EP Infrastructure

2021 Results Call

7 April 2022

Gary Mazzotti, Chief Executive Officer
Václav Paleček, Finance Director

www.epinfrastructure.cz

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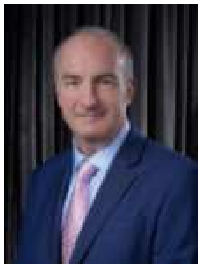
- A credit rating is not a recommendation to buy, sell or hold any securities and may be revised, suspended or withdrawn by the rating agency at any time.

Presenting team



Gary Mazzotti

Chief Executive Officer, Vice-chairman of Board Of Directors

- *>30 years of experience*
- *Serves on boards of other EPIF entities*

Václav Paleček

Finance Director

- *>10 years of experience*
- *Serves on boards of other EPIF entities*

Agenda

1) **Executive summary**
2) Group performance
3) Financial profile update
4) Recent developments
5) Business segment highlights
6) Wrap-up
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Executive summary

- **EP Infrastructure** ("**EPIF**" or together with its subsidiaries the "**Group**") is a leading Central European group which operates traditional energy infrastructure assets
- EPIF's core activities are transmission, distribution and storage of gas, distribution of electricity and provision of district heating
- EPIF assets are predominantly located in the low risk and fast-growing economies of Slovakia and the Czech Republic, while being also present in Germany
- EPIF's strategy is to operate **regulated and/or long-term contracted assets which have a critical feature of converting a substantially higher part of their operating result into free cash flow** than its peers. The primary reason for superb cash conversion ability is due to low Capex intensity. This is driven by (a) excellent conditions of the assets underpinned by effective maintenance, (b) high cost to build and low cost to operate (gas transmission, gas storage and heat infra segments), (c) use of modern durable materials (gas distribution segment), and (d) large investments performed by previous owners (electricity distribution segment)
- Given favourable market conditions in 2021, **a successful placing of two benchmark size bonds with 10-year maturity** within the Group increased the average duration of the Group's debt and optimized its interest cost. EPIF believes that an **increased average tenor** of the Group's debt instruments is a signal to the investor community of EPIF's long-term commitment to its existing portfolio of assets
- In FY 2021[1] EPIF reached:
  - **Consolidated Revenues** of **EUR 2,792 million** (EUR 3,195 million in FY 2020)
  - **Adjusted EBITDA**[2] of **EUR 1,277 million** (EUR 1,526 million in FY 2020)
  - **Proportionate Net Leverage Ratio**[3] of **4.26x** (4.05x[4] in FY 2020)
  - **Adjusted Free Cash Flow**[5] of **EUR 785 million** (EUR 1,046 million in FY 2020)
  - **Group Cash Conversion Ratio**[6] at approx. **62%** (69% in FY 2020)
- EPIF continues to position itself as a key player in the ongoing **energy transition** by assessing readiness of its **critical infrastructure for accommodation of renewable gases such as hydrogen** in the long term, while already preparing projects to enable blending of certain hydrogen volumes already in the near term
- EPIF and its subsidiaries keep monitoring the current situation on the market and the **recent developments in Ukraine**. As a response, EPIF's shareholders have announced their intent to exercise their voting rights in a way that will not lead to **any dividend distributions from EPIF** or to **any acquisitions being undertaken by the Group** until the situation stabilizes

1. All figures in the presentation calculated on fully consolidated basis, unless explicitly stated otherwise
2. Adjusted EBITDA („Adj. EBITDA") represents operating profit plus depreciation of property, plant and equipment and amortisation of intangible assets less negative goodwill (if applicable), adjusted for selected items. For more details see slides 33-35
3. Net Leverage Ratio represents Net Debt divided by Adjusted EBITDA. Proportionate Net Leverage Ratio represents Net Leverage Ratio, taking into consideration the proportionate ownership of EPIF in its subsidiaries. For Net Debt definition see slide 37
4. In 2020, Proportionate Net Leverage Ratio is calculated with Proportionate Pro-forma Adjusted EBITDA. Pro-forma adjustment excludes financials of PT Group and BERT disposed in Q4 2020. For Proportionate Pro-forma Adjusted EBITDA definition see slide 33
5. Adjusted Free Cash Flow represents Cash generated from operations, disregarding Change in restricted cash, less Income tax paid, Acquisition of property, plant and equipment and intangible assets and emission rights as presented in the consolidated statement of cash flows of the Group, adjusted for selected items. For more details see slide 36
6. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA

Key Company's Highlights

1. Critical infrastructure assets in stable and developed markets (Slovakia, the Czech Republic and Germany) with **leading positions** in respective areas of operation or region
2. EPIF's assets are strategic and vital for the region, including transmission of natural gas to the EU
3. Major subsidiaries are **co-owned by Slovak state** that holds 51% share in SPPI. However, EPIF has management control pursuant to a shareholder agreement
4. Majority of **EBITDA related to fully regulated and/or long term contracted businesses**
5. Highly diversified portfolio across Gas Transmission, Gas-Power Distribution, Gas Storage & Heat Infra
6. High cash conversion ability mainly due to low CAPEX intensity. Commitment to conservative level of net leverage at both EPIF and various subsidiaries levels
7. **Strong profitability** with stable earnings forecast based on long-term visibility of the infrastructure businesses
8. Well-invested, **modern asset base** with long remaining asset lives. Low maintenance CAPEX needs due to the use of modern durable materials
9. Commitment to maintain and re-establish **investment grade credit ratings**, subject to factors that may be outside of the control of the EPIF Group
10. EPIF has **best-in-class ESG achievements and robust ESG commitments**

EP Infrastructure

BBB / Ba1 / BBB-[1]
(all Negative outlook)

S&P Global Moody's FitchRatings

1. Based on the latest credit rating reports as of 10 March 2022, 23 March 2022 and 4 March 2022, respectively. For further details related to rating update see slide 22

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EPIF Group overview

EPH | MACQUARIE

69% | 31%[2]

EP Infrastructure

Gas Transmission	Gas and Power Distribution	Gas Storage	Heat Infra
2021 Adj. EBITDA €479m 38% of total (34% on prop. basis)	*2021 Adj. EBITDA €521m 41% of total (38% on prop. basis)*	*2021 Adj. EBITDA €179m 14% of total (17% on prop. basis)*	*2021 Adj. EBITDA €104m 8% of total (12% on prop. basis)*




Gas Transmission
- SLOVAKIA
  - 49%[1] ★ eustream (SLOVAK GAS TSO)

Gas and Power Distribution
- SLOVAKIA
  - 49%[1] ★ SSE HOLDING
  - 49%[1] Distribúcia SPP
- CZECH REP.
  - 100% epet.
  - 100% Dobrá Energie

Gas Storage
- SLOVAKIA
  - 69%[1] ★ nafta
  - 62%[1] ★ POZAGAS
- GERMANY
  - 69%[1] ★ nafta Speicher
- CZECH REP.
  - 49%[1] ★ SPP Storage

Heat Infra
- CZECH REP.
  - 100% EOP ELEKTRÁRNY OPATOVICE
  - 100% UNITED ENERGY
  - 35%[1] ★ PLZEŇSKÁ TEPLÁRENSKÁ (Více než energie)

★ Co-owned by Slovak state, includes management control by EPIF and represents fully consolidated entity

★ Co-owned by City of Pilsen, includes management control by EPIF and represents fully consolidated entity

EPIF group overview

- EPIF is an essential and diversified infrastructure group in the EU. EPIF owns and operates its **critical infrastructure assets** in stable and developed markets of Slovakia (A+ / A2 / A)[3], the Czech Republic (AA- / Aa3 / AA-)[3] and Germany (AAA/Aaa/AAA)[3]
- All major 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**, whereby EPIF keeps management control over all its subsidiaries
- The Group consists of four principal segments: Gas Transmission, Gas and Power Distribution, Gas Storage and Heat Infra

in EUR mil.	2021	2020	2019	2018	2017
Adjusted EBITDA[4]	1,277	1,526	1,606	1,466	1,461
Prop. Adjusted EBITDA[4]	686	833	884	818	800
Prop. PF Adjusted EBITDA[4]	-	766	-	-	-
Adjusted Free Cash Flow[4]	785	1,046	1,107	1,030	1,045
Group Cash Conversion ratio[5]	62%	69%	69%	70%	72%
Prop. Net debt[4]	2,924	3,104	3,481	3,447	3,597
Prop. Net Leverage Ratio[4]	4.26x	4.05x[7]	3.94x	4.21x	4.50x[6]

