

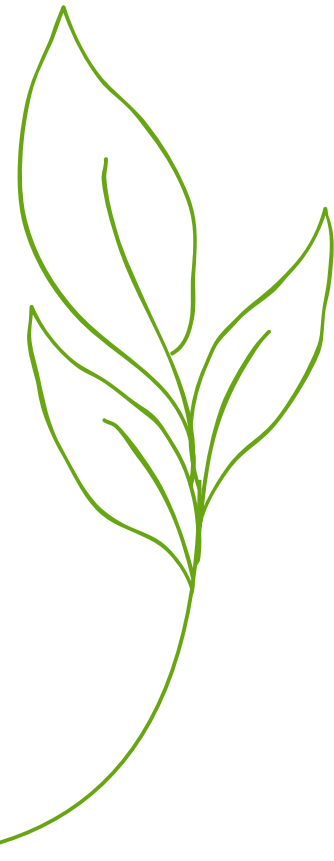


CEZ GROUP CLEAN ENERGY OF TOMORROW

ČISTÁ ENERGIE ZÍTRKA

INVESTMENT STORY, SEPTEMBER 2022

ČISTÁ
ENERGIE
ZÍTRKA 





- **CEZ Group at a Glance**

- **Our Performance**

- **2022 Outlook**

- **Our Vision**

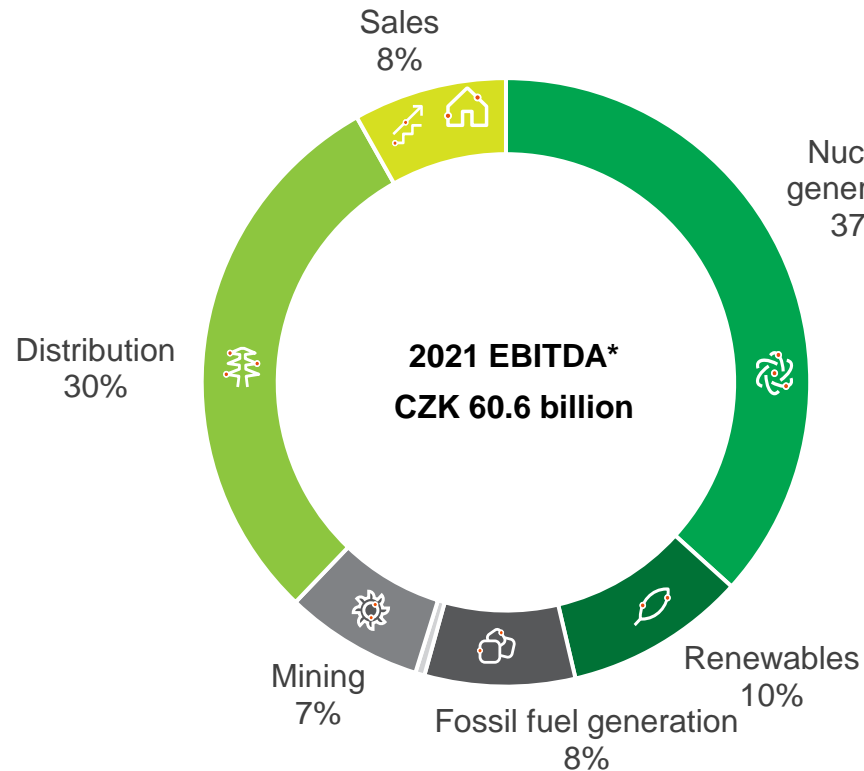
- **Appendix**

WE ARE AN INTERNATIONAL UTILITY, AMONG THE LARGEST IN EUROPE BY MARKET CAP

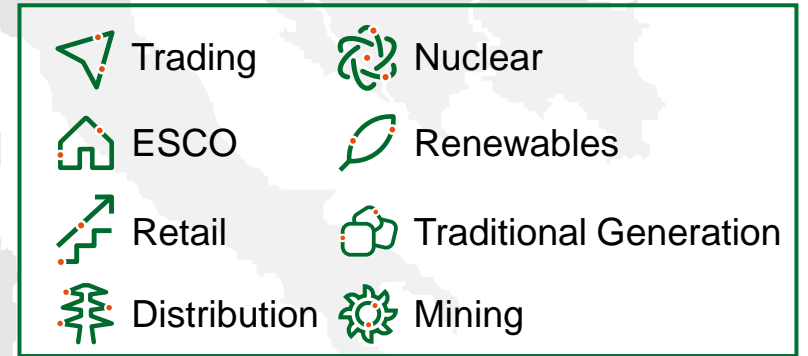
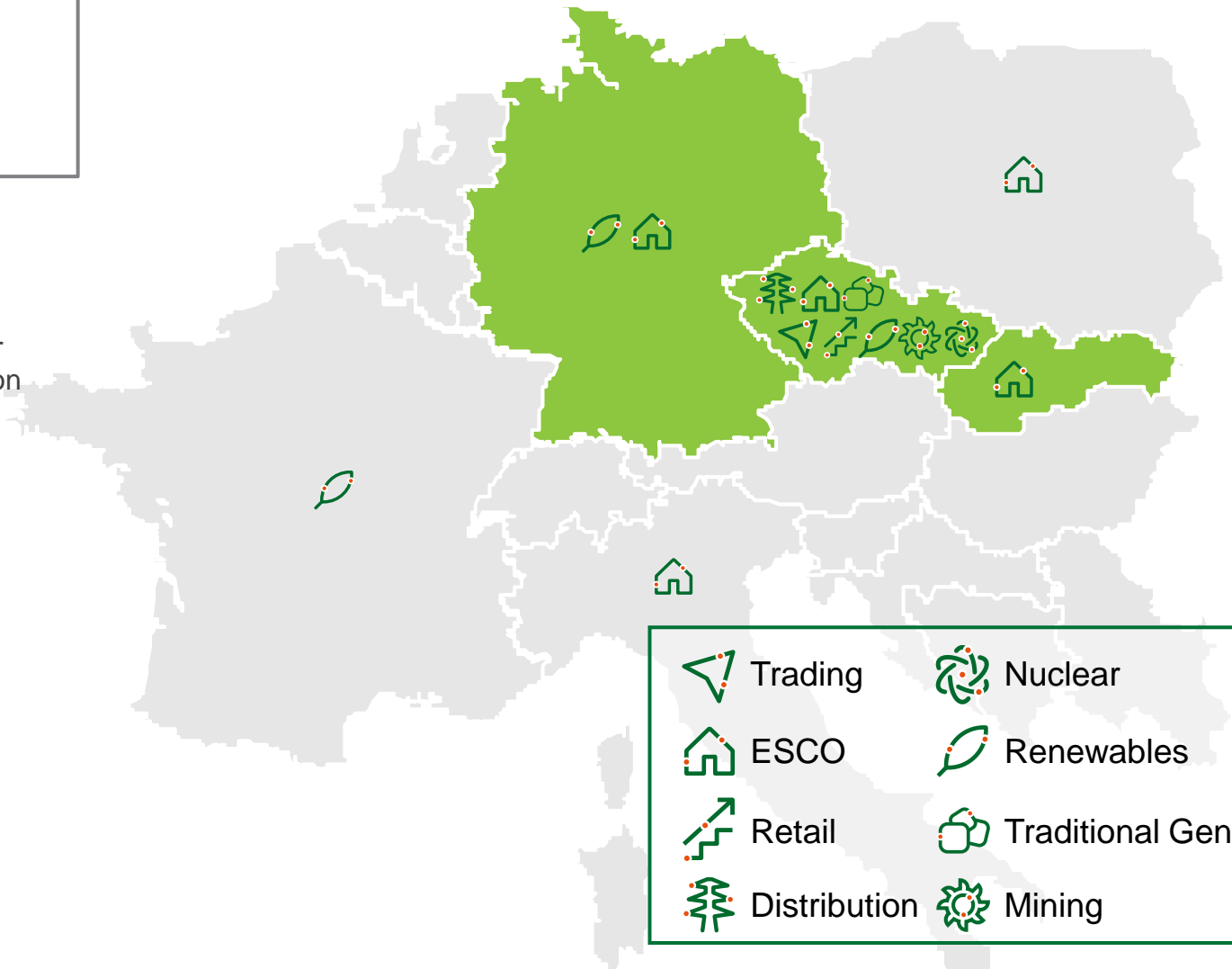


CEZ Group

11th largest in number of customers
 12th largest in installed capacity
 11th largest by market capitalization**



Nuclear generation
37%



* Existing assets, excluding CZK 2.6 billion contribution of divested assets, i.e., Bulgaria, Romania. EBITDA includes contribution of CZK 3.5 billion from trading and specific temporary effects CZK -3.8bn
 ** as of August 30, 2022

CEZ GROUP IS VERTICALLY INTEGRATED IN CZECHIA



	Mining	Generation		Networks	Sales (Retail & ESCO)
Market share	54%	63%		65%	30%
Volume	15.9 mil. tons	CO2-free 33.9 TWh	Other 19.3 TWh	36.6 TWh	18.7 TWh
EBITDA in Czechia (2021)	4.5 CZK billion	27.7* CZK billion	4.5 CZK billion	18.2 CZK billion	4.0 CZK billion
Market position	No. 1	No. 1		No. 1	No. 1



* EBITDA includes contribution of CZK 3.5 billion from trading and specific temporary effects CZK -3.8bn

WE LEAD ENERGY TRANSFORMATION OF THE CENTRAL EUROPE THROUGH BRINGING THE CLEAN ENERGY OF TOMORROW



Generation

Transforming electricity and heat generation to low-emission, growing renewables

Distribution

Continuous modernization and digitalization of our distribution networks

Retail

Leading electricity supplier of energy helping to decarbonize the Czech industrial base

ESCO

Expanding energy services and clean decentralized generation and heating in Czechia, Germany, Poland, Slovakia and Northern Italy



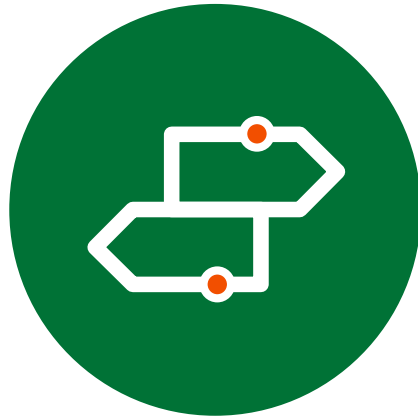
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WE ARE DELIVERING VALUE TO OUR SHAREHOLDERS – OUR FINANCIAL TARGETS



Delivery on guidance



2022 EBITDA CZK 110-115 billion
2022 Adj. Net Income CZK 60-65 billion

EBITDA CZK 63.2 billion
Adj. Net Income CZK 22.3 billion

High dividend payout



2022 payout ratio of 80%*
2023 payout ratio of 60 - 80%

CZK 48 DPS
116% payout

Strong balance sheet



<2.5-3.0x
Net debt/EBITDA

1.8x
Net debt/EBITDA

Targets

2021



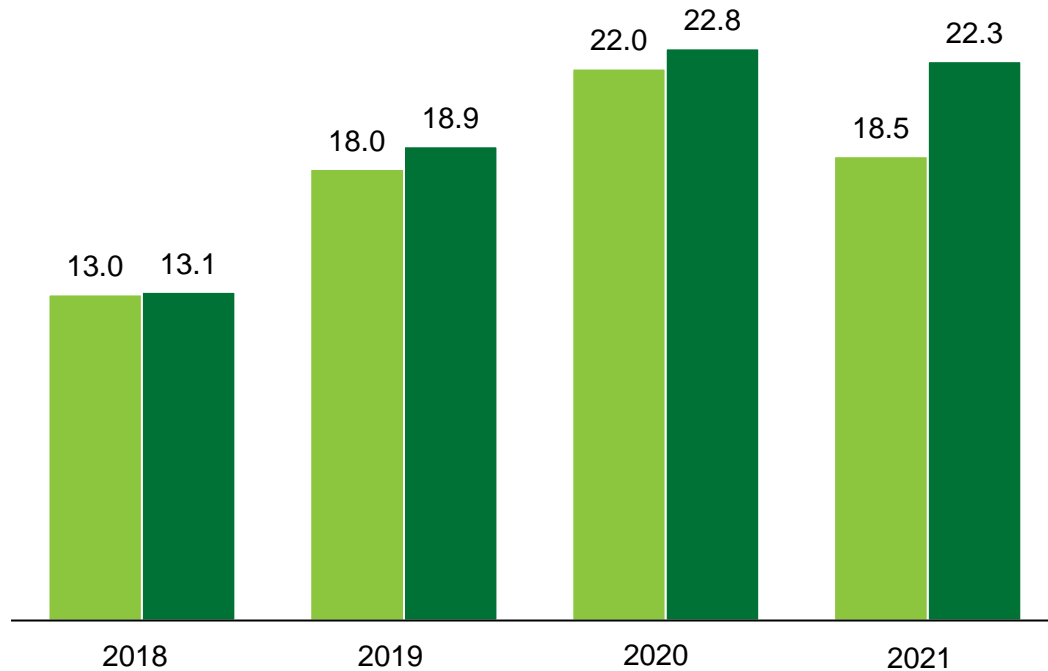
* Implying DPS of CZK 89-97

WE HAVE A GOOD TRACK RECORD ON GUIDANCE DELIVERY – WE HAVE MET OUR NET INCOME GUIDANCE FOUR YEARS IN A ROW



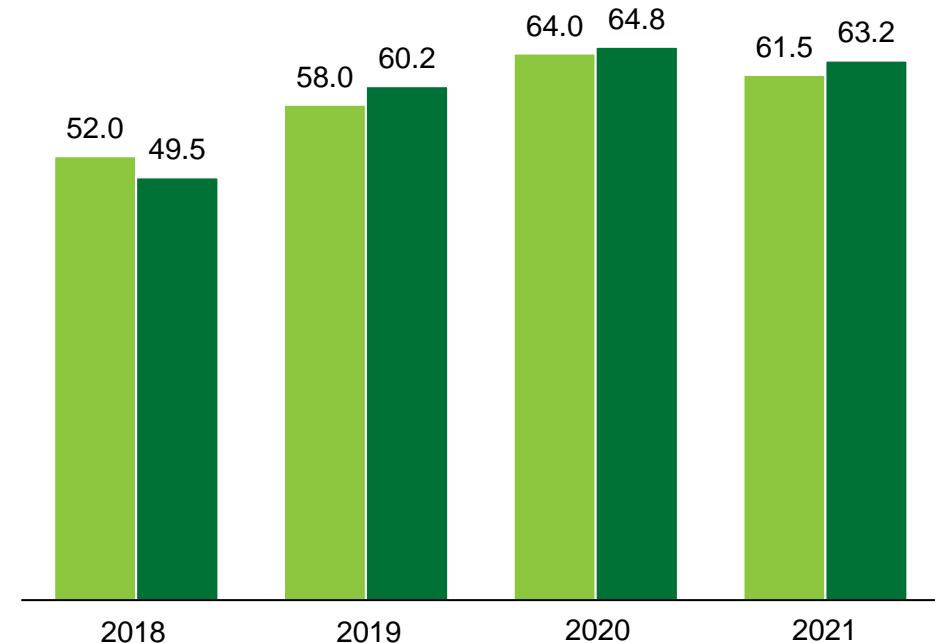
Adjusted net income guidance vs actual

CZK billion



EBITDA guidance vs actual

CZK billion



■ Middle of guidance range* ■ Actual

■ Middle of guidance range* ■ Actual

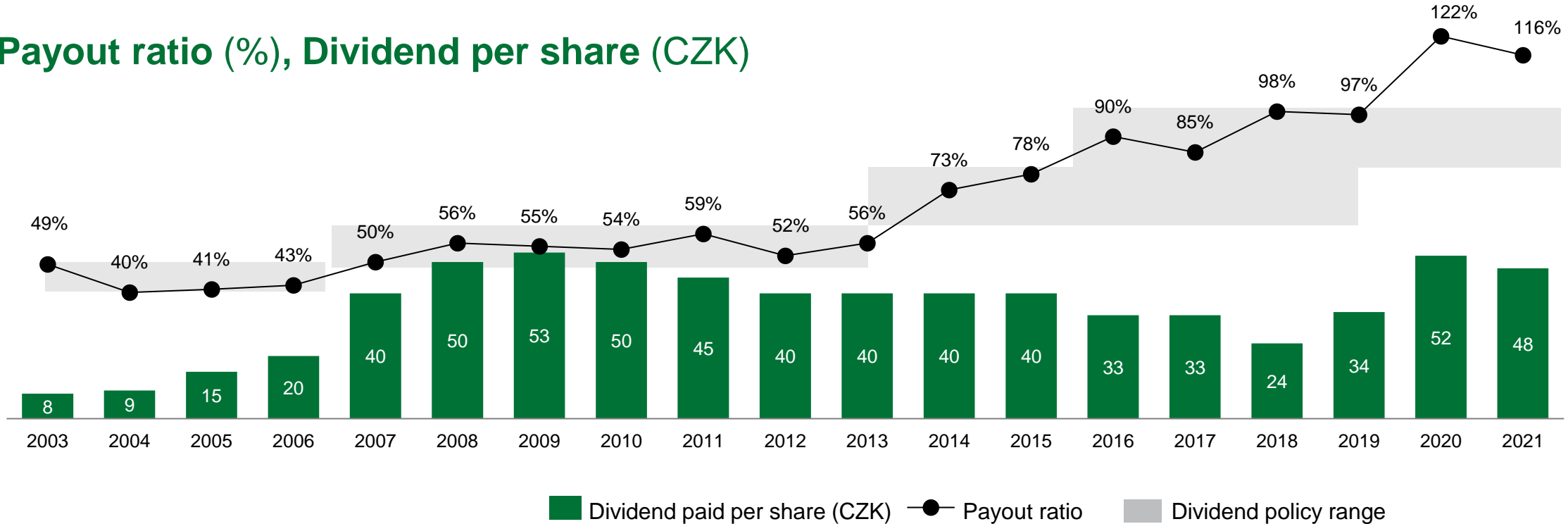


* Guidance announced in March of a given year

DIVIDEND POLICY OF 60-80% PAYOUT RATIO, 80% PAYOUT EXPECTED FROM 2022 PROFITS



Payout ratio (%), Dividend per share (CZK)



2021 dividend

- dividend **CZK 48 per share**
 - CZK 41 regular component, i.e. 100% payout ratio
 - CZK 7 contribution of Bulgarian disposal

Dividend policy applicable from Jan 1, 2023

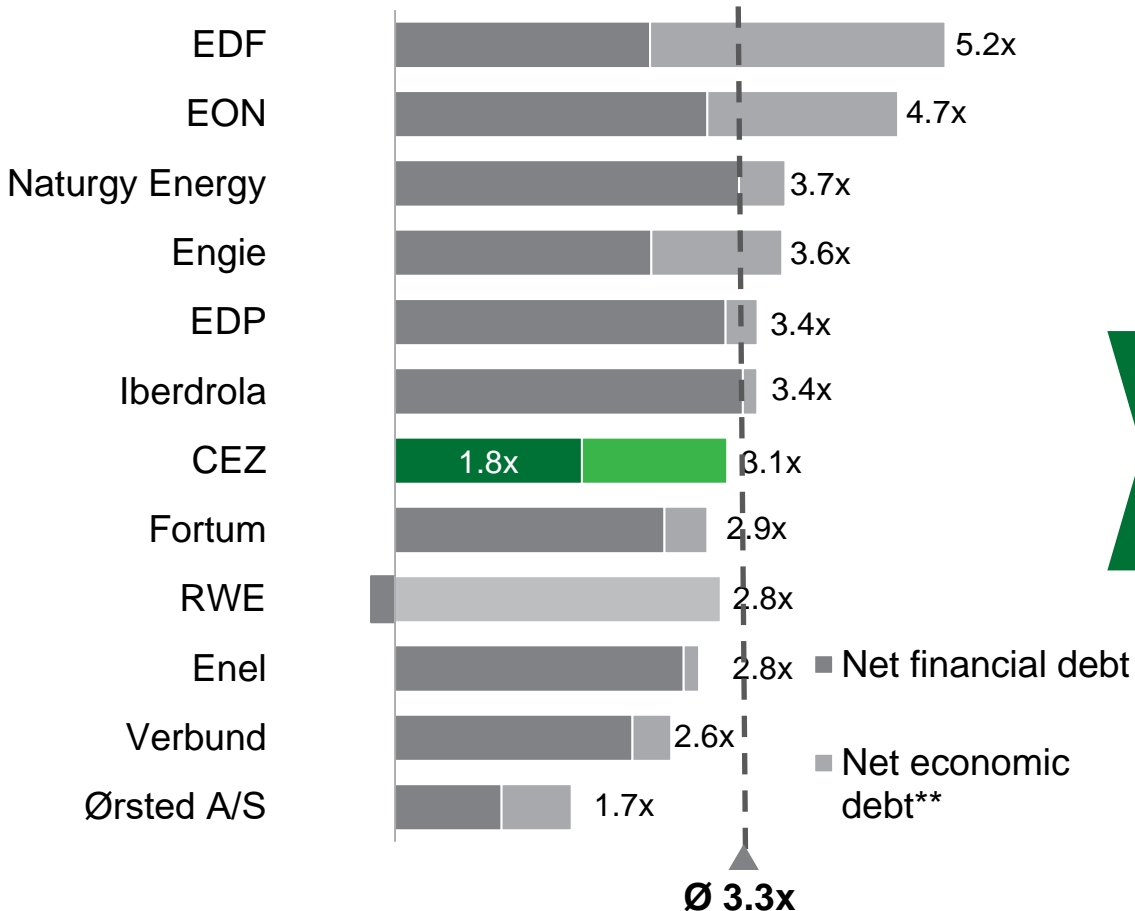
- 60-80% payout ratio from adjusted net income

OUR BALANCE SHEET STRENGTH SUPPORTS FUTURE GROWTH



Net economic debt/EBITDA*

2021



Current credit rating a notch above European utilities

- A-, stable outlook from S&P
- Baa1, stable outlook from Moody's

Net debt to EBITDA target of 2.5-3.0x

CZK 34 billion of divestments proceeds strengthened our balance sheet in 2021

- **Romania**
 - Transaction settled on Mar 31, 2021
- **Bulgaria**
 - Sold to Eurohold for EUR 335 million
 - Transaction settled on Jul 27, 2021
- **2020 EBITDA contribution: CZK 6.9 billion**



* EBITDA as reported by companies

** Net economic debt = net financial debt + net nuclear provisions + provisions for employee pensions + net reclamation provision

GOOD FINANCIAL PERFORMANCE WAS ENABLED BY SUCCESSFUL IMPLEMENTATION OF STRATEGY



Strategic priorities of CEZ Group

Efficient operation, optimal utilization and development of generation portfolio

Modern distribution and a care for customers' energy needs

Development of new energy in Czechia

Development of energy services in Europe

Divestment strategy

Main strategic achievements

- 30 TWh production delivered consistently and safely by nuclear plants
 - Increased efficiency of operations of fossil fueled power plants
 - Successful completion of regulatory review of distribution, its modernization and digitalization
 - Increased number of customers in Czech retail, digitalization
 - CEZ ESCO is a leader in energy savings and decentralized generation in Czechia
 - Leader on German market in energy savings and decentralized generation
-
- Sale of Romanian and Bulgarian assets completed

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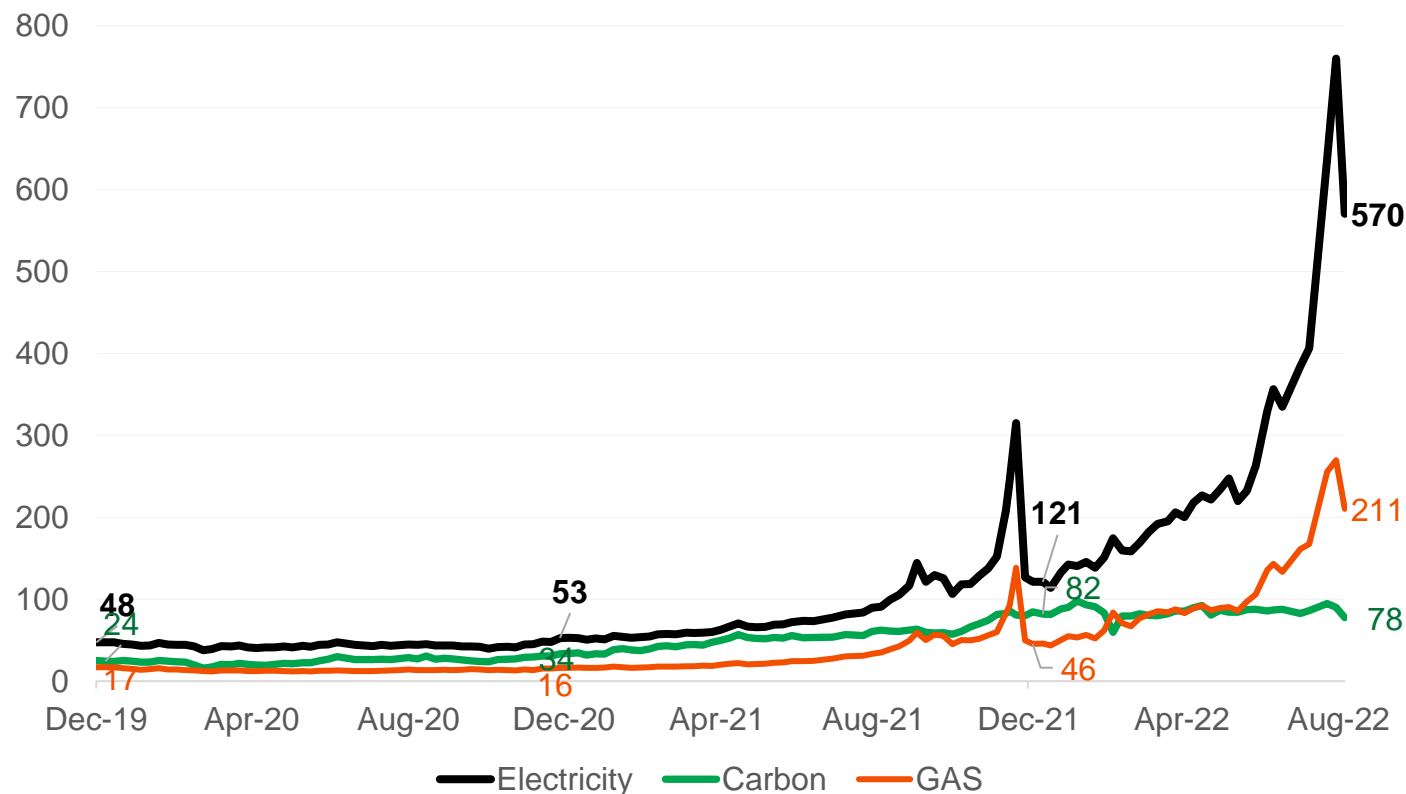
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SIGNIFICANT INCREASE IN ELECTRICITY PRICES IS DRIVEN PRIMARILY BY NATURAL GAS



