EP Infrastructure

H1 2024 Results Call

4 September 2024

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www.epinfrastructure.cz

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- The Information should be read in conjunction with the "Unaudited Condensed Consolidated Interim Financial Statements as of and for the six-month period ended 30 June 2024" as published on www.epinfrastructure.cz.
- A credit rating is not a recommendation to buy, sell or hold any securities and may be revised, suspended or withdrawn by the rating agency at any time.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

Vice-chairman of the Board of Directors and CEO

Chief Financial Officer

Václav Paleček

Agenda

1. **Executive Summary**
2. Group performance
3. Segment update
4. Financial profile update
5. ESG
6. Wrap-up
7. Appendix

Executive summary

In the Last Twelve Month ("LTM") period ending 30 June 2024 the EPIF Group reached

€3,642m
Consolidated revenues
€4,268m in FY 2023

€1,347m
Adjusted EBITDA[2]
€1,217m in FY 2023

€753m
Proportionate Adjusted EBITDA[3]
€699m in FY 2023

2.60x
Proportionate Net Leverage Ratio[4]
2.70x in FY 2023

€836m
Adjusted Free Cash Flow[5]
€1,016m in FY 2023

62%
Group Cash Conversion Ratio[6]
83% in FY 2023

- **EP Infrastructure** ("EPIF" or together with its subsidiaries the "Group" or „EPIF Group") is a leading Central European group which operates traditional energy infrastructure assets with core activities in transmission, distribution and storage of natural gas, distribution of electricity and provision of district heating
- **EPIF's strategy** remains centered on **operating regulated and/or long-term contracted assets**, traditionally recognized for their **ability to convert a significant portion of operating results into free cash flow** due to their low Capex intensity. While this approach has been bolstered by the excellent condition of assets and prior investments, EPIF is now exploring new opportunities aligned with its broader energy transition goals. These efforts include **ensuring the readiness of critical infrastructure for future renewable energy sources**, such as hydrogen, while delivering strong cash flows in the near term. This strategy is complemented by **EPIF's commitment to decarbonization**, with clear targets set for emission reductions, coal phase-out by 2030, and the achievement of carbon neutrality by 2040 and net-zero emissions by 2050
- EPIF's **strong financial performance in H1 2024**, building on the past two challenging years, demonstrates its adaptability to shifting market dynamics and regulatory changes. Despite ongoing geopolitical risks affecting the Gas Transmission business, **EPIF remains resilient**, supported by its **diversified gas and power operations and a high proportion of regulated, long-term contracted revenues**

1. All figures in the presentation calculated on fully consolidated basis, unless explicitly stated otherwise
2. Adjusted EBITDA represents profit (loss) for the period before income tax expenses, finance expense, finance income, change in impairment losses on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, depreciation of property, plant and equipment and amortisation of intangible assets, negative goodwill and impairment charges relating to property, plant and equipment and intangible assets, adjusted for certain items. For more details see slides 30-34
3. Proportionate Adjusted EBITDA represents Adjusted EBITDA, taking into consideration the proportionate ownership of EPIF in its subsidiaries
4. 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 36
5. Adjusted Free Cash Flow represents Cash flows generated from (used in) operations, less Income taxes paid and less Acquisition of property, plant and equipment, investment property and intangible assets and disregarding Changes in restricted cash, as presented in the Consolidated statement of cash flow of the Group, adjusted for selected items. For more details see slide 35
6. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA

Key highlights

1 Diversified portfolio providing critical services

- Infrastructure assets providing **critical services with leading positions** and strategic importance for Europe
- **Well-diversified portfolio** across Gas Transmission, Gas and Power Distribution, Gas Storage and Heat Infra
- Major subsidiaries co-owned by Slovak state holding 51% share in SPPI and SSE. However, EPIF has management control

2 Stable performance and conservative leverage policy

- Majority of EBITDA is related to **fully regulated and/or long term contracted businesses**
- **High cash conversion ability** mainly due to low CAPEX (modern asset base with long remaining asset lives). Low maintenance CAPEX needs due to the use of modern durable materials
- Commitment to **conservative level of net leverage** at both EPIF and various subsidiaries levels

EP Infrastructure

BBB- Sta/ Ba1 Pos**/ BBB- Sta**[1]

S&P Global / Moody's / FitchRatings

3 Experienced management team

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

4 Investment grade credit and ESG ratings assigned

- Commitment to maintain and re-establish **investment grade credit ratings,** conservative financial policy and well **diversified debt maturity profile** with high liquidity buffer
- **Best-in-class ESG achievements and robust ESG commitments**

1. Based on the latest credit rating report/update to credit analysis/review as of 25 April 2024, 17 July 2024 and 27 June 2024, respectively

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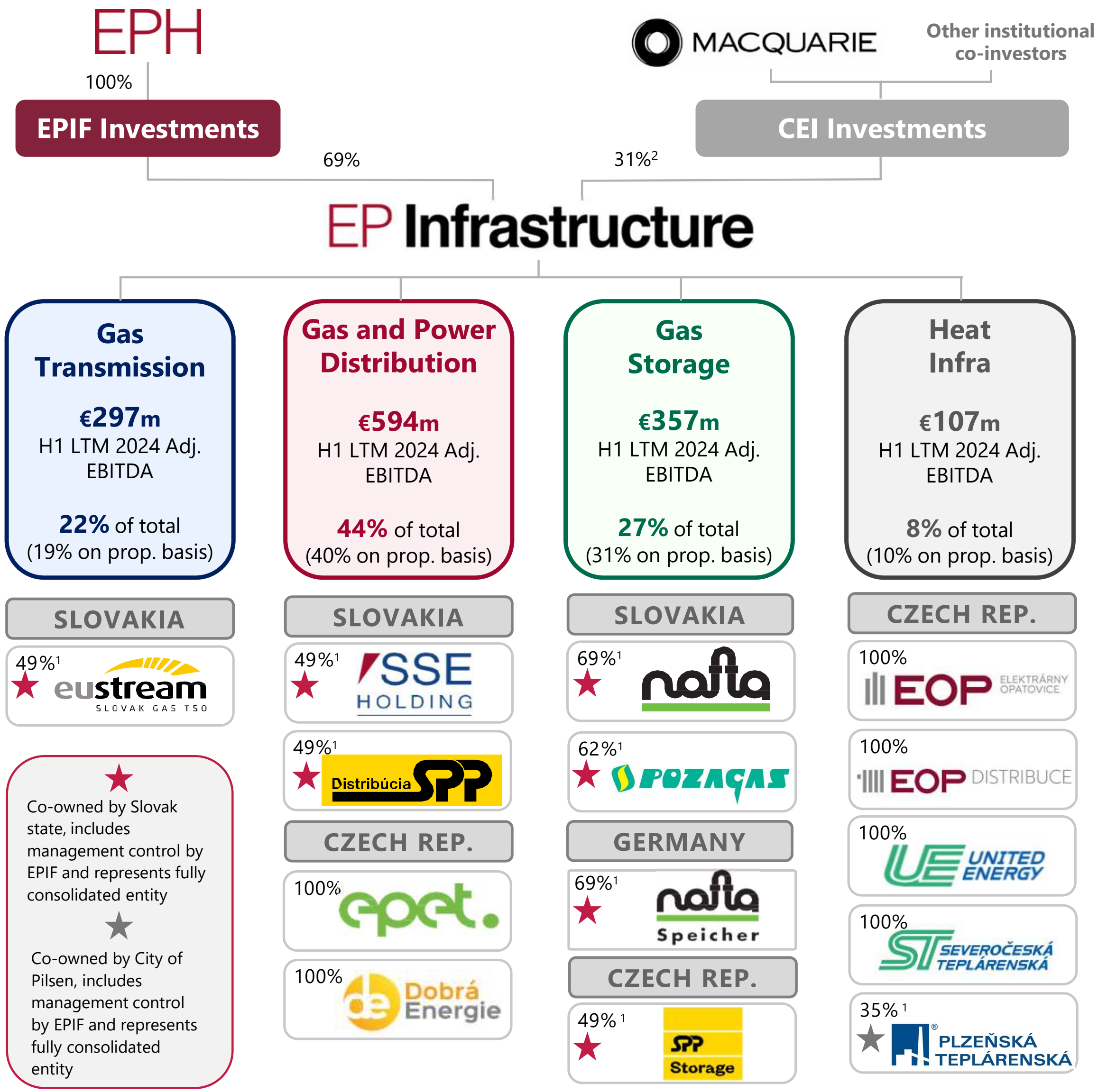
EPIF: A diversified infrastructure group with reputable shareholders



