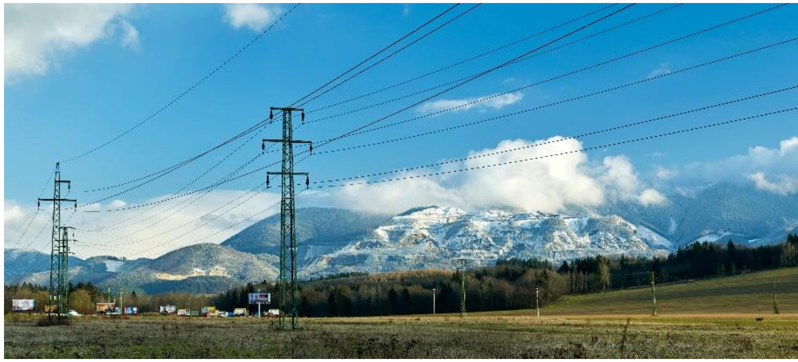
EP Infrastructure

2019 Results Call

9 April 2020

Gary Mazzotti, Vice Chairman of the Board of Directors
Filip Bělák, Finance Director

www.epinfrastructure.cz



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- The Information contains certain measures that are not measures defined by International Financial Reporting Standards, namely, EBITDA, Adjusted EBITDA, Capital Expenditures, Cash Generation, Reported Free Cash Flow, Adjusted Free Cash Flow, Cash Conversion Ratio, Group Cash Conversion Ratio, Gross Debt, Net Debt, Net Leverage Ratio (either on fully consolidated or proportionate basis). These measures do not represent the measures of the same or similar names as may be defined by any documentation for any financial liabilities of the Group.
- The Information should be read in conjunction with the "Consolidated Financial Statements as of and for the year ended 31 December 2019" as published on www.epinfrastructure.cz.

Presenting team

Gary Mazzotti

Deputy Chairman of EPIF Management Board

- *Independent Management Board member*
- *31 years of experience*
- *Serves on boards of other EPIF‘s entities*

Filip Bělák

Finance Director

- *16 years of experience*
- *Serves on boards of other EPIF‘s entities*

Agenda

1) **Executive summary**
2) Group performance
3) Financial profile update
4) Business segment highlights
5) Subsequent events & Summary
6) Appendix

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 (gas storage assets acquired at the end of 2018) and Hungary (key heat producer in Budapest)
- 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)
- In 2019[(1)] EPIF reached:
  - **Consolidated sales** of **EUR 3,476 million** (EUR 3,085 million in 2018)
  - **Adjusted EBITDA[(2)]** of **EUR 1,606 million** (EUR 1,466 million in 2018)
  - **Adjusted Free Cash Flow[(4)]** of **EUR 1,107 million** (EUR 1,030 million in 2018)
  - **Group Cash Conversion Ratio[(5)]** at approx. **69%** (70% in 2018)
- Despite acquisition activity in 2018, the leverage was kept low with **Proportionate Net Leverage Ratio[(3)]** of **3.9x**
- The improvement in financial results in 2019 was primarily driven by the Gas transmission segment (16% growth in volumes of transmitted gas representing to certain extent frontloading of transmitted volumes), the Heat Infra segment (partly through acquisition of share in Plzeňská teplárenská, a.s. in October 2018 increasing Heat Infra EBITDA by EUR 15 million) and the Gas storage segment with acquisition of NAFTA Speicher in December 2018 having positive effect on the results as well (EUR 26 million). In addition, positive Gas storage segment results were attained thanks to favorable summer-winter spreads and completely sold storage capacity. Gas and power distribution and Heat Infra segments were also positively impacted by unplanned materialized business opportunities

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 30-32
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 35
4. 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 33
5. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA

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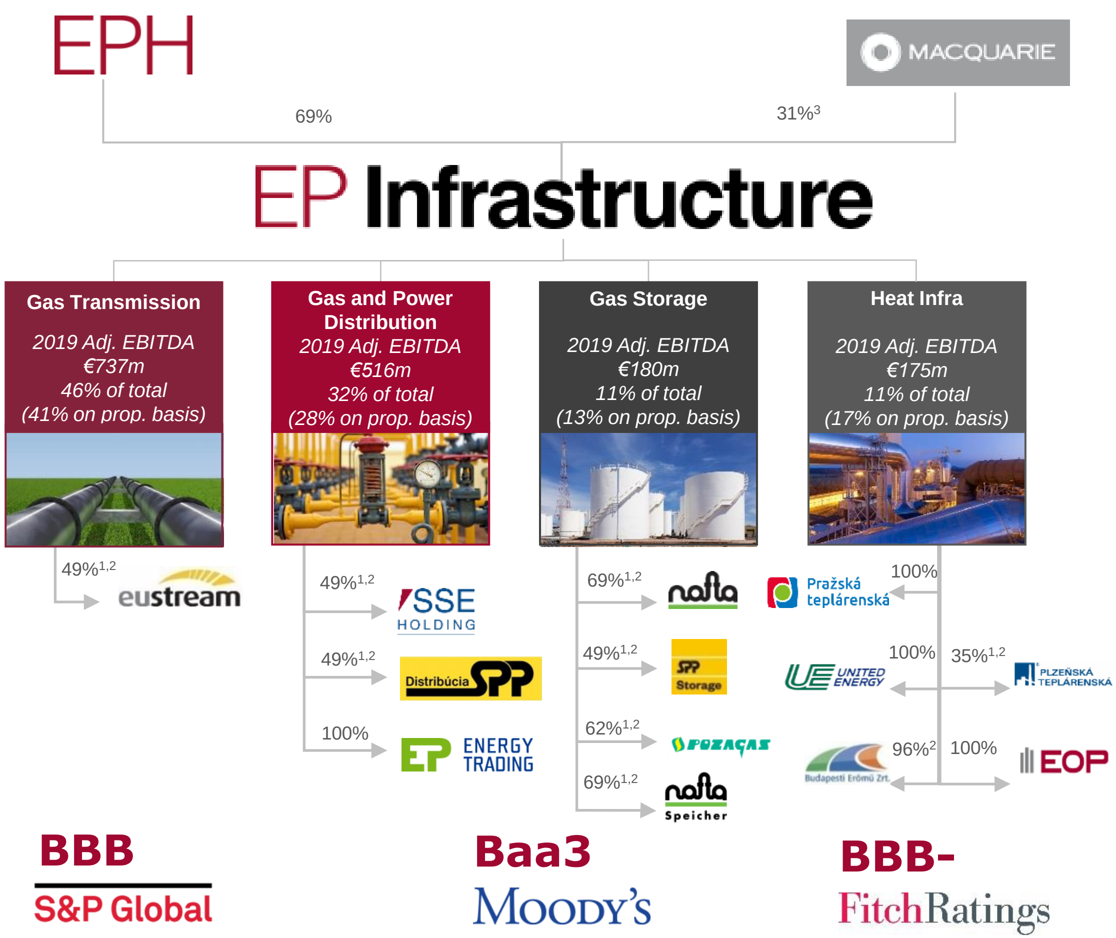
EPIF Group overview



