



EXPERT'S OPINION

No. 652/16/2015

Expert's task:

Valuation of a part of the enterprise of ČEZ, a. s., having its registered office at Prague 4, Duhová 2/1444, postal code 140 53, ID No. 452 74 649—the “Vítkovice Heating Plant” organizational unit—which is an independent organizational entity and is to be transferred as a non-cash contribution to Energocentrum Vítkovice, a. s., having its registered office at Prague 4, Duhová 1444/2, postal code 140 00, ID No. 039 36 040, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 20536, within the meaning of Section 251 in conjunction with Section 478 of Act No. 90/2012 Sb., on commercial companies and cooperatives (Business Corporations Act), as amended.

Client:

Energocentrum Vítkovice, a. s.
Duhová 1444/2
140 00 Prague 4
ID No.: 039 36 040

Appraiser:

ZNALEX, s. r. o.
V Jámě 5/699, 110 00 Prague 1
ID No.: 260 99 306

Prague, April 7, 2015

*The expert's opinion contains 37 pages of text + 78 pages of annexes without cover sheets (2 copies without annexes)
Number of copies: 8 in total*

Summary

The valuation has been prepared in connection with the considered increase of the registered capital of Energocentrum Vítkovice, a. s., having its registered office at Prague 4, Duhová 1444/2, postal code 140 00, ID No. 039 36 040, registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 20536 (“**Energocentrum Vítkovice, a. s.**”) by subscription of new shares with a non-cash contribution consisting of a part of the enterprise of ČEZ, a. s. having its registered office at Prague 4, Duhová 2/1444, postal code 140 53, ID No. 452 74 649 (“**ČEZ, a. s.**”)—the “Vítkovice Heating Plant” organizational unit—which is an independent organizational entity. The expert’s opinion must comply with the requirements set down in Section 251(2) of Act No. 90/2012, on commercial companies and cooperatives (Business Corporations Act), as amended (the “**Business Corporations Act**”):

a) A description of the non-cash contribution—See Annex 2 and Sections 10 and 11 of Part A. Findings—General Information

b) Methods used to assess the value of the contribution

In compliance with the Business Corporations Act, two valuation methods (two ways of assessment) were used. One of the methods chosen is the net asset value based on historical costs, which is based on the values of assets and liabilities carried on the company’s books. The other method is the discounted cash flow method.

The discounted cash flow method will be the determinant method for the valuation of the non-cash contribution as it better reflects the market value of the part of the enterprise. The selected method is thus suitable and legitimate and, consequently, adequate for the purposes of the valuation of the non-cash contribution. The net asset value based on historical costs will be a complementary method showing the value at which the assets are carried on the books of the part of the enterprise.

c) Amount at which the non-cash contribution is valued

**We value the non-cash contribution at a rounded amount of
CZK 47,409,000 as at December 31, 2014.**

d) Information on whether the price of the non-cash contribution obtained through the methods used matches at least the cumulative issue price of the shares that are to be issued by the company in consideration of the non-cash contribution

The price of the non-cash contribution matches at least the cumulative issue price of the shares that are to be issued by Energocentrum Vítkovice, a. s. in consideration of the non-cash contribution.

C. DRAWING CONCLUSIONS—SECTION 251(2) OF THE BUSINESS CORPORATIONS ACT

We value the non-cash contribution at CZK 47,409,000.

We preliminarily informed ČEZ that the value of the part of the enterprise we had calculated would be at the level of CZK 47,409,000. ČEZ representatives informed us that shares with a cumulative issue price of no more than CZK 47,000,000 would be issued in consideration of the non-cash contribution.

Therefore, we can state that **"The price of the non-cash contribution matches at least the cumulative issue price of the shares that are to be issued in consideration of the non-cash contribution to Energocentrum Vítkovice, a.s., which is the recipient of the contribution—Section 251(2)(b) of the Business Corporations Act."**

The value of the non-cash contribution we have assessed excludes VAT, where applicable.

D. EXPERT CLAUSE

We have provided the expert's opinion as an expert institute appointed by a decision of the Ministry of Justice of the Czech Republic of October 20, 2006, Ref. No. 245/2006-ODS-ZN/2 and a decision of the Minister of Justice of the Czech Republic of January 19, 2010, ref. No. 252/2009-OD-ZN for expert activities in the field of:

Economics

with the scope of expert authorization covering:

- Valuation of enterprises and parts thereof
- Valuation of securities, ownership interests, and business shares
- Valuation of financial and non-tangible assets
- Valuation of receivables
- Accounting and stocktaking
- Financial expertise
- Assessment of transformations of commercial companies and cooperatives (mergers, splits, transfer of assets to a member, and changes of legal form)
- Real estate valuation
- Investment project feasibility studies
- Highest and best use analysis
- Damage appraisal
- Preparation of expert opinions pursuant to insolvency law

ZNALEX, s. r. o.,

having its registered office at: V Jámě 5/699, 110 00 Prague 1

On behalf of the expert institute:

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JUDr. Ing. Lukáš Křístek, MBA, executive

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Mgr. Ing. Luděk Carbol, executive

The expert act has been recorded in the expert journal under serial number 652 / 16 / 2015.