HELLENIC PETROLEUM HOLDINGS SA

8A Chimarras st., 15125 Marousi

Athens, Greece

Tel.: (+30) 210 63 02 000

Fax.: (+30) 210 63 02 510

"First Quarter 2022 Financial Results" Conference Call

Thursday, 12th May 2022

18:00 (GR Time)

Conductors:

Mr. Andreas Shiamishis, CEO

Mr. Georgios Alexopoulos, GM Group Strategic Planning & New Activities

Mr. Vasilis Tsaitas, Group CFO

Mr. Dinos Panas, GM, Oil Supply and Sales

Mr. Nikos Katsenos, Head of Investor Relations

Conference Call Conducted by Chorus Call Hellas

CHORUS CALL HELLAS

PROVIDER OF TELECONFERENCING SERVICES

TEL: +30 210 94 27 300FAX: + 30 210 94 27 330

Web: www.choruscall.com

OPERATOR: Ladies and Gentlemen, thank you for standing by. I am Konstantinos your Chorus Call operator.

Welcome and thank you for joining the Hellenic Petroleum Holdings Conference Call and Live Webcast to present and discuss the First Quarter 2022 Financial Results.

At this time, I would like to turn the conference over to Mr. Andreas Shiamishis, CEO, Mr. Georgios Alexopoulos, General Manager, Group Strategic Planning & New Activities, Mr. Vasilis Tsaitas, Group CFO, Mr. Dinos Panas, General Manager, Oil Supply and Sales & Mr. Nikos Katsenos, Head of Investor Relations.

Gentlemen, you may now proceed.

SHIAMISHIS A: Thank you very much. Welcome to our first quarter 2022 results presentation. It’s a pleasure to have all of you on this call. The plan is for me to do a brief introduction of the key highlights for the quarter and maybe share some of the key themes that we see taking place clearly in the last quarter but also during the rest of the year and then Dinos Panas, Vasilis Tsaitas and George Alexopoulos will be going through the presentation covering the specific areas.

So, as far as the first quarter results is concerned we have a good quarter, clearly better than last year in terms of numbers. One of the factors that have affected the financial performance for the first quarter has been the fact that the Elefsina refinery was in turnaround mode so it was shut down for around two months in the first quarter which meant that we did not take advantage of the high refining margins that we experienced in February and March, but, the positive side is that the refinery completed the turnaround in a period when the refining margin was slightly lower rather than March, April and May. So, that's the only negative point in terms of the delivery of financial results. Benchmark margins are very healthy, we still have the energy high cost and the CO_2 cost which is clearly taking some of the shine away from the performance, but we do see a very positive demand performance in the Greek market.

In terms of reported numbers EBITDA reported numbers, our results are very positive. In all honesty it is a factor of good performance, but at the same time it's also an issue of reporting because we have inventory gains on higher oil prices, this is not real cash flows that will be converted in the course of the next few months because if the prices remain high then effectively we need to pump back the cash to replenish stocks and also by the fact that IFRS requires us to mark to market the allocations we get on CO_2 and effectively ignore the fact that these allocations will be utilized during the remaining of the year. This creates an artificial phasing issue, in that in the first part of the year you tend to report a mark to market gain but in the latter part of the year this is reversed and you have to pay the extra CO_2 costs.

In terms of balance sheet, the balance sheet remains quite healthy, we have a very good funding profile for our activities, the increase of crude oil prices has been driving incremental debt levels, higher working capital and the fact that we had the Elefsina turnaround have led to higher net debt, plus the fact that we have completed the Kozani project, so all of the CaPex for that project has been accounted for. Now, in terms of the Kozani project, we will be talking about that in a minute, but I'm very pleased to say that it is the first time that we are including a renewables section in our results report, numbers are clearly small because the bigger asset which is the Kozani park started its operation in April, but it is becoming a business unit now and over the course of the next few quarters, we will see that number increasing significantly.