Development of prices of electricity price and carbon allowances

Czech baseload in EUR/MWh, EUR/t for carbon, Y+1



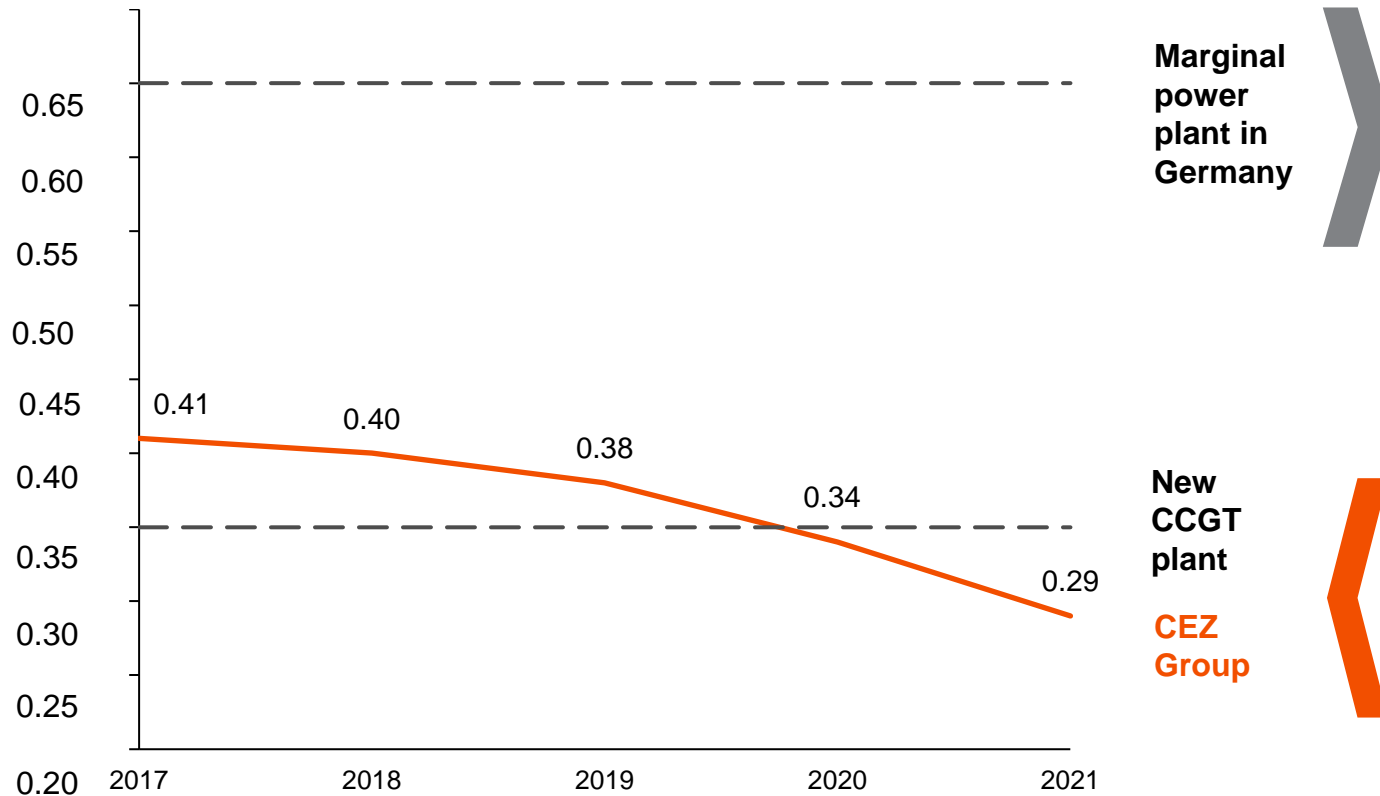
Increase in power prices driven by

- Natural gas
- Carbon allowances
- Growing risk premium
- 1 EUR/t change in carbon allowance implied 0.6-0.7 EUR changes in electricity price

CEZ GROUP BENEFITS FROM INCREASING CARBON PRICES



CEZ Group's emission intensity (tCO₂e/MWh of generated electricity and heat)



- **CEZ Group's carbon intensity is below marginal plant** and even **below new CCGT** and therefore higher carbon prices are beneficial for profitability of our generation fleet.
- **1 EUR increase in carbon price results in ~CZK 500 million increase in EBITDA***

	Generation volume** (2021, TWh)	CO ₂ emission intensity (2021, t/MWh)
CO2 free	34.5	0.00
Gas	3.2	0.35
Coal and lignite	18.0	0.85
Total	55.6	0.29

* Assuming no hedging, 2021 generation volumes and emission intensity
 ** Existing assets, i.e. excluding divested assets in Bulgaria and Romania, which contributed 0.4 TWh

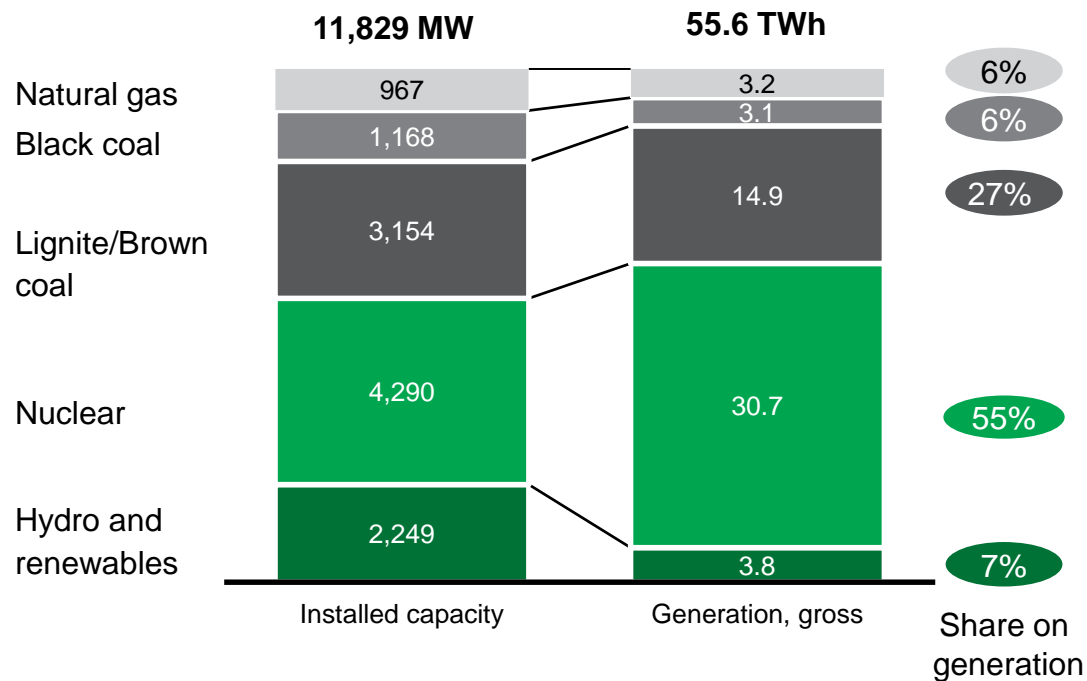
WE HAVE A ROBUST GENERATION PORTFOLIO WITH LOW AND LARGELY FIXED COSTS



We have diversified generation portfolio

Generation capacity and volumes

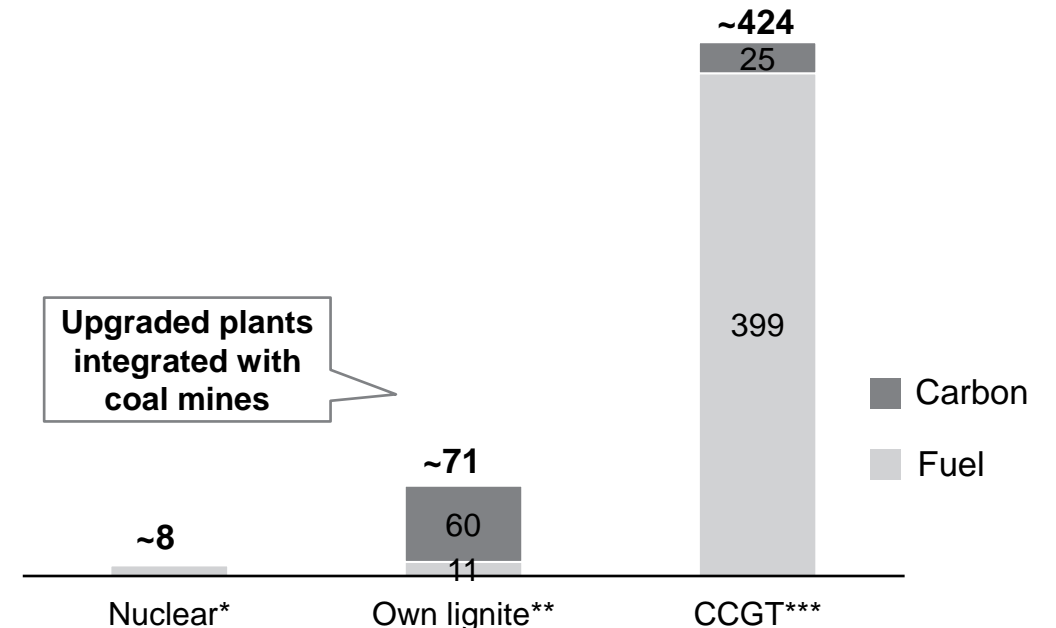
(existing assets, excluding assets divested in 2021)



Our fuel costs are low, not dependent on commodity prices

Marginal costs by technology

(EUR/MWh, prices of gas and carbon as of Sep 8, 2022)

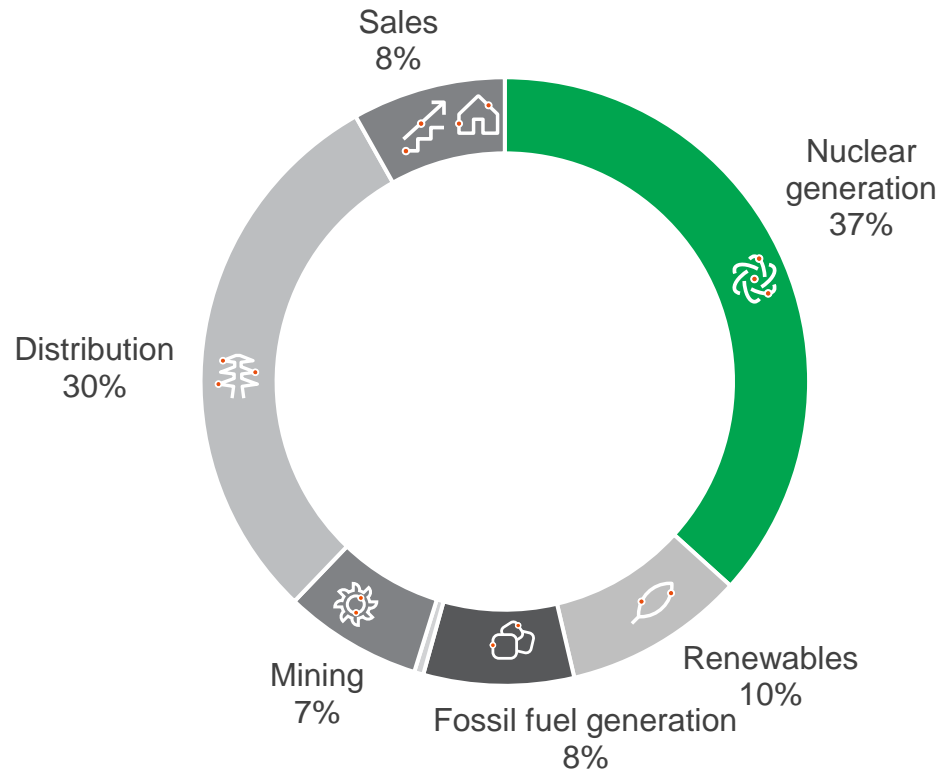


* Nuclear fuel costs + CZK 55/MWh payment for fuel storage
 ** Cash cost of extracting own lignite in 2021, 42% efficiency, 11.5 GJ/t calorific value, carbon at 69.9 EUR/t
 *** Natural gas 205 EUR/MWh, 57% efficiency, 0.35 t/MWh CO2

NUCLEAR PLANTS ARE IMPORTANT PROFIT GENERATORS WITH STABLE PRODUCTION VOLUMES



2021 CEZ Group EBITDA*



Our nuclear fleet has low and fixed costs and benefits directly from increasing power prices

- Operating licenses secured enabling 60 years operating life, i.e., remaining 30+ years of operations until decommissioning
- We have stabilized production volumes at above 30 TWh per year
- Capacity increased by 568 MW to 4,290 MW by technical improvements (fuel with higher enrichment, modernization of turbines and generators)



• Existing assets, excluding CZK 2.6 billion contribution of divested assets, i.e., Bulgaria, Romania, EBITDA includes contribution of CZK 3.5 billion from trading and specific temporary effects CZK -3.8bn

NEW NUCLEAR PROJECT IS IN THE FIRST PREPARATORY STAGE THAT IS COVERED BY THE SIGNED FIRST IMPLEMENTATION CONTRACT...



Stage	End date	Expected costs* (EUR billion)	Permitting and licensing	Contract with technology supplier
A 1. Preparation, supplier selection	2024	~0.2**	EIA Site decision License for the siting	Tender process and contract signature B
2. Preliminary works	2029	~0.7	License for construction, Building permit	"LWA - Limited Work Authorization" phase
3. Construction, commissioning	2036	~5.1	License for commencement of trial operation	Construction
4. Warranty period	2038		Operation license	Warranty period operation C

- A** Framework contract
- B** First implementation contract
- C** Power Purchase Agreement (TBD)
Repayable Financial Assistance (TBD)
Investor Agreement (TBD)



* At 2020 prices, rounded

** It does not include the costs incurred until 2020 for the permitting and contracting and the purchase of land; assuming the current supplier model

... GOVERNMENT SHALL PROVIDE FINANCING FOR PERMITTING AND CONSTRUCTION PHASES AND SECURE THE OPERATION BY POWER PURCHASE AGREEMENT



Currently contemplated financing structure*

- CEZ Group will fund Stage 1 entirely through its equity investment. (ca EUR 0.2 billion**)
- Stage 2 onwards will be financed by the repayable financial assistance from state (RFA)
 - During 2024-2029 in the Stage 2 in the amount ca EUR 0.7 billion
 - During 2029-2038 in the Stage 3 and 4 in the amount ca EUR 5.1 billion

Repayable Financial Assistance from state (RFA)

- 0% during the period of construction
- During period of operation: costs of State debt financing plus 1% but not less than 2% p.a.
- Duration 30 years from the start of operation of NPP

Additional cost overrun financing mechanism

- CEZ Group will not bear any risk of additional costs in case of “legitimate grounds”, the Czech state bears the additional costs

Test on the overcompensation will be implemented in the PPA contract

- The mechanism according to the low-carbon law will ensure adequacy of the purchase price and return (regular review after 5 years)

This model will be further discussed in the prenotification with the European Commission and finalized



* At 2020 prices, rounded

** It does not include the costs incurred until 2020 for the permitting and contracting and the purchase of land; assuming the current supplier model

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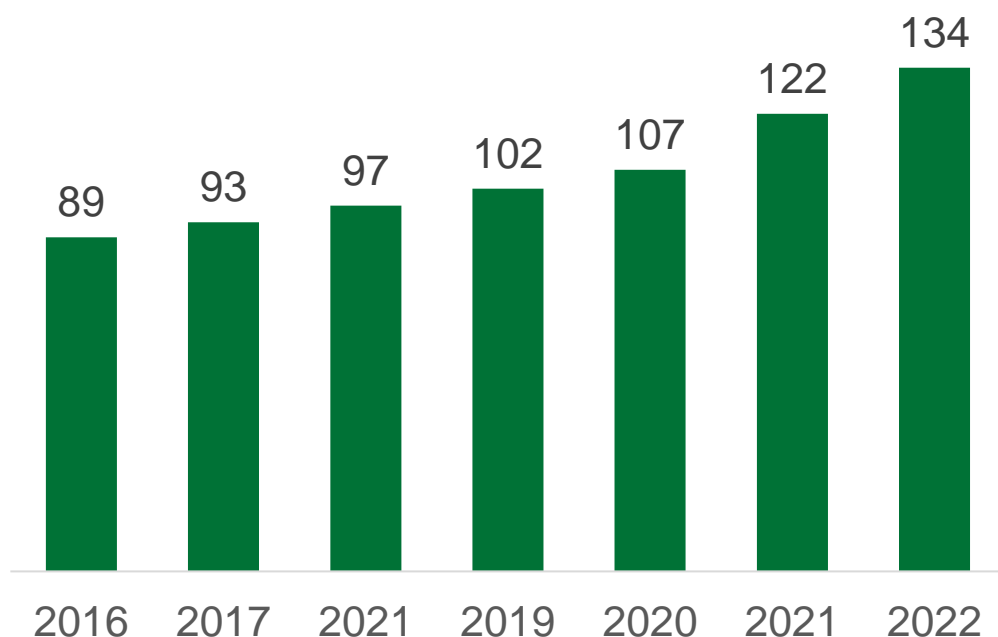
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WE ARE GROWING OUR REGULATED ASSET BASE IN DISTRIBUTION, REGULATORY VISIBILITY UNTIL 2025



Regulatory asset base

CZK billion



Outcome of regulatory review for 2021-2025 supportive for RAB growth

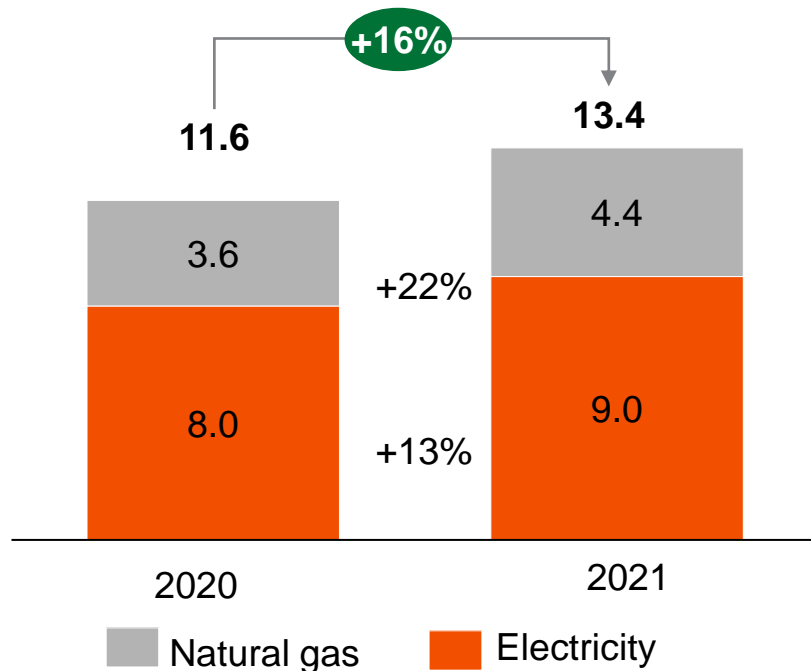
- RAB will grow by 8% CAGR in 2020-2025 thanks to revaluation and investments
- WACC at 6.54% among the highest in Europe
- Investments directed to digital transformation, preparation for decentralized generation
- Accelerated growth in renewables expected from 2021 onwards, our network is ready to process connection requests

OUR RETAIL BUSINESS PROVIDES ROBUST VOLUME GROWTH AND BEST IN CLASS CUSTOMER SATISFACTION



Retail electricity and natural gas supplies

Supplied electricity and gas (TWh)



Retail defended the title of the “Most trusted energy supplier in CZ”

- “Most trusted energy supplier” in Czechia *
- Customer satisfaction indicator (CX) of more than 86% is continually improving
- Volume growth driven by lower temperatures, growth in customer base in Q4 and structural shift towards electric heating
- Number of connection points increased by 11% to 3.2 m thanks to competitors ceasing activities in Q4



* based on an independent survey conducted with more than 4,000 respondents as a part of the 7th annual national Trusted Brands program (monitoring and awarding brands that Czech consumers trust most)

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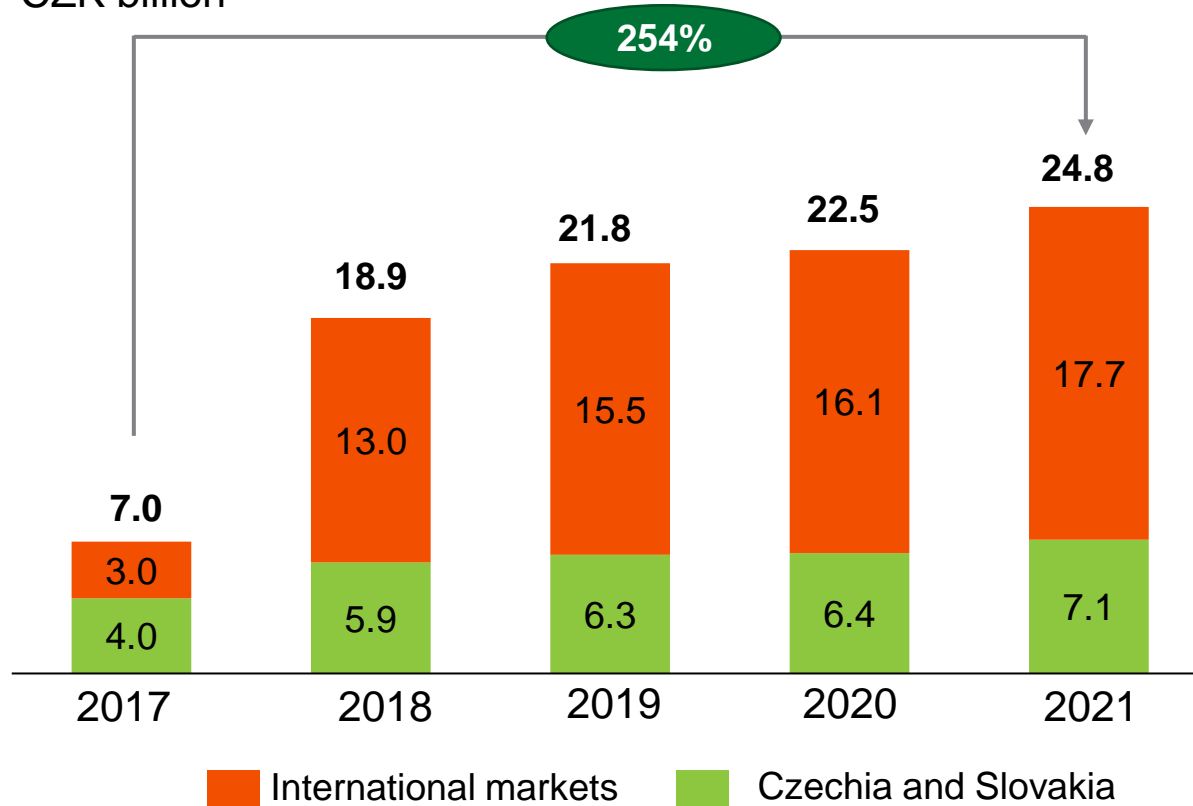
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STRONGLY GROWING IN ENERGY SERVICES BUSINESS AND HELPING CUSTOMERS TO DECARBONIZE



Energy Services (ESCO) revenue

CZK billion



We are No. 1 player in Czechia

We are within Top 3 players in Germany

We are helping our customers to decarbonize by:

- Installation of efficient cogeneration units on their sites
- Providing energy advisory and management
- Energy storage installations
- Rooftop photovoltaic plants
- Lighting, cooling, heating installations



- **CEZ Group at a Glance**
- **Our Performance**
- **2022 Outlook**

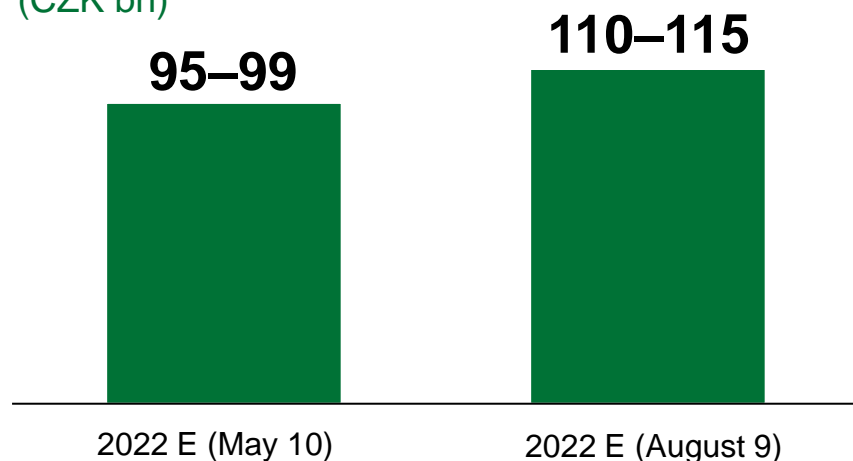
- **Our Vision**
- **Appendix**

WE HAVE INCREASED 2022 FINANCIAL OUTLOOK: EBITDA OF CZK 110–115 BN, ADJUSTED NET INCOME OF CZK 60–65 BN



EBITDA

(CZK bn)



Main reasons for adjusting the financial outlook as compared to the outlook from May 10, 2022:

- ⊕ ⊕ ⊕ Higher realization prices of electricity
- ⊕ ⊕ Higher income from commodity trading on foreign markets
- ⊕ Higher availability of nuclear power plants

Selected Prediction Risks and Opportunities:

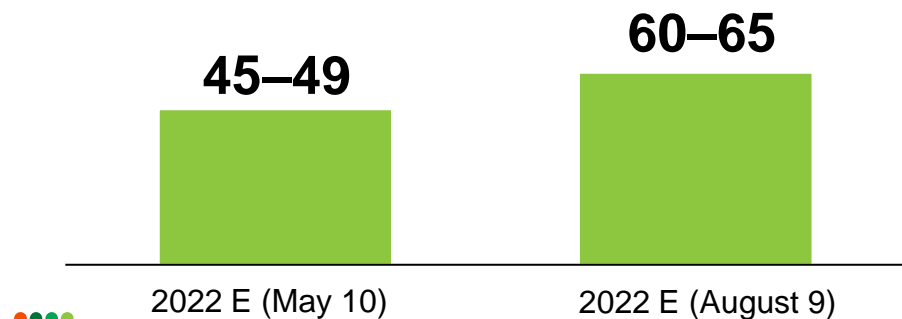
- Realization prices of generated electricity
- Availability of generating facilities
- Gain from commodity trading and revaluation of derivatives
- Potential introduction of an extraordinary sectoral or other tax in Czechia

Dividend from 2022 earnings:

- Current dividend policy (60%–80% of net income, adjusted for extraordinary effects) indicates income for shareholders (if the dividend is set at the upper end of the defined range), of CZK 48–52 bn.

