



2021 Financial Results

28 April 2022



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□ The Information contains certain measures that are not measures defined by International Financial Reporting Standards, namely, EBITDA, Adjusted EBITDA, Pro-forma Adjusted EBITDA, Capital Expenditures, Free Cash Flow, Cash Conversion Ratio, Group Cash Conversion Ratio, Gross Debt, Cash and Cash Equivalents, Net Debt, Net Leverage Ratio. These measures do not represent the measures of the same or similar names as may be defined by any documentation for any financial liabilities of the Group

□ The Information should be read in conjunction with the “Consolidated Annual Report for the Year 2021” as published on www.epholding.cz

Content

- **Key highlights**
- Group overview
- ESG and sustainability
- Key takeaways
- Appendix
 - EP Infrastructure
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Executive summary

- ❑ In 2021⁽¹⁾ ⁽²⁾ EPH is proud to present it reached:
 - **Pro-Forma Adjusted EBITDA** of **EUR 2.3 billion** (EUR 2.1 billion in 2020)
 - **Net Leverage Ratio** of **1.9x** (2.0x in 2020)
 - **Group Cash Conversion Ratio** at approx. **81.3%** (81.6% in 2020)
- ❑ **Energetický a průmyslový holding** ("EPH" or together with its subsidiaries "the **Group**") is a unique vertically integrated energy utility, which covers the complete value chain ranging from natural gas transmission, gas storage, gas, heat and electricity distribution and supply, highly efficient cogeneration as well as power and heat generation. EPH assets are located in low-risk economies: the Czech Republic, Slovakia, Germany, Italy, the UK, Ireland and France
- ❑ Well diversified assets' portfolio with balanced risks supporting good performance even in today's exceptionally challenging market environment
- ❑ **Above 60%** of 2021 Group's Adj. EBITDA is generated from **regulated / quasi regulated⁽³⁾ and / or long-term contracted** predominantly energy infrastructure and generation assets and has predictable and stable cashflows with **excellent Cash Conversion Ratio**
- ❑ **Low indebtedness** fully evidenced by net leverage ratio is comparable or even lower to its peers
- ❑ Group **materially extended debt maturity profile** especially thanks to EPIF 2028 and 2031 bonds and EPH EUR 1 billion 2024 bank facilities. At the same time EPH was able to raise additional liquidity lines of approx. EUR 650 million to secure headroom to cope with continuing market volatility
- ❑ EPH is a European leader in **decarbonisation** and **transitioning** from coal to non-coal assets and focuses on natural gas, apart from renewable power generation, as a key bridging fuel in the transition period towards reaching the net zero carbon future which EPH committed to reach by 2050
- ❑ Emission intensity of Group **declined by 38%** between 2015 and 2021 **saving approx. 25 mt of CO₂ p.a.** compared to 2015
- ❑ **78%** of net power produced in 2021 by EPH was from **zero or low carbon-intensive sources** and the Group is constantly expanding the share of such energy generation in the portfolio

1. All figures in the presentation calculated on fully consolidated basis, unless explicitly stated otherwise

2. For definitions of selected indicators and ratios see Appendix

3. Quasi regulated are operations supported by different kind of schemes like CfD, green bonuses, capacity markets

Key Strengths



EPH at glance

EPH overview

□ A Prague-based vertically-integrated energy group

□ It consists of two key pillars:

EP Infrastructure (“EPIF”)

- **Gas Transmission** in Slovakia
- **Gas and Power Distribution** in Slovakia
- **Gas Storage** in the Czech Republic, Slovakia and Germany
- **Heat Infrastructure** in the Czech Republic

- Generated 55% of EPH PF Adjusted EBITDA⁽¹⁾ in 2021 and has an excellent Cash Conversion Ratio of 88%
- Regulated or long-term contracted businesses
- Marginal CO₂ footprint (1% of EPH CO₂ emissions in 2021⁽²⁾)

EP Power Europe (“EPPE”)

- Electricity generation (including related activities) mainly in Italy, the UK, Germany, Ireland, France and lignite mining in Germany
- Stable and resilient business
- Generated 45% of EPH PF Adjusted EBITDA⁽¹⁾ in 2021 and has an excellent Cash Conversion Ratio of 73%
- **European leader in transitioning from coal to non-coal assets** continuously decreasing the share of coal in its fleet
 - **Over EUR 2.4bn investments into zero or low emission sources** spent from 2015 or already committed

- Emission intensity of EPH **declined by 38%** between 2015 and 2021, which resulted in **saving of 25 mt of CO₂ p.a.**
- EPH consolidated companies employ over **10,500 employees**

1. For definitions of selected indicators and ratios see Appendix

2. Excluding CHPs

3. Operating data for year 2021 and 2020 as presented in EPH Annual report 2021 and 2020

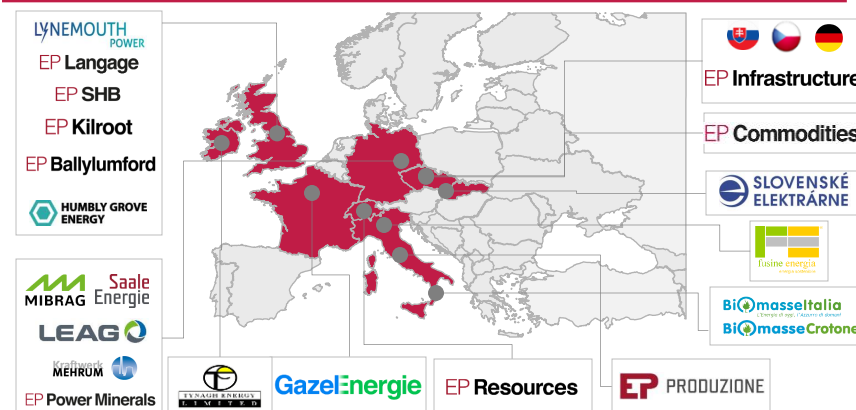
4. The installed capacity in 2021 exclude Deuben and Mehrum as both coal power plants were taken off the merchant market in December 2021 whereas the transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation

5. The installed capacity in 2020 was pro-forma adjusted for Provence 5 power plant in France as it was effectively in a stand-by mode (closed in 2021)

KPIs of the Group⁽³⁾

Natural Gas		2021	2020
Gas transmission capacity/bookings	bcm	73.7	88.7
Gas transmission / distribution	bcm	41.6 / 5.5	57.0 / 5.0
Gas storage capacity	TWh	64.2	64.2
Heat and Power		2021	2020
Installed capacity (net) ^{(4) (5)}	GW _e	11.1	11.0
Power production (net)	TWh _e	39.8	38.1
Power distribution	TWh _e	6.4	5.9
Heat supplied	PJ	8.8	19.8
ESG indicators		2021	2020
Share of zero or low carbon intensive sources on power production	%	78	81
Emission intensity	tCO ₂ /GWh	494	461

Geographic presence of EPH

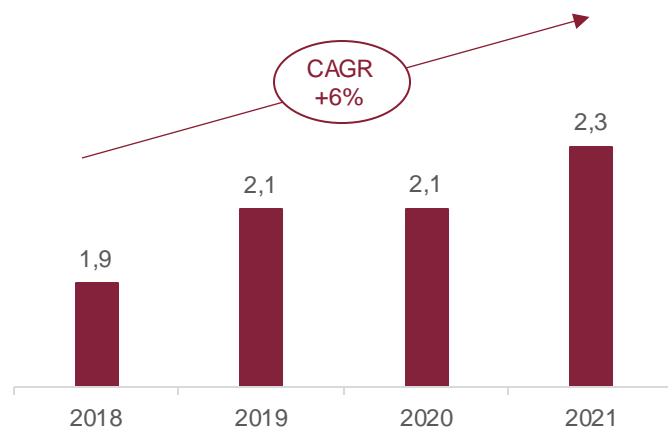


Overview of Financials⁽¹⁾⁽²⁾

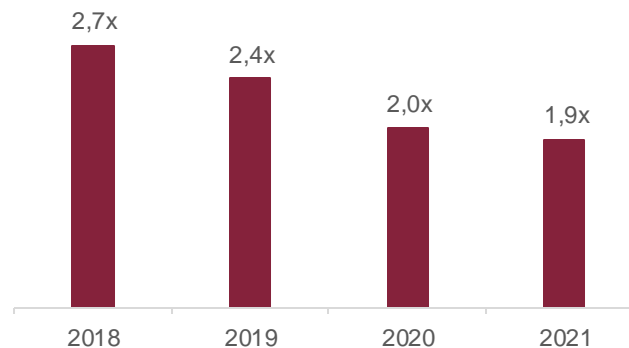
		2021	2020	2019	2018
INCOME STATEMENT					
Revenues	€m	18,931	8,531	8,572	7,072
Adjusted EBITDA	€m	2,357	2,198	2,096	1,808
<i>Pro-Forma and other adjustments</i>	€m	(29)	(82)	15	50
Pro-Forma Adjusted EBITDA	€m	2,328	2,115	2,111	1,858
Profit for the year	€m	1,227	1,656	803	630
BALANCE SHEET					
Total assets	€m	25,189	18,052	16,689	13,329
CAPEX	€m	441	404	364	379
Net Financial Debt	€m	4,471	4,255	5,133	5,039
RATIOS					
Cash Conversion Ratio	%	81.3%	81.6%	82.6%	79.0%
Net Leverage Ratio ⁽³⁾	x	1.9x	2.0x	2.4x	2.7x

Pro-Forma Adjusted EBITDA

EUR bn



Net Leverage Ratio⁽³⁾



Note: Figures may not add up due to rounding

1. As per 2021, 2020, 2019 and 2018 audited financial statements

2. For definitions see Appendix

3. Multiple of Pro-forma Adjusted EBITDA

We expect a limited impact of current geopolitical situation on EPH due to its diversified strategic asset base and a strong financial stability

- ❑ In the context of the ongoing military invasion in Ukraine and associated sanctions targeting the Russia Federation, EPH and its subsidiaries monitor the current market situation on ongoing basis
- ❑ Despite potential temporary short-term operational limitations, EPH Group believes its **medium- to long-term market position stays resilient**, primarily due to following reasons:
 - EPH Group operates the critical infrastructure in gas and power distribution, gas transportation and storage and power generation. The asset base is **diversified** and has in fact a **negative correlation between gas transit and power generation**, i.e. potential negative impact on transit segment should be compensated by power generation
 - Major operated assets are **regulated or quasi regulated⁽¹⁾ and/or long-term contracted** with high quality counterparties
- EPH Group maintains robust counterparty and liquidity risk management system which underpins EPH Group's financial stability driven by following:
 - **Low indebtedness** fully evidenced by **Net Leverage Ratio⁽²⁾ of 1.9x** at the end of 2021
 - Exceptional **Cash Conversion Ratio⁽²⁾ of 81%** in 2021, EPH Group generates **significant free cash flow**
 - Since start of Q4 2021 the EPH Group has secured over **EUR 1bn** of **additional liquidity**
 - **High level of Cash and Cash equivalents** of **EUR 2.5bn** at the end of 2021 and a strategy of conservative approach to liquidity
- EPPE had very **strong results in FY2021 (PF Adjusted EBITDA⁽²⁾ of EUR 1.0bn (+84% YoY))** which proves a negative correlation to other EPH Group's assets
- EPH is **not dependent on dividends from EPIF**. Given a very strong performance of EPPE in 2021, EPH announced its intention to exercise its voting rights in a way that will **not lead to any dividend distributions from EPIF or to any major acquisitions being undertaken** by the EPIF Group until the situation stabilizes

1. Quasi regulated are operations supported by different kind of schemes like CfD, green bonuses, capacity markets

2. For definitions see Appendix

Exceptional Cash Conversion Ratio aided by a conservative financial policy

Summary capital structure

Fully consolidated basis (€m)	31 December 2021
Gross Debt	6,968
Cash and Cash Equivalents	2,497
Net Debt	4,471
PF Adjusted EBITDA	2,328
Net debt / Pro-Forma Adjusted EBITDA	1.9x

