

Maroussi, 29 August 2024

Second Quarter / First Half 2024 financial results

Positive results in 1H24 on improved operational performance and increased exports

HELLENiQ ENERGY Holdings S.A. ("Company") announced its **2Q24 financial results, with Adjusted EBITDA amounting to €232m and Adjusted Net Income to €73m, while for 1H24 they amounted to €570m and €236m respectively**. Reported net income was €209m in 1H24.

Improved results were reported by all business units with main drivers being the favorable international refining environment, improved units' availability and increased sales, while exports and international activities performed also very well. RES business adds to existing business as portfolio continues to increase.

Downstream production in 2Q24 was 3% higher y-o-y to 3.7m MT, while sales reached 4m MT (+1% y-o-y); exports accounted for 55% of total, with domestic market auto-fuels volumes at 20% respectively.

It is noted that, on 19 July 2024, Law 5122 was enacted for the imposition of a temporary Solidarity Contribution applicable to the incremental profits of the fiscal year 2023, as defined by the relevant European regulation. The net amount, that will impact the 3Q24 Reported Net Income, is estimated at approximately €173m.

Main developments - Strategy implementation

Maintaining a high standard of operational excellence is a key priority but at the same time, transformation strategy continues to be implemented across all the Group's businesses, with initiatives focused on improving the environmental footprint and increasing the value of the Group.

In Refining and Petrochemicals, energy autonomy and efficiency projects, investment in biofuels (HVO) co-processing unit, as well as the expansion of the polypropylene production plant are progressing and expected to be completed within the next 2 years.

In RES business, HELLENiQ RENEWABLES continues to implement the targeted expansion of its portfolio with the completion of acquisitions in Greece and Romania, as well as developing projects from its own portfolio (5 GW). Operating capacity of 0.4 GW has already been commissioned in the last three years, adding almost €50m in annual operating contribution, while, an additional 0.7 GW of PVs and storage projects are, either under construction, or in an advanced development stage. The objective is to operate RES projects with a capacity of **at least 1 GW in the short-term and more than 2 GW by 2030**.

In E&P business, seismic surveys have been completed in five offshore areas and data processing and interpretation is progressing, with a decision on drilling potential targets anticipated within 2025.

In Power & Gas business, the Group is evaluating its options in relation to its participation in ELPEDISON and DEPA Commercial, with the objective of better managing its portfolio and achieve commercial synergies.

Higher crude oil prices and benchmark refining margins

Crude oil prices in 2Q24 averaged 8% higher than 2Q23, with Brent at \$85/bbl. Accordingly, the EUR/USD averaged 1.08, compared to 1.09 in 2Q23.

In 2Q24, natural gas and electricity prices fell further and stood lower y-o-y, by 10% and 26% respectively. At the same time, EUAs price dropped by 21%, on average, compared to the corresponding period last year.

Refining margins improved slightly, but remained lower than 1Q24. Our refineries' system benchmark margin averaged \$5.5/ bbl, compared to \$4.4/bbl in 2Q23.

Increased autofuels demand in Greece

Domestic market demand reached 1.5m MT in 2Q24, +1% y-o-y, driven by a +3% y-o-y increase in the automotive fuel consumption. Aviation fuel demand increased by 17%, while marine fuel consumption decreased by 3% y-o-y.

Balance sheet and capital expenditure

Operating cash flows in 2Q24 amounted to €288m, while capital expenditure reached €80m, directed mainly to refining maintenance projects and RES capacity expansion.

Net Debt was reduced q-o-q to €1.59bn, with Gearing (Net Debt to Capital Employed) at 35%, lower q-o-q.

In addition, bank loans refinancing of €1.4bn was successfully completed, with particularly favorable terms. In addition, on 24 July 2024, the Company issued a new €450m Eurobond (maturing in 2029), combined with the partial redemption, through a tender offer of €300m of outstanding notes due in October 2024. The aforementioned transactions improve the financing profile (cost, maturity, commercial terms, and interest rate risk) and the Group's balance sheet.