Adjusted net income

(CZK bn)



EBITDA GROWTH IS PRIMARILY DRIVEN BY HIGHER ACHIEVED PRICES OF ELECTRICITY



GENERATION

Nuclear Facilities

- + Higher realization prices of electricity incl. hedging

Renewables

- + Higher realization prices of electricity incl. hedging

Emission Sources

- + Effect of realized prices of electricity emission allowances and natural gas on gross margin incl. hedging
- Higher maintenance costs

Trading

- + Higher income from commodity trading

Specific effects in 2021

- + Revaluation of contracts on allowances related to hedging of 2022+ generation positions and time arbitrage with allowances
- + Revaluation of hedging electricity sales of the portion of 2022 emissions generation that did not meet the IFRS conditions for own-use classification

MINING

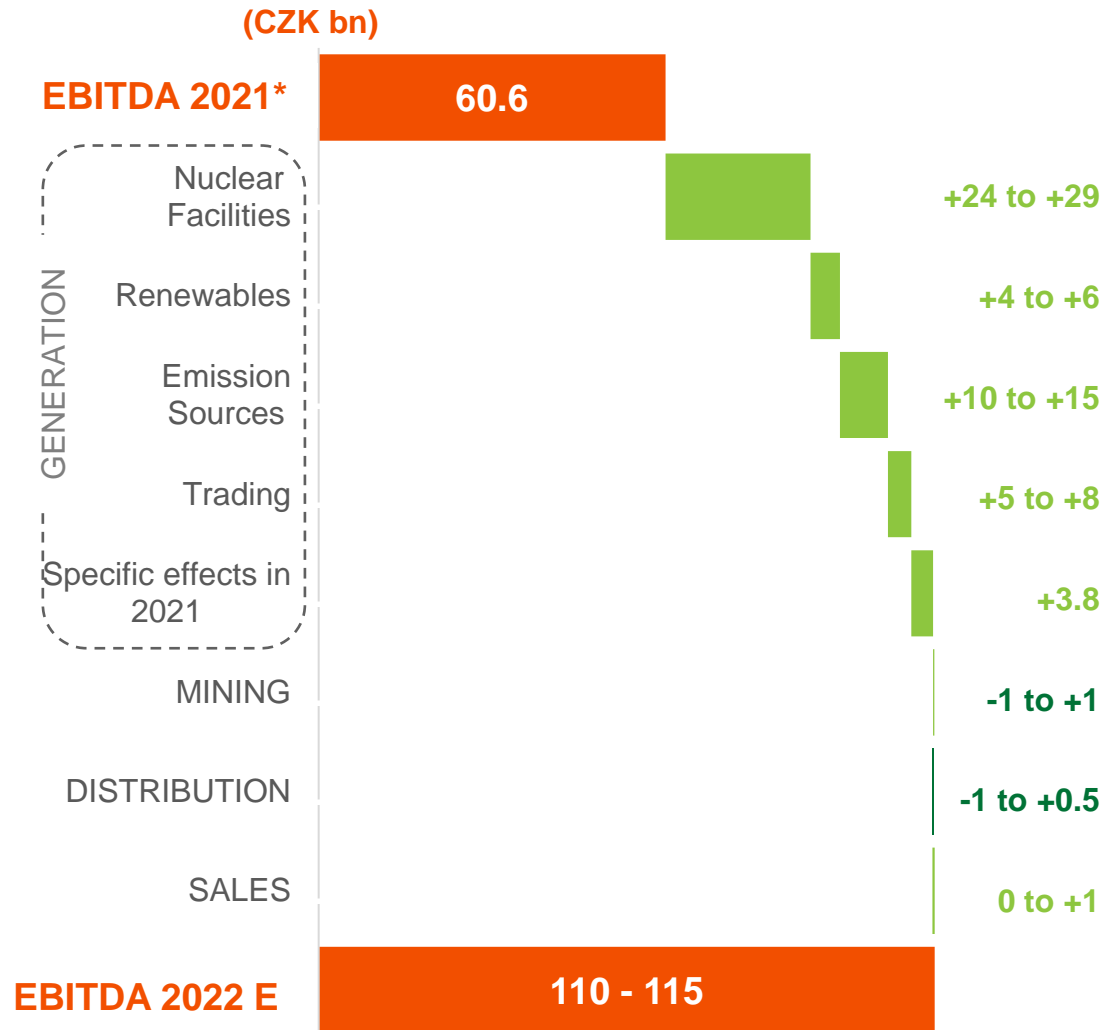
- + Higher coal sales and higher realization prices
- Higher fixed operating expenses, especially expenses on energy

DISTRIBUTION

- Negative effect of correction factors
- + Higher regulatory asset base (RAB) and depreciation and amortization

SALES

- + Acquisition and organic growth in ESCO
- Lower margins on commodity sales due to cost price increases

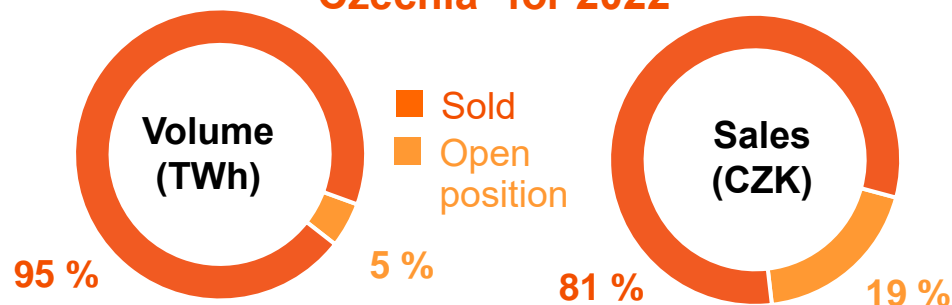


* without the divested assets in Romania and Bulgaria

2022 AVERAGE ACHIEVED PRICE OF ELECTRICITY EXPECTED AT EUR 103 – 107 PER MWH



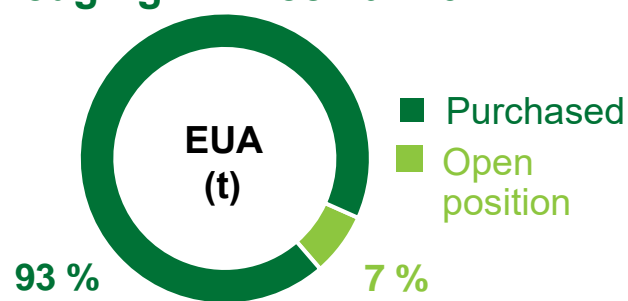
Electricity—share of hedged deliveries from generation in Czechia* for 2022



Electricity—generation revenue hedging status

- 45.1 TWh sold at an average achieved price of 91.4 EUR/MWh.
- Open position assumption of 2.2 TWh
- 100% of expected electricity deliveries in Czechia* is 47.3 TWh and the average expected achieved price** is EUR 103 to 107/MWh.

Emission allowances—status of generation hedging in Czechia* 2022



Emission allowances—generation cost hedging status

- The average purchase price of 15.5 million tons of emission allowances is 36.6 EUR/t.
- Open position assumption of 1.2 million tons

Natural gas—generation cost hedging status

- The average purchase price*** of 3.9 TWh of natural gas is EUR 86.4/MWh, of which 2.0 TWh is contracted for H2.
- The open position assumption is not given in the view of the uncertainty of the gas supply situation from Russia and the measures taken by the EU.

In addition to the above hedging of expected generation from CCGT plants, ČEZ has contracted 3.8 TWh of gas for H2 2022 for existing end-use customers of ČEZ Prodej and ČEZ ESCO (100% of contracted supplies).

* This includes supplies from the generation of ČEZ, Energotrans, and Elektrárna Dětmarovice.

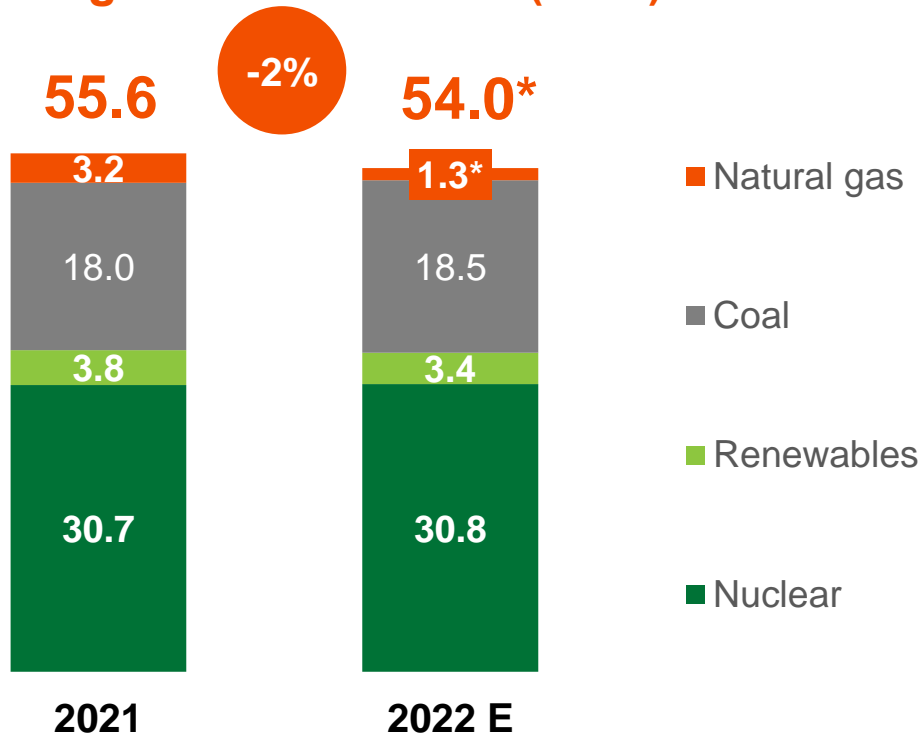
** This is the result of hedging trades and current market valuation of unsold electricity for expected generation in 2022. In the case of executed hedging contracts for the sale of electricity from gas and some coal-fired facilities, the contracts are revalued in profit or loss on an ongoing basis. The realisation price of these contracts, where they effectively enter into the 2022 results, is therefore consistent with the market prices as of December 31, 2021 and is therefore significantly higher than the starting price when they were entered into in the past.

*** The gas purchase prices shown for contracts entered into in 2020 and 2021 reflect market prices at December 31, 2021, at which point they effectively enter into the 2022 results. The hedging contracts in question are revalued in the results of operations on an ongoing basis, as are the gas-to-power hedges that are entered into concurrently.

2022 GENERATION VOLUME WILL DEPEND ON THE GAS SUPPLY SITUATION, OTHER SOURCES BROADLY UNCHANGED Y-O-Y



Expected generation volume (TWh)



Natural gas

- Lower generation of Počerady 2 power plant for the period from January 1 to July 31 due to commodity prices and emission allowance prices
- Forecasted generation from natural gas from August 1 to December 31 not included in the forecast*

Coal (+3%)

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

Renewables (-10%)

- In particular, worse-than-average hydrometeorological conditions



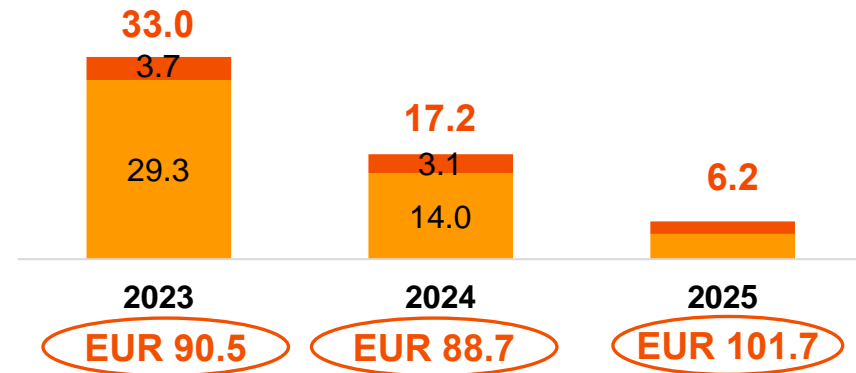
* The expected generation from natural gas in 2022 does not include the expected generation from the CCGT for the period from August 1 to December 31, given the uncertainty of the gas supply from Russia

HEDGING THE MARKET RISKS OF GENERATION IN CZECHIA FOR 2023–2025



Electricity sold in TWh (as of Jun 30)

- Hedged volume from Apr 1, 2022 to Jun 30, 2022
- Hedged volume as of Mar 31, 2022



EUR 90.5

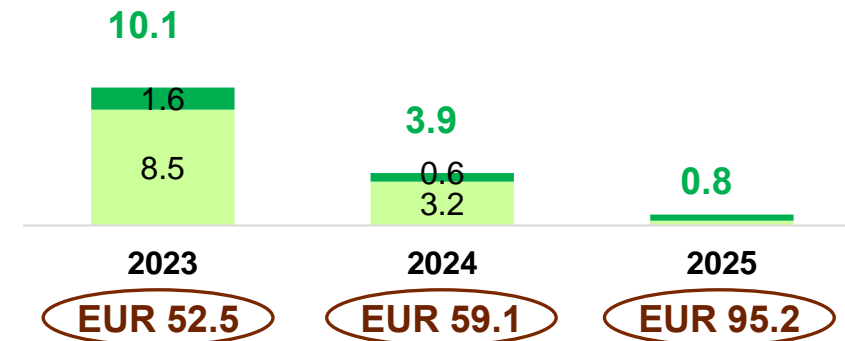
EUR 88.7

EUR 101.7

Electricity selling price (EUR/MWh)

Contracted emission allowances* in m tons (as of Jun 30)

- Hedged volume from Apr 1, 2022 to Jun 30, 2022
- Hedged volume as at Mar 31, 2022



EUR 52.5

EUR 59.1

EUR 95.2

EUA purchase price (EUR/t)

Share of electricity deliveries hedged from generation in Czechia (as of Jun 30)

	2023	2024	2025	100% of expected deliveries
Proportion of electricity deliveries hedged	70%	36%	13%	47 to 48 TWh of external deliveries per year



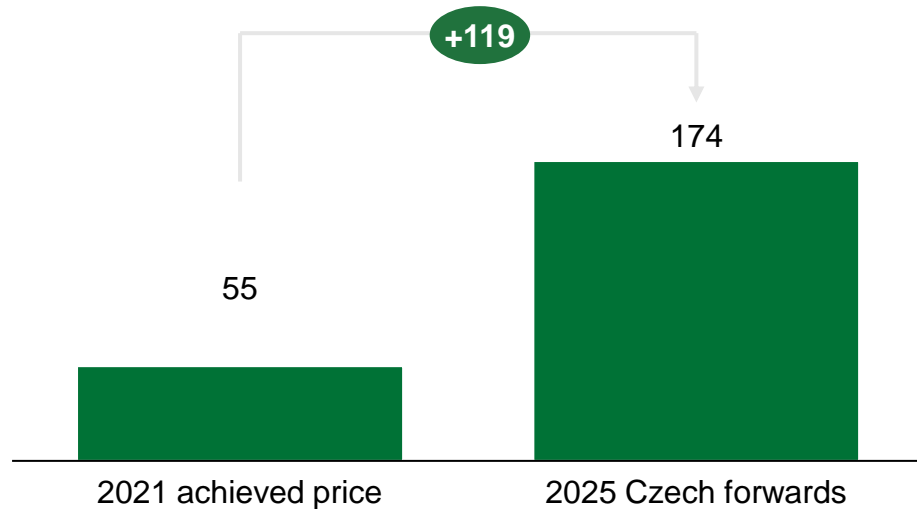
* 100% of the expected annual volume of emission allowances for generation in Czechia for 2023–2025 is 16–18 m tons.

CURRENT FORWARD COMMODITY PRICES REPRESENT SIGNIFICANT PROFIT UPSIDE COMPARED TO 2021



Power prices

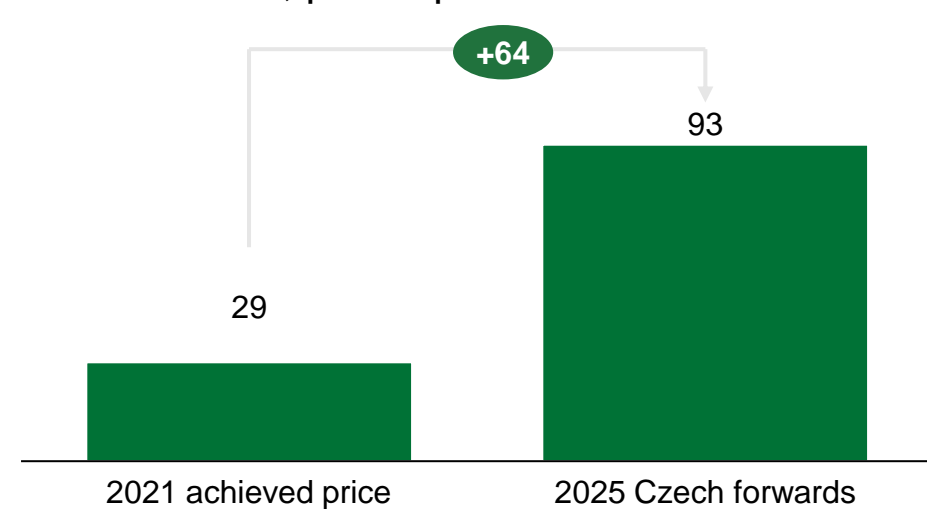
EUR/MWh



Carbon free generation 34.5 TWh
Financial impact: CZK +101 billion*

Lignite spread

EUR/MWh, power price minus carbon allowance



Lignite generation 14.9 TWh
Financial impact: CZK +24 billion*

Theoretical operating profit upside of CZK 125 billion*
using current commodity prices compared to 2021 achieved levels



* Assuming no hedging, 24.5 EUR/CZK exchange rate, 2021 generation volumes, forward prices of electricity and carbon as of 8 Sep 2022 i.e. power price 174.3 EUR/MWh and carbon allowance price 81 EUR/t



- **CEZ Group at a Glance**
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- **Appendix**

WE ARE ACCELERATING GROWTH WITHIN CURRENT STRATEGY. STRATEGIC DIRECTIONS OF VISION 2030 – CLEAN ENERGY OF TOMORROW



Strategic priorities of CEZ Group

Efficient operation, optimal utilization and development of generation portfolio

Modern distribution and a care for customers' energy needs

Development of new energy in Czechia

Development of energy services in Europe



Vision 2030 Strategic directions CLEAN ENERGY OF TOMORROW

I Decarbonize generation portfolio and reach climate neutrality

- Efficiently managing nuclear power plants and preparing conditions for the construction of a new nuclear power plant as part of enhancement of energy security in Czechia
- Efficient management of coal-fired power plants located near the coal basins and decarbonization of Czech generating portfolio (including transformation of the heating industry)
- Developing renewable energy sources (RES) while fulfilling the Czech energy and climate plan

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

- Modernizing and digitizing distribution and retail in Czechia, developing comprehensive services with respect to customers' needs.
- Developing energy services sources (ESCO) in Czechia while fulfilling the Czech energy and climate plan.
- Developing energy services (ESCO) abroad to achieve a significant market position in Germany, Northern Italy, and Poland

UNDER THE CURRENT STRATEGY WE ARE ACCELERATING DEVELOPMENT. WE WANT TO ACHIEVE 40% INCREASE IN EBITDA BY 2030 ON COMPARABLE POWER PRICES



Vision 2030

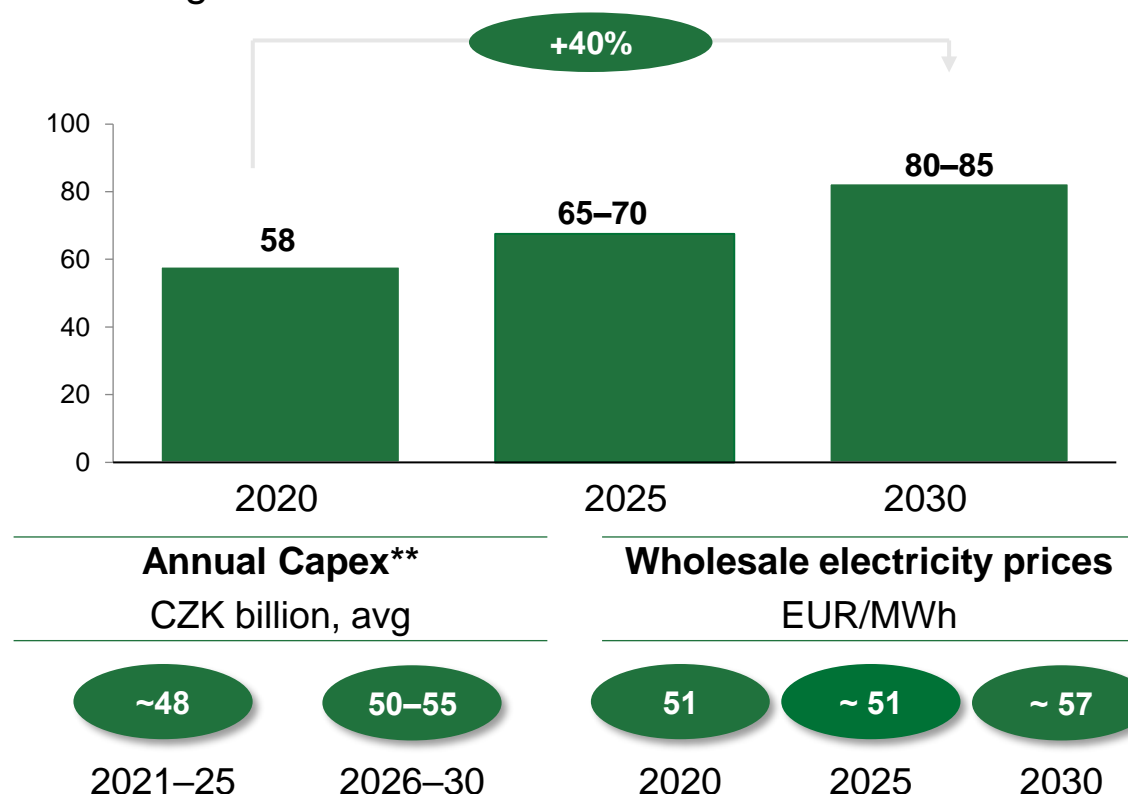
CLEAN ENERGY OF TOMORROW

- I Decarbonize generation portfolio and reach climate neutrality
- II Provide best energy solutions and highest quality customer experience on the market



EBITDA* of CEZ Group

Existing assets in CZK billion



* Assuming forward power prices from March-2021, which were escalated; carbon allowance price assumption for 2020: 25 EUR/t; 2025: 41 EUR/t; 2030: 46 EUR/t,