EPH financial policy

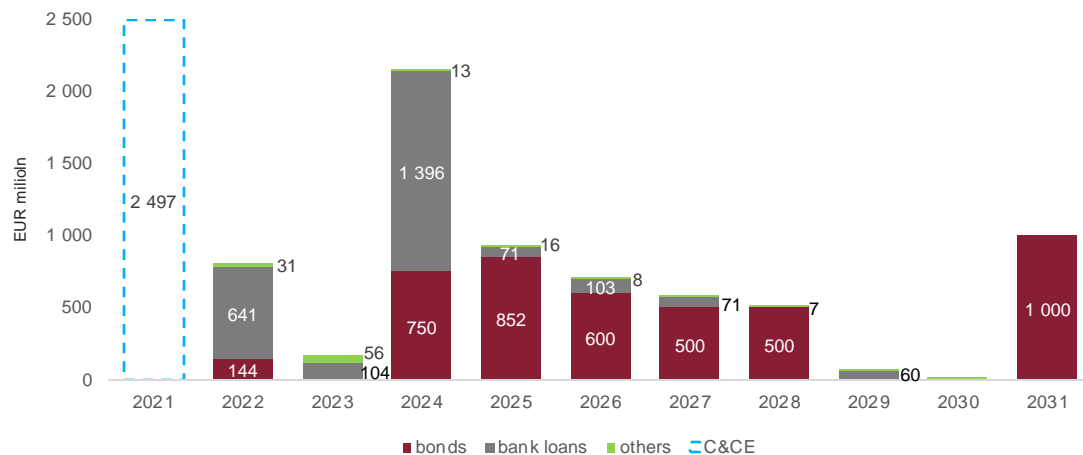
- ❑ **Conservative financial profile** and policy
 - ❑ EPH maintains highly conservative capital structure, with **low indebtedness**
 - ❑ Approx. 80% of EPH Group Net Financial Debt is located within EP Infrastructure sub-group contributing approx. 55% to the EPH Group PF Adjusted EBITDA; i.e. a majority of EPH Group indebtedness is in an infrastructure part of the Group
 - ❑ Rest of the Group represents only approx. 20% of EPH Group Net Financial Debt against approx. 45% contribution to EPH Group PF Adjusted EBITDA

EPH financial policy

- ❑ Predictable and **stable cashflows** with **excellent Cash Conversion Ratio**
 - ❑ Low levels of maintenance capital expenditures provide for **strong Cash Conversion Ratio**
 - ❑ Historical **Cash Conversion Ratios of over 75%**
- ❑ Disciplined, **conservative acquisition** and **development CAPEX strategy**
 - ❑ Focus on assets with high level of predictability of the operations backed by:
 - ❑ regulation and /or
 - ❑ state backed schemes like capacity market payments, green bonuses, Must Run regimes etc.
- ❑ **Resilient business** managed and operated by a **highly competent and experienced management team** with a proven track-record
 - ❑ **Experienced management** with proven operational track-record
 - ❑ Successful track-record of EPH in cost and asset management and **optimisation of acquired assets**
 - ❑ **Disciplined focus** on value-creating projects
 - ❑ **Strong focus on TCO** (Total Cost of Ownership), seeking optimal and sound economic conditions (including financing) for each investment

Net Debt overview as of 31 December 2021

Debt maturity profile^{(1) (2)}

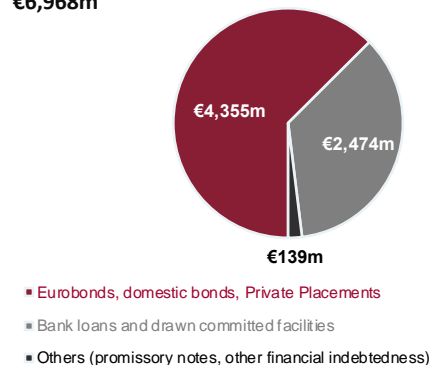


Commentary

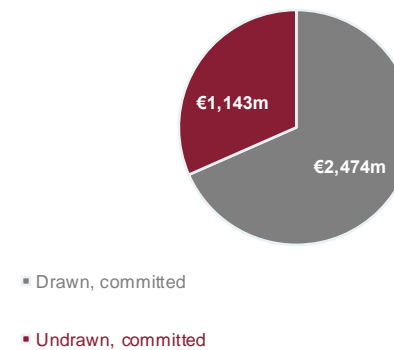
- On 16 March 2021, EPH signed a **new 3Y bank financing agreement** for the total amount of **EUR 1bn**. Consisting of term loan EUR 500m and revolving credit facility EUR 500m. The part of funds were used for repayment of bank debts of **EPPE non-coal assets** and rest of the facility can be used for general corporate purposes **excluding any coal-related activities**
- In the course of year 2021, EPH HoldCo and EP Commodities increased its bank limits by approx. EUR 650m on top of EUR 1bn mentioned previously, large portion of loans were fully utilised as of 31 December 2021 as a precaution step to increase immediate liquidity given huge volatility on the commodity markets

Debt breakdown by instrument⁽²⁾

Total debt:
€6,968m



Utilization of bank financing



1. Excluding operating leases

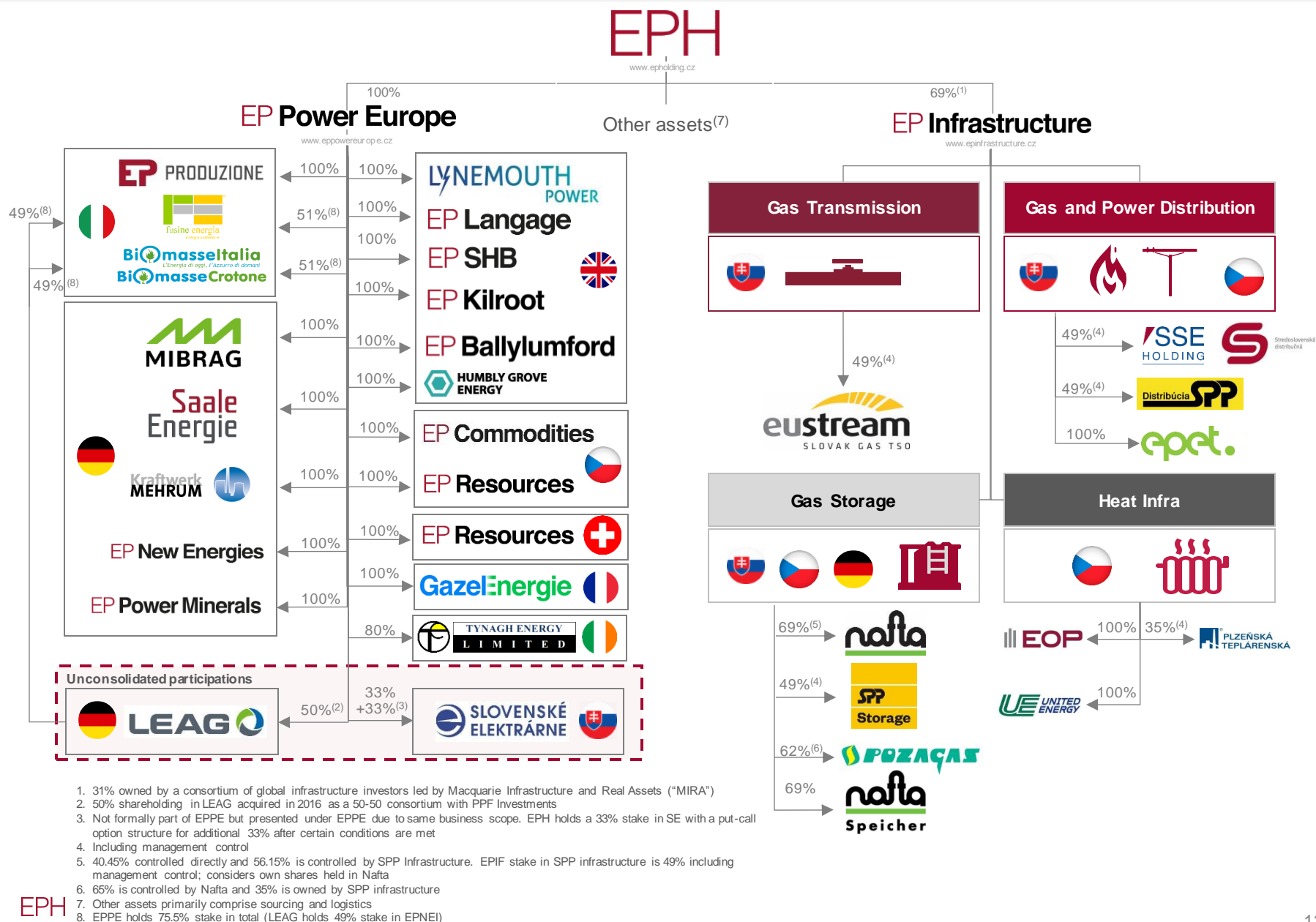
2. Excluding financial leases and factoring

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All infrastructure assets are grouped under EPIF, while EPPE offers a platform for opportunities in power generation, renewables and waste to energy



BBB / Ba1 / BBB-
(all Negative outlook)

S&P Global Moody's FitchRatings

- ✓ EPIF owns and operates essential infrastructure assets in stable and developed markets of **Slovakia, the Czech Republic** and **Germany**
- ✓ EPIF consists of **four principal segments**: Gas Transmission, Gas and Power Distribution, Gas Storage and Heat Infra
- ✓ All EPIF assets have **stable and resilient cash flows**, leading market positions and a track record of operational excellence
- ✓ EPIF's assets are strategic and vital for the region and transmit natural gas to the EU countries; **major subsidiaries** are **co-owned by the Slovak Republic** that holds 51% share in SPPI. However, EPIF has management control pursuant to a shareholder agreement. EPIF is a major contributor in form of dividends and taxes to the Slovak state tax revenue
- ✓ **EPIF was the first company in the CEE to obtain an ESG Rating by S&P**, supporting us to better identify opportunities and to strengthen our sustainability commitment⁽³⁾. In June 2021, EPIF Group obtained an **ESG risk rating of 20.0 from Sustainalytics**, placing it in the low-risk category

1 EPIF operates critical energy infrastructure resulting in a track record of stable and resilient performance

- ❑ Active in gas transmission, gas and power distribution, heating infrastructure and gas storage
- ❑ Our assets are regulated and/or long-term contracted
- ❑ EPIF has historically achieved a solid track record of growth through value-accretive acquisitions and organic growth projects, turned into a stable and resilient performance

2 Large and diversified asset base

- ❑ Diversified across multiple types of infrastructure, which contributes to EPIF's stability
- ❑ Well-invested, modern asset base with long remaining asset lives. Low maintenance CAPEX needs due to the use of modern durable materials

3 Strong cash flow generation

- ❑ Adjusted EBITDA⁽⁴⁾ (EUR 1.3bn in 2021 and EUR 1.6bn in 2020), with a strong Cash Conversion Ratio⁽⁴⁾ (approx. 88% in 2021 and 87% in 2020)
- ❑ Low CAPEX intensity compared to peers as some of operated networks are relatively newly-built or have been rebuilt recently
- ❑ Regulatory framework motivates us to optimize CAPEX requirements

4 Partnership with public entity further contributes to a high degree of stability

- ❑ Aligned goals and targets with local public partners, while keeping management control
- ❑ Both EPH and EPIF are private enterprises with shareholder interests as the main priority

1. Response to the recent market development caused by current geopolitical situation is commented on slide 8.

2. Based on the latest credit rating reports as of 10 March 2022, 23 March 2022 and 4 March 2022, respectively.

3. EPIF's most recent score was 66/100 points awarded by S&P in September 2021 (65/100 points in April 2020)

4. For definitions see Appendix

- ✓ EPPE owns operations across developed markets including **the UK, Italy, Ireland, France** and **Germany**
- ✓ EPPE focuses on power generation and **renewable energy** (like biomass) including development of wind and solar powerplants
- ✓ EPPE provides **security of supply** through a fleet of controllable and flexible power plants
- ✓ **74%** of installed capacity comes from **zero or low carbon-intensive sources**
- ✓ **82%** of power in 2021 was produced from **zero or low carbon-intensive sources**
- ✓ **Long-term emission intensity decrease**
- ✓ Leading EU player in **decarbonization** of conventional power plants
- ✓ Favourable position in merit order
- ✓ Coal power generation and mining activities **financed solely from equity**

1 A fleet of safe and controllable power generation and renewable assets

- ❑ EPPE owns operations across developed markets including the UK, Italy, Ireland, France and Germany with a focus on power generation and sophisticated renewable energy (biomass)
- ❑ EPPE's power generation portfolio provides a balanced and diversified mix of thermal and biomass power plants and other renewable sources, which provides a strong security of supply

2 Low leverage, strong cash-flow generation, conservative funding

- ❑ Cash Conversion Ratio above 60% (73% in 2021⁽¹⁾ and 76% in 2020⁽¹⁾) while investing heavily into new development
- ❑ Net cash positive with very low external net debt
- ❑ Resilient performance results even during problematic market conditions
- ❑ Coal power generation and mining activities financed solely from equity

3 Responsible and environmentally sustainable operations

- ❑ EPPE is committed to operating its portfolio responsibly to gradually reduce environmental footprint, meet interests of all key stakeholders and stands ready to meet its liabilities, particularly associated with future decommissioning and re-cultivations
- ❑ 74% of installed capacity comes from zero or low carbon-intensive sources
- ❑ 82% of power in 2021 was produced from zero or low carbon-intensive sources