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+)[5] and the Czech Republic (AA- / A1 / AA-)[5] and Germany (AAA/Aaa/AAA)[4]
- 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 government, 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

€mn	2019	2018	2017
Adjusted EBITDA[5]	1,606	1,466	1,461
Prop. Adjusted EBITDA[5]	885	818	800
Adjusted Free Cash Flow[5]	1,107	1,030	1,045
Group Cash Conversion Ratio[6]	*69%*	*70%*	*72%*
Prop. Net Debt[5]	3,481	3,447	3,597
Prop. Net Leverage Ratio[5]	3.9x	4.2x	4.5x[7]

1. Includes management control and represents fully consolidated entity
2. Minority shareholders are: Slovak government (eustream, SPPD, SSE, SPPS), Slovak government and other minor shareholders (Nafta, Nafta Speicher and Pozagas), City of Pilsen (Plzeňská teplárenská) and FÖTAV, City of Budapest and other minor shareholders (BERT)
3. 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
4. S&P / Moody's / Fitch
5. Please refer to Appendices for definitions of Adjusted EBITDA, Proportionate Adjusted EBITDA (slides 30-32), Adjusted Free Cash Flow (slide 33), Proportionate Net debt and Proportionate Net Leverage Ratios (slide 35)
6. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA
7. Prior to implementation of dividend policy

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

2018 / 2019

Segment	Adj. EBITDA 2018	Adj. EBITDA 2019	2018 and 2019 comparison Cash conversion (excl. WoCa & Tax)[2]	Operating KPIs	Business profile
Gas Transmission	45% €665mm	46% €737mm	2018: 92%; 2019: 91%	Gas transmission (bcm): 2018: 60; 2019: 69	❑ Regulated / long-term contracted
Gas and Power Distribution	35% €502mm	32% €516mm	2018: 84%; 2019: 84%	Gas and power distribution (TWh): 2018: 51 Gas, 6 Power; 2019: 52 Gas, 6 Power	❑ Almost fully regulated; natural monopoly position in distribution business in the region of operation
Gas Storage	10% €147mm	11% €180mm	2018: 96%; 2019: 94%	Storage capacity (TWh): 2018: 61; 2019: 61	❑ Predominantly long-term contracted
Heat Infra	10% €153mm	11% €175mm	2018: 65%; 2019: 67%	Heat sold (PJ)[3]: 2018: 21; 2019: 23	❑ Predominantly regulated
EPIF (Total for the Group)[1]	€1,466mm	€1,606mm	2018: 87%; 2019: 86%		

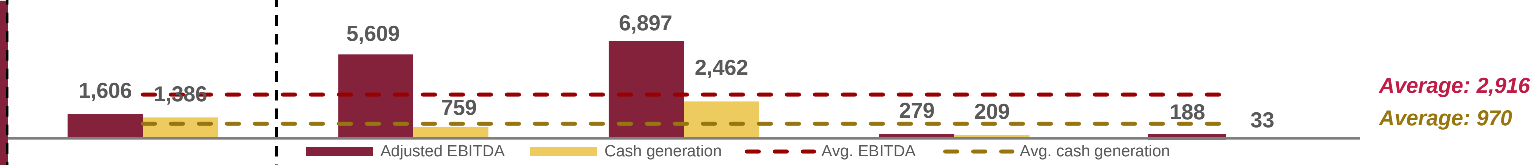
1. Total figure includes also other segments of the Group (Other and Holding Results)
2. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA
3. Heat sold in 2018 does not take into account pro forma heat supplies of merged Plzeňská teplárenská in 2018

Strongly performing business with excellent cash conversion

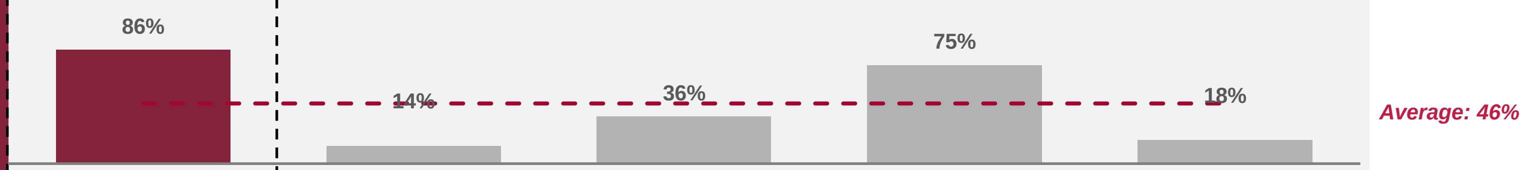
❑ Northern European peers

	EP Infrastructure (1)	nationalgrid (5)	e.on (6)	FLUXYS (7)	ELENIA
Key countries	Slovakia Czech Republic Germany	UK	Germany Sweden CEE	Belgium Germany	Finland

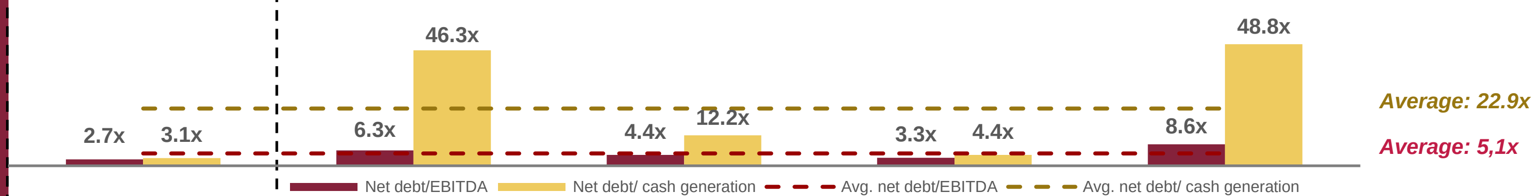
FY2019 Adjusted EBITDA and FY2019 Cash generation (ex Taxes and WoCa) (€m)[2]



FY2019 Cash conversion (ex Taxes and WoCa)[3]



FY2019 Net financial debt / EBITDA and FY2019 Net financial debt / cash generation (ex Taxes and WoCa)[2]



	EP Infrastructure	nationalgrid	e.on	FLUXYS	ELENIA
Company rating and outlook *(S&P / Moody's / Fitch)*	BBB / Baa3 / BBB- Stable / Stable / Stable	A- / Baa1 / BBB Stable / Stable / Stable	BBB / Baa2 / BBB+ Stable / Stable / Stable	n.a.	BBB+ / n.a. / n.a.[4] Stable / n.a. / n.a.
Country rating *(S&P / Moody's / Fitch)*	A+ / A2 / A+ AA- / Aa3 / AA- AAA / Aaa / AAA	AA / Aa2 / AA-	AAA / Aaa / AAA AAA / Aaa / AAA	AA / Aa3 / AA- AAA / Aaa / AAA	AA+ / Aa1 / AA+

