPC business, the Group is strongly focused on serving the needs of international markets and is active in carrying out major natural gas and solar power plant projects globally**

## Main Projects under Execution

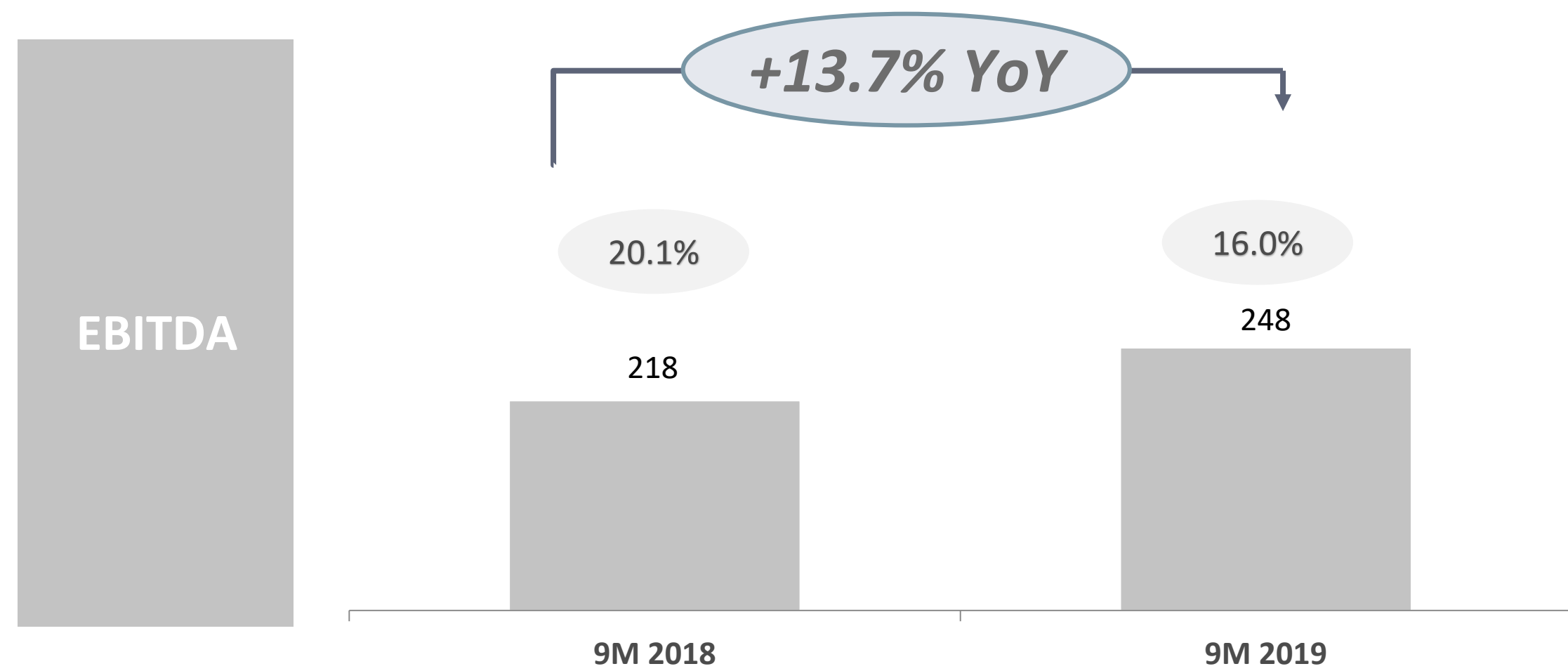
| Project description   | Completed (%) | Expected year of completion | Size of project | Country    | Category             |
|---|---------------|-----------------------------|-----------------|------------|----------------------|
| EPC of a CHP plant in Ljubljana   | 2             | 2021                        | 110 MW          | Slovenia   | EPC & Infrastructure |
| Freight centre in Thriasio Plain  | 0             | 2025                        | n/a             | Greece     | EPC & Infrastructure |
| EPC of a 200 MW Power Plant   | 76            | 2020                        | 200 MW          | Ghana      | EPC & Infrastructure |
| Kiato-Rododafni railway project   | 91            | 2020                        | n/a             | Greece     | EPC & Infrastructure |
| Energising Education Project for four universities                              | 81            | 2020                        | 7.5 MW          | Nigeria    | EPC & Infrastructure |
| Construction of a power plant (AMANDI)  | 98            | 2019                        | 192 MW          | Ghana      | EPC & Infrastructure |
| Solar power plant with installed capacity of 300 MWp                            | 7             | 2020                        | 300 MWp         | Spain      | Solar Parks          |
| Atacama Solar PV project  | 1             | 2020                        | 172 MWp         | Chile      | Solar Parks          |
| Procurement, Engineering and Construction of a 100 MWp Photovoltaic Power Plant | 46            | 2020                        | 100 MWp         | Kazakhstan | Solar Parks          |
| EPC of a 40 MWp Photovoltaic Power Plant  | 1             | 2020                        | 40 MWp          | Australia  | Solar Parks          |
| Procurement, Engineering and Construction of a 28 MWp Photovoltaic Power Plant  | 55            | 2020                        | 28 MWp          | Kazakhstan | Solar Parks          |
| Maintenance of the Unit 5 Gas Turbines at the Megalopoli Power Plant            | 62            | 2022                        | n/a             | Greece     | Maintenance Services |



## 5 Trading update



- ✓ Revenues to exceed €2 bn in 2019



### Challenges for 2019YE EBITDA:

#### Metallurgy

- Softer alumina prices

#### Power & Gas

- No Capacity Payments post Q1 2019

#### EPC

- Lower margins in EPC due to higher mix of solar projects of below 10% for the year
- Geopolitical issues in Libya do not allow for project execution

- ✓ **Market challenges are expected in 2020, requiring cost prudence across all business units**
- ✓ **Completion within 1H2020 on the 1<sup>st</sup> solar portfolio sale of 47MW in Greece, confirming our solar investment platform proposition**
- ✓ **Construction of the new 826MW CCGT, solidifying our position in the power utility market in Greece**
- ✓ **Finalization of our technical study and decision regarding the alumina plant expansion within 1Q-2020**
- ✓ **Selectively reviewing potential opportunities that could arise within the power market given current transformation**





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[www.mytilneos.gr](http://www.mytilneos.gr)