EPIF Group overview

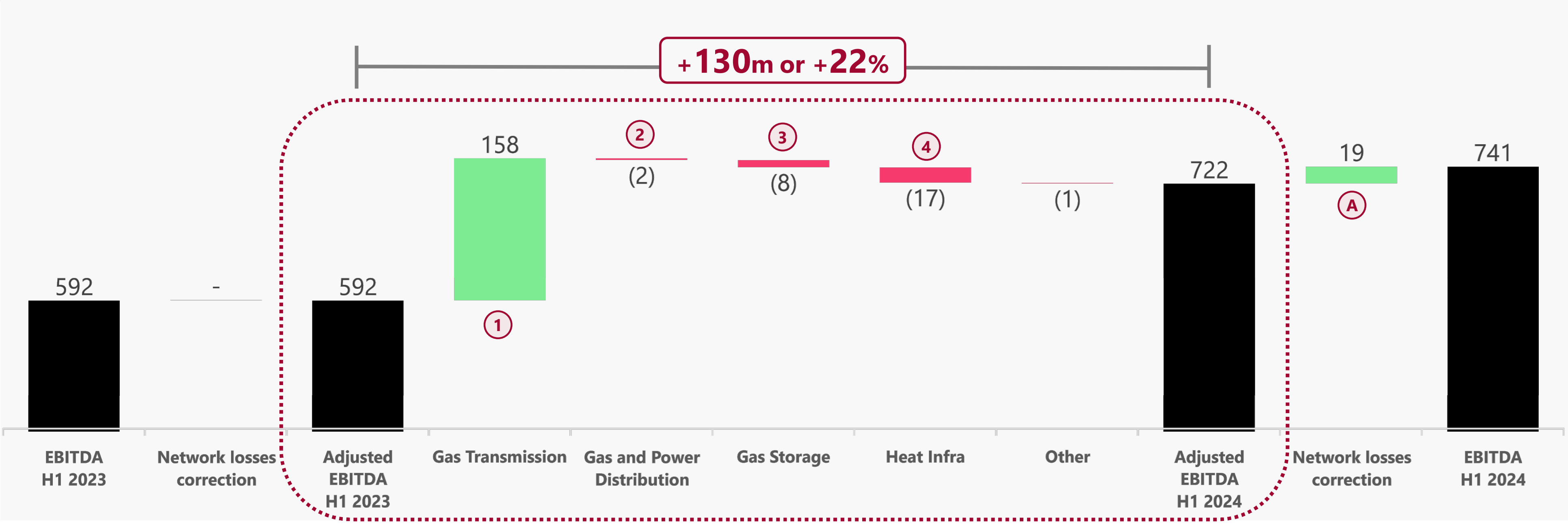
- EPIF is an essential and diversified infrastructure group in the EU. EPIF owns and operates its **critical infrastructure assets** in stable and developed markets of Slovakia (A+ / A2 / A-)[3], the Czech Republic (AA- / Aa3 / AA-)[3] and Germany (AAA/Aaa/AAA)[3]
- All major EPIF assets benefit from leading market positions, strategic importance 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
- H1 2024 results show **stability and resilience** achieved on the back of market stabilization in prices and decreased volatility, coupled with the Group's diversification

in €m	H1 LTM 2024	2023	2022	2021	2020
Adjusted EBITDA[4]	1,347	1,217	1,455	1,278	1,526
Prop. Adjusted EBITDA[4]	753	699	875	686	833
Prop. PF Adjusted EBITDA[4]	-	-	-	-	766
Adjusted Free Cash Flow[4]	836	1,016	736	785	1,046
Group Cash Conversion ratio[5]	62%	83%	51%	61%	69%
Prop. Net debt[4]	1,955	1,884	2,534	2,924	3,104
Prop. Net Leverage Ratio[4]	2.60x	2.70x	2.90x	4.26x	4.05x[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. MAM Co. and several other institutional co-investors co-own CEI Investments (an SPV established to hold the stake in EPIF); MAM has the controlling rights and CEI Investments 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 Pro-forma ("PF") Adjusted EBITDA, Adjusted Free Cash Flow, Proportionate Net debt and Proportionate Net Leverage Ratio (slides 30-36)
5. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA
6. 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 30

H1 2024 EBITDA growth fueled by the Gas Transmission normalisation

Adjusted EBITDA bridge H1 2024 vs. H1 2023



1 In the **Gas Transmission segment**, EBITDA showed a significant positive variance **(+367% to EUR 201m)**, largely due to the absence of one-off risk mitigation measures that adversely impacted performance in 2023. Specifically, these measures included the closure of open hedged positions on forward gas sales concluded before the war in Ukraine and the impairment of gas inventories. The non-recurrence of these factors in 2024 substantially contributed to the normalisation of results. Additionally, the higher volume of natural gas flows booked under short-term contracts led to an 18% increase in overall flows through the eustream's pipeline, reaching 8.7 bcm in H1 2024, compared to the same period in the previous year experienced

2 **Gas and Power Distribution** segment maintained stable EBITDA **(-1% to EUR 321m)**, bolstered by supportive regulations and market stabilisation

3 **Gas Storage** segment demonstrates resilience despite a slight EBITDA decline **(-5% to EUR 140m)**, on the back of reduced gas price volatility

4 The **Heat Infra** segment reported a further decline in EBITDA **(-21% to EUR 63m)**, primarily due to a continued decrease in power spreads, which negatively impacted revenues from power generation and ancillary services. Additionally, warmer weather resulted in lower heat offtake, adding more downward pressure. Unlike in 2023, the results no longer benefited from hedged positions concluded at higher prices before the normalisation of power prices

A Adjustment for correction of excessive cost of network losses incurred[2] in prior periods that were fully acknowledged by the Regulator in 2024

1. Figures might not add up due to rounding
2. For further details please see the definition of Adjusted EBITDA on slide 30

Extensive and diversified portfolio of strategically important infrastructure assets, supported by stable regulatory environment and/or long-term contracts

H1 LTM 2024 comparison and FY 2023 (all figures for a 12-month period)

Segment	Adj. EBITDA (FY 2023)	Adj. EBITDA (H1 LTM 2024)	Cash Conversion (excl. WoCa & Tax)[2] H1 LTM 2024	Cash Conversion (excl. WoCa & Tax)[2] FY 2023	Operating KPIs	Operating KPIs H1 LTM 2024	Operating KPIs FY 2023	Business profile
Gas Transmission	11% €139m	22% **€297m**	98%	96%	Gas transmission (bcm)	17.4	16.1	Regulated / long-term contracted
Gas and Power Distribution	49% €596m	44% **€594m**	81%	82%	Gas and power distribution (TWh): Power	6.0	6.0	Almost fully regulated; natural monopoly position in distribution business in the region of operation
					Gas and power distribution (TWh): Gas	44.2	45.5	
Gas Storage	30% €365m	27% **€357m**	95%	93%	Storage capacity (TWh)	61.6	61.6	Predominantly long-term contracted
Heat Infra	10% €124m	8% **€107m**	28%	48%	Heat sold (PJ)	6.7	7.1	Predominantly regulated
EPIF (Total for the Group)[1]	€1,217m	**€1,347m**	84%	83%				

