

The logo for EPH, consisting of the letters 'E', 'P', and 'H' in a bold, red, sans-serif font. The background of the entire slide is a photograph of a rural landscape with green fields, trees, and several high-voltage power line towers stretching into the distance under a blue sky with light clouds.

EPH

FY 2023 Results

25 April 2024

Disclaimer

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- ❑ The Information should be read in conjunction with the “Consolidated Annual Report for the Year 2023” as published on www.eholding.cz

Presenting team today

Pavel Horský

Member of the Board of Directors of Energetický a průmyslový holding, CFO



Gary Mazzotti

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EPH

Agenda

1. Executive Summary
2. Group Overview
3. ESG and Sustainability
4. Key Takeaways
5. Appendix

Fostering
Energy Security



Executive Summary (I/II)

EPH

- Energetický a průmyslový holding, a.s. ("EPH" or together with its consolidated subsidiaries "the Group" or "EPH Group") is a **leading utility** with **diversified & vertically integrated** business mix, **located** primarily in **Western Europe**
- Mainly focused on **infrastructure assets** and **flexible power generation**, strategically positioned to navigate energy transition dynamics, while leveraging **negatively correlated** business activities to ensure resilience and stability in diverse market conditions

Key Highlights in FY 2023

EUR 3.6 bn
Underlying EBITDA



EUR 1.7 bn
Free Cash Flow



1.3x
Net Underlying
Leverage Ratio



62%
Cash Conversion Ratio
excl. development
CAPEX



13.9 GW
Net installed capacity⁽¹⁾

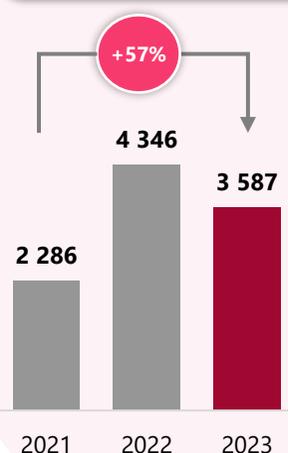


36.1 TWh
Net power production⁽¹⁾



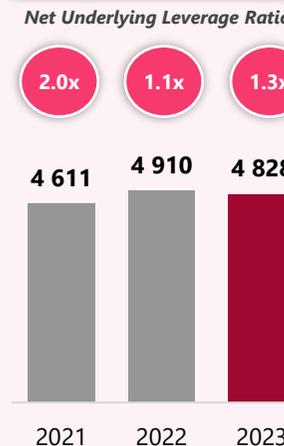
Underlying EBITDA

Underlying EBITDA lower
by EUR **-0.8bn** YoY
+57% higher than in 2021



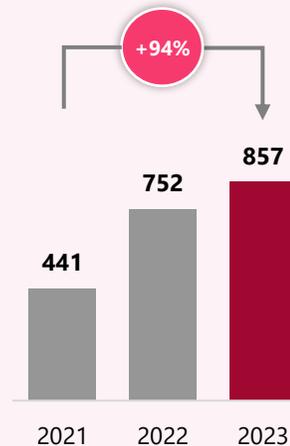
Net Financial Debt

Conservative financial
profile compliant with
EPH's **Investment Grade
profile**



CAPEX

**3 state-of-the-art power
generation projects with
high cash flow visibility** to
support grid stability driving
+94% increase from 2021



Executive Summary (II/II)

Rating

- EPH was assigned the following ratings⁽¹⁾:
 - **BBB- rating from Standard & Poors** (with Stable outlook)
 - **BBB- rating from Fitch** (with Stable outlook)
- EPH reached **ESG Risk Rating of 22.4 (medium risk) from Sustainalytics**
- A publicly declared financial policy aims at maintaining **the consolidated adjusted proportionate economic net leverage** of the Group at or below **2.5x⁽²⁾**



Security of supply

- **EPH provides critical services to Europe and is one of the cornerstones in security of supply for European power market**
 - EPH holds either a leading position or very strong market shares in all major segments that the company operates in
- **EPH's strategy is to be a European leader in energy infrastructure, grid stability and security of supply**
 - Focused on balancing renewable energy generation in times of renewable energy shortages
 - Anchored on infrastructure assets and gas-fired power generation, with new-build assets being hydrogen-ready power plants

Leader in energy transition in Europe

- EPH heavily invests into a **hydrogen-ready flexible power generation for balancing and security of supply of the network** in moments when renewables are not available, estimated **investment costs** for such projects, currently in the construction phase, amount to **EUR 1.1bn**
- EPH also increases focus on **power storage** which will play a pivotal role in the energy markets transition process
 - The Group is considering 9 projects across **Western Europe** with a total **storage capacity of 0.6 GW** with budgeted **CAPEX** of more than **EUR 0.7bn**
- The Group will be **free of almost all coal assets by the end of 2025⁽³⁾ and all by the end of 2030**. EPH strives to complete the phase-out of the last coal units already by 2028/2029
- To accelerate energy transition, EP Corporate Group, the parent company of EPH, created a **new division, EP Energy Transition** ("EPETr"), a sister group of EPH
 - EPH completed the disposal of 50% share in LEAG at the end of 2023
 - **By the end of 2025**, EPH will **dispose** 100% stake in **MIBRAG Energy Group** (i.e. shares in MIBRAG and Schkopau)
 - EPETr has a clearly defined transition strategy, which covers not only decarbonization, but also employment prospects and support for the regions affected by the energy transition
 - EPETr will focus on the development of renewable energy projects with estimated total **installed capacity of 8 GW** and **investment costs of EUR 10bn**

1. Based on the latest credit rating reports as of 29 August 2023 (S&P, Fitch)

2. The financial policy is set until further notice and may be reassessed mainly based on EPH business perimeter development

3. Except for Fiume Santo hard coal-fired power plant in Sardinia (must – run régime) and Czech combined heat and power plants (CHPs) which shall be refurbished to hydrogen-ready gas units and waste-to-energy plants

Key Company's Highlights

Diversified portfolio providing critical services



- Key assets providing **critical services with leading positions** and strategic importance for Europe
- Major part **regulated and / or long-term contracted** energy infrastructure and generation assets
- Well **diversified portfolio** both geographically and across the entire utilities value chain

1

Become a European frontrunner in the transition to a hydrogen future



- European leader in **transitioning** from coal to non-coal assets, further enhanced in the new future by establishment of **EP Energy Transition**, a sister company of EPH
- Large EPPE business investing in controllable **renewables** and **highly-efficient gas-fired power plants well-positioned** to partially replace natural gas with renewable gases such as hydrogen

2

• Strong **risk management**

• Resilient business managed and operated by a **highly competent** and **experienced management team** with a proven track record



Experienced management team

3

• **Investment grade rating** from **S&P** and **Fitch**, conservative financial policy and well **diversified debt maturity profile** with high liquidity cushion

• Received an **ESG Risk Rating** from Sustainalytics, placing EPH in the medium risk category, **ranking 25th out of 104** companies in the **Multi-utilities Sector** at the time of assessment

4



Investment grade credit and ESG ratings assigned

EPH

EPH

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Fostering
Energy Security



EPH is one of the largest privately owned European energy group and frontrunner in the European energy transition to low-emission power generation sources

EPH Overview

- **EPH** is one of the largest privately owned **vertically-integrated energy group located primarily in Western Europe** with **diversified portfolio** of energy assets in 9 European countries operating in 6 key segments
 - **Flexible power generation** in the UK, Germany, Italy, France and the Netherlands
 - **EPPE Renewables** in the UK, France, Germany and Italy
 - **Gas Transmission** in Slovakia
 - **Gas and Power Distribution** in Slovakia and the Czech Republic⁽¹⁾
 - **Gas Storage** in the Czech Republic, Slovakia and Germany
 - **Heat Infrastructure** in the Czech Republic