So, without further ado, I will turn over to Dinos, Dinos Panas who will help us to understand a little bit more about the underlining industry environment and the markets.

PANAS D: Well, thank you Andreas, good afternoon from me and I also welcome you to this call. A few slides from the business environment. On page 5 we see the Dated Brent and the foreign exchange. We had an average of

102 dollars a barrel during the quarter. Actually, in March, we had the highest ever price of Brent in Euro per barrel.

So, passing to the next page, page 6, you will see the product cracks, we have seen the ULSD cracks strengthening by the end of the quarter, by March, when we also had a record high price, a record high crack, and of course, you all know that in April and May, the USLD cracks and the gasoline crack went much higher than what we had during the first quarter.

We have some new benchmark margins that we are now showing, for two reasons, one to adjust for the natural gas price that was not showing very well in the previous margins and the second one was that because these margins were mostly based on Urals and Urals price disconnected totally to Brent, we had to price the margin of Urals at an equal basis to Brent to get the margin that we are showing you on page 6.

Now on page 7, the high energy cost that we all have seen, we see that the prices of the electricity were at around 242 Euro per MW hours, actually there was a subsidy from the Greek state of 65€ per MW hour for this electricity cost. Then we see that Natgas prices were 101€ per MW hour there was a subsidy of 30€ in January, 20€ in February and another 20€ in March from the Greek state and the CO_2 cost averaged at 83€ per ton.

And finally, on our domestic market environment we had an increase of 16% in the domestic market, we saw 23% increase in gasoline, 12% increase in diesel consumption, 15% in heating gas oil and 11% in LPG and others. Bunkers were 4% higher than the same quarter in the previous year, while aviation at 160% higher than the first quarter of 2021 8:30 but still lagging by 23% from the pre-pandemic levels. And with this I will pass you to our CFO, Mr. Vassilis Tsaitas…

TSAITAS V: Thank you Dino. Good afternoon to all of you attending our call today and many thanks. Moving on to page 10 where we'll start discussing in more detail the performance of the group.

The usual variance analysis that we're looking the main drivers of performance variance versus the similar quarter last year, we discussed before the cost of the impact of the environment in terms of benchmark margins, just under 80 million, the bulk of this is coming actually from March, and another 10 million from FX, this was partially offset by the impact of energy crisis, with the four to five times higher electricity prices and the doubling of CO_2, around 25 million overall. In terms of performance, the positive benefit from the stronger refining margins was offset because of the turnaround of Elefsina, again as diesel was the main driver, especially in March of the increased refining margins, it took out most of the positive impact. On the other side, we had the contribution from renewable energy sources tripling versus last year, and overall a better performance on our refining and supply and trading operations leading our adjusted EBITDA for the quarter just under 100 million.

Moving on to page 11, the focus when the crisis started was to make sure that a sufficient liquidity and headroom was available to manage the different working capital needs, those are actually reflected on the face of our balance sheet as of the end of March 22. An additional comment on the yield of our bond which is fairly high, obviously reflecting market conditions and the actual and expected movement of base and swap rate, however, performing much better than the rest of the market.

Moving on to refining, supply and trading on page 14, as mentioned before, much better performance than last year, on the back of margins and FX partially offset by the turnaround at Elefsina and the higher energy cost.

We discussed about the Elefsina turnaround, moving on to page 15, effectively, it was a full turnaround with all units undertaking extended maintenance. The focus was more on the conversion units, the hydrocracker complex and the flexicoker unit, including addressing issues from the as scheduled shutdown in February 21 due to the power grid failure. We also faced significant challenges in terms of supply chain and, you know, timely availability of material and, you know, our teams, our refining teams and procurement teams on the ground made the effort to make sure that the turnaround was completed on time. Health and safety always top priority in these kind of processes and a very good track record in the first quarter and during the turnaround process as we usually expect in these kind of large projects there will be an improvement in terms of the performance of the refinery as units and catalysts are fresh out of the maintenance at a good time that enables us a better capture of the positive refining environment in the second quarter.