H1 LTM 2024
FY 2023

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, investment property and intangible assets (without emission allowances, right-of-use assets and goodwill) as presented in the Operating segments information in the Consolidated financial statements of the Group) divided by Adjusted EBITDA

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H1 2024 Gas market dynamics (I/II)

Resilient Russian piped gas deliveries, evolving supply sources and shifting demand patterns

Russian gas supply

- Following the Russian mititary invasion in the Ukraine, sanctions were imposed against the Russian Federation. However, **none of the existing sanctions have directly targeted Russian piped gas** flows to Europe
- In H1 2024, **natural gas continued to flow through Brotherhood pipeline** (one of the two routes, along with TurkStream, through which Russian gas flows to Europe have not been interrupted) via the Velke Kapusany connection point **at approx. 40.5 mcm/day,** totaling ca. 7.4 bcm for the period. This represents about half the volume compared to 2021 (i.e. before the war in Ukraine) transmitted under eustream's long-term take-or-pay contract valid until 2028, under which ca. 50% of the total annual capacity is booked
- Total **Russian piped gas supply** to EU 27 in H1 2024[1] **increased by 4.5 bcm** (+39%) to reach 16 bcm, compared to H1 2023. This represents approximately 20% of 2021 volumes
- The current contracts enabling the transit of Russian gas through Ukraine (to which eustream is not a party) will expire on 31 December 2024. Its prolongation remains unclear, creating **uncertainty about future gas flows through Ukraine**

EU Gas supply/demand balance

- Total **EU 27 gas supplies**[1] of ca 150 bcm **in H1 2024 decreased** by 11 bcm (-7%), compared to H1 2023, on the back of **reduced supplies of LNG** (-11bcm/-16%). Decreased supplies from UK and Lybia (-6.5 bcm) were offset by increased deliveries of Russian piped gas (+4.5 bcm/+39%) and deliveries from Norway (+2 bcm/+4%)
- Despite lower inflows, LNG remained Europe's dominant primary gas supply source, accounting for over one third of the total and effectively acting as a baseload
- **Natural gas consumption in OECD Europe**[2] **fell by 3.5%** (or 9 bcm) y-o-y in H1 2024. The power sector remained the most important driver behind lower gas demand, as the strong expansion of renewables together with improving nuclear availability reduced the call on gas-fired power plants. Mild winter weather limited gas demand in the residential and commercial sectors in Q1. Conversely, gas use in the industrial sector continued to recover, supported by the lower price environment, albeit remaining well below its pre-crisis levels
- The continued decline in demand, together with high inventory levels and stronger piped gas deliveries, kept European hub prices below Asian spot LNG prices in H1 2024
- Additional **LNG supplies are constrained** in the short to mid-term by existing LNG capacities and lower European gas prices. They also **carry increased competitive risks** with respect to global demand development (especially a pontetial demand recovery in Asia) as Europe relies to large extent on flexible LNG capacity

1. Information on EU 27 gas supply taken from https://www.bruegel.org/dataset/european-natural-gas-imports (and include data corresponding to weeks 1-26)
2. Based on IEA Gas Market Report, Q3-2024

H1 2024 Gas market dynamics (II/II)

Record high gas inventories, price stability and decreased volatility

Gas storage inventories

- EU underground **gas storage levels**[1] **closed the winter at a record high**, approximately 45% (or 19 bcm) higher than the five-year average and 6% (or 3.5 bcm) above 2023 levels. Over the second quarter, 20 bcm was injected into storage sites, about 14% (or 3 bcm) less than in 2023. By early July EU storage levels were tracking broadly on a par with last year's levels, still 16% above the five-year average and in a robust position to reach the **90% fill target** by the start of the heating season. Group gas storages are almost 96% full (as of 31 August 2024)[2]

Gas price and spread development

- Unseasonably mild winter weather, together with favorable supply/demand dynamics, and high inventory levels kept natural gas markets stable. **European spot gas prices fell to pre-crisis levels in Q1 2024. Volatility also decreased substantially** (70% and 40% below the volatility seen in the same period in 2022 and 2023, respectively), however still higher than in 2011-2021 period
- **In Q2 2024, the TTF spot prices in Europe rose** by 15% from the previous quarter. Contributing factors included a decline in LNG inflows, unplanned outages in Norway, and renewed concerns over Russian gas supplies. **Historic volatility** on TTF month-ahead prices averaged 53% in Q2 2024, remaining **almost 50% above the Q2 average volatility displayed in the 2011-2021 period**
- The decline in power prices (closely correlated with gas price development) coupled with broadly stable levels of EUA prices has created **pressure on the power simple spread**, with an adverse impact on power generators, particularly lignite-based with the emission-intensive production
- Gas spread development (the difference between gas forward prices for different periods, such as between summer and winter prices or between spot prices and prices one to three months ahead which drive gas storage prices) followed the trends in gas prices and volatility mentioned above. **Gas spreads decreased in Q1 2024 compared to the levels seen in the previous two years**, with a slight improvement in Q2 2024

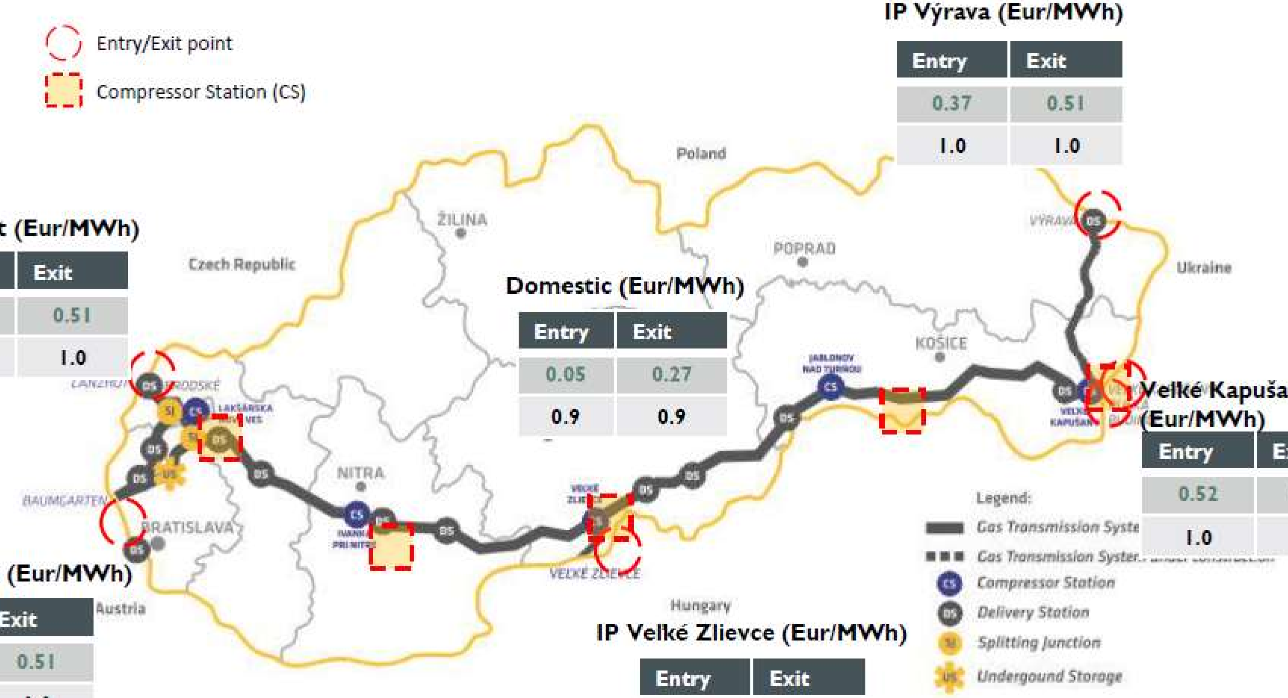
1. Information on gas storage inventories, prices and volatility taken from IEA Gas Market Reports, Q2-2024 and Q3-2024 on https://www.iea.org/reports/gas-market-report-q3-2024 and https://www.iea.org/reports/gas-market-report-q3-2024
2. According to Gas Infrastructure Europe - AGSI (gie.eu)

