OUR MISSION IS TO BRIDGE THE GAP BETWEEN THE WORLD OF TODAY AND TOMORROW’S ENERGY.

“Building on our expertise in conventional power generation, we have evolved into a strong energy player providing services for energy systems going through a green transformation.”

Pavel Tykac
Ultimate Beneficiary

“We see potential to grow thanks to our tradition: competent people and our ability to add value.”

Lubos Pavlas
President & Group CEO
Our Group in a Nutshell

We strongly believe that the combination of our long-term expertise in traditional energy production combined with our strive to expand our know-how into new energy segments shall bring value to assets beyond our current scope. Our objective is to be the bridge between the energy of today and tomorrow – to address the continuing demand for reliable energy and the ambitious goal of making the energy markets more renewably-fuelled.

The Sev.en Energy Group’s take on business is entirely entrepreneurial, with a long-term perspective. Pavel Tykac, its sole ultimate beneficiary, is an independent investor willing and able to support the Group’s further growth. He came to the energy sector in 2006, when he acquired a 50 percent share in the lignite company Mostecka uhelna in Northern Bohemia. The company was then renamed Czech Coal, which, in turn, became today’s Sev.en Energy Group.

The owner expressed his long-term approach of continuous investment into the assets that had been acquired, which enabled significant technical upgrades. Local communities have benefited from this sustainable style of business, and to this day, the importance of strong ties with local communities at the Group’s sites is held in high regard.

For more than a decade we have built in this heritage step by step, from operating coal mines and power plants into providing complex engineering services and becoming a strong player in the European energy markets.

Today, we strive to build a European asset base to offer a wide range of services to the European energy market, encompassing but not limited to energy. We believe our core business will stay in demand for quite some time to come, since energy systems running on large and rising shares of volatile renewable electricity generation will need flexible, reliable assets.

In line with these aspirations, our company targets professionally managed, highly efficient and flexible power generation assets across Central and Western Europe – be it conventional power generation such as coal and gas, or smaller units fired with biomass. These assets are run on a stand-alone basis using the expertise of local staff and management, and will be integrated into Sev.en Energy Group’s trading portfolio to leverage solutions to the markets.

Our core competence stays in classical conventional power generation, because we believe in its important transitional role towards a greener future.
Our growth strategy

“We are already a well-known player in the Czech Republic. Following a period of intense and systematic development of our skills, portfolios and processes, we are now ready to expand internationally.”

Alan Svoboda
Executive Director

We aim to strategically grow throughout Europe and to substantially expand our portfolio of conventional power plants, both coal and gas fired. In doing so, we safeguard future options for conventional plants, their staff and the respective local communities.

Globally, the transition from carbon-based power sources towards renewable energy generation is in full swing. However, today’s technologies do not yet allow for a complete phase out of conventional power plants. Flexible and robust fossil plants continue to play a critical role in maintaining supply stability and controlling grid flows, thus supporting a swifter build-up of renewable capacities.

In Europe, we want to be the enablers of that transition, bridging the gap between the world of today and tomorrow’s energy. We are convinced that conventional plants will be replaced at some point by industrial-scale energy storage, smart grid systems and responsive demand side management. However, there is a transition period that may last several years. Seven Energy aims at supporting that transition by responsibly operating fossil plants that benefit both energy systems and consumers.

Our operating strategy is the following: To share the best practices across all assets, to meet all environmental standards and invest in further options for sustainable power generation.

Our European-wide trading team can plug all the plants in to their sophisticated systems of fuel sourcing, placing power on the markets and their hedging strategies in order to maximize value derived from the assets.

Even towards the end of a useful life, we will look for alternatives for these assets, such as power-to-gas technologies or similar innovative concepts that could give yet a new horizon to the plants and their employees.

Focus is the new recipe for success, and today’s energy sector calls for top players in clearly defined strategic niches.

They replace the fully integrated super companies of the past that had spanned the entire value chain and beyond.

Our niche is the power generation for high-performing conventional assets until they cease to be needed in the energy system. We assume responsibility for their entire life span. That includes searching and assessing technological alternatives like power to gas and other innovative solutions that may well expand the perspective for each plant and its teams.

