

# Motor Oil Hellas Group Realizing the Energy Transition

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**AVIN**

**Coral**  
Shell Licensee

**Coral  
GAS**

**LPC**  
Lubricants & Petroleum Corporation

**nrg**

**MOTOR OIL**

# Motor Oil Group at a Glance

Key Figures – FY2019



**9,373 m€**

Revenue

**474 m€**

Group EBITDA

**256 m€**

Total Investments



**2,150+**

Group Employees



**5 Countries**

Greece, North Macedonia,  
Croatia, Cyprus, Serbia



# 1 The context

# Drivers of the Energy Transition

Paris Agreement:  
<1.5 °C

EU GHG emissions:  
-55% by 2030

Green Deal:  
carbon neutral  
EU by 2050

## Profound changes shape the future of the energy sector:

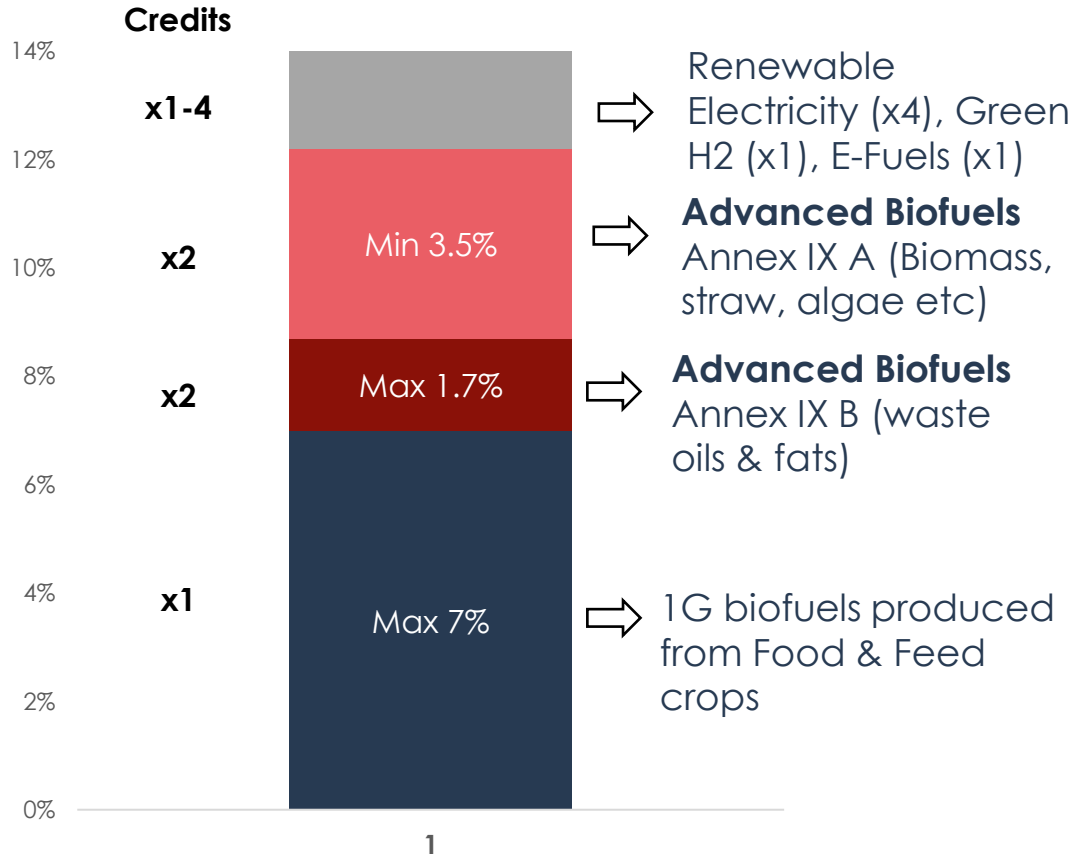
- Climate Change goals trigger Energy transition to a low-carbon and carbon-neutral society
- Ambitious targets and stringent regulations
- Structural long term demand reduction for fossil fuel products
- Technology advances and competitive new energy sources
- Consumer preferences
- Investor demand

## Key driver for transformation:

*Decarbonization targets and mobility trends shift towards **renewable** and **carbon-free products***

# 2 EU Policy & Implementation

# EU Policy to Drive Low-Carbon Fuels Demand



- The EU RED II requires **a minimum 14% of transport fuels to be of renewable origin** (incl. electricity) **by 2030**.
- Each member state may impose increased targets e.g **28%** in Spain and **52%** in Sweden.
- REDII is both an obligation and an opportunity.
- Implementation provides a potential niche market for O&G companies willing to invest in new technologies.