Large scale of operations⁽²⁾

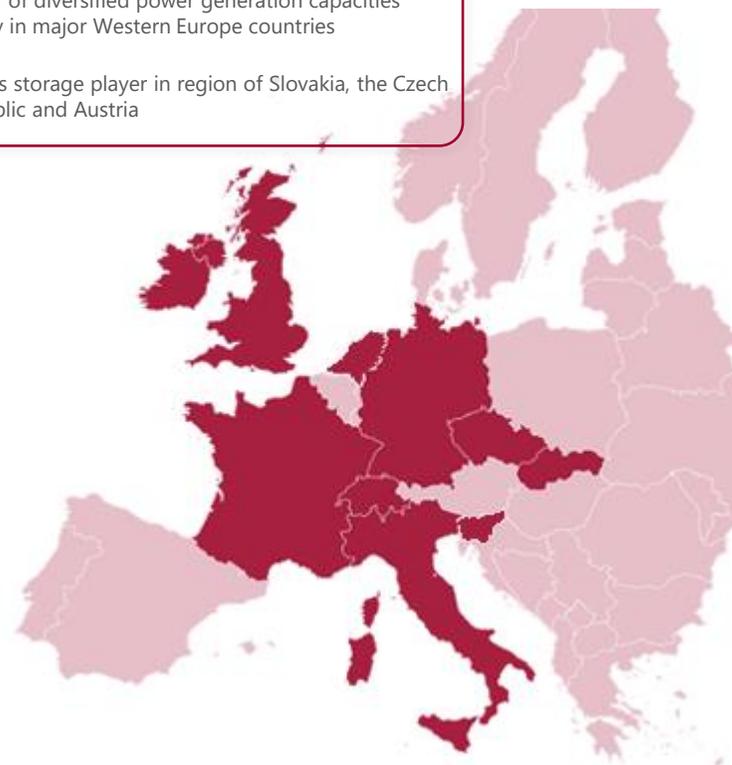
- **EUR 28.9bn assets under management** - vital owner of gas infrastructure assets
- **36.1 TWh** net power produced
- **13.9 GW** net installed capacity
- **64.3 TWh** gas storage capacity
- **Dominance of gas and power distribution** through **EPIF**
- **11,000** employees

Strong contributor to Europe's energy transition

- Adaptation of gas midstream and downstream infrastructure for green gases
- By the end of 2025, all mining activities to be disposed. Coal capacities beyond 2025 solely related to a must-run regime and district heating. **Zero coal by 2030, while striving for coal phase-out in 2028/2029**
- **2.4 GW** of OCGTs / CCGTs all-hydrogen-ready projects under construction

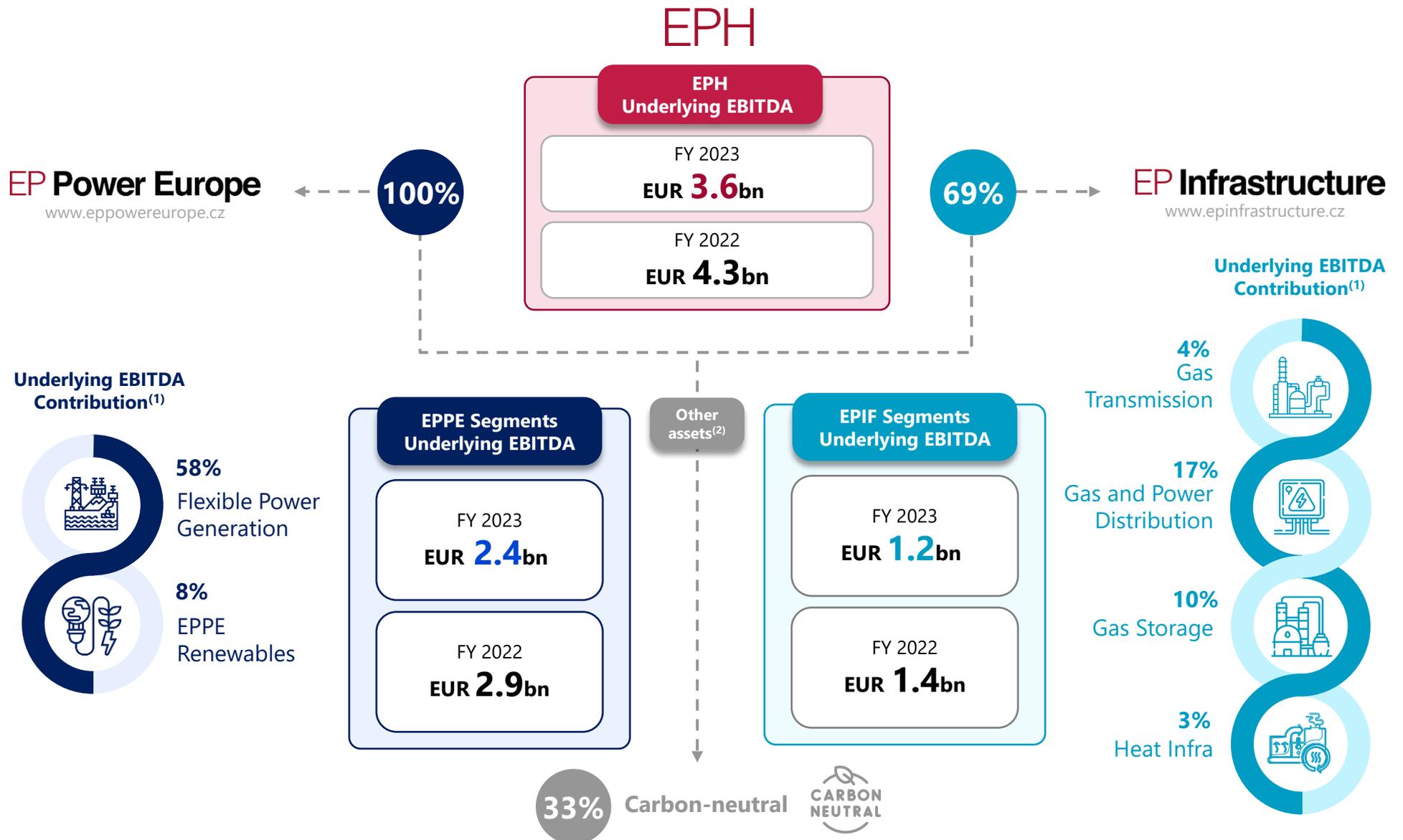
Key Highlights

- 🏆 Owner of regulated heat, power and gas distribution networks
- 🏆 Owner of diversified power generation capacities mainly in major Western Europe countries
- 🏆 #1 gas storage player in region of Slovakia, the Czech Republic and Austria



1. In the Czech Republic, there is only supply business and no distribution networks within this segment
2. As of 31 December 2023