4 Leading EU player in decarbonization

- ❑ Closure or put to Stand by regime of 3 coal-fired power plants in 2021 with an installed capacity of 1,352 MW (Provence 5 in France, Mehrum⁽²⁾ and Deuben in Germany) ahead of planned coal exit in particular countries
- ❑ Clear path to close other coal and oil-fired power plants (e.g. Kilroot (513 MW) in Northern Ireland in 2023)
- ❑ Massive investments in carbon footprint reduction (over EUR 1bn from 2015), additional EUR 1.4bn to low carbon CCGTs/OCGTs projects for grid security in upcoming three years and further investments in Germany to zero emission projects

1. Based on 2021 and 2020 financials

2. Mehrum power plant was taken off the merchant market in December 2021 whereas the transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation

Significant development projects under construction in 2022

- EPH is one of the Europe's most active developers of low carbon and security of supply power generation, with **2.7 GW** under construction in 2022
- Expected investment costs of approx. **EUR 1.4bn** to **OCGTs/CCGTs projects for grid security** in upcoming three years

1

Kilroot OCGT project



Kilroot OCGT project

- Location: Carrickfergus, Northern Ireland, United Kingdom
- Gross Capacity: 688 MW
- Capacity contracts for 10 years for 591 MW (derated) with delivery in Oct-23 and Oct-24
- Project status: OCGT project is currently under construction

2

Tynagh OCGT project



Tynagh OCGT project

- Location: County Galway, Republic of Ireland
- Gross Capacity: 350 MW
- Capacity contract for 10 years for 299 MW (derated) with delivery in Oct-24 and Oct-25
- Project status:
 - Planning, permitting and negotiation with contractors
 - FID expected in H2 2022

3

Tavazzano CCGT project



Tavazzano New – 800 MW H-class CCGT

- Location: Tavazzano, Milan area, Lombardia Region, Italy
- Project status: Under construction, started in 6/2020, target COD: H2/2023
- Installed capacity: 803 MW (Pmax)
- Efficiency: >60%
- Capacity contract for 15 years with delivery in 2023 awarded with the aim to secure stability and reliability of the Italian electricity market

4

Ostiglia CCGT project



Ostiglia New – 880 MW H-class CCGT

- Location: Ostiglia, Mantua area, Lombardia Region, Italy
- Project status: Preparation activities initiated, target COD: H2/2024
- Installed capacity: 881 MW (Pmax)
- Efficiency: >60%
- Capacity contract for 15 years with delivery in 2025 awarded with the aim to secure stability and reliability of the Italian electricity market



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EPH takes an active role in transforming the energy system: Key highlights (I/II)

EPH aims to achieve **carbon neutrality by 2050**, in line with the official 2050 EU objective. This long-term objective is further supported by the following medium-term goals

1 Reduce CO₂ emissions by 60% from existing generating plants⁽¹⁾ by 2030

We have created a clear and resilient transition roadmap for our assets, thereby guiding generating plants existing within our fleet as of August 2021, when the target was set, to a 60% reduction in CO₂ emissions by 2030 compared to 2020 levels

2 Zero coal as a primary source of generation by 2030 outside of Germany, and in line with the Coal Phase-out Act (Kohleausstiegsgesetz) in Germany, as approved by the German government

EPH has established a clear plan to undergo transformation process with its lignite and hard coal power plants outside of Germany until 2030 (hard-coal until 2025⁽²⁾) and in Germany by 2038 (while 2035 is set as a target year for fully consolidated companies, plants operated by our equity participations are scheduled to operate until 2038), and in line with deadlines dictated by the Coal Phase-out Act. Some of these power plants will be converted to zero or low-emission fuels, like gas or biomass, depending on the specific conditions of each site

3 Become a European frontrunner in the transition to a hydrogen future

EPH believes that storage of energy in the form of green gases represents an important link to accelerate deployment of intermittent renewable power sources. Therefore, the Group has embarked on several projects to ensure that its midstream and downstream infrastructure is ready for large-scale transit, distribution and storage of hydrogen. In addition, we are evaluating and participating in several projects relating to hydrogen production and subsequently using hydrogen as a fuel in power generation

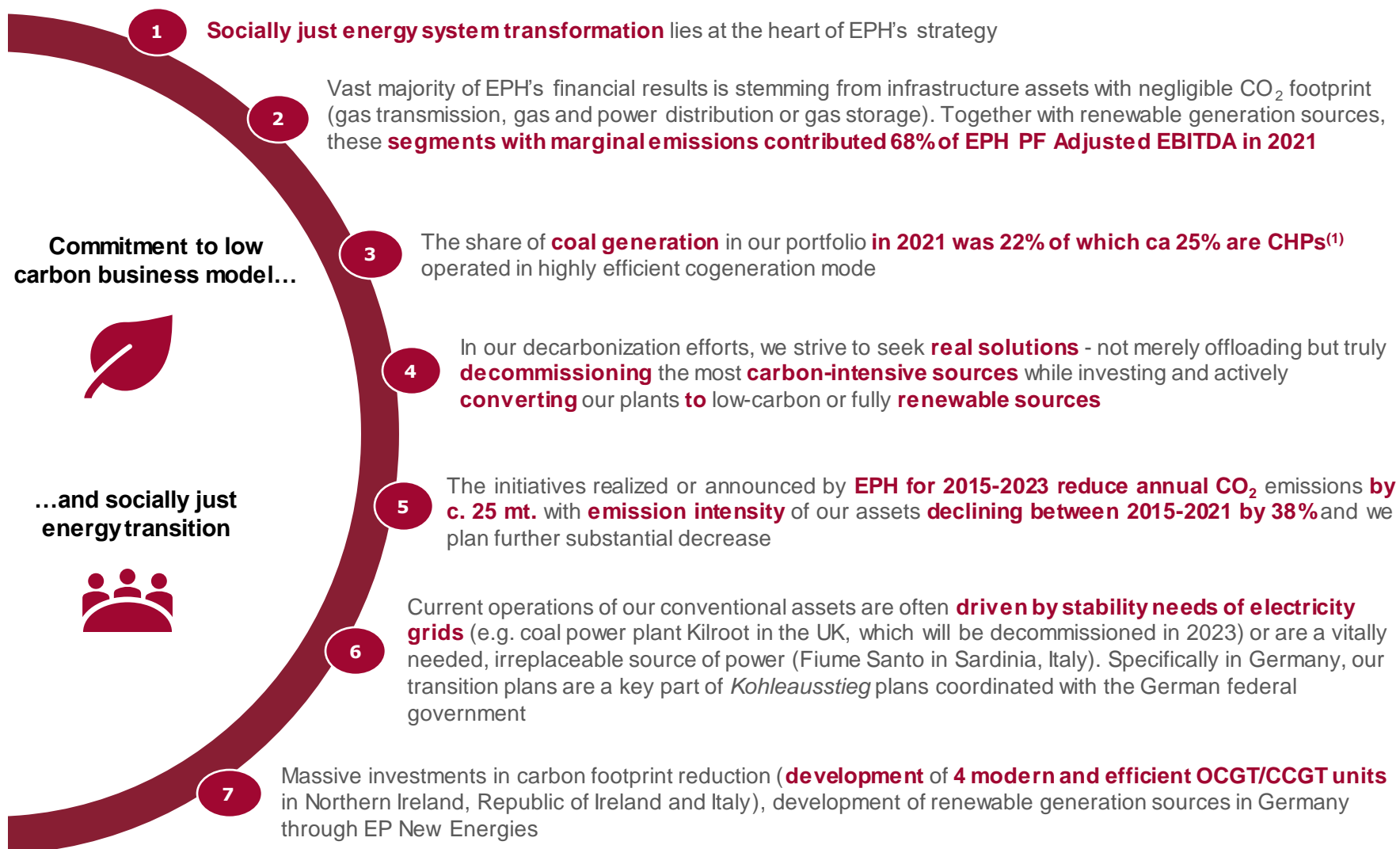
4 Create a Green Finance Framework for use, where applicable, within EPH Capital Structure Strategy

Once developed, the EPH Green Finance Framework shall serve as a basis for the financing of any future eligible project, in line with the ICMA Green Bond and LMA Green Loan Guidelines

1. For the purposes of target setting, CO₂ emissions from entities disposed of in 2020 were excluded from the 2020 emissions, thereby creating a comparable basis. The target also does not include emissions of entities acquired or developed after August 2021

2. As Fiume Santo hard coal power plant is a key source of power and grid stability in Sardinia island, an alternative source of power needs to be developed prior to the expected shutdown in 2025

EPH takes an active role in transforming the energy system: Key highlights (II/II)



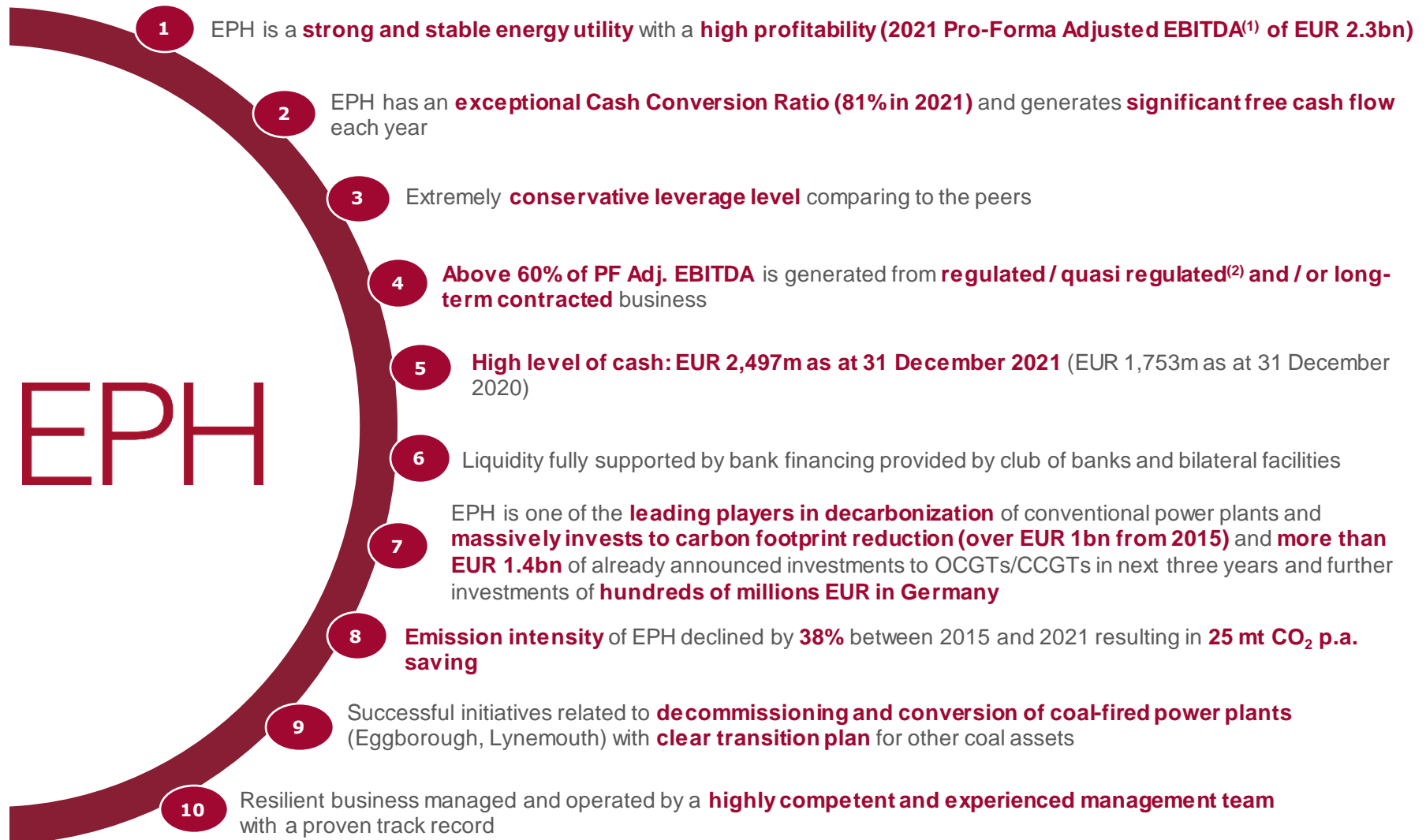
1. Combined heat and power plants

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Key Takeaways



1. For definitions of selected indicators and ratios see Appendix

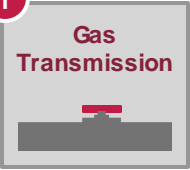


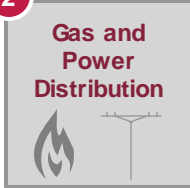






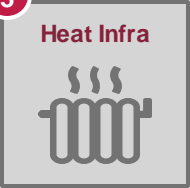









2. Quasi regulated are operations supported by different kind of schemes like CfD, green bonuses, capacity markets

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EPIF Group overview

Segment	Group Companies	Asset highlight	Business profile
1 		 <p>Eustream is one of the largest natural gas transporters within the EU in terms of piped gas import</p>	<ul style="list-style-type: none"> Regulated Long-term contracted
2 	   	 <p>Gas distributor in Slovakia⁽¹⁾</p>  <p>Electricity distributor in Slovakia⁽¹⁾</p>	<ul style="list-style-type: none"> Almost fully regulated; natural monopoly position in distribution business in the region of operation Predominantly regulated
3 	  	 <p>Czech district heating infrastructure</p>	<ul style="list-style-type: none"> Predominantly regulated
4 	  	 <p>Storage capacity in the region of Slovakia, Czech Republic and Austria⁽²⁾</p>	<ul style="list-style-type: none"> Predominantly long-term contracted

