

EPH subsidiary has bought STEAG Power Minerals

EPPE strengthens its position in the sustainable business and invests in STEAG Power Minerals

Prague/Essen. EP Power Europe, a.s. (EPPE), a subsidiary of Energetický a průmyslový holding, a.s. (EPH), signed an agreement with STEAG GmbH for the purchase of the shares in STEAG Power Minerals GmbH (SPM) on Wednesday, March 10, 2021. SPM is a European leader in the provision of the power plant by-products (especially fly ash and FGD gypsum) and expendable blasting single use abrasives, helping its clients to reduce carbon footprint. SPM also provides broad range of waste management services. With this step, EPPE confirms its long-term intention to strengthen its position in the segment of sustainable development and environmentally friendly solutions.

As a by-product of combustion in a hard coal power plant, 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 (1 ton of clinker produces about 0.8 tonnes 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 power productions will remain as bridge technology in most countries of Europe for a specific time, processing fly ash contributes to the reduction of the environmental impact significantly 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.

"STEAG Power Minerals is one of the European leaders in the segment of fly ash processing and its use saves CO₂ emissions, which is our long-term goal of sustainable development. That is why we are happy to take responsibility for roughly 155 highly qualified SPM employees and thanks to SPM acquisition we can include to our portfolio this gentle way of cement production, a key component in the construction industry," says Member of the Board of Directors of EPPE Tomáš Novotný.

Page 1 of 2

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

Meanwhile STEAG is satisfied having paved a way for SPM, which offers reliable opportunities for further development and continuously economic success under a new owner. “We are convinced that the agreement we have met with EPPE is the best possible option for SPM and its employees as well as for STEAG which finds itself in the middle of a process of transformation, realigning towards new business segments on future energy markets”, says Joachim Rumstadt, CEO of STEAG GmbH.

Since SPM’s profile does not fit anymore to STEAG after the coal phase out decision in Germany, “selling SPM was a decision not taken by heart but by ratio as an act of caring responsibility for the better of SPM and the safety of their employee’s jobs”, Joachim Rumstadt adds. Closing of the acquisition is subject to relevant approvals, especially from competition authorities and will probably be completed during the second quarter of this year.

Parties agreed not to disclose any commercial details of the transaction.

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.