1. Minority shareholders are: Slovak government (eustream, SPPD, SSE, SPPS), Slovak government and other minor shareholders (Nafta, Nafta Speicher and Pozagas) and City of Pilsen (Plzeňská teplárenská)
2. MIRA Co. and several other institutional co-investors co-own the Holding Company ("MacCo"); MIRA has the controlling rights and the MacCo is the only party to the SHA with EPH
3. All ratings as per S&P / Moody's / Fitch
4. Refer to Appendices for definitions of Adjusted EBITDA, Proportionate Adjusted EBITDA, Proportionate PF Adjusted EBITDA, Adjusted Free Cash Flow, Proportionate Net debt and Proportionate Net Leverage Ratios (slides 33-37)
5. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA
6. Prior to implementation of dividend lock up covenant
7. FY 2020 Proportionate Net Leverage Ratio calculated using Pro-forma Adjusted EBITDA reflecting disposals of PT Group and BERT in Q4 2020. For Pro-forma Adjusted EBITDA definition see slide 33

Large and diversified portfolio of strategically-important infrastructure assets, under stable regulatory environment and/or long-term contracts

FY 2020 and FY 2021 comparison

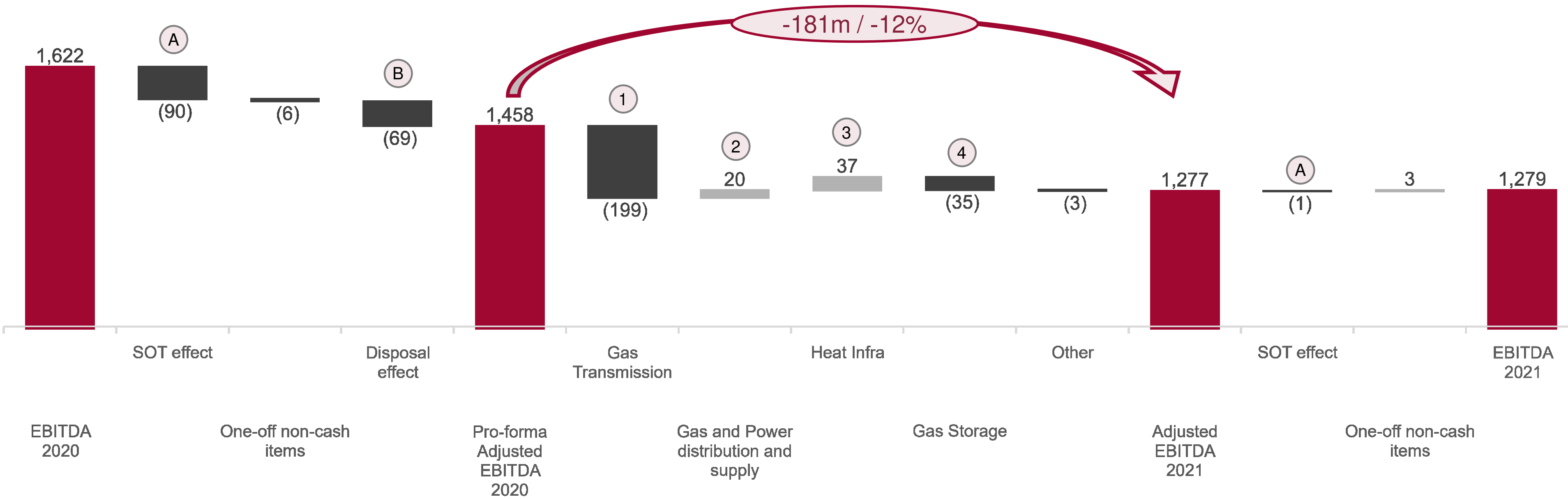
Segment	Adj. EBITDA		Cash Conversion (excl. WoCa & Tax)[2]		Operating KPIs	Business profile
	FY 2020	FY 2021	FY 2020	FY 2021		
Gas Transmission	44% €678m	38% €479m	94%	95%	Gas transmission (bcm): 57 / 42	Regulated / long-term contracted
Gas and Power Distribution	33% €501m	41% €521m	83%	84%	Gas and power distribution (TWh): Gas 54 / 59; Power 6 / 6	Almost fully regulated; natural monopoly position in distribution business in the region of operation
Gas Storage	14% €214m	14% €179m	96%	95%	Storage capacity (TWh): 62 / 62	Predominantly long-term contracted
Heat Infra	9% €136m	8% €104m	46%	67%	Heat sold (PJ): 7.6 + 11.8 (PT and BERT) / 8.4	Predominantly regulated
EPIF (Total for the Group)[1]	€1,526m	€1,277m	86%	88%		

FY 2020
FY 2021
PT and BERT

1. Total figure includes also other operations and holding expenses of the Group (segments Other and Holding entities)
2. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA

Overview of 2021 results
Adjusted EBITDA bridge FY 2021 vs. FY 2020

Indicative Adjusted EBITDA bridge[1] (mil. EUR)



Core business

1. After strong results in two consecutive periods 2019 and 2020, performance of **Gas transmission** segment in 2021 was adversely affected by extraordinarily low reverse gas flows from Slovakia to Ukraine and relatively low flows in general which was partly compensating the effect of extraordinarily high gas shipments in both east-to-west and west-to-east directions during 2019 and 2020. The incentive to ship gas to storage facilities in Ukraine was limited due to high prices of natural gas throughout 2021 and also due to relatively full local gas storage facilities filled during the second half of 2020 when the local capacities were marketed at attractive prices. In addition, overall flows of Russian gas to Europe were reduced during 2021 with limited flows on top of long-term booked shipments resulting in lower volume of transported natural gas by eustream (-27%) in 2021
2. The increase in EBITDA of **Gas and Power distribution** segment was driven by favourable weather patterns as well as higher household consumption of gas during COVID-19 induced lockdowns, which resulted in higher volumes of distributed gas (+10%) as well as electricity (+9%)
3. **Heat Infra** segment experienced an increase in EBITDA by +55% which was driven by favourable development in power simple spread leading to higher power generation (+26%) and colder weather[2] mainly in the first half of 2021 resulting in higher heat offtake (+10%)
4. After extraordinary performance of **Gas storage** segment in 2020 driven by a price effect on short term storage contracts, the rates charged for storage declined and confirmed an inverse relationship between gas storage and gas commodity price. While gas storage facilities were unusually stocked after the warm winter in 2019/2020, the colder weather coupled with reduced flows of Russian gas in 2021 resulted in unusually low levels of stored gas across Europe

Others

A. Adjustments for effect of SOT deficit/surplus that is merely a timing difference
B. Negative effect of 69m represents EBITDA of PT Group and BERT (disposed in Q4 2020) generated in FY 2020 up until the disposal date

1. Figures might not add up due to rounding
2. 2020: 2,953 day-degrees, 2021: 3,719 day-degrees. Day-degrees measure integrates the difference between reference indoor temperature and outdoor temperature over the given period of time. A higher value indicates that the temperature in the given period was below the reference temperature for a longer period of time. Day-degrees relate to all areas in the Czech Republic where EPIF delivered heat in 2021

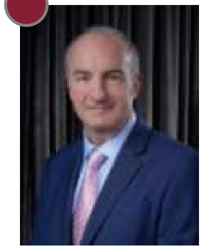
Value-driven management team with proven track record

Management

= today's speakers

Daniel Křetínský
Chairman of EPIF Board of Directors
- *Chairman of EPH; also serves on boards of other entities*
- *>15 years of experience*
- *Serves on the boards of other EPIF entities*

Independent board member



Gary Mazzotti
Vice Chairman of EPIF Board of Directors and CEO
- *Independent*
- *>30 years of experience*
- *Serves on boards of other EPIF entities*

Václav Paleček
Finance Director
- *>10 years of experience*
- *Serves on boards of other EPIF entities*

Strong and transparent corporate governance

- Strong and well-established **Senior Management** team with a long-lasting track record of operating companies management within EPIF Group
- The Senior Management is fully supported by the **Board of Directors,** especially by Daniel Křetínský for strategic initiatives and decisions and by Gary Mazzotti (who is independent) with his significant long term experience in the CEE Region and the sector
- The **Supervisory Board**, responsible for monitoring the work of the Board of Directors, is a well balanced body comprised of members with extensive expertise from different areas of the energy value chain

