

# EPCG Energy segment announces record EBITDA for 2023

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**EPCG Energy segment (companies engaged in the energy industry, controlled by EP Corporate Group, collectively “EPCG Energy”, or “Segment”) announces its results for the year 2023. In an environment marked by general decrease in European power prices, EPCG Energy reached record EBITDA level of EUR 7.3 billion. Having produced 72.5 TWh of power, the Segment played a key role in flexible and reliable supply of power to Europe. Strong financial and operating results place EPCG Energy among the top European energy utilities.**

EPCG Energy is a part of EP Corporate group, a.s. (EPCG, or “Group”). Consisting of Energetický a průmyslový holding, a.s. (EPH) and EP Energy Transition, a.s. (EPETr), it is a key segment of the Group, engaged in power generation, natural gas transmission and storage, distribution and supply of gas, heat and electricity, trading and logistics operations.

Throughout the year, EPCG Energy followed its strategy of providing European customers with flexible and reliable energy. Through the means of 22 GW net installed capacity of its fleet, the Segment significantly contributed to safety of Europe’s energy supply. Diversified portfolio of gas, biomass and coal plants, together with wind and solar farms, combined for 72.5 TWh of power produced.

The Segment proved its position of a decarbonization leader. To fulfil its previously announced, ambitious environmental goals, it made major changes in the composition of its fleet. Among others, it definitely ceased operations of five coal power plants in Germany, Northern Ireland and Slovakia. Even more importantly, it continued to invest in renewable projects and state-of-the-art, hydrogen-ready power facilities. The expected total investment into these projects is currently estimated to exceed EUR 10 billion. Such investments include estimated total installed capacity of renewable sources of 8 GW.

*“I believe that hydrogen, together with energy storage solutions, will be pivotal in shaping Europe's energy landscape in the near future,”* **Daniel Křetínský, CEO and majority owner of EPCG, commented.** *“While the*

*European legislative and regulatory framework still needs to be reshaped to find economically, socially and environmentally viable trajectory to a zero-carbon economy, our wide array of gas infrastructure assets, hydrogen-ready power generation and focus on electricity storage solutions position us naturally as one of the leaders on Europe's journey towards a new energy market model."*

In September 2023, the coal operations of Kilroot plant (Northern Ireland) were definitely closed and in December 2023, Novaky<sup>1</sup> (Slovakia) shut down. Additionally, in March 2024, EPCG Energy ceased operations of five other coal units: two at Vojany<sup>1</sup>, two at Jänschwalde and one at Mehrum. The above mentioned closures together represent almost 2.6 GW of coal net installed capacity going offline, marking an important step on EPCG Energy's way to sustainable future.

During the year, EPCG Energy continued to invest in state-of-the-art power generation facilities, all hydrogen ready. These investments included a CCGT power plant in Tavazzano, Italy (net installed capacity 800 MW) and a OCGT power plant in Kilroot, Northern Ireland (700 MW), both to be completed in 2024. Another project in Ostiglia, Italy, with a capacity of 880 MW is planned for commissioning in 2025. The expected CAPEX spent on all three projects upon their completion exceeds EUR 1.1 billion. In addition, a new 300 MW OCGT plant was commissioned in Leipheim, Germany, in August 2023.

Among other environmental highlights are the recent actions of EP New Energies GmbH (EPNE, a wholly owned subsidiary of EPCG), which has started construction works on Germany's largest floating solar plant on the Cottbuser Ostsee lake in the Lusatia region. With a planned output of 29 MW, the solar plant is expected to generate electricity equivalent to the annual consumption of around 8,250 households while not using any land areas that can be used otherwise. Further, in August 2023, EPNE received approval on its groundbreaking wind farm project in the Lusatian lignite mining region, which includes 17 wind turbines with a remarkable combined capacity of approximately 100 MW. All the above-mentioned steps are part of EPCG Energy's strategy to gradually step away from coal energy and transition to low-carbon and renewable energy sources.

*"Throughout its corporate history, we have remained steadfast in our commitment to excellence, reliability, and socially responsible transition to zero-carbon energy generation,"* **said Mr. Křetínský.** *"In the past year, we*

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<sup>1</sup> Owned by Slovenske elektrarne a.s. where EPH (subsidiary of EPCG) owns 33% and consolidates its share as associate via equity method

*navigated dynamic market conditions, advanced our strategic initiatives, and continued to deliver value to our stakeholders while embracing the evolving demands of the energy industry.”*

Financial and operational highlights of EPCG Energy segment include:

- EBITDA of EUR 7.3 billion, marking a record level for the Segment
- Net financial debt of EUR 1.2 billion, evidencing the Segment’s financial soundness and prudent financial management
- Net power generation 72.5 TWh, placing the EPCG Energy among the top European energy producers
- Net installed capacity of 22 GW, contributing significantly to reliability of Europe’s power supply
- Operated flexible gas storage capacity of 64.3 TWh located in Slovakia, Germany, the Czech Republic and the UK
- 16.1 bcm of natural gas transported and 4.3 bcm of natural gas distributed to customers
- 3.5 TWh of thermal energy produced and delivered to customers

*Please be aware that the financial data for EPCG Energy in this press release shows aggregated, not consolidated, figures based on standalone and consolidated results of the entities belonging to the EPCG Energy segment for full year 2023 disregarding the date of acquisition. Substantial differences between this data and the consolidated results of EP Corporate Group or any other entity may arise, attributable to the applied accounting principles and consolidation methods and the impact of the events which occurred in 2023, such as obtaining control over selected entities during 2023 and any other events relevant for the consolidation process. The financial data in this press release cannot be read as an approximation of any consolidated results of EP Corporate Group or any other entity.*

For more information please see: <https://www.epcorporategroup.cz/>