CLEAN
ENERGY OF
TOMORROW

Report on CEZ Group Financial Results for 2022

Audited consolidated results prepared in accordance with International Financial Reporting Standards (IFRS)

March 21, 2023

Agenda

Financial Highlights and Selected Events
Daniel Beneš

Financial Results 2022
Martin Novák

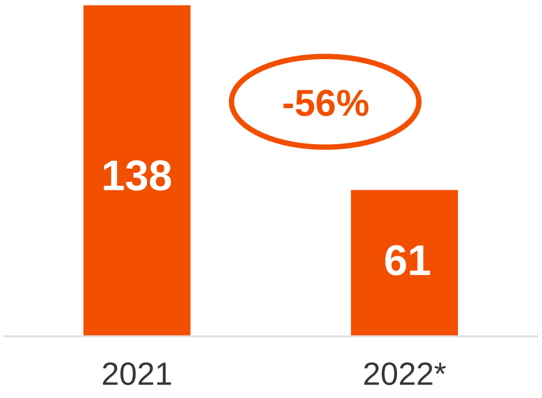
Market development and Strategic VISION 2030 fulfilment
Pavel Cyrani

The year 2022 was marked by an unprecedented energy crisis as a result of the Russian military invasion of Ukraine on February 24, 2022

A difficult year in the wake of the war in Ukraine

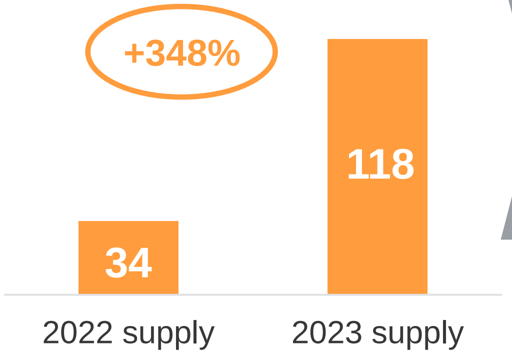
- The Russian invasion and the confluence of several other factors have resulted in a profound energy crisis, extreme volatility, and record commodity price increases.
- Major reduction in gas supplies from Russia and the overall uncertainty of future gas supplies in the context of the developments in Ukraine caused a sharp increase in the cost of generating electricity from power plants using fossil fuels, leading to extreme volatility and increasing electricity prices in Europe.
- In addition, the EU sanctions adopted against Russia and Russia's reaction have led to a substantial reduction in Europe's trade and payment relations with Russia, threatening the supply of materials, services, and products for the energy sector, and further intensifying the problem of rising inflation in Europe.
- The reduction of natural gas supplies to the EU from Russia (by 77 bcm year-on-year) and the low levels of gas storage in Europe (in the view of limited filling of Gazprom's storages already prior to the invasion) have caused a change in the energy market, not only in Europe.

Natural gas supplies to the EU from Russia (bcm)



* Data for year 2022 are preliminary indications (source: Eurostat and internal CEZ analysis)

Gas price, Germany (EUR/MWh)**



Electricity price, Czechia (EUR/MWh)**

** Average wholesale price of gas or electricity (BL) during a year preceding the delivery year.

Russian gas supply deficit, and thus the extreme level of market prices for gas and electricity, was gradually resolved through:

- Reduction of gas consumption in EU by 59 bcm (by 15 %)
- Increase of LNG supplies by 50 bcm (by 69 %)
- Increase of gas supplies from other countries and increase of domestic production (by 17 bcm).

CEZ Group has withstood the crisis, contributed to its resolution, and proved to be a reliable socially responsible partner

Strategic raw materials and immediate anti-crisis measures	▪ We secured LNG terminal capacity in the Netherlands for 5 years to the extent of 1/3 of the Czechia's consumption, which substantially increased the Czech energy security and independence gas supplies from Russia. ▪ We are filling gas storage tanks as part of our security of supply standard obligation, we have purchased gas for Czech strategic reserves. ▪ We have ensured maximum availability of coal-fired facilities and mining to minimize the impact of the energy crisis (e.g. by temporarily extending the operation of the Dětmarovice Power Plant). ▪ We have secured sufficient inventories of nuclear fuel for the near term, and we contracted the supply of new non-Russian nuclear fuel for Temelin from Westinghouse and Framatome (supplies from 2024). ▪ We secured maintenance and key supplies of services and materials despite restrictions and sanctions, including negotiating the acquisition of ŠKODA JS.
Zero-emission nuclear energy and decarbonization	▪ Record nuclear generation of 31 TWh, contributed significantly to the lower impact of the crisis on Czech businesses and households. ▪ We launched a tender for a contractor to build a new nuclear power plant at the Dukovany site and received three valid bids. ▪ We are accelerating the preparation of small modular nuclear reactors ("SMRs") construction. ▪ We are accelerating the construction of RES (in the retail sector over 4 thousand PV power plants with a capacity of 27 MWp have been installed); in the construction of new PV plants ČEZ has already received support for 173 MWp and ČEZ projects with a capacity of over 1,012 MWp have been submitted to the second call of Czechia ▪ We continue to decarbonize our entire generation portfolio in line with the ambitions of VISION 2030. CO_2, SO_2, and NO_X emissions from electricity and heat generation decreased year-on-year despite the energy crisis and the maximum deployment of all emission sources.
Energy savings and customer assistance	▪ We want to lead by example, we have reduced office temperatures, and we will reduce energy consumption by 15% this winter. ▪ We have launched the energy portal www.setrim.cz, which has already been visited by 2 million people. ▪ We help customers across the country cope with increasing energy prices by offering free installment plans and work to pass on government's help to them as soon as possible. ▪ As part of the new ČEZ Academy program, we provide energy literacy and mentoring courses for our customers. ▪ We have also focused on helping Ukraine, e.g. by assisting with rebuilding of the electricity grid.

A cornerstone for solving the energy crisis in Czechia—the first European LNG terminal launched since the invasion of Ukraine

The terminal was built in a record 6 months and launched on Sep 15

- Total capacity at 8 bcm gas per year
- Dutch national company Gasunie is the operator
- ČEZ, Shell and Engie have a contract for the capacity use
- The ČEZ contract was concluded for 5 years with an annual capacity of 3 bcm of gas
- The capacity is commercially managed by ČEZ. The contracts include options to cede capacity to the Czech state.

The terminal can supply ~1/3 of the annual gas consumption in Czechia and represents an additional business opportunity for ČEZ

- This is a crucial step for Czech energy security, independence from Russia and an important insurance in case of gas supply restrictions from other sources, as the transport routes from the Netherlands to Czechia have been contracted at the same time.
- LNG, once converted to natural gas, was mainly used for filling storage tanks in Czechia and for trading commodities on Western European markets.

In 2022, ČEZ regasified 3.6 TWh at the terminal

- Terminal utilization in 2022 was impacted by the terminal's gradual startup and a terminal outage due to the connection of heat from an external source.
- For 2023, ČEZ has so far concluded contracts for LNG purchase in the volume of almost 8 TWh.

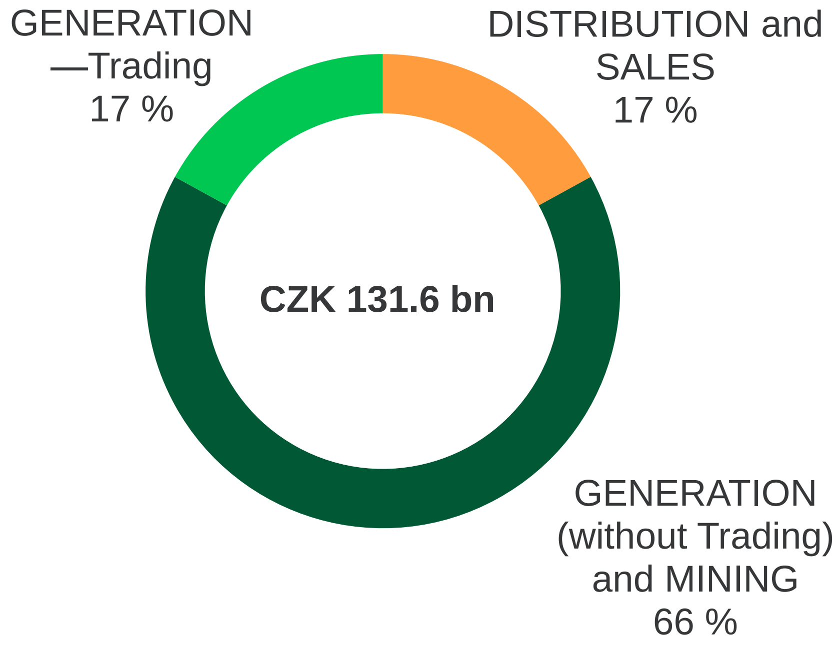
In 2022 CEZ Group has also proven to be a stable, strong company and created record value for shareholders

- Record nuclear generation (31 TWh) and high availability of all other facilities.
- Exceptional income from commodity trading on Western European markets.
- We ensure adequate availability of coal-fired facilities and mining for a medium-term increase in generation, while continuing to decarbonize our generation portfolio in line with the VISION 2030 ambitions and CEZ Group's announced ESG commitments.
- We have made progress in preparing for the construction of RES in Czechia—in the first call of the Modernization Fund, we received support of CZK 1 bn for a 173 MWp of PV plants, and for the second call we have submitted projects with a total volume of 1,012 MWp.
- We have obtained a permit for the long-term operation of Unit 2 of the Temelín Nuclear Power Plant, we are evaluating bids for a new nuclear power plant in Dukovany and we have accelerated the preparation for the development of small modular reactors (SMRs).
- We managed the huge liquidity requirements due to the margining of commodity trades on exchanges. Thanks to many partial system measures throughout the year, we managed to resolve all extreme commodity price fluctuations and meet all our obligations.
- We paid a high dividend of CZK 48 per share (almost CZK 26 bn) despite the extreme pressure on liquidity due to the crisis.

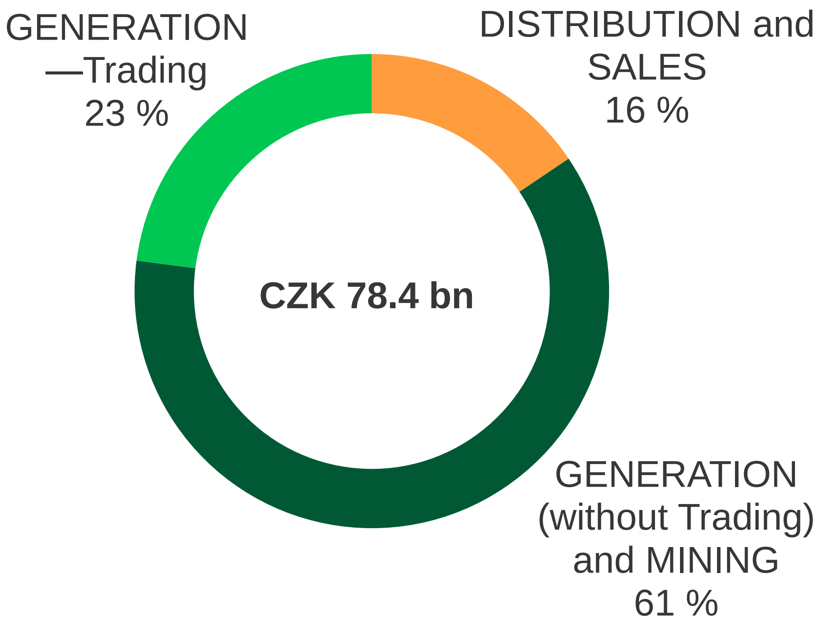
Positive developments in sustainability and climate protection approach are confirmed by reputable international ESG rating agencies (MSCI's ESG rating has increased to AA), placing ČEZ in the top 30% of companies in the ESG area.

Historically highest nuclear generation (31 TWh) and extraordinary trading income brought record income to shareholders

EBITDA 2022
share of core activities (%)



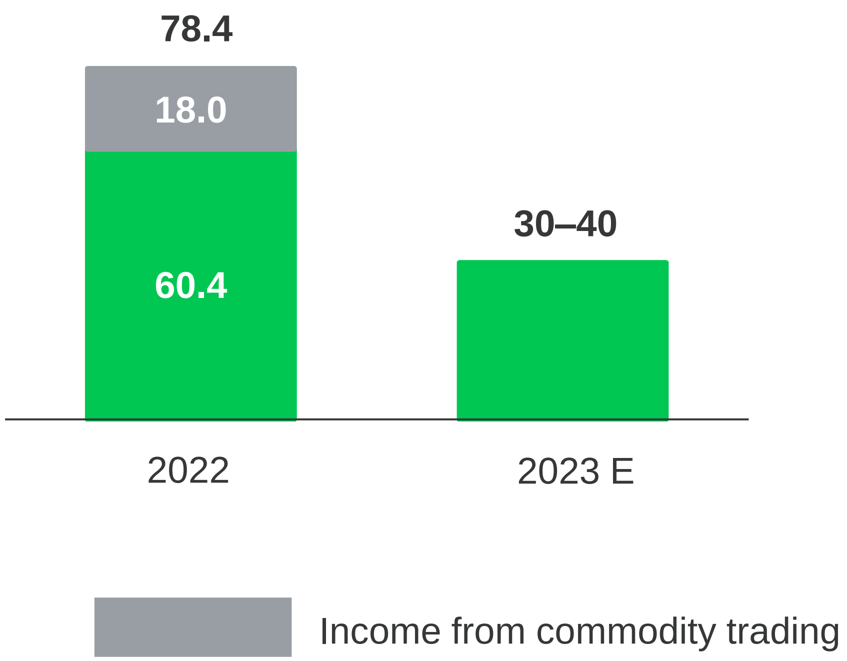
Adjusted net income 2022
share of core activities (%)



International commodities trading brought record profit of CZK 18 bn, accounting for almost 1/4 of 2022 CEZ Group's consolidated net income.

Net income outlook for 2023: CZK 30–40 bn

Adjusted net income (CZK bn)



Main year-on-year effects

– Extraordinary income from commodity trading in 2022 (CZK -18 bn)

+ Market influences, business development and growth ambitions (CZK ~0 to +20 bn)

– Levy on generation revenues and windfall tax in Czechia in 2023 (CZK -30 to -40 bn)

Dividend in 2023 (from 2022 income)

Current dividend policy (60%–80% of net income adjusted for extraordinary effects) in the event of an 80% payout ratio indicates:

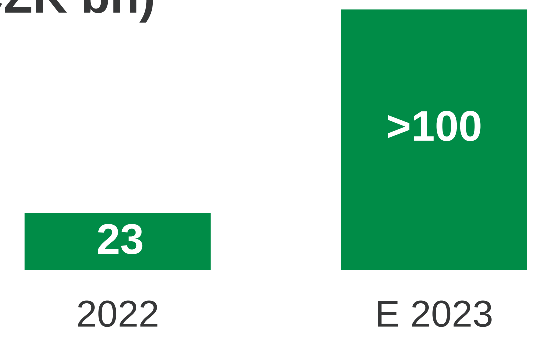
- Dividend of CZK 117 per share
- Shareholder income of CZK 63 bn, of which CZK 44 bn for the Czech state.

In 2023, CEZ Group will pay more than CZK 100 bn to the Czech state in dividends, income taxes, and levy on revenues

Indication of State income from CEZ Group in 2023 (CZK bn)

Dividend from 2022 earnings*	CZK 44 bn
Windfall tax and levy on revenues above price caps	CZK 30 to 40 bn
Ordinary income taxes**	CZK 26 to 30 bn

Czech Rep.’s income from dividends, income taxes, and levy on revenues from CEZ Group (CZK bn)



Total Czech Rep.’s income from CEZ Group from 1992 to 2022 exceeded CZK 840 bn, of which:

- Dividends, income taxes CZK 397 bn
- Other taxes, donations and emission allowances CZK 443 bn

* The indication given corresponds to the upper limit of the dividend policy in force, i. e. the payment of 80% of the Group's adjusted net income for 2022

** Advances for current income taxes on 2023 earnings and additional income taxes on 2022 earnings above the tax advances paid in 2022.

Agenda

Financial Highlights and Selected Events
Daniel Beneš

Financial Results 2022
Martin Novák

Market development and Strategic VISION 2030 fulfilment
Pavel Cyrani

Financial Highlights of 2022

Q4 2022 Financial highlights

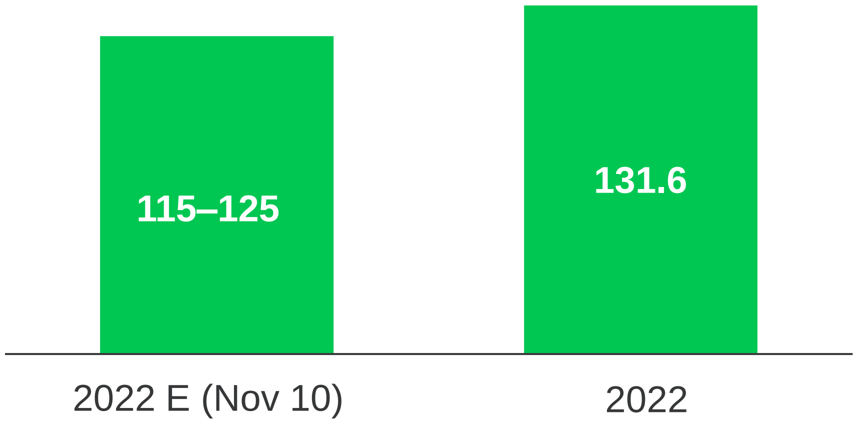
- Operating revenues increased by 8% year-on-year to CZK 77.4 bn.
- EBITDA increased by 169% year-on-year to CZK 42.3 bn.
- Net income reached CZK 28.4 bn.
- Net income adjusted for extraordinary effects amounted to CZK 26.1 bn.

Financial Highlights of 2022

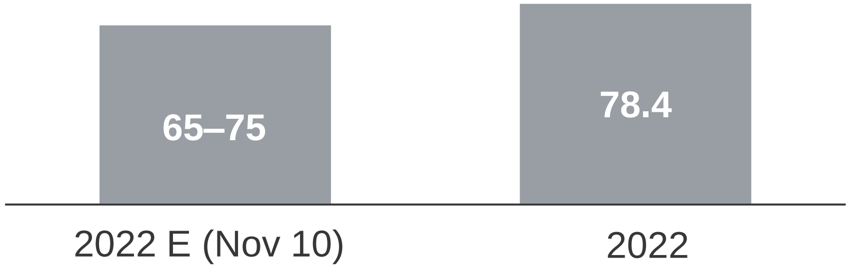
- Operating revenues increased by 27% year-on-year to CZK 288.5 bn.
- EBITDA increased by 108% year-on-year to CZK 131.6 bn.
- Net income reached CZK 80.7 bn.
- Net income adjusted for extraordinary effects amounted to CZK 78.4 bn.