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Strongly performing business with excellent cash conversion

Selected European peers

	EP Infrastructure (1)	E.ON	Snam	Terna	Red Eléctrica de España	Italgas	Enagás	
Key countries	Slovakia Czech Republic Germany	Germany, Sweden, CEE	Italy	Italy	Spain	Italy	Spain	
FY 2021[2] Adjusted EBITDA and FY 2021[2] Adjusted Cash generation (ex Taxes and WoCa)[3] (€m)	1,277 / 1,126	7,889 / 3,402	2,250 / 980	1,855 / 334	1,499 / 943	1,009 / 144	895 / 825	*Average: 2,382* *Average: 1,108*
FY 2021[2] Cash Conversion (excl. WoCa & Tax)[4]	88%	43%	44%	18%	62%	14%	92%	*Average: 52%*
FY 2021[2] Net financial debt / Adjusted EBITDA and FY 2021[2] Net financial debt / Adjusted cash generation (ex Taxes and WoCa)[3]	2.8x / 3.2x	3.4x / 7.9x	6.2x / 14.3x	5.4x / 29.9x	3.8x / 6.1x	4.9x / 34.6x	4.8x / 5.2x	*Average: 14.5x* *Average: 4.5x*
Company rating and outlook *(S&P / Moody's / Fitch)*	BBBn/Ba1n/BBB-n	BBBs/ Baa2s/BBB+s	BBB+p/Baa2s/ BBB+s	BBB+s/Baa2s/ Withdrawn	A-s/Baa1s/A-s	-/Baa2s/BBB+s	BBBs/Baa2s/BBB+s	
Country rating *(S&P / Moody's / Fitch)*	A+/A2/A AA-/Aa3/AA- AAA/Aaa/AAA	AAA/Aaa/AAA AAA/ Aaa/AAA	BBB/Baa3/BBB-	BBB/Baa3/BBB-	A/Baa1/A-	BBB/Baa3/BBB-	A/Baa1/A-	

Adjusted EBITDA — Cash generation — Avg. EBITDA — Avg. cash generation

Net debt/EBITDA — Net debt/ cash generation — Avg. net debt/EBITDA — Avg. net debt/ cash generation

Sources: Company information, Rating reports.

(1) EPIF information is shown on a fully consolidated basis
(2) EPIF's competitors' and EPIF's figures are calculated for FY 2021
(3) Adjusted Cash generation calculated as Adj. EBITDA – Capex. Excludes effect of taxes and working capital adjustments
(4) Cash Conversion (excl. WoCa & Tax) calculated as (Adj. EBITDA – Capex) / Adj. EBITDA. Excludes effect of taxes and working capital adjustments

Financing strategy of EPIF Group

EP Infrastructure

Key policies

- To retain diversified sources of financing available to the Group and **keep the majority of debt exposure in bonds** (or similar instruments, subject to market conditions). Getting above 90% share as EPIF's management perceived conditions on the market in 2021 as highly favourable which resulted in the refinancing of existing selected existing facilities through an **issuance of a 10-year bond of EUR 500m in March 2021,** while **in June SPPD** refinanced **its EUR 500m bond through a new 10-year bond issuance** with the same nominal amount
- To increase average duration of the debt in EPIF Group while optimizing the interest cost, also in the context of the EUR 750m bond maturing in 2024
- **EPIF's share** on the overall proportionate Group´s financing shall represent **app. 70% of the overall Group's proportionate gross debt** (73% share as of 31 December 2021)

Targeted financing structure

- Financing of the Group relies on two pillars: SPP-I Group and EPIF (parent company of the Group)
- **Overall Proportionate Net Leverage Ratio** of the Group to be around **4.3x** (strongly supported by dividend lock-up covenant at 4.5x) while EPIF **reported a Proportionate Net Leverage Ratio of 4.26x** as of 31 December 2021
- **Maximum Net Leverage of 2.5x at SPPI Group level** as agreed in the Shareholders' Agreement with **historical net leverage below 2.0x** EBITDA (1.5x as of 31 December 2021)
- **Maximum Net Leverage of 2.5x at SSE Group level** as agreed in the Shareholders' Agreement while currently with a negative net leverage
- The Group intends to establish **a green finance framework** for use within its capital structure strategy which will serve as a basis for the financing of any future eligible projects, in line with the ICMA Green Bond and LMA Green Loan Guidelines

Key developments

- The Company declared and distributed a total **dividend of EUR 100m** to its shareholders in 2021. As a response to the current situation on the market, EPIF's shareholders have announced their intent to exercise their voting rights in a way that will not lead to **any dividend distributions from EPIF** until the situation stabilizes
- In light of anticipated deterioration in operating performance in 2021, the Group focused on decreasing its indebtedness accordingly which resulted in **Gross debt lower by EUR 402m** and **Net debt lower by EUR 194m** as compared to balances as of 31 December 2020. In particular:
  - In February 2021, eustream made a **scheduled repayment** of its EIB loan in the amount of **EUR 75m** using own cash
  - In March 2021, EPIF **successfully placed** at par **its offering of EUR 500m** 1.816% fixed rate unsecured notes due in February **2031** ("2031 Notes") and subsequently used the proceeds combined with own cash to repay then existing indebtedness. In particular, over March and April 2021, EPIF fully **repaid EUR 400m term loan** due in 2025, and **EUR 70m privately placed notes** due in 2027, **EUR 134.5m Schuldschein** due in 2024 and **EUR 48m Schuldschein** due in 2026
  - In June 2021, SPPD issued **10-year bonds** in the amount of **EUR 500m** with a fixed interest rate of **1.0% p.a.** The proceeds were used for a **repayment of the SPPD's notes** due in June 2021 and general corporate purposes
  - In August 2021, NAFTA **voluntarily repaid EUR 120m** on a term loan facility maturing 2024 using own cash
  - In October 2021, SPPD made a **partial repayment** of one of its EIB loans with maturity in 2024 in the amount of **EUR 50m** using own cash

Conservative capital structure and financial policy strongly supported by the shareholders

Summary capital structure

Fully consolidated basis (€m)	31 December 2021
Gross debt[1]	4,119
Cash	501
Net debt	**3,618**
Adjusted EBITDA 2021[3]	1,277
Net debt / Pro-forma Adjusted EBITDA[3]	**2.83x**