Sources: Company information, Rating reports.
Notes:
(1) EPIF information is shown on a fully consolidated basis.
(2) Cash generation calculated as Adj. EBITDA – Capex. Excludes effect of taxes and working capital adjustments.
(3) Cash conversion calculated as (Adj. EBITDA – Capex) / Adj. EBITDA. Excludes effect of taxes and working capital adjustments
(4) Long-term bond credit rating for Elenia Finance Oyj
(5) National Grid's EBITDA and CAPEX (ex WoCa) figures are calendarized on a last twelve months basis, as of 30 September 2019
(6) E.ON's EBITDA and CAPEX (ex WoCa) figures are shown on a pro forma basis (post asset swap transaction with RWE)
(7) Fluxys' EBITDA and CAPEX (ex WoCa) figures are calendarized on a last twelve months basis, as of 30 June 2019

Strongly performing business with excellent cash conversion

❑ Southern European peers

	EP Infrastructure (1)	snam	Terna (5)	Red Eléctrica de España	enagas (6)	Italgas (4)
Key countries	Slovakia Czech Republic Germany	Italy Austria	Italy	Spain	Spain	Italy
FY2019 Adjusted EBITDA and FY2019 Cash generation (ex Taxes and WoCa) (€m)(2)	1,606 / 1,386	2,169 / 1,206	1,699 / 499	1,582 / 1,063	859 / 87	908 / 317
FY2019 Cash conversion (ex Taxes and WoCa)(3)	86%	56%	29%	67%	10%	35%
FY2019 Net financial debt / EBITDA and FY2019 Net financial debt / cash generation (ex Taxes and WoCa)(2)	2.7x / 3.1x	5.5x / 9.9x	5.0x / 16.9x	3.9x / 5.8x	4.4x / 43.6x	4.9x / 13.9x
Company rating and outlook *(S&P / Moody's / Fitch)*	BBB / Baa3 / BBB- Stable / Stable / Stable	BBB+ /Baa2 /BBB+ Neg. / Stable / Stable	BBB+ / Baa2 / BBB+ Neg. / Stable / Stable	A- / n.r. / A- Stable / n.r. / stable	BBB+ / Baa1 / BBB+ Stable / Neg. / Stable	n.r. / Baa2 / BBB+. n.r. / Stable / Stable
Country rating *(S&P / Moody's / Fitch)*	A+ / A2 / A+ AA- / Aa3 / AA- AAA / Aaa / AAA	BBB / Baa3 / BBB AA+ / Aa1 / AA+	BBB / Baa3 / BBB	A / Baa1 / A-	A / Baa1 / A-	BBB / Baa3 / BBB

Adjusted EBITDA | Cash generation | Avg. EBITDA | Avg. cash generation

Average: 1,471

Average: 760

Average: 47%

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

Average: 15.6x

Average: 4.4x

Sources: Company information, Rating reports.

Notes:

(1) EPIF information is shown on a fully consolidated basis

(2) Cash generation calculated as Adj. EBITDA – Capex. Excludes effect of taxes and working capital adjustments.

(3) Cash conversion calculated as (Adj. EBITDA – Capex) / Adj. EBITDA. Excludes effect of taxes and working capital adjustments

(4) Capex includes concession agreements

(5) Terna's EBITDA and CAPEX (ex WoCa) figures are calendarized on a last twelve months basis, as of 30 September 2019

(6) Enagas' significant y-o-y CAPEX (ex WoCa) increase is due to the acquisition of U.S. oil and gas pipeline operator Tallgrass Energy at the end of 2019

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Financing strategy of EPIF Group

➢ We are aiming:

- To retain diversified sources of financing available to the Group and **keep 60 – 80% of debt exposure in bonds** (or similar products, subject to market conditions)
- To increase average duration of the debt in EPIF Group while optimizing the interest cost
- **EPIF’s share on the overall proportionate Group´s financing shall represent app. 70% of the overall Group’s proportionate gross debt (already achieved after EP Energy bond refinancing on EPIF level in October 2019)**

➢ The targeted financing structure of EPIF Group is presently based on the following cornerstones:

- Financing of the Group relying 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 3.9x as of 31 December 2019**
- **Maximum net leverage of 2.5x at SPPI Group level** as agreed in the Shareholders’ Agreement with **historical net leverage around 2.0x** EBITDA (1.5x as of 31 December 2019)
- **Maximum net leverage of 2.5x at SSE Group level** as agreed in the Shareholders’ Agreement while currently with negative net leverage

➢ Key developments in 2019

- In April 2019, EPIF issued EUR 70m 8-year floating rate notes and a EUR 182.5m floating rate Schuldschein loan with a 5 and 7-year tenor
- Successful issuance of international eurobond in July amounting EUR 600 million with a 7-year tenor and 1.698% coupon
- In October EPIF successfully issued its longest international eurobond amounting EUR 500 million with a 9-year tenor and 2.045% coupon
- At the end of October EPIF Group repaid EPE Bonds amounting EUR 496 million using combination of proceeds from bonds issued by EPIF and own resources. EPE OpCos then became and are expected to remain almost debt-free. The refinancing of the EPE notes and the current low leverage at SPP-I Group level structurally supports a greater proportion of financing at parent level (EPIF)
- At the end of 2019 eustream secured revolving credit facilities (“RCF”) of aggregate amount EUR 590 million. RCF aims to enhance eustream’s flexibility for the repayment of the July 2020 EUR 750 million notes
- In January 2020 EPIF refinanced some of its existing bank debt by raising a new term loan and a revolving credit facility due in 2025 (EUR 400 million each)

Conservative capital structure and financial policy strongly supported by the shareholders