Business and regulatory update (I/II)

Increased transmission tariffs to enhance the stability of cash flows

Gas Transmission

- In June 2024, RONI published a **price decision[1] regarding the transmission tariffs**. The new tariffs, valid from the beginning of 2025, are based on the decreased level of flows in 2023 and set at EUR 1.0/MWh/day for all entry and exit points, except for the domestic point set at EUR 0.9/MWh/day (also entry and exit each). The improvement is particularly noticeable at the domestic point, where the entry/exit tariffs were EUR 0.05/0.27/MWh/day
- The tariff update will primarily lead to **higher earnings from domestic gas flows**, resulting in more **predictable cash flows with better credit quality**. Additionally, it would partially mitigate the potential impact of the termination of the Russian gas flows, which might occur in 2025 as the current transmission agreement through Ukraine will expire on 31 December 2024



IP Výrava (Eur/MWh)

Entry	Exit
0.37	0.51
1.0	1.0

IP Lanžhot (Eur/MWh)

Entry	Exit
0.37	0.51
1.0	1.0

Domestic (Eur/MWh)

Entry	Exit
0.05	0.27
0.9	0.9

Velké Kapušany/Budince (Eur/MWh)

Entry	Exit
0.52	0.73
1.0	1.0

IP Baumgarten (Eur/MWh)

Entry	Exit
0.37	0.51
1.0	1.0

IP Velké Zlievce (Eur/MWh)

Entry	Exit
0.37	0.51
1.0	1.0

Currently valid tariff
Newly approved tariff from 1.1.2025

1. Available here: https://www.eustream.sk/files/archiv/EUS_price_decesion_SK_2025_0002_250605.pdf

Business and regulatory update (II/II)

Stable DSOs regulation and state-supported decarbonisation of Heat Infra

Gas and Power distribution

- Tariffs for the **current regulatory period 2023-2027** are set for both gas and power distribution. The overall **underlying principles** of the regulatory regime **have been maintained**
- The regulator introduced mechanisms to **address the increased cost of network losses**:
  - Gas distribution – a separate tariff for cost of network losses created (i.e. the increased cost of losses is reflected in the overall tariffs charged to end consumers)
  - Power distribution – the correction mechanism only relates to years 2021 and 2022 when SSD purchased power for network losses at spot prices. The compensation from the state was partially granted in 2022, with the remaining portion received in July 2024
- The previously introduced **volume correction mechanism at Gas distribution**, reflecting the difference between regulatory and actual distribution revenues in period N+2, has been **cancelled by the regulator** for the remaining part of the regulatory period 2025-2027
- **WACC** for **gas** distribution in 2025 at **5.39%** (an increase from 5.24% in 2024)
- **WACC** for **power** distribution in 2025 at **5.39%** (an increase from 5.18% in 2024)

Heat Infra

- The predominantly lignite-based heating plants in the Heat Infra segment will be gradually **replaced with a balanced mix of hydrogen-ready combined-cycle gas turbine (CCGT) units, waste incinerator plants, and biomass facilities**
- This transition will involve a phased replacement and ramp-up of the plants, with an expected total CAPEX of ca. EUR 1.3bn to be incurred by 2028/2029. This investment will be partially funded by EUR 0.7bn in investment subsidies from the EU Modernization Fund. All subsidy applications have been submitted, with some already approved
- The **Czech Ministry of Industry and Trade** has recently introduced further measures to support the **decarbonisation** of the Czech heating sector and announced auctions for **15 years operating support for heat production from high-efficiency combined heat and power (CHP).** The operating support is meant for newly built or modernized CHPs in the Czech Republic and the European Commission has approved a budget of CZK 75bn (ca EUR 3bn). EPIF is expected to participate in the tender

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Strong financial results supported by eustream's normalisation

In EUR mil.

	H1 2023		H1 2024
PL	592	**Adj. EBITDA[1]**	722
	-	Adjustments[2]	19
	592	**EBITDA**	741
	(223)	D&A and Imp.	(217)
	369	**EBIT**	524
	(19)	Net finance result	(7)
	(99)	Tax expense	(133)
	251	**Profit after tax**	384
CF	(68)	**CAPEX[3]**	(80)
	196	**Change in margining deposits**	(12)
	607	**Adjusted FCFF[4]**	427

D&A and Impairment

D&A remained broadly stable as there were no one-off items in both periods

Net finance result

Better result in H1 2024 mainly due to higher interest received related to the significant cash balance held (mainly within the SPPI Group); weighted average interest rate on bonds of 1.8%

Tax expense

Primarily affected by higher tax base (in line with increased EBITDA), while the effective rate stands at 25.7% (28.3% in H1 2023)

Adjusted FCFF

H1 2023 FCFF significantly affected by returned margining deposits, while H1 2024 is back at the normalized level

The **Group Cash Conversion Ratio[5]** reached ca. **59%** in H1 2024

1. For definition of Adjusted EBITDA please see slide 30. For further details about Adjusted EBITDA development please see slide 9
2. Adjustments are further described on slide 9
3. Capital expenditures represents cash outflow for acquisition of property, plant and equipment, investment property and intangible assets as presented in the consolidated statement of cash flows of the Group
4. For definition of Adjusted FCFF please see slide 35
5. Group Cash Conversion Ratio represents Adjusted Free Cash Flow divided by Adjusted EBITDA

Robust financials backed by the healthy, well-managed balance sheet

In EUR mil.	31 Dec 2023	30 Jun 2024
Total assets	12,911	12,228
PPE, Intangibles and GW	10,288	9,936
Fin. instruments (assets)	93	48
Cash and cash equiv.	1,695	1,458
Other assets	835	786
Total equity	5,651	5,643
Total liabilities	7,260	6,585
Fin. instruments (liabilities)	61	40
Gross debt[1]	3,844	3,575
Provisions	456	327
Deferred tax	1,804	1,768
Other liabilities	1,095	875

Cash and cash equivalents

Decrease on the back of debt reduction (details below) and EUR 300m dividends paid by EPIF to its shareholders in June 2024

Other assets

Includes paid margining balance of EUR 49m (EUR 37m as of 31 Dec 2023)

Total equity

Includes (i) EUR 300m dividend payment to EPIF's equity holders and (ii) EUR -34m effect of the regular revaluation of eustream's gas transmission pipeline[2] as of 30 June 2024

Gross debt[1]

Decreased mainly due to the repayment of EUR 547m outstanding nominal of EUR 750m 2024 EPIF bond, partially refinanced by EUR 285m Schuldschein raised at EPIF

Provisions

A decrease in emission rights consumption provision due to lower power production at Heat Infra