We surpassed the outlook from Nov 10 mainly thanks to additional income from commodity trading on foreign markets

EBITDA (CZK bn)



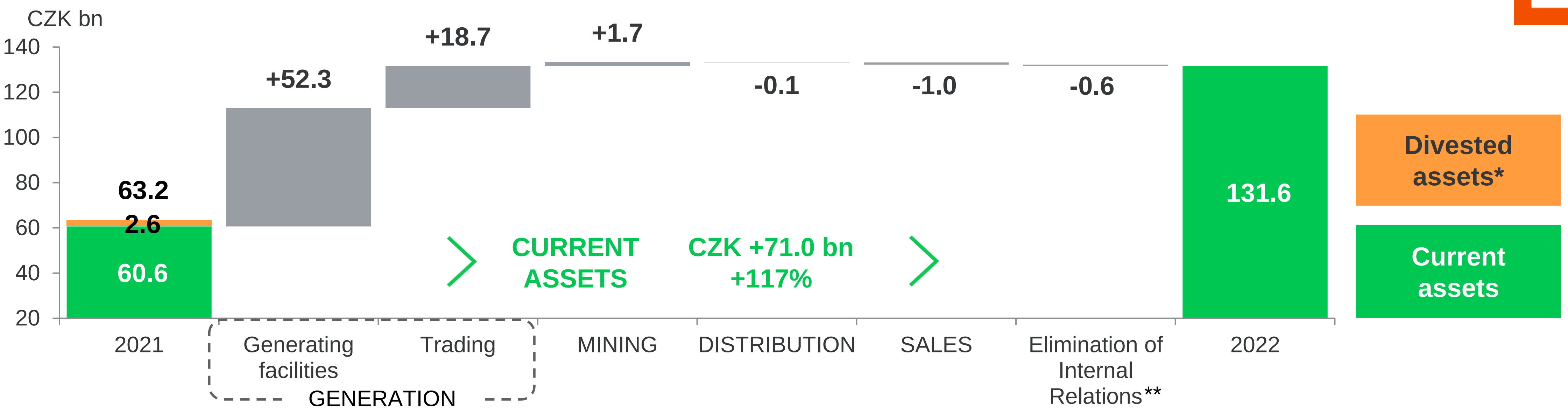
Adjusted net income (CZK bn)



Selected factors for change in financial results as compared to outlook from Nov 10, 2022

- \+ Income from commodity trading on foreign markets (CZK +3 bn)
- \+ Generation in nuclear facilities (CZK +2.5 bn)
- \+ Revaluation of derivative trades hedging 2023+ generation positions caused by the significant decrease in commodity market prices at the end of the year (CZK +3.5 bn)

Main causes of year-on-year change in EBITDA



GENERATION Segment—Generating facilities (CZK +52.3 bn):

- Higher gross margin on generation as a result of higher realized electricity prices and higher purchase prices of emission allowances and gas (CZK +46.5 bn)
- Levy on generation revenues above price caps in Czechia for Dec 2022 (CZK -1.2 bn)
- Revenues from ancillary services and regulatory energy in the Czechia (CZK +4.4 bn)
- Higher availability of Temelín nuclear power plant (CZK +0.8 bn)
- Higher fixed expenses for nuclear and emissions generation (CZK -1.7 bn)
- Specific temporary effects in 2021 (CZK +3.8 bn) related to the temporary revaluation of generation hedging contracts

GENERATION Segment—Trading (CZK +18.7 bn):

- Higher proprietary trading margin (CZK +20.1 bn)
- Breach of gas contracts by Gazprom Export (CZK -1.1 bn), tax on excess revenues abroad (CZK -0.3 bn)

* Bulgarian and Romanian assets divested in 2021

** This is mainly a hedge of currency risks of the companies in the SALES segment through ČEZ, a. s. (GENERATION segment), where the effect is reported under foreign exchange income and loss (below EBITDA)

GENERATION and MINING Segments EBITDA

EBITDA (CZK bn)		2021	2022	Difference	%
GENERATION	Zero-emission Generating Facilities	28.2	58.4	+30.2	+107%
	Fossil-fuel Generating Facilities	4.6	22.9	+18.3	>200%
	Trading	3.5	22.2	+18.7	>200%
	Specific temporary effects	-3.8	-	+3.8	-
	TOTAL	32.5	103.5	71.0	>200%
Divested Romanian and Bulgarian assets		0.6	-	-0.6	-
MINING		4.5	6.2	+1.7	+38%

Generation—Zero-Emission generating facilities (CZK +30.2 bn):

- The impact of changes in market prices for electricity on generation, including the impact of hedging transactions and exchange rate effects (CZK +27.6 bn)
  - Average realized price of electricity increased by EUR 45/MWh to EUR ~100/MWh
- Higher revenues from ancillary services and regulatory energy in Czechia (CZK +3.8 bn)
- Levy on generation revenues above price caps in Czechia for Dec 2022 (CZK -1.2 bn)
- Higher operational availability of nuclear facilities (CZK +0.5 bn); lower generation from hydroelectric power plants in the Czechia (CZK -0.8 bn)
- Update of nuclear reserves (CZK +1.0 bn); higher fixed operating expenses (CZK -0.9 bn)

Generation—Fossil-fuel generating facilities (CZK +18.3 bn):

- Impact of changes in market prices for electricity, emission allowances, and natural gas on generation in Czechia including the impact of hedging transactions and exchange rate effects (CZK +18.9 bn)
  - Average realized price of electricity increased by EUR 45/MWh to EUR ~100/MWh and average purchase price of allowances by EUR 14/t to EUR ~40/t
- Lower operating availability in the Czechia (CZK -0.8 bn)

Generation—Trading (CZK +18.7 bn): higher proprietary trading margin (CZK +20.1 bn), breach of gas contracts by Gazprom Export (CZK -1.1 bn),

Generation—Specific temporary effects (CZK +3.8 bn): Temporary revaluation of generation hedging contracts in the Czechia with delivery in 2022 booked in 2021

Mining (CZK +1.7 bn): Higher revenues from deliveries to external customers (CZK +1.8 bn) mainly due to volume; higher revenues from deliveries to CEZ Group (CZK +1.1 bn) mainly due to price; higher fixed operating expenses (CZK -1.1 bn), mainly for energy

Income from commodity trading reached CZK 26.9 bn

Total trading margin* for 2022 reached CZK 26.9 bn, the best result in history. The previous record was CZK 6.8 bn in 2021.

More than 243 thousand transactions were concluded as part of trading activities and CEZ traded:

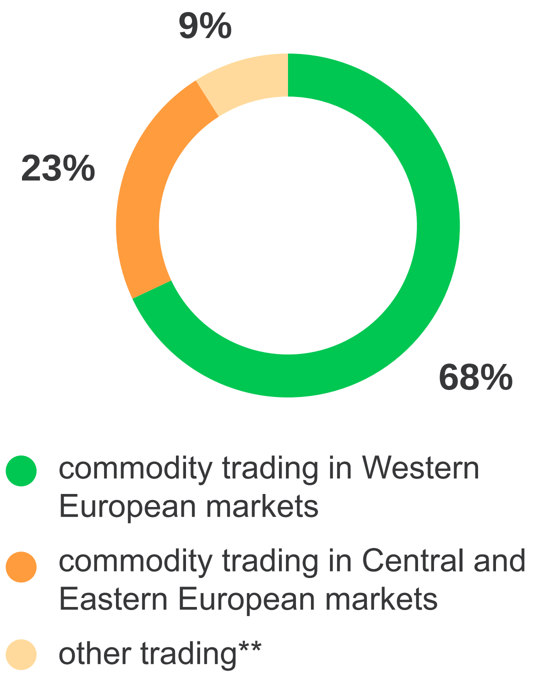
- 419 TWh of electricity
- 1,912 TWh of natural gas
- 618 mil tons of emission allowances

The activity is managed centrally from Czechia by ČEZ, a. s.

The economic effect of trading activities is generated primarily at ČEZ, a. s., and it is reported primarily within the results of the GENERATION Segment.

All trading activities are subject to established Risk Management Frameworks defining limits, permitted deals, and trading rules. Compliance is regularly monitored by the CEZ Group Risk Management Committee.

Structure of trading margin achieved in 2022



* Part of the trading margin achieved in 2022 (corresponding to the difference between internal demand for a transaction and the contracted external deal) is not reflected in CEZ Group's income or loss until the year of delivery, i.e., future years. In particular, this concerns ongoing hedging of future electricity generation, emission allowance purchases for generation, or electricity and gas purchases for end-use customers.

** In particular trading in emission allowances and options, structured trades

DISTRIBUTION and SALES Segments EBITDA

EBITDA (CZK bn)		2021	2022	Difference	%
DISTRIBUTION		18.2	18.1	-0.1	-1%
SALES	Retail segment—ČEZ Prodej	3.2	2.5	-0.7	-22%
	B2B segment—Energy services	1.3	2.0	+0.6	+49%
	B2B segment—Commodity sales	0.2	-0.7	-0.9	-
	B2B segment—Other activities	0.6	0.6	-0.0	-4%
	TOTAL	5.4	4.4	-1.0	-19%
Divested Romanian and Bulgarian assets		2.0	-	-2.0	-

DISTRIBUTION (CZK -0.1 bn)

- Lower gross margin from electricity distribution (CZK -0.4 bn) mainly due to lower distributed volume primarily at the low voltage level and negative impact of correction factors, partly compensated by higher regulatory asset base (RAB)
- Higher revenue from activities to ensure input power and connection (CZK +0.2 bn)

SALES:

Retail segment—ČEZ Prodej (CZK -0.7 bn)

- Lower gross margin on electricity and gas sales mainly due to an extreme increase in cost of deviations and of diagram shaping (CZK -1.1 bn)
- Increase in electricity and gas deliveries of 2% and 16% respectively (CZK +0.2 bn), customer number increase exceeded savings in commodity consumption by customers
- Significant increase in the number of installed PV and heat pumps (CZK +0.2 bn)

B2B segment—Energy services (CZK +0.6 bn)

- Czechia and Slovakia (CZK +0.2 bn): increase in services partly eliminated by increase in the cost of gas for heat generation for customers
- Germany and other countries (CZK +0.5 bn): increase in demand for services, higher profitability, and impact of new acquisitions

B2B segment—Commodity sales (CZK -0.9 bn)

- Lower gross margin on sales of electricity and gas in Czechia mainly due to extreme increase in cost of deviations and of diagram shaping

Main Causes of Year-On-Year Change in Net Income

(CZK bn)	2021	2022	Difference	%
EBITDA	63.2	131.6	+68.3	+108%
Depreciation and amortization	-31.6	-32.8	-1.1	-4%
Asset impairments*	-15.5	3.1	+18.6	-
Other income (expenses)	-2.7	-2.3	+0.4	+14%
Interest income (expenses)	-3.8	-1.2	+2.6	+69%
Other	1.1	-1.1	-2.2	-
Income taxes	-3.5	-18.9	-15.4	<-200%
Net income	**9.9**	**80.7**	**+70.8**	**>200%**
Adjusted net income	22.3	78.4	+56.1	>200%

Net Income Adjustments

2022 adjusted mainly for the release of impairment for fixed assets at Severočeské doly (CZK -2.3 bn)

Impairments* (CZK +18.6 bn)

- Lower fixed assets impairments at Severočeské doly (CZK +14.5 bn) and Elektrárna Dětmarovice (CZK +0.6 bn), in Poland (CZK +1.0 bn), Romania (CZK +1.1 bn), Bulgaria (CZK +0.8 bn), and Germany (CZK +0.2 bn); income related to the acquisition of ŠKODA JS and Middle Estates (CZK +0.3 bn)

Depreciation and Amortization (CZK -1.1 bn)

- Increase in depreciation of Czech coal-fired power plants due to the update of provisions for dismantling and demolition after decommissioning (CZK -0.6 bn)
- Higher depreciation at nuclear power plants (CZK -0.3 bn), ČEZ Distribuce (CZK -0.5 bn), and the impact of the acquisition of Belectric (CZK -0.2 bn)
- Lower depreciation of assets at Severočeské doly (CZK +0.4 bn) reflecting impairment in 2021

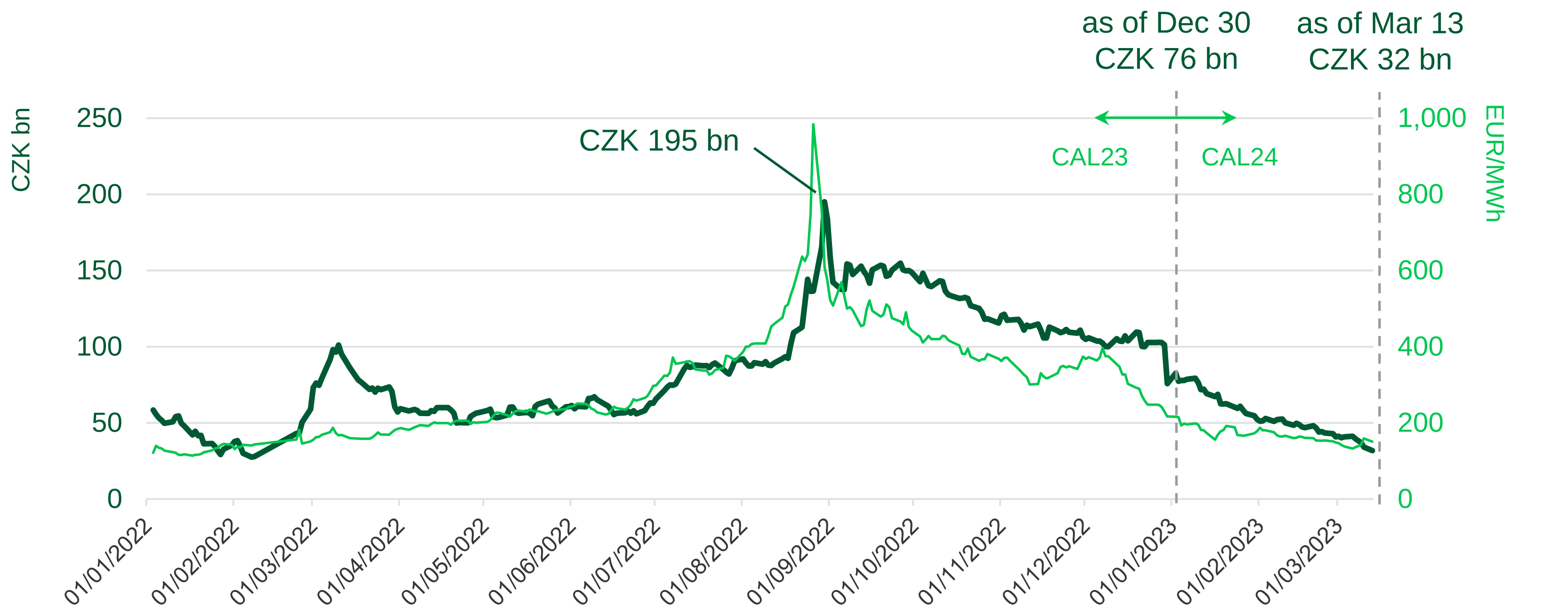
Other income and expenses (CZK +0.4 bn)

- Higher interest income (CZK +3.4 bn) due to higher holding of highly liquid assets and higher interest rates
- Higher interest expense (CZK -0.8 bn) due to the increase in loans to secure margin deposits in particular
- Higher interest on nuclear and other provisions (CZK -0.8 bn) due to rising interest rates
- Exchange rate effects and revaluation of financial derivatives (CZK -1.2 bn), mainly due to revaluation of ČEZ margin deposits on exchanges and with trading counterparties
- Interest on arrears on the refund of emission allowance tax in 2021 (CZK -1.5 bn); update of provisions related to the guarantee provided for Akcez loans (CZK +1.0 bn)

* Including gain/loss from sales of tangible and intangible fixed assets and including goodwill

Development of margin deposits and indication of coverage of potential risk of further commodity growth from current cash resources

Margin deposit development by exchanges and counterparties due to credit risk hedging of contracted deals and development of electricity, EUA and gas market prices



During extreme fluctuations in commodity prices in August, CEZ was forced to pay almost CZK 50 billion in a matter of hours as part of margin requirements.

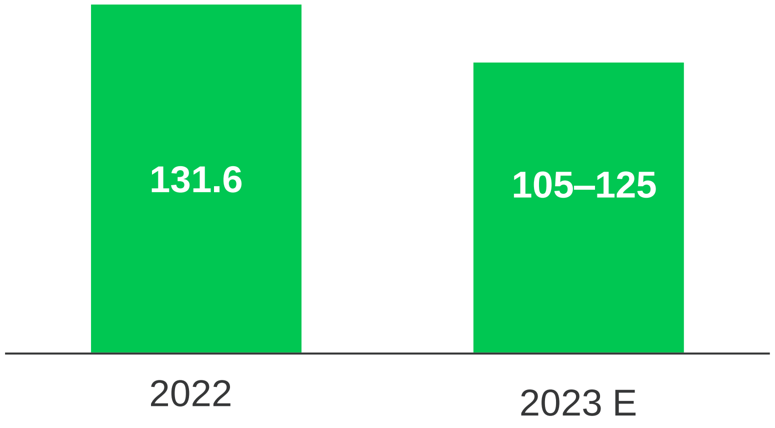
In order to manage the extreme liquidity risk throughout 2022 in was necessary to secure the maximum possible amount of available credit lines and to accumulate cash.

Commodity prices with delivery Y+1	Aug 26, 2022	Dec 30, 2022	Mar 13, 2023
Electricity (EUR/MWh)	984	217	151
EUA (EUR/t)	93	84	102
Gas (EUR/MWh)	314	77	57

Available liquidity (CZK bn)	Dec 30, 2022	Mar 13, 2023
Cash	47	81
Credit lines	69	92
Total liquid resources	115	173

Financial Outlook for 2023: EBITDA of CZK 105–125 bn, adjusted net income of CZK 30–40 bn

EBITDA (CZK bn)



Adjusted net income (CZK bn)

Main year-on-year effects

– Exceptional EBITDA from trading in 2022 (CZK -22 bn)

+ Higher gross margin on generation in Czechia as a result of significant increase in realized electricity prices and higher purchase prices of emission allowances and gas (CZK +5 to +15 bn)

– Higher levy on generation revenues above price caps in Czechia (CZK -8 to -12 bn)

– Czech windfall tax (CZK -20 to -25 bn)

Selected generation assumptions of current forecast

- Total electricity delivery in Czechia 43 to 47 TWh*
- Open position amounting to 17–23% of electricity delivery from Czech generation
- Average realized price of electricity generated in Czechia EUR 120 to 160/MWh**

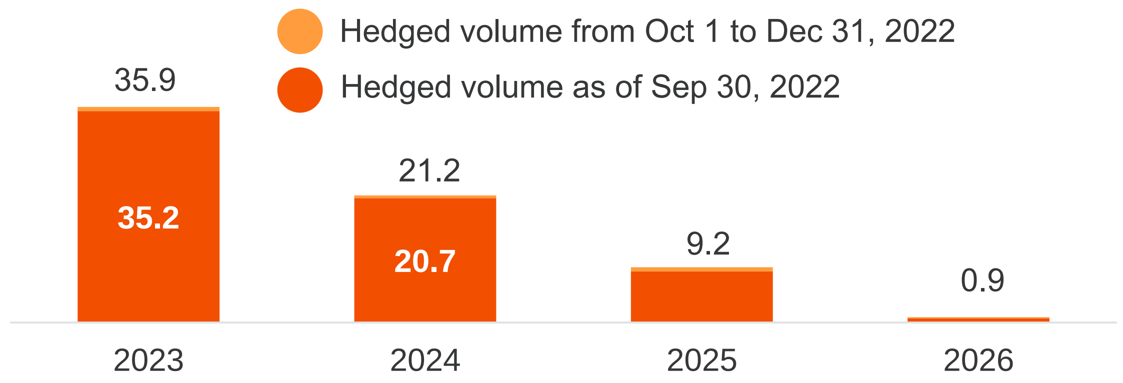
Selected Prediction Risks and Opportunities

- Availability of generating facilities
- Realization prices of generated electricity
- Gain from commodity trading and revaluation of derivatives

* Current expected electricity supply is 44 TWh
** The current average expected realized electricity price is EUR 130/MWh.

Hedging the market risks of generation in Czechia for 2023–2026
Hedging status as of Dec 31, 2022

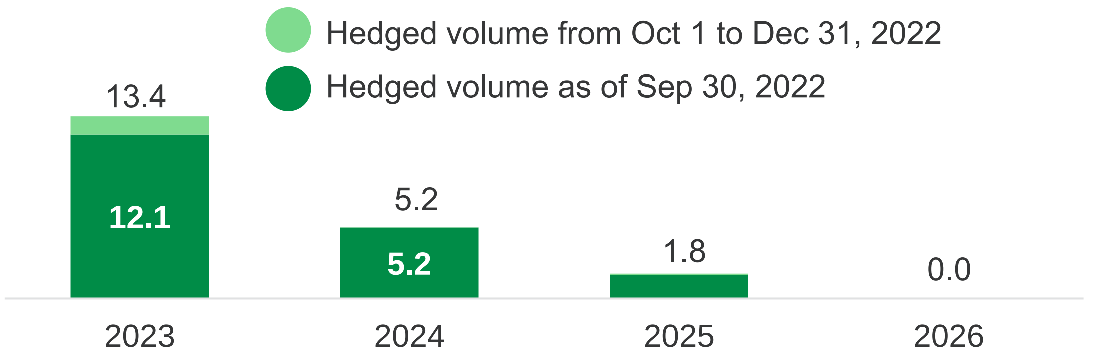
Electricity sold in TWh



EUR 117 | EUR 120 | EUR 129 | EUR 97

Electricity selling price (EUR/MWh)

Contracted emission allowances* in m tons



EUR 60 | EUR 68 | EUR 99 | N/A

EUA purchase price (EUR/t)

	2023	**2024**	**2025**	**2026**	**100% of expected supply**
Share of hedged electricity supply from generation in Czechia	75%	47%	21%	2%	40 to 47 TWh external deliveries per year

In H2 2022, as part of liquidity risk management, the hedging of generation market risks through contracts on energy exchanges was temporarily suspended and specific measures were taken to reduce ČEZ's trading exposure on energy exchanges.