Summary capital structure

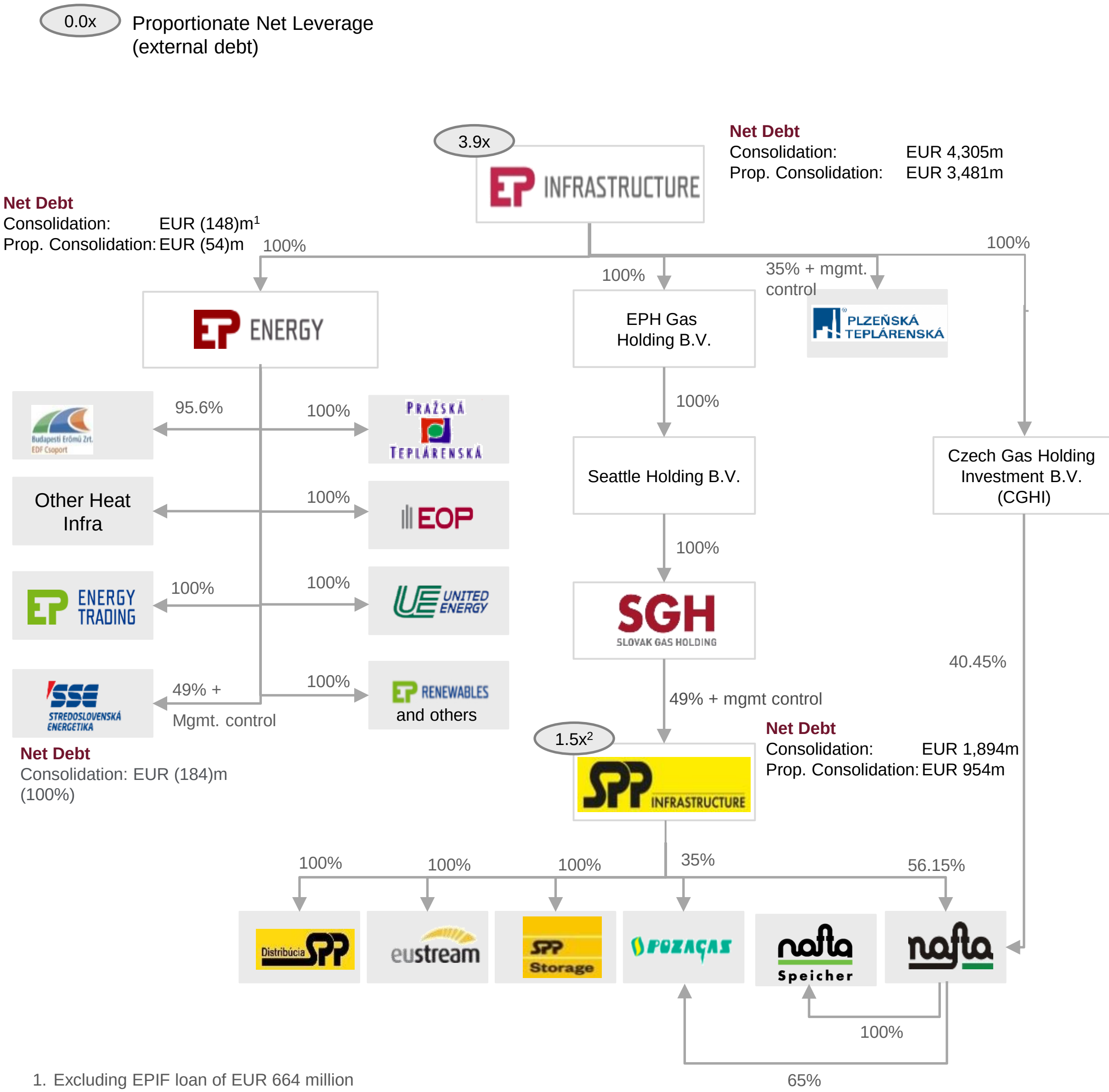
Fully consolidated basis (€mn)	31 December 2019
Gross debt[1]	4,979
Cash	674
Net debt	**4,305**
Adjusted EBITDA 2019[3]	1,606
Net debt / Adjusted EBITDA[3]	**2.7x**
Proportionately[2] consolidated basis (€mn)	**31 December 2019**
Gross debt[1]	3,839
Cash	358
Net debt	**3,481**
Adjusted EBITDA 2019[3]	885
Net debt / Adjusted EBITDA[3]	**3.9x**

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 ratings
  - Currently rated BBB by S&P's / Baa3 by Moody's / BBB- by Fitch, all with stable outlook
  - 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 2019, the EP Energy group was largely free of external debt as the EP Energy 2019 bonds were settled in Q4 2019
  - 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 investment grade profile
- 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 („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 30-32

Capital structure overview as at 31 December 2019 – external debt



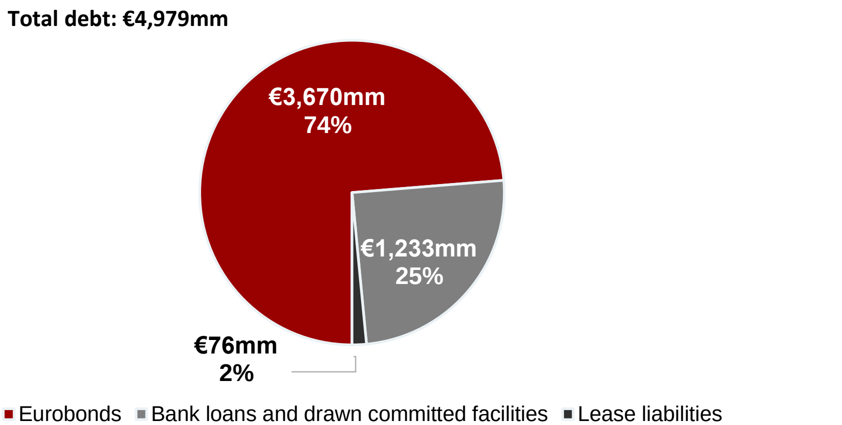
1. Excluding EPIF loan of EUR 664 million
2. Proportionate Net Leverage of SPPI reflects shareholding of SPPI in its subsidiaries

Key highlights

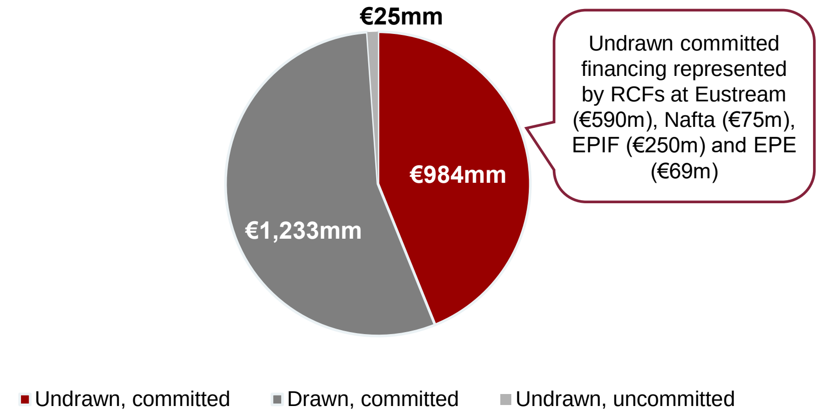
- Being a parent company, EPIF has very strong access to all cash flow generated across the group:
  - Fully unencumbered access to the cash flows generated by EP Energy OpCos, which are currently largely free of external debt
  - Level of debt around 1.5x (and historically below 2x) allows for comfortable 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 2019

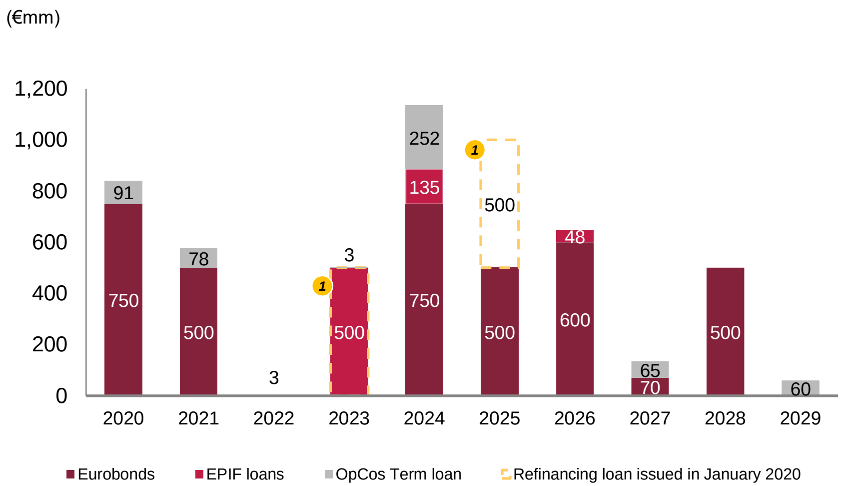
Bank and bond debt breakdown by instrument