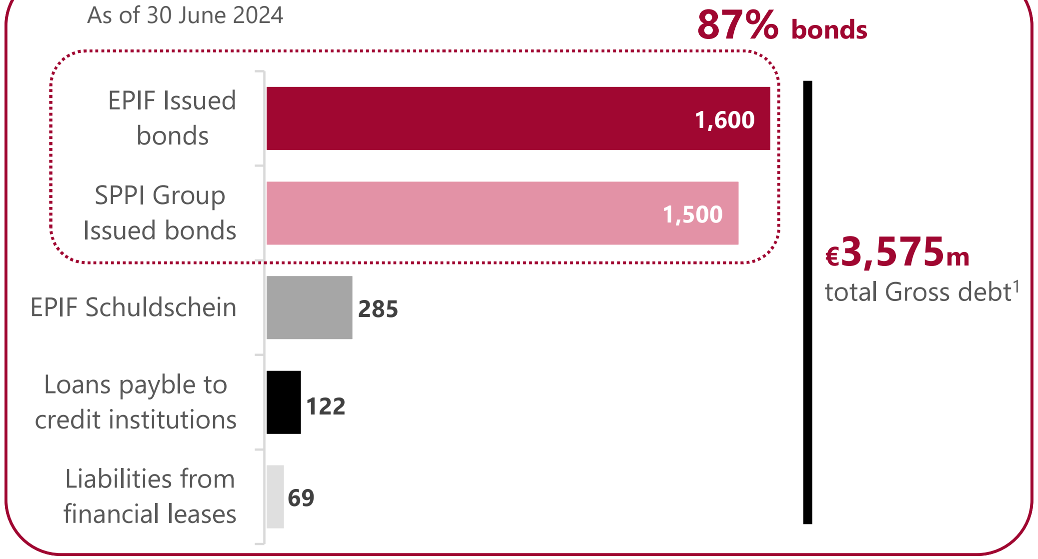
1. Represents principal owed and lease liabilities disregarding accrued interest and unamortized fees. For further details related to gross debt please see slide 19
2. The gas transmission pipelines of eustream and the gas distribution pipelines of SPPD are carried at a revalued amount (fair value as of the date of revaluation less subsequent depreciation and impairment) following the IAS 16 revaluation model, which is applied for the Group's consolidated financial statements since 2019 for eustream's pipelines and 2020 for SPPD's pipelines

Debt snapshot

Reduced gross indebtedness and solid RCF liquidity

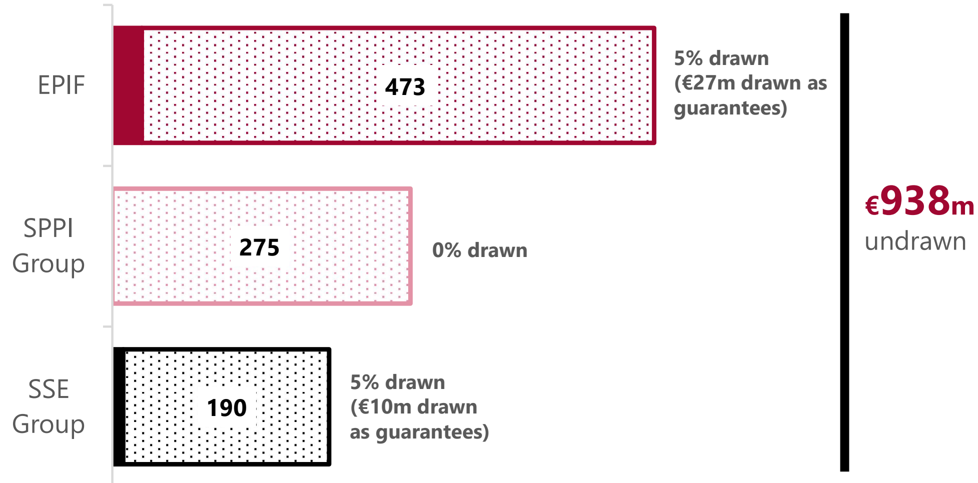
Breakdown by instrument

As of 30 June 2024



Overview of available RCF liquidity

As of 30 June 2024



Weighted average maturity of 1.8 years as of 30 June 2024

Developments in H1 2024

- In January 2024, **eustream's RCF** limits have been reduced from EUR 140m to **EUR 50m**
- In February 2024, **Nafta** concluded a new **EUR 200m RCF** with maturity in February 2029
- In March 2024, **EPIF prolonged EUR 50m RCF** until April 2026
- In February and March 2024, EPIF raised **EUR 285m through Schuldschein loan agreements** under German law issued in line with EPIF's green principles ("Green Schuldschein"). The floating rate Schuldschein loans have **durations of three years (EUR 210m) and five years (EUR 75m)**. EPIF is in the process of allocating the proceeds in line with its Green Finance Framework introduced in August 2023
- On 26 April 2024, EPIF **fully repaid its outstanding EUR 750m 1.659% notes** due in 2024, originally issued on 26 April 2018. The outstanding nominal bond amount of **EUR 547m was settled** using available cash

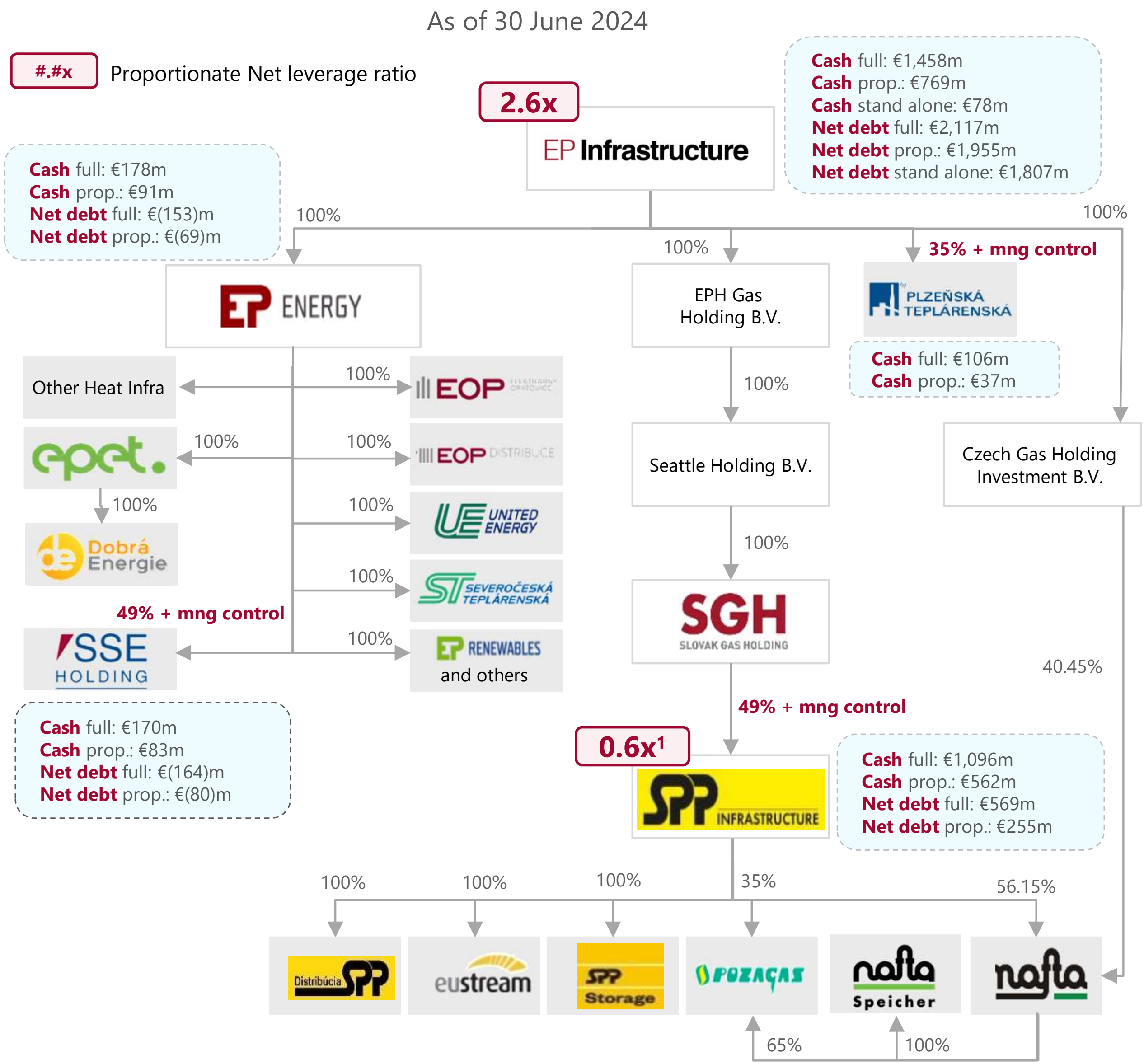
Near-term financing considerations

- **EUR 400m EPIF revolving credit facility** maturing in January 2025 is intended to be replaced with a new facility with 3-year maturity