During Q1 2023, hedging of generation market risks was fully restored, including the original pace of pre-sales. At the same time, specific limits and measures were introduced, including timely limitation of trades derived from defined commodity price developments in order to effectively manage the liquidity risk associated with ČEZ's obligation to margin credit exposures.

* As of Dec 31, 2022, 100% of the expected annual volume of emission allowances for generation in Czechia for 2023–2026 was 10–18 m tons.

Agenda

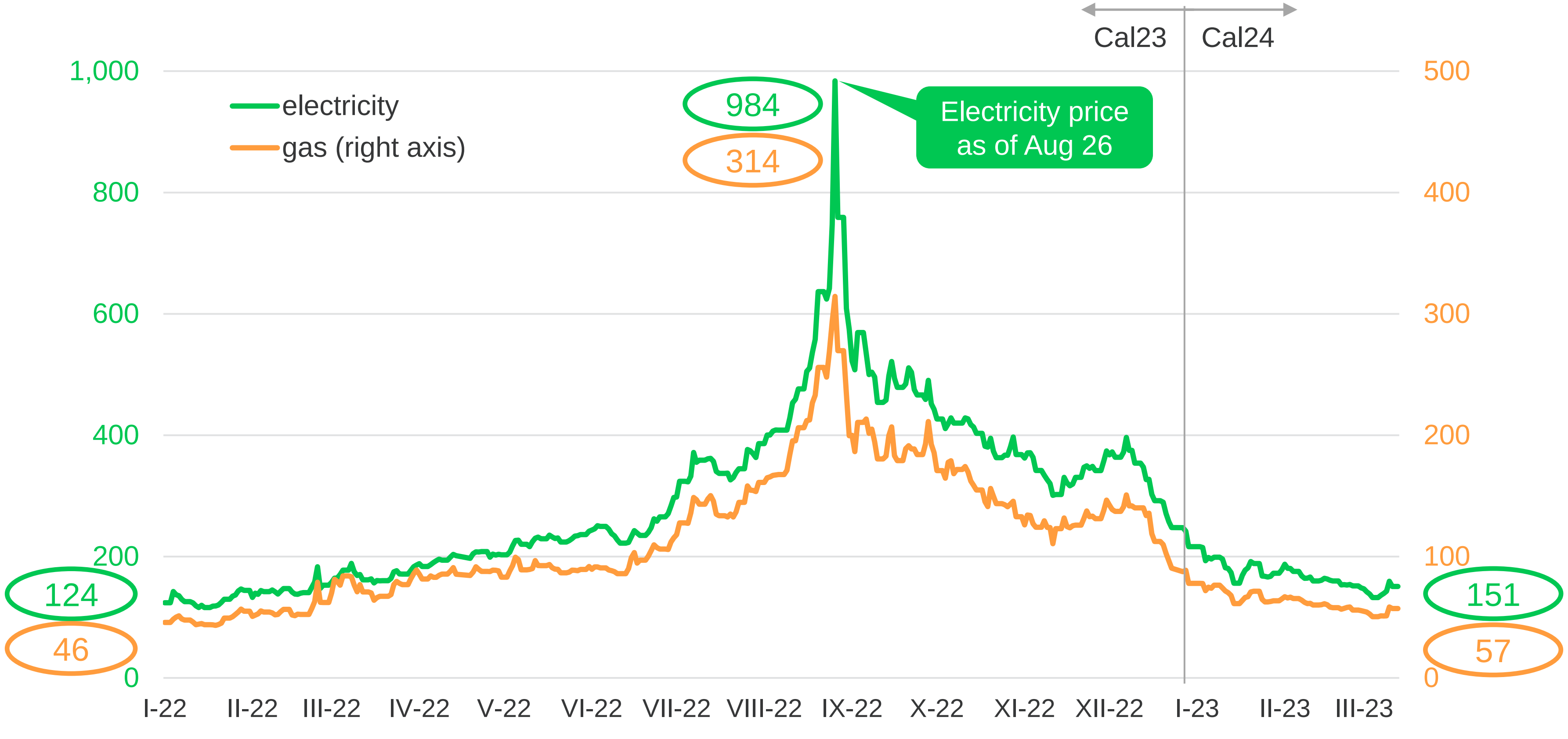
Financial Highlights and Selected Events
Daniel Beneš

Financial Results 2022
Martin Novák

Market Development and Strategic VISION 2030 fulfilment
Pavel Cyrani

Crisis year: The development of electricity market prices followed the extreme development of natural gas prices. Both prices and volatility reached historic highs.

Development of Czech electricity prices and German gas prices from Jan 1, 2022 to Mar 13, 2023* (EUR/MWh)



The geopolitical consequences of the war in Ukraine have led to the highest ever natural gas and electricity prices in Europe.

The situation on the gas market only started to stabilize at the end of 2022.

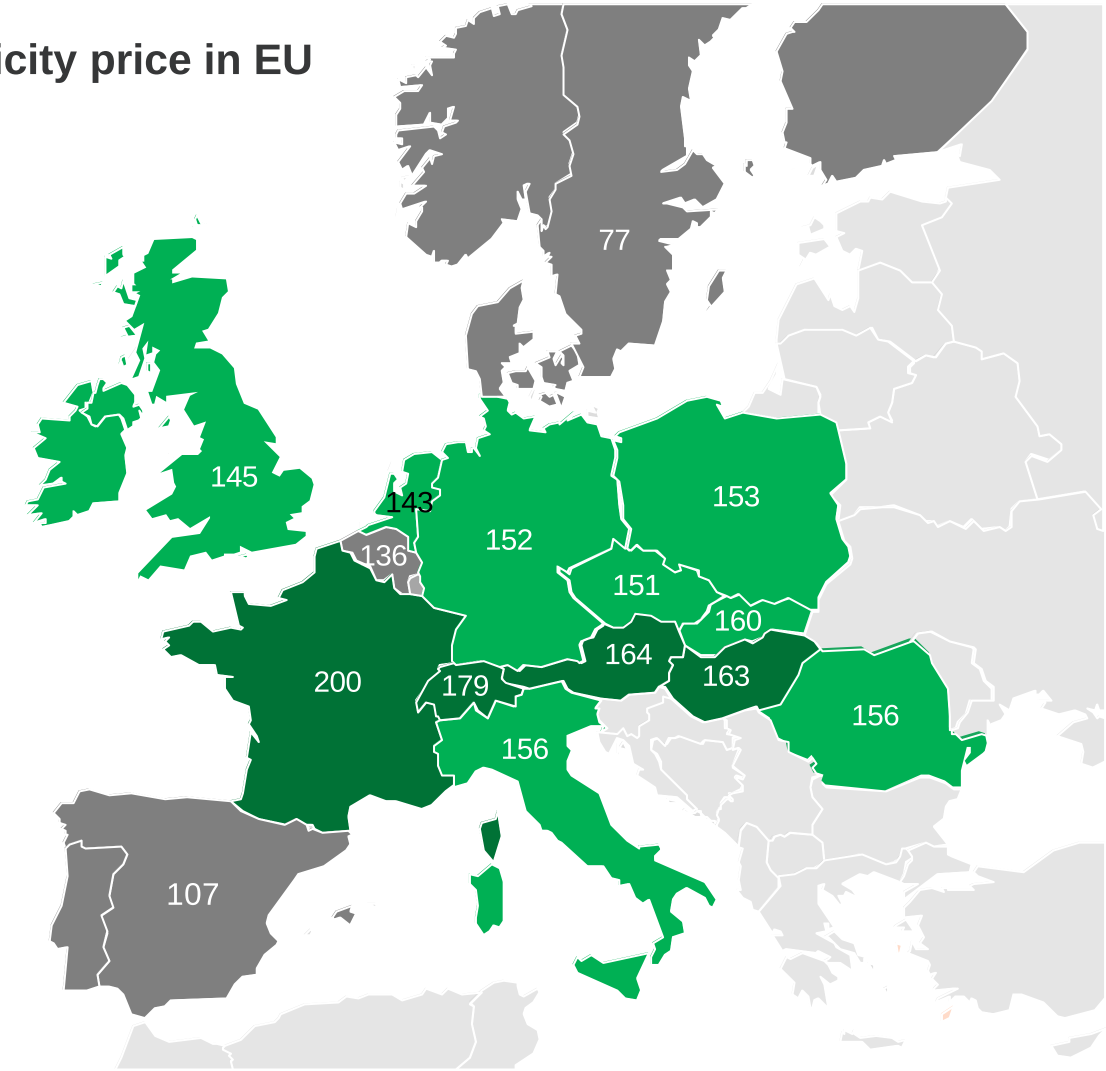
- Favorable weather, the gradual complete filling of European storage facilities and the markets' belief that there are sufficient alternative gas supplies to Europe.
- The gradual decrease in natural gas and electricity prices was enabled by high savings in customer consumption (about 15% compared to 2021) and by sufficient LNG supply by sea transport.
- The current lower natural gas prices are once again allowing for a more frequent shift of generation from the least efficient coal-fired facilities to gas-fired facilities.
- Electricity supply will remain sufficient, but it will also need to be generated from still relatively expensive gas, and its price will be influenced by the price of emission allowances and the pace of decarbonization of the energy sector in Europe.

* Electricity prices (BL) in Czechia, gas prices in Germany with delivery in the following year.

Wholesale electricity prices have decreased across the EU

Wholesale electricity price in EU

EUR/MWh, Cal24



Key:

< 140

140 - 160

> 160

Wholesale prices are at a similar level throughout Central Europe, therefore the competitive position of Czech companies against German and Austrian companies therefore remains similar.

Prices are highest in France, where gas-fired power plants set the price at almost all hours of the year. This is due to the continuing problems with the limited availability of nuclear power plants from 2022, which exacerbated the effects of the Russian invasion on the European gas and electricity markets:

- The usual level of annual generation is 350–400 TWh.
- Generation in 2022 reached 279 TWh, a year-on-year decrease of more than 22%
- Generation in 2023 is expected to be 300–330 TWh, however, new corrosion issues at Penly have now been identified which may put the target at risk.

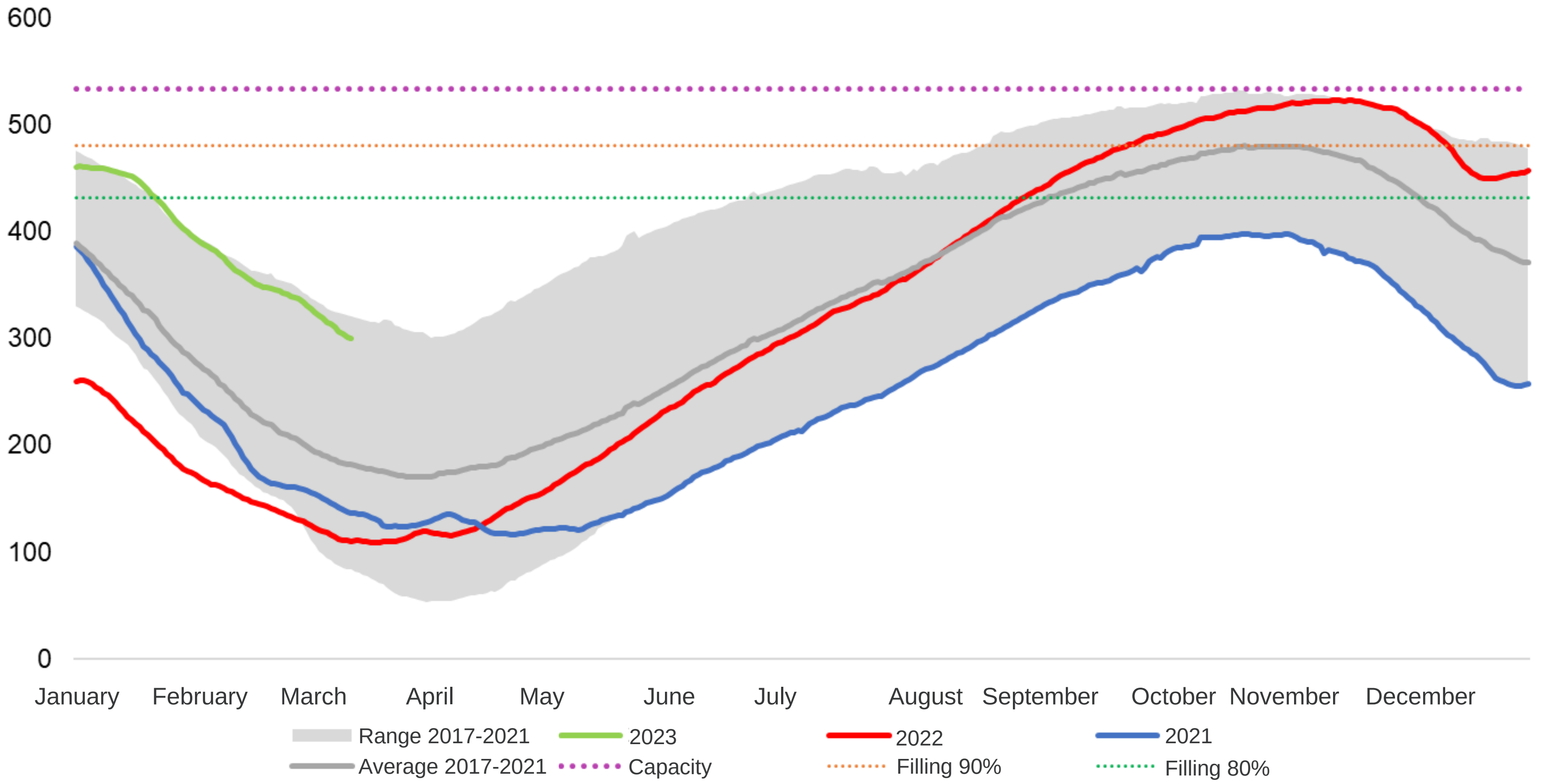
Scandinavia has the lowest electricity prices due to the high share of hydroelectric power plants and other RES.

Spanish prices are lower due to gas subsidies for electricity generation (Iberian exemption).

Stock exchange data as of March 13, 2023

Calming of the markets was only brought about by the filling of gas storages

Gas storage filling in Western Europe (DE, FR, NL, BE) in 2022 (TWh)

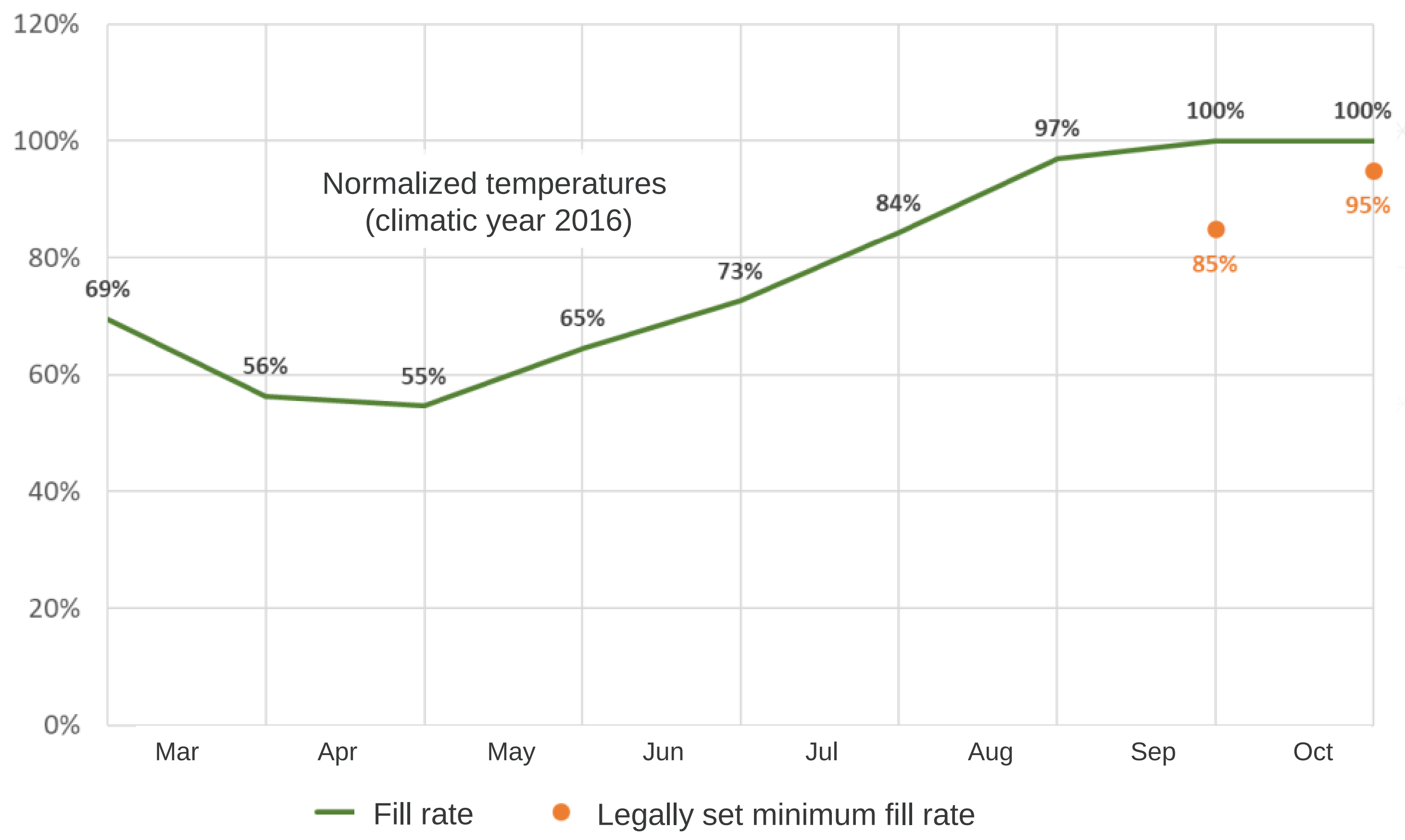


- At the time of the Russian military invasion of Ukraine in February 2022, gas storage levels in Western Europe were at historic lows. Gas and electricity prices subsequently surpassed all imaginable levels.
- Due to high prices, consumption decreased while LNG supplies increased. Storage tanks were filling up at an incredible rate.
- In November, the storage tanks were 100% full, an all-time high.
- At the turn of the year, it was so warm that storage tanks, especially in Germany, were filled up slightly.

Europe has made it through this winter, with storage filling still above average levels and therefore the baseline for filling before next winter is much higher than in 2022.

Germany expects smooth filling of storage tanks before next winter season

Estimated filling of German gas storage tanks during 2023



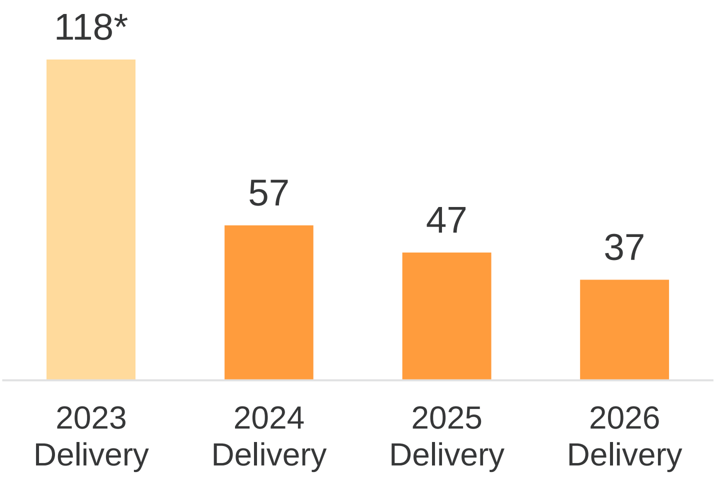
- According to the German Tank Storage Association, the storage tanks will be 56% full in April and will be refilled up to 100% already in September/October.
- A year ago (on Mar 11, 2022) Germany had gas storage facilities only 25% full. In order to refill its storage to 100%, it will need to import 100 TWh less gas in 2023 than in 2022.