** Capex and financial investments

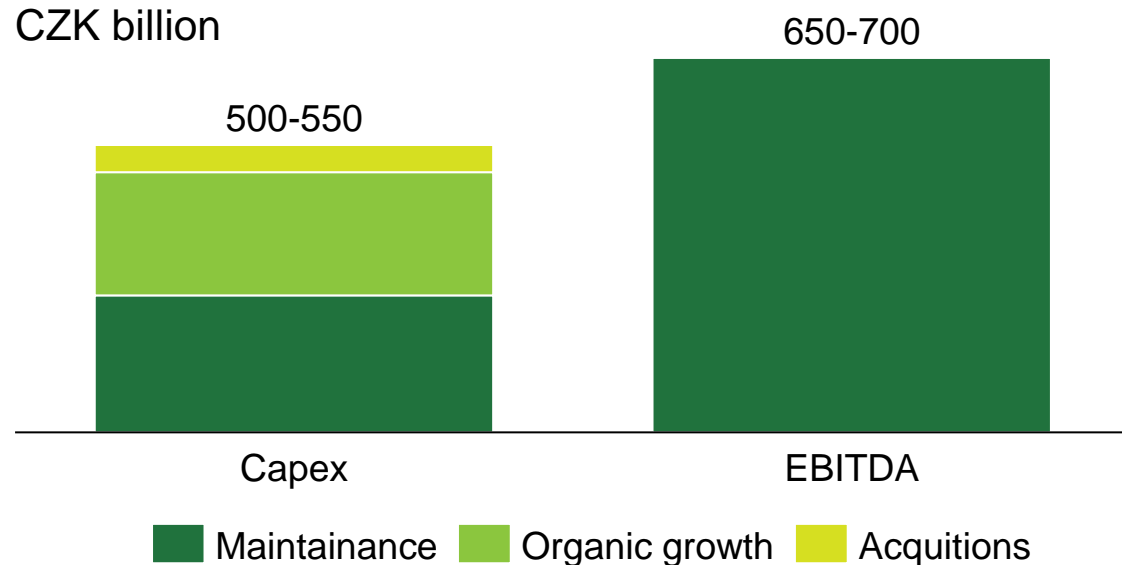
WE CAN EXECUTE OUR GROWTH STRATEGY WHILE KEEPING THE LEVERAGE WITHIN OUR TARGET EVEN WITHOUT THE TAILWIND FROM CURRENT POWER PRICES



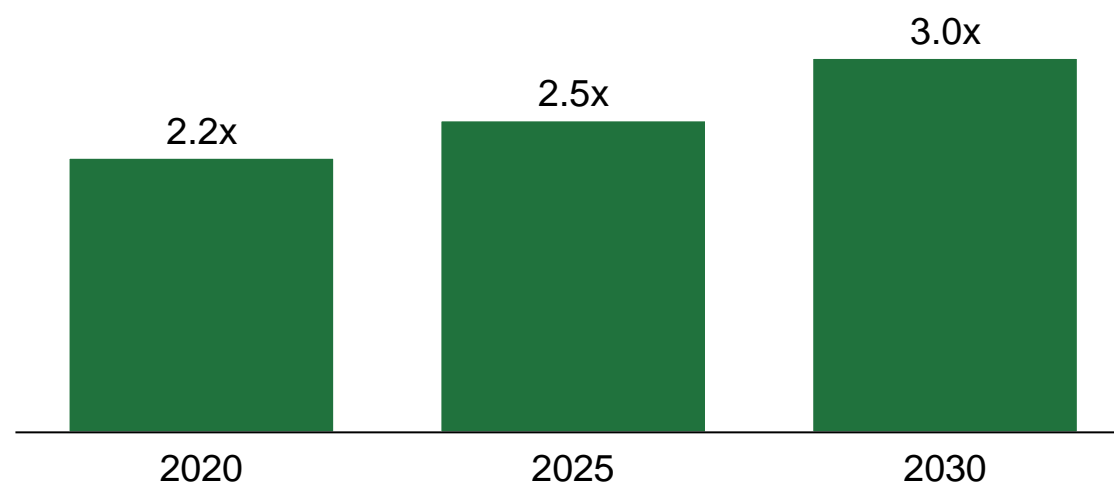
Expected Cumulative Capex and EBITDA

2021-2030*

CZK billion



Expected Net debt to EBITDA ratio*



We will continue to generate positive free cash flow even with the increased Capex and our leverage would stay below 3.0x of EBITDA



* Assumed electricity prices 2020: 51 EUR/MWh, 2025: 51 EUR/MWh, 2030: 57 EUR/MWh

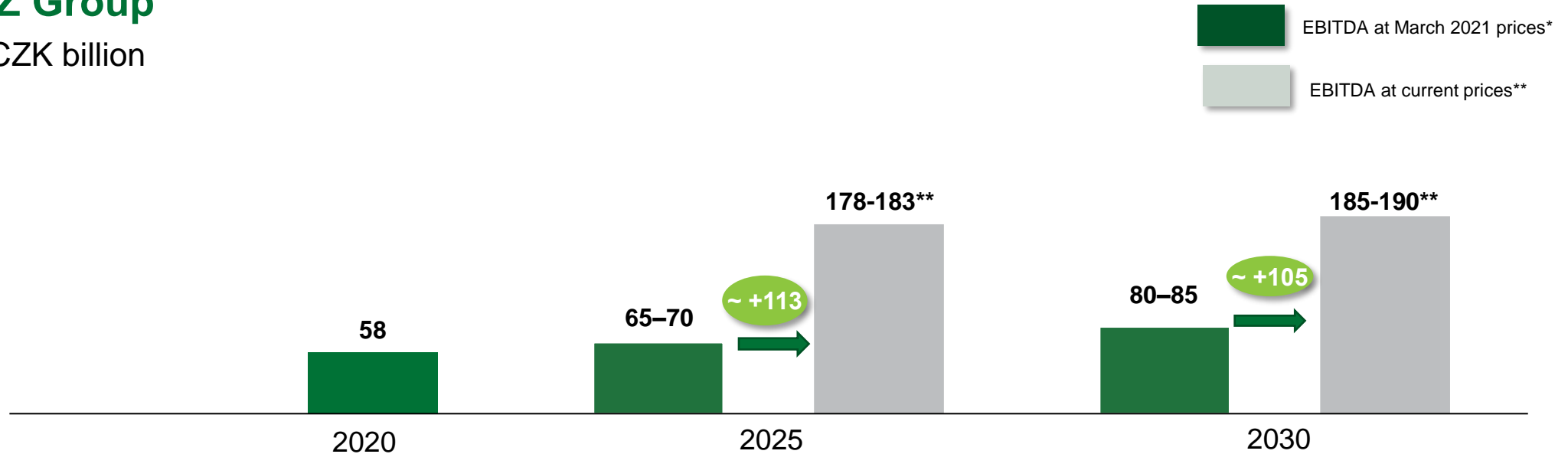
Note: Organic growth = new renewables and gas capacities, expansion of distribution network, Acquisitions = ESCOs abroad

EBITDA SENSITIVITY TO CHANGES IN WHOLESALE ELECTRICITY PRICES AND CARBON ALLOWANCES



EBITDA of CEZ Group

Existing assets in CZK billion



Wholesale prices

Electricity (EUR/MWh)



Carbon allowances (EUR/t)



- Assuming 2025 forward market prices from March-2021, which were escalated by inflation to 2030
- ** Assuming 2025 forward prices from 8 Sep 2022
- *** Assuming 2026 forward prices from 8 Sep 2022, which were escalated by inflation to 2030

WE ARE ACCELERATING GROWTH WITHIN CURRENT STRATEGY. STRATEGIC DIRECTIONS OF VISION 2030 – CLEAN ENERGY OF TOMORROW



Vision 2030 Strategic directions CLEAN ENERGY OF TOMORROW

Decarbonize generation portfolio and reach climate neutrality

- Efficiently managing nuclear power plants and preparing conditions for the construction of a new nuclear power plant as part of enhancement of energy security in Czechia
- Efficient management of coal-fired power plants located near the coal basins and decarbonization of Czech generating portfolio (including transformation of the heating industry)
- Developing renewable energy sources (RES) while fulfilling the Czech energy and climate plan

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

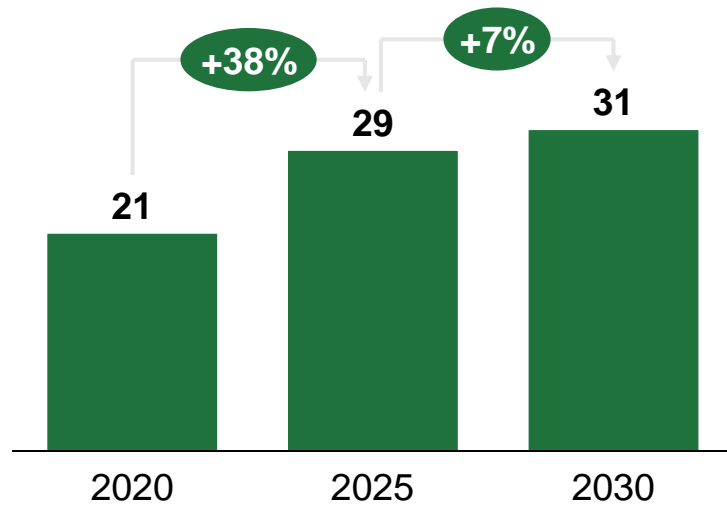
- Modernizing and digitizing distribution and retail in Czechia, developing comprehensive services with respect to customers' needs.
- Developing energy services sources (ESCO) in Czechia while fulfilling the Czech energy and climate plan.
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WE WILL INCREASE NUCLEAR PRODUCTION OVER 32 TWH



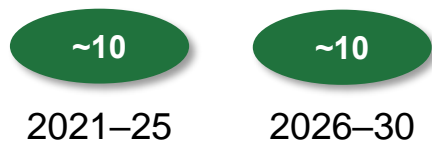
Nuclear EBITDA

CZK billion



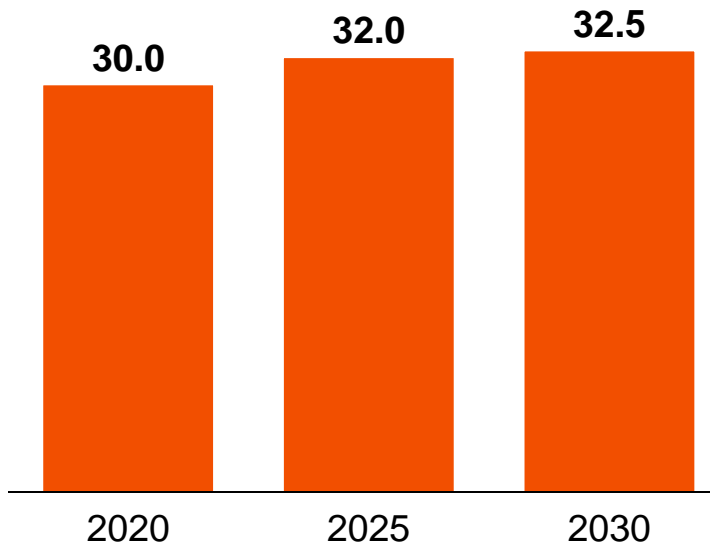
Annual Capex*

CZK billion, avg



Nuclear generation

TWh



Wholesale electricity prices**

EUR/MWh



We will increase production of existing power plants above 32 TWh by

- Prolonging fuel replacement cycle
- Optimizing maintenance
- Increasing capacity by up to 50 MW

We plan to start construction of new nuclear unit in Dukovany, which is a subject to agreeing support scheme with government

We will prepare for potential construction of small modular reactors after 2040 with total capacity of 1000 MW



* Of which CZK ~4 billion p.a. are purchases of nuclear fuel, excluding new nuclear Capex in 2025-2030 due to assumed 100% state financing

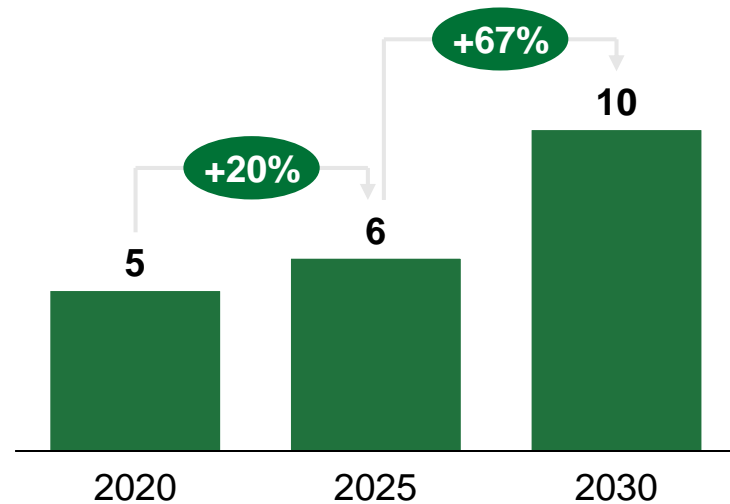
** Market prices from March-2021 inflationary adjusted and sensitivity applied

WE WILL ADD 6 GW OF RENEWABLES CAPACITY BY 2030



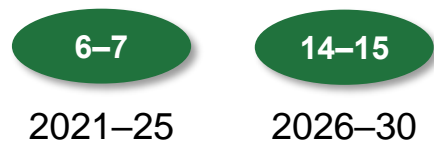
Renewables EBITDA

Existing assets in CZK billion*



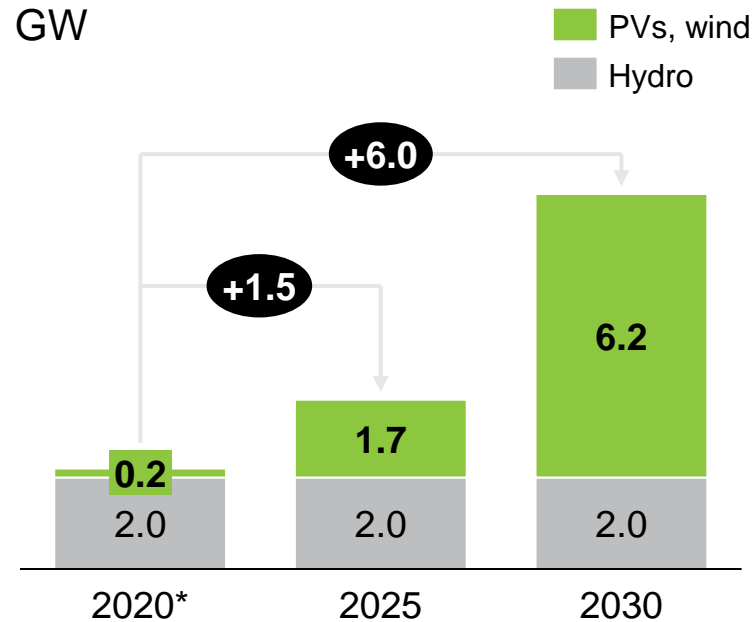
Annual Capex**

CZK billion, avg



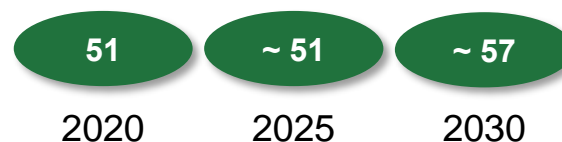
Renewables capacity

GW



Wholesale electricity prices***

EUR/MWh



We expect to focus our RES development on photovoltaic in Czechia

RES development in 2022-2030 to be incentivized by Capex grants from Modernization Fund

We will increase storage capacities to above 300 MWe

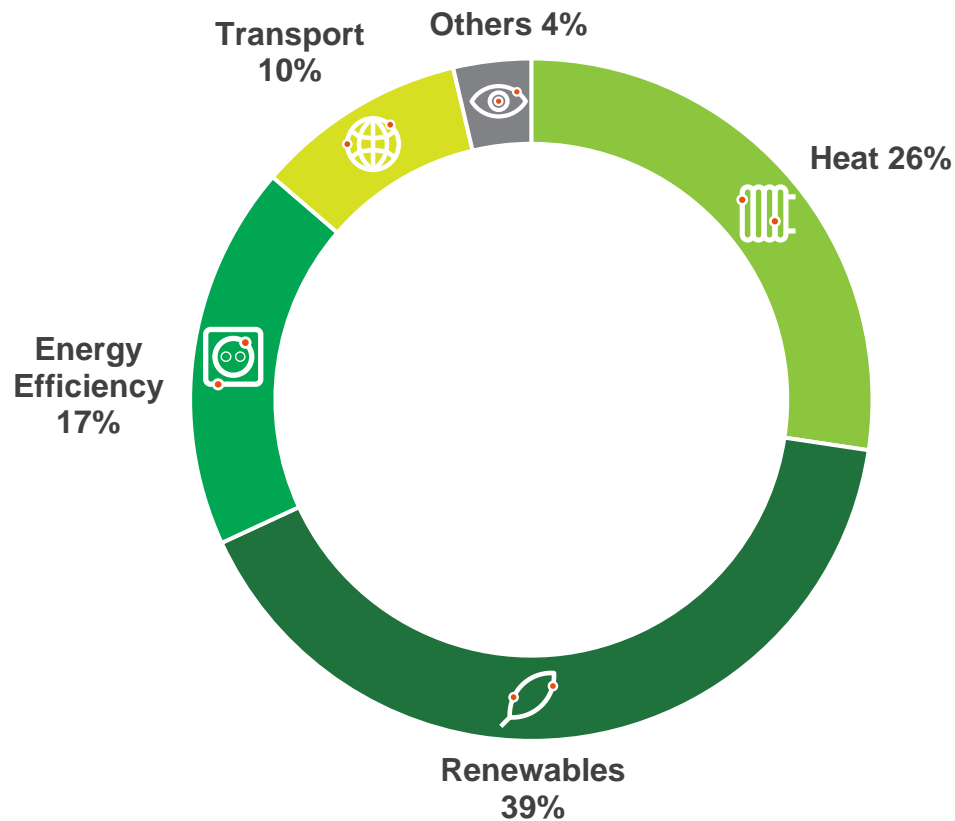


* 2020 figures exclude contribution from 600 MW of Romanian wind, which was disposed on Mar-31, 2021
 ** Capex conservatively assumes no subsidies on Capex from Modernisation fund due to their uncertain amount
 *** Realized prices for renewables will be adjusted by the shape discount (0.8-0.9) on top of wholesale power price

MODERNISATION FUND TO SUPPORT DEVELOPMENT OF PHOTOVOLTAICS IN CZECHIA



Indicative allocation from Modernisation fund to different grant categories



Support of renewables from Modernisation Fund

- In 2021–2030 **CZK ~150 billion*** is available for grants to support renewables projects, out of which 60% will be dedicated to projects of existing electricity producers
- Actual **amount of subsidy to be determined in auctions**, grants might fund up to 50% of total expenditure and up to CZK 6.2-7.3 m/MW**
- Generated **electricity** will be **sold at market prices**

Czechia allocated first investment support

- CZK 1.0 bn was approved for 17 projects with a total capacity of 173 MW submitted by CEZ (out of 22 projects with 211 MW). The projects must be implemented within 60 months of the granting.
- Next deadline for submission of applications is Oct 31, 2022.



* Assuming price of carbon allowances a EUR 80/t; CZK 394 billion available in Modernisation Fund in total and 38.7% of total for renewables

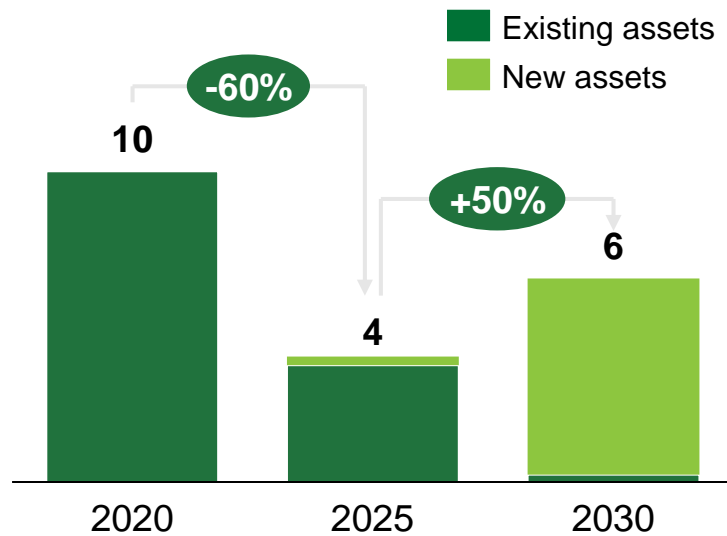
** Maximum per MW grant depends on size and technology (rooftop or ground-mounted)

WE ARE CLOSING COAL PLANTS, PRODUCTION OF HEAT TO BE TRANSFORMED TO LOW CARBON TECHNOLOGIES



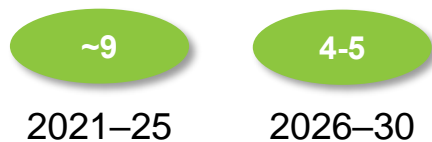
Fossil fuel generation and mining EBITDA

Existing assets in CZK billion



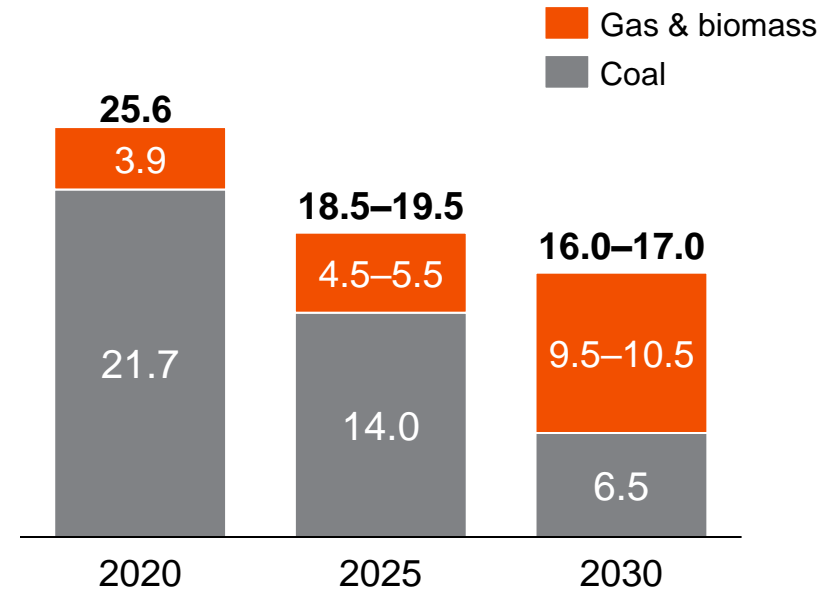
Annual Capex*

CZK billion, avg



Coal and gas generation

Existing assets, TWh



Coal and gas capacity

in GW



Decarbonization of our heat plants and transition of current coal sites to new activities

Newly built gas plants will be hydrogen ready

EBITDA growth between 2025 and 2030 enabled by new gas capacities with better margins compared to coal



* Includes CZK 3.5 billion average annual average Capex into new gas and biomass capacities

CEZ GROUP PLANS TO INCREASE GENERATION IN RENEWABLES, NUCLEAR AND GAS



Nuclear

- We will **safely increase generation volume in existing plants above 32 TWh** on average and achieve 60-year operating life
- We will build a new nuclear power plant in Dukovany.

Renewables

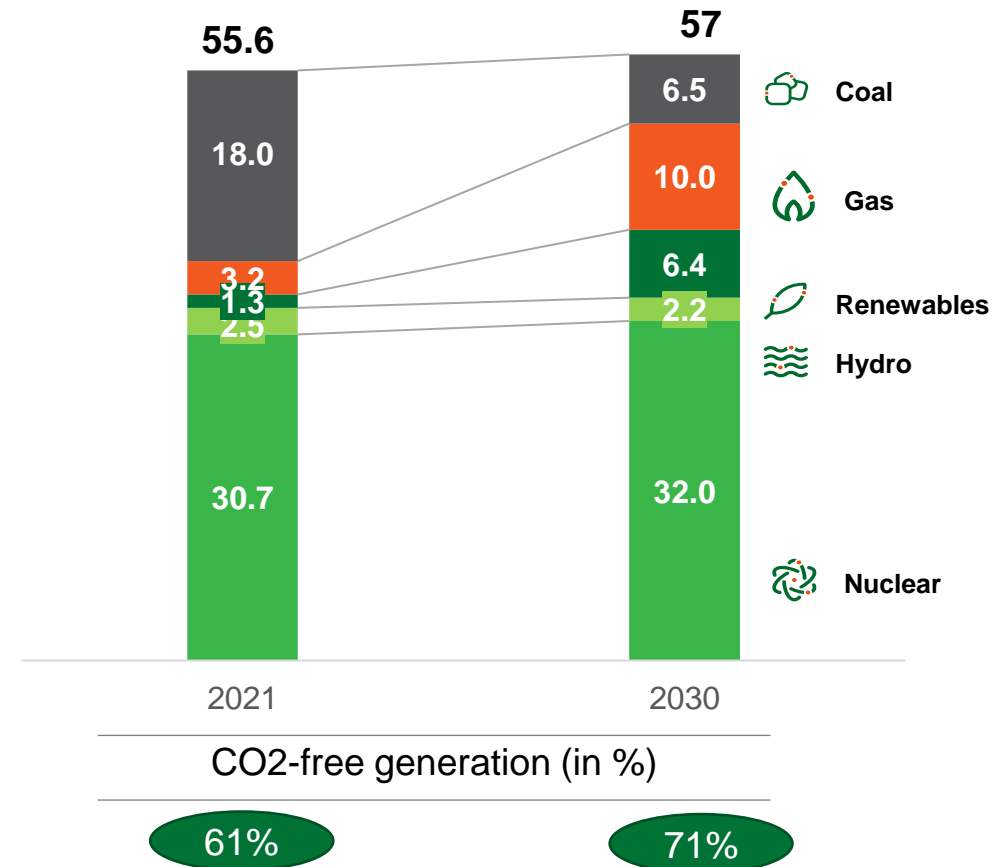
- We will build **1.5 GW of renewables by 2025** and **6 GW renewables by 2030**.
- We will increase installed capacity of electricity accumulation to at least **300 MWe** by 2030.