Source: Company information, internal research and analysis, Gas Storage Europe

1. Based on volume distributed

2. Based on storage capacity

Gas Transmission: key highlights

FY 2021 EBITDA⁽²⁾: EUR 479 million
FY 2020 EBITDA: EUR 678 million



Gas Transmission
Distribution
Heat Infra
Gas storage



1

Critical asset for Slovakia and the EU energy supply and security

- ❑ Sole gas transmission system operator (TSO) in Slovakia and owner of all transmission infrastructure
- ❑ Almost **a third of the European import capacity from Russia**. The largest and most used natural gas import route to Ukraine from Western Europe
- ❑ Key **strategic assets for Slovak government** (51% ownership, A+ / A2 / A⁽¹⁾) and one of the largest contributors to the state budget
- ❑ Unique positioning to supply gas to Central European and Southern European gas markets
- ❑ SK-PL interconnector currently under construction is scheduled to commence operations in the second half of 2022. This strategic project is on the EU top priority list (heavily subsidized)

2

Stable and fully EU compliant regulatory environment

- ❑ From 2022, **tariffs are set** by the regulator **for 5-year period** in line with a fully cost based approach with secondary adjustment based on benchmarking is applied
- ❑ Transmission fees are fixed at the start for each contract and unaffected by future regulatory changes (except for adjustments to reflect EU inflation rate)

3

100% ship-or-pay contracts and majority of capacity contracted for upcoming years

- ❑ **100% ship-or-pay contracts** assure stable revenue streams over time due to fixed prices
- ❑ **Long-term capacity bookings** (approximately 50% of total annual capacity) at least until 2028
- ❑ Substantial booked **capacities at entry point Lanžhot** until December 2035, while lower volumes booked until 2039. The booked capacities are conditional upon several factors, including the development of the current geopolitical conditions and successful development of upstream projects
- ❑ At the end of 2019, **a five-year gas transit deal was reached between Russia and Ukraine** with agreed minimum annual volumes of 65 bcm in FY 2020 (with 40 bcm reserved for eustream) and 40 bcm annually thereafter. Also, Russia has an option to extend for other 10 years, i.e. by 2034. Actual volumes may depend on, among other things, the development of the current geopolitical conditions

4

Highly cash generative business with limited maintenance capex needs and sound financial performance and outlook

- ❑ Optimally maintained, well developed pipelines and facilities
- ❑ **High Cash Conversion Ratio⁽²⁾** of 95% (FY 2020: 94%)
- ❑ The decrease in FY 2021 EBITDA was primarily driven by extraordinarily low reverse gas flows to UA due to higher local levels of stored gas and unattractively high gas prices and overall lower flows of Russian gas to Europe
- ❑ Conservative leverage cap of 2.5x net debt / EBITDA set by the shareholder agreement (SHA) with Slovak government
- ❑ Standalone credit rating: Ba1 by Moody's / BBB+ by Fitch, both with negative outlook

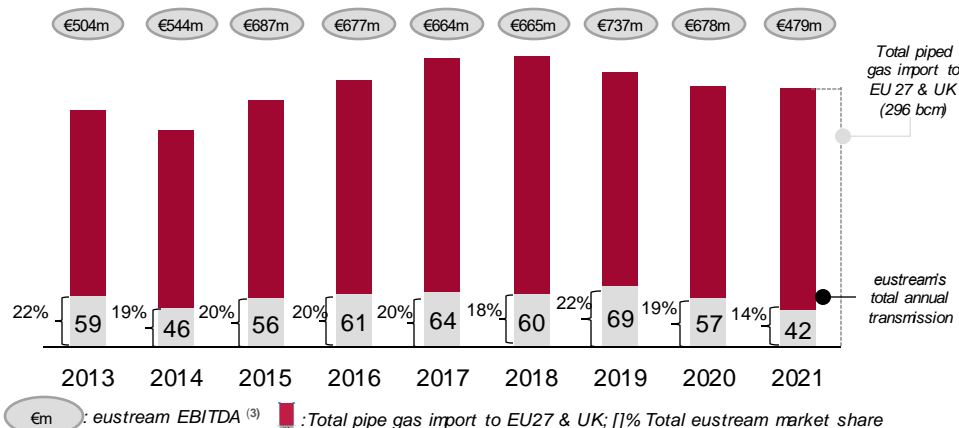
1. S&P / Moody's / Fitch
2. For definitions see Appendix

eustream is the key player in transit of gas to Western and Southern Europe

Prominent role in European gas sourcing

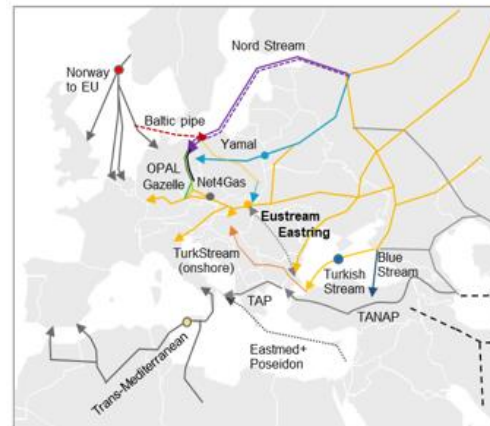
- ❑ **Critical infrastructure** for the European Union (particularly for Italy, Austria, Central Europe). These key markets need to be sourced with natural gas and there are no alternative pipeline routes with sufficient capacity that could replace eustream
- ❑ Eustream presently plays a **pivotal role in North to South natural gas flows** (mostly from Nord Stream I)
- ❑ Large majority of 42 bcm of gas in FY 2021 (57 bcm in FY 2020) was transmitted under **long-term ship-or-pay contracts** to traditional markets of eustream
- ❑ **C. 70% of imported gas from the EU to Ukraine⁽⁴⁾** is transmitted using eustream network (point Budince)
- ❑ When volumes are transmitted, the shippers deliver gas in-kind to eustream. Eustream uses financial derivatives for hedging of gas price. As of 31 March 2022, the hedging policy for the period 2022-2024 covers substantial volumes of gas

Stable market share and EBITDA development of eustream⁽²⁾



- Source: Data of the operators of the individual entry points to Ukraine, ie FGSZ Zrt. (Hungary), GazSystem S.A. (Poland) and eustream a.s.
- Total piped gas import to EU27 and the United Kingdom includes pipeline deliveries from Russia, Norway, Algeria and Libya. Total eustream share is calculated as eustream total annual transmission / Total piped gas import to EU27 and the United Kingdom
- Source: EPH consolidated financial statements. For definition of EBITDA please see Appendix
- Based on average imports in the period from 2014 to 2021

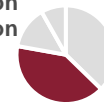
Status 12/2021



Pipeline Name	Yearly Capacity
Existing pipelines	
Eustream	77.4 bcm ¹
Nord Stream	61 bcm
Yamal	36.5 bcm
Blue Stream	16 bcm
Net4Gas	66 bcm
OPAL	36.5 bcm
Gazelle	33 bcm
Trans-Mediterranean	30 bcm
Other Africa to EU	31.7 bcm
Norway to EU	152.7 bcm
Turkish Stream (1+2)	31.5 bcm
TANAP	16 bcm
Eugal	55 bcm
TAP	10 bcm
Turk Stream (onshore BG-RS)	12 bcm
Turk Stream (onshore RS-HU)	9 bcm
Potential pipelines	
Baltic pipe	10 bcm
Eastmed+Poseidon	10 bcm
Nord Stream II	55 bcm
Eastring	20-40 bcm

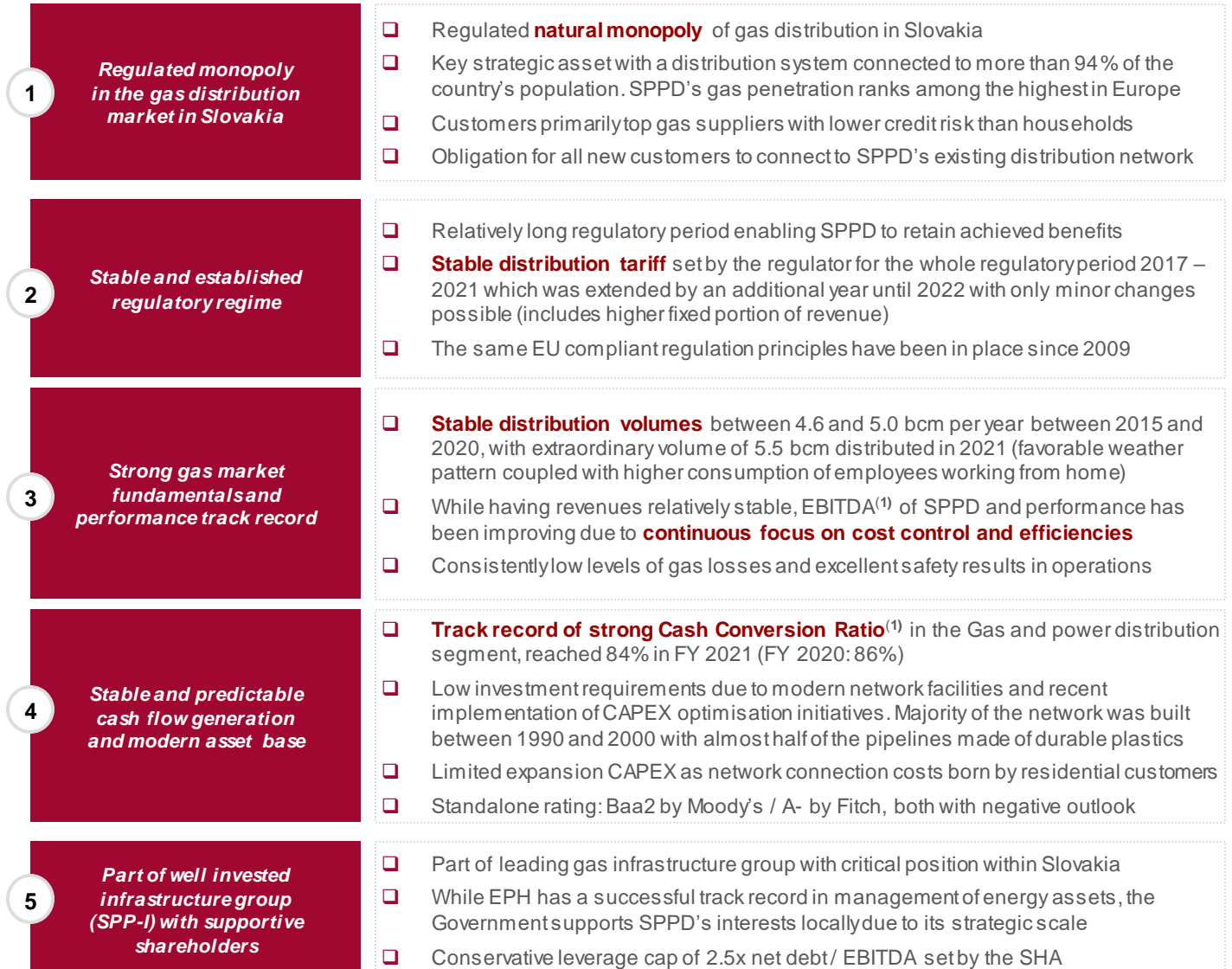
Source: Eustream

¹ Represents technical capacity at the Eastern border SK-UA. Total capacity in all directions depends on actual combination of entry/exit points



Gas Transmission
Distribution
Heat Infra
Gas storage

Gas and Power Distribution (I/II): SPPD key highlights



1. For definitions see Appendix

2. EBITDA includes SOT EBITDA effect of €(1)m in 2021 and €90m in 2020, respectively. EBITDA adjusted by SOT amounts to €520m in 2021 and €501m in 2020, respectively. For SOT definition see Appendix.



Gas Transmission
Distribution
Heat Infra
Gas storage

Gas and Power Distribution (II/II): SSE key highlights



1. For definitions see Appendix

2. EBITDA includes SOT EBITDA effect of €(1)m in 2021 and €90m in 2020, respectively. EBITDA adjusted by SOT amounts to €520m in 2021 and €501m in 2020, respectively. For SOT definition see Appendix.