Leading utility player, underpinned by operational excellence

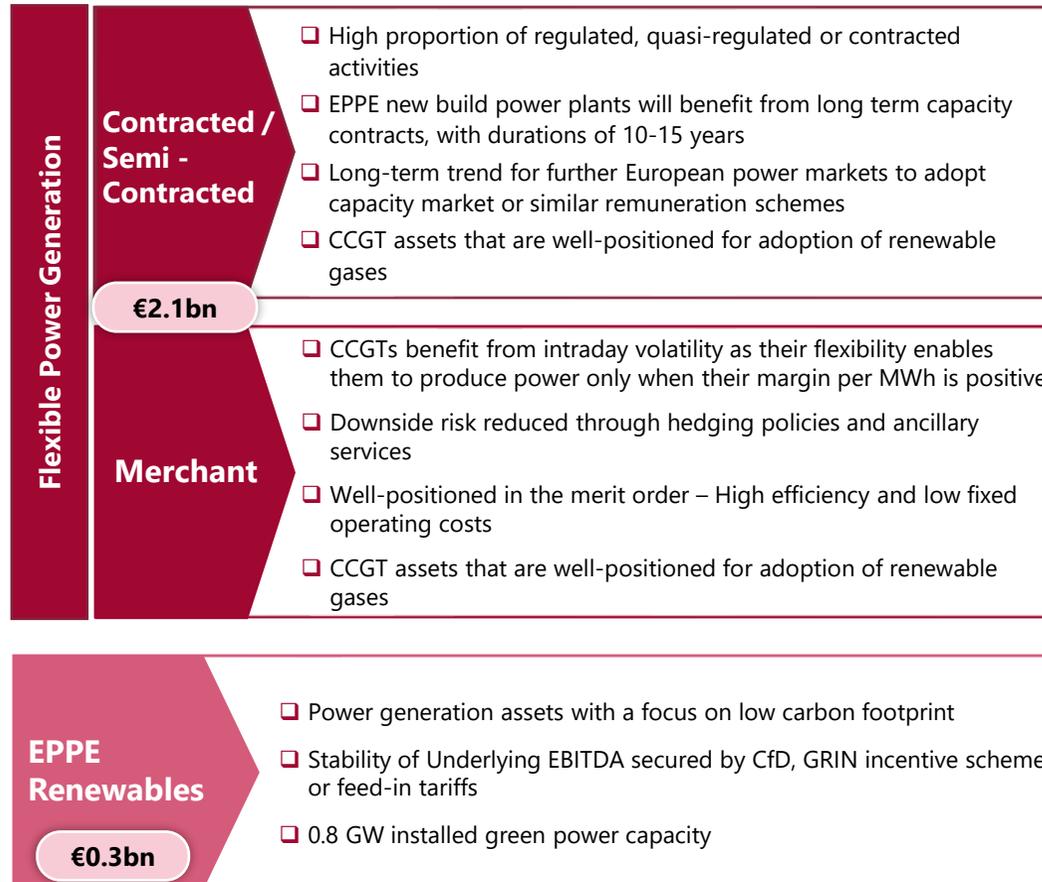


1. As of 31st December 2023; apportioned to EPH Group Underlying EBITDA

2. Other assets primarily comprise of EPH Carbon-neutral segment which consists of SE and Sourcing and logistics included in EPH Other segment

EPPE: gas-fired power plants contribute to the grid stability and integration of renewables

Key Business Segments



Key Transition / Renewables Highlights

✓ Investment into highly efficient hydrogen-ready CCGT / OCGT plants critical for grid stability and integration of renewables

✓ Power generation from natural gas considered as eligible activity under the EU Taxonomy⁽²⁾

✓ Germany's recently released power plant strategy confirms need for another 10+GW of CCGTs

✓ EPPE's existing sites & footprint as an excellent starting point for further transition to come; such as replacement of the Kilroot coal plant with a state-of-the-art hydrogen-ready OCGT

EPIF: mission-critical operations that are essential for security of energy supply in CEE

Key Business Segments

Gas Transmission

€0.1bn

- ❑ Important asset for energy supply and security
- ❑ Stable regulatory environment
- ❑ 100% ship-or-pay contracts
- ❑ Potential suspension of Russian gas flow mitigated by the importance of N-S, W-E gas flows that are critical for gas transmission / LNG within region
- ❑ Eustream co-owned by the Slovakia State

Gas Storage

€0.4bn

- ❑ Market leader in the CE region with significant position in Bavaria
- ❑ Strategically located and modern asset base
- ❑ Stable and predictable cash flow generation
- ❑ Slovakian government as stable co-owner in all EPIF's gas storage subsidiaries

Gas & Power Distribution

€0.6bn

- ❑ Natural monopoly of gas distribution in Slovakia
- ❑ Monopoly of electricity distribution in its region of operation with network length of ca. 35.000 km and customer base of ca 780.000 off-take points
- ❑ Stable regulatory environment providing tariff stability over time
- ❑ SSD and SPP Distribucia co-owned by the Slovak Republic

Heat Infra

€0.1bn

- ❑ Established district heating player with a key role for power grid stability
- ❑ Regulated business with high barriers to entry
- ❑ Significant legislative support for co-generation assets
- ❑ District heating constitutes a cost-effective way to distribute heat from low-emission sources

Key Transition and Security of Supply Highlights

✓ Smart capex programme to make the grid fit-for-purpose ahead of upcoming hydrogen ramp-up

✓ The importance of gas storage fundamentally changed as a result of the Russia / Ukraine conflict, underpinned by newly adopted EU regulations

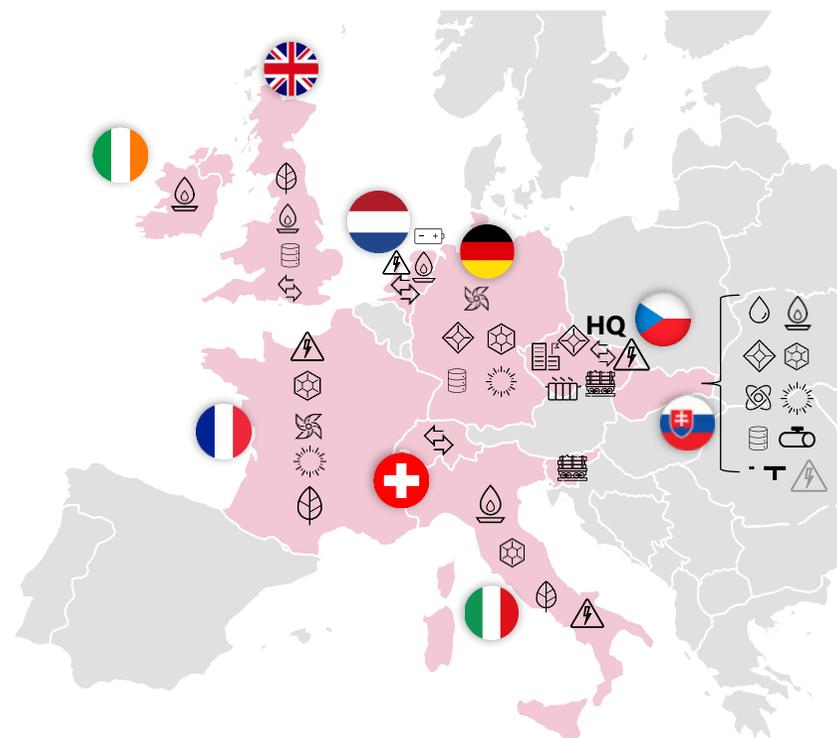
✓ Over the past five years, 88% of the newly connected capacity to the power distribution network have been renewable energy sources, mainly solar

✓ Replacement of lignite through a balanced mix of hydrogen-ready CCGT units, waste-to-energy plants and biomass units

Significant Operations Across Western & Central Europe

Geographic Activity of the Group

 United Kingdom	<ul style="list-style-type: none"> ✓ Power generating assets (3.5 GW), gas storage (2.8 TWh) ✓ 0.7 GW OCGT units under construction ✓ CfD⁽¹⁾, and capacity market contracts in place
 Netherlands	<ul style="list-style-type: none"> ✓ CCGTs with installed capacity of 2.6 GW ✓ Supply business and trading operations
 Germany	<ul style="list-style-type: none"> ✓ Installed thermal capacity of 1.6 GW (of which 0.7 GW hard coal decommissioned in 3/24)
 Slovakia	<ul style="list-style-type: none"> ✓ Dominant player in power and gas distribution ✓ Strategic position in the gas storage assets market
 Italy	<ul style="list-style-type: none"> ✓ Installed capacity of 3.9 GW ✓ 1.7 GW of CCGTs under construction ✓ Large portion of contracted or regulated revenues
 Switzerland	<ul style="list-style-type: none"> ✓ Trading house with significant role in global energy markets
 France	<ul style="list-style-type: none"> ✓ 0.2 GW of renewables – biomass, wind and photovoltaic ✓ 0.6 GW coal assets in transition phase ✓ Supply business
 Czech Republic	<ul style="list-style-type: none"> ✓ Trading operations, logistics and major heating supplier
 Ireland	<ul style="list-style-type: none"> ✓ Gas-fired power generating asset ✓ Secured capacity contracts of 0.4 GW