Our strategy serves as the ideal complement for operators about to divest their conventional plants. Employing our long-standing operational experience, we are ready to discuss options for any such asset acquisition. Moreover, as a private company, we are independent from external stakeholders’ pressure. We purposefully invest in conventional assets and have full command over the deployment of our own capital resources.

Our mission is to provide a perspective to conventional power plants as long as they are systemically needed and thus offer a robust basis for a swift transition of the energy sector towards a fully sustainable future.
Our History

At the heart of our Business is Almost 150 Years of Mining History

The beginning of industrial lignite mining in the North Bohemia is connected to the Petschek family.

The Petschek family dominated the lignite mining industry all over Europe (a half of the mining sites, mainly in Germany).

Privatisation of coal mines

Our Track Record

1871

The beginning of industrial lignite mining in the North Bohemia

1940

Nationalisation by the Communist regime

Ignatz Petschek became the owner of the majority of the mining companies in North Bohemia

1993

Privatisation of coal mines

1993-90s of 20th Century

Consolidation of the fragmented group under the name of Seven Energy

The Petschek family dominated the lignite mining industry all over Europe (a half of the mining sites, mainly in Germany)

Pavel Tykac entered the coal company

2006

Acquisition of 100% of the coal company by Pavel Tykac

2010

Acquisition of 100% stake in InterGen - a leading global power producer - which represents 3 gas power plants in the UK and stakes in 2 power plants in Australia

2011

An intense acquisition process has begun

2012

Formation of commodity trading and power engineering units

2015

Final bidder for acquisition of Vattenfall lignite mining and power generation

2016

Consolidation of the fragmented group under the name of Seven Energy

2017

Formation of commodity trading and power engineering units

2018

An acquisition of 50% stake in InterGen - a leading global power producer - which represents 3 gas power plants in the UK and stakes in 2 power plants in Australia

2019

Formation of commodity trading and power engineering units

Our Group Structure

* Simplified ownership structure of Seven Energy AG, valid to date of January 1, 2019

<table>
<thead>
<tr>
<th>Company Name</th>
<th>Parent Company</th>
</tr>
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<tbody>
<tr>
<td>SEV.EN ENERGY AG</td>
<td>SEV.EN ENERGY INTERNATIONAL AG</td>
</tr>
<tr>
<td>TEGLERON LIMITED</td>
<td>SEV.EN SERVICES s.r.o.</td>
</tr>
<tr>
<td>HALTIKAR LTD</td>
<td>SEV.EN GAMMA a.s.</td>
</tr>
<tr>
<td>Seven Commodities AG Prague Branch Office</td>
<td>Seven Commodities AG</td>
</tr>
<tr>
<td>Vršanská uhelná a.s.</td>
<td>Seven EC a.s.</td>
</tr>
<tr>
<td>Seven Engineering s.r.o.</td>
<td>Seven Engineering s.r.o.</td>
</tr>
<tr>
<td>Coal Services a.s.</td>
<td>REKULTIVACE a.s.</td>
</tr>
<tr>
<td>RENOSUM a.s.</td>
<td>Infitea s.r.o.</td>
</tr>
<tr>
<td>Servis Leasing a.s.</td>
<td>Czech Coal Services a.s.</td>
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* 100 %

80 %
### Key Facts About Our Group

<table>
<thead>
<tr>
<th>Metric</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees</td>
<td>3,200</td>
</tr>
<tr>
<td>Million tons of coal mined</td>
<td>106.5</td>
</tr>
<tr>
<td>Consolidated revenues in EUR</td>
<td>799,000,000</td>
</tr>
<tr>
<td>Million EUR of paid taxes</td>
<td>20,300</td>
</tr>
<tr>
<td>GWh of electrical energy</td>
<td>65</td>
</tr>
<tr>
<td>GWh of electrical energy</td>
<td>4 GWh</td>
</tr>
<tr>
<td>Newly acquired gas and coal power plants</td>
<td>5</td>
</tr>
</tbody>
</table>

**2019 acquisition of 50% stake in InterGen**

### Our Key Business Areas

- **Mining**
- **Power Generation**
- **Power Engineering**
- **Commodity Trading**
Our Key People

We are proud that our team is composed of top professionals from the power industry. All the people have a long and proven track record and the right balance between professional competence, managerial skills and experience.