Traditional

- We will **decarbonize heating** and **will transform our coal locations** to new activities.
- We will **build new gas capacities**, which will be ready for hydrogen combustion.

Electricity generation of CEZ Group

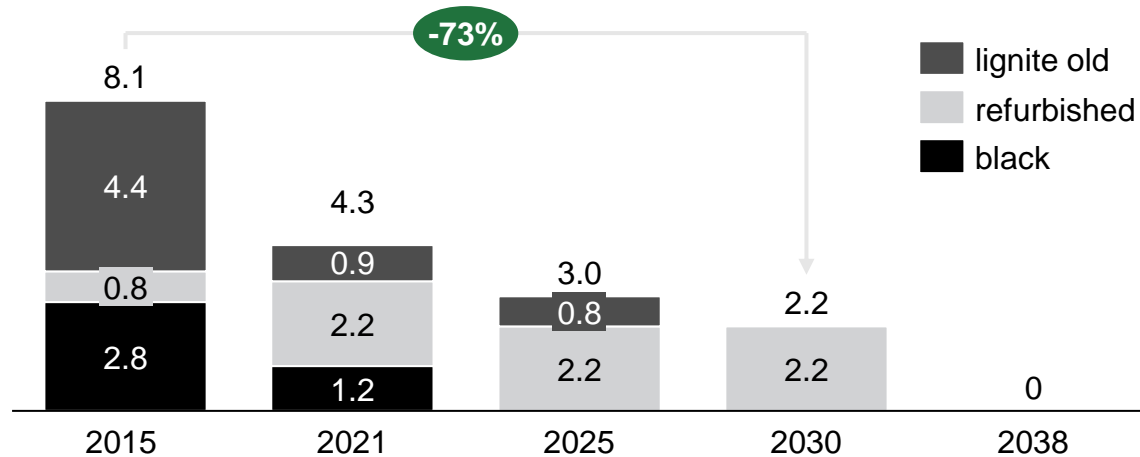
(Existing assets, in TWh)



WE WILL REDUCE SHARE OF OUR COAL GENERATION TO 12.5% IN 2030, AND COMPLETELY EXIT COAL BY 2038

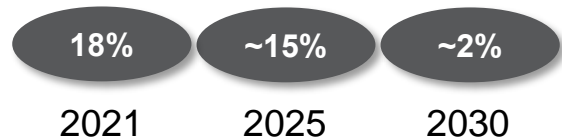


Expected development of installed capacity in coal (GW)



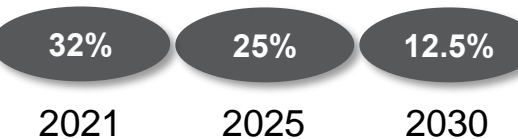
Share of coal related revenue *

(%)



Share of coal on generation

(%)



Coal fired power plants are being gradually closed

- No new coal capacity investments commitment
- Coal capacity was reduced 1,719 MW in 2020, further 500 MW has been closed in 2021.
- Post 2030 only 3 upgraded units planned to be in operations
- **Coal exit by 2038** in line with recommendation of Czech Coal Commission **or earlier** depending on the legal framework (current government is targeting 2033)

Coal extracted is mainly used in own power plants and declining

- CEZ Group produced 15.9 million tones of coal, out of which only 26% is sold externally
- Volume of extracted coal is expected to decline to 8 million tones in 2030 reflecting the reduction of CEZ Group's coal capacities.
- **Termination of coal mining by 2038** in line with recommendation of Czech Coal Commission, i.e. much earlier than depletion of coal reserves



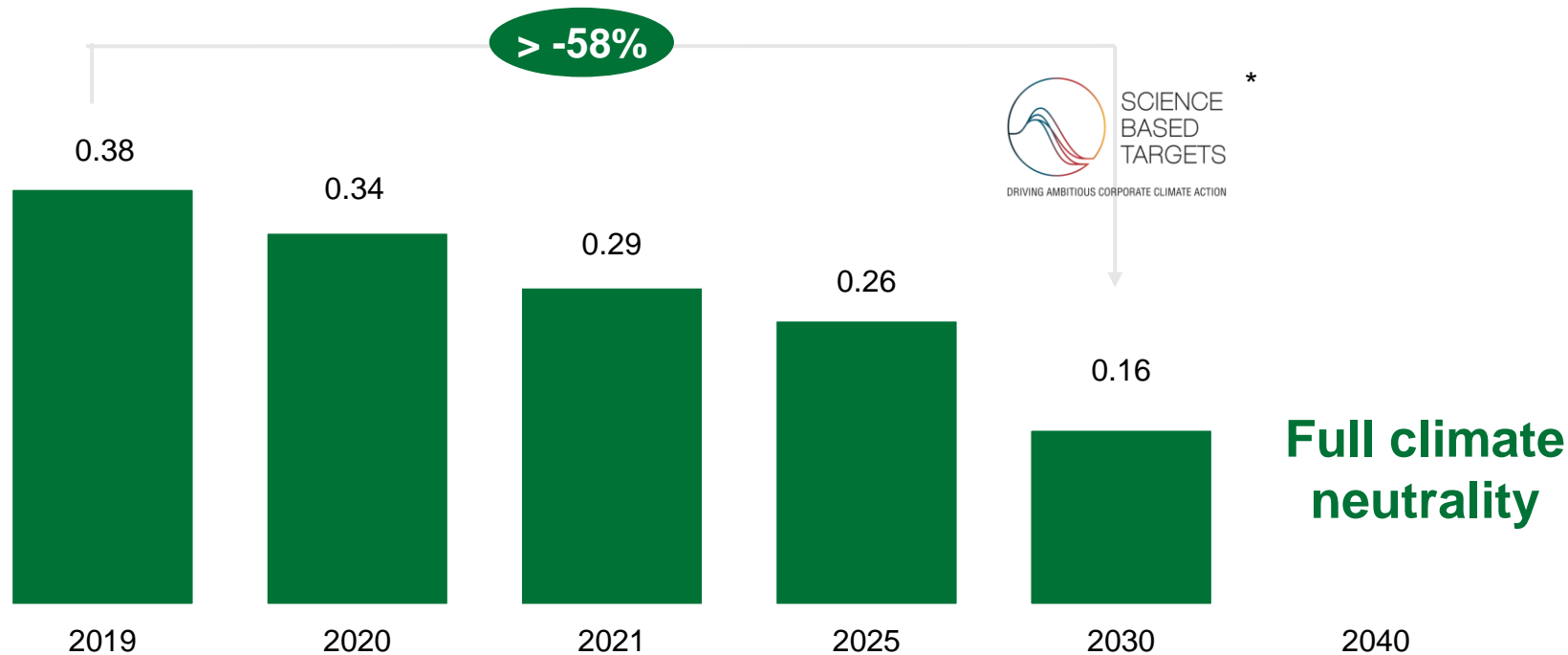
* Share of sales of electricity, Sales of heat sales and revenues from externally sold coal on consolidated revenues

WE WILL ACHIEVE CLIMATE NEUTRALITY BY 2040



Reduction of CEZ Group's CO₂ emission intensity

(t CO₂e/MWh)



* CEZ Group commits to reduce scope 1 and 2 GHG emissions 50% per MWh by 2030 from a 2019 base year. The target boundary includes biogenic emissions and removals associated with the use of bioenergy. CEZ Group also commits to reduce absolute scope 3 GHG emissions from use of sold products 30% within the same timeframe.

- Our near-term target has been validated by the SBTi.*
- **Trajectory of carbon emissions reduction by 2030 is in line with Paris agreement “well below 2 degrees”**
- We will reach climate neutrality by **2040** in line with 1.5 degrees (under **SBTi validation**)
- **Capex plan** fully aligned with the decarbonisation pathway

WE ARE ACCELERATING GROWTH WITHIN CURRENT STRATEGY. STRATEGIC DIRECTIONS OF VISION 2030 – CLEAN ENERGY OF TOMORROW



Vision 2030 Strategic directions CLEAN ENERGY OF TOMORROW

Decarbonize generation portfolio and reach climate neutrality

- Efficiently managing nuclear power plants and preparing conditions for the construction of a new nuclear power plant as part of enhancement of energy security in Czechia
- Efficient management of coal-fired power plants located near the coal basins and decarbonization of Czech generating portfolio (including transformation of the heating industry)
- Developing renewable energy sources (RES) while fulfilling the Czech energy and climate plan

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

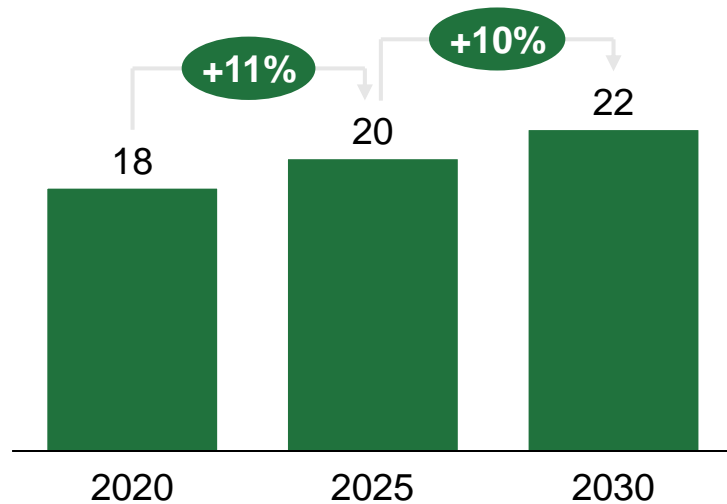
- Modernizing and digitizing distribution and retail in Czechia, developing comprehensive services with respect to customers' needs.
- Developing energy services sources (ESCO) in Czechia while fulfilling the Czech energy and climate plan.
- Developing energy services (ESCO) abroad to achieve a significant market position in Germany, Northern Italy, and Poland

WE WILL BUILD SMART DIGITAL ELECTRICITY GRID



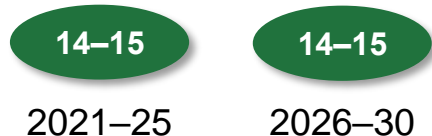
Distribution EBITDA

Existing assets in CZK billion



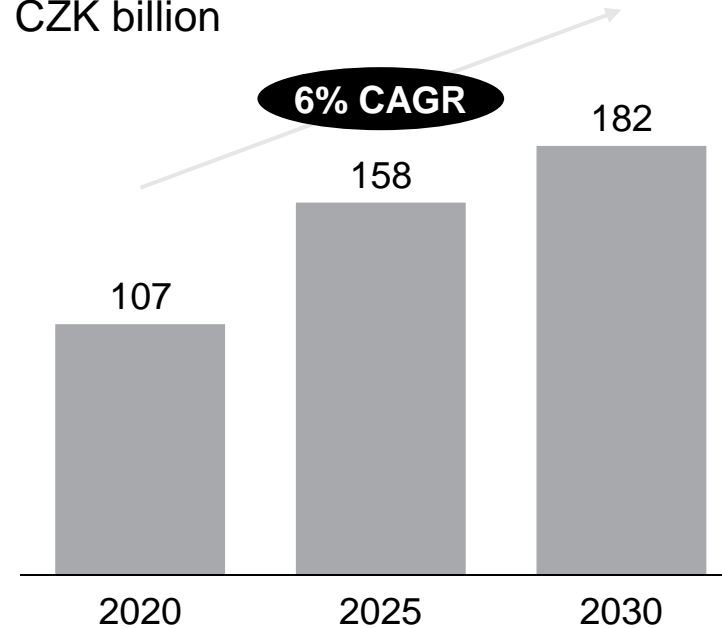
Annual Capex

CZK billion, avg



RAB Development

CZK billion



We will invest into smart grids and decentralization for developing digital distribution grid including fiber optic networks

2030 digital transformation targets

- 80% of consumption covered by smart meters
- 80% of remotely measured transformer stations
- 11,000 km of optic fiber networks (compared to 4,200 km today)

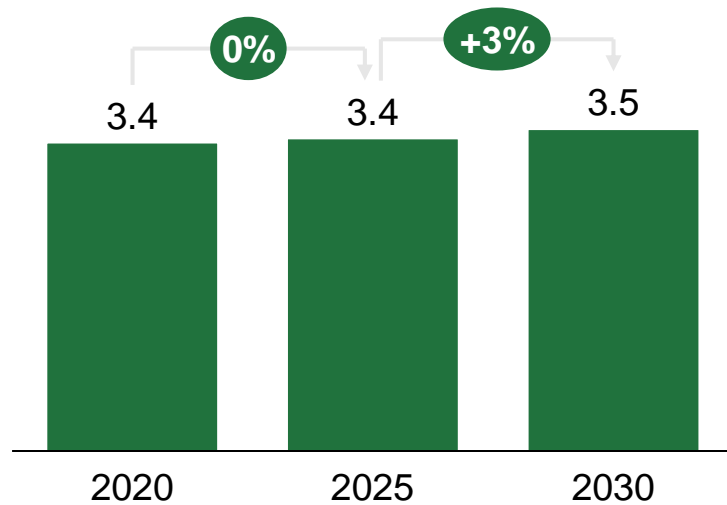
- Increase network reliability
- Enable new connections of decentralized generation
- More efficient network management and cost reduction
- Utilize fiber optic network capacity for telecommunication services

WE WILL GROW OUR RETAIL CUSTOMER BASE AND MAINTAIN HIGH CUSTOMER SATISFACTION



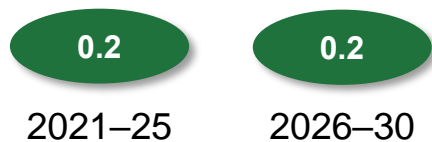
Retail EBITDA

CEZ Prodej, CZK billion



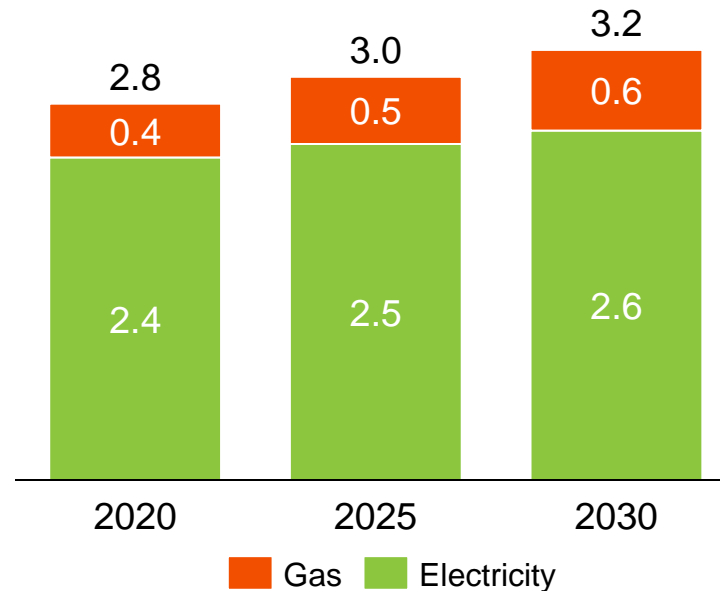
Annual Capex

CZK billion, avg



Number of customers

Million



B2C

100% of key customer processes will be digital by 2025

We will maintain the **highest NPS** (net promoter score) among largest electricity supplies and we will increase our customer base

We will **broaden our product portfolio** for households, which will enable their decarbonization and energy savings

EBITDA improvement despite growing competitive pressures in commodities

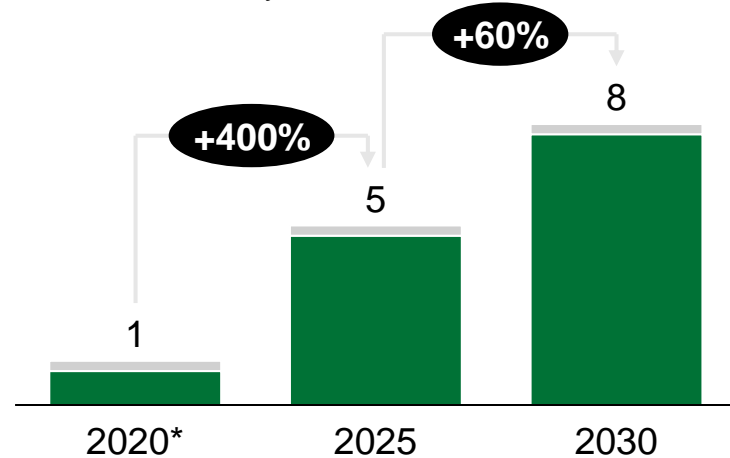
WE WILL GROW OUR ENERGY SERVICES BUSINESS BY SUPPORTING DECARBONISATION OF OUR CUSTOMERS



ESCO EBITDA

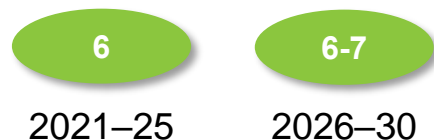
CZK billion

Commodity
Non-commodity



Annual Investments**

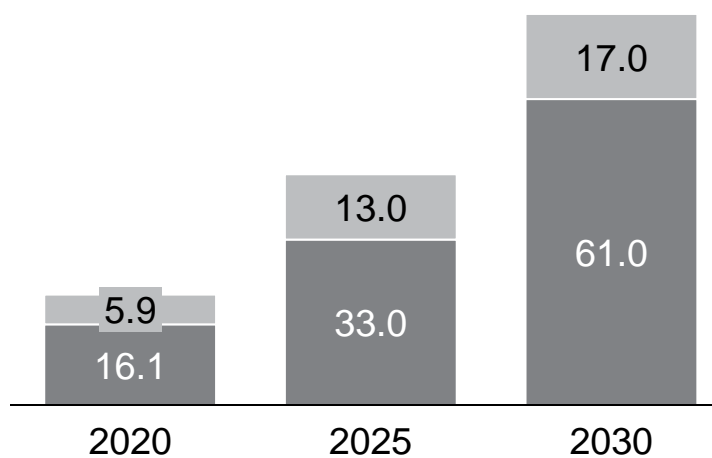
CZK billion, avg



ESCO revenues

CZK billion

ESCO CZ & SK non-commodity
Foreign ESCO



EBITDA margin (%)**

CZK billion, avg



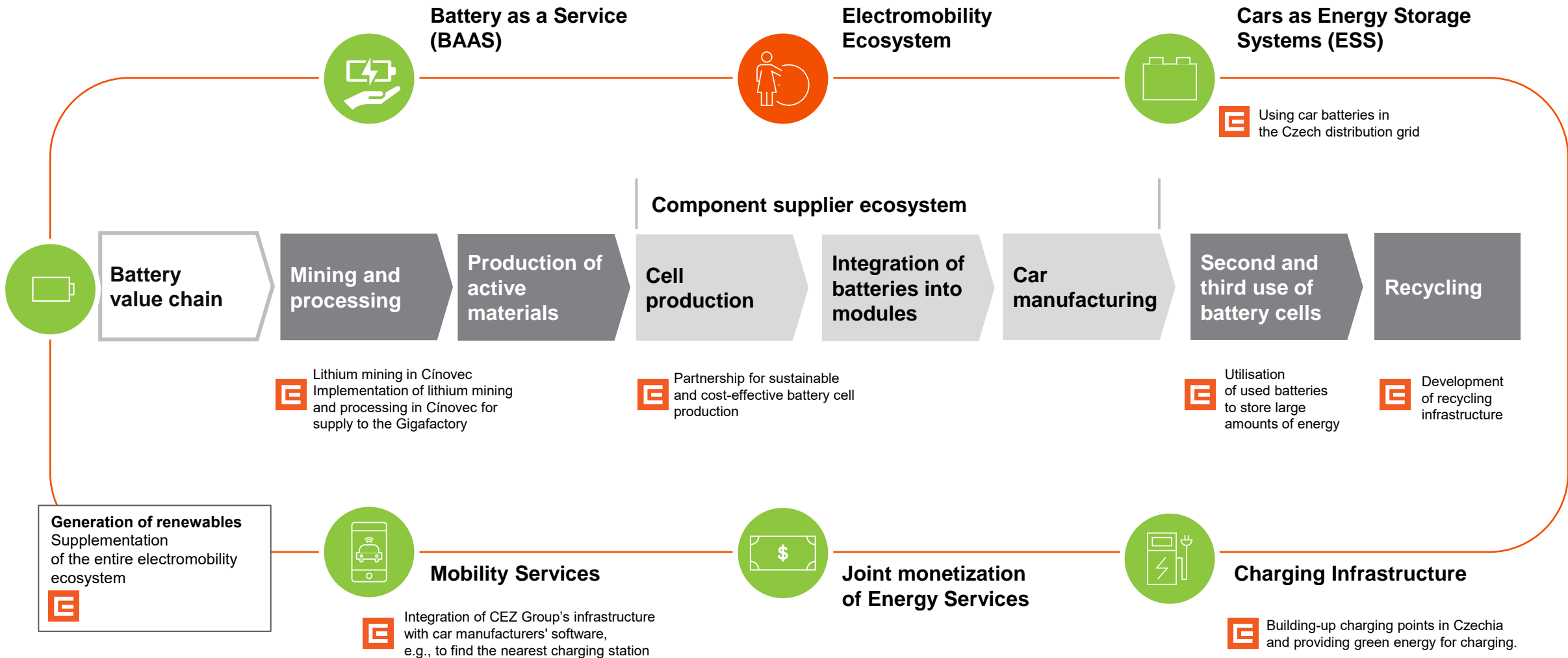
B2B

We will enable efficient decarbonization and delivery of energy savings for our customers in industry, municipalities and public administration in line with EU target 39-40%



* 2020 EBITDA was negatively impacted by Covid-19 pandemic, 2019 EBITDA of CZK 1.4 billion declined to CZK 0.6 billion
 ** CAPEX and financial investments
 *** Only non-commodity; EBITDA margin (2020) was negatively affected by Covid-19 pandemic, EBITDA margin (2019): 6.5%

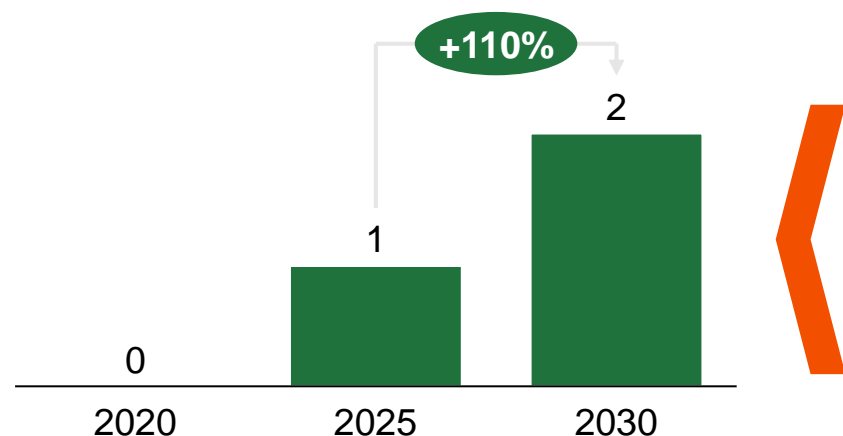
ELECTROMOBILITY VALUE CHAIN REPRESENTS AN ADDITIONAL SOURCE OF GROWTH



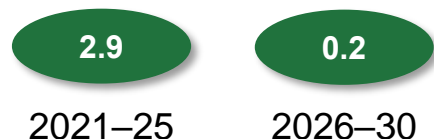
AREAS OF BATTERY PRODUCTION AND ELECTROMOBILITY WILL BE ADDITIONAL SOURCES OF GROWTH



Proportional EBITDA of battery related activities* in CZK billion



Annual Capex* CZK billion, avg



Lithium mining and processing in Cínovec

- CEZ Group owns 51% stake in Geomet, which owns rights to deposit
- Pilot ore-processing line is being prepared
- Preparation of technical and financial feasibility study under way
- In 2023 a decision on mining feasibility

Battery production

- We are discussing possibilities of partnerships on battery production factory

Electromobility infrastructure

- We will be quadrupling charging capacity and will operate at least 800 stations by 2025

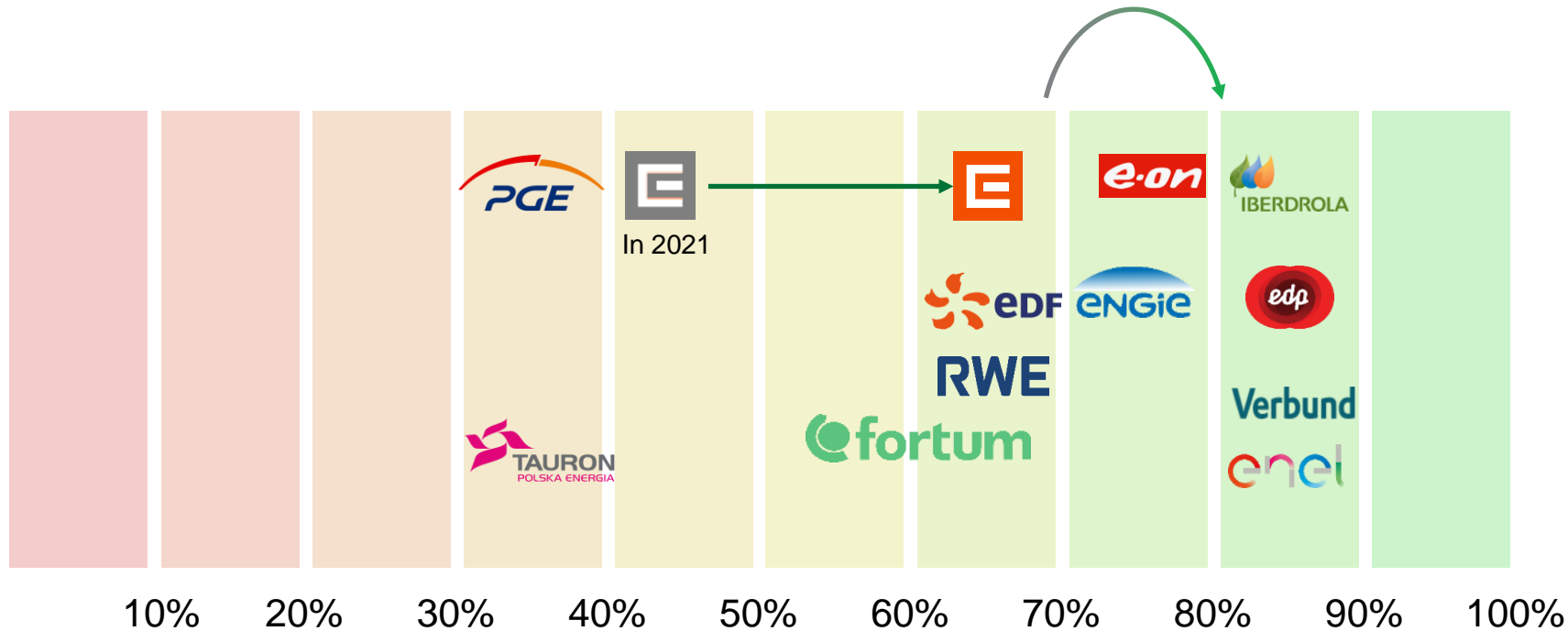


* Values of EBITDA and Capex represent 51% stake of CEZ Group on lithium mining project and 10% stake on battery factory. These projects are unlikely to be fully consolidated.