Utilization of bank financing



Debt maturity profile[1]



1. Refinancing of 2023 EPIF term loan by EPIF term loan and RCF issued in January 2020

1. Excluding leases and drawdown revolving loans

Commentary

- Almost all debt is EUR -denominated
- On 31 December 2019 the EPIF Group had EUR 1,009 million of undrawn revolving credit lines (of which EUR 984m committed)
- In April 2019, EPIF issued EUR 70m 8-year floating rate notes and a EUR 182.5m floating rate Schuldschein loan with a 5 and 7-year tenor
- In May 2019, EPIF signed a new EUR 265m term facilities agreement with 6 and 7-year tenor (not drawn and later cancelled as result of subsequent successful issue of 9-year Eurobonds)
- In June 2019, Eustream drew EUR 65m of capex financing from EIB due 2027 (bullet)
- In July 2019, EPIF successfully placed a 7-year EUR 600m priced at 1.698% coupon bond offering
- SPP-D term loan for capex granted by EIB (due 2029, bullet) drawn in September 2019 (EUR 60m)
- In October 2019, EPIF successfully issued its third Eurobond (9-year EUR 500m with a 2.045% coupon). Proceeds used for refinancing (prepayment of the EUR 150m 2022 bank facility, cancellation of EUR 265m EPIF committed bank line previously reserved for EP Energy bond refinancing and general corporate purposes (EUR 85m)
- Refinancing of EPE Bonds amounting EUR 496m was made in October 2019 using proceeds from new bonds issued on EPIF and own sources
- At the end of 2019 eustream secured revolving credit facilities (“RCF”) of aggregate amount EUR 590 million. RCF (due in 3-5 years) aims to enhance eustream’s flexibility for the repayment of the July 2020 EUR 750 million notes
- In January 2020, EPIF issued new term loan and revolving credit facility in aggregate value of EUR 800m (EUR 400m each) due in 2025 and repaid 2023 EPIF term loan

ESG Pillars and Strategy

ESG matters are monitored and managed on the Group level

EPIF Group obtained an ESG rating "Average Performer" from Sustainalytics and 65/100 ESG rating from S&P	❑ EPIF plans to further improve its awareness of the ESG areas, including implementation of new ESG policies which were approved on the EPIF Board level in Q1 2020. ESG matters are controlled by Health, Safety and Environmental Committee which quarterly reports to the EPIF Board of Directors
First Sustainability Report issued in September 2019	❑ The issued Sustainability report provides a complete overview of the EPIF Group's business and the links between EPIF's strategy and commitment to a sustainable global economy. Sustainability report for 2019 is expected to be published in Q2 2020
Commitment to low carbon business model	❑ Heat is generated in a highly efficient cogeneration process and is supported both on a local and EU level
Transparent corporate governance structure	❑ EPH/MIRA Shareholders' Agreement protects minority shareholder rights, and outlines clear corporate governance and approval of capital structure, including financial policy

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Gas Transmission: key highlights

2019 Adj. EBITDA[2]: EUR 737 million
2018 Adj. EBITDA: EUR 665 million

1 *Key strategic asset for Slovakia and the EU*

- 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
- Trend of increasing need for Russian gas in Europe because of decrease of domestic production and anticipated growing gas consumption
- SK-PL interconnector currently under construction is scheduled to commence operations in Q4 2021. This strategic project is on the EU top priority list

2 *Stable and fully EU compliant regulatory environment*

- **Tariffs are set** by the regulator **for 5-year period** (2017-2021) in accordance with methodology of comparison of the international transmission tariffs (so called benchmarking system)
- Transmission fees of the long-term contracts are fixed for the lifetime of every contract and escalated by 50% of the European inflation

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
- Approximately **50% of annual current capacity booked until 2028** by a major Russian shipper
- Results of a non-binding market survey held in December 2016 showed **strong interest for Eustream's transit capacities until December 2039 (supported by already placed conditional bookings)**
- 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 2020 (with 40 bcm reserved for eustream) and 40 bcm annually thereafter (without nominations for exits yet). Also, Russia has an option to extend for other 10 years, i.e. by 2034. This new agreement proves the vital role that Ukrainian corridor (and eustream) plays for Russian gas

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

- Optimally maintained, well developed pipelines and facilities
- EUR 737m Adj. EBITDA[2] in 2019, with **high Cash Conversion (excl. WoCa & Tax)[3]** of 91%, while EUR 665m Adj. EBITDA[2] 2018, with Cash Conversion (excl. WoCa & Tax)[3] of 92%
- Eustream 2019 strong results partly driven by front-loading of volumes from 2020 to prepare for a potential Russian – Ukrainian crisis which has not however materialized as a new gas transit agreement was closed between respective parties in December 2019
- Conservative leverage cap of 2.5x net debt / EBITDA set by the shareholder agreement (SHA) with Slovak government
- Standalone credit rating: Baa2 by Moody's / A- by Fitch, outlook stable

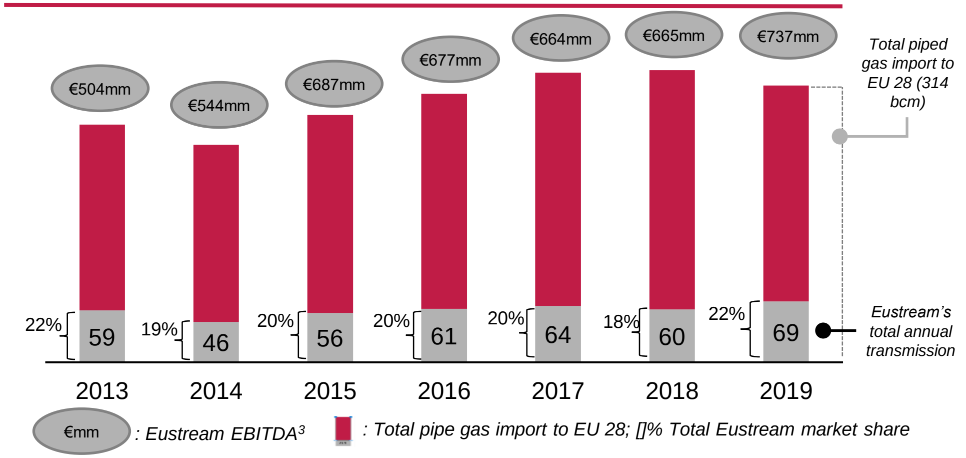
1. S&P / Moody's / Fitch
2. For definition of Adjusted EBITDA please see slides 30-32
3. Cash Conversion (excl. WoCa & Tax) represents Adjusted EBITDA less CAPEX (Acquisition of property, plant and equipment and intangible assets (without emission allowances and goodwill) as presented in the Operating segments information in the consolidated financial statements of the Group) divided by Adjusted EBITDA