1. EPIF's share on the Group proportionate gross debt reached 69% as of 30 June 2024

Capital structure insights

Maintaining strong liquidity and meeting leverage targets



1. Proportionate Net Leverage of SPPI reflects fully consolidated view from SPPI perspective

Key highlights

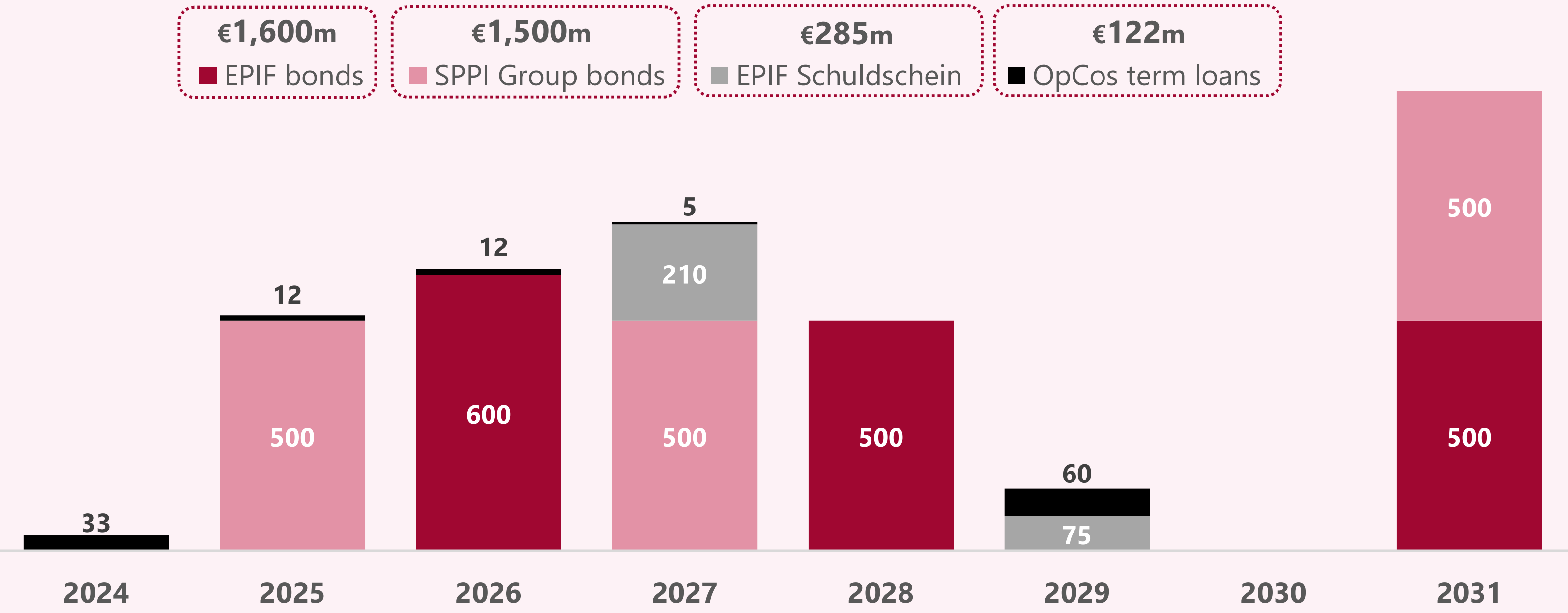
- Under standard circumstances, being a parent company, EPIF has **strong access to all cash flow** generated across the Group:
  - Fully unencumbered access to the cash flows generated by **EP Energy OpCos**, with limited indebtedness (gross debt of EUR 6m at the SSE Group as of 30 June 2024)
  - Track record of modest level of debt below 2.0x at the **SPPI group** (0.6x as of 30 June 2024) allows for comfortable dividend upstreaming, while the shareholders' agreement (SHA) has a threshold at 2.5x
- In March 2024, **SPPI paid a dividend in the total amount of EUR 271m**, of which EUR 138m was distributed to the minority shareholder
- In June 2024, **EPIF distributed a dividend of EUR 300m** to its shareholders
- As of 30 June 2024, the robust cash balance of the SPPI group is driven, among other factors, by the **accumulation of cash at eustream (EUR 510m)**, with the intention to repay the EUR 500m bond issued by SPP Infrastructure Financing B.V. (and guaranteed by eustream) upon its maturity in February 2025

Debt maturity profile

Strategic management and near-term financing considerations

Debt maturity profile as of 30 June 2024[1]

C&CE
€1,458m
as of 30 June 2024



Weighted average tenor until maturity of 3.8 years as of 30 June 2024 (3.8 years as of 31 December 2023)

Near-term financing considerations

- **2/2025 EUR 500m bond** issued at SPP Infrastructure Financing B.V. (and guaranteed by eustream) is intended to be fully repaid with eustream's cash to reduce its leverage. Eustream reported EUR 510m cash balance as of 30 June 2024
- The remaining five bonds in the EPIF Group are expected to be refinanced in the future

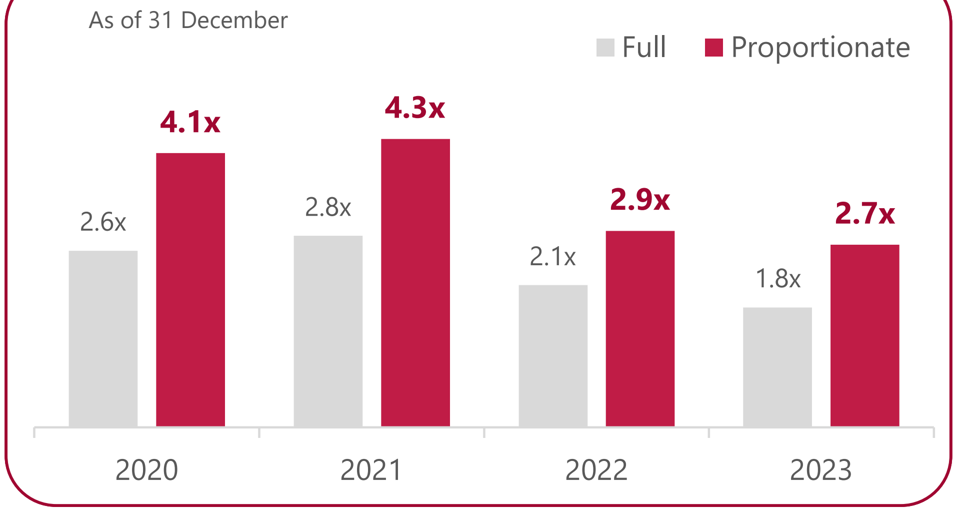
1. Excluding lease liabilities

Conservative capital approach

H1 2024 financial development aligned with market trends and established policies

H1 LTM 2024	Full	Proportionate[2]
Gross debt[1]	3,575	2,724
Cash	1,458	769
Net debt	**2,117**	**1,955**
Adjusted EBITDA H1 LTM 2024[3]	1,347	753
Net debt / Adjusted EBITDA[3]	**1.57x**	**2.60x**

Net leverage development



Resumption of dividend payments

- In June 2024, EPIF distributed a **dividend of EUR 300m to its shareholders**, in line with its most recent declarations. This decision is supported by the Group's strong liquidity position and the Proportionate Net Leverage Ratio of 2.6x after pay-out, which remains comfortably below the announced target of 3.5x. The dividend payment **reflects the Group's solid and stable performance from 2021 to 2023**, highlighting its resilience through diversification and natural hedges across segments