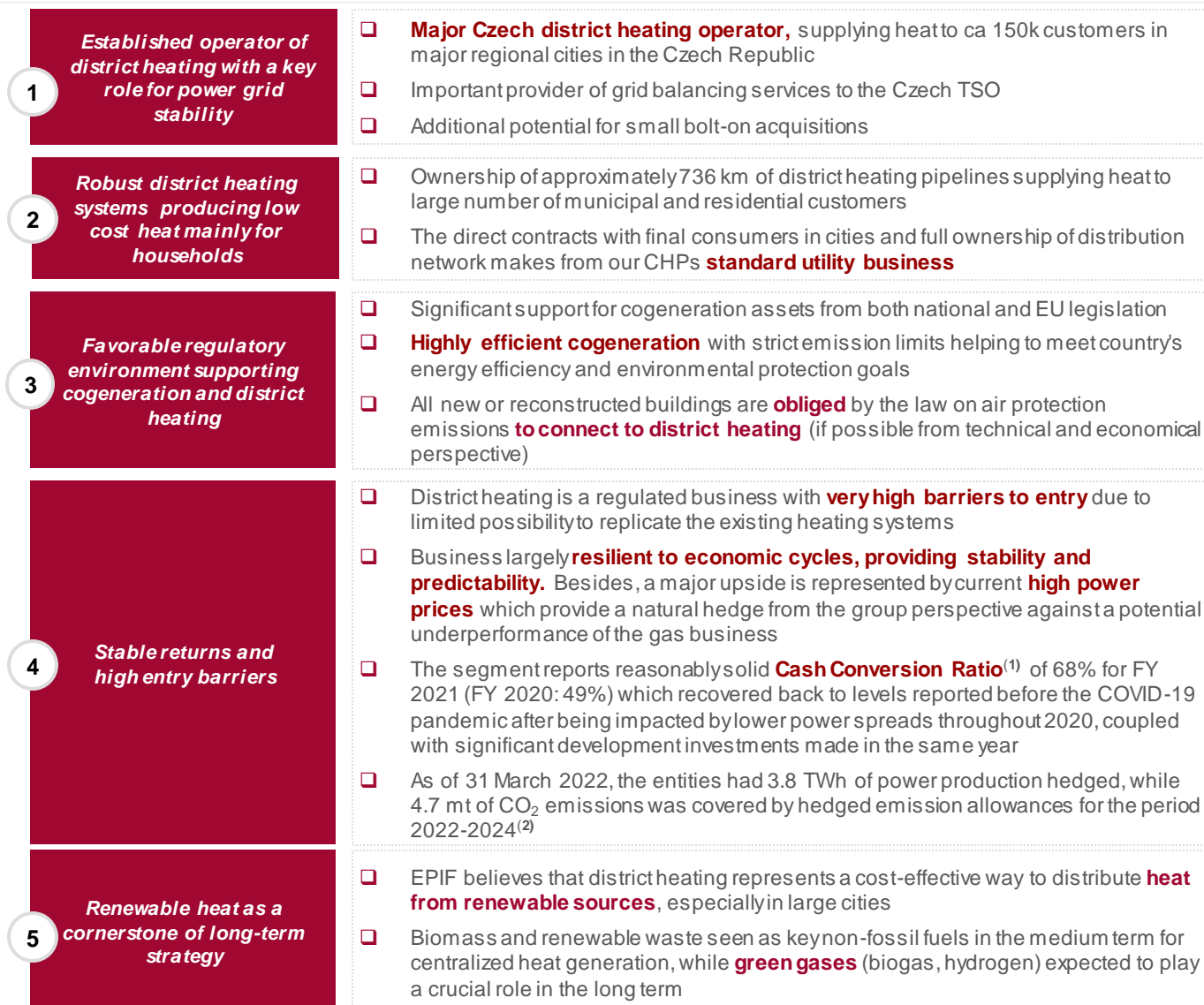
3. Refers to SSD which contributed the vast majority of SSE's EBITDA in FY 2021 and FY 2020 periods. Other SSE activities consist primarily of electricity supply

Heat Infra: key investment highlights

FY 2021 EBITDA⁽¹⁾: EUR 105 million
FY 2020 EBITDA: EUR 141 million



Gas Transmission
Distribution
Heat Infra
Gas storage



1. For definitions see Appendix

2. mt = 1 million tons; For comparison, the existing heating plants produced 2.6 TWh of net power and consumed 3.5 mt of allowances in 2021

Gas Storage: key investment highlights

FY 2021 EBITDA⁽¹⁾: EUR 180 million
FY 2020 EBITDA: EUR 218 million



Gas Transmission
Distribution
Heat Infra
Gas storage



1 **Market leader in the CE region with significant position in Bavaria**

2 **Strategically located asset**

3 **Medium and long-term contracts, Stable and predictable cash flow generation and modern asset base**

4 **No price regulation**

5 **Further opportunities generating value**

- ❑ **Market leader** (23.9% share) in terms of capacity in the gas storage market **in the CE region** (the Slovak Republic, the Czech Republic and Austria)
 - ❑ Monopoly gas storage operator in Slovakia, with 100% market share
 - ❑ 7.7% market share in Germany through ownership of NAFTA Speicher with three gas storage facilities (20.0 TWh)
- ❑ **Connection to the Central European gas routes**
 - ❑ Interconnection with and ability to deliver to the VTP Austria / CEGH gas hub and THE gas hubs
- ❑ 96% of **capacity contracted** for season 2021/22 and ca 55% on a **long-term basis** until season 2025/26 and 35% until season 2026/27 (shares as of 31 December 2021, incl. NAFTA Speicher) supporting stable EBITDA
 - ❑ **Moderate investment needs** due to modern facilities and strong cost control on opex side
 - ❑ Track record of **superb Cash Conversion Ratio**⁽¹⁾ - 95% in FY 2021 (FY 2020: 96%)
- ❑ No price regulation⁽²⁾
 - ❑ The European Commission presented a legislative proposal on new **Security of Supply regulation** requiring underground gas storage facilities across the EU to be filled up to at least 80% of its capacity by 1 November 2022 (while 90% of its capacity from 2023), including specific incentives for gas companies
 - ❑ Long-term contracts usually include price adjustment formulas reflecting inflation and have a store-or-pay principle
 - ❑ Short-term contracts mainly based on winter-summer spreads
- ❑ Strategic storage for security of supply needs
 - ❑ Additional operational synergies and initiatives within the EPIF Storages
 - ❑ Direct connection of SPP Storage to Czech transmission system planned
 - ❑ **Use of innovative products** with a potential upside in energy storage
 - ❑ The Group's gas storage facilities contain c. 25 TWh of cushion gas⁽³⁾ which may be produced at the end of the lifetime of the gas storage, subject to approval of the relevant regulatory agencies

1. For definitions see Appendix

2. Price regulation can be introduced in case of Emergency situation
















3. In principle cushion gas is the gas that is permanently stored in a gas storage and whose main function is to maintain sufficient pressure in the storage to allow for adequate injection and withdrawal rates. The Group estimates that the vast majority of the producible cushion gas may be produced within the first 5 years and the rest within additional 3-4 years. The production would require the Group to incur certain capex for the adjustments of the Group's technology, as well as yearly operating expenses that are estimated to be initially within standard levels of expenses during operations and to gradually decrease in subsequent years as the production volumes decrease. After the end of the production, the Group would also be required to incur certain decommissioning costs for which it has created provisions

Content

- Key highlights
- Group overview
- ESG and sustainability
- Key takeaways
- **Appendix**
 - EP Infrastructure
 - **EP Power Europe**
 - Other



EPPE Group overview

Segment	Group Companies	Highlights
1 UK+Ireland 	 EP SHB EP Langage EP Kilroot EP Ballylumford 	<ul style="list-style-type: none"> □ Diversified fleet of power generating assets in the UK and Ireland □ Large portion of contracted or regulated revenues (CfD regime at Lynemouth, Capacity market secured until 2025/2026 for most of the assets) □ Stable performance and strong cash flow generation □ High potential of further growth (Kilroot and Tynagh OCGTs, development on Eggborough site)
2 Italy 	EP PRODUZIONE   	<ul style="list-style-type: none"> □ Diversified fleet of power generating assets □ Large portion of contracted or regulated revenues (must-run regime on Fiume Santo and Trapani, GRIN incentive scheme for biomass plants, capacity market from 2022) □ Stable performance and strong cash flow generation □ High potential of further growth (Tavazzano and Ostiglia CCGTs, development on Fiume Santo site)
3 France 		<ul style="list-style-type: none"> □ Diversified fleet of power generating assets with a key focus on renewables □ Large portion of contracted or regulated revenues (feed-in tariffs on biomass plant and wind and solar parks) □ Active steps in decarbonisation ahead of the planned coal exit in France □ High potential of further growth (new projects on former coal sites)
4 Germany 	    	<ul style="list-style-type: none"> □ German assets ensure security of supply and stability of grid □ Track record of successfully realised projects and clear future path to responsible transition □ Financial performance driven by long-term contracted fuel deliveries to critical German infrastructure □ Future investments into renewable energy generation through EP New Energies
5 Other	EP Commodities EP Resources EP Power Minerals	<ul style="list-style-type: none"> □ EP Commodities is a Group trading house that plays significant role across European energy markets □ EP Resources is global company involved in commodities trading and shipping business □ EP Power Minerals is leader in management of power plant by-products



1 Diversified fleet of power generating assets

Assets	Location	Fuel	Installed capacity (MW)
Lynemouth	England	biomass	395
South Humber Bank	England	CCGT	1,365
Langage	England	CCGT	905
Kilroot	Northern Ireland	Coal/Oil	655
Ballylumford	Northern Ireland	CCGT	683
Tynagh	Ireland	CCGT	384



2 Large portion of contracted or regulated revenues

Lynemouth

- Operates under CfD regime since June 2018
- Under the CfD, Lynemouth will receive revenue from the wholesale market for its output and either receive or make payments based on the difference between a defined market reference price and the initial £105/MWh strike price (indexed to inflation; strike price is £124.35/MWh)

Ballylumford

- the C station is fully contracted under PPA with the Power Procurement Board until 9/2023
- Capacity market revenues secured until 2025/2026 delivery year

South Humber Bank, Langage and Tynagh

- Capacity market revenues secured until 2025/2026 delivery year for all three power plants

Kilroot

- Provides mainly balancing and ancillary services to secure Northern Irish grid

3 Stable performance and strong cash flow generation

- Pro-Forma Adjusted EBITDA⁽¹⁾ reached EUR 392 million in 2021
- In 2021, the fleet produced 17,093 GWh of power, 93% of which was from zero or low carbon-intensive sources

Kilroot OCGT

- Kilroot coal and oil power plant to be decommissioned in 9/2023, will be replaced by two highly efficient and flexible OCGTs with a combined capacity of 688 MW, of which substantial portion is supported by already secured capacity contracts (591 MW)

Tynagh OCGT

- A new 350 MW OCGT, of which substantial portion is supported by already secured capacity contracts (299 MW), is going to be developed

Eggborough

- Eggborough power plant (net installed capacity 1,960 MW) was decommissioned in 2018, saving 11.5 Mt of CO₂-eq emissions annually (compared to baseload operations in 2013)
- There are several site development plans in consideration, especially a new build CCGT project (<http://www.eggboroughccgt.co.uk>)
- We intend to extract pulverized fuel ash from former ash disposal site which can help cement industry to reduce their carbon footprint

4 High potential of further growth

1. For definitions see Appendix



1

Diversified fleet of power generating assets

2

Large portion of contracted or regulated revenues

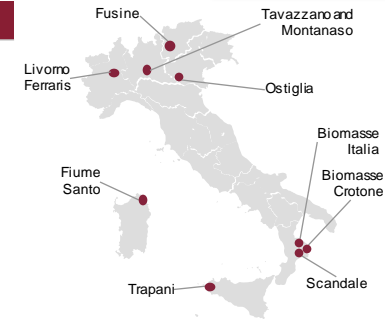
3

Stable performance and strong cash flow generation

4

High potential of further growth

Assets	Fuel	Net capacity (MW)	Ownership
Livorno Ferraris	CCGT	805	75%
Tavazzano and Montanaso	CCGT	1,140	100%
Ostiglia	CCGT	1,137	100%
Scandale (Ergosud)	CCGT	814	50%
Trapani	OCGT	213	100%
Fiume Santo	Hard Coal	599	100%
Biomasse Crotone (BC)	Biomass	27	75.5% ⁽³⁾
Biomasse Italia (BI)	Biomass	47	75.5% ⁽³⁾
Fusine	Biomass	6	75.5% ⁽³⁾



Fiume Santo

- Power plant under *Must Run* essentiality regime, recently extended till 2024
- Appropriate remuneration is considered on capital employed, while production costs are under pass through mechanism

Biomass plants

- All plants relying on the GRIN incentive scheme ensuring income in addition to the standard market power sales
- Assigned for 15 years, GRIN will expire in 3/2025 for Fusine, 6/2027 for BI and 10/2027 for BC, new FER decree that would set rules for the period after the current subsidies scheme expiration is being under discussion