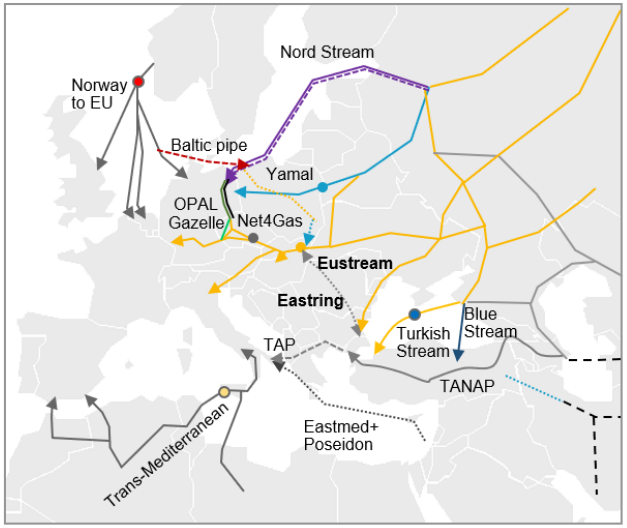
Eustream is the key player in transit of gas to Western and Southern Europe

Prominent role in European gas sourcing

- **Critical infrastructure** for the European Union (particularly for Italy, Austria, Central Europe) and for Ukraine
- No other existing transmission route with sufficient capacity to supply major part of the aforementioned region in the context of expected increase in imports of Russian gas to meet EU consumption
- Large majority of 69 bcm of gas in 2019 was transmitted under **long term ship or pay contracts** to traditional markets of Eustream
- Eustream presently plays a **pivotal role in North to South natural gas flows** (mostly from Nord Stream I). Eustream shall transmit also gas from Nord Stream II, if implemented
- **C. 73% of imported gas from EU to Ukraine[4]** is transmitted using Eustream network (point Budince) since start of commercial operation of the SK UA reverse flow mechanism[1]

Stable market share and EBITDA development of Eustream[2]





Pipeline Name	Status 03/2020	Yearly Capacity
Existing pipelines		
Eustream		**77.4 bcm[1]**
Nord Stream		55 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		31.5 bcm
TANAP		16 bcm
Eugal		55 bcm[2]
Potential pipelines		
TAP		10 bcm
Baltic pipe		10 bcm
Eastmed+Poseidon		10 bcm
Nord Stream II		55 bcm
Eastring		**20-40 bcm**

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 EU28 includes pipeline deliveries from Russia, Norway, Algeria and Libya. Total Eustream share is calculated as Eustream total annual transmission / Total piped gas import to EU28
3. Source: EPIF consolidated financial statements; EBITDA defined as "Operating profit plus depreciation and amortization less negative goodwill"
4. Based on average imports in 2014-2019

2019 Adj. EBITDA[1]: EUR 516 million
2018 Adj. EBITDA: EUR 502 million

Gas Transmission
Distribution
Heat Infra
Gas storage

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

Distribúcia SPP

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

- Regulated **natural monopoly** of gas distribution in Slovakia
- Key strategic asset located in a country with the second highest gas penetration in Europe (94%)
- 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 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 4.5 and 5.0 bcm per year during the last 5 years
- 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 2019 (2018: 84%)
- 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, outlook stable

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 slides 30-32
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

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

2019 Adj. EBITDA[1]: EUR 516 million
2018 Adj. EBITDA: EUR 502 million

Gas Transmission
Distribution
Heat Infra
Gas storage

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. 760,000 electricity off-take points
2 *Stable and established regulatory regime*	❑ **Stable distribution tariffs** approved by the regulator for the whole regulatory period 2017 – 2021 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 6.2 TWh in 2019 (2018: 6.3 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 2019 (2018: 84%) ❑ **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 slides 30-32
2. Refers to SSD which contributed the vast majority of SSE's Adj. EBITDA in 2018, 2019 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

2019 Adj. EBITDA[1]: EUR 175 million
2018 Adj. EBITDA: EUR 153 million

Gas Transmission
Distribution
Heat Infra
Gas storage

PRAŽSKÁ TEPLÁRENSKÁ
Budapesti Erőmű Zrt.
UE UNITED ENERGY
EOP
PLZEŇSKÁ TEPLÁRENSKÁ

1 ***Leading market positions in the countries and regions of operation***

- **Largest Czech district heating infrastructure** and heat supplier
- Through its Hungarian operations, **largest heat producer in the city of Budapest**
- Additional potential for small bolt-on acquisitions

2 ***Robust district heating systems producing low cost heat mainly for households***

- Ownership of approximately 1,300 km of district heating pipelines supplying heat to large number of municipal and residential customers
- The system of PT is one of the largest in the EU in terms of length / 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

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 **resilient to economic cycles**
- The segment reports reasonably solid **Cash Conversion (excl. WoCa & Tax)[2]** of 67% for 2019 (2018: 65%)

5 ***Electricity produced in cogeneration mode with strong contribution from ancillary services***

- All plants are cogeneration plants, i.e. operate in a mode of combined heat and power production with **high overall efficiency**
- Significant share of power revenues from grid balancing services

1. For definition of Adjusted EBITDA please see slides 30-32
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

Gas Storage: key investment highlights

2019 Adj. EBITDA[1]: EUR 180 million
2018 Adj. EBITDA: EUR 147 million

Gas Transmission
Distribution
Heat Infra
Gas storage

nafta SPP Storage POZAGAS nafta Speicher

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

- **Market leader** (25.3% 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
- 9% market share in Germany through acquisition of storage assets (NAFTA Speicher) at the end of 2018 (19.9 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 NCG VTP gas hubs

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

- 92% of **capacity contracted on a long-term basis** until 2020/21, 55% until 2025/26 and 35% until 2026/27 (shares as of end of 2019) supporting stable EBITDA (incl. NAFTA Speicher)
- **Moderate investment needs** due to modern facilities and strong cost control on opex side
- Track record of **superb Cash Conversion (excl. WoCa & Tax)[2]** - 94% in 2019 (2018: 96%)

4 No price regulation

- No price regulation[3]
- 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

1. For definition of Adjusted EBITDA please see slides 30-32
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

Agenda

Recent developments

Financing and dividends

- On 14 January 2020, the Group signed a **new bank financing agreement for the total amount of EUR 800 million**. The funds comprise a term loan of EUR 400 million and a committed revolving credit facility of up to EUR 400 million; both are unsecured and have a five-year term. The Group used the funds to fully refinance the existing Company's bank debt which was due in 2023 (EUR 500 million)

- On 5 March 2020 **the Group declared and distributed a dividend of EUR 200 million** to its shareholders

Environmental, Social and Governance matters

- In March 2020, **ESG Group policies were approved on the EPIF level**. The individual subsidiaries will follow at minimum the principles and commitments laid out in the policies and implement them in their own binding internal rules

- On 8 April 2020, **EPIF obtained a new ESG rating from S&P (65/100)** representing a new important milestone on EPIF Group's ESG journey

COVID-19 outbreak

- From the very beginning of the outbreak, we have continuously identified potential risks and assessed their impact on our operations. A summary is presented on the following slide