Germany and European countries will no longer need so high gas prices to attract LNG tankers to Europe in 2023. Decreasing gas prices therefore have a positive effect on the drop in wholesale electricity prices for the future period.

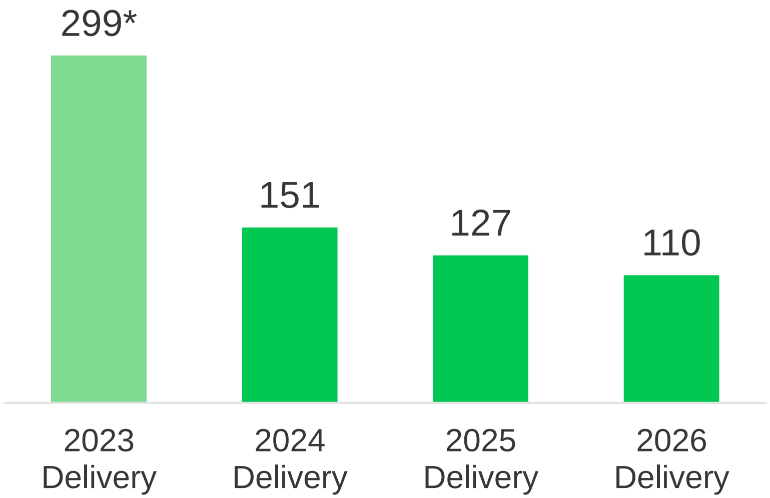
Source as of Mar 13, 2023: INES—Initiative Energien Speichern e.V. —German Tank Storage Association

Gradual electricity price decrease is indicated by the markets

Gas prices in Germany as of Mar 13, 2023 (EUR/MWh)



Electricity prices in Czechia as of Mar 13, 2023 (EUR/MWh)



* Average wholesale price in 2022 for 2023 deliveries

We continue to implement the “VISION 2030—Clean Energy for Tomorrow” strategy, which is based on two strategic pillars

The main goals of VISION 2030 – Clean Energy of Tomorrow also fulfill the goals in the field of climate protection and increasing energy independence of Czechia

- We will develop the CEZ Group responsibly and sustainably in accordance with ESG.
- We have the ambition to be among the best 20% peers in the ESG rating by 2023, reduce emission intensity by more than 50% by 2030 and increase EBITDA by 35% by 2030*
- We can realize our growth strategy until 2030 while maintaining a Net Debt / EBITDA ratio target that remains below 2.5-3.0x
- We will adapt the structure of CEZ Group to meet the demands of our investors, financing banks and employees

Strategy has two strategic pillars:

I. Decarbonize generation portfolio and reach climate neutrality

II. Provide best energy solutions and highest quality customer experience on the market

* Growth compared to 2021 using electricity prices when Vision 2030 was announced

Strategy Pillar I: Decarbonize generation portfolio and reach climate neutrality

Key strategic ambitions of VISION 2030

- We will safely increase generation volume in existing plants above 32 TWh and achieve 60-year operating life.
- We will build a new nuclear power unit in Dukovany.
- We will build 1.5 GW of renewables by 2025 and 6 GW renewables by 2030.
- We will decarbonize the heating industry and convert our coal sites to new activities as we phase out coal.
- We will build new gas-fired capacities that are ready to burn hydrogen.
- We will reduce the share of electricity generated from coal to 25% by 2025 and to 12.5% by 2030.

2022: Meeting the Targets and Selected Events

- Record nuclear generation of 31 TWh (target exceeded by 0.5 TWh) and generation exeeced 30 TWh for the fourth consecutive year.
- We obtained a permit for the long-term operation of Unit 2 of the Temelín Nuclear Power Plant.
- We launched a tender for a new nuclear power plant contractor at Dukovany. We received three valid bids and started the evaluation.
- We accelerated preparations for the construction of small modular reactors (SMRs) with the ambition to build the first one at Temelin in 2032.
- In the first call of the Modernization Fund we received support of CZK 1 bn for PV plants with a total capacity of 173 MWp, and for the second call we submitted PV projects with a total installed capacity of 1,012 MWp.
- Belectric (Elevion Group) completed construction of PV plant in Tramm Göthen in Germany (172 MWp).
- Partial exemptions from BAT were issued for the plants in the coal basin, i.e. Tušimice, Ledvice, and Prunéřov. Preparations continued for the transition of all emission generating sites to low-emission sources in line with the strategy and in the context of the temporary increase in commodity prices.
- Emission intensity of electricity and heat generation in Czechia decreased year-on-year by 1% to 0.29 t CO_2e/MWh, despite the energy crisis and the maximum deployment of all emission sources. SO_2 emissions decreased by 19% year-on-year and NO_X emissions decreased by 9%.

Strategy Pillar II: Provide best energy solutions and highest quality customer experience on the market

Key strategic ambitions of VISION 2030

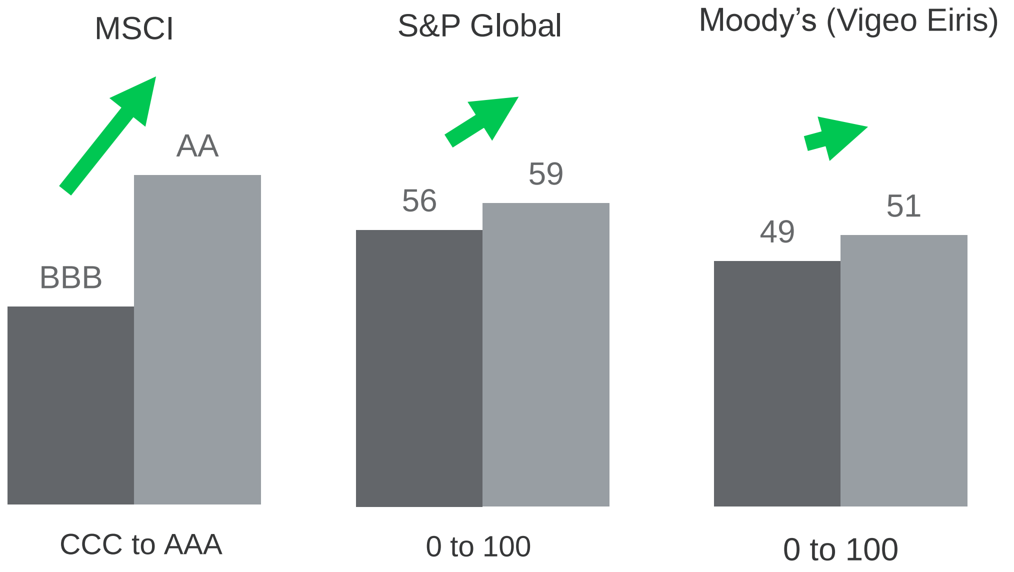
- We invest in Smart grids and decentralization to further develop stable and digital distribution network, including development of fiber optics networks.
- We digitize 100 % of our core customer processes by 2025.
- We will offer product portfolio to households, which will enable them to achieve energy savings and emission reduction.
- We will build infrastructure for e-mobility – we will quadruple charging capacity and we will operate at least 800 stations by 2025.
- We will further develop our role of decarbonization leader – we will enable efficient reduction of emissions and delivery of energy savings for our industrial customers, municipalities and state administration in line with EU target of energy efficiency improvements by 36-39%
- We will broaden our business activities to the areas of batteries, e-mobility and hydrogen.

2022: Meeting the Targets and Selected Events

- 678 km of new fiber optic routes were built in ČEZ Distribuce territory (5,323 km in total so far).
- 21,467 PV plants with a capacity of 178.2 MW were connected to the distribution grid in Czechia (4 times more year-on-year).
- Increase in the number of retail customers Czechia (increase in the number of service points by 127 thousand, of which 86 thousand in electricity, and 41 thousand in natural gas).
- 4,100 PV plants installed for our retail customers with a total capacity of 27.2 MWp, an increase of almost four times year-on-year.
- ESCO revenue growth target of 29% to almost CZK 31 bn was exceeded.
- More than 100 charging stations for electric vehicles were commissioned.

We are succeeding in improving our ESG rating in line with the VISION 2030 targets. The goal is to be among the top 20% of ESG companies.

Improved ESG ratings in 2022 reflect ČEZ's systematic work on sustainability



2022: Meeting the Targets and Selected Events

- The short-term SBTi target in line with the well-below 2°C scenario to reduce emissions in all scopes was validated. ČEZ was the first Czech company to achieve validation.
- We are committed to achieving climate neutrality as early as 2040.
- We joined the CEO Water Mandate initiative—as the first in Czechia
- The most trusted energy supplier according to Net Promoter Score Czechia—for the seventh time in a row.
- We were awarded the "Most Desirable Employer" in Czechia—for the third time in a row.
- ESG certification of Board of Directors members
- Sustainability Report* issued in accordance with international standards (GRI, SASB, WEF, EU Taxonomy) including externally audited key KPIs
- ESG website launched** and online ESG library of nonfinancial data prepared (the most extensive in European energy sector)

ESG efforts have already yielded direct financial effects

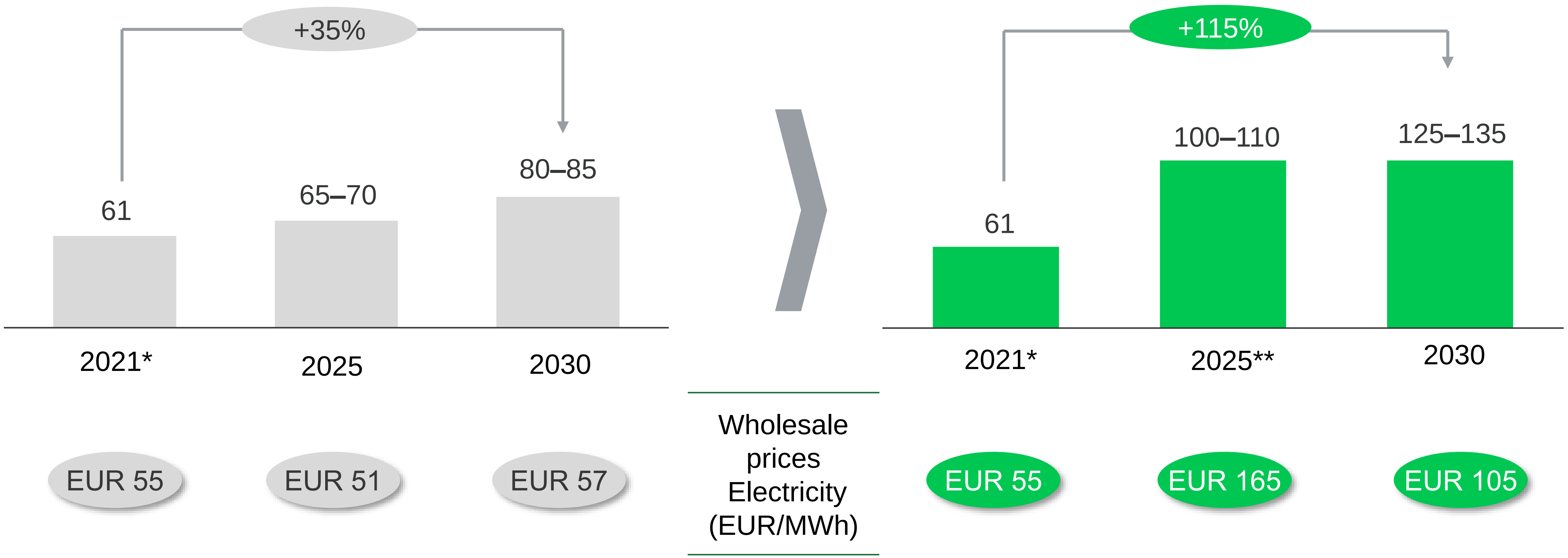
- In April, a EUR 600 m bond was issued with a coupon linked to sustainability parameters, the Sustainability-Linked Bond, maturing in 2027 with a coupon of 2.375%.
- This is the first EUR-denominated sustainability-linked bond issued by an energy company in Central and Eastern Europe.

* Link to the Sustainability Report https://www.cez.cz/webpublic/file/edee/esg/documents/sustainability-reports/sustainability-report-2021.pdf
** Link to the ESG website https://www.cez.cz/sustainability/en

The VISION 2030 financial targets upgraded to reflect commodity price developments. The strategic and operational targets are intact.

EBITDA of CEZ Group (targets from 2021) in CZK billion

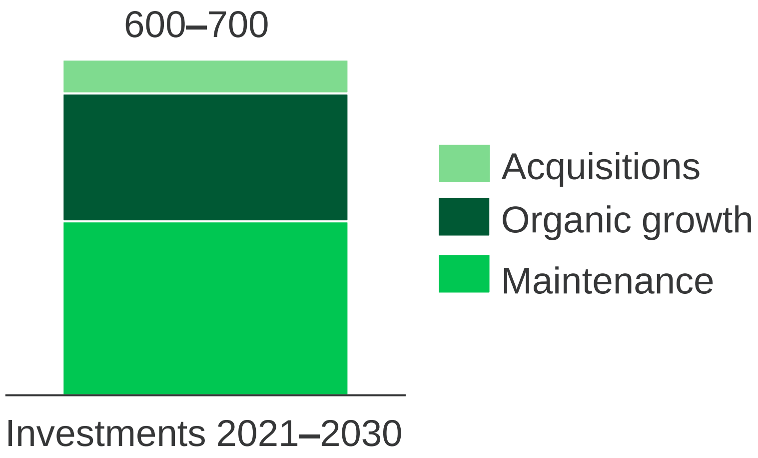
EBITDA of CEZ Group (current targets) in CZK billion



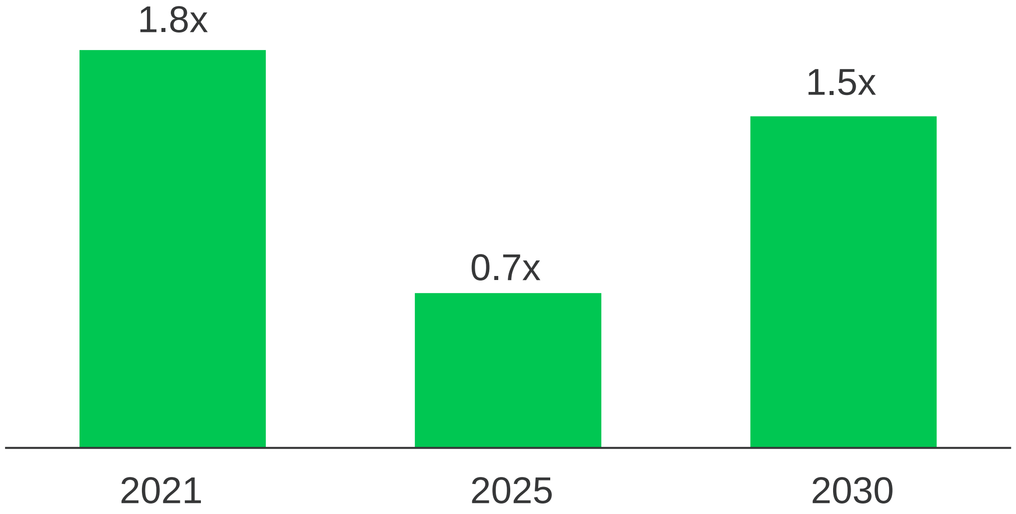
* Excluding assets sold (RO, BG)
** 2025 EBITDA adjusted for the expected windfall tax in the Czech Rep. (of 60% of windfall profit) to better indicate operating cash flows
*** Year 2025 based on average forward prices in the period of Apr–Aug 2022, year 2030 based on average prices of different internal scenarios

We can execute the growth strategy while keeping debt within the internal limit (with a high margin for commodity risks)

Expected cumulative investments in 2021–2030*
CZK bn



Net debt/EBITDA ratio**



- We will continue to generate positive free cash flow even with the increased investments (driven mainly by updated inflation assumptions).
- Our leverage would stay below targeted 3.0x of EBITDA even if the electricity prices decrease by 35 % compared to current assumption**.

* Excluding new nuclear CAPEX in 2025-2030 due to assumed 100% state financing, no CAPEX subsidies on RES nor distribution due to their uncertain amount
** Assumed electricity prices 2025: 165 EUR/MWh, 2030: 105 EUR/MWh

Organic growth = new RES and gas capacities, distribution grid expansion   Acquisitions = mainly ESCOs abroad

Main Strategic and Financial Targets for 2023

Strategic Targets and Priorities

- Nuclear power generation 30 TWh, safely and with increased digitization
- Securing supply of nuclear fuel, quality materials and services for nuclear power plants
- Implementation of projects leading to annual generation above 32 TWh in nuclear power plants
- Evaluation of bids at the Dukovany NPP and acceleration of SMR projects preparation
- Development and construction of renewables in Czechia and abroad
- Preparation of decarbonization of the generation portfolio and transformation of the heating sector in Czechia
- Digitizing distribution and preparing the distribution grid for the increase of RES and electromobility
- Digitizing customer processes, improving end-use customer service, and installing technology products (PV plants and heat pumps)
- Development of our energy services offering

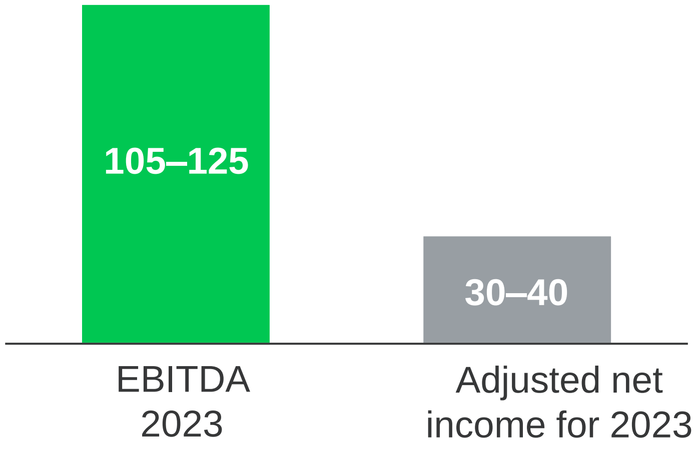
ESG priorities

- Strengthen climate risk management in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)
- Set targets for assessing impacts of activities on biodiversity, including ecosystem use
- Prepare for SBTi validation of 2040 targets in line with 1.5°C scenario.
- Map the approach to ESG within CEZ Group suppliers
- Further strengthen gender equality and empower women in the workplace, market, and community (applying the Women's Empowerment Principles)

Key Financial Targets and Priorities

- Secure funds for the payment of dividends from 2022 income, levy on generation revenues and for the payment windfall and current income taxes totaling over CZK 120 bn.
- Ensure sufficient operational resources for financial hedging of commodity trades and to cover related liquidity and credit risks.