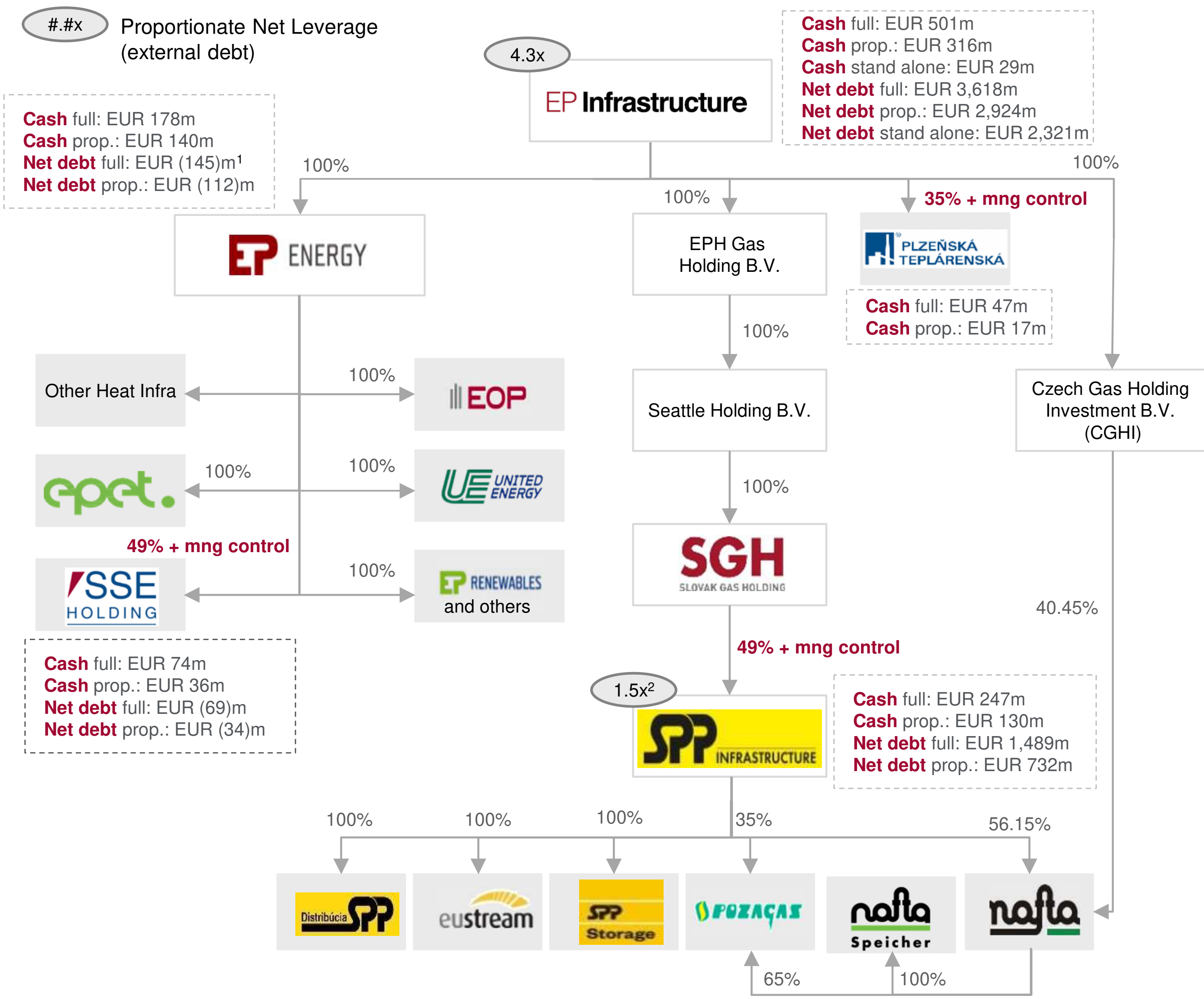
Proportionately[2] consolidated basis (€m)	31 December 2021
Gross debt[1]	3,240
Cash	316
Net debt	**2,924**
Adjusted EBITDA 2021[3]	686
Net debt / Pro-forma Adjusted EBITDA[3]	**4.26x**

EPIF financial policy

- EPIF has a stable financial policy established in the Shareholders' Agreement between EPH and MIRA further emphasized by the **dividend lock-up covenant of 4.5x Net Debt/EBITDA** (on proportionate basis) while **management target is to be around 4.3x**
- EPIF is committed to maintaining a financial profile consistent with **investment-grade credit ratings**
  - Currently rated BBB by S&P's / Ba1 by Moody's / BBB- by Fitch, all with negative outlook[4] (update in March 2022 in response to Russian invasion of Ukraine)
  - In addition to EPIF's overall leverage distribution limit, there are **limitations on leverage at operating subsidiaries**
    - At SPP-I and SSE, Net Debt/EBITDA limited to 2.5x under shareholders' agreement with the Slovak Republic
  - As of 31 December 2021, the EP Energy group was largely free of external debt
  - **Potential acquisitions** only if consistent with EPIF's conservative financial policy. Investment policy fully in line with financial profile of the group and having in mind the target to maintain or re-establish investment grade profile, subject to factors which may be outside of the EPIF Group's control. Nevertheless, EPIF **does not currently actively pursue M&A opportunities** until the situation relating to Russian gas flows stabilizes
- EPIF's financial policy is supported by **robust corporate governance**, reinforced by MIRA's strong minority shareholder rights in the Shareholders' Agreement

1. Represents principal owed and lease liabilities disregarding accrued interest and unamortized fees
2. Calculated by taking into consideration the proportionate ownership of EPIF in its subsidiaries
3. Adjusted EBITDA represents profit (loss) for the year before income tax expenses, finance expense, finance income, profit (loss) from derivative financial instruments, share of profit of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates, depreciation of property, plant and equipment and amortization of intangible assets, and negative goodwill, adjusted for certain items. For more details see slide 33
4. For further details related to rating update see slide 22

Capital structure overview as of 31 December 2021 – external debt



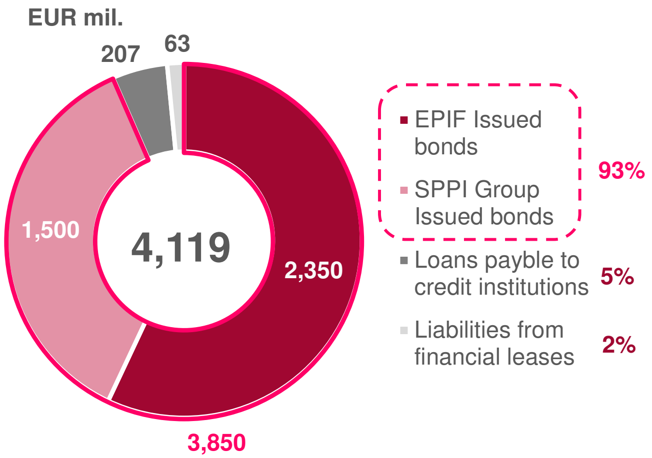
1. Excluding an intragroup loan facility with EPIF of EUR 187 million
2. Proportionate Net Leverage of SPPI reflects fully consolidated view from SPPI perspective

Key highlights

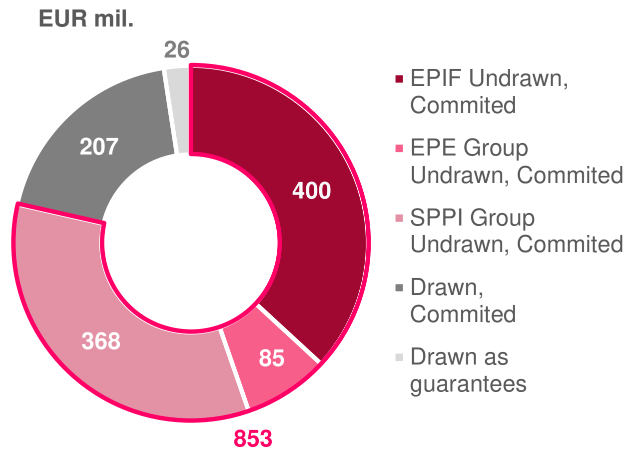
- Being a parent company, EPIF has very **strong access to all cash flow** generated across the group:
  - Fully unencumbered access to the cash flows generated by **EP Energy OpCos**, which are currently largely free of external debt
  - Track record of modest level of debt below 2.0x (1.5x as of 31 December 2021) at **SPPI group** entities allows for comfortable dividend upstreaming versus the shareholders' agreement (SHA) with a threshold at 2.5x
  - EPIF proportionately consolidated group is subject to **4.5x dividend lock-up**, limiting distribution from EPIF to its shareholders

Gross debt overview as of 31 December 2021

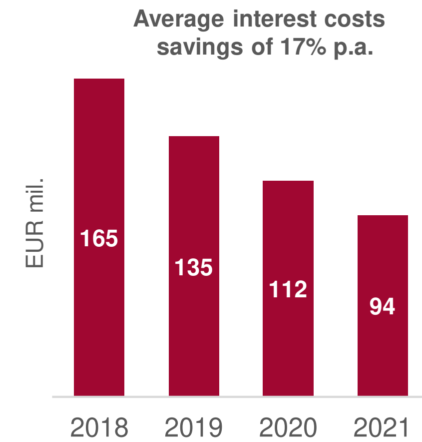
Breakdown by instrument



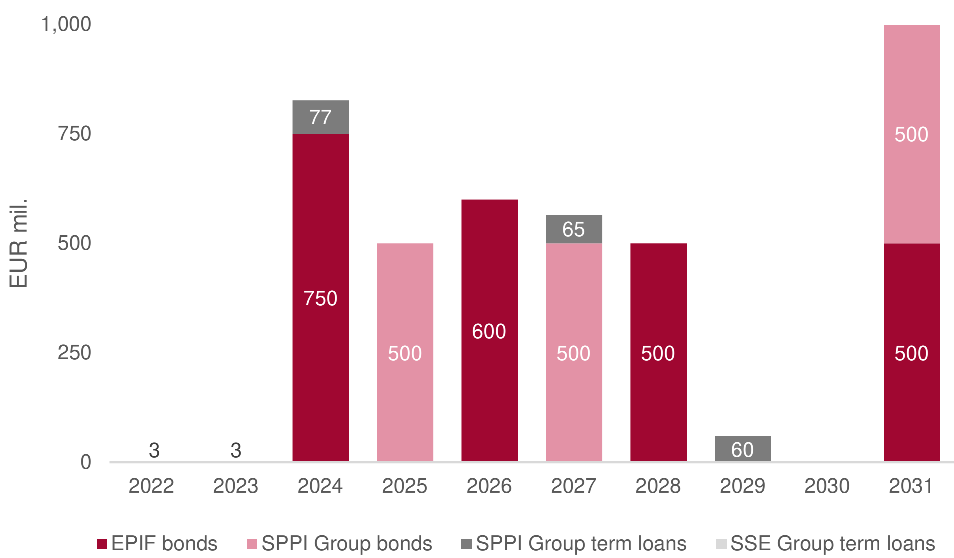
Utilization of bank financing



Interest expense



Debt maturity structure[1]