Moving on to the operations on page 16, both utilisation levels, production levels and yields largely reflect the outage of Elefsina for most of the quarter with lower than usual middle distillate yields and higher fuel oil.

On page 17, sales, are not… the lost production from Elefsina was to a large extent offset by high trading volumes with overall increased sales in both our domestic grounds and aviation and bunkering markets, in line, or even better versus the evolution of the market. In terms of our margin performance on page 18, we discussed before the rebasing of our benchmark margins, still overperformance is at very good levels driven by the improved sales mix and the supply optimization.

Moving on to petrochemicals on page 20, a very good performance, obviously the comparison versus last year is not comparable as you may recall, the first half of 21 was fundamentally driven by a significant supply deficit across the global polypropylene complex, however, even at 28 million, still a very good performance, better than the mid cycle before the COVID crisis.

On page 22, our fuels marketing business, a much better performance again versus last year, largely driven by the lifting of mobility restrictions due to COVID in Q1, and capturing the upside on volumes across all products with market share gains even in a difficult environment with rising prices.

Similar picture in our international marketing business on page 23, with adjusted EBITDA 17% higher, there is a reporting change on international marketing: we… OKTA, our North Macedonian wholesale activity which was up until last year reported under refining, aligned with the new corporate structure of the group following the implementation of Vision 2025 is now reported under international marketing so you see the numbers including comparatives with 21. At this point I will move on to George Alexopoulos to discuss our renewables and power and gas businesses.

ALEXOPOULOS G: Thank you Vassilis, good afternoon everybody. As Andreas mentioned, this is the first quarter where there is a financial report for our renewables unit, clearly it's not comparable to the same quarter last year because this quarter we have the inclusion of new operating assets which contribute to the profitability and also from the quarter we are currently in, we will see the contribution of Kozani which has entered commercial operation, in fact it has already produced about 10,000 MW hours during this phase. We expect to have a business with a run rate next year of the order of 50 million EBITDA. We continue to develop our portfolio which currently exceeds 2 GW and as you know includes PV, wind and also storage assets.

Moving on to page 27, power generation, Elpedison, a good quarter with improved performance, high electricity demand and also higher gas-fired generation and a positive quarter and a positive contribution to our results. Moving on to DEPA, as you know we have 35% stakes in three different ex-DEPA group companies, the difference this quarter is that DEPA infrastructure is deconsolidated as it is an asset held for sale and in fact, we expect closing to take place in the next few weeks within the current quarter. The result of this deconsolidation of DEPA infrastructure was the main reason for lower results compared to the same quarter of last year. And with this, I will turn it over to Andreas, for the Q&A session.

SHIAMISHIS A: Thank you very much George, I think the key highlights which we need to repeat is a good performance for the quarter, on the back of a buoyant market, an uptake, no not an uptake, an increased demand from the domestic market which is a very good performance on the international side and I'm not just referring about our international subsidiaries, but also about exports which are also contributing a lot to the group profitability and from a strategic point of view, a step in the renewables direction with the building of new parks which alongside acquisitions are going to give us a material footprint in the market, clearly, it is important to accelerate our growth pace but at the same time, building new parks is more value-enhancing than acquiring existing parks so it is a question of combining a mix in our growth strategy. With that, I will turn over the call for any questions.

OPERATOR: The first question is from the line of Grigoriou George with Pantelakis Securities. Please go ahead.

GRIGORIOU G: Yes, hello, thank you for receiving my questions. I've got a couple of them please... The first one relates to domestic marketing. The domestic market, if you like… Have you seen an impact in April and now in May from the higher prices at the pump? Is it affecting demand? Second question is: George mentioned before that the run rate on a full year basis of the EBITDA contribution from renewables for next year is about €50 million. I was wondering if you could be so kind to break it down in terms of products or if you like whether it is wind or solar? And my third question is regarding the contribution to net earnings from the 35% stake in DEPA, we are seeing a big swing quarter on quarter, €50 million in the fourth quarter, 5 now in Q1, how should we think about it going forward? It's difficult… it's big numbers nowadays, so I was wondering if you could help us out trying to monitor it. Thank you.