Lubos Pavlas
President & Group CEO

Lubos was appointed as the ew CEO of the Seven Energy group in October 2018 and is responsible for the management and development of the Seven Energy group in the Czech Republic and worldwide. He relies on his extensive expertise and experience in the energy industry. He has been working in various positions within the group for almost 10 years. In the past, he worked in various managerial positions within the ČEZ Group and was also the Chair of the Board of Directors and CEO of Prazska teploenergia.

Jiri Postolka
Group CFO

Jiri Postolka is a new addition to the financial team of Seven Energy. He joined the company in December 2018 and was appointed Director of Seven Services s.r.o., as well as Group CFO. At Seven Energy, he will supervise financial operations and strengthen control activities. Jiri has been faithful to the world of finance since he started his career 23 years ago. In the last 10 years, he has managed tax and accounting departments in various companies of the ČEZ Group.

Vladimir Roucek
General Manager of Mining companies in the group

He is the head of the Severni Energeticka and Vrsanska uhelna mining companies in Northern Bohemia. He has many years of experience in power engineering and executive positions in brown coal mining and reclamation. His task is to ensure that for the time being, out of necessity, brown coal remains an affordable and sustainable source for the Czech energy industry, with full respect for the environment and the inhabitants of the region where the mining companies of the group operate.

Vaclav Matys
General Manager of Chvaletice Power Plant

Vaclav joined the group in October 2018 and became a general manager of the group’s energy generating facility in Chvaletice. His principal project is the modernisation of Blocks 1 and 2. He spent most of his professional life in the ČEZ Group in various managerial positions, most notably in a division of classical energy generation and in another of renewable energy.

Jan Zizka
Director of Seven Engineering

He is another key element of the group’s strategic development. Under his leadership, Seven Engineering provides engineering and technical expertise to the group. Currently he manages the extensive ecological renovations of the 4 blocks in the Chvaletice power plant. The team’s strong know-how and personal experience with the modernization of conventional resources in the Czech Republic and Europe will also be used by the group to expand abroad.

Michal Skalka
Director of Seven Commodities

He leads Seven Commodities, which took over the Seven Energy business. He builds on the long-standing business tradition of the group in the Czech Republic. Michal Skalka has had extensive experience in commodity trading in Central and Eastern European markets. His task is to develop commodity trading at a European level. His team also participates in market analysis and business outlook.

Petr Antos
Group CDO

He is the chairman of the board of Vrsanska uhelna, Severni energeticka and Coal Services. He contributes to the management of key projects of Seven Energy in the Czech Republic and is in charge of smaller service companies in the group. Petr graduated from the Faculty of Civil Engineering at the Czech Technical University in Prague. He has extensive experience as a manager in several fields, including banking and asset management.

Alan Svoboda
Executive Director

He manages the strategic development and expansion of the group in Europe. His task is to concentrate on acquisitions in European energy, including the provision of financing. His main focus is on both conventional and advanced energy-saving technologies. He aims to invest in intelligent distribution and supply of electricity to end customers. He also participates in the long-term development of realised investments.

Jiri Postolka
General Manager of Mining companies in the group

Vladimir Roucek
Group CFO

Alan Svoboda
Executive Director

Vaclav Matys
General Manager of Chvaletice Power Plant

Jan Zizka
Director of Seven Engineering

Michal Skalka
Director of Seven Commodities

Petr Antos
Group CDO
Traditionally rooted in the conventional power-generating business, we are engaged in the extraction of coal. We are committed to the responsible mining of domestic lignite, thereby reducing the Czech Republic’s foreign energy dependence while enhancing our industry’s competitiveness and scaling up affordable heat for households.