OUR AMBITION IS TO BECOME A LEADER IN ESG



Current ESG rating*



CEZ Group targets an improvement of ESG rating* to above 80%

We have set targets for individual areas of ESG, which would help us to increase ESG rating



* Average ESG rating of MSCI and Sustainalytics shown as % of best possible score

WE HAVE SET SPECIFIC TARGETS IN ALL THREE AREAS OF ESG TO ACHIEVE THIS AMBITION



CEZ Group key ESG commitments

Environment

- **CO₂e emissions reduction in line with "well below 2°" scenario** (decrease from 0.38 tCO₂e/MWh in 2019 to 0.26 in 2025 and to 0.16 in 2030)
- **Lowering share of coal** generation to 25% in 2025; to 12.5% in 2030
- Newly build **renewables** of 1.5 GW until 2025, 6 GW until 2030
- **NOx emission reduction** from 23 kt in 2019 to 13 kt in 2025 and 7 kt in 2030
- **SO₂ emission reduction** from 21 kt in 2019 and 6.5 kt in 2025 and 3 kt in 2030

Social

- **Remain good corporate citizen** developing good relationship with communities
- **Rank among Top Employers** for future talent and current employees
- **Ensuring just transition** through re-skilling or compensation for 100% of employees affected by coal exit
- **Highest net promoter score** among Czech electricity suppliers
- **Digitalization** of all key customer processes by 2025

Governance

- We will reach **30% share of women** in management
- **Further proceed in Code of Ethics training**, annually train above 95% of employees from 2022 onwards

SUMMARY AND INVESTMENT HIGHLIGHTS



We are accelerating strategy execution to benefit from energy transition

- We are transforming to **low emission electricity generator**
- We provide the **most cost-effective energy solutions** and the **best customer experience** on the market

We develop CEZ Group responsibly and sustainably

- Our **new ESG targets** will enable us to **increase our ESG rating to 80%**
- We **will reduce our emissions intensity** by more than **50%** by 2030

We offer attractive dividend while maintaining strong credit rating

- **EBITDA is expected to increase by 40%** by 2030 excluding the tailwind from power prices
- **Dividend policy: 60-80% payout ratio** from Jan 1, 2023, 2021 dividend per share approved at CZK 48
- Leverage target of **Net Financial Debt/EBITDA between 2.5x and 3.0x**





- **CEZ Group at a Glance**
 - **Our Performance**
 - **2022 Outlook**
 - **Our Vision**
 - **Appendix**
-



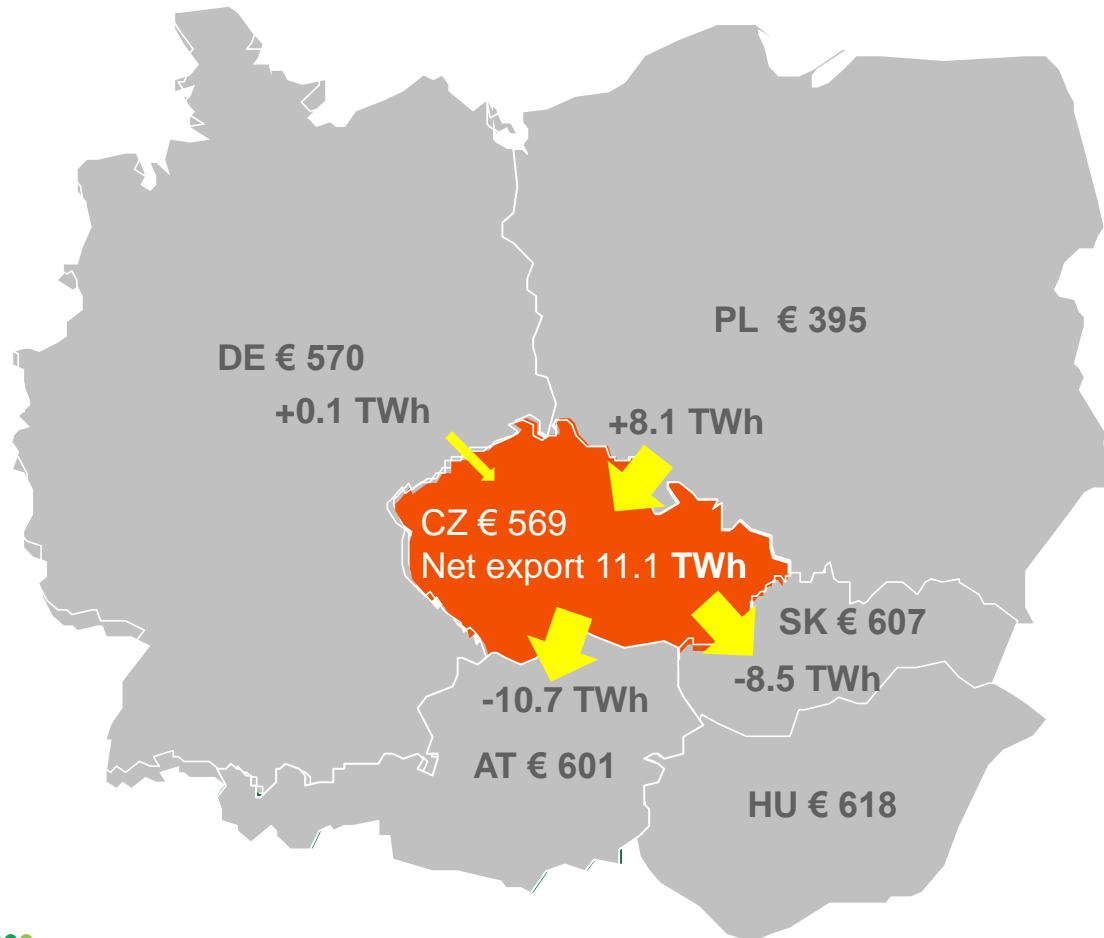
- **Electricity market fundamentals**

- **Progress in implementing Vision 2030 and key objectives for 2022**
- **Regulation of distribution**
- **ESG indicators**
- **Financial results**

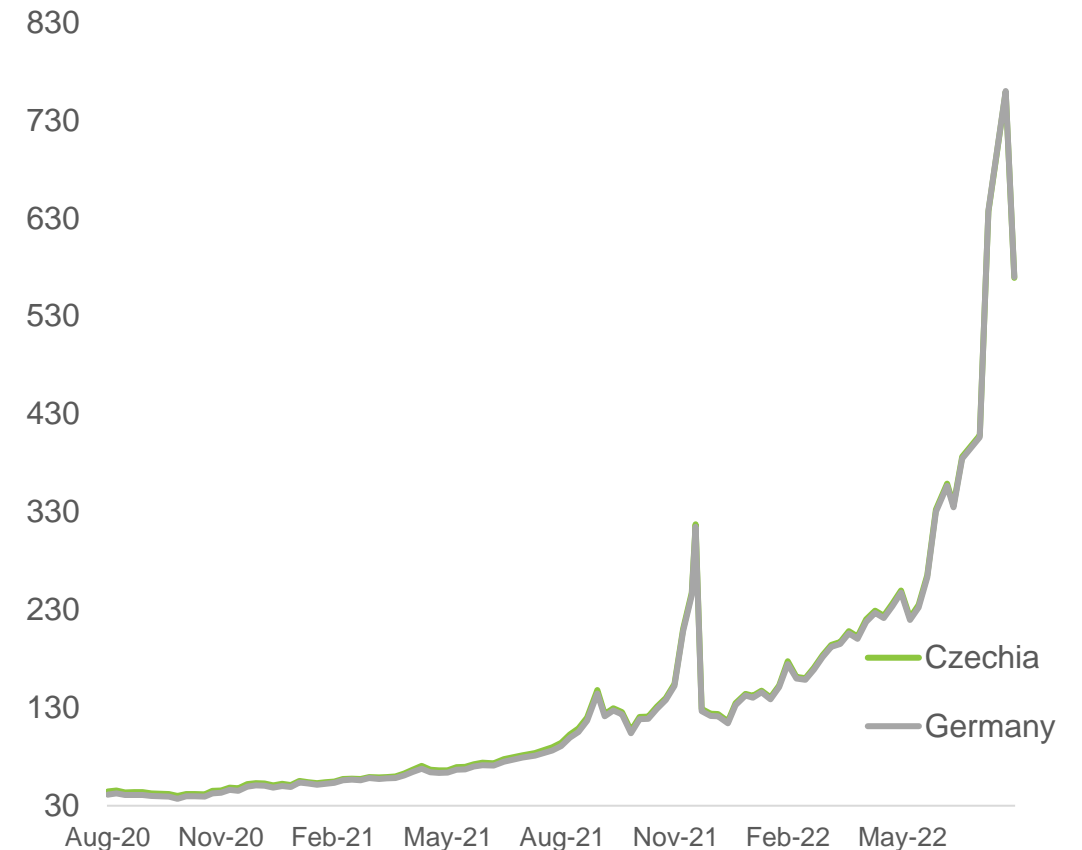
CZECH ELECTRICITY MARKET IS INTEGRATED WITH NEIGHBOURING COUNTRIES



2021 Physical electricity flows and current power prices



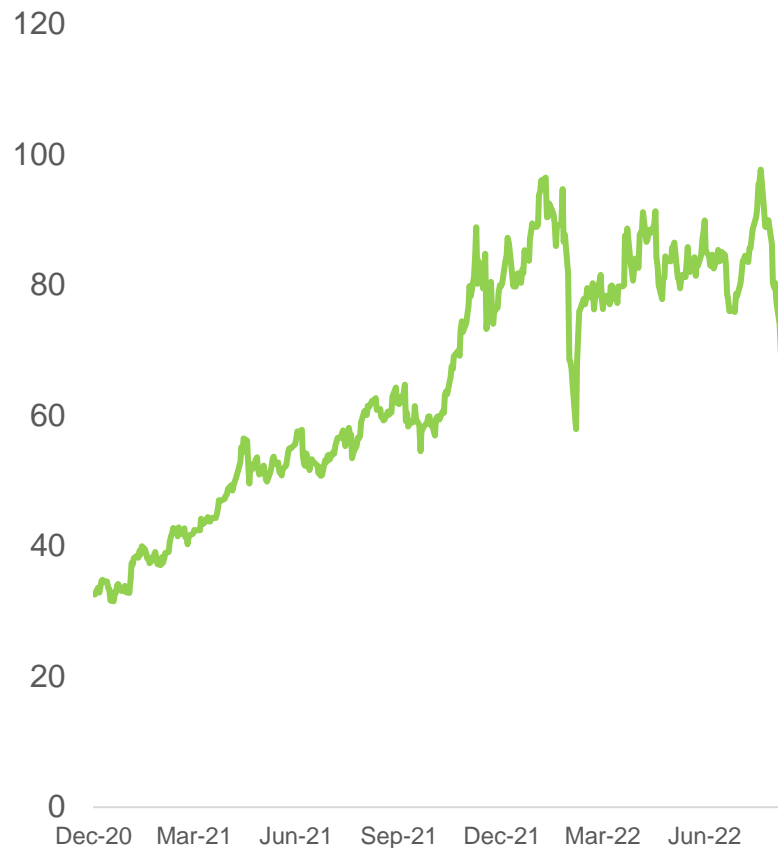
Czech and German Electricity prices EUR/MWh, Y+1 baseload forwards



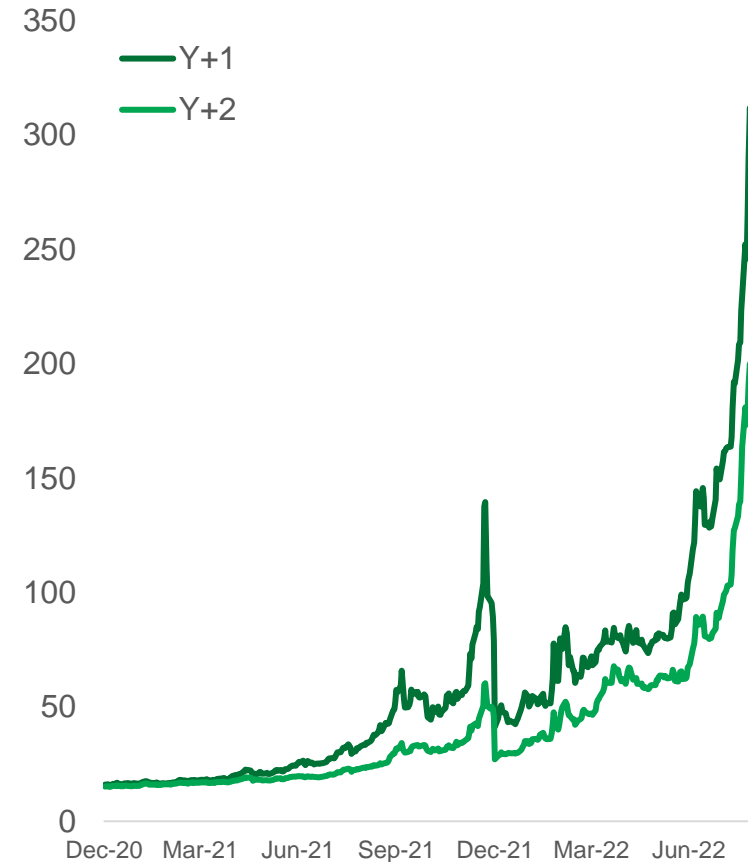
COMMODITY PRICES GREW SIGNIFICANTLY IN 2021, ARE HIGHLY VOLATILE IN 2022



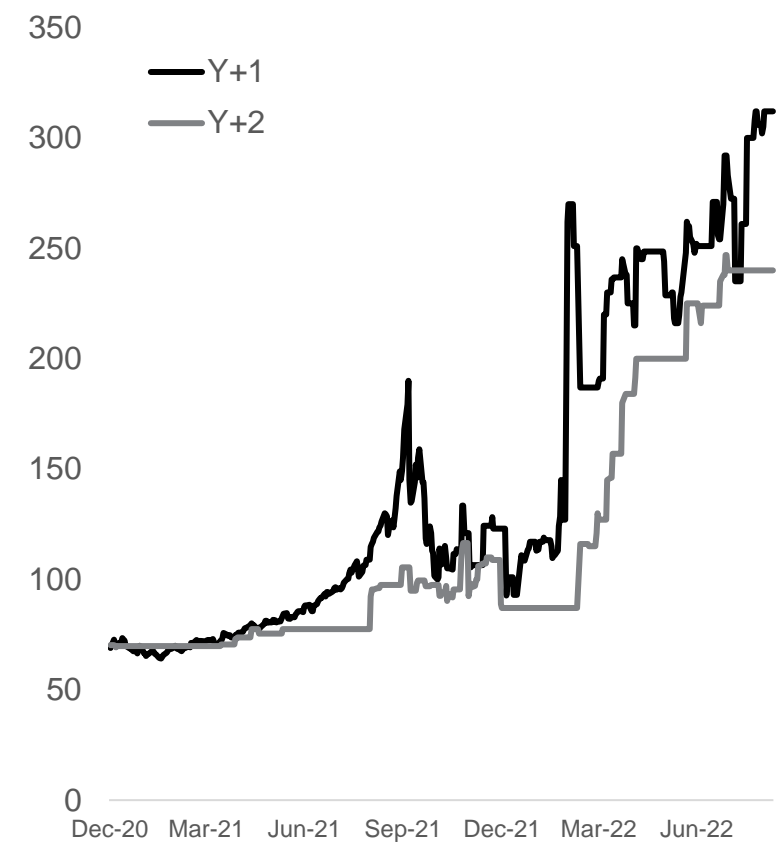
Carbon prices¹
EUR/t



Gas prices²
EUR/MWh



Coal prices³
EUR/t

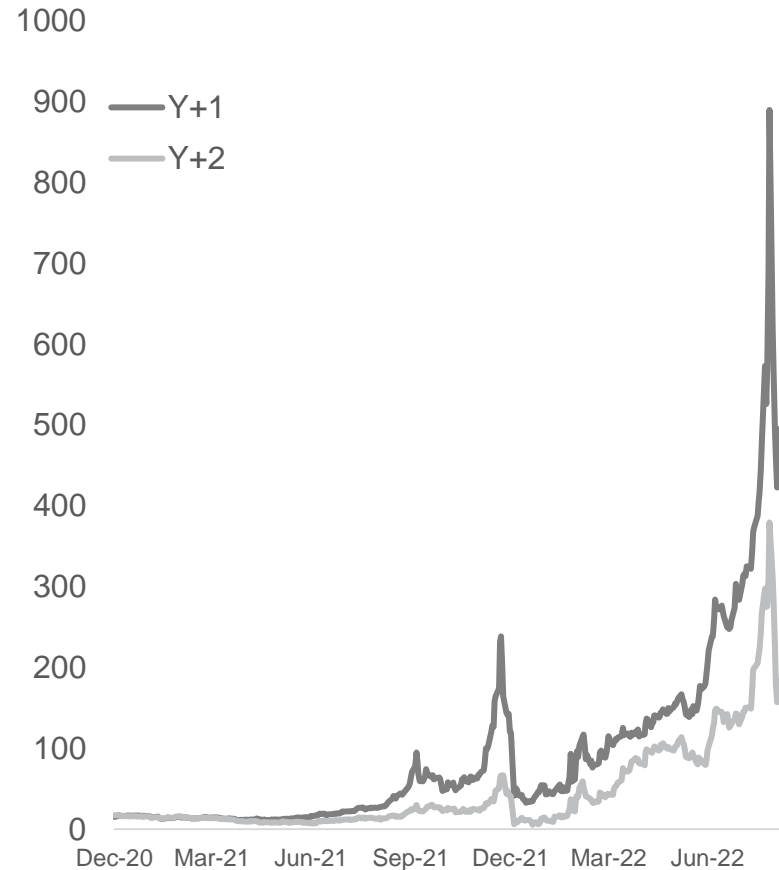


1. EU allowances, Y+1 forward, 2. Netherlands TTF, 3. API2 coal

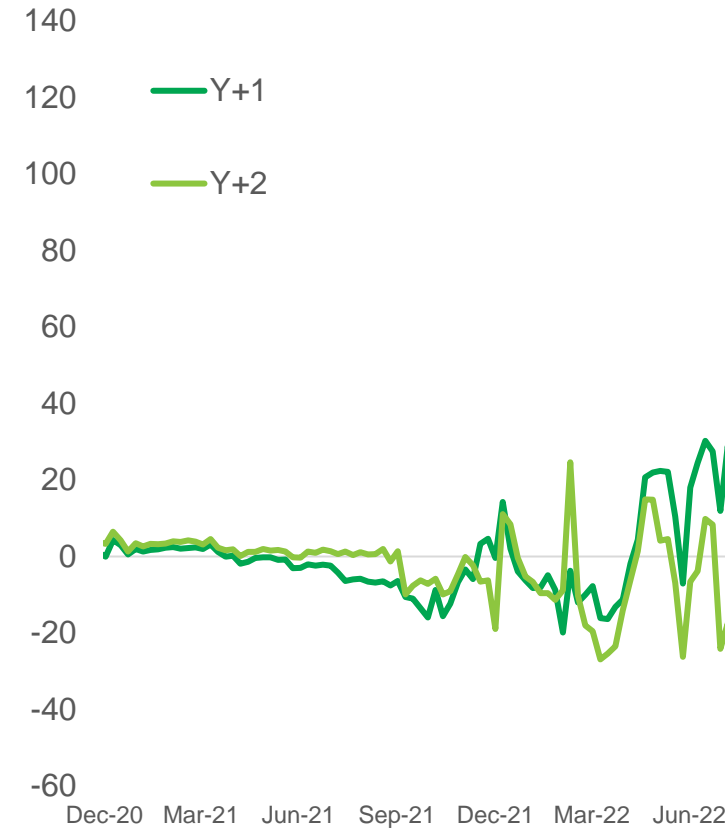
ELECTRICITY SPREADS: IMPROVEMENT IN LIGNITE MARGIN, VOLATILITY OF CSS AND CDS



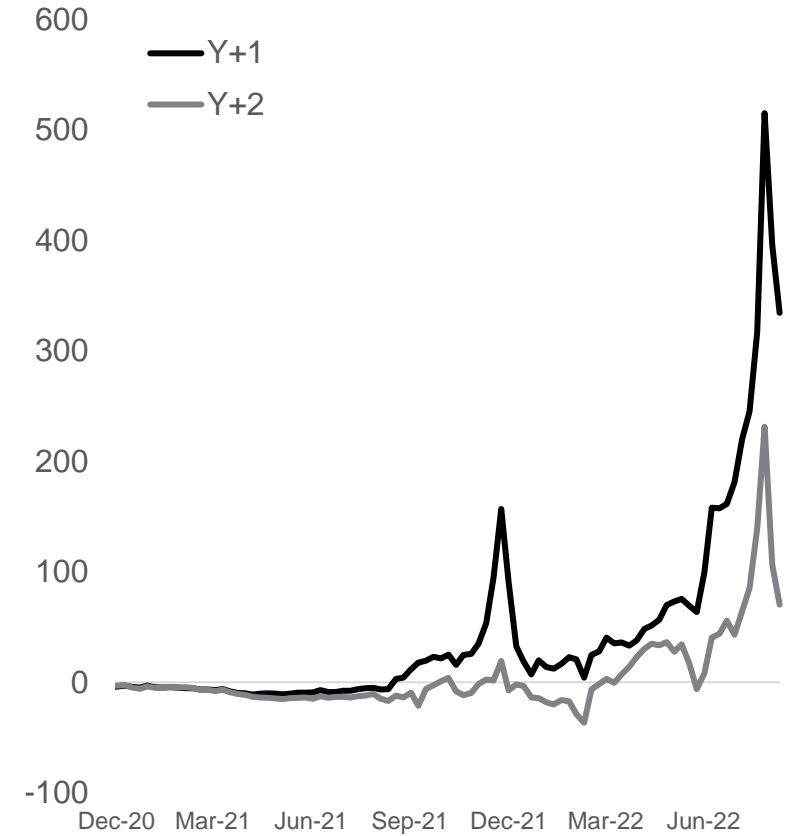
Clean power (electricity – carbon)¹
EUR/MWh



Clean spark spread (CSS)²
EUR/MWh, weekly averages



Clean dark spread (CDS)³
EUR/MWh, weekly averages



1. German electricity baseload minus carbon (36% efficiency) 2. German (55% efficiency) 3. German (38% efficiency),



- **Electricity market fundamentals**
- **Progress in implementing Vision 2030 and key objectives for 2022**
- **Regulation of distribution**
- **ESG indicators**
- **Financial results**



WE MEET THE STRATEGIC GOALS OF VISION 2030—CLEAN ENERGY FOR TOMORROW—PILLAR I TRANSFORM THE GENERATION PORTFOLIO TO LOW-EMISSION AND ACHIEVE CLIMATE NEUTRALITY



Key strategic ambitions of VISION 2030

- We will safely increase generation from existing nuclear sources to over 32 TWh per year and will achieve a 60-year lifetime.
- We continue to prepare for the construction of a new nuclear unit in Dukovany.
- We will build 6 GW of RES by 2030, including 1.5 GW by 2025.
- We will decarbonize production of heat and convert our coal sites to new activities after the shift away from 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.



2021: Completed Activities and Selected Events

- NPP Dukovany and NPP Temelín exceeded the annual generation target of 30.5 TWh of electricity (30.7 TWh)
- Completed increase of the achievable capacity of Unit 1 of ETE by 4 MW_e to 1,086 MW_e (replacement of two new separators—steam heaters in the nonnuclear part of the plant)
- NPP Dukovany and NPP Temelín successfully passed IAEA verification with a focus on physical and cyber security
- Operation of power plant Energotrans 3 (500 MW) was terminated
- Under the RES+ subsidy program, 22 ČEZ projects with an installed capacity of 211 MWp were submitted.