Legend

	Wind		Nuclear		Solar		Gas transmission
	Hydro		Logistics		Battery		EPH Headquarter
	Biomass		Gas storage		Gas-fired		
	Lignite		Distribution		Hard coal		
	Power & Gas Supply		Marketing & Trading		Heating		

Structural development of the Group

Hard coal-fired power plants

- **Kilroot (0.5 GW)**
 - Hard coal operations were **terminated** in line with plan at the end of **September 2023** and site is getting ready for future projects
- **Mehrum (0.7 GW)**
 - The plant was **shut down** at the end of **March 2024**
- **Emile Huchet 6 (0.6 GW)**
 - Operations **extended** from previously planned Q1/24 based **on the requirement of the French government**, now are expected **to end in Q1/25** (subject to ongoing discussions in France)

New-build projects

- **Kilroot OCGT project** expected to be finalized **in Q2/24**, **Unit 6** has successfully **exported electricity** to the grid for the first time at the end of March 2024, Unit 7 to follow in Q2/24
- **Tavazzano's CCGT project** commissioning scheduled to **Q3/24**, **first synchronization** in April 2024
- **Ostiglia's CCGT project** to be operational in **Q1/25**

EP Netherlands

- During H1/23, EPH acquired 4 highly efficient gas-fired power plants with a cumulative installed capacity of **2.6 GW**, ranking EPH as the **3rd largest** power plant operator in the Netherlands
- In addition, gas pipeline, trading business, B2B power and gas supply business were acquired

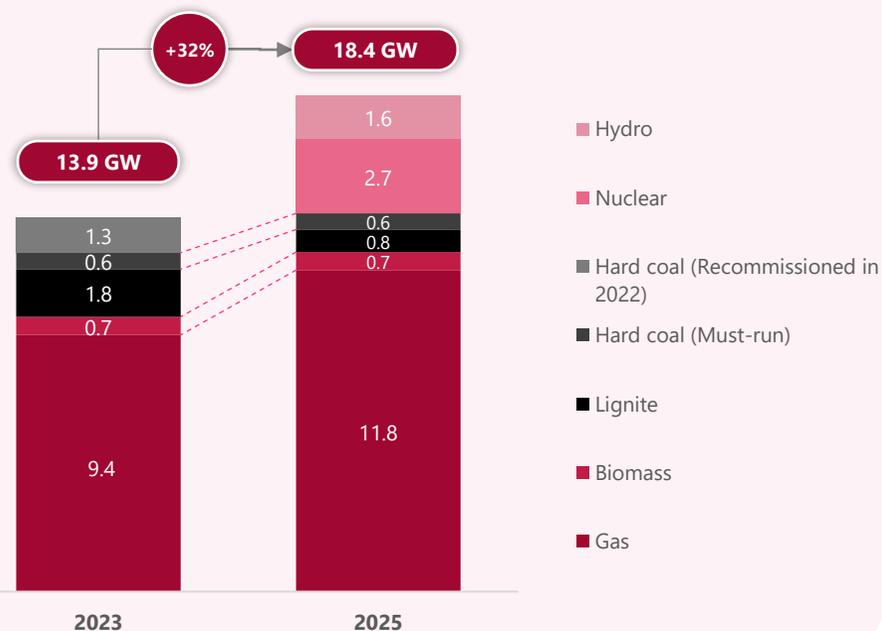
Disposals to EP Energy Transition

- EPH in line with its transition strategy **disposed of** all shares EPH directly/indirectly owned in LEAG **to its sister company EP Energy Transition at the end of 2023**
- **By the end of 2025**, EPH will **dispose** 100% stake in **MIBRAG Energy Group** (i.e. shares in MIBRAG and Schkopau)

Slovenské elektrárne (SE)

- **Dominant zero-emission** electricity producer in Slovakia with 3.9 GW net installed capacity⁽¹⁾ in nuclear and hydro, EPH indirectly owns 33%
- **Mochovce unit 3** (new 0.4 GW nuclear unit) has successfully completed the trial run in October 2023, running smoothly since then
- **Mochovce unit 4** (0.4 GW) is expected to **start commissioning towards the end of 2025**
- EPH has a **strategic interest to own 66%** of SE with a management control and continues to evaluate the **call option for 33% share in the company**
 - If triggered, EPH production source profile would change significantly together with a notable decrease of emission intensity

Estimated installed capacity at the end of 2025⁽²⁾



1. As of April 2024

2. This forward-looking information is subject to future management decisions, market development, relevant legislation and regulation as well as numerous risks and uncertainties

Highly robust cash flow profile reflecting in solid balance sheet and IG rating, safeguarded by EPH Group debt maturity profile



Stable & Sustainable Earnings

~62% Cash Conversion Ratio
excl. development CAPEX

€1.7bn Free Cash Flow



Strict Balance Sheet Management

Commitment to strong investment
grade rating

Long-term target to maintain adjusted
proportionate economic net leverage
≤2.5x

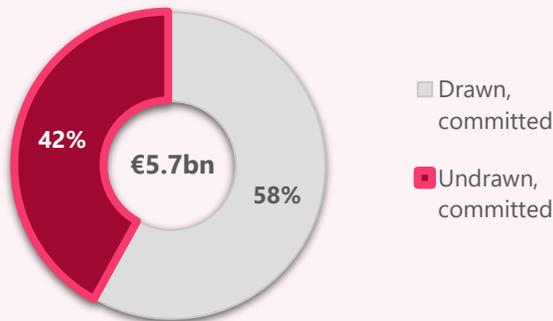


Robust Liquidity Management

€5.9bn available liquidity

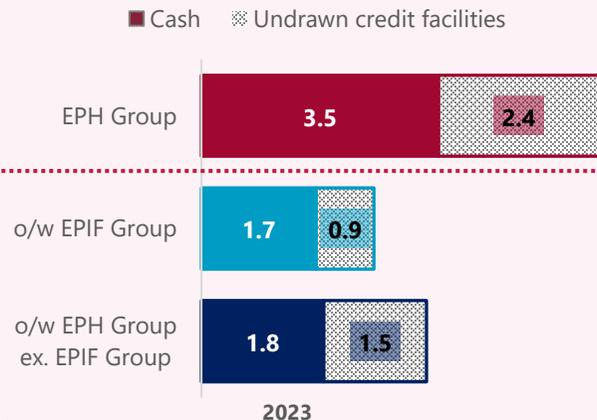
€3.5bn Cash Balance &
€2.4bn Undrawn Credit Lines

Utilization of bank financing⁽¹⁾



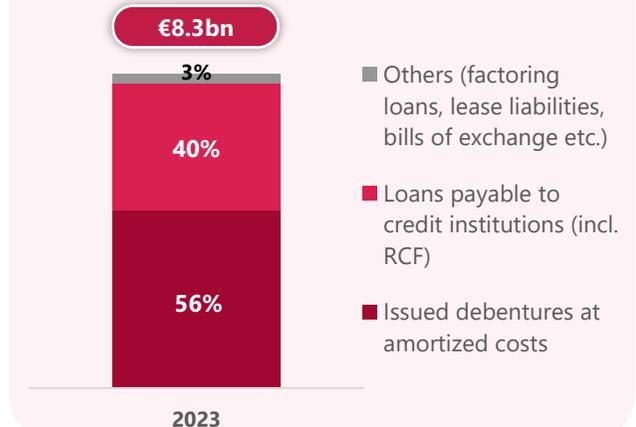
2023

Overview of liquidity (€bn)