Key financial policies

- EPIF adheres to a financial policy defined in the Shareholders' Agreement between EPH and MAM, with a **4.5x Net Debt/EBITDA dividend lock-up covenant** on a proportionate basis
- In October 2022, EPIF set a **provisional management target to maintain the leverage ratio below 3.5x**, driven by energy market uncertainties, including increased margining requirements, decreased Russian gas flows coupled with a potential short position at eustream, and concerns about fiscal and state support policies. As these conditions evolve, **EPIF may consider adjusting the leverage target upwards** to better align with the changing financial environment
- EPIF remains **committed to maintaining a financial profile that supports investment-grade credit ratings**, while adapting to shifting market and financial conditions

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. For definition of Adjusted EBITDA please see slide 30

Agenda

EPIF's decarbonization strategy in line with its science-based targets and supported by a high level of Capex alignment with the EU Taxonomy

Key decarbonization pillars

- Facilitating transition to **renewable gases** by retrofitting its gas midstream and downstream infrastructure and active participation in related research projects (status of IPCEI[1] projects received for its projects "Henri" focused on hydrogen storage and "H2I-TR" aimed at hydrogen transit)
- Focus on efficient **methane leakage control** across the gas pipelines and storage facilities
- **Phase-out of coal by 2030** through conversion of its heating plants to a balanced mix of CCGT units, waste incinerator plants and biomass units. EPIF strives to complete the coal phase-out already by 2028/2029[2]
- **Ensuring hydrogen readiness** of the new built CCGT units to avoid the emission lock-in from prolonged use of natural gas

Taxonomy eligibility

- For 2023 and 2022, EPIF reported **50-60%** of incurred Capex as **EU Taxonomy aligned**
- Capex to be largely directed to **replacement of coal heating plants**, ensuring hydrogen readiness across gas **midstream and downstream infrastructure,** and reinforcing the **power distribution network**
- Coal-related Capex limited to sole maintenance to ensure safe and reliable operations before the assets are finally decommissioned

Science-based decarbonization targets

EPIF endeavored to align the pace of its GHG emission reductions with the **absolute target criteria of the Science Based Targets initiative (SBTi)[3]**

- ✓ **Reduce CO_2** emissions by 60% by 2030 compared to the 2022 level
- ✓ Achieve **carbon neutrality** by 2040 and **net zero** operations by 2050 in respect of Scope 1 & 2 emissions
- ✓ **Reduce methane emissions** in line with the Global Methane Pledge[4]
- ✓ EPIF decarbonization strategy is **aligned with the Paris Agreement's** aim to limit global warming to well below 2 degrees Celsius and pursue efforts to limit temperature increase to 1.5 degrees Celsius

1. Important Projects of Common European Interest
2. EPIF plans to invest around EUR 1.3bn into hydrogen-ready CCGT units and waste incinerator plants, of which EUR 0.7bn is expected to be covered by investment subsidies from the Modernization Fund (with all subsidy applications already submitted, and some approved)
3. Please note that EPIF cannot obtain external certification from the Science Based Targets initiative on its targets as EPIF is considered as an Oil & Gas company. SBTi is preparing a dedicated methodology for the Oil & Gas sector
4. https://www.globalmethanepledge.org/

In 2023, EPIF established a Green Finance Framework to link future financing to execution of its transition plan

Key building blocks

- Close alignment with the substantial contribution criteria of the **EU Taxonomy**
- Alignment with the **ICMA Green Bond Principles**
- **External assurance** of the allocation and impact reporting[1]

Green assets

€2.0bn
H2-aligned sections of the gas distribution grid

- 58% of the network already made of polyethylene, fully **hydrogen-aligned** material
- SPPD connected the first **biomethane** station in 2022 and operates a registry of renewable gases
- Robust leak detection and repair program in place to **reduce methane leakage**

€0.8bn
Power distribution grid

- Integral part of the **European interconnected system**
- Over the past five years, 89% of the newly connected capacity have been **renewable energy sources**, mainly solar
- Capex aimed at **reinforcing the grid** to enable fast deployment of renewables

€0.5bn
District heating systems

- The value represents net Capex planned for **CCGT units** + value of existing district **heating networks** and **biomass units**
- Vital **source of heat** for more than 150,000 offtake points as well as **dispatchable power** supporting grid stability

Second party opinions

- **Light green** shading[2] from **S&P Global**
- Alignment with **ICMA Green Bond Principles** confirmed

Light green

- Qualification of **"Good"[3]** from **Sustainable Fitch**
- Alignment with **ICMA Green Bond Principles** confirmed

Good

1. EPIF issued its inaugural green instrument in March 2024 – a green Schuldschein loan of EUR 285m, which will be allocated against green-eligible projects. The respective allocation report with a green balance sheet and the impact report is planned to be disclosed in the course of 2024
2. Details on the Shades of Green methodology available here https://www.spglobal.com/ratings/en/products-benefits/products/shades-of-green
3. Details on the Sustainable Fitch methodology available here https://www.sustainablefitch.com/products/second-party-opinions

ESG pillars and strategy

ESG matters are monitored and managed at the Group level

S&P Global Ratings

63/100 ESG Rating

EPIF was the first company in the CEE to obtain an ESG Rating by S&P (in 2020). Last rating update was performed in November 2022[1]

SUSTAINALYTICS

19.8 ESG Risk Rating[2]

The rating confirms EPIF's position in the low-risk category. Last full rating update was performed in October 2023, securing EPIF 12th position out of 104 companies within the multi-utilities sector

SUSTAINABLE DEVELOPMENT GOALS

Commitment to low carbon business model

- EPIF believes that its **energy infrastructure will be critical in the transition to a zero-carbon energy system**. EPIF has developed robust decarbonisation strategy with **clearly defined roles for each asset in a decarbonized world**
- EPIF has established a Green Finance Framework **to link the proceeds from future financing with execution of its transition plan**
- EPIF ensures environmentally sound operations which are supported by **ISO-certified environmental management systems** (entities covered by ISO 14001 represented 93% of EPIF EBITDA in 2023)

Social responsibility

- **Health and safety of employees and contractors a top priority** with close central oversight from EPIF
- **Responsible marketing** approach, providing all relevant information regarding offered services
- Throughout 2023, the **EPH Foundation,** of which EPIF is one of key benefactors, **distributed nearly EUR 1.2m** to support programs in areas of education, culture, health and sport, disadvantaged groups and regional development

Transparent corporate governance

- EPH/MAM 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
- Since August 2021, **Gary Mazzotti has been in the role of EPIF CEO**, replacing Daniel Křetínský who remains Chairman of the Management Board. Gary Mazzotti also holds a parallel role of ESG Officer

1. The ESG evaluation product from S&P was discontinued towards the end of 2023. EPIF will not have the option to update this rating and will present it as a point-in-time score. Going forward, EPIF will explore options for alternative ESG rating products
2. Rating score as of the date when the rating update was completed. Rating score might differ based on continuous benchmarking against peer universe

Agenda

Charting the path forward

Leveraging financial strength and strategic assets amid evolving market conditions

Strong financials

- Group's resilience confirmed by **H1 2024 strong financial performance**, with sectoral shifts suggesting a steady recovery toward more attainable levels in the current market environment
- Substantial **liquidity position** with **EUR 1,458m** of Cash and cash equivalents (primarily sitting at SPPI group to cover the upcoming EUR 500m 2025 bond repayment) and **EUR 938m** of undrawn commited credit facilities across the Group as of 30 June 2024
- **Proportionate Net Leverage Ratio** of the Group (2.6x as of 30 June 2024) well below the provisional management's target of 3.5x which continues to guide our strategy, though it may evolve upwards in response to changing financial risks and market conditions in the medium term
- **Commitment** 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 the respective areas of operation or region, with major **subsidiaries co-owned by Slovakia**
- **Diversified portfolio** across four segments with strong natural hedges among them
- **Gas storage** is continuously confirming its **increased importance** to the region, particularly as the situation in the gas transit market remains uncertain