Seven Energy operates two lignite mines: the CSA surface lignite mine and the Vrsany mine, both located in North Bohemia. With our operations, we contribute to preserving a significant share of lignite in the Czech Republic’s energy mix.

Seventeen Energy operates two lignite mines: the CSA surface lignite mine and the Vrsany mine, both located in North Bohemia. With our operations, we contribute to preserving a significant share of lignite in the Czech Republic’s energy mix.

“Traditionally rooted in the conventional power-generating business, we are engaged in the extraction of coal. We are committed to the responsible mining of domestic lignite, thereby reducing the Czech Republic’s foreign energy dependence while enhancing our industry’s competitiveness and scaling up affordable heat for households.”

Vladimir Roucek, General Manager of Mining companies

“In 2016, the group invested in overhauling two units of the Chvaletice power plant, with the aim of effectively curbing emissions. The remaining two units will be ready in 2021. What we promise in terms of prospects and plans are sound and transparent.”

Vaclav Matys, General Manager of Chvaletice Power Plant

Due to the purchase of the Ontario Teacher’s 50% stake in InterGen – a leading global power producer – the portfolio of power generating capacities has increased by 5 facilities. Three combined cycle gas plants in the UK and two coal power plants (partially owned by InterGen) in Australia. And combined capacities increase by 4 GWh.

Seventeen Energy bought the shares in this utility from the CEZ Group. This move marked the Group’s entry into the electricity and heating markets as a major new utility.

Seventeen Energy became a part of the Group in 2013. Seventeen Energy bought the shares in this utility from the CEZ Group. This move marked the Group’s entry into the electricity and heating markets as a major new utility.
Our Power Engineering

“We continue the famous tradition of Czech mechanical engineering. The professional competence and long experience of the whole team creates a perfect balance between the optimal planning of power production and the need to protect our environment.”

Jan Ziska, Director of Sev.en Engineering

<table>
<thead>
<tr>
<th>20</th>
<th>highly competent professionals</th>
</tr>
</thead>
<tbody>
<tr>
<td>150</td>
<td>million EUR expected budget of the biggest currently running project</td>
</tr>
<tr>
<td>2</td>
<td>offices - Prague and at the Chvaletice Power Plant</td>
</tr>
</tbody>
</table>

Sev.en Engineering focuses on the preparation and realisation of modernisation projects, which guarantee the reliable and ecological running of traditional power plants. The scope of offered services covers from project preparation, realisation of construction, technical and organisational activities in areas ranging from fire protection to occupational safety. Last but not least, they are responsible for the maintenance and technical support for the Chvaletice Power Plant.

“Creation of a central commodity trading unit is crucial to effective optimalization of the Group energy assets and margin maximization through active hedging and trading. The trading unit also plays a vital role in our expansion strategy and contributes through the expansion of trading activities as well as through commercial operations of acquired assets.”

Michal Skalka, Director of Sev.en Commodities

Our Commodity Trading

<table>
<thead>
<tr>
<th>14 800</th>
<th>GWh of traded (and cleared) electricity in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>12.5</td>
<td>million of EUA cleared in 2018</td>
</tr>
<tr>
<td>30</td>
<td>members of the professional trading team</td>
</tr>
</tbody>
</table>

Seven Commodities is a major player in the Czech energy market and plans to become an important player in the European energy market. As a part of Seven Energy, the company trades in electricity and emission allowances on European wholesale markets through energy exchanges, brokers, and trade counterparts. The trading part of the group also provides production optimisation, hedging, and dispatch control for the Seven Energy Chvaletice power station in the Czech Republic. This generating capacity has been greened to a certain extent and preparations for its further upgrade and greening are currently under way.
Our Group on the Map

We Build on Our Values

Efficiency

We believe in daring visions, but at the same time we understand that between tomorrow’s vision and today’s reality there is a lot to do. We believe that if you want to succeed in today’s world you have to be able to think creatively, while also maintaining practical reasoning.