Trapani

- Must Run* is awarded on yearly basis, currently is extended till the end of 2022

Capacity Market from 2022

- The capacity market scheme has been confirmed with first auctions undertaken for the delivery years 2022-2024 (North: 2,200 MW in 2022, 1,491 MW in 2023-2024, 2,200 MW from 2025 onwards; South: 371 MW in 2022, 185 MW from 2023 onwards).
- Capacity contracts for 15 years awarded to Tavazzano new CCGT project (709 MW, start from 2023) and Ostiglia new CCGT project (775 MW, start from 2025)

- Pro-Forma Adjusted EBITDA** ⁽¹⁾ reached **EUR 384 million** in 2021

- In 2021, the fleet produced **16,831 GWh of power**⁽²⁾, **86%** of which was from **zero or low carbon-intensive sources**

Tavazzano CCGT

- A new 800 MW CCGT power plant, is being developed on the existing Tavazzano site with expected start of operations in H2/2023

Ostiglia CCGT

- A new 880 MW CCGT power plant is going to be developed on the existing Ostiglia site with targeted COD in H2/2024

Fiume Santo site – multiple alternative projects are being evaluated for the post coal period:

- CCGT (2x279MW): authorization started, waiting for clarity on gas in Sardinia
- Battery Energy Storage System (BESS) (up to 100 MW): authorization ongoing
- FS solar project (10 MW): authorization and development process ongoing

1. For definitions see Appendix

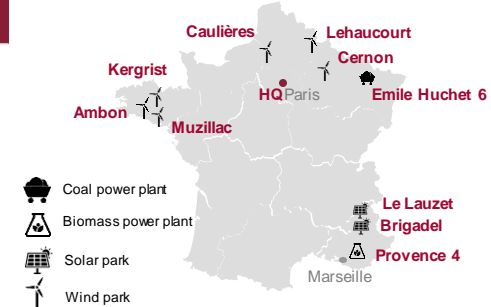
2. 100% Livorno Ferraris, 0% Ergosud reflecting toll in/toll out agreements

3. EPPE holds 75.5% stake in total (following the sale of 49% stake in EPNEI to LEAG)

1

Diversified fleet of power generating assets operating under GazelEnergie brand with a holding company called EP France

Assets	Fuel	Net capacity (MW)
Provence 4	Biomass	150
Emile Huchet 6	Hard Coal	595
2 solar parks: Brigadel, Le Lauzet	Solar	11
6 onshore wind parks: Kergrist, Caulières, Ambon, Lehaucourt, Les Vents d. Cernon., Muzillac	Wind	82



2

Large portion of contracted or regulated revenues

Key focus on renewable energy generation

- ❑ **Provence 4** - Gazel has converted a former coal unit (circulated fluidized bed) into biomass unit, which utilizes local and imported biomass (wood chips) and waste wood
- ❑ **Wind and Solar** – the company operates 6 onshore wind parks and 2 solar parks, which are well maintained and provide high visibility on future stable cash flows

Regulated revenue stream

- ❑ **Provence 4** – the company was granted feed-in-tariff until 2035
- ❑ **Wind** – all parks have feed-in tariffs valid until 2022 – 2025, depending on commissioning date
- ❑ **Solar** – both parks operate under feed-in tariffs valid until 2030

Active in decarbonisation ahead of the planned coal exit in France

- ❑ Coal power plant Provence 5 decommissioned in Q2/2021, one year ahead of the official French coal phase-out date.

Supply business

- ❑ The French portfolio includes major power and gas supply platforms which focus on B2B customers segmented between large I&C customers and SME customers
- ❑ In 2021, total **supplied power** amounted to **11.6 TWh** and total **supplied gas** amounted to **2.8 TWh**, which makes it one of the largest supplier in France

3

Financial performance negatively affected by biomass power plant unavailability

- ❑ **Pro-Forma Adjusted EBITDA** ⁽¹⁾ reached **EUR (10) million** in 2021
- ❑ The results were negatively impacted by higher unavailability at Provence 4 biomass power plant
- ❑ In 2021, the fleet produced **813 GWh of power**, **25%** of which was from **renewable sources (biomass, wind & solar)**. The production decreased year-on-year due to decommissioning of coal power plant Provence 5

4

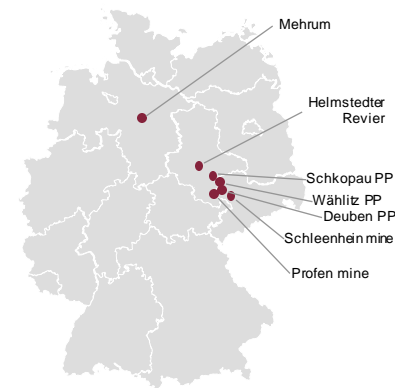
High potential of further growth

- ❑ New projects for the former coal sites being studied, support from the Government and Regions expected
- ❑ Other opportunities on the French market are closely monitored and investigated to support our long-term trend

1. For definitions see Appendix



UK and Ireland
Italy
France
Germany
Other



1

German assets ensure security of supply and stability of grid

EP New Energies

- Competence centre for renewable energies to be operated on decommissioned mining sites

MIBRAG

- Operates 2 opencast lignite mines (**Profen** and **Schleenehein**) and 1 CHP plant (**Wühlitz**) with a total capacity of 37 MW; Deuben was decommissioned in 2021
- One of the largest employers and purchasers in the Saxony / Saxony-Anhalt region

Helmstedter Revier

- Comprises decommissioned Buschhaus power plant and the adjacent mine which ceased operations in 2016 and is currently under recultivation

Saale Energie

- Lignite power plant Schkopau with installed capacity 900 MW serving primarily industrial customers

Mehrum

- 690 MW Coal power plant was decommissioned in 2021⁽¹⁾

2

Responsible transitioning out of coal and lignite

Track record of successfully realised projects and clear future path to responsible transition

- **Buschhaus power plant** (352 MW) in Helmstedter Revier was transferred into security stand-by mechanism in October 2016 until September 2020 and then was finally decommissioned
- Decommissioning of the **Mummsdorf** power plant (110 MW) led to an annual saving of about 800 kt of CO₂-eq emissions
- Following a successful bid in the second German coal phase-out auction, **Mehrum** hard coal power plant (690 MW) and **Deuben** lignite power plant (67 MW) were closed in December 2021⁽¹⁾

Recultivation

- Between 1994 and 2021, MIBRAG restored 1,905 hectares of land
- MIBRAG has implemented various initiatives to reduce dust emissions, including interim greening or use of sprinklers

3

Financial performance driven by long-term contracted fuel deliveries to critical German infrastructure

- **Pro-Forma Adjusted EBITDA** ⁽²⁾ reached **EUR 130m** in 2021

4

Future investments into renewable energy generation

Development of wind parks with a total capacity of 300 MW

- EP New Energies, selected GE Renewable Energy (GE) to supply top class 50 wind turbines, each with 6 MW rated capacity
- The approval procedures for the projects are ongoing with the first construction to start in 2023. This step is part of EPH Group's renewable energy strategy to transform real estate capabilities and former open-cast lignite mining areas by implementing onshore wind energy and photovoltaics

1. Mehrum power plant was taken off the merchant market in December 2021 whereas the transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation.

2. For definitions see Appendix



EP Commodities

1

Group trading house that plays significant role across European energy markets

2

Financial results are positively impacted by the growth of EPH Group

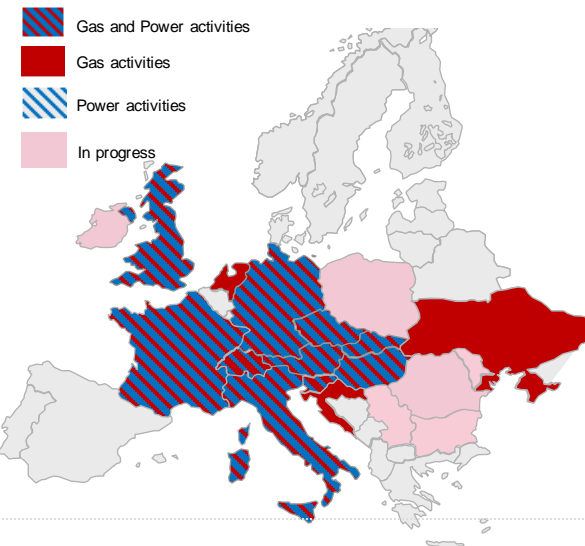
3

Strategic importance for the group

- EP Commodities ("EPC"), was established in 2014 and plays a significant role across the European energy markets with a special focus on markets where the group is active
- EPC uses its physical and financial expertise to support the group and third-party customers with a wide range of specialized market access, asset optimization, risk management, supply and logistics services

- Besides its own trading activities, it optimizes and sources commodities for the group entities and third-party customers throughout the energy value chain on the electricity, natural gas, coal and carbon market

- EPC counterparties portfolio amounts to some 160 trading contracts (EFETs and ISDAs) with more than 100 counterparties. EPC is active in 14 countries



- Single access point to European commodity exchanges
- Centralized competence for the commodities trading fully supporting Group activities
- Top in class experts
- Full developed market and credit risk functions in the bank style concept

1. For definitions see Appendix

EPH

Equity consolidated participations

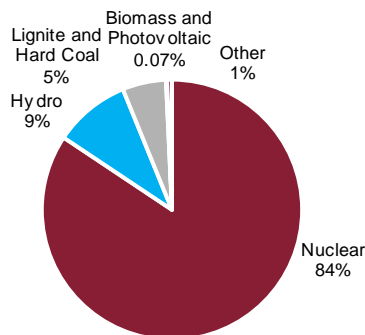


Slovenské elektrárne is a dominant Slovak power producer that generates 94% of electricity without carbon dioxide emissions

Company overview

- ❑ Slovenské elektrárne (“SE”) is a **dominant electricity producer in Slovakia with 3.9 GW net installed capacity**
 - It generated 64% of the Slovak overall electricity production in 2021
 - The company operates 34 hydro, 2 nuclear, 2 thermal and 2 photovoltaic power plants
- ❑ In 2021, **net electricity deliveries totalled at 17.3 TWh**
 - As much as **94 %** of the delivered **electricity was generated without CO₂ emissions**
- ❑ The company also provides ancillary services for the power grid operator, produces and sells heat, re-sells electricity and offers electricity, gas and services to retail customers
- ❑ It is **building two nuclear units** (each approx. 438 MW net) in Mochovce, one of the units is imminently awaiting First instance decision for a fuel load
 - The project is the largest private investment in Slovakia’s history
- ❑ EPH indirectly owns approx. 33% in SE

Net power production in 2021

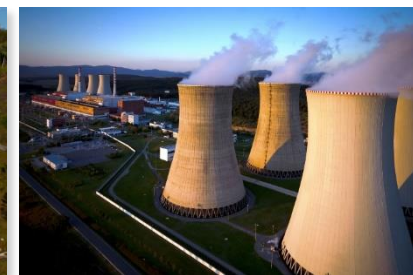


Power plants

Power plant	Net capacity (MW)	Commissioning
Mochovce 1,2	925	1998-2000
Bohunice V2 A,B	942	1984
Total nuclear	1,867	
Pumped storage	907	Various
Run-off river and small hydro	683	Various
Total hydro	1,590	
Vojany Power Plant 1	199	1966
Nováky Power Plant A	20	1966, 2003
Nováky Power Plant B	195	1964
Total thermal	414	
PV Mochovce	1	2011
PV Vojany	1	2011
Total PV	2	
Total	3,873	



Orava hydro power plant



Mochovce nuclear power plant

Overview

- LEAG operates the Lusatian lignite-fired power plants („PP“) **Schwarze Pumpe**, **Boxberg**, and **Jänschwalde**, and is also the operator of **Lippendorf** lignite-fired PP near Leipzig and the owner of one of the two units
- In addition to **power generation**, LEAG generates **district heat** for half a million households
- LEAG's third product is **process steam** for industrial customers
- Until the phase-out dates, LEAG will continue to contribute significantly to maintaining a secure, economically and environmentally sound energy supply
- LEAG is further developing its business fields with energy technologies for a secure *Energiewende*, such as battery storage systems, renewable energies and the potentials of hydrogen
- LEAG is **one of the largest private sector employers** in East Germany with more than 7,000 employees and twice that many indirectly employed people in the region