# Meeting the Low-Carbon Targets

## Opportunities

### Infrastructure

Not everything can be electrified, e.g. heavy duty applications

### Compatibility

Compatibility with existing infrastructure and vehicle fleet

### Economic Growth

Supports growth, economic and sustainable development

### Self-sufficiency

Usage of indigenous raw materials and reduction of fossil fuel imports

## Challenges

### Transition

New opportunities, but with longer-term profitability horizons

### Investment

Sizeable Investments needed

### Technology

Immature technologies of advanced biofuels

### Feedstock

Raw materials availability, security of supply and logistics

### Policy

Policy & regulatory framework to support investments

# Implementation in Greece

- Greece currently lacks the policy framework for REDII
- REDII implementation required by mid-2021
- Significant opportunity for Greece as it supports:
  - Circular economy
  - Agriculture sector
  - Industry & refineries
  - Economic development
  - Job creation
  - Environmental protection
  - Regional hub development in South-East Europe

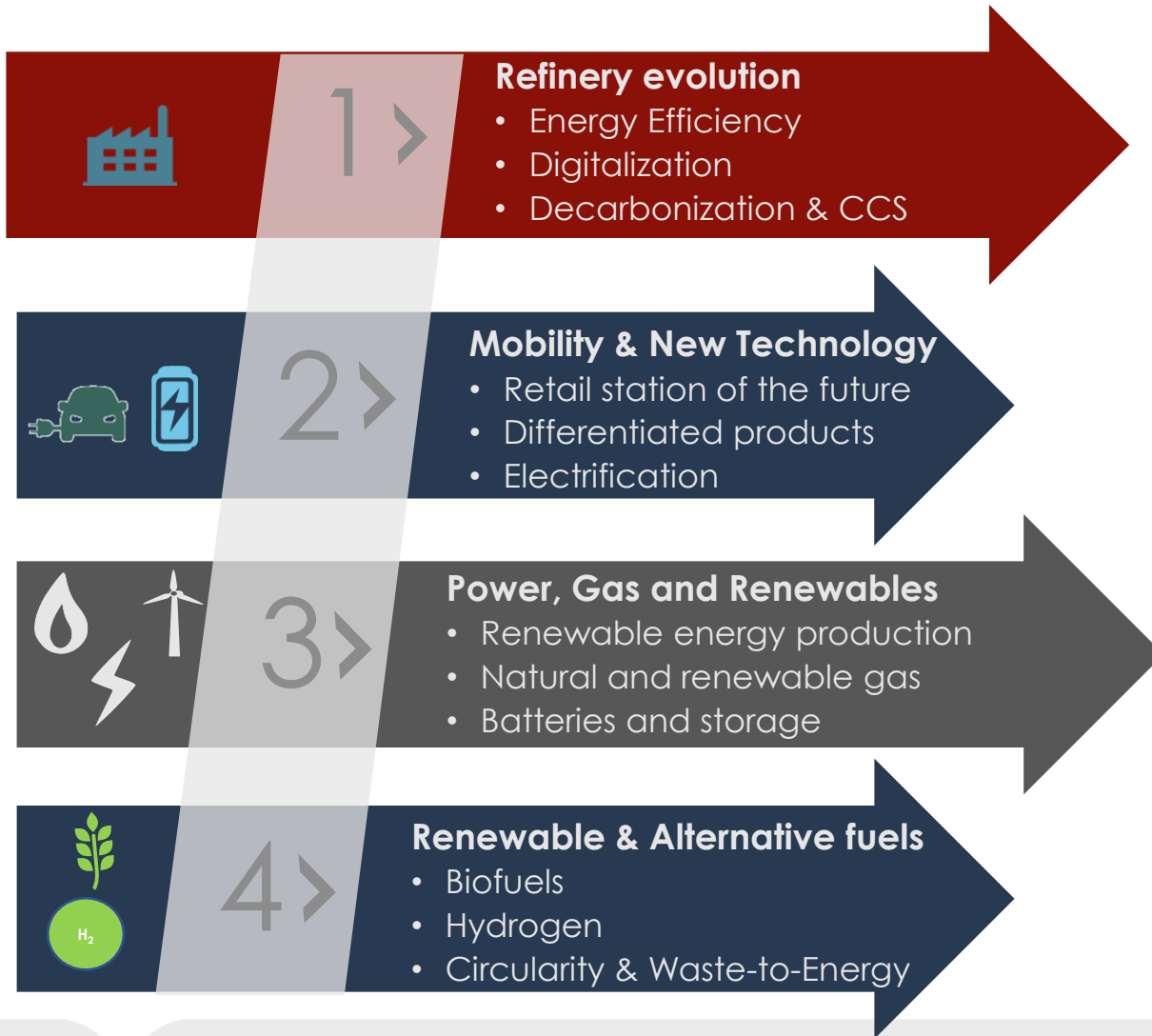
## Circular Economy





# 3 Motor Oil Group Strategy

# Motor Oil Group Current Priorities



**Solid investment plan to support strategic growth**



**Lubricants Recycle & Regeneration**

# 4 Key Takeaways

# Key Takeaways

- Energy industry goes through a **profound change** driven by carbon reduction targets and consumer preferences.
- **EVs** and **biofuels** expected to play an elevated role in Greece's downstream markets
- The energy transition will require **incentives** and significant investments in low carbon technologies and infrastructure driven mostly by **big investors**
- The **O&G industry** will need to develop a long-term strategy to diversify their business and heavily invest outside the core
  - ✓ **Scale**, infrastructure and resources to implement transition are unparalleled
  - ✓ Existing activities necessary to keep **generating cash** to support this transition
- The **positive impact** to Greek economy is immense: trade balance, industry, job creation...
- **Policy** support is paramount to enable green investments (smart implementation of REDII)