1. Excluding leases and drawdown of revolving credit facilities

Commentary

- Almost all debt is **EUR denominated** (>99%)
- In February 2021, eustream made a **scheduled repayment** of its EIB loan in the amount of **€75m** using own cash
- In March 2021, EPIF successfully placed **10-year bond of €500m** at par. In 2021 the proceeds and own cash were used to repay then existing debt
- In June 2021, **SPPD refinanced its existing €500m bond** maturing in June 2021 through issuance of a 10-year bond with the same nominal amount and with a fixed interest rate of 1% p.a.
- In August 2021, NAFTA **voluntarily repaid €120m** on a term loan facility maturing 2024 using own cash
- In October 2021, SPPD made a **partial repayment** of one of its EIB loans with maturity in 2024 in the amount of **€50m** using own cash
- As of 31 December 2021:
  - EPIF Group had **€853m of undrawn revolving credit lines** and **cash balance of €501m**
  - Due to repayment of debt with shorter maturity the **weighted average tenor of 5.6 years** of the Group's bonds and term loans was extended as compared to 4.5 years as of 31 December 2020, while the earliest significant maturity repayment will be in 2024
- In March 2022, for prudency reasons **EPIF drawn the full limit of available RCF (EUR 400m)** to reflect volatility in the commodity markets and to protect itself against a possible technical disruptions

ESG Pillars and Strategy

ESG matters are monitored and managed at the Group level

S&P Global Ratings

66/100 ESG Rating

EPIF was the first company in the CEE to obtain an ESG Rating by S&P, supporting it to better identify opportunities and to strengthen its sustainability commitment

SUSTAINALYTICS

20.0 ESG Risk Rating

In June 2021, EPIF Group obtained an **ESG risk rating of 20.0 from Sustainalytics, placing it in the low-risk category**, 6th out of 62 companies in the Multi-utilities sector

SUSTAINABLE DEVELOPMENT GOALS

Commitment to low carbon business model	❑ **Major portion of EPIF's EBITDA** is generated from operation of infrastructure assets which carry a **marginal CO_2 footprint** (92% of adjusted EBITDA in 2021; 5% of total CO_2 emissions). These include gas transmission, gas and power distribution or gas storage ❑ Despite growth in energy production, **EPIF has reduced SO_2 emissions by 72%** and **dust emissions by 50%** between 2015 and 2021 ❑ The existing **biomass boilers** and a **waste incineration plant** operated by Plzeňská teplárenská were complemented by a **new biomass boiler commissioned in July 2021** in the heating plant run by United Energy ❑ EPIF aims to achieve **carbon neutrality by 2040**, well ahead of the official 2050 EU objective. Objective is further supported by medium-term goals such as reduction of CO2 emissions from its existing heating plants by 60% and abandoning coal as a primary energy source by 2030
Social responsibility	❑ **Healthy and safe** working conditions ❑ A **responsible marketing** approach, providing all relevant information regarding offered services ❑ EP Corporate Group Foundation, of which EPIF is a key benefactor, **donated EUR 2m as aid for refugees from Ukraine** to help them secure stable housing and get necessary qualification to find a job. Individual EPIF subsidiaries (mainly those based in Slovakia) also organize help such as collections for people in refugee camps in Slovakia or direct material supplies to Ukraine ❑ As the primary benefactor of the EPH Foundation, EPIF continues to provide support to institutions for most vulnerable people such as retirement homes **to fight the ongoing COVID-19 pandemic**
Transparent corporate governance	❑ EPH/MIRA Shareholders' Agreement protects **minority shareholder rights**, and outlines clear **corporate governance** and approval of capital structure, including financial policy ❑ The governance of EPIF and its sub-holdings is based on a **two-tier management structure** comprising the Board of Directors and the Supervisory Board ❑ In August 2021, **Gary Mazzotti was appointed as CEO of EPIF**, replacing Daniel Křetínský who remains Chairman of the Management Board

Agenda

1) Executive summary
2) Group performance
3) Financial profile update
4) **Recent developments**
5) Business segment highlights
6) Wrap-up
7) Appendix

Recent market development

- In the context of the ongoing military invasion in Ukraine and associated sanctions targeting the Russia Federation, EPIF and its subsidiaries keep monitoring the current situation on the market on ongoing basis
- Overall, the **cash flows of the Group remain strong** due to it strategic positioning and regulated / long-term contracted businesses. In particular, as of today:
  - none of the capacity payments (including those from the Russian client) have been delayed and currently there are no indications that such payments would not be received. **Payments due in March for key entry/exit points Veľké Kapušany and Lanžhot have been received**
  - none of the sanctions currently in place are targeting natural gas flows to Europe
  - none of the SWIFT sanctions are limiting the ability of the clients to pay their obligations to the EPIF group
  - no sanctions are presently resulting in pressure on EPIF's liquidity
- While a sanctioning of Russian gas imports has been discussed, EPIF has observed clear **veto positions of Germany, Hungary and other countries** as a large part of Europe has no substitute for Russian gas imports in the near term
- US and EU representative announced a joint **Task Force to reduce Europe's dependence on Russian fossil fuels** and to strengthen European energy security. The key aims center around (i) **diversifying gas supplies via increased liquified natural gas** ("LNG") **imports** and (ii) **reducing demand for gas** through improvement in energy efficiency and deployment of renewables. As a first step, the US and the EU have announced a major deal on LNG, which will involve the US and other countries supplying an extra 15 bcm of LNG to the EU
- 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 their capacity** by 1 November 2022 (and 90% of their capacity from 2023), including specific incentives for gas companies
- The Group is providing a **service for which there is no alternative**, and EPIF continues to work on risk reduction measures. As a preventive response, EPIF's shareholders have announced their intent to exercise their voting rights in a way that will not lead to **any dividend distributions from EPIF** or to **any acquisitions being undertaken by the EPIF Group** until the situation stabilizes

Current geopolitical situation has had a limited impact on EPIF due to its diversified and strategic asset base

- The Russian military invasion of Ukraine represents a potentially significant risk for the EPIF Group with the financial implications currently unclear and dependent on future developments. We envisage the following potential impacts on individual segments:

  - Performance of the **Gas transit** segment has been to a large extent dependent on a contract with a major Russian shipper. The contract expires in 2028 and follows a ship-or-pay principle, making the transit fees contractually independent of the actual gas flows. As of today, there have been no interruptions in the gas flows from Russia and the Group has no indications that the Russian shipper would not honour its contractual obligations. Future developments will mainly depend on the severity and type of sanctions imposed on Russia. A decline or a termination of Russian gas flows might have an adverse impact on the Group's financial position as it has hedged a substantial volume of gas relating to gas in-kind for the period 2022-2024 under its hedging policy with respect to the commodity price risk. Until now, the EU and US political representatives have demonstrated reluctance to impose sanctions affecting the energy sector, in particular natural gas

  - The performance of the **Gas and power distribution** segment is not directly linked to the gas flows from Russia. The indirect impact may stem from potentially decreased availability of gas in Slovakia, limiting the distributed volumes. This risk is partially mitigated due to (i) natural gas reserves in Slovakia covering several weeks, (ii) other alternative gas pipeline routes (after establishing connection with Poland, Slovak transmission network will be directly connected with all neighboring countries), and (iii) ongoing diversification of gas sources (Slovakia recently purchased ca 80 million cubic meters of LNG)

  - The resilience of the **Gas storage** segment is supported by long-term contracts with established European energy players. In the medium term, EPIF could benefit from the strategic function of gas storage which might be vital to promote security of gas supply in Europe. Given the current situation with low gas availability and high gas price, regulatory bodies could consider reintroducing price regulation and incentives for higher levels of stored gas to increase security of supply in Europe. The current high gas price has unfavorable effect on storage business because it presents a burden on the working capital of the customers and carries with it the risk of falling prices, which is considered as rather temporary matter

