

EPH subsidiary completes acquisition of STEAG Power Minerals

EP Power Europe, a.s. (EPPE), a subsidiary of Energetický a průmyslový holding, a.s. (EPH), and STEAG today announced successful closing of the acquisition of STEAG Power Minerals GmbH (SPM) and its facilities by EPPE.

Prague/Eszen. The acquisition agreement had been announced on March 12 this year. The closing of the transaction and the takeover of SPM take effect upon approval by the antitrust authorities on May 31. Starting June 1, SPM will present itself under the new name EP Power Minerals. With this acquisition, EPH aims to strengthen its position in the field of sustainable development and environmentally friendly solutions which are important goals in EPH's long-term strategy.

"We thank our German partners for the fair handling of STEAG Power Minerals' assets. Thanks to their approach, the agreement was concluded very smoothly and as of June 1, the company will operate under the new name EP Power Minerals and join the EPH family. Thanks to this acquisition, we will strengthen not only our position in the sustainable business, but also in the construction industry," says Tomáš Novotný, Member of the Board of Directors of EPPE.

"We are glad that with EPPE we have found a new owner for SPM which offers our former subsidiary and its staff a reliable perspective for further and ongoing positive development", says Joachim Rumstadt, Chair of STEAG's Board of Management. "I would like to express my sincere thanks to all SPM employees for their commitment over the many years we have worked together. I wish them all the best and every success in the new Group."

STEAG decided to dispose of SPM due to its own process of realignment towards new energy markets; a development that has been accelerated by the German federal government's decision to terminate coal-based power generation in Germany by 2038.

Contact EPH

Daniel Častváj
Head of Marketing and Communications
Phone +420 232 005 355

castvaj@epholding.cz
www.epholding.cz

Contact STEAG

Daniel Mühlenfeld
Press Spokesperson
Phone +49 201 801-4262

daniel.muehlenfeld@steag.com
www.steag.com

SPM is a European leader in the provision of power plant by-products (especially fly ash and FGD gypsum) and expendable blasting abrasives, helping its clients to reduce carbon footprint. SPM also provides a broad range of waste management services. As a by-product of combustion in hard coal power plants, fly ash serves as a highly ecological and cost-effective substitute for clinker in cement production (up to 30 %). Fly ash significantly reduces the CO₂ footprint (the production of 1 metric ton of clinker generates about 0.8 metric tons of CO₂) as well as input costs and improves cement quality for the construction industry. Builders prefer FGD gypsum over natural gypsum mainly due to its purity and beneficial environmental and CO₂ properties.

As coal-fired power generation will continue to be around for some time as a bridging technology in most countries of Europe, processing fly ash contributes significantly to reducing the environmental impact, which pays into the overall sustainability strategy of EPPE. SPM seeks and invests into projects with alternative material sources to ensure long term sustainability of the business.

About EPH

Energetický a průmyslový holding (EPH) is a leading Central European energy group that owns and operates assets in the Czech Republic, the Slovak Republic, Germany, Italy, Ireland, the UK, France and Switzerland. EPH is a vertically integrated energy utility covering the complete value chain ranging from highly efficient cogeneration, power and heat generation, natural gas transmission, gas storage, as well as gas, heat and electricity distribution and supply. The scope includes also trading and logistics platforms, gas infrastructure management, and real estate development.

About STEAG Power Minerals

STEAG Power Minerals belongs to the STEAG group, a traditional German producer of environmentally friendly energy, which operates power plants in the Ruhr, Saarland, Saxony and more than 400 smaller facilities which produce energy from renewable sources and facilities for distributed production for industrial applications and heat supply.