Financial ambitions for 2023 (CZK bn)



Annexes

Segment Financial and Operating Results

- Operating revenues by segment and country
- EBITDA by segment and country
- Slides of financial and operating results of individual segments
- Expected year-on-year change in EBITDA by segment

CEZ Group Summary Financial and Operating Results

- Total financial results
- Total operating results
- Operating results by current and divested assets
- Net income for Q4

Investments, development of cash flow, debt, and financial exposure

- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
- Change in net debt (cash flow)
- Hedging against currency and commodity risks in generation in Czechia
- Summary of key measures in the area of energy affordability and taxation of energy sector in Czechia

Market Developments, Balance Sheet, and Other Information

- Market Developments
- Electricity Procured and Sold
- Calculation of Alternative Indicators according to ESMA

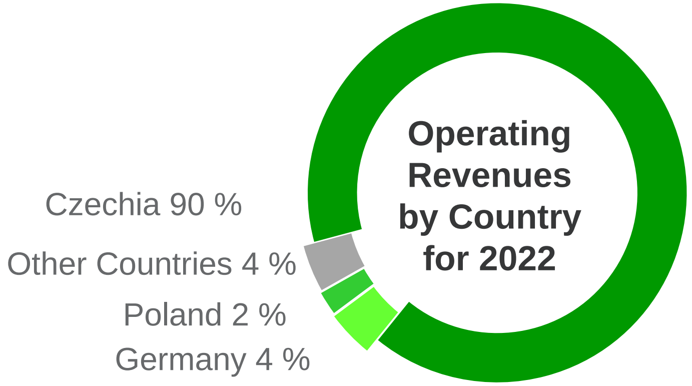
Operating revenues by segment and country

GENERATION (CZK bn)	2021	2022	Difference	%
Czechia	129.5	201.9	+72.4	+56%
Germany	0.7	0.7	+0.0	+3%
Poland	5.7	6.5	+0.9	+15%
Romania	1.2	-0.0	-1.2	-
Other Countries	3.8	10.6	+6.8	+179%
Intersegment Eliminations	-3.6	-7.9		
Total	**137.2**	**211.9**	**+74.7**	**+54%**

SALES (CZK bn)	2021	2022	Difference	%
Czechia	66.3	120.0	+53.7	+81%
Germany	14.4	16.5	+2.1	+15%
Romania	2.7	0.5	-2.2	-83%
Bulgaria	9.6	0.0	-9.5	-100%
Other Countries	4.2	7.3	+3.1	+74%
Intersegment Eliminations	-0.1	-0.1		
Total	**97.0**	**144.2**	**+47.2**	**+49%**

MINING (CZK bn)	2021	2022	Difference	%
Czechia	10.1	13.2	+3.1	+31%

DISTRIBUTION (CZK bn)	2021	2022	Difference	%
Czechia	34.5	35.8	+1.2	+4%
Romania	1.5	0.0	-1.5	-
Bulgaria	2.9	0.0	-2.9	-
Intersegment Eliminations	0.0	0.0		
Total	**39.0**	**35.8**	**-3.2**	**-8%**



Operating revenues (CZK bn)	2022	Share
GENERATION	211.9	52%
MINING	13.2	3%
DISTRIBUTION	35.8	9%
SALES	144.2	36%
Intersegment Eliminations	-116.6	
Total	**288.5**	**100%**

EBITDA by segment and country

GENERATION (CZK bn)	2021	2022	Diff	%
Czechia	31.8	103.6	+71.8	>200%
Germany	0.5	0.5	+0.0	+6%
Poland	0.4	-0.1	-0.5	-
Romania	0.6	-0.0	-0.6	-
Other Countries	-0.1	-0.6	-0.4	<-200%
Intersegment Eliminations	-0.0	-0.0		
Total	33.1	103.5	+70.3	>200%
Current assets	32.5	103.5	+71.0	>200%
Divested assets	0.6	-	-0.6	-

MINING (CZK bn)	2021	2022	Diff	%
Czech Rep.	4.5	6.2	+1.7	+38%

EBITDA (CZK bn)	2022	%
GENERATION	103.5	78%
MINING	6.2	5%
DISTRIBUTION	18.1	14%
SALES	4.4	3%
Intersegment Eliminations	-0.6	
Total	**131.6**	**100%**

SALES (CZK bn)	2021	2022	Diff	%
Czechia	4.4	2.9	-1.5	-34%
Germany	0.7	1.1	+0.3	+45%
Romania	0.1	0.0	-0.1	-66%
Bulgaria	0.3	0.0	-0.3	-99%
Other Countries	0.3	0.5	+0.2	+60%
Intersegment Eliminations	-0.0	-0.1		
Total	**5.8**	**4.4**	**-1.4**	**-24%**
Current assets	5.4	4.4	-1.0	-19%
Divested assets	0.3	-	-0.3	-

DISTRIBUTION (CZK bn)	2021	2022	Diff	%
Czechia	18.2	18.1	-0.1	-1%
Romania	0.5	0.0	-0.5	-
Bulgaria	1.1	0.0	-1.1	-
Intersegment Eliminations	0.0	0.0		
Total	**19.9**	**18.1**	**-1.8**	**-9%**
Current assets	18.2	18.1	-0.1	-1%
Divested assets	1.7	-	-1.7	-

GENERATION Segment EBITDA*

EBITDA (CZK bn)	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Of which zero-emission generation facilities:	28.2	58.4	+30.2	+107%	7.8	17.5	+9.7	+125%
Nuclear	22.4	47.0	+24.6	+110%	6.0	15.4	+9.4	+157%
Renewable	5.8	11.4	+5.6	+97%	1.8	2.0	+0.2	+11%
Fossil-fuel Generating Facilities	4.6	22.9	+18.3	>200%	2.6	6.3	+3.7	+142%
Trading	3.5	22.2	+18.7	>200%	1.4	9.1	+7.7	>200%
Specific temporary effects	-3.8	-	+3.8	-	-2.6	3.6	+6.2	-
Total GENERATION Segment	**32.5**	**103.5**	**+71.0**	**>200%**	**9.1**	**36.6**	**+27.4**	**>200%**

Year-on-year effects in Q1–Q4 (CZK +71.0 bn):

Nuclear facilities (CZK +24.6 bn):
- Trade effects (+23.9): price effect (+25.1), levy on generation revenues 12/2022 (-1.2)
- Operating effects (-0.4): operating availability of the Temelín NPP (+0.8) and Dukovany NPP (-0.3), higher fixed expenses (-0.9)
- Update of nuclear provisions (+1.0)

Renewables (CZK +5.6 bn):
- Trade effects (+6.3): price effect (+2.5), ancillary services and regulatory energy (+3.8)
- Operating effects (-0.6): hydroelectric plants in Czechia (-0.8), photovoltaic plants Czechia (+0.2)

Fossil-fuel facilities (CZK +18.3 bn):
- Trade effects in Czechia (+20.4): price effect (+18.9), ancillary services (+0.6), heat sales (+0.5), on-site trade (+0.8), other services and deviations (-0.4)
- Operating effects in Czechia (-1.8): operating availability (-0.8), facility maintenance (-0.5), other fixed expenses (-0.3), 2021 insurance claim for fire in Dětmarovice powerplant (-0.2)
- Poland (-0.4): mainly lower generation margin due to increase in allowance and coal expenses

Trading (CZK +18.7 bn):
- Higher proprietary trading margin (+20.1)
- Gazprom Export gas contract default (-1.1), tax on excess foreign revenues (-0.3)

Specific temporary effects (CZK +3.8 bn):
- Temporary effects in 2021

Year-on-year effects in Q4 (CZK +27.4 bn):

Nuclear generating facilities (CZK +9.4 bn):
- Trade effects (+8.8): price effect (+10.0), levy on generation revenues in 12/2022 (-1.2)
- Operating effects (-0.5): Dukovany NPP outage (-0.4), higher fixed expenses (-0.1)
- Update of nuclear provisions (+1.0)

Renewables (CZK +0.2 bn):
- Trade effects (+0.5): price effect (+0.3), ancillary services and regulatory energy (+0.2)
- Operating effects (-0.2): PV power plants in Czechia (-0.1), wind power plants in Germany (-0.1)

Fossil-fuel facilities (CZK +3.7 bn):
- Trade effects in Czechia (+5.0): price effect (+4.9), ancillary services (-0.1), heat sales (+0.2), on-site trade (+0.2), other services and deviations (-0.2)
- Operating effects Czechia (-1.2): operating availability (-0.6), facility maintenance (-0.4), other fixed expenses (-0.2)

Trading (CZK +7.7 bn):
- Proprietary trading margin (+4.3): reduced impact of Gazprom Export gas contract defaults (+0.8), tax on excess foreign revenue (-0.3)
- Revaluation of derivative trades hedging generation positions for 2023+ due to a significant drop in commodity market prices at the end of the year (+3.2)

Specific temporary effects (CZK +6.2 bn):
- Temporary effects in 2021 (+2.6), elimination of temporary effects for Q1–Q3/2022 (+3.6) mainly related to hedging generation with supply in Q4 2022

* without the divested assets in Romania and Bulgaria

The division of EBITDA of the GENERATION segment into five sub-segments is only indicative on the basis of central allocation assumptions (in particular the allocation of ČEZ's gross margin and fixed expenses of the central divisions of ČEZ) and simplified consolidation with other companies in the segment.

MINING Segment EBITDA

EBITDA (CZK bn)	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Czechia	4.5	6.2	+1.7	+38%	1.3	1.2	-0.1	-9%

Year-on-year effects in Q1–Q4 (CZK +1.7 bn):

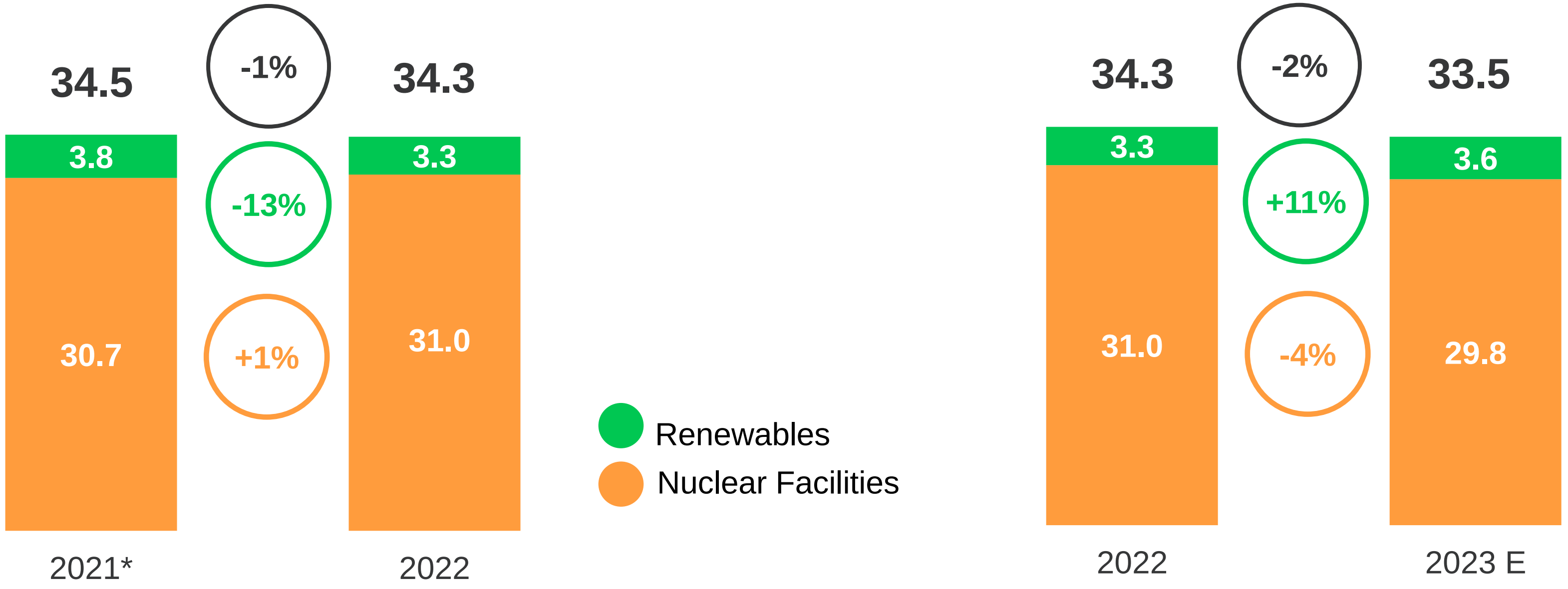
- Higher external sales mainly related to higher supply volumes (CZK +1.8 bn)
- Higher revenues from coal supplies to CEZ Group mainly due to price increases (CZK +1.1 bn)
- Higher fixed operating expenses (CZK -1.1 bn), mainly energy expenses

Year-on-year effects in Q4 (CZK -0.1 bn):

- Higher external sales mainly related to higher supply volumes (CZK +0.3 bn)
- Higher revenues from coal supplies to CEZ Group mainly due to price increases (CZK +0.1 bn)
- Higher fixed operating expenses (CZK -0.3 bn), mainly energy expenses
- Lower revenues from support activities and services (CZK -0.2 bn)

Mining volume (m tons)	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Czechia	15.9	17.8	+1.8	+12%	4.9	4.9	+0.0	+0%

Nuclear and renewable generation (TWh)



Renewables (-13%) hydro, wind, solar, biomass, biogas

Czechia hydro (-15%)
- – Better-than-average hydrological conditions in 2021
- – Lower utilization of pumped-storage hydroelectric power plants

Czechia biomass (-24%)
- – Outages at Poříčí Power Plant (August–September)

Germany—Wind (+12%)
- + Significantly worse-than-average weather conditions in 2021

Nuclear plants (+1%)
- + Shorter outages at Temelín NPP
- + Increase in the achievable output of Unit 1 of Temelín NPP

Renewables (+11%)

Czechia hydro (+22%)
- + Higher utilization of pumped-storage hydroelectric power plants

Czechia biomass (-12%)
- – Increase in biomass price

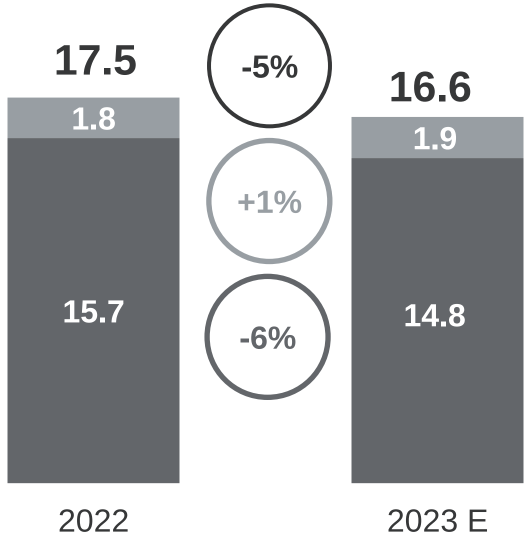
Germany—Wind (+17%)
- + Worse-than-average weather conditions in 2022

Nuclear plants (-4%)
- + Longer scheduled outages of both power plants

* Excluding generation from companies sold in Romania and Bulgaria

Electricity generation from coal and natural gas (TWh)

Generation from natural gas
Generation from coal in Poland
Generation from coal in Czechia



Natural gas–fired generation (-22%)

– Lower generation at Počerady 2 due to commodity and emission allowance prices‘ developments

Coal-fired generation in the Czechia (-3%)

– Longer outages at the Ledvice 4 power plant
– Termination of the Mělník 3 power plant’s operation as of Aug 17, 2021 (-0.15 TWh)
\+ Shorter outages at Prunéřov 2, Tušimice 2, and Ledvice 3 power plants

Coal-fired generation in the Czechia (-6%)

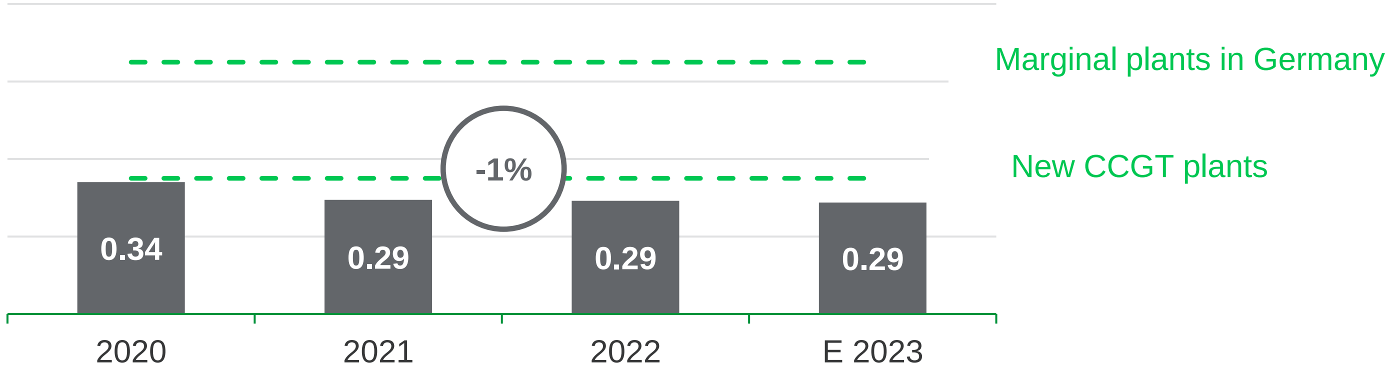
– Lower deployment of resources reflecting market conditions
– Longer outages at the Prunéřov 2 power plant
\+ Shorter outages at the Ledvice 4 and Tušimice 2 power plants

Coal-fired generation in Poland (+1%)

The prediction of the expected production from emission sources for the year 2023 does not include the current expected production from the steam-gas source, with regard to the high volatility of the market prices of electricity, gas and emission allowances, and thus the highly volatile expected deployment of the source.

Despite the energy crisis, emissions of CO_2, SO_2, and NO_X in electricity and heat generation decreased year-on-year

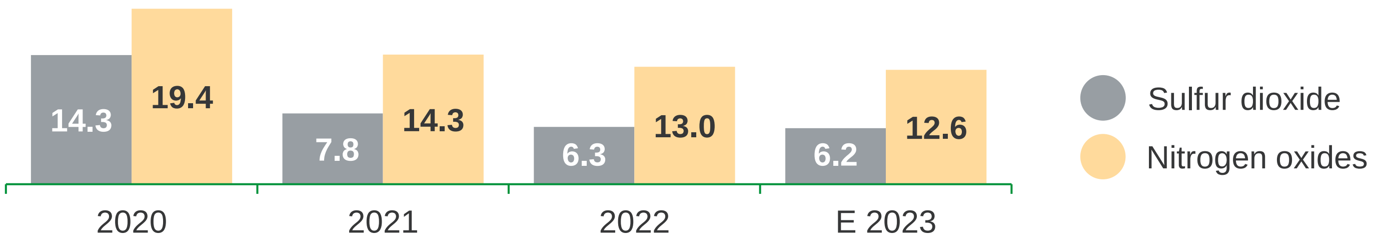
CO_2e emission intensity of electricity and heat generation (t CO_2e/MWh)



CEZ Group's emission intensity for electricity and heat generation in 2022 of 0.29 t CO_2e/MWh corresponds to:

- 83% of the emissions of the new CCGT power plant
- 45% of emissions produced by the marginal generating facility determining the current electricity market prices in Germany.

Sulfur dioxide (SO_2), nitrogen oxides (NO_x) (thousand tons)



In 2022:

- SO_2 emissions were 6.3 thousand tons, a decrease of 19% compared to 2021.
- NO_X emissions were 13.0 thousand tons, a decrease of 9% compared to 2021.

The CO_2e indicator corresponds to emissions as defined in "SCOPE 1 of the GHG Protocol". In CEZ Group's conditions, these are emissions related to the combustion of fossil fuels in the generation of electricity and heat (CO_2, CH_4, and N_2O emissions) and CO_2 emissions from transport. The indicator also includes CH_4 and N_2O emissions from biomass combustion, CH_4 emissions from coal mining, and HFC, PFC, and SF_6 emissions from air conditioning and other equipment.