  - The **Heat Infra** segment, as being fueled from local sources, is not directly affected by the latest events and might potentially benefit from further increase[1] in power prices. As power prices are positively correlated with gas price, this segment presents a natural hedge against potential gas business deterioration (from the Group perspective). The positive impact of higher power prices might be partly offset by increase in EUA price as more emission-intensive fuels such as coal or lignite might play a bigger role in the short-term, increasing the demand for EUAs. Nevertheless, the short-term political pressure on EUA price might subside as the representatives of the EU and the member states currently reassess their decarbonization pathways in the context of current events

1. A potential impact on performance in 2022-2024 to be limited as the Group hedges a portion of its production upfront as indicated on slide 28

Rating update

- In response to the Russian invasion of Ukraine, all three rating agencies (S&P, Fitch, Moody's) initiated a **credit rating review of EPIF and its key subsidiaries eustream and SPPD**. The main reason indicated by the agencies was the perceived risk related to the main Russian shipper's willingness and ability to honour its obligations under its ship-or-pay gas transit contracts with eustream
- Following the review, **Fitch** (dated 4 March 2022) **placed EPIF on Rating Watch Negative** and **S&P** (dated 10 March 2022) **placed EPIF on CreditWach Negative**, while keeping the current investment grade rating unchanged
- On 4 March 2022, **Fitch** performed a rating **downgrade by one notch of eustream** (from A- to BBB+) **and SPPD** (from A to A-), still placing both entities comfortably within the investment grade area
- On 3 March 2022, credit ratings of EPIF as well as of SPPD and eustream were put **under review** for downgrade by Moody's. Finally on 23 March, **Moody's downgraded the credit rating of EPIF by one notch** (from Baa3 to Ba1 – Corporate Family Rating; EPIF bonds by two notches to Ba2) **and by two notches the credit rating of eustream** (from Baa2 to Ba1), **while confirming the credit rating of SPPD** at Baa2. The outlook for all three entities is negative
- The table below summarizes the current public ratings for EPIF, eustream and SPPD

	S&P		Fitch		Moody's	
	Rating	**Outlook**	**Rating**	**Outlook**	**Rating**	**Outlook**
EPIF	BBB	Negative	BBB-	Negative	Ba1	Negative
eustream			BBB+	Negative	Ba1	Negative
SPPD			A-	Negative	Baa2	Negative

As a response to the situation on the market, EPIF published three consecutive press releases[1], in which the main 2021 financial indicators were presented together with a restatement of **EPIF shareholders' commitment to the investment grade rating** of EPIF, eustream and SPPD. Although EPIF remains fully committed to maintaining and re-establishing (as applicable) the investment grade credit ratings of itself, SPPD and eustream, its ability to do so is dependent on a number of factors, some of which are beyond its and its shareholders' control. EPIF shareholders also announced their intention to exercise their voting rights in a way that will not lead to any **dividend distributions** from EPIF or to any **acquisitions** being undertaken by the EPIF Group

1. For further details related to EPIF's latest press releases see slide 38

Agenda

Gas Transmission: key highlights

FY 2021 Adj. EBITDA[2]: EUR 479 million
FY 2020 Adj. EBITDA: EUR 678 million

Gas Transmission
Distribution
Heat Infra
Gas storage

eustream

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, **tarrifs 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
- EUR 479m Adj. EBITDA[2] in FY 2021 (FY 2020: EUR 678m), with **high Cash Conversion (excl. WoCa & Tax)**[3] of 95% (FY 2020: 94%)
- The decrease in FY 2021 Adj. 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

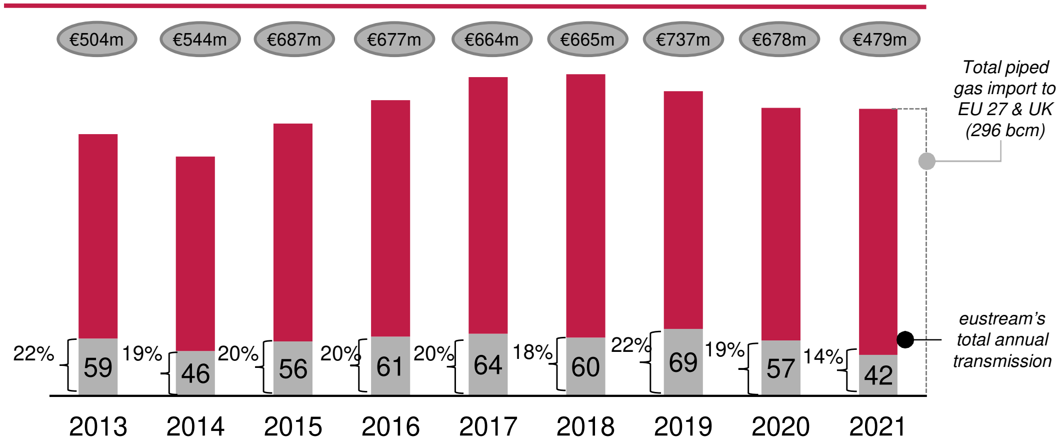
1. S&P / Moody's / Fitch
2. For definition of Adjusted EBITDA please see slide 33
3. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA

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

Prominent role in European gas sourcing

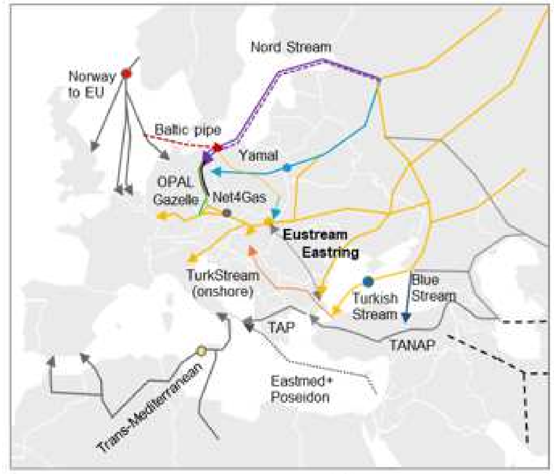
- **Critical infrastructure** for the European Union (particularly for Italy, Austria, Central Europe). These key markets need to be sourced with natural gas and there are no alternative pipeline routes with sufficient capacity that could replace eustream
- Eustream presently plays a **pivotal role in 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]



€m : eustream Adjusted EBITDA[3] : Total pipe gas import to EU27 & UK; []% Total eustream market share

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

1. Source: Data of the operators of the individual entry points to Ukraine, ie FGSZ Zrt . (Hungary), GazSystem S.A. (Poland) and eustream a.s.
2. 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
3. Source: EPIF consolidated financial statements. For definition of Adjusted EBITDA please see slide 33
4. Based on average imports in the period from 2014 to 2021

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

1 *Regulated monopoly in the gas distribution market in Slovakia*

- Regulated **natural monopoly** of gas distribution in Slovakia
- Key strategic asset with a distribution system connected to more than 94% of the country's population. SPPD's gas penetration ranks among the highest in Europe
- Customers primarily top gas suppliers with lower credit risk than households
- Obligation for all new customers to connect to SPPD's existing distribution network

2 *Stable and established regulatory regime*

- Relatively long regulatory period enabling SPPD to retain achieved benefits
- **Stable distribution tariff** set by the regulator for the whole regulatory period 2017 – 2021 which was extended by an additional year until 2022 with only minor changes possible (includes higher fixed portion of revenue)
- The same EU compliant regulation principles have been in place since 2009

3 *Strong gas market fundamentals and performance track record*

- **Stable distribution volumes** between 4.6 and 5.0 bcm per year between 2015 and 2020, with extraordinary volume of 5.5 bcm distributed in 2021 (favorable weather pattern coupled with higher consumption of employees working from home)
- While having revenues relatively stable, Adj. EBITDA[1] and performance has been improving due to **continuous focus on cost control and efficiencies**
- Consistently low levels of gas losses and excellent safety results in operations