2023

Gross Financial Debt by instrument



2023

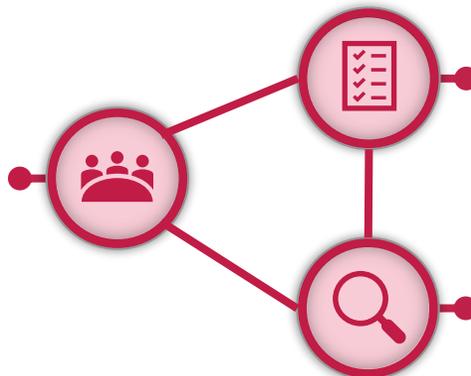
All figures as of or for the period ending 31 December 2023

1. Based on principal amount of the EPH Group consolidated entities financial debt excluding lease liabilities and factoring

Short and medium-term liquidity safeguarded by EPH Group debt maturity profile alongside a conservative financial policy

Prudent Financial Policy

- Conservative financial policy, confirmed by net financial leverage at conservative levels from establishment (no state support provided in Covid and/or energy crisis)
- Company financial commitment to maintain < 2.5x adjusted proportionate economic net leverage⁽¹⁾
- Strong cash conversion
- Conservative acquisition and CAPEX policies, focused on accretive acquisitions and expansion focusing on regulatory revenue stream
- Flexible dividend policy



Risk-averse Management and Rigid Risk Control

- Well-established Risk management infrastructure Bank-style risk approval process both for credit and market risks
- Liquidity risk integral part of any decision making (fix market move to assess liquidity risk used in 2023 on top of Monte-Carlo statistical model)

Strong Risk Management Team

- Majority of the senior risk management has been with the Group for over 15 years



1. The financial policy is set until further notice and may be reassessed mainly based on EPH business perimeter development

2. Based on principal amount of the EPH Group consolidated entities financial debt excluding lease liabilities and factoring

3. Cash and cash equivalents

EPH

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Fostering
Energy Security



EPH takes an active role in transforming the energy system while safeguarding security of supply



● **A socially just transformation of the energy system together with security of supply** lies at the heart of EPH's strategy

● Installed capacity in coal to be substantially reduced from **2.9 GW as of April 2024 to ca 1.4 GW in 2025**. Beyond 2025, coal capacities will be solely related to a must-run regime and district heating. EPH actively offers alternative solutions to replace these sources. EPH will be **coal-free by 2030**, while striving for further acceleration of the phase out

● In our decarbonization efforts, we strive to seek **real solutions** - not merely disposing, but actually **decommissioning** the most **carbon-intensive sources** and at the same time investing in and actively **converting** our power plants to controllable generation sources which have limited carbon footprint or are **well-positioned to adopt renewable gases such as hydrogen**

● The conversion and decommissioning initiatives implemented since 2015 or announced for near future have resulted in **annual saving of 25 Mt of CO₂ emissions** with **a decrease in the emission intensity** of our assets **between 2015-2023 by 35%**

● **Majority of coal assets operated under must-run or similar regime**

● Large investments in carbon footprint reduction (**development of three modern, efficient and hydrogen-ready CCGT/ OCGT units** in Italy and Northern Ireland)

ESG Achievements in 2023



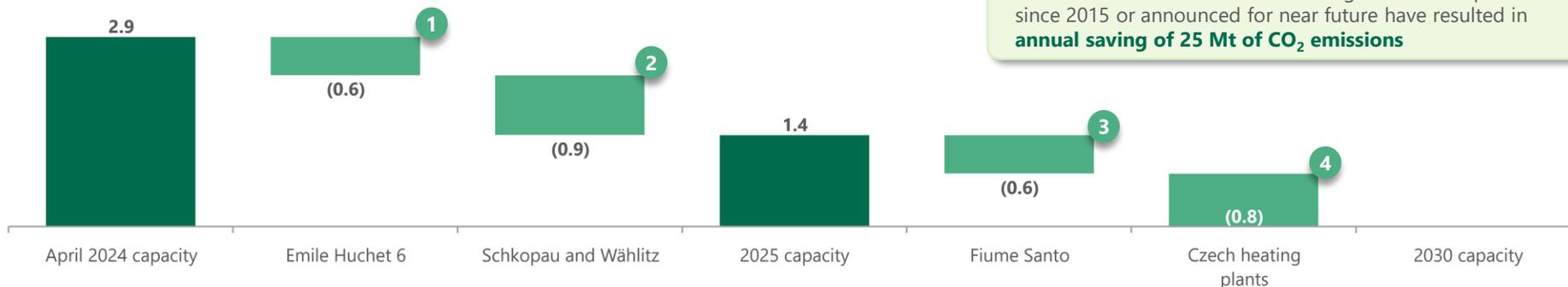
Agency	Group	ESG Rating				
		NEGL 0-10	LOW 10-20	MED 20-30	HIGH 30-40	SEVERE 40+
 SUSTAINALYTICS <small>a Morningstar company</small>	EPH	22.4 (medium risk) ⁽¹⁾ 25th position out of 104 companies within the multi-utilities sector				
	EP Infrastructure	19.8 (low risk) ⁽¹⁾ 12th position out of 103 companies within the multi-utilities sector				
S&P Global	EP Infrastructure	63/100 ⁽²⁾				

1. Lower score indicates better management of risks; last rating update as of 31 October 2023

2. Higher score indicates better ESG performance; last rating update was performed in November 2022. The ESG evaluation product from S&P was discontinued towards the end of 2023. EPIF will not have the option to update this rating and will present it as a point-in-time score. Going forward, EPIF will explore options for alternative ESG rating products

EPH has a clear coal exit plan respecting local legislation and needs of the power grid

Projections of net installed capacity in coal (GWe)⁽¹⁾⁽²⁾



The conversion and decommissioning initiatives implemented since 2015 or announced for near future have resulted in **annual saving of 25 Mt of CO₂ emissions**

01



Important asset to ensure security of supply and power grid balance in the near term

- Emile Huchet 6 power plant in France was closed in March 2022
- The plant **resumed operations after intervention of the French government** to increase security of supply in the winter periods following the energy crisis in 2022⁽³⁾
- Emile Huchet 6 is expected to be activated for a period **until March 2025**

02



Lignite operations in Germany to be transferred outside of EPH by the end of 2025

- EPH currently operates **Schkopau** power plant (900 MWe) and **Wühlitz** power plant (31 MWe) which are planned to be shut down by 2034 and 2035, respectively
- Phase out timeline **coordinated with the German government**
- EPH's shareholders intend to **separate energy transition assets** from the EPH Group **into EP Energy Transition**, a sister company of EPH, by the end of 2025

03



Indispensable power source on the Sardinia island

- Hard coal power plant **Fiume Santo** in Sardinia, Italy, is an indispensable source of power on the island
- Shutdown of the plant conditional** on identification of an alternative source or connection of the island to the mainland power grid
- Despite coal exit in Italy set for 2025, the national energy and climate plan assumes **operation until 2028**