DISTRIBUTION Segment EBITDA*

EBITDA (CZK bn)	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Czechia	18.2	18.1	-0.1	-1%	4.6	4.3	-0.3	-6%

Year-on-year effects in Q1–Q4 (CZK -0.1 bn):

- Lower gross margin from electricity distribution (CZK -0.4 bn) primarily due to lower distributed volume mainly at the low voltage level and negative impact of correction factors, partly compensated by higher regulatory asset base (RAB)
- Higher fixed operating expenses (CZK -0.2 bn)
- Higher revenue from activities to ensure input power and connection (CZK +0.2 bn)
- Higher invoiced contractual penalties (CZK +0.2 bn)

Year-on-year effects in Q4 (CZK -0.3 bn):

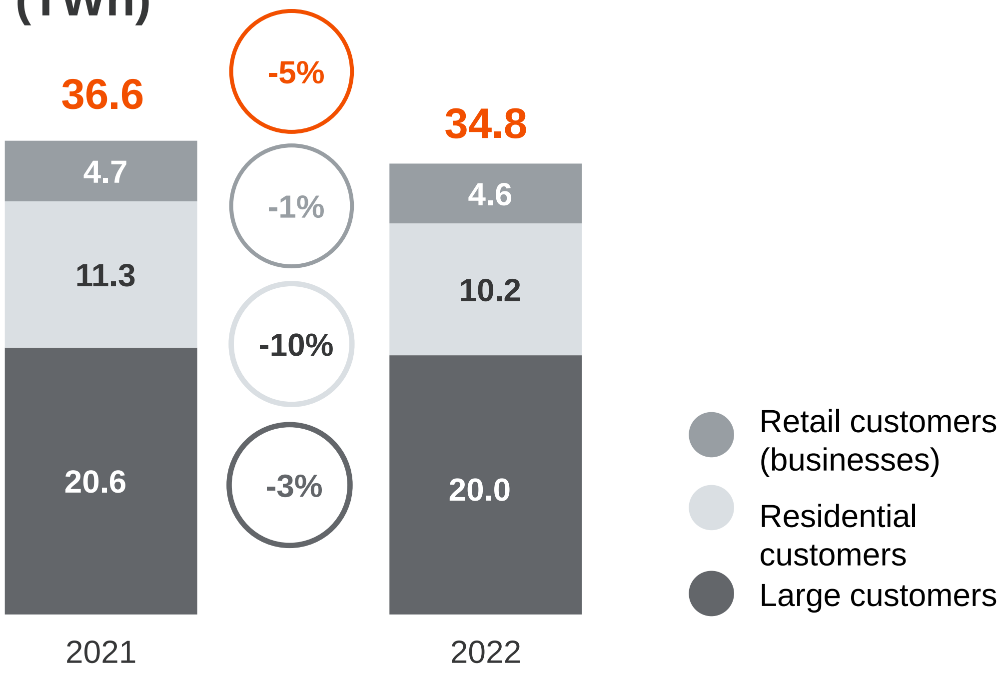
- Lower gross margin from electricity distribution (CZK -0.4 bn) due to lower distributed volume at the low voltage level
- Higher fixed operating expenses (CZK -0.1 bn)
- Higher revenue from activities to ensure input power and connection (CZK +0.1 bn)
- Higher invoiced contractual penalties (CZK +0.1 bn)

Electricity distributed to end-use customers (TWh)**	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Czechia **	36.6	34.8	-1.8	-5%	9.6	9.0	-0.6	-7%

* without the divested assets in Romania and Bulgaria
** DISTRIBUTION segment only. Within CEZ Group, electricity is also distributed by ČEZ Energetické služby and ČEZ LDS, which are part of the SALES Segment

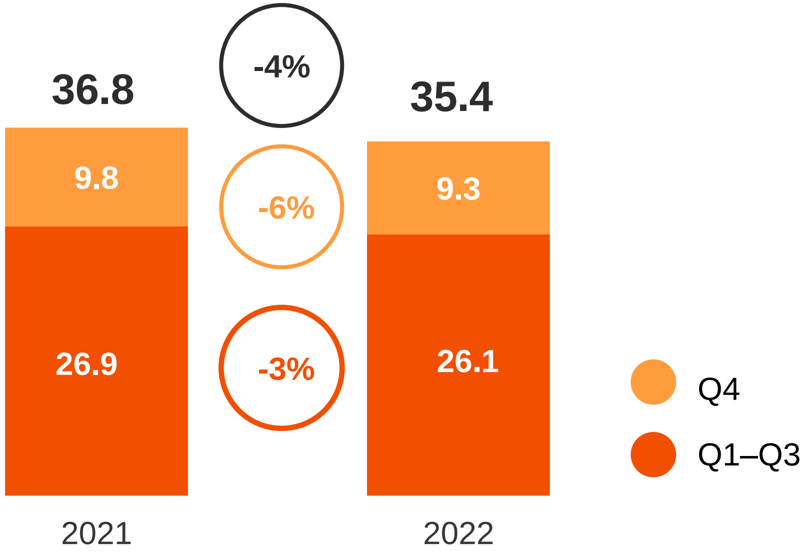
Electricity consumption in the distribution territory of ČEZ Distribuce decreased mainly in the residential customers segment

Electricity distribution (TWh)



The volume of electricity distributed corresponds to the total electricity consumption in the ČEZ Distribuce area.

Temperature- and calendar-adjusted electricity consumption (TWh)



The recalculated consumption is based on the internal model and volume of electricity distributed by ČEZ Distribuce.

The company's distribution area covers around 66% of the Czechia's territory, so the data are a good indicator of total nationwide electricity consumption trends.

SALES* Segment EBITDA

EBITDA (CZK bn)	2021	2022	Difference	%	Q4/2021	Q4/2022	Difference	%
Retail segment–ČEZ Prodej	3.2	2.5	-0.7	-22%	0.0	-0.2	-0.2	-
B2B segment—ESCO companies:	1.6	1.3	-0.3	-19%	0.5	0.6	+0.1	+26%
Energy Services—Czechia and Slovakia	0.5	0.6	+0.2	+36%	0.1	0.4	+0.3	>200%
Energy Services—Germany and other countries**	0.9	1.3	+0.5	+57%	0.4	0.6	+0.2	+55%
Commodity Sales—Czechia	0.2	-0.7	-0.9	-	0.0	-0.4	-0.4	-
B2B segment—Other activities***	0.6	0.6	-0.0	-4%	0.1	0.2	+0.0	+26%
Total SALES Segment*	**5.4**	**4.4**	**-1.0**	**-19%**	**0.6**	**0.5**	**-0.0**	**-7%**

Year-on-year effects in Q1–Q4 (CZK -1.0 bn):

Retail segment—ČEZ Prodej (CZK -0.7 bn)

- Lower gross margin on electricity and gas sales mainly due to an extreme increase in the costs of deviations and of diagram shaping expenses (CZK -1.1 bn)
- Increase in electricity and gas deliveries of 2% and 16% respectively (CZK +0.2 bn), customer number increase exceeded savings in commodity consumption by customers
- Higher additions to allowances on receivables (CZK -0.2 bn)
- Refund of interest from the lawsuit with SŽDC (CZK +0.2 bn)
- Significant increase in the number of installed PV and heat pumps (CZK +0.2 bn)

B2B segment—ESCO companies (CZK -0.3 bn):

- Energy Services—Czechia and Slovakia (CZK +0.2 bn): increase in services partly eliminated by increase in the expense of gas for heat generation for customers
- Energy Services—Germany and other countries (CZK +0.5 bn): increase in demand for services, higher profitability of German and Polish companies, impact of new acquisitions
- Commodity sales in the Czechia (CZK -0.9 bn): lower gross margin on electricity and gas sales in the Czechia, mainly due to an extreme increase in extreme increase in the costs of deviations and of diagram shaping expenses

Year-on-year effects in Q4 (CZK -0.0 bn):

Retail segment—ČEZ Prodej (CZK -0.2 bn)

- Lower gross margin on electricity and gas sales mainly due to an extreme increase in the costs of deviations and of diagram shaping expenses (CZK -0.5 bn)
- Customer consumption savings (CZK -0.2 bn)
- Lower additions to allowances on receivables (CZK +0.2 bn)
- Lower fixed operating expenses (CZK +0.2 bn) mainly expenses related to servicing new customers as a supplier of last resort in 2021
- Significant increase in the number of installed PV and heat pumps (CZK +0.1 bn)

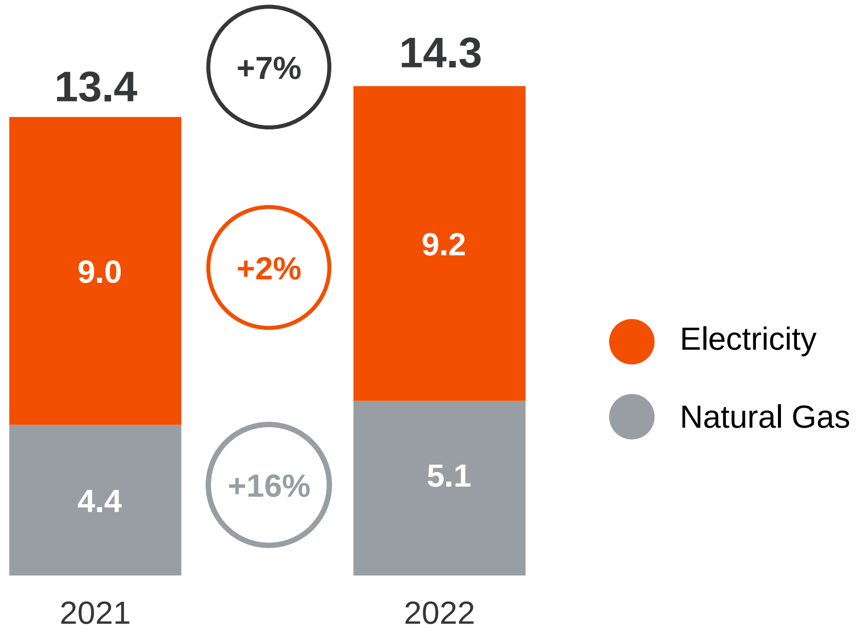
B2B segment—ESCO companies (CZK +0.1 bn)

- Energy Services—Czechia and Slovakia (CZK +0.3 bn): increase in services partly eliminated by increase in the expense of gas for heat generation for customers
- Energy Services—Germany and other countries (CZK +0.2 bn): increase in demand for services, higher profitability of German and Polish companies, impact of new acquisitions
- Czech commodity sales (CZK -0.4 bn): mainly extreme increase in the costs of deviations and of diagram shaping expenses

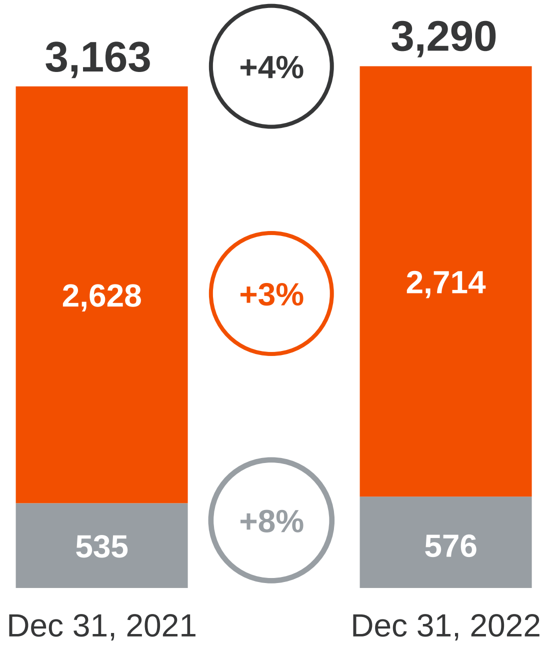
* Without the divested assets in Romania and Bulgaria
** Poland, Italy, Austria, and other countries where ESCO activities are managed by Elevion
*** Mainly telecommunications companies, ČEZ Teplárenská, and other companies in the Sales segment

Volume of electricity and gas sold; the number of customers Czechia—Retail

Total electricity and gas supply increased by 7% year-on-year (TWh)

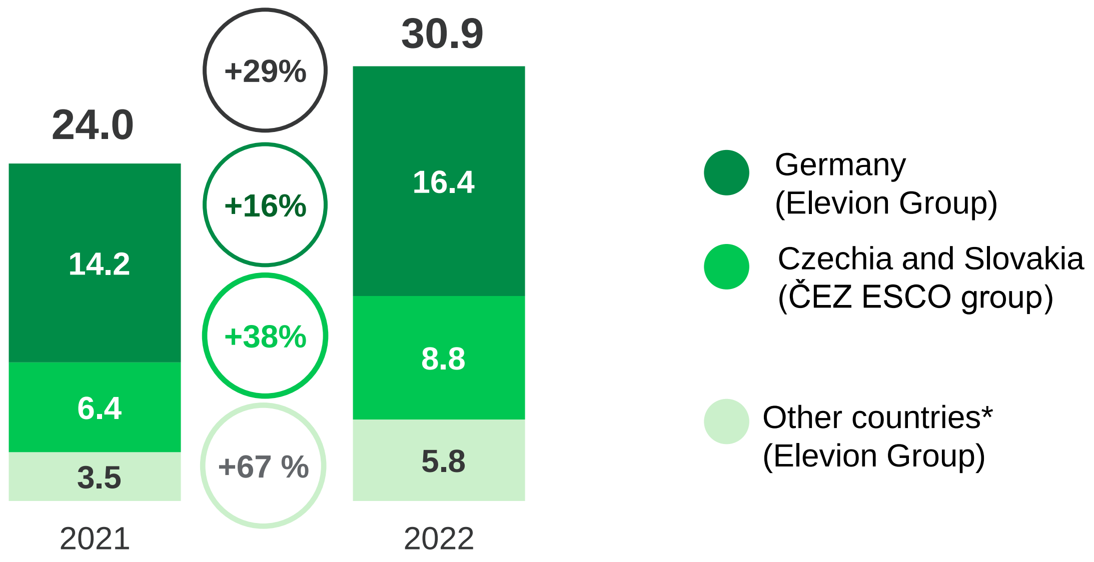


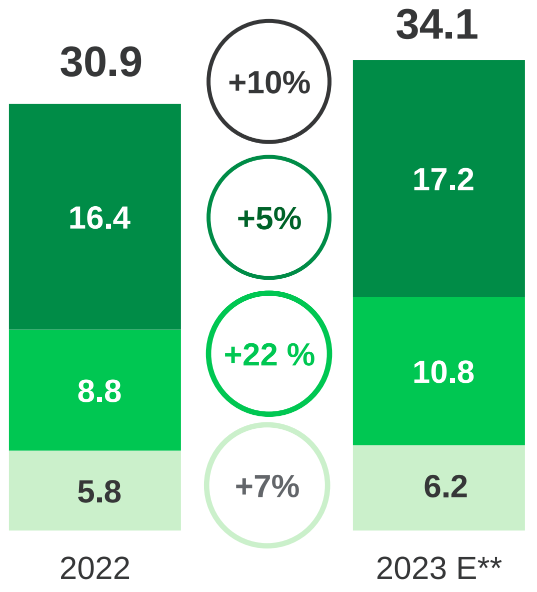
The number of customers increased by 4% year-on-year (service points in thousands)



- Higher consumption resulting from a higher number of customers was corrected by a higher average temperature in 2022 and savings in residential customer consumption resulting from high commodity prices. To a lesser extent, the reduction in residential customer consumption in the case of electricity was also reflected in people returning to offices after the COVID restrictions. Natural gas supply was positively affected by higher average consumption of new customers.
- Year-on-year portfolio increase is mainly due to the transition of nearly 1 m customers to new suppliers as a result of the collapse of major suppliers in Q4 2021 and lower acquisition activity by alternative suppliers during 2022 due to extreme price volatility.

Revenues from the sale of energy services (CZK bn)





Germany—Elevion Group (+16%)
+ Organic growth +6% (+10% adjusted for exchange rate effects)
+ Acquisitions in 2021, acquisition of Hermos Signaltechnik GmbH (Jan 20, 2022), Ampro Group (Oct 19, 2022)

Czechia and Slovakia—ČEZ ESCO group (+38%)
+ Organic increase +4%
+ Acquisitions in 2021, acquisition of ELIMER, a.s. (Feb 24, 2022)

Other countries*—Elevion Group (+67%)
+ Organic increase +16% (mainly Poland, Romania)
+ Acquisitions in 2021, acquisition of SOCIETA' AGRICOLA B.T.C. S.R.L. (Aug 4, 2022), Wagner Consult GmbH (Jun 20, 2022)

Germany—Elevion Group (+5%)

Czechia and Slovakia—ČEZ ESCO group (+22%)

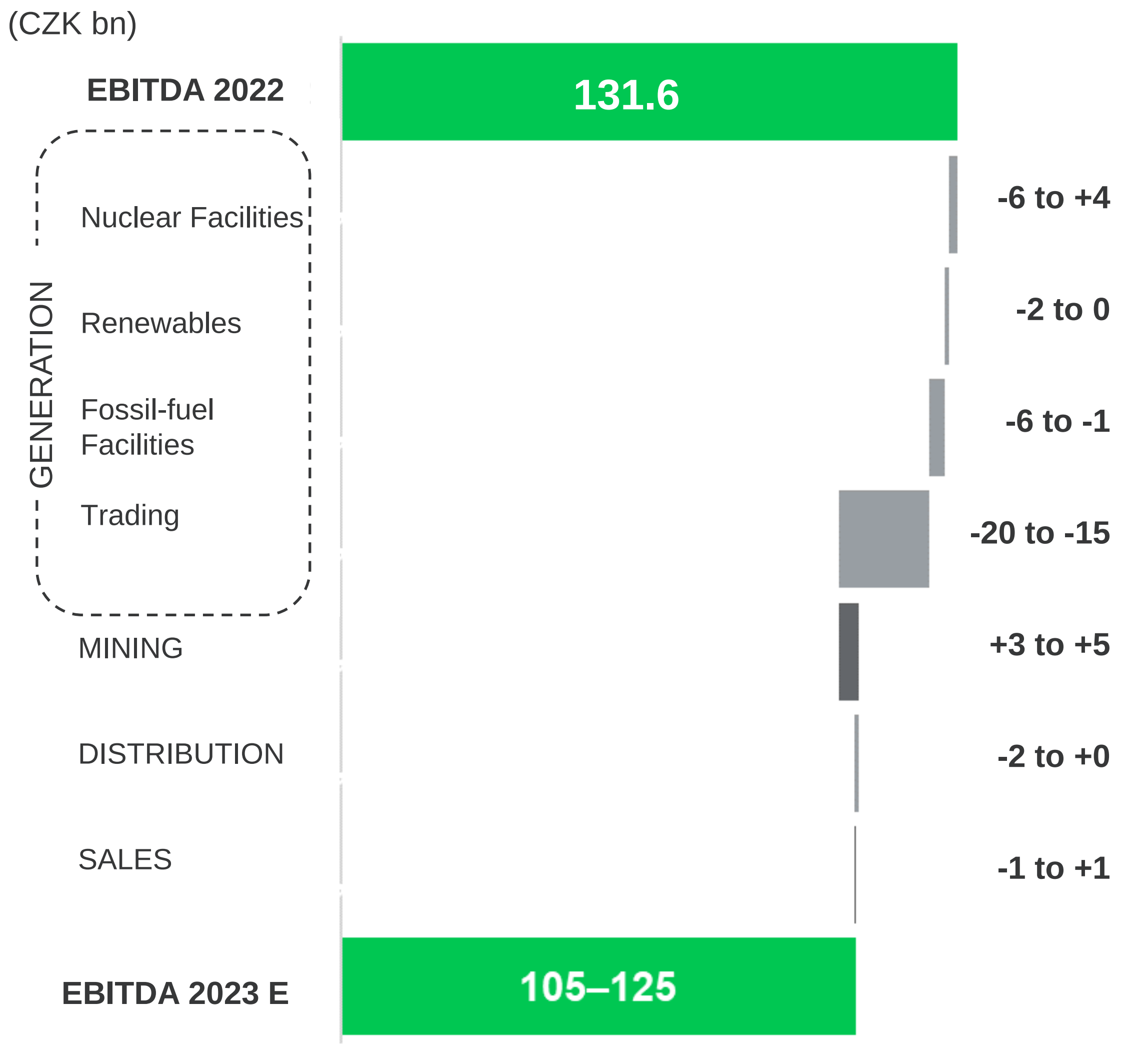
Other countries*—Elevion Group (+7%)

* Poland, Italy, and other countries where ESCO activities are managed by Elevion Group.

** Forecast of revenues from the sale of existing companies.

The 2021 values have been refined according to the current methodology specifying the definition of energy services.
The values for 2022 and 2023 for the Czechia and Slovakia (ČEZ ESCO Group) have been adjusted for the effect of the increase in natural gas prices for heat supply.