COVID-19 impact on the EPIF Group

Central priorities since the beginning of the outbreak

- Guaranteeing the **health and safety of our employees** mainly through
  - Internal communication from the first day of the emergency, in order to share with our employees the health and behavioral rules established by the authorities
  - Remote working where possible (communication through conference calls and virtual working sessions)
  - Distribution of protective equipment to staff whose on-site presence is essential
- Safeguarding the **continuity of the essential energy security service** in the countries where EPIF operates
  - Critical employees strictly divided into smaller teams
  - Identification of essential CAPEX and maintenance works which will be prioritized, while other projects might be postponed if necessary

Financial impacts

- **Decline in economic activity may adversely affect demand for commodities with downward pressure on prices**. The nature of our business which is largely **regulated or long-term contracted** will likely to certain extent limit the impact of economic slowdown on our earnings
  - Revenues largely driven by **already booked capacities** (ship-or-pay, store-or-pay contracts in place)
  - Decline in commodity prices partly mitigated by **hedging in place**. On the other hand, the unhedged portion of gas and power sales is exposed to future development of the market post current market drop caused by COVID outbreak
- Financial stability further supported by **superb cash conversion, strict control over counterparty credit risk** and **sufficient committed liquidity lines** arranged with strong financial houses

Corporate responsibility

- We have substantially participated on **large scale aid representing a purchase of vital medical supplies** which were donated to healthcare facilities, municipalities and others in need in Slovakia and Czech Republic

Key takeaways

EP Infrastructure

BBB / Baa3 / BBB-
(all Stable outlook)

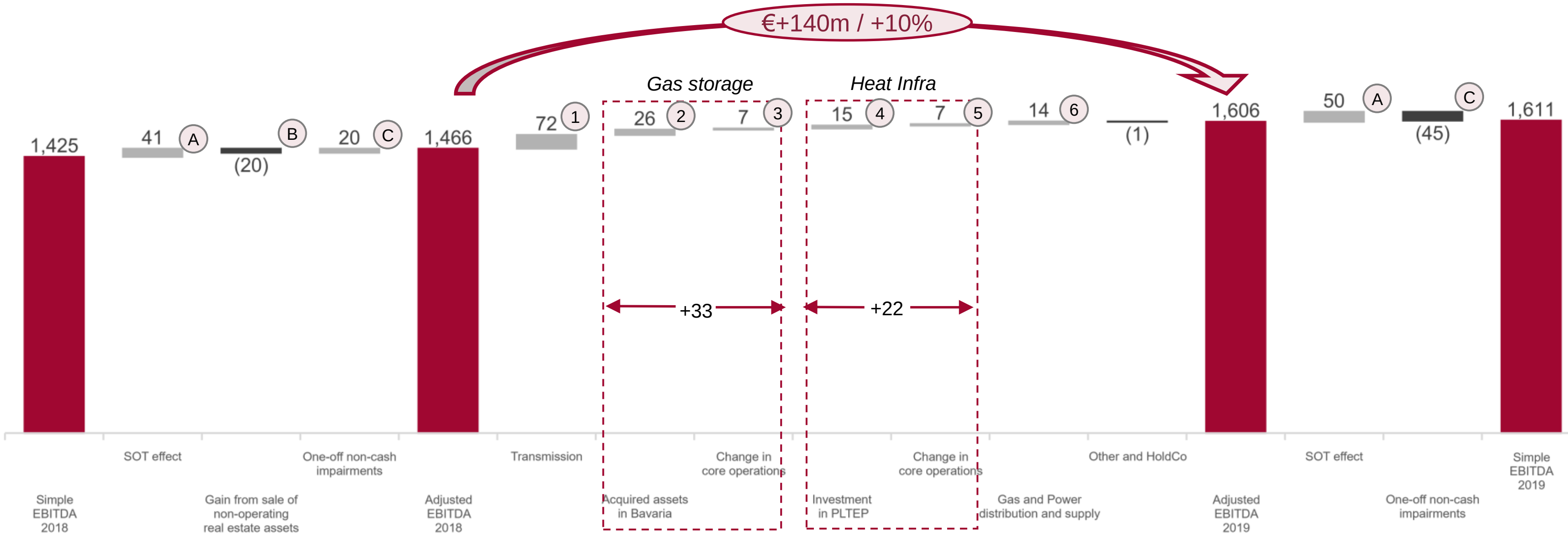
1. Critical infrastructure assets in stable and developed markets of Slovakia, Czech Republic and Germany
2. EPIF's assets are strategic and vital for the region and transmit natural gas to the EU countries
3. Major subsidiaries are co-owned by the Slovak State, while EPIF keeps management control
4. Mostly fully regulated and/or long-term contracted businesses
5. Highly diversified business across Gas Transmission, Gas & Power Distribution, Gas Storage & Heat Infra segments
6. Dominant or leading positions in respective areas of operation or region
7. High cash conversion ratio, mainly, due to low capex intensity
8. Stable and predictable profitability
9. Well-invested, modern asset base with perpetual business model
10. Conservative financial policy with ca. 70% of debt on EPIF (parent) level after repayment of EPE notes in October 2019
11. Commitment to Investment Grade ratings also supported by a dividend lock-up covenant of 4.5x EBITDA
12. Strong management team with proven track record and sector expertise
13. Highest standards of corporate governance regime
14. Commitment to ESG
15. Committed long-term shareholders

Agenda

1) Executive summary
2) Group performance
3) Financial profile update
4) Business segment highlights
5) Subsequent events & Summary
6) **Appendix**

Overview of 2019 results
Adjusted EBITDA bridge 2019 vs. 2018

Indicative Adjusted EBITDA bridge[1] (m EUR)



Core business

1. The results in the Gas transmission segment were favourably affected by growing volumes of transmitted gas (to certain extent frontloading effect from 2020)
2. Acquisition of storage assets (NAFTA Speicher) at the end of 2018 resulted in positive Adjusted EBITDA effect of EUR 26 million
3. Gas storage operations generated higher Adjusted EBITDA due to more favorable winter-summer spreads throughout 2019 compared to 2018
4. Adjusted EBITDA improvement was partly attributable to merger of PE with PLTEP in October 2018. The incremental Adj. EBITDA generated by the merged entities in 2019 was EUR 15 million higher compared to Adj. EBITDA generated by the entities in 2019 under EPIF ownership (i.e. full year 2018 for PE and Nov-Dec 2018 for PLTEP)
5. Performance of the Heat Infra segment was positively affected by higher volume of provided ancillary services by BERT, the heat and power producer in Budapest
6. Improvement in the Gas and Power distribution and supply mainly due to higher volume of distributed gas including increased capacity bookings by a major customer

Non-core business

A. Adjustments for effect of SOT deficit/surplus[2] that is merely a timing difference with EUR 41 million negative effect on 2018 results while EUR 50 million positive effect on 2019 results
B. Gain from sale of non-core non-operational real estate assets with the one-off effect of EUR 20 million in 2018
C. One-off items related to impairments of EUR 45 million in 2019 (mainly impairment of tangible assets at SPPD of EUR 39 million due to planned remeasurement of SPPD’s distribution assets to fair value beginning 2020) and of EUR 20 million in 2018 of which EUR 10 million relates to impairment of property, plant and equipment and goodwill, a non-cash non-recurring item, as a result of commercial negotiations between EPIF and City of Pilsen in relation to a merger of Plzeňská energetika („PE“) and Plzeňská teplárenská („PLTEP“)