04



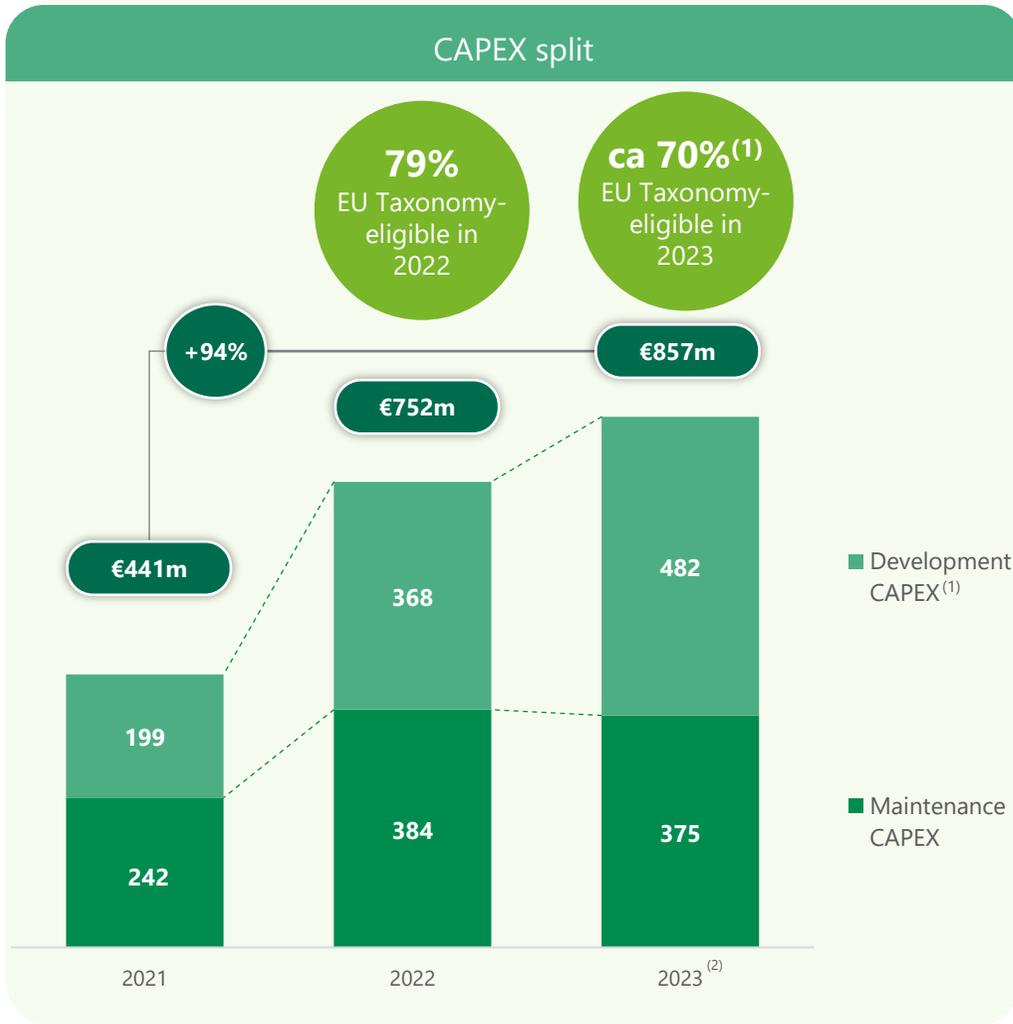
Major district heating operator in the Czech Republic

- EPH operates **district heating** networks and adjacent heating plants in the Czech Republic, supplying heat to approximately 153 thousand customers in major regional cities
- Important provider of **grid balancing services** to the Czech TSO
- EPH supports EPIF ambition to **convert all assets away from coal** to a balanced mix of hydrogen-ready CCGT units, waste-to-energy plants, and biomass units by 2028/2029

1. Projections of future development of installed coal 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, relevant legislation and regulation as well as numerous risks and uncertainties

2. The presented capacities include fully consolidated companies, while equity participations (mainly SE) are not included. However, SE is already a coal-free entity after closure of coal power plant Vojany in March 2024

Clear path towards energy transition with low complexity and visible CAPEX projects



Leader in the transition from coal in a controlled, socially responsible way without sacrificing security of supply with the transition of energy transition assets in Germany to a separate entity outside of EPH Group



Capacity contracts of 10 or 15 years at attractive terms secured for 3 new-build CCGT/OCGT projects, which are in the construction phase



CAPEX focused mainly on hydrogen-ready CCGT/OCGT projects



Other projects in the pipeline are being prepared to maintain a strong position going forward, including hydrogen



All new projects are required to provide minimum returns as defined by EPH, where available, regulatory and or quasi-regulatory based revenue stream and long-term visibility, in line with EPH's strategy



Good historic profitability also achieved through rigid cost discipline and tightly controlled maintenance CAPEX together with prudent decision making in relation to new-builds and acquisitions

1. Figure based on preliminary estimate. Final Taxonomy assessment will be disclosed as part of the Sustainability report for the year 2023

2. Unlike Development CAPEX disclosed in Consolidated Annual Report for the Year 2023, CAPEX of €482m for FY 2023 includes also repowering and battery projects under construction in France and new 30 MW solar plant PERES II commissioned in September 2023

EPH plans to contribute to security of supply and grid stability by development of hydrogen-ready gas plants, while being also active in renewable and battery storage projects

- EPH is one of Europe's most active developers of controllable power generation sources critical for grid stability, with **2.4 GW** of **hydrogen-ready OCGTs/CCGTs projects** currently under construction
- EPH is active also in renewables and large battery storage projects
- All new projects render minimum required returns, regulatory and or quasi-regulatory based revenue stream and long-term visibility, in line with EPH's strategy



Estimated investment costs:
EUR 1.2bn
for projects in the construction phase

Kilroot OCGT project



Kilroot OCGT project – 700 MW OCGT

- ✓ Location: Carrickfergus, Northern Ireland, United Kingdom
- ✓ Installed capacity: 700 MW
- ✓ Capacity contracts for 10 years for 598 MW (derated) starting from 10/2023 and 10/2024
- ✓ Project status: under construction, target COD: Q2/2024; Unit 6 successfully exported electricity to the grid for the first time at the end of March 2024, Unit 7 to follow in Q2/2024

Tavazzano CCGT project



Tavazzano New – 800 MW H-class CCGT

- ✓ Location: Tavazzano, Milan area, Lombardia Region, Italy
- ✓ Installed capacity: 803 MW (Pmax), efficiency: >60%, equipped with a H-class Ansaldo turbine
- ✓ Capacity contract for 15 years, delivery obligation from the end of H2/2023, awarded to secure stability and reliability of the Italian electricity market⁽¹⁾
- ✓ Project status: under construction, target COD: Q3/2024; first synchronization with the grid in April 2024

Ostiglia CCGT project



Ostiglia New – 880 MW H-class CCGT

- ✓ Location: Ostiglia, Mantua area, Lombardia Region, Italy
- ✓ Installed capacity: 881 MW (Pmax), efficiency: >60%, equipped with a H-class air-cooled Siemens turbine
- ✓ Capacity contract for 15 years, delivery obligation from 1/2024 (ev. postponement to 12/2024), awarded to secure stability and reliability of Italian electricity market⁽¹⁾
- ✓ Project status: under construction, target COD Q1/2025

EP France – repowering wind parks to prolong their useful life and increase generation capacity

- ✓ Location: Ambon & Muzillac wind parks, France
- ✓ Installed capacity: increase from 9-10 MW to 13 MW for each wind park
- ✓ Fixed selling price for the produced power for next 20 years
- ✓ Project status: refurbishment commenced in Q4/2023, expected completion a year later

Wind park repowering



EP France – large battery storage facility project able to supply 10,000 people for a day

- ✓ Location: Emile Huchet power plant, Saint-Avoid, France
- ✓ Installed capacity: 24 battery containers with 35 MW output and 44 MWh capacity
- ✓ Capacity contract for 7 years
- ✓ Project status: under construction, target COD in Q4/2024

Large battery storage facility project



EPH

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Fostering
Energy Security



Key Takeaways

Large scale of operations



- EPH is a **leading pan-European** utility company, located primarily in Western Europe, with a **large range of operations** (Net installed capacity 13.9 GW, Net power production 36.1 TWh, Underlying EBITDA of EUR 3.6bn in 2023)
- Engaged in **infrastructure assets** and **flexible power generation** with a focus on **energy transition**

