

Internal Information

CEZ Group completes acquisition of a 55.21% stake in the gas infrastructure operator GasNet

CEZ Group has completed the acquisition of a 55.21% stake in the GasNet Group, the largest gas distribution infrastructure operator in the Czech Republic. Natural gas, and later also hydrogen, will play a key role in the future development of the country's economy. With this acquisition, CEZ Group supports the transformation of the heat generation industry and its transition from coal to natural gas and hydrogen. The stake sold was previously managed by Macquarie Asset Management, acting on behalf of the funds it manages. The transaction has already been approved by the Czech Ministry of Industry and Trade and the European Commission.

"We are very pleased that we have managed to obtain approval from the European Commission as well as the Ministry of Industry and Trade of the Czech Republic and to complete the acquisition of GasNet. This will allow us to advance further in the transformation of ČEZ as well as in the modernisation of the country's energy sector. Natural gas is an important fuel that will help the region transition from coal to emissions-free sources. Gas will play a key role in the heat generation sector, where we want to switch from coal to gas and biomass by 2030. Subsequently, we are planning to convert our gas infrastructure to the distribution of green hydrogen," said **Daniel Beneš, Chairman of the Board of Directors and CEO of ČEZ.**

The GasNet Group manages a network of 65,000 km of pipelines, holding an approximately 80% share in natural gas distribution in the Czech Republic. It serves approximately 2.3 million customer points and distributes 66 TWh of gas annually. The agreed purchase price amounts to EUR 846.5 mil., corresponding to the equity value of the 55.21% stake acquired.

"GasNet is a stable company and a regulated asset, and, with this acquisition, we are bringing our shareholders certainty for the future. Furthermore, there are many synergies to be found in the operation of power and gas distribution networks on which we want to focus next," says **Pavel Cyrani, Vice Chairman of the Board of Directors of ČEZ.**

With the acquisition of a majority stake in the GasNet Group, ČEZ also fulfils its business plan in the sphere of gas distribution, which is part of the ČEZ Business Concept approved by the company's general meeting.

Structure of the transaction:

The subject of the transaction is a 55.21% stake in Czech Gas Networks, S.à r.l., the sole owner of Czech Gas Networks Investments, S.à r.l., the owner of Czech Grid Holding, a. s., which in turn owns GasNet, s. r. o., and GasNet Služby, s. r. o. The seller is Macquarie Asset Management, acting on behalf of the funds it manages.