4 *Stable and predictable cash flow generation and modern asset base*

- **Track record of strong Cash Conversion (excl. WoCa & Tax)**[2] in the Gas and power distribution segment, reached 84% in FY 2021 (FY 2020: 83%)
- Low investment requirements due to modern network facilities and recent implementation of CAPEX optimisation initiatives. Majority of the network was built between 1990 and 2000 with almost half of the pipelines made of durable plastics
- Limited expansion CAPEX as network connection costs born by residential customers
- Standalone rating: Baa2 by Moody's / A- by Fitch, both with negative outlook

5 *Part of well invested infrastructure group (SPP-I) with supportive shareholders*

- Part of leading gas infrastructure group with critical position within Slovakia
- While EPH has a successful track record in management of energy assets, the Government supports SPPD's interests locally due to its strategic scale
- Conservative leverage cap of 2.5x net debt / EBITDA set by the SHA

1. Represents Adj. EBITDA for the whole segment. For definition of Adjusted EBITDA please see slide 33
2. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA

FY 2021 Adj. EBITDA[1]: EUR 521 million
FY 2020 Adj. EBITDA: EUR 501 million

Gas Transmission
Distribution
Heat Infra
Gas storage

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

Stredoslovenská distribučná

SSE HOLDING

1 *#1 electricity distribution company in its region of operation (natural monopoly)*	❑ **Monopoly distribution company** in its region of operation[2] ❑ Critical distribution asset in Slovakia with network length of c. 35,000 km ❑ Diversified customer base of c. 773,000 electricity off-take points
2 *Stable and established regulatory regime*	❑ **Stable distribution tariffs** approved by the regulator for the whole regulatory period 2017 – 2021 (recently extended to 2022) with only minor changes possible ❑ SSD receives **stable and predictable returns from its regulated business** ❑ **As of 1 January 2020, the SOT clearing obligation** causing fluctuation in results was transferred to the state-owned company (see Appendix for details)
3 *Strong operational performance*	❑ **Stable distribution volumes** around 6 TWh per year with 6.4 TWh in FY 2021 (FY 2020: 5.9 TWh) ❑ Strong process, cost and work efficiency improvements, regulated opex outperformance ❑ Consistently achieving low levels of distribution losses and meeting reliability indicators set by the regulator
4 *Proven track record of cash-flow generation*	❑ **Track record of strong and stable Cash Conversion (excl. WoCa & Tax)**[3] in the gas and power distribution segment, reached 84% in FY 2021 (FY 2020: 83%) ❑ **Stable core business Adjusted EBITDA**[2] with moderate increase potential due to cost optimization and efficiency driven initiatives ❑ Stable investment requirements primarily to the backbone and high voltage infrastructure. Substantial part of reconstructions and development investments realised by own sources that allows for higher productivity and efficiency in general ❑ Leverage capped in SHA with Slovak government by 2.5x EBITDA with current Net Leverage remaining negative

1. Represents Adj. EBITDA for the whole segment. For definition of Adjusted EBITDA please see slide 33
2. Refers to SSD which contributed the vast majority of SSE's Adj. EBITDA in FY 2020 and FY 2021 periods. Other SSE activities consist primarily of electricity supply
3. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA

Heat Infra: key investment highlights

FY 2021 Adj. EBITDA[1]: EUR 104 million
FY 2020 Adj. EBITDA: EUR 136 million
FY 2020 PF Adj. EBITDA[1]: EUR 68 million

- Gas Transmission
- Distribution
- **Heat Infra**
- Gas storage

1	*Established operator of district heating with a key role for power grid stability*	❑ **Major Czech district heating operator,** supplying heat to ca 150k customers in major regional cities in the Czech Republic ❑ Important provider of grid balancing services to the Czech TSO ❑ Additional potential for small bolt-on acquisitions
2	*Robust district heating systems producing low cost heat mainly for households*	❑ Ownership of approximately 736 km of district heating pipelines supplying heat to large number of municipal and residential customers ❑ The direct contracts with final consumers in cities and full ownership of distribution network makes from our CHPs **standard utility business**
3	*Favorable regulatory environment supporting cogeneration and district heating*	❑ Significant support for cogeneration assets from both national and EU legislation ❑ **Highly efficient cogeneration** with strict emission limits helping to meet country's energy efficiency and environmental protection goals ❑ All new or reconstructed buildings are **obliged** by the law on air protection emissions **to connect to district heating** (if possible from technical and economical perspective)
4	*Stable returns and high entry barriers*	❑ District heating is a regulated business with **very high barriers to entry** due to limited possibility to replicate the existing heating systems ❑ Business largely **resilient to economic cycles, providing stability and predictability.** Besides, a major upside is represented by current **high power prices** which provide a natural hedge from the group perspective against a potential underperformance of the gas business ❑ The segment reports reasonably solid **Cash Conversion (excl. WoCa & Tax)**[2] of 67% for FY 2021 (FY 2020: 46%) which recovered back to levels reported before the COVID-19 pandemic after being impacted by lower power spreads throughout 2020, coupled with significant development investments made in the same year ❑ As of 31 March 2022, the entities had 3.8 TWh of power production hedged, while 4.7 mt of CO_2 emissions was covered by hedged emission allowances for the period 2022-2024[3]
5	*Renewable heat as a cornerstone of long-term strategy*	❑ EPIF believes that district heating represents a cost-effective way to distribute **heat from renewable sources**, especially in large cities ❑ Biomass and renewable waste seen as key non-fossil fuels in the medium term for centralized heat generation, while **green gases** (biogas, hydrogen) expected to play a crucial role in the long term

1. For definition of Adjusted EBITDA and pro-forma Adjusted EBITDA please see slide 33
2. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA
3. 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 Adj. EBITDA[1]: EUR 179 million
FY 2020 Adj. EBITDA: EUR 214 million

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

- **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)

2 Strategically located asset

- **Connection to the Central European gas routes**
- Interconnection with and ability to deliver to the VTP Austria / CEGH gas hub and THE gas hubs

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

- 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 (excl. WoCa & Tax)[2]** - 95% in FY 2021 (FY 2020: 96%)

4 No price regulation

- No price regulation[3]
- 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

5 Further opportunities generating value

- 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[4] which may be produced at the end of the lifetime of the gas storage, subject to approval of the relevant regulatory agencies

1. For definition of Adjusted EBITDA please see slide 33
2. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA
3. Price regulation can be introduced in case of Emergency situation
4. 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

Agenda

Strong financials, strategic asset base and outlook

Strong financials

- **Anticipated deterioration** in operating performance in 2021 primarily driven by Gas Transmission segment
- **Decrease** of the Group's **indebtedness to maintain** Proportionate Net Leverage Ratio of the Group at management's **target of 4.3x** (4.26x as of 31 December 2021)
- **Optimized financing structure** proved by extension of weighted average tenor to 5.6 years
- **Strong cash flows** thanks to its strategic positioning and regulated and/or long-term contracted businesses with **superb cash conversion**
- **Committment** to maintaining a financial profile consistent with **investment-grade ratings**

Strategic asset base

- Critical infrastructure assets in stable and developed markets with **leading positions** in respective areas of operation or region
- Highly **diversified portfolio** across four segments (natural hedge)
- Major subsidiaries are **co-owned by the Slovak state**

Outlook

- Majority of EBITDA related to fully **regulated and/or long term contracted** businesses
- As of today, there has been **no significant impact** on business operations stemming from the recent market developments
- Until the situation stabilizes, EPIF's shareholders have announced their intent to exercise their voting rights in a way that will not lead to **any dividend distributions from EPIF** or to **any acquisitions being undertaken by the EPIF Group**
- EPIF and its subsidiaries keep **monitoring the current situation** on the market on an ongoing basis, including the current geopolitical risks that are outside of its control

Agenda

1) Executive summary
2) Group performance
3) Financial profile update
4) Recent developments
5) Business segment highlights
6) Wrap-up
7) **Appendix**

Appendix – Adjusted EBITDA and Pro-forma Adjusted EBITDA (I/III)