1

- **Prudent and risk-averse approach**, with strong risk management, conservative hedging policy focused on non-margined hedging
- **High level of available liquidity**⁽³⁾: EUR 5.9bn as of 31 Dec-2023
- **Strong Cash Conversion** Ratio excl. development CAPEX (ca. 62% in 2023)
- Shareholders maintaining dividend flexibility

3

Risk averse, low leverage, and high level of liquidity

Diversified and negatively correlated business



- Strong market position with **diversification** and **vertical integration** (both regionally and from a business perspective) and **negatively correlated** business activities
- **Material** portion of **Underlying EBITDA** is generated from **regulated / quasi-regulated**⁽²⁾ and / or **long-term contracted** or **hedged** business

2

- Successful **decommissioning** of coal-fired power plants with **capacity** of **4.8 GW**⁽⁴⁾ across Europe, with a **clear transition plan** for the remaining coal assets
- Resilient business managed by a **highly competent** and **experienced management team** with a proven track record

4

Leader in decarbonization and transition complemented by an experienced management team



EPH

BBB- Sta | BBB- Sta⁽¹⁾
S&P Global FitchRatings

1. Based on the latest credit rating reports as of 29 August 2023 (S&P, Fitch)

2. Quasi-regulated are operations supported by different kind of schemes like Contract for Difference („Cfd“), green bonuses, capacity markets

3. Available liquidity consists of Cash and undrawn committed credit facilities

4. Including Mehrum hard coal-fired power plant with installed capacity of 0.7 GW, decommissioned at the end of March 2024

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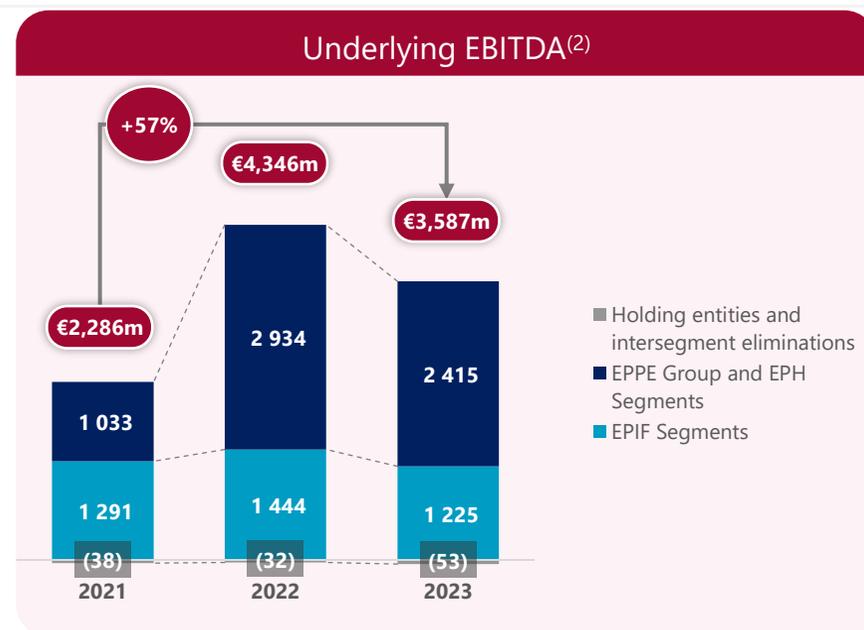
Fostering
Energy Security



Key financial and operating parameters⁽¹⁾

FINANCIAL KPIs		2023	2022	2021
INCOME STATEMENT				
Revenues	EUR m	24,208	37,122	18,956
Underlying EBITDA	EUR m	3,587	4,346	2,286
Profit for the year	EUR m	4,715	3,791	1,227
BALANCE SHEET				
Total assets	EUR m	28,873	30,452	25,189
Net Financial Debt	EUR m	4,828	4,910	4,611
CASH FLOW STATEMENT				
Free Cash Flow	EUR m	1,741	3,187	1,429
CAPEX	EUR m	(857)	(752)	(441)
Income tax paid	EUR m	(989)	(407)	(416)
RATIOS				
Net Underlying Leverage Ratio	x	1.3x	1.1x	2.0x
Cash Conversion Ratio	%	49	73	63
Cash Conversion Ratio excl. development CAPEX	%	62	82	71

OPERATING KPIs		2023	2022	2021
HEAT AND POWER				
Installed capacity (net) ⁽³⁾	GW _e	13.9	11.8	11.1
Power production (net)	TWh _e	36.1	37.0	39.8
Power distribution	TWh _e	6.0	6.3	6.4
Heat supplied	PJ	7.4	7.9	8.8
NATURAL GAS				
Gas transmission	bcm	16.1	26.3	41.6
Gas distribution	TWh	45.5	48.3	59.2
Gas storage capacity	TWh	64.3	64.3	64.2
ESG INDICATORS				
Share of non-coal sources on power production	%	75	67	78
Emission intensity	tCO ₂ /GWh	519	570	493



Commentary

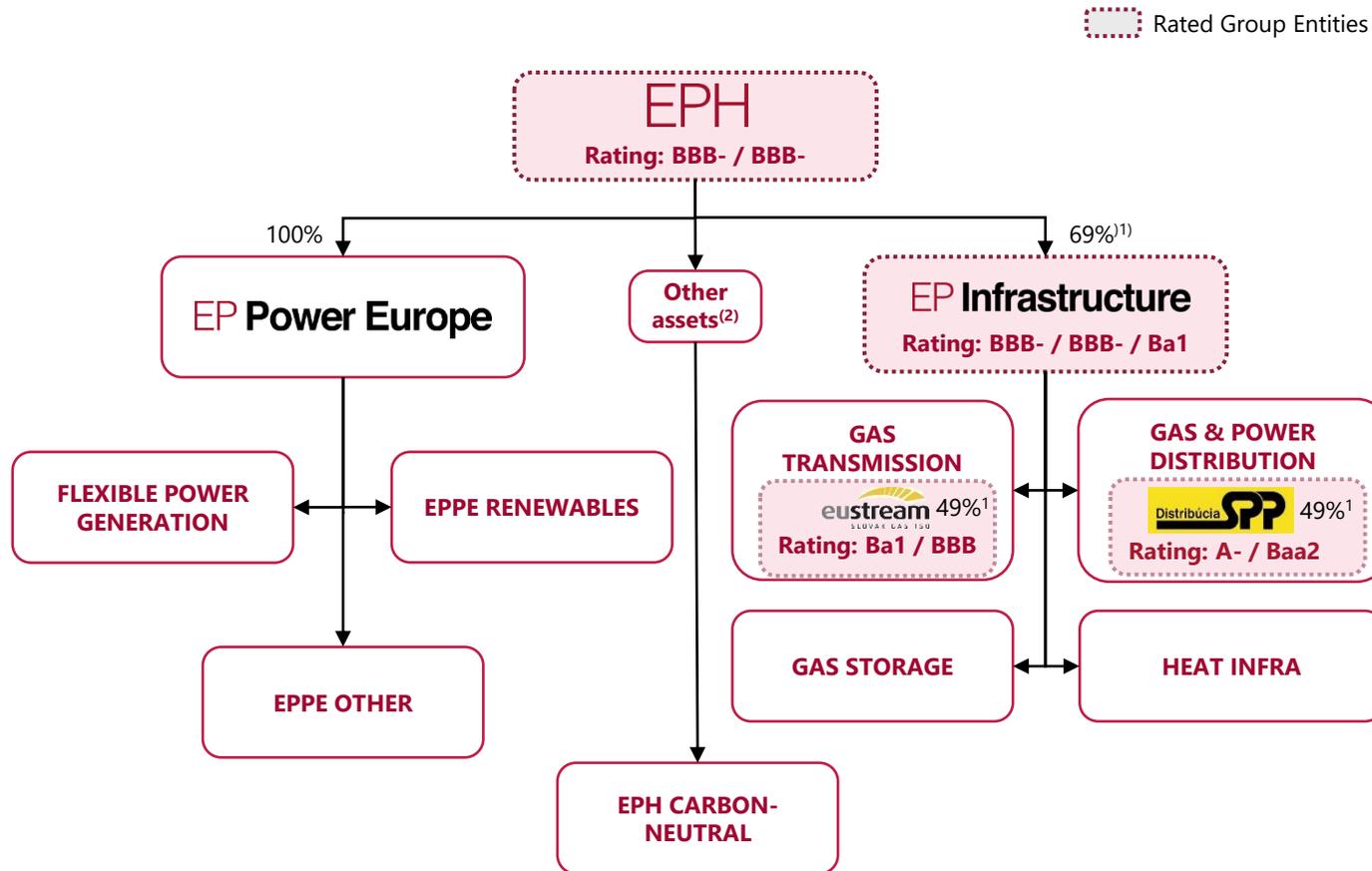
- **Underlying EBITDA** lower by EUR -759m than in the record year 2022
- **Free Cash Flow** (FCF) again below the exceptional year 2022, but EUR +312m above the 2021 result. **FCF excl. development CAPEX** in 2023 reached **EUR 2,187m** (EUR 3,555m in 2022)
- **CAPEX** spent driven by new development projects focused mainly on the support of grid stability and reliable supply of power. **Development CAPEX** reached **EUR 482m** which is EUR +114m higher than in 2022
- **Cash Conversion Ratio** lower compared to previous years driven by tax payments for the record year 2022 and continuing high development CAPEX. Cash Conversion Ratio **excl. development CAPEX** reached **62%**