Expected year-on-year change in individual business areas



GENERATION

Nuclear Facilities

- + Higher realization prices of electricity incl. hedging
- – Higher levy on generation revenues above caps
- – Lower availability of nuclear facilities
- – Higher fixed operating expenses

Renewables

- – Lower revenue from ancillary services
- + Higher realization prices of electricity incl. hedging

Fossil-fuel Facilities

- – Higher acquisition expenses for emission allowances and gas
- + Higher revenues from electricity sales including hedging and heat sales
- – Higher fixed operating expenses

Trading

- – Unprecedented record income from commodity trading in 2022
- + / – Uncertain level of trading income in 2023 and revaluation of derivatives

MINING

- + Higher revenues from coal sales mainly due to higher realization prices
- – Higher fixed operating expenses, especially on energy

DISTRIBUTION

- – Higher fixed operating expenses and negative impact of correction factors
- + Higher allowed revenue

SALES

- + Acquisition and organic growth in energy services
- – Higher electricity and gas acquisition expenses for customers

Annexes

Segment Financial and Operating Results

- Operating revenues by segment and country
- EBITDA by segment and country
- Slides of financial and operating results of individual segments
- Expected year-on-year change in EBITDA by segment

CEZ Group Summary Financial and Operating Results

- Total financial results
- Total operating results
- Operating results by current and divested assets
- Net income for Q4

Investments, development of cash flow, debt, and financial exposure

- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
- Change in net debt (cash flow)
- Hedging against currency and commodity risks in generation in Czechia
- Summary of key measures in the area of energy affordability and taxation of energy sector in Czechia

Market Developments, Balance Sheet, and Other Information

- Market Developments
- Electricity Procured and Sold
- Calculation of Alternative Indicators according to ESMA

Total financial results

(CZK bn)	2021	2022	Difference	%
Operating Revenues	227.8	288.5	+60.7	+27%
EBITDA	63.2	131.6	+68.3	+108%
of which: Current assets*	60.6	131.6	+71.0	+117%
EBIT	16.1	101.9	+85.8	>200%
Net income	9.9	80.7	+70.8	>200%
Adjusted net income**	22.3	78.4	+56.1	>200%
Operating cash flows	59.2	5.1	-54.1	-91%
CAPEX	32.5	34.8	+2.3	+7%

* Excluding the divested assets. Romanian companies sold on Mar 31, 2021 and Bulgarian companies on Jul 27, 2021.

** Adjusted net income = Net income adjusted for extraordinary effects that are generally unrelated to ordinary financial performance in a given period (such as fixed asset impairments and goodwill impairment)

Total operating results

		2021	2021*	2022	Difference*	%*
Electricity generation	TWh	56.0	55.6	54.3	-1.3	-2%
Electricity distributed to end-use customers	TWh	43.6	36.8	35.1	-1.8	-5%
Sales of electricity to end-use customers	TWh	26.8	20.4	22.5	+2.1	+10%
Gas distributed to end-use customers	TWh	0.7	0.7	0.6	-0.1	-12%
Sales of gas to end-use customers	TWh	7.3	6.8	8.1	+1.3	+19%
Sales of heat	thousands TJ	26.5	26.5	23.5	-3.0	-11%

* Excluding the divested assets. Romanian companies sold on Mar 31, 2021, Bulgarian companies on Jul 27, 2021.

		Dec 31, 2021	Dec 31, 2022	Difference	%
Installed capacity	GW	11.8	11.8	+0.0	+0%
Workforce headcount	thousands persons	28.0	28.7	+0.7	+2%

Operating results by current and divested assets

Electricity generation (TWh)	2021	2022	Difference	%
Current assets**	55.6	54.3	-1.3	-2%
of which: Czechia**	53.2	51.9	-1.4	-3%
Poland	2.1	2.2	+0.0	+0%
Germany and others****	0.2	0.3	+0.0	+17%
Divested assets*	0.4	-	-0.4	-
CEZ Group, total	56.0	54.3	-1.7	-3%

Electricity distributed to end-use customers (TWh)	2021	2022	Difference	%
Current assets (Czechia)	36.8	35.1	-1.8	-5%
Divested assets*	6.8	-	-6.8	-
CEZ Group, total	43.6	35.1	-8.6	-20%

Electricity sales to end-use customers (TWh)	2021	2022	Difference	%
Current assets	20.4	22.5	+2.1	+10%
Divested assets*	6.5	-	-6.5	-
CEZ Group, total	26.8	22.5	-4.4	-16%

Gas sales to end-use customers (TWh)	2021	2022	Difference	%
Current assets	6.8	8.1	+1.3	+19%
of which: Czechia	6.7	8.1	+1.5	+22%
Slovakia	0.2	-	-0.2	-
Divested assets*	0.4	-	-0.4	-
CEZ Group, total	7.3	8.1	+0.9	+12%

Sale of heat (thousand TJ)	2021	2022	Difference	%
Current assets***	26.5	23.5	-3.0	-11%
of which: Czechia***	19.8	16.9	-2.9	-15%
Poland	6.0	6.0	+0.0	+0%
Slovakia	0.7	0.6	-0.1	-12%
Divested assets*	-	-	-	-
CEZ Group, total	26.5	23.5	-3.0	-11%

* Companies sold in Romania (as of Mar 31, 2021) and Bulgaria (as of Jul 27, 2021)

** Of this, 0.5 TWh was generated in 2021 and 2022 by companies in the SALES Segment, especially ČEZ Energo.

*** Includes heat sales from companies classified in the GENERATION Segment and in the SALES Segment.

**** Germany, Slovakia, and Italy

Net income for Q4

(CZK bn)	Q4/2021	Q4/2022	Difference	%
EBITDA	15.7	42.3	+26.6	+169%
Depreciation and amortization	-9.8	-8.5	+1.3	+14%
Impairments*	-3.6	2.9	+6.5	-
Other income (expenses)	0.3	-0.4	-0.7	-
Interest income (expenses)	-0.9	-0.2	+0.7	+81%
Other	1.1	-0.2	-1.4	-
Income taxes	0.6	-7.9	-8.6	-
Net income	**3.2**	**28.4**	**+25.2**	**>200%**
Adjusted net income	5.4	26.1	+20.7	>200%

Net Income Adjustments
For Q4 2022, mainly adjusted for the release of fixed asset impairment charges at Severočeské doly (CZK -2.3 bn)

Depreciation and Amortization (CZK +1.3 bn)
- One-off increase in depreciation of coal-fired power plants in the Czechia in Q4 2021 due to provisioning for dismantling and demolition after decommissioning (CZK +1.9 bn)
- Higher depreciation of coal-fired power plants in the Czechia due to the update of provisions for dismantling and demolition in 2022 (CZK -0.1 bn); higher depreciation of nuclear assets (CZK -0.1 bn)
- Higher depreciation at Severočeské doly (CZK -0.2 bn), ČEZ Distribuce (CZK -0.1 bn), and ČEZ OZ uzavřený investiční fond (CZK -0.1 bn)

Impairments* (CZK +6.5 bn)
- Lower impairments on fixed assets at Severočeské doly (CZK +5.3 bn), Dětmarovice Power Plant (CZK +0.7 bn), and Germany (CZK +0.2 bn)
- Income related to the acquisition of ŠKODA JS and Middle Estates (CZK +0.3 bn)

Other income and expenses (CZK -0.7 bn)
- Higher interest income (CZK +1.5 bn) due to higher holding of highly liquid assets and higher interest rates
- Higher interest income (CZK -0.8 bn) due to the increase in loans to secure margin deposits
- Exchange rate effects and revaluation of financial derivatives (CZK -0.6 bn)
- Higher interest on nuclear and other reserves (CZK -0.4 bn) due to rising interest rates
- Update of provisions related to the guarantee for Akcez loans (CZK +1.0 bn)
- Interest on arrears on the refund of the tax on emission allowances in 2021 (CZK -1.5 bn)

* Including gain/loss from sales of tangible and intangible fixed assets including goodwill

Annexes

Segment Financial and Operating Results

- Operating revenues by segment and country
- EBITDA by segment and country
- Slides of financial and operating results of individual segments
- Expected year-on-year change in EBITDA by segment

CEZ Group Summary Financial and Operating Results

- Total financial results
- Total operating results
- Operating results by current and divested assets
- Net income for Q4

Investments, development of cash flow, debt, and financial exposure

- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
- Change in net debt (cash flow)
- Hedging against currency and commodity risks in generation in Czechia
- Summary of key measures in the area of energy affordability and taxation of energy sector in Czechia

Market Developments, Balance Sheet, and Other Information

- Market Developments
- Electricity Procured and Sold
- Calculation of Alternative Indicators according to ESMA

Investment in fixed assets (CAPEX) by segment

CAPEX (CZK bn)	2021	2022
GENERATION	13.4	14.9
Of which: Nuclear fuel procurement	3.1	3.1
MINING	2.7	2.2
DISTRIBUTION	13.3	15.1
SALES	2.2	3.0
Intersegment eliminations	-0.2	-0.4
Total current assets	31.4	34.8
Divested assets	1.1	0.0
TOTAL CEZ GROUP	**32.5**	**34.8**

Main Causes of Year-On-Year Change in Current Assets:

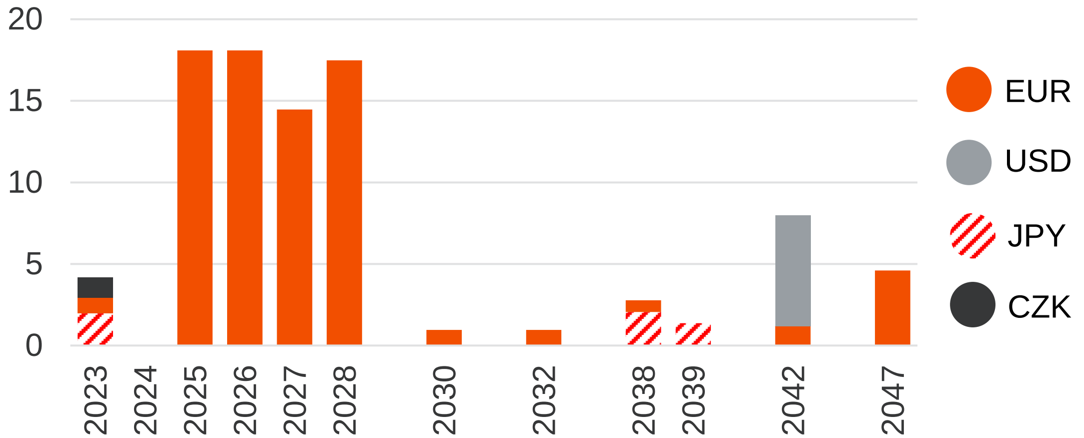
- GENERATION: The increase in investments is mainly due to the implementation of the Temelín NPP—České Budějovice thermal feeder project, higher investments in hydroelectric power plants, acceleration of the construction of a belt conveyor for the use of energy by-products at the Prunéřov site, and higher investments in RES in France. The year-on-year increase was also due to inflation, in particular the increase in prices of building materials.
- MINING: Consequence of the gradual reduction of the investment plan and postponing the completion of the new excavator until 2023.
- DISTRIBUTION: Increase mainly due to higher investment in distribution network renewal and customer construction.
- SALES: Higher investments mainly in ESCO (especially in Italy and recent acquisitions) and in the digitization of customer processes related to servicing end-use customers (increase in ČEZ Prodej investments).

Credit facilities and debt structure as of Dec 31, 2022

Drawings on short-term bank lines and available bank-committed credit facilities

* Available bank credit facilities also include an undrawn long-term loan from the EIB of EUR 790 m

Bond maturity profile (CZK bn)



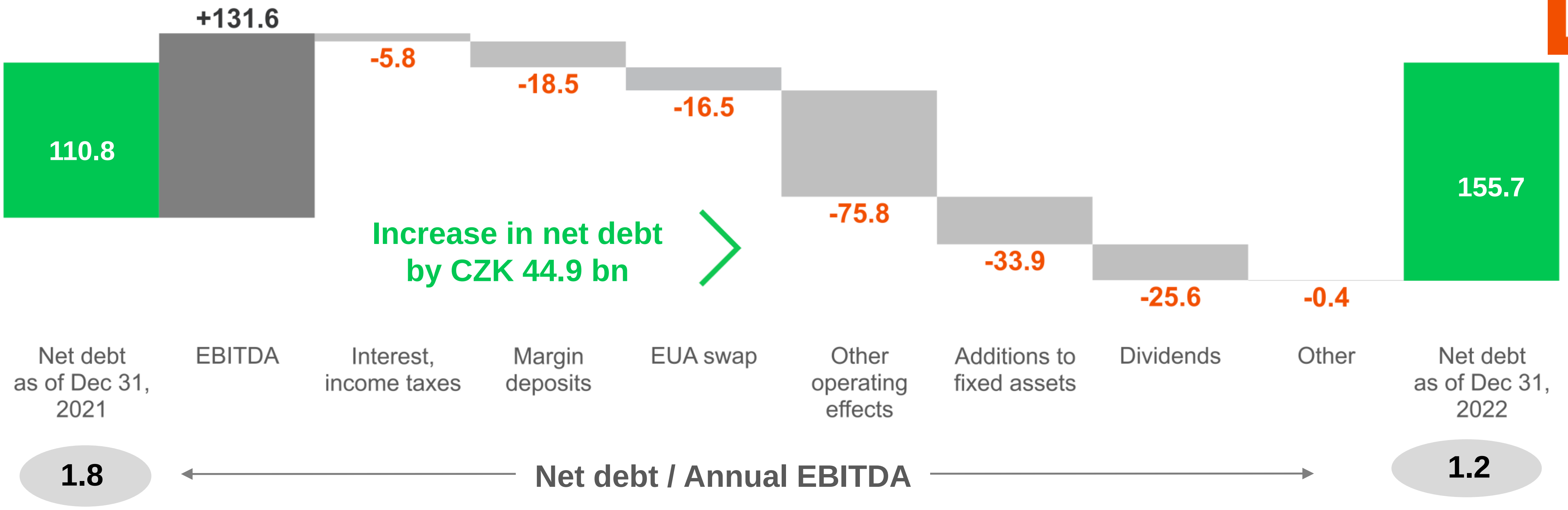
- Committed bank facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.
- As of Dec 31, 2022, CEZ Group had access to CZK 70.9 bn of committed bank credit facilities, of which CZK 1.5 bn of committed bank lines were drawn.
- The entire EUR 3 bn facility was drawn down from the credit agreement with the Czech Rep. as of Dec 31, 2022.
- In Dec 2022, a EUR 790 m loan agreement with the EIB was signed.
- Schuldschein loan agreements totaling EUR 500 m were concluded and drawn down, of which EUR 170 m in Dec 2022 and EUR 330 m in Jan and Feb 2023.
- The average maturity of all ČEZ debts as of Dec 31, 2022 was more than 4 years. After deducting the short-term loan from the state, the average maturity was more than 6 years.

Debt Level

		Dec 31, 2021	Dec 31, 2022
Debt and loans	CZK bn	137.9	202.1
Cash and fin. assets**	CZK bn	27.1	46.5
Net debt	CZK bn	110.8	155.7
Net debt / EBITDA		1.8	1.2

** Cash and Cash Equivalents & Highly Liquid Financial Assets

Net debt increased by CZK 44.9 bn



- **Interest, income taxes (CZK -5.8 bn):** income taxes paid (CZK -5.4 bn), balance of interest paid and received (CZK -0.4 bn)
- **Margin deposits (CZK -18.5 bn):** temporary margin deposits on commodity exchanges and with trading counterparties related to hedging of generation and lower contracted prices for electricity, emission allowances and gas compared to current market prices
- **EUA swap (CZK -16.5 bn):** impact of the temporary disposal of emission allowances in 2021 and subsequent purchase in Q1 2022 in order to cover extreme request on margin deposits at the end of 2021
- **Other operating effects (CZK -75.8 bn):** change in inventories of materials and fossil fuels, mainly gas (CZK -11.1 bn), the effect of the temporary revaluation of derivative transactions in 2021 related to the hedging of generation position in 2022 (CZK -11.2 bn), other operating effects and non-cash operations (CZK -53.5 bn) mainly due to the part of the prop trading margin achieved on contracts with cash settlement in 2023 and further due to the change in other receivables and liabilities from derivatives, including the effect of CF hedging.
- **Additions to fixed assets (CZK -33.9 bn):** Investment in fixed assets (CAPEX) (CZK -34.8 bn), change in liabilities from fixed asset acquisition (CZK +1.6 bn), acquisition of Inven Capital securities (CZK -0.8 bn)

On the contrary, in 2021, the sum of the items "EUA swap" and "Other operating effects" reached a highly positive value of CZK +56.1 bn. The highly negative value of these items in the year 2022 (a total of CZK -92.3 bn) is therefore to a significant extent caused by temporary effects and measures due to a significant increase in commodity prices at the end of 2021.

Currency and Commodity Hedging of Electricity Generation in Czechia in 2023–2026—Hedging Status as of Dec 31, 2022

Currency Hedge of Expected EUR Cash Flow* From Electricity Generation in the Czech Republic

	2023	2024	2025	2026
Total currency hedge of EUR CF from generation	**90%**	**46%**	**30%**	**7%**
Natural currency hedge (debt and interest, capital and other expenses in EUR)	3%	34%	30%	**7%**
Transaction currency hedges	87%	12%	0%	**0%**

* The subject of the hedge (100%) is the expected EUR generation revenues less expected EUR expenses for emission allowances, natural gas, and the current expected amount of levy on generation revenues above 2023 caps, which are also exposed to the risk of changes in the CZK/EUR exchange rate.

The currency position for 2023–2026 is hedged at an exchange rate in the range of **CZK 25.3–26.8/EUR**.

Commodity hedging of expected electricity deliveries from generation in the Czechia

	100% of expected deliveries	2023	2024	2025	2026
Total share of hedged deliveries	**40 to 47 TWh per year**	**75%**	**47%**	**21%**	**2%**
Zero-Emission facilities (nuclear and ČEZ RES)**	28 to 30 TWh per year	81%	54%	24%	3%
Fossil-fuel facilities—medium-term hedged**	7 to 15 TWh per year	74%	49%	22%	-
Fossil-fuel facilities—other***	3 to 6 TWh per year	47%	-	-	-

** hedged over a 3-year horizon
*** gas and selected coal-fired plants which are hedged only on an annual / intra-annual basis due to the nature of their output and market conditions

Summary of key governmental measures addressing energy affordability and new taxes and levies in the Czech energy sector

Consumer Support

End-customer price caps for households, small and medium-sized enterprises (SMEs) and large businesses:

- **CZK 5/kWh for power**, **CZK 2.5/kWh for natural gas** in 2023 (prices for commodity without taxes and distribution fees)
  - For households, small gas consumers, defined public procurers and customers connected to low voltage, the cap applies to whole consumption of electricity and gas
  - For SMEs and large businesses the cap on electricity and gas applies to 80% of the highest consumption in each month in the last 5 years
  - For large businesses (connected to high and very high voltage) cap is applicable up to the EU financial limit on maximum support
  - The cap for gas will also be applied to consumption to produce heat (Cap does not apply to consumption of gas used to produce electricity)
- **Suppliers are compensated for proven losses and a reasonable profit.**

Financing – Revenue caps

Levy on electricity generation revenues above defined price caps (from Dec 1, 2022 - Dec 31, 2023)

- **90% levy** on revenues **above defined caps**:
  - Nuclear plants EUR 70/MWh
  - Lignite EUR 170/MWh for units above 140 MW, EUR 230/MWh for units up to 140 MW
  - Merchant hydro, wind, solar plants EUR 180/MWh
- No caps for hard coal, gas, pump-storage, and subsidised renewables
- Total annual revenue cap based on supplied volume by generation sources within a company
- The resulting levy is defined on an annual basis (the difference between total revenue and the total cap). Advances are paid monthly
- Levy is a tax-deductible expense and reduces the company's operating profit

Financing – Windfall profit tax

Windfall tax for the energy, petrochemical and banking sectors of 60% in 2023 – 2025

- “Excess Profit” corresponds to the difference between the tax base and the historical arithmetic average tax base of 2018–2021 plus 20%
- Reasonable Profit taxed at a rate of 19%, “Excess Profit” at a rate of 79% (60% + 19%)
- Tax imposed on selected energy companies whose main activity is primarily generation, sales and distribution of electricity, if their decisive income exceeds specified limits
- Group can aggregate the historical Reasonable Profit of individual taxable companies and pay the total tax obligation for the whole group.
- Advance tax payments for 2023 will be based on the companies‘ profit in 2022.