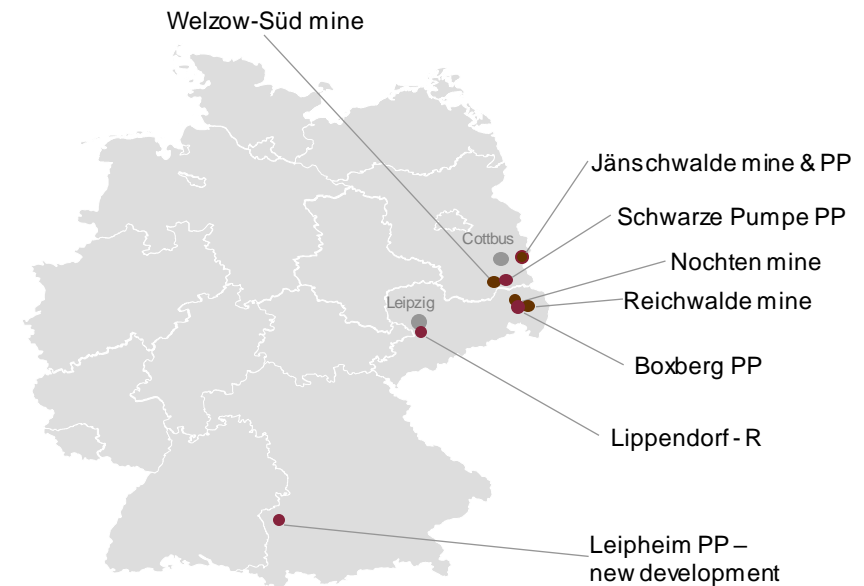
Decommissioning / conversion plans

- Our steps related to the decommissioning are closely coordinated with the federal German government in line with *Energiewende* and *Kohleausstieg* strategy to ensure that grid stability is not endangered and that social impacts in affected regions are considered
- With the political decision to phase-out coal-based energy generation, LEAG is transforming its business model and is taking appropriate measures towards a diversified and future-proof transformation
- LEAG plans to **invest hundreds of millions of EUR** into non-coal related projects such as renewable, storage and waste-to-energy projects including photovoltaic plants, onshore wind energy projects, waste to energy, CCGTs, battery storage and potential other non-coal related projects

Significant development projects under construction in 2022

- Gas power plant Leipheim – 300 MW gas turbine
 - Location: Leipheim, Bavaria, Germany
 - Status: Under construction, started in Q1 2021, target COD: 12/2024
 - Installed capacity: 300 MW (Pmax)
 - Capacity contract for 10 years for security of supply

Plant	Capacity (GW)	Fuel	Expected closure date
Jänschwalde block E & F	1.0	Lignite	2022/23 (as of 2018/19 security reserve)
Jänschwalde block A & B	1.0	Lignite	2028 (as of 2025/27 security reserve)
Jänschwalde block C & D	1.0	Lignite	2028
Boxberg block N & P	1.0	Lignite	2029
Lippendorf unit R	0.9	Lignite	2035
Schwarze Pumpe block A & B	1.5	Lignite	2038
Boxberg block R & Q	1.5	Lignite	2038



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Appendix: EPH actively decommissions coal-fired power plants or converts them to low or zero carbon capacities

Specific examples of realized initiatives

- ❑ **Lynemouth** is a power plant (net installed capacity 396 MW) running on biomass, which was converted from hard coal. The conversion helped to significantly reduce SOx and NOx emissions. This conversion saves approximately 2.7 Mt of CO₂-eq emissions annually
- ❑ **Eggborough** power plant (net installed capacity 1,960 MW) was decommissioned in 2018, saving 11.5 Mt of CO₂-eq emissions annually (compared to baseload operations in 2013). There are several site development plans in consideration, especially a new build CCGT project (<http://www.eggboroughccgt.co.uk>)
- ❑ **Buschhaus** power plant (net installed capacity 352 MW) in Helmstedter Revier was transferred into security stand-by mechanism in October 2016 until September 2020 and then was finally decommissioned
- ❑ Decommissioning of our **Mumsdorf** power plant (net installed capacity 110 MW) in Germany led to an annual saving of about 800 kt of CO₂-eq emissions
- ❑ Decommissioning of 2 older oil units (Unit 1 and Unit 2) in **Fiume Santo** (net installed capacity approx. 80 MW)
- ❑ One of the two coal power plants operated by Gazel Energie in France, **Provence 5** (net installed capacity 595 MW), was decommissioned in April 2021
- ❑ Our investment in Czech CHP **Elektrárny Opatovice** (net installed capacity 378 MW) led to almost 50% reduction in aggregate amount of SOx and NOx emissions and dust particles
- ❑ Refurbishments of boilers at Czech CHPs **Plzeňská teplárenská** and **United Energy** during 2021 enabled increased biomass share in the energy mix, partly replacing lignite

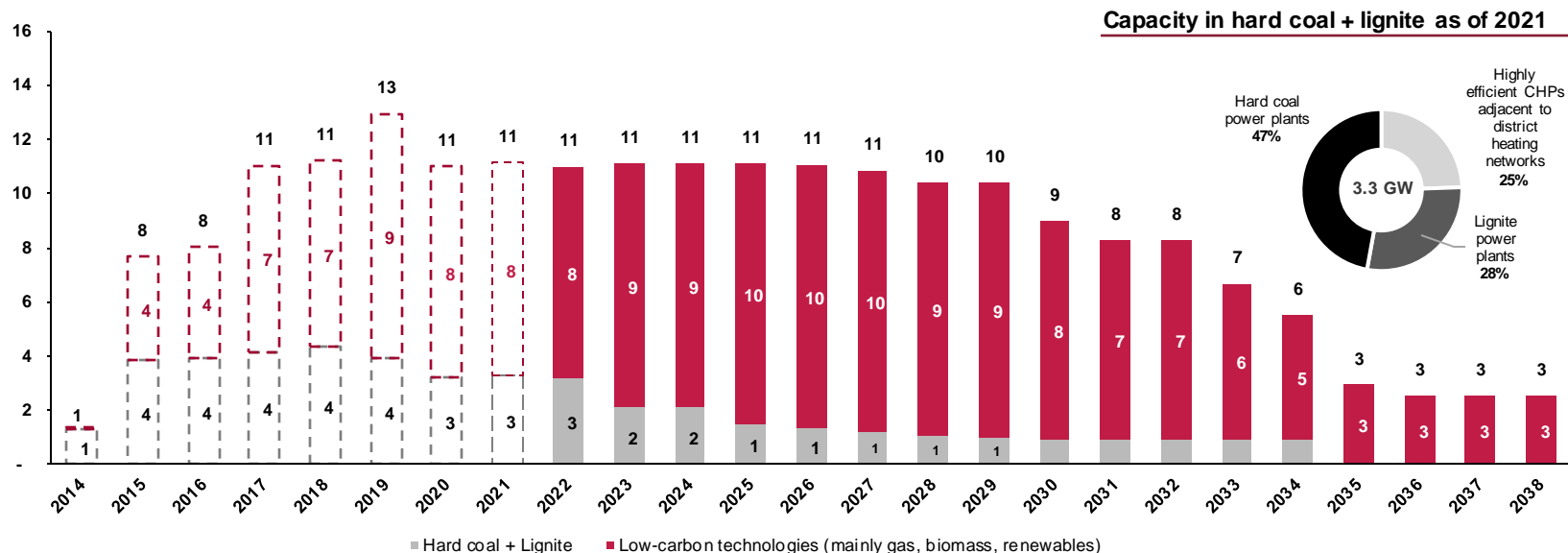
Planned closures and conversion projects⁽¹⁾

- ❑ After closure of Provence 5 power plant in 2021, Gazel Energie currently operates one coal-fired power plant, **Emile Huchet 6**, located in Moselle (net installed capacity 595 MW). The plant is expected to be closed.
- ❑ Following a successful bid in the second German coal phase-out auction, the **Mehrum** hard coal power plant (net installed capacity 690 MW) and **Deuben** lignite power plant (net installed capacity 67 MW) were taken off the merchant market in December 2021, whereas the transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation
- ❑ **Kilroot** power plant (total net installed capacity of 665 MW including 141 MW OCGT unit and 10 MW battery storage facility) is expected to be decommissioned in 2023. Power production from coal is driven by a capacity contract to ensure grid stability. The closed coal capacity will be replaced by new OCGT unit on the Kilroot brownfield site supported by already awarded capacity contracts
- ❑ Coal power plant **Fiume Santo** (net installed capacity 599 MW) in Sardinia, Italy where sustained operations are required by local government is expected to be decommissioned in 2025. As the power plant is a key source of power on the island, an alternative source of power needs to be identified prior to the shutdown. The selected technology depends on discussions with local authorities, biomass is considered optimal by EPH provided that adequate generation subsidy is provided. In addition, we expect to build photovoltaic panels on the site
- ❑ The rest of predominantly **lignite-fired heating plants operated by EPIF** in the Czech Republic (net installed capacity in lignite of 824 MW) are planned to be gradually replaced by a balanced mix of CCGTs, biomass boilers and waste-to-energy plants in line with EPIF coal phase out commitment by 2030. Majority of the lignite capacity is planned to be converted already by 2028

1. The described actions are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. These plans are subject to future management decisions, market development as well as numerous risks and uncertainties

Appendix: Existing installed capacity in coal will gradually decline as a result of both decommissioning and conversion projects

Installed capacity development: Low or zero emission capacities vs. coal capacities (GW)⁽¹⁾⁽²⁾



- Total installed capacity in hard coal and lignite of ca 3.3 GW⁽¹⁾ as of 2021 will gradually decline as the coal-fired power plants in our portfolio will be either **decommissioned or converted** to a more environmentally friendly fuel source in near or not too distant future. Current operations of our conventional assets are often **driven by stability needs of electricity grids** (e.g. coal power plant Kilroot in the UK, which will be however decommissioned in 2023) or are a vitally needed, irreplaceable source of power (Fiume Santo in Sardinia, Italy). Specifically in Germany, our transition plans are a key part of *Kohleausstieg* plans coordinated with the German federal government
- Major coal decommissioning and conversion projects have already been realized, primarily in the UK where we decommissioned Eggborough power plant (1,960 MW) and converted Lynemouth power plant to pure biomass (396 MW). Furthermore, closures or merchant market takeoffs of three additional power plants in France and Germany with total capacity of 1,352 MW have been realized during 2021. The planned closures and conversion projects related to the remaining coal capacity is presented in Appendix.
- The remaining installed capacity in lignite is operated in **highly-efficient cogeneration mode** (CHPs located mainly in the Czech Republic) supplying heat to district heating networks. This avoids a lot of primary energy that would otherwise be needed, resulting in overall CO₂ savings

1. Operating data are presented consistent with IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE. Buschhaus power plant is excluded from 2016 onwards as it was placed into stand-by mode in 2016 and decommissioned in 2020. The power plant Provence 5 was excluded from 2020 capacity as it was effectively in a stand-by mode and completely closed in April 2021. Mehrum power plant was excluded from 2021 capacity as it was taken off the merchant market in December 2021 whereas the transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation

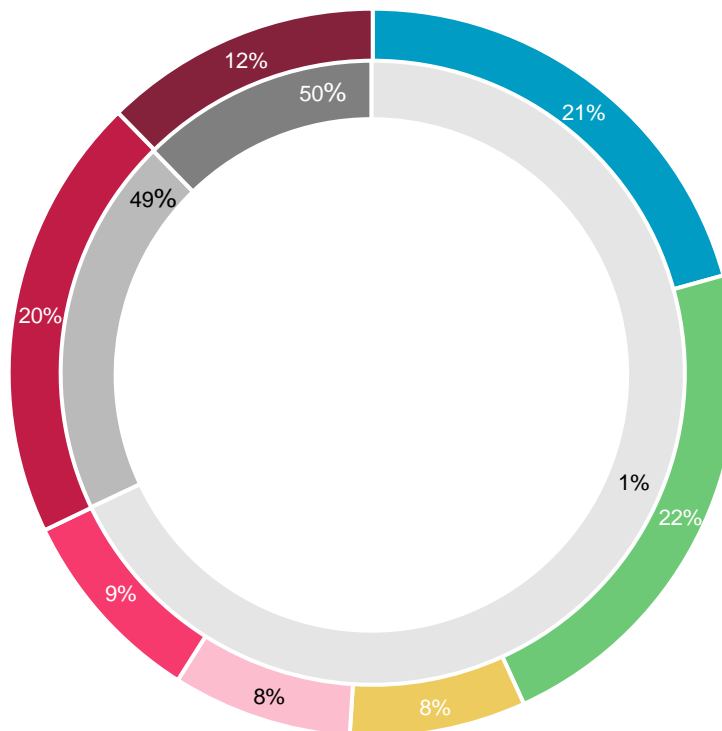
2. Projections of future development of installed capacity are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. This forward-looking information is subject to future management decisions, market development as well as numerous risks and uncertainties

Appendix: 88% of EPH's financial results stems from zero or low-emission operations with limited CO₂ footprint

PF Adjusted EBITDA breakdown based on segments and its relation to GHG emissions

Total PF Adjusted EBITDA was EUR 2,328m in 2021:

- ❑ **68%** was generated by segments with minimal emission footprint: gas transmission, gas and power distribution, gas storage, generation from renewables and other, activities in these segments represented **1%** of EPH total emissions
- ❑ **20%** was contributed by low-emission generation represented mainly by highly efficient CCGT units
- ❑ **12%** was generated by coal generating and mining companies