2022: Key Objectives and Priorities

- Continuously improve safety and digitization of nuclear power plants
- Generation of nuclear power plants above 30.5 TWh and implementation of projects leading to increased availability
- Permit renewal for Temelín NPP Unit 2
- NNPP Dukovany (launch of bidding procedure for contractor and obtain planning permission)
- Prepare ČEZ's photovoltaic projects with installed capacity of hundreds MWp for submission to subsidy program RES+
- Start preparation of a low-emission heat supply solution including controlled decentralization in relation to progressively updated Site Concepts, thus replacing heat supply from large coal-fired power plants



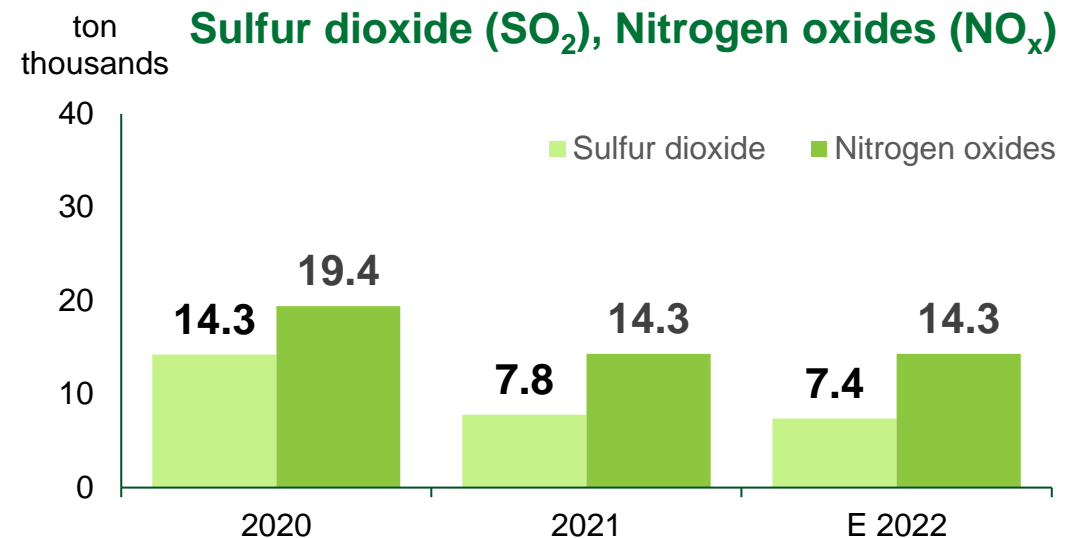
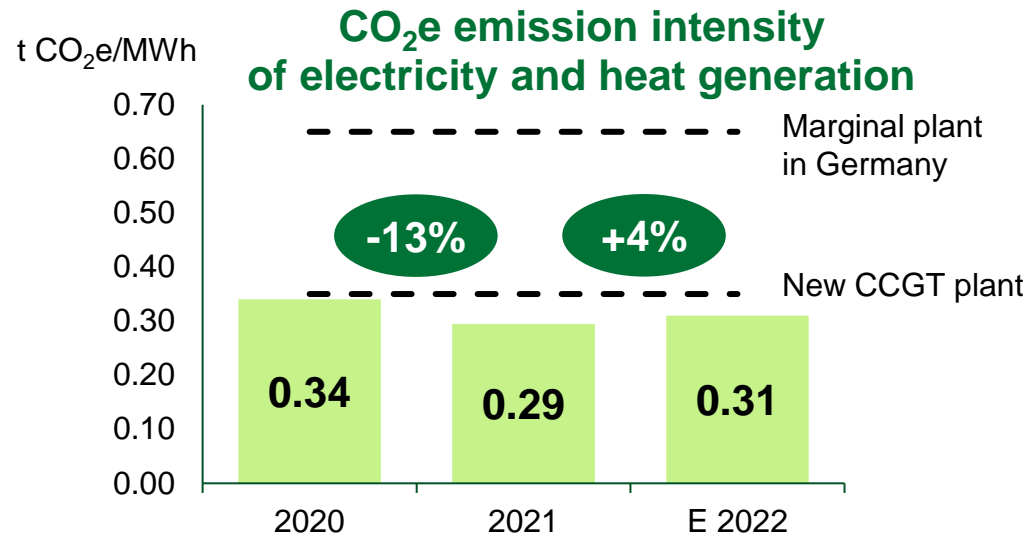
WE MEET THE STRATEGIC GOALS OF VISION 2030—CLEAN ENERGY FOR TOMORROW

DECARBONIZATION AND EMISSION TARGETS



Key strategic ambitions of VISION 2030

- We will reduce CO₂e emissions by 2030 in line with the Paris Agreement “Well Below 2 Degrees”.
- We will reduce the emission intensity to 0.26 t CO₂e/MWh in 2025 and to 0.16 t CO₂e/MWh in 2030.
- By 2030, we will completely phase out coal-fired heat generation. We will achieve full climate neutrality by 2040.
- We will reduce NO_x emissions from 23 kt in 2019 to 13 kt in 2025 and 7 kt in 2030 and SO₂ from 21 kt in 2019 to 6.5 kt in 2025 and 3 kt in 2030.



- CEZ Group's emission intensity reached 0.29 CO₂e /MWh in 2021, a decrease of 13% compared to 2020 (0.34 CO₂e /MWh), corresponding to approx. 84% of the emissions from the new CCGT plant and approx. 45% of the emissions from the marginal plant determining current market prices in Germany.
- SO₂ emissions amounted to 7.8 thousand tons in 2021, a decrease of 45% compared to 2020, and NO_x emissions amounted to 14.3 thousand tons (a year-on-year decrease of 26%).



The reported CO₂e corresponds to emissions according to definition of “SCOPE I by GHG protocol”. In CEZ Group, these are emissions related to the combustion of fossil fuels in the generation of electricity and heat (CO₂, CH₄, N₂O) but also CO₂ emissions from transportation. The indicator also includes CH₄ and N₂O emissions from biomass combustion, CH₄ emissions from coal mining, and HFC, PFC, and SF₆ emissions from air conditioning and other equipment.



WE MEET THE STRATEGIC GOALS OF VISION 2030—CLEAN ENERGY FOR TOMORROW—PILLAR II PROVIDE THE MOST COST-EFFECTIVE ENERGY SOLUTIONS AND THE BEST CUSTOMER EXPERIENCE ON THE MARKET



Key strategic ambitions of VISION 2030

- We will invest in Smart grids and decentralization to further develop a stable and digital distribution grid, including the development of fiber optic networks.
- We will digitize 100% of key customer processes by 2025.
- We will maintain the highest Net Promoter Score (NPS) among major electricity suppliers and will grow our customer base by increasing service quality.
- We will build infrastructure for electromobility—quadruple the charging capacity and operate at Min. 800 stations by 2025.
- We will further develop our role as a decarbonization leader—enabling effective emission reductions and we will help our clients in industry, municipalities, and government with energy savings in line with the EU target of 39–40% reduction of energy consumption.



2021: Completed Activities and Selected Events

- 632 km of new fiber optic routes built in the distribution area of CEZ Distribuce; a total of 4,712 km of fiber optic routes have been completed.
- CEZ Distribuce already has 4,727 remote-controlled elements and over 8,100 remote-communication stations.
- After the closure of Bohemia Energy and other suppliers, almost 400 thousand service points were transferred to the supplier of last resort in the area of CEZ Distribuce, and CEZ Prodej gained more than 380 thousand customers.
- Strategic cooperation between CEZ Prodej and Ceska posta was initiated
- CEZ Prodej installed 1,544 photovoltaic power plants for its customers (of which 999 including battery solutions) and 1,124 heat pumps.
- Organic and acquisitive growth of ESCO activities resumed after COVID-19.

2022: Key Objectives and Priorities

- Preparing the distribution network for the increase of RESs and electromobility and increasing annual investments in distribution networks by over CZK 1 bn to CZK 14.5 bn.
- Digitizing customer processes in CEZ Distribuce and CEZ Prodej and meeting strategic objectives in the area of end customer service.
- Continued dynamic increase in the technology products market (PV and heat pumps)—CEZ Prodej targets more than 3,800 installations.
- Full start of the strategic cooperation between CEZ Prodej and Ceska posta in the area of servicing and acquisitions—by the end of 2022, 58 more branches will be opened beyond the 15 branches already opened by the end of 2021.
- Implementation of the ESCO growth strategy in Czechia and abroad and overall ambition of ESCO sales in the amount of CZK 31.5 bn.



- **Electricity market fundamentals**
- **Progress in implementing Vision 2030 and key objectives for 2022**
- **Regulation of distribution**

- **ESG indicators**
- **Financial results**

CZECH REPUBLIC: ELECTRICITY DISTRIBUTION - OVERVIEW OF REGULATORY FRAMEWORK



Regulatory Framework

- Regulated by ERU (Energy Regulatory Office, www.eru.cz)
- The main components of regulatory formula for distribution
 - Revenue cap = Operating expenses + Depreciation + Regulatory return on RAB - Other revenues corrections +/- Quality factor + Market factor
 - RAB adjusted annually to reflect net investments and revaluation trajectory
 - Regulatory rate of return (WACC nominal, pre-tax) – 6.54% for 2021-2025
 - Operating costs are indexed to weighted average of wage inflation index and market services price index. In V. Regulatory period efficiency factor set at 0.2% per year.
 - Quality factor – prescribed levels of SAIDI and SAIFI parameters. Maximum bonus or penalisation +/- 4% of allowed profit. Currently has neutral impact on CEZ Distribuce.
 - Market factor to reflect unexpected cost which could not had been planned while setting planned values of allowed costs (e.g. new duties coming from new legislation). Never used by ERU in case of CEZ Distribuce.

Regulatory period

- 5th regulatory period from January 1, 2021 till December 31, 2025,
- Main focus:
 - lowering allowed costs compared to the previous period (reflecting actual costs in the previous regulatory period);
 - pressure on quality and security of electricity distribution (prescribed SAIDI and SAIFI parameters);
 - renew and develop the networks incentivised by reasonable regulation parameters.

Unbundling & Liberalization

- Since January 1, 2006 all customers can choose their electricity supplier, market is 100% liberalized
- Prices for distribution regulated as per above, price of commodity is not regulated at all.

CZECH REPUBLIC: ELECTRICITY DISTRIBUTION - WACC



- WACC set using CAPM formula:

$$WACC = \left(k_e \times \frac{E}{D+E} \right) + \left[\left(k_d \times \frac{D}{D+E} \right) \times (1-T) \right]$$

$$k_e = r_f + \beta \times MRP,$$

$$k_d = r_f + \text{credit risk margin (CRM)}$$

- Risk free rate (r_f) was derived from median yields of 10-y Czech sovereign bonds for 10 years period
- Credit risk margin set as a difference between BBB rated corporate bonds and 10Y AAA EUR Sovereign bonds

WACC components	5 th regulatory period 2021-2025
Risk free rate (r_f)	2.04%
Market risk premium (MRP)	6.54%
β unlevered	0.51
β levered (β)	0.90
Cost of equity (k_e)	7.94%
Credit risk margin (CRM)	1.09%
Cost of debt, pre tax (k_d)	3.14%
Tax rate (T)	19%
Cost of debt, post-tax	2.54%
Debt/(Debt+Equity)	48.92%
WACC (nominal, before tax)	6.54%



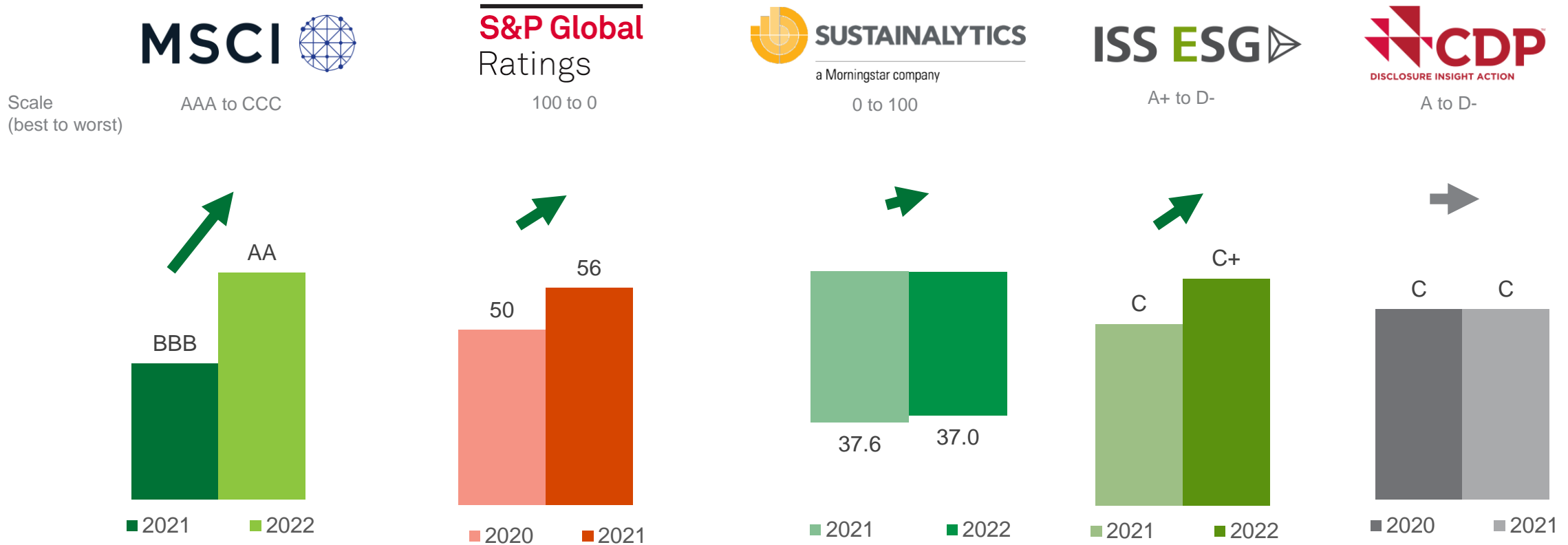
- **Electricity market fundamentals**
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IMPROVEMENT IN MAJOR ESG RATINGS REFLECTS CEZ'S EFFORTS TOWARDS SUSTAINABILITY



CEZ' ESG Rating Score



KEY ESG INDICATORS



Environment

	unit	2019	2020	2021
Scope 1 emissions	M t CO2e	26.1	23.4	19.0
Scope 2 emissions	M t CO2e	0.4	0.3	0.1
Scope 3 emissions	M t CO2e	18.3	17.4	11.2
Carbon intensity (electricity and heat generation)	tCO2e/MWh	0.38	0.34	0.29
Water consumption (electricity and heat generation)	m ³ /MWh	1.46	1.37	1.27
Energy generation - non-renewable fuels	000' TJ	603	563	524
Climate neutrality: Interim targets**:	Year	2050 2025 2030	2050 2025 2030	2040* 2025 2030
Weight of waste (non-hazardous)	000' t	294	64	59
ISO 14001 certified MWs	%	98	91	88



Social

		2019	2020	2021
Number of employees	000'	32.4	32.6	28.0
Employee turnover	%	10.4	9.9	10.3
Employees unionized	%	26%	26%	18%
Donorship	m CZK	349	397	319
Fatalities	#	0	3	1
Training hours	000'	624	665	880
Injuries	#	363	147	130
Women in workforce	%	21.6	21.4	20.5
SAIDI	minutes/customer	233	220	214
R&D expenses	m CZK	961	1,031	952

Governance

	unit	2019	2020	2021
Supervisory Board meetings	#	12	13	13
Supervisory Board member attendance	%	97.9	98.1	96.2
Supervisory Board independence	%	50	50	50
Female Supervisory Board members	%	8.3	8.3	8.3
Number of Supervisory Board members	#	12	12	12
Women in management	%	15.8	16.0	13.5

* Current climate neutrality target is 2040

** Interim targets are SBTi validated

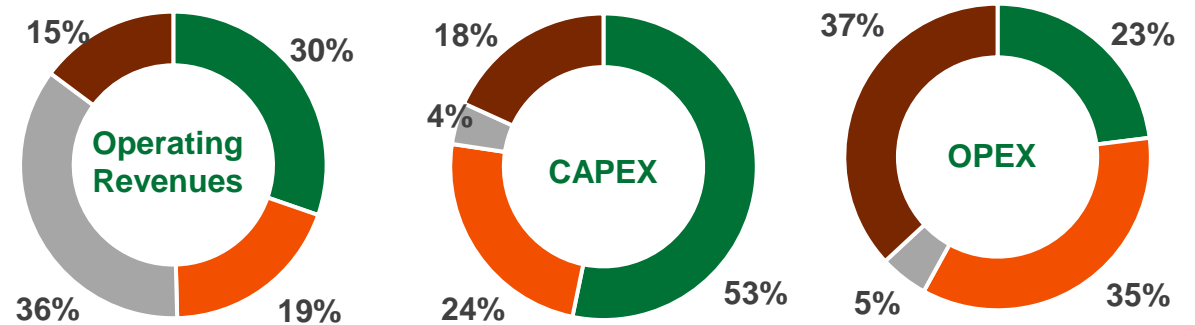
ESG AREA AND STRUCTURE OF ČEZ ACTIVITIES ACCORDING TO EU TAXONOMY



Selected Events in ESG

- SBTi validated ČEZ's climate targets for 2030. They are in line with the well-below 2 °C scenario and the latest scientific knowledge. ČEZ was the first Czech company to achieve validation.
- CEZ Group has committed to achieving climate neutrality as early as 2040.
- The published CEZ Group Sustainability Report* now reports according to the EU taxonomy and other standards (SASB, WEF). The selected indicators were audited based on GRI standards and in accordance with ISAE 3000.
- ČEZ launched a new ESG website** to facilitate communication with rating agencies and other stakeholders.
- CEZ Group joined the international initiative “CEO Water Mandate” with the obligation of regular transparent reporting on the commitment to sustainable management of freshwater resources and safe access to them.
- The European Parliament approved the temporary and conditional inclusion of nuclear power and natural gas as green investments under the European Sustainable Investment Taxonomy.

Structure of CEZ Group activities in 2021 according to EU taxonomy



INELIGIBLE—Emission activities

ELIGIBLE activities

INELIGIBLE—Neutral activities

INELIGIBLE—Transitional activities***

CAPEX = investments; OPEX = operating expenses

*** nuclear, low emission CCGT and CHP sources

CEZ Group's Activities are Valued by Rating Agencies

Following the upgrade of its ESG rating by MSCI to AA (up from BBB), ČEZ is among the top 33% of energy companies.

* link to CEZ Group Sustainability Report <https://www.cez.cz/cs/o-cez/udrzitelnost-a-etika/energie-pro-budoucnost/zpravy-o-udrzitelnem-rozvoji>

** link to ESG website <https://www.cez.cz/sustainability>





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-

FINANCIAL AND OPERATING RESULTS



		H1 2021	H1 2022	Difference	%
Operating revenues	CZK bn	108.2	130.5	+22.3	+21%
EBITDA	CZK bn	31.6	59.3	+27.7	+88%
of which: Existing assets*	CZK bn	29.1	59.3	+30.2	+104%
EBIT	CZK bn	6.1	44.2	+38.1	>200%
Net income	CZK bn	1.6	33.6	+32.0	>200%
Adjusted net income**	CZK bn	11.3	33.6	+22.4	+198%
Operating cash flows	CZK bn	23.6	41.7	+18.1	+77%
CAPEX	CZK bn	11.7	12.1	+0.4	+3%

		H1 2021*	H1 2022	Difference	%
Installed capacity***	GW	12.3	11.8	-0.5	-4%
Electricity generation	TWh	27.3	26.8	-0.5	-2%
Electricity distributed to end-use customers	TWh	19.2	18.3	-0.9	-5%
Sales of electricity to end customers	TWh	10.5	11.7	+1.2	+12%
Sales of gas to end customers	TWh	3.9	4.8	+0.9	+24%
Sales of heat	thousands TJ	15.7	13.5	-2.2	-14%
Workforce headcount***	thousands persons	27.0	27.3	+0.3	+1%

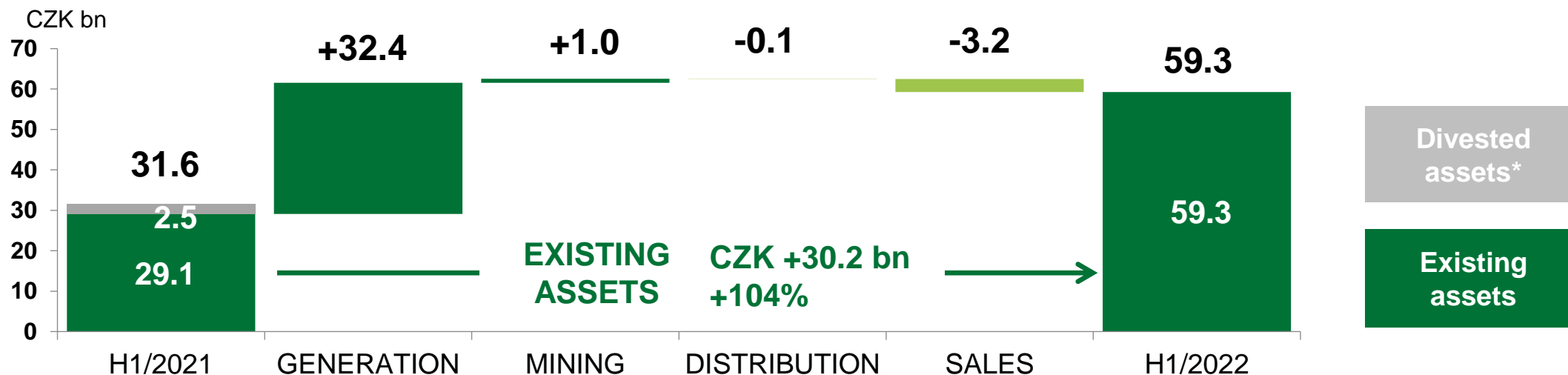
* without divested assets. Romanian companies sold on March 31, 2021 and Bulgarian companies on July 27, 2021.

** 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 write-off)

*** As of the last date of the period



MAIN CAUSES OF YEAR-ON-YEAR CHANGE IN EBITDA



Existing assets (CZK +30.2 bn)

GENERATION Segment (CZK +32.4 bn):

- Impact of extreme increase in market prices of commodities on the wholesale market and higher sales and activation of ancillary services in Czechia (CZK +21.5 bn)
- Higher profit contribution from commodity trading on foreign markets (CZK +7.1 bn)
- Specific temporary effects related to the revaluation of generation hedging contracts and the time swaps of emission allowances (CZK +3.7 bn)

SALES Segment (CZK -3.2 bn):

- Substantial increase in purchase commodity prices and market volatility, which had a negative impact on the Czech sales companies' results (CZK -3.0 bn), including the retail segment - ČEZ Prodej (CZK -2.2 bn) and the B2B segment - ESCOs in Czechia (CZK -0.8 bn)



* Divested assets in H1 2021 generated EBITDA (CZK +2.5 bn): of which Romania (CZK +1.2 bn), Bulgaria (CZK +1.2 bn).

GENERATION SEGMENT EBITDA



EBITDA (CZK bn)	H1/2021*	H1/2022	Difference	%	Q2/2021*	Q2/2022	Difference	%
Zero-emission Generating Facilities	13.4	28.3	+14.9	+108%	6.1	12.8	+6.7	+112%
of which: nuclear	10.8	22.2	+11.4	+101%	4.5	9.8	+5.3	+115%
of which: renewables	2.5	6.1	+3.6	+141%	1.5	3.0	+1.5	+103%
Fossil-fuel Generating Facilities	2.5	9.2	+6.7	>200%	0.1	2.8	+2.7	>200%
Trading	0.3	7.4	+7.1	>200%	0.3	2.0	+1.7	>200%
Specific temporary effects	-2.6	1.1	+3.7	-	-1.6	-8.4	-6.8	>200%
Total Generation Segment	13.5	46.0	+32.4	>200%	4.7	9.2	+4.5	+94%

Year-on-year effects in H1:

Nuclear facilities (CZK +11.4 bn):

- Trade impacts (+10.8): of which price impact (+11.0), lower intragroup revenues (-0.3)
- Operating effects (+0.6): operating availability of Temelín (+0.5) and Dukovany (+0.3), fixed operating costs (-0.2)

Renewables (CZK +3.6 bn):

- Trade effects (+3.8): price effect (+1.2), ancillary services and regulatory energy (+2.6)
- Operating effects (-0.2): hydroelectric plants in Czechia (-0.5), photovoltaic plants in Czechia (+0.3), wind power plants in Germany (+0.1)

Fossil-fuel sources (CZK +6.7 bn):

- Trade effects in Czechia (+6.7): price effect (+6.3), ancillary services and regulatory energy (+0.4)
- Operating effects in Czechia (+0.4): operating availability (-0.1), heat sales (+0.2), trading at the generating plants (+0.5), fixed costs (-0.2)
- Poland (-0.4) mainly lower generation margin due to the increase in the cost of emission allowances

Trading (CZK +7.1 bn):

- Higher trading prop margin (+10.7), potential loss on gas contracts with Gazprom Export (-1.2), fixed costs (-0.2)
- Other trading and consolidation impacts (-2.2) mainly part of margin realized on generation contracts with delivery in 2023+

Specific temporary effects (CZK +3.7 bn):

- Income from the sale of allowances for 2022 generation in Q1, which is gradually eliminated by higher emissions reserve for generation (+2.0)
- Revaluation of other generation commodity hedging contracts for 2022 and other temporary effects in 2022 (-0.9)
- Specific temporary effects in 2021 (+2.6)

Year-on-year effects in Q2:

Nuclear Generating Facilities (CZK +5.3 bn):

- Trade impacts (+5.1): price impact (+5.2), lower intragroup revenues (-0.1)
- Operating effects (+0.2): operating availability (+0.3), fixed costs (-0.1)

Renewables (CZK +1.5 bn): higher realized electricity prices (+0.5), higher revenues from ancillary services and regulatory energy (+1.1)

Fossil-Fuel sources (CZK +2.7 bn):

- Czechia: Trade effect (+2.6), ancillary services and regulatory energy (+0.3)
- Poland (-0.2) mainly lower generation margins

Trading (CZK +1.7 bn):

- Higher trading prop margin (+5.8), higher fixed costs (-0.2)
- Potential loss on gas contracts with Gazprom Export (-1.2)
- Other trading and consolidation impacts (-2.7) mainly part of margin realized on generation contracts with delivery in 2023+

Specific temporary effects (CZK -6.8 bn):

- Elimination of temporary income from Q1 2022 trades with allowances for generation (-2.3)
- Elimination of temporary income from Q1 2022 CCGT generation hedging trades and revaluation of CCGT generation hedging for H2 (-3.9)
- Revaluation of other generation commodity hedging contracts and other temporary effects (-0.6)



* 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 costs of the central divisions of ČEZ) and simplified consolidation with other companies in the segment.