Annexes

Segment Financial and Operating Results

- Operating revenues by segment and country
- EBITDA by segment and country
- Slides of financial and operating results of individual segments
- Expected year-on-year change in EBITDA by segment

CEZ Group Summary Financial and Operating Results

- Total financial results
- Total operating results
- Operating results by current and divested assets
- Net income for Q4

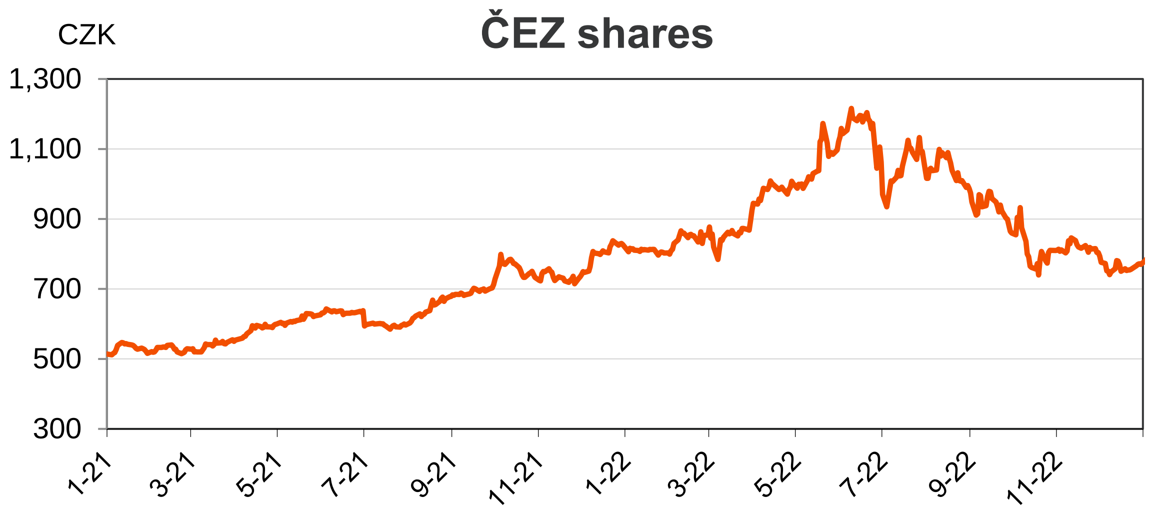
Investments, development of cash flow, debt, and financial exposure

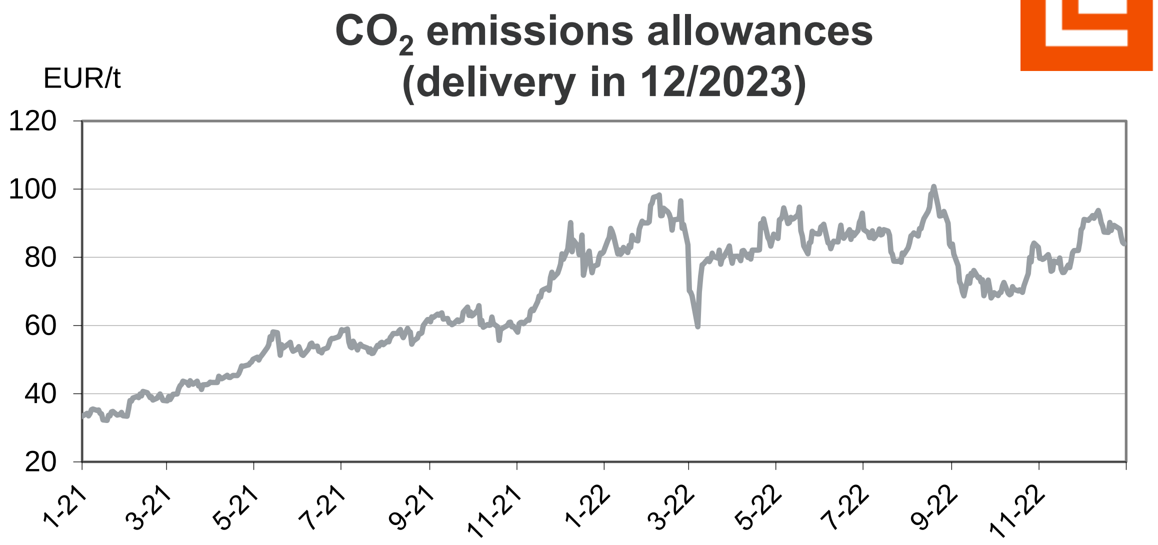
- Investments in fixed assets (CAPEX)
- Credit facilities and debt structure
- Change in net debt (cash flow)
- Hedging against currency and commodity risks in generation in Czechia
- Summary of key measures in the area of energy affordability and taxation of energy sector in Czechia

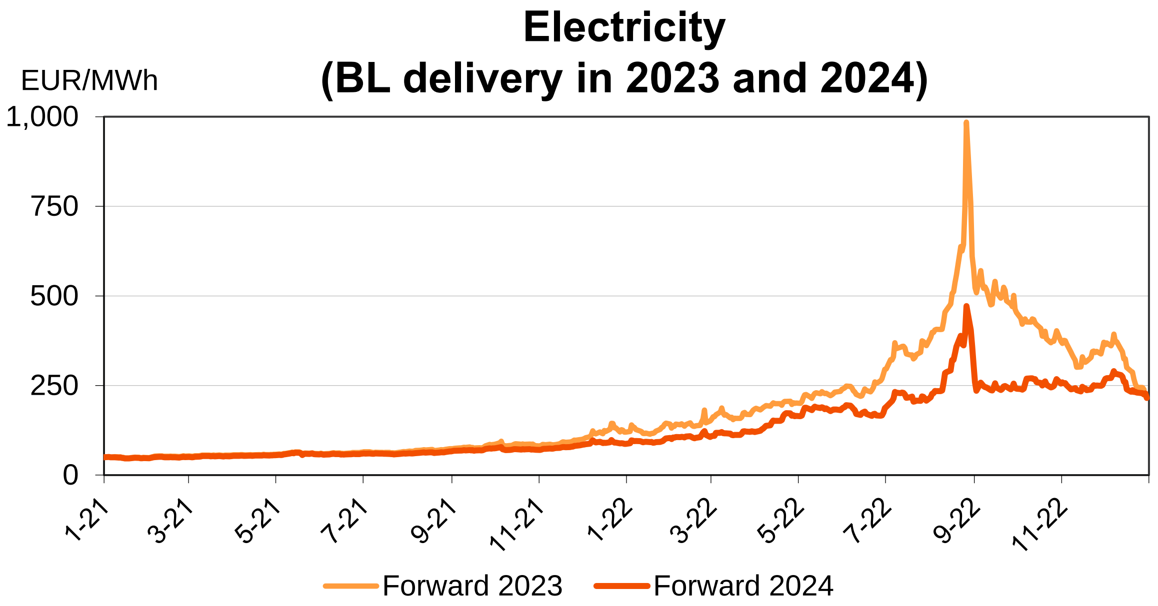
Market Developments, Balance Sheet, and Other Information

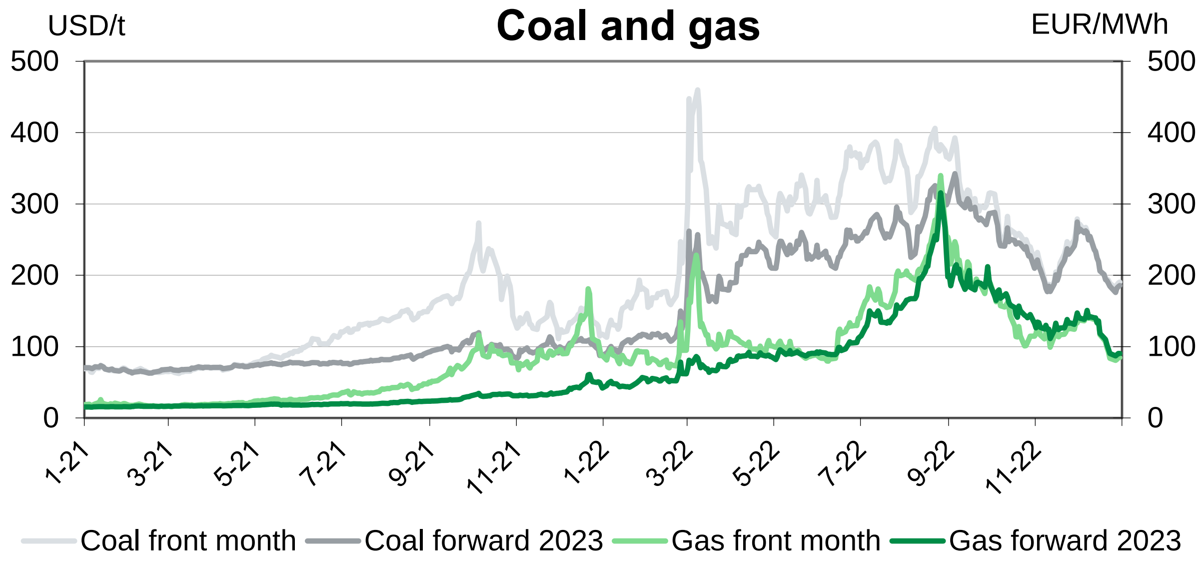
- Market Developments
- Electricity Procured and Sold
- Calculation of Alternative Indicators according to ESMA

Market developments from Jan 1, 2021 to Dec 31, 2022









Electricity balance (GWh)

	2021	2022	Index 2022/2021
Electricity procured	**50,370**	**48,982**	**-3%**
Generated in-house (gross)	56,008	54,302	-3%
In-house and other consumption, including pumping in pumped-storage plants	-5,639	-5,320	-6%
Sold to end customers	**-26,831**	**-22,471**	**-16%**
Sold in the wholesale market (net)	**-21,177**	**-24,917**	**+18%**
Sold in the wholesale market	-244,243	-157,815	-35%
Purchased in the wholesale market	223,066	132,898	-40%
Grid losses	**-2,361**	**-1,594**	**-32%**

Electricity generation by source (GWh)

Nuclear	30,730	31,021	+1%
Coal and lignite	17,955	17,522	-2%
Water	2,529	2,123	-16%
Biomass	908	770	-15%
Photovoltaic	125	137	+9%
Wind	599	263	-56%
Natural gas	3,161	2,466	-22%
Bio gas	2	0	-
Total	**56,008**	**54,302**	**-3%**

Sales of electricity to end customers (GWh)

Households	-10,972	-7,998	-27%
Commercial (low voltage)	-2,849	-2,526	-11%
Commercial and industrial (medium and high voltage)	-13,011	-11,947	-8%
Sold to end customers	**-26,831**	**-22,471**	**-16%**

Distribution of electricity (GWh)

	2021	2022	Index 2022/2021
Distribution of electricity to end customers	43,642	35,051	-20%

Electricity balance (GWh) by segment

2022	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Electricity procured	**48,612**	**-3%**	**0**	**-**	**370**	**+2%**	**0**	**-**	**48,982**	**-3%**
Generated in-house (gross)	53,846	-3%	0	-	456	+0%	0	-	54,302	-3%
In-house and other consumption, including pumping in pumped-storage plants	-5,234	-6%	0	-	-86	-5%	0	-	-5,320	-6%
Sold to end customers	**-2,349**	**-0%**	**0**	**-**	**-21,592**	**-17%**	**1,470**	**-9%**	**-22,471**	**-16%**
Sold in the wholesale market (net)	**-46,262**	**-3%**	**1,593**	**-32%**	**21,222**	**-18%**	**-1,470**	**-9%**	**-24,917**	**+18%**
Sold in the wholesale market	-178,391	-32%	0	-	-5,378	+1%	25,954	+14%	-157,815	-35%
Purchased in the wholesale market	132,129	-38%	1,593	-32%	26,601	-14%	-27,425	+12%	132,898	-40%
Grid losses	**0**	**+13%**	**-1,593**	**-32%**	**0**	**-**	**0**	**-**	**-1,594**	**-32%**

Electricity generation by source (GWh) by segment

	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Nuclear	31,021	+1%	0	-	0	-	0	-	31,021	+1%
Coal and lignite	17,522	-2%	0	-	0	-	0	-	17,522	-2%
Water	2,123	-16%	0	-	0	-	0	-	2,123	-16%
Biomass	709	-17%	0	-	61	+18%	0	-	770	-15%
Photovoltaic	136	+9%	0	-	1	>200%	0	-	137	+9%
Wind	263	-56%	0	-	0	-	0	-	263	-56%
Natural gas	2,072	-25%	0	-	394	-2%	0	-	2,466	-22%
Bio gas	0	-	0	-	0	-	0	-	0	-
Total	**53,846**	**-3%**	**0**	**-**	**456**	**+0%**	**0**	**-**	**54,302**	**-3%**

Sales of electricity to end customers (GWh) by segment

	Generation		Distribution		Sale		Eliminations		CEZ Group	
	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-	GWh	+/-
Households	0	-	0	-	-7,998	-27%	0	-	-7,998	-27%
Commercial (low voltage)	-6	-55%	0	-	-2,520	-11%	0	-	-2,526	-11%
Commercial and industrial (medium and high voltage)	-2,343	+0%	0	-	-11,074	-10%	1,470	-9%	-11,947	-8%
Sold to end customers	**-2,349**	**-0%**	**0**	**-**	**-21,592**	**-17%**	**1,470**	**-9%**	**-22,471**	**-16%**

Electricity balance (GWh) by country

2022	Czechia GWh	+/-	Poland GWh	+/-	Romania GWh	+/-	Bulgaria GWh	+/-	Germany GWh	+/-	Others GWh	+/-	Eliminations GWh	+/-	CEZ Group GWh	+/-
Electricity procured	**46,840**	**-2%**	**1,859**	**+1%**	**0**	**-**	**0**	**-**	**258**	**+13%**	**25**	**+117%**	**0**	**-**	**48,982**	**-3%**
Generated in-house (gross)	51,861	-3%	2,152	+0%	0	-	0	-	259	+13%	30	+80%	0	-	54,302	-3%
In-house and other consumption, including pumping in pumped-storage plants	-5,021	-6%	-293	-4%	0	-	0	-	-2	-5%	-5	-5%	0	-	-5,320	-6%
Sold to end customers	**-20,667**	**+11%**	**0**	**-**	**0**	**-**	**0**	**-**	**-5**	**+98%**	**-1,799**	**+16%**	**0**	**-**	**-22,471**	**-16%**
Sold in the wholesale market (net)	**-24,580**	**-11%**	**-1,859**	**+10%**	**0**	**-**	**0**	**-**	**-253**	**+12%**	**1,775**	**+15%**	**0**	**-**	**-24,917**	**+18%**
Sold in the wholesale market	-157,904	-36%	-1,944	-3%	0	-	0	-	-255	+12%	-186	+86%	2,473	-29%	-157,815	-35%
Purchased in the wholesale market	133,324	-39%	85	-74%	0	-	0	-	2	-5%	1,960	+20%	-2,473	-29%	132,898	-40%
Grid losses	**-1,594**	**-7%**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**0**	**-**	**-1,594**	**-32%**

Electricity generation by source (GWh) by country

	Czechia GWh	+/-	Poland GWh	+/-	Romania GWh	+/-	Bulgaria GWh	+/-	Germany GWh	+/-	Others GWh	+/-	Eliminations GWh	+/-	CEZ Group GWh	+/-
Nuclear	31,021	+1%	0	-	0	-	0	-	0	-	0	-	0	-	31,021	+1%
Coal and lignite	15,676	-3%	1,845	+1%	0	-	0	-	0	-	0	-	0	-	17,522	-2%
Water	2,112	-15%	11	+1%	0	-	0	-	0	-	0	-	0	-	2,123	-16%
Biomass	453	-23%	296	-5%	0	-	0	-	0	-	21	+92%	0	-	770	-15%
Photovoltaic	136	+12%	0	-	0	-	0	-	0	-1%	1	-	0	-	137	+9%
Wind	9	+12%	0	-	0	-	0	-	255	+12%	0	-	0	-	263	-56%
Natural gas	2,454	-22%	0	-	0	-	0	-	5	+101%	8	+42%	0	-	2,466	-22%
Bio gas	0	-	0	-	0	-	0	-	0	-	0	-	0	-	0	-
Total	**51,861**	**-3%**	**2,152**	**+0%**	**0**	**-**	**0**	**-**	**259**	**+13%**	**30**	**+80%**	**0**	**-**	**54,302**	**-3%**

Sales of electricity to end customers (GWh) by country

	Czechia GWh	+/-	Poland GWh	+/-	Romania GWh	+/-	Bulgaria GWh	+/-	Germany GWh	+/-	Others GWh	+/-	Eliminations GWh	+/-	CEZ Group GWh	+/-
Households	-7,998	+0%	0	-	0	-	0	-	0	-	0	-	0	-	-7,998	-27%
Commercial (low voltage)	-2,518	+30%	0	-	0	-	0	-	-5	+98%	-3	-88%	0	-	-2,526	-11%
Commercial and industrial (medium and high voltage)	-10,151	+16%	0	-	0	-	0	-	0	-	-1,796	+18%	0	-	-11,947	-8%
Sold to end customers	**-20,667**	**+11%**	**0**	**-**	**0**	**-**	**0**	**-**	**-5**	**+98%**	**-1,799**	**+16%**	**0**	**-**	**-22,471**	**-16%**

Distribution of electricity (GWh) by country

2022	Czechia GWh	+/-	Poland GWh	+/-	Romania GWh	+/-	Bulgaria GWh	+/-	Germany GWh	+/-	Others GWh	+/-	Eliminations GWh	+/-	CEZ Group GWh	+/-
Distribution of electricity to end customers	35,051	-5%	0	-	0	-	0	-	0	-	0	-	0	-	35,051	-20%

Definitions and Calculations of Indicators Unspecified in IFRS

In accordance with ESMA guidelines, ČEZ provides detailed information on indicators that are not reported as standard in IFRS reports or the components of which are not directly available from standardized reports and notes to the financial statements. Such indicators represent supplementary information in respect of financial data, providing report users with additional information for their assessment of the financial position and performance of CEZ Group or ČEZ. In general, these indicators are also commonly used in other commercial companies, not only in the energy sector.

Indicator	
Adjusted net income (Net Income, Adjusted)	Purpose: This is a supporting indicator, intended primarily for investors, creditors, and shareholders, which allows interpreting achieved financial results with the exclusion of extraordinary, usually nonrecurring effects that are generally unrelated to ordinary financial performance and value creation in a given period. Definition: Net income (after-tax income) +/− additions to and reversals of impairments of property, plant, and equipment and intangible assets, including impairment of goodwill +/− additions to and reversals of impairments of developed projects +/− other extraordinary effects that are generally unrelated to ordinary financial performance and value creation in a given period +/− effects of the above on income tax.

Most of the calculation components of individual indicators are directly shown in financial statements. Components of calculations that are not included in the financial statements are usually shown directly in a company's books and are calculated as follows:

Adjusted Net Income indicator—calculation for the periods under review:

Adjusted Net Income (After-Tax Income, Adjusted)	Unit	2021	2022
Net income	CZK bn	9.9	80.7
Impairments of property, plant, and equipment and intangible assets (including impairment of goodwill [1]	CZK bn	15.8	-2.9
Impairments of developed projects [2]	CZK bn	-0.0	–
Effects of additions to or reversals of impairments on income tax [3]	CZK bn	-1.7	0.5
Other extraordinary effects [4]	CZK bn	-1.7	–
Adjusted net income	**CZK bn**	**22.3**	**78.4**

1) Corresponds to the total value reported in the row Impairments of Property, Plant, and Equipment and Intangible Assets in the consolidated Statement of Profit or Loss
2) Included in the row Other operating expenses in the Consolidated Statement of Profit or Loss
3) Included in the row Income taxes in the Consolidated Statement of Profit or Loss
4) The 2021 adjustment consists of a correction of adjustment of the net income by the part of impairments of property, plant, and equipment and intangible assets (including the related effect on income tax) that related—based on its characteristics—to the current year. This item included impairment losses on fixed assets of the companies sold in Romania and Bulgaria in 2021, reflecting the profit earned over this period, which effectively accrues to the buyers in view of the "Locked Box Date" (as defined in agreements for the sale of assets).

Totals and subtotals can differ from the sum of individual values due to rounding.