EBITDA⁽¹⁾ and emissions

- Gas transmission
- Gas and power distribution
- Gas storage
- EPH other
- Renewables
- Low-emission generation
- Coal-based generation and mining

CO₂ emissions

- Segments with minimal emission footprint (1% on total emissions)
- Low-emission generation (49% on total emissions)
- Coal generation (50% on total emissions)

1. Includes mainly operation of district heating networks, logistics, trading activities, holding companies

2. Includes heat and power generation from low-emission sources, primarily natural gas

3. Includes lignite mining, heat and power generation from hard coal and lignite

Appendix: EPH is one of the leading players in decarbonisation having implemented or announced measures leading to reduction of annual CO₂ emissions by 25 Mt⁽¹⁾

Country	Company	Plant	Capacity (GW)	Savings (Mt CO ₂)	Fuel	Note ⁽³⁾
UK	EPL	Eggborough	2.0	11.5	Coal	EPH decommissioned plant in 2018
UK	LPL	Lynemouth	0.4	2.7	Coal	EPH executed biomass conversion
DE	HSR	Buschhaus	0.4	2.7	Lignite	Voluntarily placed to security stand-by (no generation) in 2016 and closed in 2020
DE	MGB	Mumsdorf	0.1	0.8	Lignite	EPH decommissioned plant in 2013
FR	Gazel	Provence 5	0.6	1.5	Coal	Provence 5 decommissioned in April 2021
Realized closures / conversions			3.5	19.2		
FR	Gazel	Emile Huchet 6	0.6	2.1	Coal	Emile Huchet 6 to be closed
DE	KWM	Mehrum	0.7	2.5	Coal	Mehrum and Deuben power plants taken off merchant market in December 2021 after a successful auction for decommissioning. Mehrum is still kept operational as per request of the German transmission system operator for network stability purposes until further decision
DE	MGB	Deuben	0.1	0.9	Lignite CHP ⁽²⁾	
Announced closures / conversions			1.4	5.5		
UK	KIL	Kilroot	0.5		Coal	The coal unit (dual boilers combusting coal + oil) is currently required for system stability and expected to be needed for its remaining life (expected decommissioning in September 2023)
ITA	FS	Fiume Santo	0.6		Coal	Must-run infrastructure, ongoing discussion for gas or biomass conversion
CZE	EOP	Opatovice	0.4			All three plants are highly efficient CHPs utilized for public district heating; EPH invested into DeSOx and DeNOx equipment reducing emissions significantly The assets are planned to be gradually replaced by a balanced mix of CCGTs, biomass boilers and waste-to-energy plants by 2030
CZE	UE	Komorany	0.2		Lignite CHP ⁽²⁾	
CZE	PLTEP	Plzenska teplarenska	0.3			
DE	MGB	Wahlitz	0.0		Lignite CHP	CHP utilised for industrial purposes; closure expected in 2035
Planned closures / conversions			1.9			

1. CO₂ savings are calculated for year 2021 based on IFRS consolidation scope, excluding equity consolidated companies such as LEAG and SE. The year with peak emissions is used as a base year

2. Combined heat and power generation plants

3. The described actions are only indicative and are based solely on management estimates in respect of closures and refurbishments of individual plants. These plans are subject to future management decisions, market development as well as numerous risks and uncertainties

Appendix: Overview of key EPH assets

EP Infrastructure

EP Power Europe

Key subsidiaries	Description	Ownership ⁽¹⁾
SPP Infrastructure	❑ Holding company of the gas infrastructure assets in Slovakia	49%
eustream	❑ Owner and operator of 2,273 km of transmission pipelines through Slovakia	49%
SPP – distribúcia	❑ Owner and operator of gas distribution pipelines in Slovakia	49%
NAFTA	❑ Owner and operator of gas storage capacities in Slovakia	69%
NAFTA Speicher	❑ Owner and operator of gas storage capacities in Germany	69%
SPP Storage	❑ Owner and operator of underground gas storage capacities in the Czech Republic	49%
Pozagas	❑ Owner and operator of gas storage capacities in Slovakia	62%
United Energy	❑ Power and heat generation in Northern Bohemia (Most – Komořany)	100%
Elektrárny Opatovice	❑ Power and heat generation in Eastern Bohemia (Opatovice nad Labem)	100%
Stredoslovenská energetika	❑ Power distribution and supply in Central Slovakia	49%
Píseňská teplárenská	❑ Power and heat generation in Pilsen	35%
EP Coal Trading	❑ Coal trading	100%
EP ENERGY Trading	❑ Natural gas and electricity trading and supply	100%
EP Commodities	❑ Group trading arm with a significant presence in European markets	100%
MIBRAG	❑ Lignite miner in Germany, operating 2 brown coal mines and 1 cogeneration sources	100%
Saale Energie	❑ Stake in lignite power plant Schkopau in Germany	100%
Kraftwerk Mehrum	❑ Hard coal plant in the north of Germany, taken off the merchant market in 2021 ⁽²⁾	100%
Lynemouth Power	❑ 100% biomass plant in the UK	100%
Langage & South Humber Bank	❑ Efficient CCGTs in the UK	100%
EP Ballylumford & EP Kilroot	❑ Coal, CCGT and OCGT plants in Northern Ireland	100%
Humbly Grove Energy Ltd.	❑ Underground gas storage facility in Hampshire, UK	100%
Tynagh Energy Ltd.	❑ CCGT Power plant in Ireland	80%
EP Produzione	❑ Owner and operator of gas and coal-fired generation assets in Italy	100%
Biomasse Italia & Crotone, Fusine	❑ Modern biomass plants in Italy	75.5%
EP France	❑ 1 hard coal plant, 1 biomass plant, solar and wind assets in France	100%
EP Resources AG	❑ Trading company located in Switzerland	100%
EP Resources CZ	❑ Trading company located in the Czech Republic	100%
EP Power Minerals	❑ German based supplier of power plant by-products	100%
<u>Equity consolidated participations</u>		
LEAG	❑ Portfolio of 4 lignite power plants and 4 lignite mines in Germany	50%
Slovenské elektrárne	❑ Dominant generator of electricity in Slovakia	33%

EPH

1. Direct and indirect

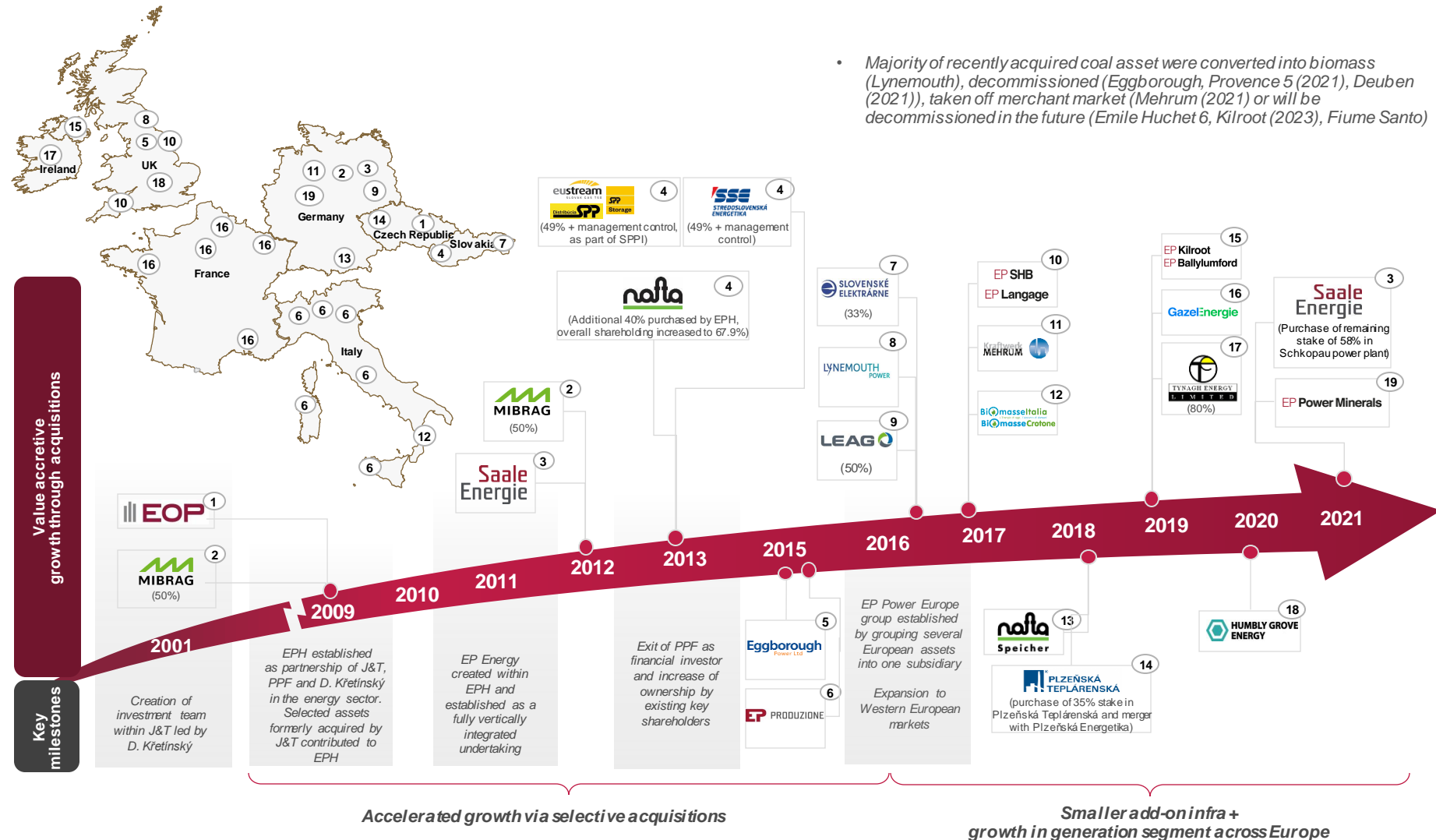
2. The transmission system operator (Tennet) subsequently required Mehrum to be in a standby mode for at least 2022 for security of supply purposes which is pinpointed by the current situation

Appendix: Glossary

- ❑ **EBITDA** represents profit (loss) for the year before income tax expenses, finance expense, finance income, gain (loss) from derivative financial instruments, share of profit of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, joint ventures and associates, depreciation of property, plant and equipment, amortization of intangible assets and negative goodwill. EBITDA corresponds to Underlying EBITDA presented in EPH's Consolidated annual report for the year 2021
- ❑ **Adjusted EBITDA** represents Operating profit before Depreciation & Amortization and Negative goodwill (if any) further adjusted for selected effects of impairment items, special items (e.g. profit/loss realized on disposal of fixed assets, changes in provisions and similar items)
- ❑ **Pro-Forma ("PF") Adjusted EBITDA** represents Adjusted EBITDA pro-forma of the impact of acquisitions and disposals, non-cash items, dividend income and IFRS 16 effect
- ❑ **Adjusted EBITDA margin** represents Adjusted EBITDA / Sales
- ❑ **CAPEX** represents Acquisition of property, plant and equipment and intangible assets as presented in the Consolidated statement of cash flows further adjusted for selected items
- ❑ **Cash and Cash Equivalents** represents cash and cash equivalents including restricted cash intended for or covering the repayment of debt
- ❑ **Cash Conversion Ratio** is calculated as (Adjusted EBITDA minus CAPEX) divided by Adjusted EBITDA
- ❑ **Gross Debt** represents bonds, notes, debentures, moneys borrowed and debit balances at banks or any other similar instrument (excluding operating lease) disregarding accrued interest and unamortized fees
- ❑ **Net debt** represents Gross Debt less Cash and Cash equivalents
- ❑ **Net Leverage Ratio** represents Net Debt / Pro-Forma Adjusted EBITDA
- ❑ **Effect of System operating tariff ("SOT") on EBITDA** represents the difference between (i) compensation for the expenses for mandatory purchase and off take of energy from renewable sources pursuant to the Slovak RES Promotion Act and Slovak Decree of the Regulator No. 18/2017 Coll. (or any other applicable decree or law replacing it) (the "Decree") recognized in revenues in the Relevant Period and (ii) net expenses accounted for the mandatory purchase of energy from renewable resources in accordance with the Slovak RES Promotion Act, in each case inclusive of accruals
- ❑ Slovak RES Promotion Act means Slovak Act No. 309/2009 Coll., on promotion of renewable energy sources and high-efficiency cogeneration and on amendments to certain acts (zákon o podpore obnoviteľných zdrojov energie a vysoko účinnej kombinovanej výroby a o zmene a doplnení niektorých zákonov)
- ❑ Decree means the Slovak Decree of the Regulator No. 18/2017 Coll. (or any other applicable decree or law replacing it)

Appendix: EPH has been created through a series of strategic selective acquisitions and subsequent consolidations during the past years...

A long-standing history of successful acquisitive growth



Note: only the assets currently held by the Group are shown

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