Outlook

- Significant part of **EBITDA** related to fully **regulated and/or long-term contracted** businesses
- The group has reinstated dividend payments to its shareholders in H1 2024. **Any further near-term distributions will be carefully considered**, taking into account key financial policies (primarily stipulated leverage targets) and prevailing uncertainties related to gas transit segment
- 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

Adjusted EBITDA (I/V)

- **EBITDA** represents the profit (loss) for the period before income tax expense, finance expense, finance income, change in impairment losses on financial instruments and other financial assets, share of profit (loss) of equity accounted investees, net of tax, gain (loss) on disposal of subsidiaries, depreciation of property, plant and equipment and amortisation of intangible assets, negative goodwill and impairment charges relating to property, plant and equipment and intangible assets. EBITDA corresponds to Underlying EBITDA presented in EPIF's Unaudited Condensed Consolidated Interim Financial Statements as of and for the six-month period ended 30 June 2024
- **Adjusted EBITDA** represents EBITDA adjusted by adding back the deficit from the purchase of electricity to cover network losses of the current year stemming from the difference between (i) regulated price of electricity to cover network losses valid for the current year, which is a fixed price calculated in line with the Slovak Decree of the Regulator No. 18/2017 Coll., Article 28, and (ii) spot market price at which electricity is being bought to cover network losses of the current year; and deducting the correction amount (also set by the Slovak Decree of the Regulator No. 18/2017 Coll., Article 28) which is supposed to compensate for the difference between the regulated price and spot market purchase price
- **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

Adjusted EBITDA (II/V)

- EBITDA and Adjusted EBITDA calculation (H1 LTM 2024):

H1 LTM 2024 in €m	Gas transmission	Gas and Power Distribution	Gas Storage	Heat Infra	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**120**	**294**	**250**	**50**	**714**	**(2)**	**364**	**(408)**	**668**
Income tax expenses	38	91	79	14	222	-	-	-	**222**
Finance income	(13)	(32)	(17)	(18)	(80)	-	(466)	459	**(87)**
Finance expense	35	17	7	5	64	1	90	(51)	**104**
Change in Impairment losses on financial instruments and other financial assets	-	5	1	-	6	-	-	-	**6**
Depreciation, amortisation and impairment	117	238	37	56	448	4	1	-	**453**
EBITDA	**297**	**613**	**357**	**107**	**1,374**	**3**	**(11)**	**-**	**1,366**
Network losses correction	-	(19)	-	-	(19)	-	-	-	**(19)**
Adjusted EBITDA	**297**	**594**	**357**	**107**	**1,355**	**3**	**(11)**	**-**	**1,347**

Adjusted EBITDA (III/V)

- EBITDA and Adjusted EBITDA calculation (FY 2023):

FY 2023 in €m	Gas transmission	Gas and Power Distribution	Gas Storage	Heat Infra	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**(6)**	**274**	**253**	**57**	**578**	**(3)**	**403**	**(443)**	**535**
Income tax expenses	(2)	87	81	21	187	-	1	-	**188**
Finance income	(5)	(28)	(16)	(17)	(66)	-	(502)	494	**(74)**
Finance expense	35	19	8	3	65	1	88	(51)	**103**
Change in Impairment losses on financial instruments and other financial assets	-	4	2	-	6	-	-	-	**6**
Depreciation, amortisation and impairment	117	240	37	60	454	4	1	-	**459**
EBITDA	**139**	**596**	**365**	**124**	**1,224**	**2**	**(9)**	**-**	**1,217**
EBITDA adjustments	-	-	-	-	-	-	-	-	**-**
Adjusted EBITDA	**139**	**596**	**365**	**124**	**1,224**	**2**	**(9)**	**-**	**1,217**

Adjusted EBITDA (IV/V)

- EBITDA and Adjusted EBITDA calculation (H1 2024):

H1 2024 in €m	Gas transmission	Gas and Power Distribution	Gas Storage	Heat Infra	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**104**	**171**	**100**	**33**	**408**	**1**	**249**	**(274)**	**384**
Income tax expenses	33	54	32	7	126	-	7	-	**133**
Finance income	(8)	(16)	(8)	(6)	(38)	-	(307)	298	**(47)**
Finance expense	17	8	3	3	31	-	46	(24)	**53**
Change in impairment losses on financial instruments and other financial assets	-	1	-	-	1	-	-	-	**1**
Depreciation, amortisation and impairment	55	122	13	26	216	1	-	-	**217**
EBITDA	**201**	**340**	**140**	**63**	**744**	**2**	**(5)**	**-**	**741**
Network losses correction	-	(19)	-	-	(19)	-	-	-	**(19)**
Adjusted EBITDA	**201**	**321**	**140**	**63**	**725**	**2**	**(5)**	**-**	**722**

Adjusted EBITDA (V/V)

- EBITDA and Adjusted EBITDA calculation (H1 2023):

H1 2023 in €m	Gas transmission	Gas and Power Distribution	Gas Storage	Heat Infra	Total Segments	Other	Holding entities	Intersegment-eliminations	Consolidated financial information
Profit (loss) for the year	**(22)**	**151**	**103**	**40**	**272**	**-**	**288**	**(309)**	**251**
Income tax expenses	(7)	50	34	14	91	-	8	-	**99**
Finance income	-	(12)	(7)	(5)	(24)	-	(343)	333	**(34)**
Finance expense	17	10	4	1	32	-	44	(24)	**52**
Change in impairment losses on financial instruments and other financial assets	-	-	1	-	1	-	-	-	**1**
Depreciation, amortisation and impairment	55	124	13	30	222	1	-	-	**223**
EBITDA	**43**	**323**	**148**	**80**	**594**	**1**	**(3)**	**-**	**592**
Network losses correction	-	-	-	-	-	-	-	-	**-**
Adjusted EBITDA	**43**	**323**	**148**	**80**	**594**	**1**	**(3)**	**-**	**592**

Adjusted Free Cash Flow

- **Adjusted Free Cash Flow** represents Cash flows generated from (used in) operations, less Income taxes paid and less Acquisition of property, plant and equipment, investment property and intangible assets, and disregarding Changes in restricted cash as presented in the Consolidated statement of cash flow of the Group, adjusted for: (i) EBITDA effect of the SOT, (ii) working capital impact of the SOT, (iii) EBITDA effect of the network losses correction, (iv) working capital impact of the network losses correction

€m	H1 2024 6-month period	H1 LTM 2024 12-month period	FY 2023 12-month period	FY 2022 12-month period	FY 2021 12-month period	FY 2020 12-month period	FY 2019 12-month period
Cash flows generated from (used in) operations	636	1,337	1,576	1,129	1,226	1,763	1,566
Income taxes paid	(137)	(295)	(300)	(229)	(266)	(382)	(228)
Acquisition of property, plant and equipment, investment property and intangible assets	(80)	(214)	(202)	(165)	(151)	(209)	(220)
excluding Change in restricted cash	1	1	-	-	(1)	3	(1)
Reported FCFF	**420**	**829**	**1,074**	**735**	**808**	**1,175**	**1,117**
excluding SOT (EBITDA effect)	-	-	-	-	1	(90)	(50)
excluding SOT (working capital effect)	7	7	(11)	(64)	(24)	(39)	40
excluding Network losses correction (EBITDA effect)	(19)	(19)	-	18	-	-	-
excluding Network losses correction (working capital effect)	19	19	(47)	47	-	-	-
Adjusted FCFF	**427**	**836**	**1,016**	**736**	**785**	**1,046**	**1,107**

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 accrued interest. For avoidance of doubt, the Gross Financial Indebtedness does not include mark to market of hedging instruments as it is reported under Financial instruments and financial liabilities and Financial instruments and other financial assets

- **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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