MAIN CAUSES OF YEAR-ON-YEAR CHANGE IN NET INCOME



(CZK bn)	H1/2021	H1/2022	Difference	%
EBITDA	31.6	59.3	+27.7	+88%
Depreciation and amortization	-13.9	-15.2	-1.3	-9%
Impairments*	-11.6	0.1	+11.7	-
Other income (expenses)	-1.9	-2.5	-0.7	-36%
Interest income (expenses)	-2.0	-0.8	+1.2	+62%
Other	0.1	-1.8	-1.9	-
Income tax	-2.7	-8.1	-5.4	>200%
Net income	1.6	33.6	+32.0	>200%
Adjusted net income	11.3	33.6	+22.4	+198%

Net Income Adjustments

- In H1 2021, adjusted for fixed assets impairment of Severočeské doly (CZK +8.7 bn) and in Poland (CZK +1.0 bn)

Impairments* (CZK +11.7 bn)

- Addition to impairments of fixed assets in Severočeské doly (CZK +8.7 bn), in Romania (CZK +1.1 bn), in Poland (CZK +1.1 bn), and in Bulgaria (CZK +0.8 bn) in H1 2021

Depreciation and Amortization (CZK -1.3 bn)

- Acceleration of depreciation and amortization of coal-fired power plants in Czechia as a result of the deterioration of market and regulatory conditions for the long-term operation of coal-fired power plants in Czechia (CZK -1.5 bn)
- Higher depreciation and amortization of ČEZ Distribuce (CZK -0.3 bn)
- Lower depreciation and amortization of assets at Severočeské doly (CZK +0.6 bn) reflecting impairments in 2021

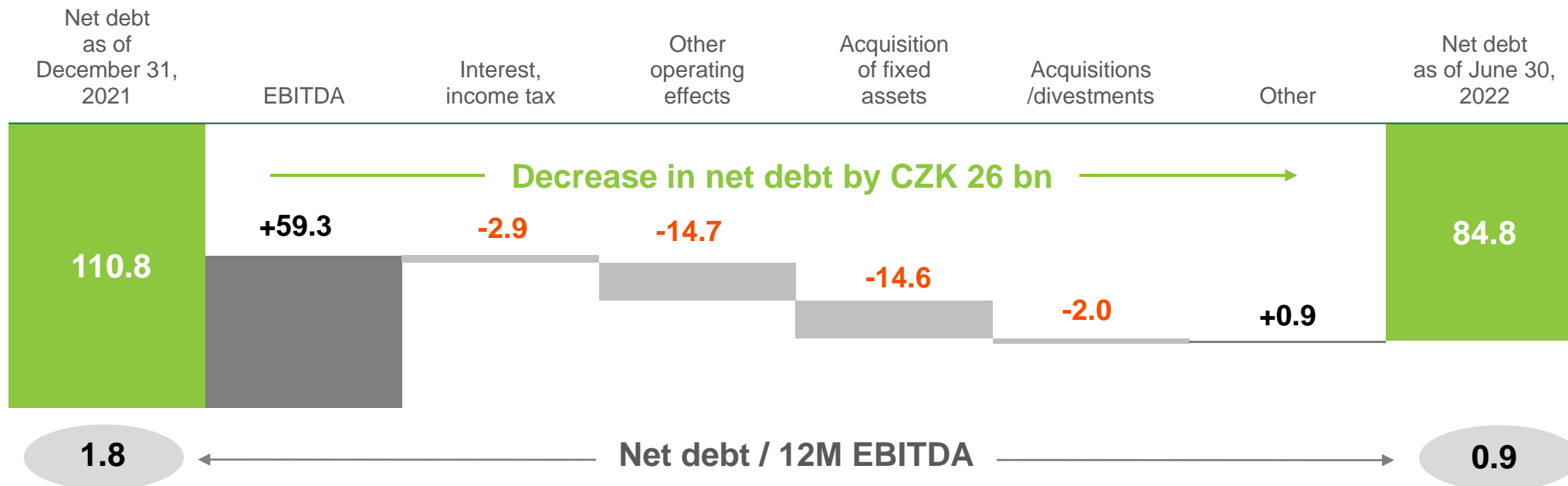
Other Income and Expenses (CZK -0.7 bn)

- Exchange rate effects and revaluation of financial derivatives (CZK -1.9 bn), mainly due to revaluation of ČEZ margin deposits on exchanges and with trading counterparties
- Higher interest income (CZK +0.8 bn) due to higher liquidity on margin deposits and higher interest rates
- Lower interest expense (CZK +0.5 bn) due to a decrease in the total amount of debt



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

NET DEBT DECREASED BY CZK 26 BN IN H1



- **Interest, income taxes (CZK -2.9 bn):** income taxes paid (CZK -1.6 bn), balance of interest paid and received (CZK -1.3 bn)
- **Other operating effects (CZK -14.7 bn):** fossil fuel and material inventories (CZK -9.8 bn), margin deposits (CZK -4.7 bn), other (CZK -0.2 bn)
- **Acquisition of fixed assets (CZK -14.6 bn):** acquisition of fixed assets (CAPEX) (CZK -12.1 bn), change in liabilities from acquisition of fixed assets (CZK -1.1 bn), acquisition of Inven Capital securities (CZK -0.7 bn), acquisition of other securities (CZK -0.7 bn)
- **Acquisitions/divestments (CZK -2.0 bn):** acquisition of ŠKODA JS a.s. (CZK -1.6 bn), acquisition of ELIMER a.s. (CZK -0.2 bn) and KABELOVÁ TELEVIZE CZ s.r.o. (CZK -0.2 bn)
- **Other (CZK +0.9 bn):** mainly proceeds from the sale of securities held by Inven Capital

CREDIT LINES AND DEBT STRUCTURE

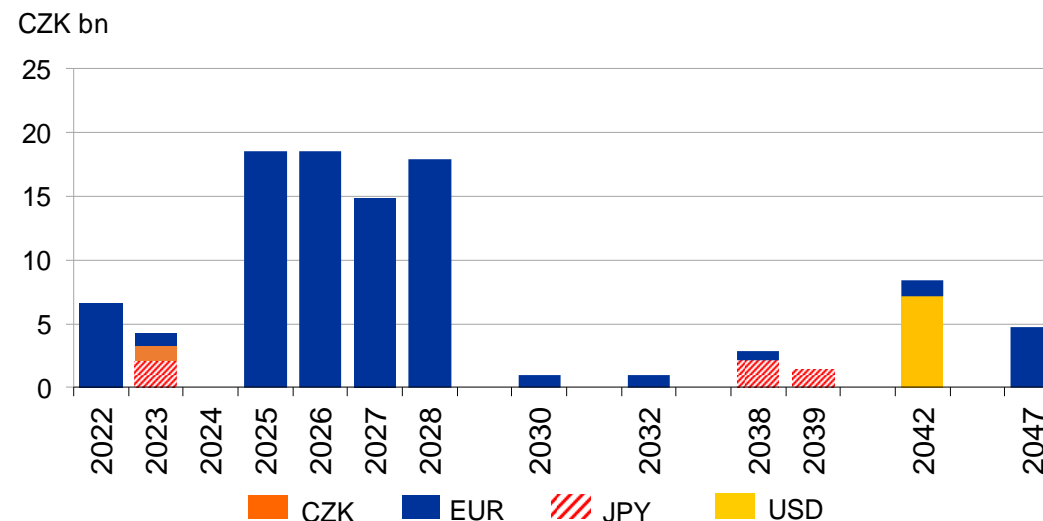


Utilization of Short-Term Lines and Available Committed Credit Facilities (as of Jun 30, 2022)



- Committed facilities are kept as a reserve for covering unexpected expenses and to fund short-term financial needs.
- CEZ Group has access to a total of CZK 47.5 bn of committed credit facilities.
- CZK 1.6 bn of committed lines drawn as of June 30, 2022.
- In July 2022, ČEZ drew a EUR 2 bn loan under a credit agreement with Czechia (of which EUR 1 bn is due in January 2023 and EUR 1 bn in April 2024) and was given the option to draw up to EUR 1 bn more (within 5 days of the request, with a maturity of three months), while this part can be drawn down repeatedly as the revolving credit.

Bond maturity profile (as of Jun 30, 2022)

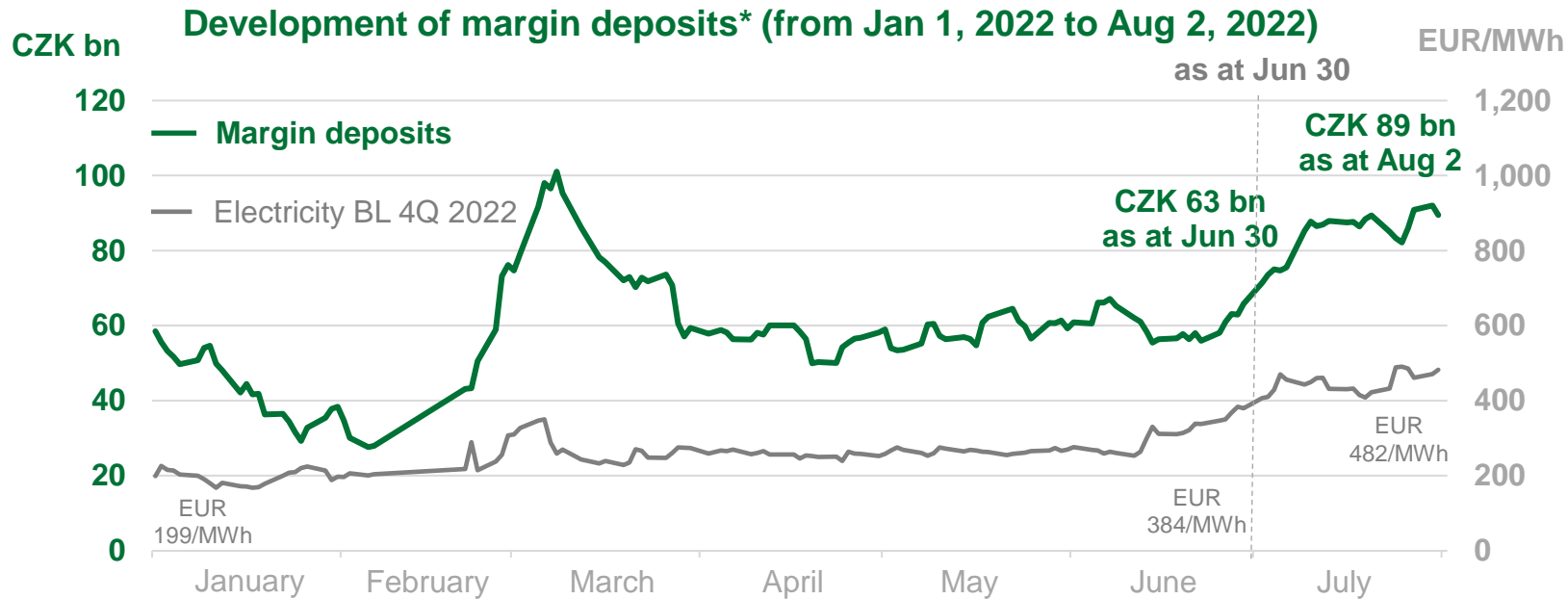


Debt Level

		Jun 30, 2021	Jun 30, 2022
Debt and loans	CZK bn	133.9	130.9
Cash and fin. assets*	CZK bn	33.3	46.1
Net debt	CZK bn	100.6	84.8
Net debt / EBITDA		1.7	0.9

* Cash and Cash Equivalents & Highly Liquid Financial Assets

CEZ HAS SIGNIFICANTLY INCREASED ITS AVAILABLE LIQUIDITY



Available liquidity (CZK bn)

	at Jun 30	at Aug 2
Cash	46	65
Credit lines	46	46
Contracted with Czechia	0	25
Total liquid resources	92	136

- ČEZ entered into a credit agreement with Czechia in the amount of up to EUR 3 bn in order to strengthen ČEZ's liquidity position at a time of extreme price volatility in the energy markets and the associated higher margin deposit requirements. Under this agreement, ČEZ drew a EUR 2 bn loan in July. The remaining amount of up to EUR 1 bn can be drawn by ČEZ within 5 days of the request.
- ČEZ reduced margin deposits through optimizing positions on European exchanges and in relation to trading counterparties by CZK 10+ bn in Q2.
- ČEZ has a total of 5.8 TWh of natural gas with delivery in Czechia contracted for H2, of which only 2% are contracts from Russia's Gazprom Export. CEZ Group's credit exposure to Russia's Gazprom Export amounted to CZK 1.7 bn as of June 30. In June gas deliveries by this company were reduced for the first time. In July less than 40% of contracted natural gas volumes was delivered.

* This refers to ČEZ cash temporarily deposited on exchanges and with trading counterparties in connection with generation hedging. The value of deposits reflects the overall lower historical contracted prices of electricity, EUA, and gas compared to current market prices (sum of the so-called variation margin and initial margin on exchanges). As the contracted quantities are delivered over time, these cash funds are returned to ČEZ. This is the effect of the standard operation allowing 100% elimination of credit risk for all counterparties. Given the unprecedented increase in commodity prices over the last year and the extreme increase in volatility, margining causes significant liquidity risks to all energy generators who normally hedge their generation through pre-sales of their output.

NUCLEAR AND MINING PROVISIONS AS OF YE 2021



**Nuclear and mining provisions as of YE 2021 in accordance with IFRS
(discount rate 0.3 % p.a. (real), est. Inflation effect 2.0%)**

	Provision (CZK bn)	Responsibility of:	Cash cover (CZK)
Interim storage of spent nuclear fuel	10.0	CEZ	0.01 bn
Permanent storage of spent nuclear fuel	41.4 bn	State*, costs paid by CEZ	Fee 55 CZK/MWh generated in NPP paid to Nuclear Account***
Nuclear Facility decommissioning	42.3 bn	CEZ	14.8 bn
Mining reclamation	12.4 bn	CEZ (SD**)	4.9 bn
Landfills (ash storage)	0.7 bn	CEZ	0.2 bn

* RAWRA - Radioactive Waste Repository Authority

**SD – Severočeské doly

*** State Nuclear Account balance as of YE 2020 CZK 31.7bn

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP (CZK)



<i>CZK bn</i>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues	<u>221.9</u>	<u>216.7</u>	<u>201.8</u>	<u>210.2</u>	<u>203.7</u>	<u>205.1</u>	<u>184.5</u>	<u>206.2</u>	<u>213.7</u>	<u>227.8</u>
Sales of electricity	186.8	189.4	173.8	182.1	174.9	104.1	103.1	110.2	118.7	136.2
Sales of services						76.3	59.9	71.4	71.5	67.3
Sales of gas, heat and coal and other income	35.1	27.4	27.9	28.1	28.8	24.7	21.5	24.6	23.5	24.3
Operating Expenses	<u>136.1</u>	<u>134.7</u>	<u>129.3</u>	<u>145.1</u>	<u>145.6</u>	<u>151.2</u>	<u>135</u>	<u>146</u>	<u>148.9</u>	<u>164.6</u>
Purchased power and related services	71.7	79	75.8	90.9	59.5	57.4	52.2	55.5	56.3	62.7
Fuel and emission rights	15.8	13.8	12.7	13.1	15.1	16.0	19.1	21.4	23.3	24.6
Salaries and wages	18.7	18.7	18.9	17.8	19.2	22.1	25.6	28.8	30.9	30.6
Other	29.9	23.2	21.9	23.4	51.8	54.5	38.1	40.3	38.4	46.7
EBITDA	<u>85.8</u>	<u>82</u>	<u>72.5</u>	<u>65.1</u>	<u>58.1</u>	<u>53.9</u>	<u>49.5</u>	<u>60.2</u>	<u>64.8</u>	<u>63.2</u>
<i>EBITDA margin</i>	<i>39%</i>	<i>38%</i>	<i>36%</i>	<i>31%</i>	<i>29%</i>	<i>26%</i>	<i>27%</i>	<i>29%</i>	<i>30%</i>	<i>28%</i>
Depreciation, amortization, impairments	28.9	36.4	35.7	36.3	32.1	29.5	29.7	33.8	52.2	47.1
EBIT	<u>57</u>	<u>45.7</u>	<u>36.9</u>	<u>29</u>	<u>26.1</u>	<u>25.6</u>	<u>19.8</u>	<u>26.4</u>	<u>12.6</u>	<u>16.1</u>
<i>EBIT margin</i>	<i>26%</i>	<i>21%</i>	<i>18%</i>	<i>14%</i>	<i>13%</i>	<i>12%</i>	<i>11%</i>	<i>13%</i>	<i>6%</i>	<i>7%</i>
Net Income	<u>40.1</u>	<u>35.2</u>	<u>22.4</u>	<u>20.5</u>	<u>14.6</u>	<u>19</u>	<u>10.5</u>	<u>14.5</u>	<u>5.5</u>	<u>9.9</u>
<i>Net income margin</i>	<i>18%</i>	<i>16%</i>	<i>11%</i>	<i>10%</i>	<i>7%</i>	<i>9%</i>	<i>6%</i>	<i>7%</i>	<i>3%</i>	<i>4%</i>
Adjusted net income	<u>41.3</u>	<u>43</u>	<u>29.5</u>	<u>27.7</u>	<u>19.6</u>	<u>20.7</u>	<u>13.1</u>	<u>18.9</u>	<u>22.8</u>	<u>22.3</u>
<i>Adjusted net income margin</i>	<i>19%</i>	<i>20%</i>	<i>15%</i>	<i>13%</i>	<i>10%</i>	<i>10%</i>	<i>7%</i>	<i>9%</i>	<i>11%</i>	<i>10%</i>
<i>CZK bn</i>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Non current assets	494.7	485.9	497.5	493.1	489.3	487.9	480.4	501.9	471.9	474.4
Current assets	141.1	154.5	130.4	109.6	141.6	136	227	202.7	230.5	708.4
- out of that cash and cash equivalents	18	25	20.1	13.5	11.2	12.6	7.3	9.8	6.1	26.6
Total Assets	<u>635.8</u>	<u>640.4</u>	<u>627.9</u>	<u>602.7</u>	<u>630.8</u>	<u>623.9</u>	<u>707.4</u>	<u>704.6</u>	<u>702.5</u>	<u>1182.9</u>
Shareholders equity (excl. minority. int.)	250.2	258.1	261.3	267.9	256.8	250	234.7	250.8	233.9	161.1
<i>Return on equity</i>	<i>17%</i>	<i>14%</i>	<i>9%</i>	<i>8%</i>	<i>6%</i>	<i>8%</i>	<i>4%</i>	<i>6%</i>	<i>2%</i>	<i>5%</i>
Interest bearing debt	192.9	199	184.1	157.5	167.8	154.3	161	171.9	151.8	137.9
Other liabilities	192.6	183.3	182.4	177.3	206.2	219.6	311.7	281.9	316.8	883.9
Total liabilities	<u>635.8</u>	<u>640.4</u>	<u>627.9</u>	<u>602.7</u>	<u>630.8</u>	<u>623.9</u>	<u>707.4</u>	<u>704.6</u>	<u>702.5</u>	<u>1182.9</u>

SELECTED HISTORICAL FINANCIALS OF CEZ GROUP (EUR)



<i>EUR M</i>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
<u>Revenues</u>	<u>8,926</u>	<u>8,717</u>	<u>8,117</u>	<u>8,455</u>	<u>8,194</u>	<u>8,250</u>	<u>7,422</u>	<u>8,294</u>	<u>8,596</u>	<u>9,163</u>
Sales of electricity	7,514	7,619	6,991	7,325	7,035	4,187	4,147	4,433	4,775	5,479
Sales of services						3,069	2,409	2,872	2,876	2,707
Sales of gas, heat and coal and other income	1,412	1,102	1,122	1,130	1,158	994	865	990	945	977
<u>Operating Expenses</u>	<u>5,475</u>	<u>5,418</u>	<u>5,201</u>	<u>5,837</u>	<u>5,857</u>	<u>6,082</u>	<u>5,430</u>	<u>5,873</u>	<u>5,990</u>	<u>6,621</u>
Purchased power and related services	2,884	3,178	3,049	3,656	2,393	2,309	2,100	2,233	2,265	2,522
Fuel and emission rights	636	555	511	527	607	644	768	861	937	990
Salaries and wages	752	752	760	716	772	889	1,030	1,158	1,243	1,231
Other	1,203	933	881	941	2,084	2,192	1,533	1,621	1,545	1,879
<u>EBITDA</u>	<u>3,451</u>	<u>3,298</u>	<u>2,916</u>	<u>2,619</u>	<u>2,337</u>	<u>2,168</u>	<u>1,991</u>	<u>2,422</u>	<u>2,607</u>	<u>2,542</u>
<i>EBITDA margin</i>	<i>39%</i>	<i>38%</i>	<i>36%</i>	<i>31%</i>	<i>29%</i>	<i>26%</i>	<i>27%</i>	<i>29%</i>	<i>30%</i>	<i>28%</i>
Depreciation, amortization, impairments	1,163	1,464	1,436	1,460	1,291	1,187	1,195	1,360	2,100	1,895
<u>EBIT</u>	<u>2,293</u>	<u>1,838</u>	<u>1,484</u>	<u>1,167</u>	<u>1,050</u>	<u>1,030</u>	<u>796</u>	<u>1,062</u>	<u>507</u>	<u>648</u>
<i>EBIT margin</i>	<i>26%</i>	<i>21%</i>	<i>18%</i>	<i>14%</i>	<i>13%</i>	<i>12%</i>	<i>11%</i>	<i>13%</i>	<i>6%</i>	<i>7%</i>
<u>Net Income</u>	<u>1,613</u>	<u>1,416</u>	<u>901</u>	<u>825</u>	<u>587</u>	<u>764</u>	<u>422</u>	<u>583</u>	<u>221</u>	<u>398</u>
<i>Net income margin</i>	<i>18%</i>	<i>16%</i>	<i>11%</i>	<i>10%</i>	<i>7%</i>	<i>9%</i>	<i>6%</i>	<i>7%</i>	<i>3%</i>	<i>175%</i>
<u>Adjusted net income</u>	<u>1,661</u>	<u>1,730</u>	<u>1,187</u>	<u>1,114</u>	<u>788</u>	<u>833</u>	<u>527</u>	<u>760</u>	<u>917</u>	<u>897</u>
<i>Adjusted net income margin</i>	<i>19%</i>	<i>20%</i>	<i>15%</i>	<i>13%</i>	<i>10%</i>	<i>10%</i>	<i>7%</i>	<i>9%</i>	<i>11%</i>	<i>394%</i>
<i>EUR M</i>	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Non current assets	19,899	19,545	20,012	19,835	19,682	19,626	19,324	20,189	18,982	19,083
Current assets	5,676	6,215	5,245	4,409	5,696	5,471	9,131	8,154	9,272	28,496
- out of that cash and cash equivalents	724	1,006	809	543	451	507	294	394	245	1,070
<u>Total Assets</u>	<u>25,575</u>	<u>25,760</u>	<u>25,257</u>	<u>24,244</u>	<u>25,374</u>	<u>25,097</u>	<u>28,455</u>	<u>28,343</u>	<u>28,258</u>	<u>47,583</u>
Shareholders equity (excl. minority. int.)	10,064	10,382	10,511	10,776	10,330	10,056	9,441	10,088	9,409	6,480
<i>Return on equity</i>	<i>17%</i>	<i>14%</i>	<i>9%</i>	<i>8%</i>	<i>6%</i>	<i>8%</i>	<i>4%</i>	<i>6%</i>	<i>2%</i>	<i>5%</i>
Interest bearing debt	7,759	8,005	7,405	6,335	6,750	6,207	6,476	6,915	6,106	5,547
Other liabilities	7,747	7,373	7,337	7,132	8,294	8,833	12,538	11,340	12,743	35,555
<u>Total liabilities</u>	<u>25,575</u>	<u>25,760</u>	<u>25,257</u>	<u>24,244</u>	<u>25,374</u>	<u>25,097</u>	<u>28,455</u>	<u>28,343</u>	<u>28,258</u>	<u>47,583</u>



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