SHIAMISHIS A: Ok. Hello George. Let's try and go through these questions. The first one having to do with domestic marketing, it's a very valid point that you raised, we haven't seen however an impact on demand, clearly there are a number of factors which affect us: you have people coming out of the COVID restrictions, so people are going out a lot more, you have tourism picking up and volumes are supportive there. So it seems that the higher prices have not had the impact on a short term basis, at least. And there is no question that if this price level continues, we will see some impact. Renewables run rate I will pass over to George…

ALEXOPOULOS G: Yes, George. Look, the target, which is also our estimate if you will, includes all the currently operating assets and a couple of new projects that we have in the works that we expect them to be contributing next year. The breakdown between the two categories is I would say about 70-30.

GRIGORIOU G: 70 in favour of wind, I presume?

ALEXOPOULOS G: No, no sorry not in favour of wind. 70% of this estimate, comprises projects currently operating, and 30% refers to projects which will be operating next year.

GRIGORIOU G: Ok, thank you, sorry.

SHIAMISHIS A: And coming back to the third point, DEPA, yes it is a material number it's coming from DEPA Commercial mostly, because DEPA infrastructure is on its way for completion. Unfortunately George, we have two issues. The first one is the volatility which has become a lot more profound in the performance of DEPA because of the very high prices and the pricing formula for cargoes that they buy, and the second is a slightly more structural issue in that we do not participate in DEPA's board because of the tender process that is… well, it's stalled now but formally it has not stopped yet so we do not have access to commercial information that would allow us to be a little bit more elaborate in this respect. Clearly this is something which we plan to address because it is a big investment and we cannot be so distant from this business… It's very close to our own business so we need to see what's going to happen there.

GRIGORIOU G: Ok, thank you. One last one please if I may, regarding again DEPA. Infrastructure. If it is to be sold in the next couple of weeks, if the deal is sealed in the next couple of weeks as you mentioned, when should we expect an extra dividend then? By the second half of 2022?

ALEXOPOULOS G: George, just to be clear, I did not say, I certainly did not want to say it's going to be the next couple of weeks. I said it's going to be in the next few weeks and it's going to be in Q2. But it's not going to be in the next couple of weeks. So, it will be in June most likely, and the dividend will be in the second half of the year.

GRIGORIOU G: Excellent, thank you.

OPERATOR: The next question is a follow up question from the line of Grigoriou George with Pantelakis Securities. Please go ahead.

GRIGORIOU G: I'm sorry, I'm taking of your time but it seems that nobody else is asking anything I wanted again to ask George, sorry. Regarding what you just mentioned before, about the new projects coming on next year.. Is there a firm target you can actually give us in terms of MWs for the next couple of years, I'm not talking in the long term… in terms of installed capacity. Thank you.

ALEXOPOULOS G: Well sure, as you know, we are today at 285, I believe we will be at 400, about next year, and we can be at 600 at least a couple of years from now. Clearly, profitability does not correlate easily with MW. I mean, not all MW are created equal as you know. So, I mean MW are important but you know size and profitability is also quite important.

GRIGORIOU G: Understood, thank you.

OPERATOR: Ladies and gentlemen there are no further questions at this time. I will now turn the conference over to management for any closing statements. Thank you.

SHIAMISHIS A: Thank you very much. I'll repeat my opening comments, overall a good quarter, we got the Elefsina maintenance out of the way, we still have some minor works which will be done in the next couple of months but the bulk of the work has been successfully completed and clearly this is a benefit because we're taking advantage of the prevailing margins. Sales are doing very well, our international business is doing very well, and renewables are growing at a pace which is material enough to be able to give us some substantial business results at the end of the year. Thank you very much for your attendance and I hope that we have the next quarter results call with better conditions from a geopolitical point of view. Thank you.