1. Figures might not add up due to rounding
2. System Operations Tariff („SOT“) mechanism explained on slide 33

Appendix – Adjusted EBITDA calculation (I/III)

- **EBITDA** represents Profit from operations less Depreciation and amortisation and Negative goodwill (if any). **Adjusted EBITDA** represents operating profit plus depreciation of property, plant and equipment and amortisation of intangible assets less negative goodwill (if applicable), adjusted by (a) excluding non-cash non-recurring impairment charges relating to property, plant and equipment and intangible assets (2019: EUR -45 million; 2018: EUR -20 million) and (b) excluding one-off gain from sale of unused non-operational land and assets (2019: EUR 0 million; 2018: EUR 20 million) 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 the Decree recognised 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 (2019: EUR 50 million; 2018: EUR -41 million)

- 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)

- The EBITDA and Adjusted EBITDA included in this presentation do not represent the terms EBITDA or Adjusted EBITDA as may be defined by any documentation for any financial liabilities of the EP Infrastructure Group

Appendix – Adjusted EBITDA calculation (II/III)

- EBITDA and Adjusted EBITDA calculation (2019 and 2018):

(in EUR millions)

Key Metrics	Gas Transmission	Gas and Power Distribution	Heat Infra	Gas Storage	Total segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
2019									
Profit from operations	606	368	93	146	1,213	1	(6)	-	**1,208**
Depreciation and amortisation	130	159	82	29	400	3	-	-	**403**
Negative goodwill	-	-	-	-	-	-	-	-	-
EBITDA	736	527	175	175	1,613	4	(6)	-	**1,611**
Non-cash non-recurring impairments of assets	1	39	-	5	45	-	-	-	**45**
System Operation Tariff (surplus) / deficit	-	(50)	-	-	(50)	-	-	-	**(50)**
Adjusted EBITDA......	**737**	**516**	**175**	**180**	**1,608**	**4**	**(6)**	-	**1,606**
2018									
Profit from operations	579	308	78	123	1,088	17	(6)	-	**1,099**
Depreciation and amortisation	84	153	70	21	328	3	-	-	**331**
Negative goodwill	-	-	-	(5)	(5)	-	-	-	**(5)**
EBITDA	663	461	148	139	1,411	20	(6)	-	**1,425**
Non-cash non-recurring impairments of assets	2	-	10	8	20	-	-	-	**20**
One off gain from sale of unused non-operational land and assets	-	-	(5)	-	(5)	(15)	-	-	**(20)**
System Operation Tariff (surplus) / deficit	-	41	-	-	41	-	-	-	**41**
Adjusted EBITDA......	**665**	**502**	**153**	**147**	**1,467**	**5**	**(6)**	-	**1,466**

Appendix – Adjusted EBITDA calculation (III/III)

- EBITDA and Adjusted EBITDA calculation (2017):

Key Metrics *(in EUR millions)*	Gas Transmission	Gas and Power Distribution	Heat Infra	Gas Storage	Total segments	Other	Holding entities	Consolidated financial information
2017								
Profit from operations	576	388	85	125	1,174	2	-12	1,164
Depreciation and amortisation	88	163	72	19	342	3	-	345
EBITDA	**664**	**551**	**157**	**144**	**1516**	**5**	**-12**	**1509**
One off gain from sale of unused non-operational lan and assets	-	-	-7	-	-7	-	-	**-7**
System Operation Tariff (surplus) / deficit	-	-41	-	-	-41	-	-	**-41**
Adjusted EBITDA	**664**	**510**	**150**	**144**	**1468**	**5**	**-12**	**1461**

Appendix – Adjusted Free Cash Flow calculation

- **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 the EBITDA and working capital effect of the System Operation Tariff

€mn	2019	2018	2017
Cash generated from operations	1,620	1,535	1,492
Income taxes paid	(228)	(292)	(307)
Acquisition of property, plant and equipment, investment property and intangible assets	(220)	(192)	(145)
Purchase of emission rights	(54)	(26)	(19)
excluding Change in restricted cash	(1)	4	-
Reported FCFF	**1,117**	**1,029**	**1,021**
excluding SOT (EBITDA effect)	(50)	41	(41)
excluding SOT (working capital effect)	40	(40)	65
Adjusted FCFF	**1,107**	**1,030**	**1,045**

SOT regulatory mechanism overview

System Operations Tariff ('SOT') gap prior 2020 mechanism overview

- Under the applicable legislation, SSD must connect producers of green energy[1] and purchase the green electricity generated used to cover network losses
- The purchase tariff for green energy was set by RONI on a yearly basis, usually at higher-than-market prices, and was compensated via a special regulated tariff charged to the end customers, **the SOT**
- **Temporary system imbalances** in power consumption and power generation were causing a mismatch between the subsidies paid and the compensation received via the SOT, which has resulted **in accumulation of deficit by the SSE Group**. The total amount due from RONI reached EUR 227m as of December 31, 2019 and is assumed to be fully recognised on SSD's balance sheet in course of 2020 (and collected latest by 2021)[2]

RES support scheme after 2019 and improved visibility on SOT

- In order to prevent such imbalances, an **amendment to the Slovak RES support act[3]** was adopted in November 2018 and included major changes that had been discussed between the three Slovak DSOs and the Ministry of Economy:
  - **Single buyer**[4] to be responsible for purchasing of RES energy & deviation of RES generation
  - **Cost of single-buyer to be compensated by state owned market operator (OKTE)**
  - **Bonuses to be paid by OKTE directly to RES generators**
  - **No subsidies for RES generation through DSOs**
  - **RES support costs of OKTE to be compensated via SOT tariff charged to final customers**
- RONI to compensate the already accumulated deficit for each DSO in next periods
- SOT clearing transferred from DSOs to OKTE from January 1, 2020
  - No SOT impact on DSOs' P&Ls from 2020 onwards except for effects of settlement of prior SOT gaps
- EPIF expects the SOT deficit for 2018-2019 to be fully recognised on SSD's balance sheet in 2019-20 and settled in 2020-21

As of 1st January 2020, the Slovak DSOs is no longer participating in the SOT scheme, as the clearing system was transferred to the state-owned company OKTE. The accumulated SOT deficit is expected to be cash settled latest in the period 2020-2021

Source: Company information
Note:
(1) If they comply with requirements set by the regulator
(2) According to the current Regulatory Framework: Coll. 309/2009 paragraph 5, section 1
(3) Renewable Energy Sources support act
(4) Set by Ministry of Energy

Appendix - Capital structure related definitions

- **Gross debt** for the Group represents the sum of indebtedness (representing principal amount and disregarding, among other things, unamortized fees, discounts and accrued interest including lease liabilities but excluding mark-to-market of hedging instruments) as included in the consolidated financial statements of the Group in the line items Non-current loans and borrowings and Current loans and borrowings, disregarding unamortized fees and accrued interest

- **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

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