- **EBITDA** represents profit (loss) for the year before income tax expenses, finance expense, finance income, profit (loss) from derivative financial instruments, share of profit of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates, depreciation of property, plant and equipment and amortization of intangible assets, and negative goodwill. EBITDA corresponds to Underlying EBITDA presented in EPIF's Consolidated annual report for the year 2021
- **Adjusted EBITDA** represents EBITDA adjusted by (a) excluding impairment losses (gains) - property, plant and equipment and intangible assets, including primarily land, buildings, mines, machinery, equipment, fixtures and fittings of the Group's subsidiaries, (b) excluding gain from sale of unused non-operational land and other assets and other non-cash gains related to assets, and (c) adding back (if negative) or deducting (if positive) 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)
- **Proportionate Adjusted EBITDA** represents Adjusted EBITDA, taking into consideration the proportionate ownership of the Company in its subsidiaries
- **Pro-forma Adjusted EBITDA** equals Adjusted EBITDA in FY 2020 excluding (a) EBITDA of PT Group for the period up until October 2020 as it was disposed as of 3 November 2020, and (b) EBITDA of BERT for the period up until November 2020 as it was disposed as of 2 December 2020, in order to present results as if the aforementioned entities were not part of the EPIF Group in 2020, whereas the 2020 IFRS consolidated financial statements include results of PT Group and BERT up to the date of disposals
- **Proportionate Pro-forma Adjusted EBITDA** means Pro-forma Adjusted EBITDA, taking into consideration the proportionate ownership of EPIF in its subsidiaries
- The EBITDA, Adjusted EBITDA and Pro-forma Adjusted EBITDA included in this presentation do not represent the terms EBITDA, Adjusted EBITDA or Pro-forma Adjusted EBITDA as may be defined by any documentation for any financial liabilities of the EP Infrastructure Group

Appendix – Adjusted EBITDA and Pro-forma Adjusted EBITDA (II/III)

- EBITDA and Adjusted EBITDA calculation (FY 2021):

FY 2021 in €m	Gas transmission	Gas and Power Distribution	Heat Infra	Gas Storage	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**261**	**214**	**44**	**111**	**630**	**(1)**	**579**	**(606)**	**602**
Income tax expenses	86	70	8	34	198	-	7	-	205
Gain (loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates	-	-	-	-	-	-	1	-	1
Share of profit of equity accounted investees, net of tax	-	-	-	-	-	(1)	-	-	(1)
Finance income	(1)	(3)	(3)	(2)	(9)	-	(657)	627	(39)
Finance expense	31	12	3	5	51	1	68	(21)	99
Profit (loss) from derivative financial instruments	(14)	2	(2)	2	(12)	2	(8)	-	(18)
Depreciation and amortization	116	226	54	31	427	3	-	-	430
Negative goodwill	-	-	-	-	-	-	-	-	-
EBITDA	**479**	**521**	**104**	**181**	**1,285**	**4**	**(10)**	**-**	**1,279**
Other non-cash non-recurring items	-	-	-	-	-	-	-	-	-
Impairment losses	-	(1)	-	(2)	(3)	-	-	-	(3)
System Operation Tariff (surplus)/deficit	-	1	-	-	1	-	-	-	1
Adjusted EBITDA	**479**	**521**	**104**	**179**	**1,283**	**4**	**(10)**	**-**	**1,277**

Appendix – Adjusted EBITDA and Pro-forma Adjusted EBITDA (III/III)

- EBITDA, Adjusted EBITDA and Pro-forma Adjusted EBITDA calculation (FY 2020):

FY 2020 in €m	Gas transmission	Gas and Power Distribution	Heat Infra	Gas Storage	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**374**	**268**	**153**	**140**	**935**	**2**	**1 440**	**(883)**	**1,494**
Income tax expenses	128	91	14	43	276	-	(11)	-	265
Gain (loss) on disposal of subsidiaries, special purpose entities, joint ventures and associates	-	-	(79)	-	(79)	-	(705)	-	(784)
Share of profit of equity accounted investees, net of tax	-	-	-	-	-	(1)	-	-	(1)
Finance income	(1)	(3)	(1)	(2)	(7)	-	(924)	926	(5)
Finance expense	40	17	(21)	6	42	-	151	(39)	154
Profit (loss) from derivative financial instruments	7	(2)	(2)	-	3	-	40	(4)	39
Depreciation and amortization	130	220	76	31	457	3	-	-	460
Negative goodwill	-	-	-	-	-	-	-	-	-
EBITDA	**678**	**591**	**140**	**218**	**1,627**	**4**	**(9)**	**-**	**1,622**
Other non-cash non-recurring items	-	-	(4)	-	(4)	-	-	-	(4)
Impairment losses	-	-	-	(4)	(4)	2	-	-	(2)
System Operation Tariff (surplus)/deficit	-	(90)	-	-	(90)	-	-	-	(90)
Adjusted EBITDA	**678**	**501**	**136**	**214**	**1,529**	**6**	**(9)**	**-**	**1,526**
PT Group PF adjustment	-	-	(36)	-	(36)	-	-	-	(36)
BERT PF adjustment	-	-	(33)	-	(33)	-	-	-	(33)
PF Adjusted EBITDA	**678**	**501**	**68**	**214**	**1,461**	**6**	**(9)**	**-**	**1,458**

Appendix – Adjusted Free Cash Flow calculation

- **Adjusted Free Cash Flow** represents Cash flows generated from (used in) operating activities, before Interest paid and less Acquisition of property, plant and equipment, investment property and intangible assets, less Purchase of emission rights and disregarding Change in restricted cash as presented in the Consolidated statement of cash flow of the Group, adjusted for: (i) EBITDA effect of the SOT and (ii) working capital impact of SOT

€m	FY 2021	FY 2020	FY 2019	FY 2018
Cash flows generated from (used in) operating activities	952	1,303	1,264	1,535
Interest paid	120	131	128	(292)
Acquisition of property, plant and equipment, investment property and intangible assets	(151)	(209)	(220)	(192)
Purchase of emission rights	(112)	(53)	(54)	(26)
excluding Change in restricted cash	(1)	3	(1)	4
Reported FCFF	**808**	**1,175**	**1,117**	**1,029**
excluding SOT (EBITDA effect)	1	(90)	(50)	41
excluding SOT (working capital effect)	(24)	(39)	40	(40)
Adjusted FCFF	**785**	**1,046**	**1,107**	**1,030**

Appendix - Capital structure related definitions

- **Gross debt** of the Group represents the sum of indebtedness calculated as the total of current and non-current Loans and borrowings, adjusted to exclude unamortized transactions cost, premiums, discounts and adjusted to exclude accrued interest and mark-to-market of hedging instruments, but including lease liabilities

- **Net debt** represents Gross debt less Cash and cash equivalents (as included in the consolidated financial statements of the Group). **Proportionate Net Debt** represents Net Debt, taking into consideration the proportionate ownership of EPIF in its subsidiaries

- **Net Leverage Ratio** represents Net Debt divided by Adjusted EBITDA. **Proportionate Net Leverage Ratio** represents Net Leverage Ratio, taking into consideration the proportionate ownership of EPIF in its subsidiaries

- The terms Gross debt, Net debt, Proportionate Net Debt, Net leverage Ratio and Proportionate Net leverage Ratio do not represent similarly named measures as may be defined and included in any documentation for any financial liabilities of EP Infrastructure Group

Appendix – EPIF's latest press releases

- Press release **24 March 2022** - UPDATE ON THE CURRENT MARKET SITUATION AND MEASURES TO SUPPORT LIQUIDITY POSITION

https://www.epinfrastructure.cz/en/tiskove-zpravy/update-on-the-current-market-situation-and-measures-to-support-liquidity-position/

  - EPIF informed on current market situation and reiterated measures to support the Group's liquidity position such as **postponement of dividend distributions from EPIF and potential acquisitions**, which are supported by EPIF's shareholders. It also informed that the year-end **leverage ratio at EPIF level was below 4.3x** and published the **leverage at SPPI Group which was at 1.48x** and SPPI Group cash position of approximately EUR 410m

- Press release **10 March 2022** - EPIF AND ITS SHAREHOLDERS RESTATE COMMITMENT TO INVESTMENT GRADE CREDIT RATING

https://www.epinfrastructure.cz/en/tiskove-zpravy/epif-and-its-shareholders-restate-commitment-to-investment-grade-credit-rating/

  - EPIF and its shareholders restated a **commitment to investment grade rating**, subject to factors that are outside of their control. EPIF's shareholders announced their intent to exercise their voting rights in a way that will **not lead to any dividend distributions or any acquisitions being undertaken by the EPIF Group**, until the situation stabilises

- Press release **3 March 2022** - STATEMENT REGARDING THE CURRENT MARKET SITUATION

https://www.epinfrastructure.cz/en/tiskove-zpravy/statement-regarding-the-current-market-situation/

  - Update regarding the current situation and a presentation of **EPIF's main financial indicators in 2021**

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