1. As per EPH Consolidated Annual Report for particular years, for definitions see Appendix

2. EPPE Group and EPH Segments calculated as the sum of the EPPE Group and EPH Segments. EPIF Segments calculated as the sum of the EPIF Group Segments. Holding entities and Intersegment eliminations are reported separately

3. 2023 numbers exclude installed capacity of Kilroot which was decommissioned in September 2023. For 2022 Mehrum is included despite the plant was put back into operation at the request of the German government
2021 numbers exclude installed capacity of Deuben and Mehrum as both coal power plants were taken off the merchant market in December 2021

Simplified Organizational Structure of EPH Group



1. Reflects ownership percentage Note: SACP is Standalone Credit Profile.

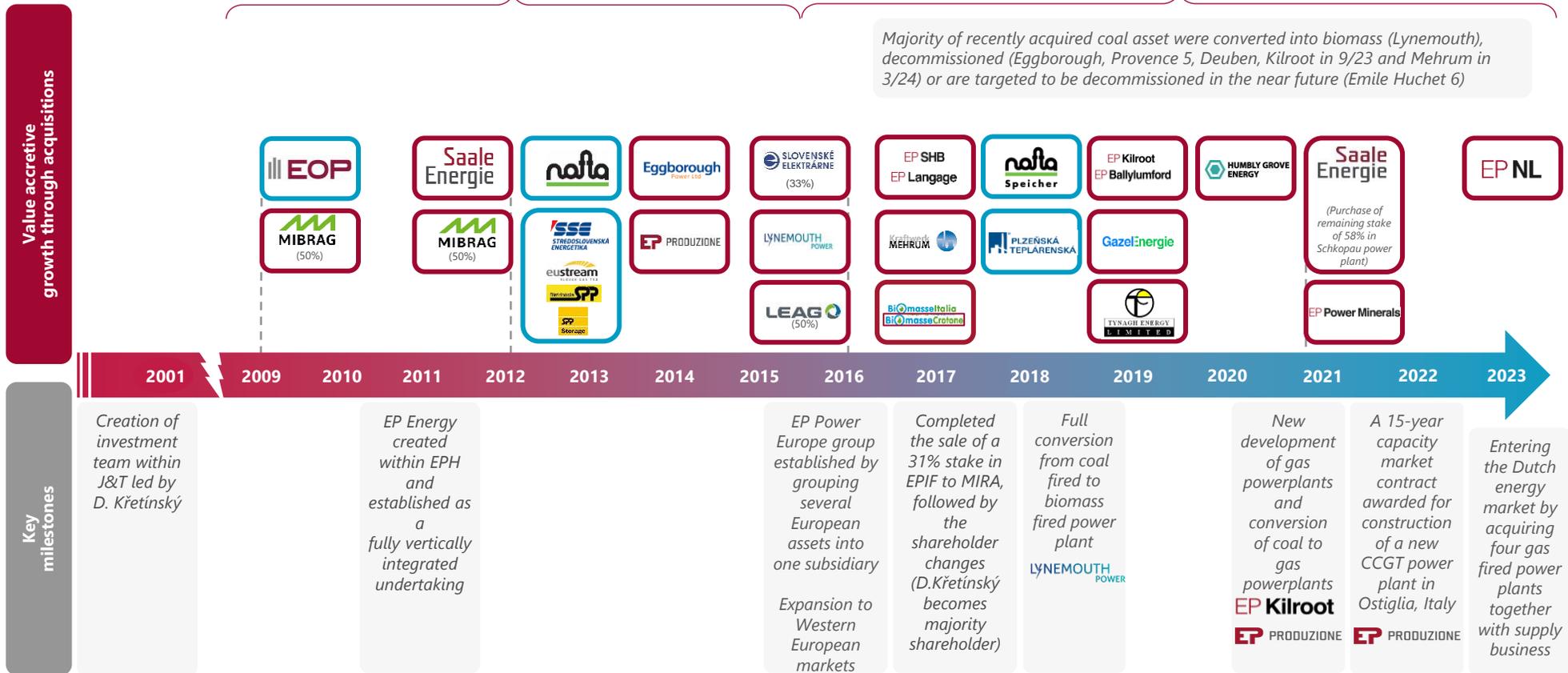
2. Other assets primarily comprise of EPH Carbon-neutral segment which consists of SE and Sourcing and logistics included in EPH Other segment
Source: Latest rating agencies publications

Successful development into a leading European utility while all the time maintaining a conservative capital structure and low leverage

Accelerated growth via selective acquisitions while maintaining low leverage

Smaller add-on infra & growth in generation segment across Europe + Own development of controllable power generation assets critical for grid stability and integration of renewables

Majority of recently acquired coal asset were converted into biomass (Lynemouth), decommissioned (Eggborough, Provence 5, Deuben, Kilroot in 9/23 and Mehrum in 3/24) or are targeted to be decommissioned in the near future (Emile Huchet 6)



Compared to the first full-year EPH Group's financials for 2010, the Underlying EBITDA increased by almost 2,900%

Year	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Underlying Leverage Ratio	1.8x	3.0x	3.1x	2.8x	2.9x	3.0x	2.9x	2.6x	2.0x	2.0x	1.1x	1.3x

 EPIF
 EPPE

Abbreviations

- **CAPEX** represents cash outflow for acquisition of property, plant and equipment, investment property and intangible assets
- **Cash Conversion Ratio** represents Free Cash Flow as a percentage of Underlying EBITDA
- **Free Cash Flow** represents Underlying EBITDA less CAPEX less income tax paid
- **Gross Financial Debt** represents loans and borrowings and issued bills of exchange
- **Net Financial Debt** represents Gross Financial Debt less cash and cash equivalents (as included in the consolidated financial statements of the Group)
- **Net Underlying Leverage Ratio** represents Net Financial Debt divided by Underlying EBITDA
- **Underlying EBITDA** represents the profit (loss) for the period before income tax expenses, finance expense, finance income, change in impairment on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, joint ventures and associates, depreciation, amortization and impairment of tangible and intangible assets and negative goodwill

EPH

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