Andreas Shiamishis, Group CEO, commented on the results:

"In 2Q24 the Group maintained a high level of operational performance, which, combined with the positive refining environment, resulted in strong financial results. We have been working and will continue to do so on the expansion of our international business portfolio, either through local presence or exports, as well as the growth of our RES portfolio. As a result, the Group's 1H24 Adjusted EBITDA amounted to €570m, a performance that sets a strong base for the year, despite the challenges in the refining environment during 2H24.

Considering the need for a realistic approach to the energy transition, investments in reliable technologies and a calculated assumption of financial risk, the implementation of the Vision 2025 strategic plan is progressing with targeted initiatives. The primary pillars remain the improvement of our existing refining and marketing portfolio, as well as the development of a second pillar in RES, with the objective of operating 1 GW of RES projects in the short term and adding €100m to the Group's operating profitability. Being able to capture synergies (technical, commercial and financial) across the whole range of our activities plays an important role in this strategy. Lastly, a significant pillar of our strategy involves investing and developing our human capital. We are committed to renewing, developing and, when necessary, adding to our workforce, in a way that aligns with our future plans and a constantly evolving business environment."

Key highlights and contribution for each of the main business units in 2Q24 were:

Refining, Supply & Trading

- Refining, Supply & Trading Adjusted EBITDA came in at €179m, higher y-o-y, due to higher refining margin (\$13.2/bbl compared to \$10.9/bbl in 2Q23), with increased overperformance, as well as slightly improved sales volumes (+1%).
- Production reached 3.7m MT, +3% y-o-y, on high refineries availability, while the contribution of high value-added products to the production mix was maintained above 80%.
- Exports amounted to 55% of total sales, 2% higher y-o-y.

Petrochemicals

- 2Q24 Adjusted EBITDA improved by 36% y-o-y to €16m, primarily due to a recovery in polypropylene (PP) margins.

Marketing

- Domestic Marketing recorded a 2% increase in sales volume, with improved market shares in autofuels and aviation, while the contribution from premium products increased y-o-y for yet another quarter, as well as sales from non-fuel products and services. Profitability was impacted by operating expenses inflation and regulatory constraints on the retail gross margin that continue to remain in place for the last 2.5 years.
- International Marketing recorded improved performance, with increased sales (+4%) and profitability (Adjusted EBITDA up 14%), due to network expansion (324 petrol stations vs 320 in 2Q23), higher unit

margins and contribution from NFR sales.

Renewables

- 2Q24 RES EBITDA amounted to €12m. Power generation stood at 176 GWh, +11% y-o-y, primarily due to the addition of 26 MW of new RES capacity in Cyprus, resulting in a total installed capacity of 384 MW.

Associate companies

The contribution of associate companies consolidated using the equity method in the electricity and natural gas sector for 2Q24 was negative, due to deterioration in markets conditions, amounting to -€11m.

HELLENiQ ENERGY Holdings S.A.
Key consolidated financial indicators for 2Q / 1H 2024
 (prepared in accordance with IFRS)

€m	2Q23	2Q24	% Δ	1H23	1H24	% Δ
P&L figures						
Refining Sales Volumes ('000 MT)	3,951	4,003	1%	7,639	7,990	5%
Sales	2,978	3,274	10%	6,091	6,553	8%
EBITDA	121	182	50%	400	532	33%
Adjusted EBITDA¹	164	232	42%	568	570	-
Operating Profit	43	98	-	244	366	50%
Net Income	7	30	-	162	209	+29%
Adjusted Net Income¹	25	73	-	277	236	-15%
Balance Sheet Items						
Capital Employed				4,283	4,568	7%
Net Debt				1,553	1,587	2%
Gearing (ND/ND+E)				36%	35%	-1 pp ²

¹Adjusted for inventory effects and other non-operating/one-off items, as well as the IFRS accounting treatment of the EUAs deficit,

² pp stands for percentage point

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