Sustainability

We help to make people’s everyday lives easier and safer: to be able to switch on the lights, to make a morning coffee, to warm their homes after a busy working day. We do it to using natural resources. But like our predecessor, we strongly believe that when we use something, we should give it back in the best possible condition. We not only believe in it, we do it. And we have been doing it since 1908. And have always been the best at it.

Responsibility

We are not only professionals, we are neighbours, citizens and people who understand when somebody needs help or support. That’s why our corporate social responsibility programme covers a broad spectrum of good cause initiatives, from supporting local communities to internationally recognised support for the Czech language at Oxford University.
We Believe in Sustainability

Sustainability is a part of our DNA. Because in this respect we have a long history to follow. For example as far back as in 1908 the first land restoration office was established in Dux, a city at the edge of the mining area. Long before the word sustainability became a part of our modern vocabulary.

Seven Energy continues in this effort. We recognise the impact of our operations on the immediate environment. Hence, the Group is taking every measure possible to reduce the impact of coal extraction and the coal-fired power station.

We invest into the efficiency of our sites to make them as clean and green as possible. e.g. at the Chvaletice Power Station, where technological innovation, implemented in 2016, significantly reduced the assets’ impact on the environment. This also includes water management and waste prevention, making and using certified energy by-products.

The Group also makes every effort to minimise air pollution, emissions and waste. We closely monitor emissions, especially dust, and make sure they remain well below the applicable standards. Seven Energy Group is committed to reclamation and biodiversity. The original landscape in the area of the CSA and Vírany mines is a good example. It had long been affected by industrial activities, causing biodiversity to dwindle.

Introducing surface lignite mining and moving to fix the fallout contributed to shaping the original industrial landscape, ensuring the emergence of unique ecosystems and increasing the numbers of living species. Since 2005, we have been publishing comprehensive sustainability reports.

Local Support
- Clever Heads for North long-term school support programme
- Local Municipalities Support long-term partnership programme
- Most Black Angels sponsoring a women’s handball team
- City of Most Hospital Neonatal Dept. co-financing partnership
- HC Dynamo Pardubice sponsoring a professional ice hockey club
- One-off regional projects and operational support

National Support
- North Bohemia Regional Support partnership supporting the region on the national level
- East Bohemia Regional Support partnership supporting the region on the national level
- Food for children unique project supporting disadvantaged schoolchildren

International Support
- Ivana and Pavel Tykač Fellowship, University College, Oxford University supporting teaching of the Czech language in one of the most prestigious British university

almost 2 000 000 EUR of financial support in 2018
Our Key Financial Figures

Financial Figures for Key Elements of the Group

<table>
<thead>
<tr>
<th>Vrsany Coal Mine</th>
<th>CSA Coal Mine</th>
<th>Chvaletice Power Plant</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td><strong>EBITDA</strong></td>
<td><strong>Cash Flow (31/12/2016/2017)</strong></td>
</tr>
<tr>
<td><strong>2016</strong></td>
<td><strong>2017</strong></td>
<td><strong>2016</strong></td>
</tr>
<tr>
<td>126 MILLION EUR</td>
<td>143 MILLION EUR</td>
<td>684 MILLION EUR</td>
</tr>
<tr>
<td>416 MILLION EUR</td>
<td>330 MILLION EUR</td>
<td>56 MILLION EUR</td>
</tr>
<tr>
<td>141 MILLION EUR</td>
<td>213 MILLION EUR</td>
<td>-21 MILLION EUR</td>
</tr>
</tbody>
</table>

* Revenues including intragroup relations
* EBITDA for Vrsany and CSA: Refurbishment of two 200 MW units. Normalized result would be around 15 mil. EUR.

**Revenues**

**EBITDA**

**Cash Flow (31/12/2016/2017)**
- Vrsany Coal Mine: 3,3 million EUR (2016) to 1,6 million EUR (2017)
- CSA Coal Mine: 5,8 million EUR (2016) to 4,0 million EUR (2017)

**Provisions**
- CSA Coal Mine: 64,1 million EUR (2016) to 57,0 million EUR (2017)
- Chvaletice Power Plant: 19,4 million EUR (2016) to 9,3 million EUR (2017)